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As filed with the Securities and Exchange Commission on January 27, 2014.

Registration No. 333-193247

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1
to
FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

INSTALLED BUILDING PRODUCTS, INC.
(Exact name of registrant as specified in its charter)

Delaware	1520	45-3707650
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

495 South High Street, Suite 50
Columbus, Ohio 43215
(614) 221-3399
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Michael T. Miller
Executive Vice President and Chief Financial Officer
Installed Building Products, Inc.
495 South High Street, Suite 50
Columbus, Ohio 43215
(614) 221-3399
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Julie M. Allen, Esq. Robin M. Feiner, Esq. Proskauer Rose LLP Eleven Times Square New York, New York 10036 Tel (212) 969-3000 Fax (212) 969-2900	Shelley A. McBride, Esq. General Counsel and Secretary Installed Building Products, Inc. 495 South High Street, Suite 50 Columbus, Ohio 43215 Tel (614) 221-3399 Fax (614) 961-3542	Michael J. Zeidel, Esq. Skadden, Arps, Slate, Meagher & Flom LLP Four Times Square New York, New York 10036 Tel (212) 735-3000 Fax (212) 735-2000

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Securities Exchange Act of 1934, as amended. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price (1)(2)	Amount of Registration Fee
Common stock, $0.01 par value per share	$100,000,000	$12,880 (3)

(1) Estimated solely for purposes of determining the registration fee in accordance with Rule 457(o) under the Securities Act of 1933, as amended.
(2) Includes shares of common stock that may be purchased by the underwriters pursuant to their option to purchase additional shares of common stock.
(3) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information contained in this preliminary prospectus is not complete and may be changed. Neither we nor the selling stockholders may sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS **Subject to Completion** **January 27, 2014**

Shares

Common Stock

This is the initial public offering of our common stock. No public market currently exists for our common stock. We are offering shares of our common stock and the selling stockholders named in this prospectus are offering shares of our common stock. We will not receive proceeds from the sale of shares by the selling stockholders. We expect the public offering price to be between $ and $ per share.

We intend to list our common stock on the New York Stock Exchange, under the symbol "IBP."

We are an "emerging growth company" as defined under the federal securities laws and are eligible for reduced reporting requirements. See "Prospectus Summary—Implications of Being an Emerging Growth Company."

Investing in our common stock involves a high degree of risk. Before buying any shares, you should carefully read the discussion of material risks of investing in our common stock in "Risk Factors" beginning on page 14 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$	$
Underwriting discounts (1)	$	$
Proceeds, before expenses, to us	$	$
Proceeds, before expenses, to the selling stockholders	$	$

(1) See "Underwriting" for a complete description of the compensation payable to the underwriters and our financial advisor.

The underwriters may also purchase up to an additional shares of our common stock from us at the public offering price, less underwriting discounts and commissions, within 30 days from the date of this prospectus. If the underwriters exercise this option in full, the total underwriting discounts will be $, and the total proceeds, after underwriting discounts but before expenses, to us will be $.

The underwriters are offering the common stock as set forth under "Underwriting." Delivery of the shares will be made on or about , 2014.

Deutsche Bank Securities **UBS Investment Bank**

Zelman Partners LLC

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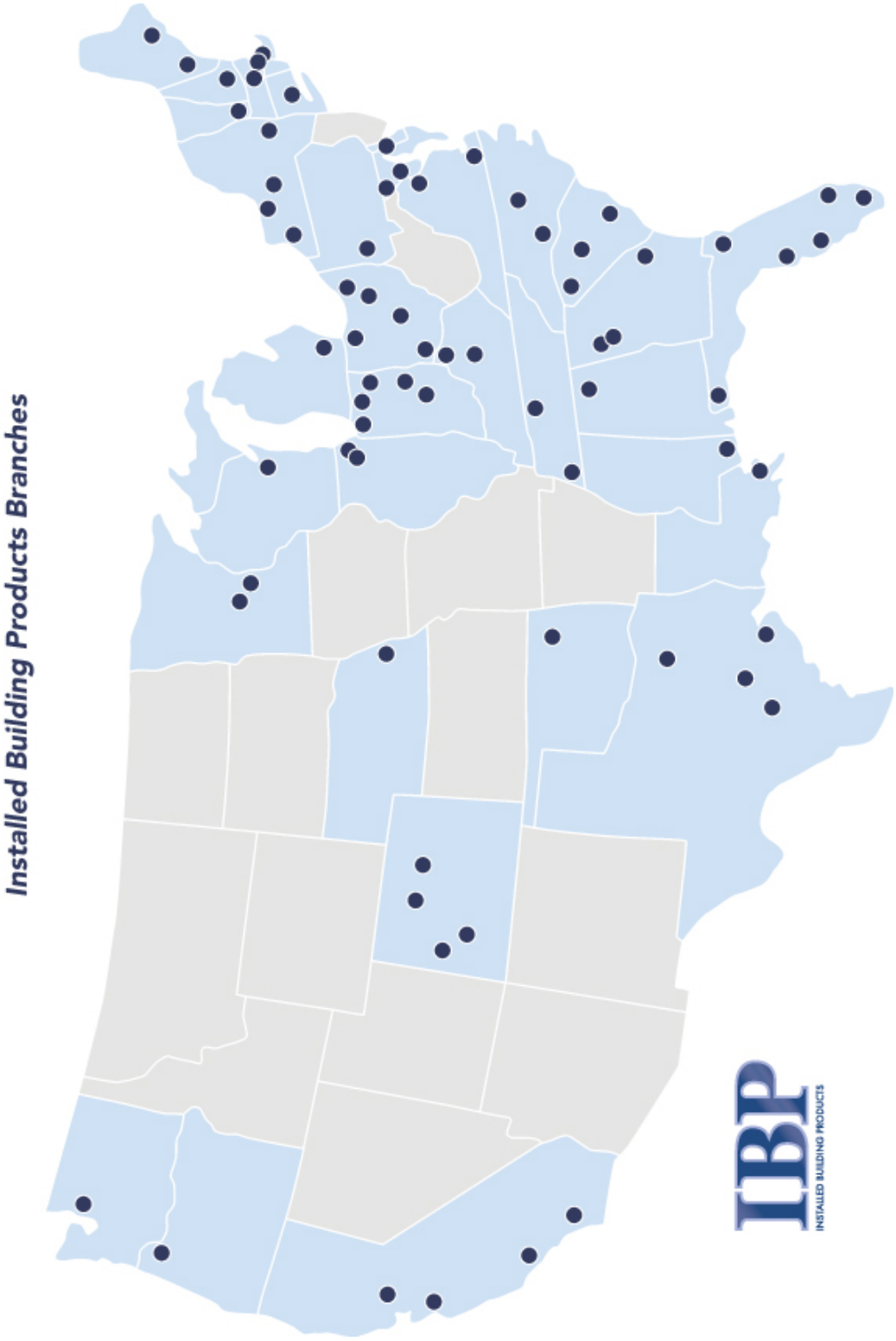

You should rely only on the information contained in this prospectus and any free writing prospectus we may specifically authorize to be delivered or made available to you. We, the selling stockholders and the underwriters have not authorized anyone to provide you with additional or different information. The information contained in this prospectus or any free writing prospectus is accurate only as of its date, regardless of its time of delivery or of any sale of shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

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This prospectus is an offer to sell only the shares offered hereby but only under circumstances and in jurisdictions where it is lawful to do so.

PRESENTATION OF MARKET AND INDUSTRY DATA AND INFORMATION

We obtained the industry, market and competitive position data used throughout this prospectus from our own internal estimates and research as well as from U.S. government and industry publications, studies and surveys. U.S. government and third-party industry sources include the U.S. Census Bureau, the National Association of Homebuilders, or NAHB, Blue Chip Economic Indicators, or Blue Chip, McGraw Hill Construction, Builder Magazine and the Joint Center of Housing Studies of Harvard University. The information derived from the sources cited in this prospectus generally represents the most recently available data and, therefore, we believe such data remains reliable. While we believe our internal company research is reliable, such research has not been verified by any independent source.

In this prospectus, we present a variety of housing market indicators, including building permits, housing starts and housing completions.

- A building permit is counted at the point in time a permit for construction is granted.
- A housing start is counted at the point in time excavation begins for the footings or foundation of a home.
- A housing completion is counted at the point in time installation of all finished flooring or carpeting of a home is completed.

Building permits and housing starts are both considered leading indicators of the state of the housing market. Alternatively, housing completions are considered a lagging indicator of the housing market. Statements in this prospectus relating to prospective trends in and forecasts of the housing market are based on housing starts or building permits, unless otherwise indicated.

References to the top ten largest homebuilders are based on Builder Magazine's 2012 Builder 100 list, which ranks U.S. single-family homebuilders based on the total number of home closings.

References to a housing market refer to a Metropolitan Statistical Area, or an MSA, which is an area that generally consists of at least one urbanized area of 50,000 or more inhabitants, plus adjacent territory that has a high degree of social and economic integration with the core area as measured by commuting ties. MSA boundaries are based on U.S. Census Bureau determinations as of March 2013. References to our locations refer to properties where we own or lease a facility. Our branches include one or more locations that typically share a common branch manager and administrative staff. We have multiple branches in certain of our markets. References to the markets that we serve or in which we operate are those markets within 50 miles of our locations.

Information in this prospectus relating to forecasts for U.S. housing starts is based on Blue Chip Economic Indicators, Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead dated January 10, 2014. Information in this prospectus relating to historical and forecast reports for commercial construction market starts is based on McGraw Hill Construction Dodge Reports, which are issued on a quarterly basis. We currently participate in many, but not all, categories of the commercial construction market included in the McGraw Hill Construction Dodge Reports.

Prospectus Summary

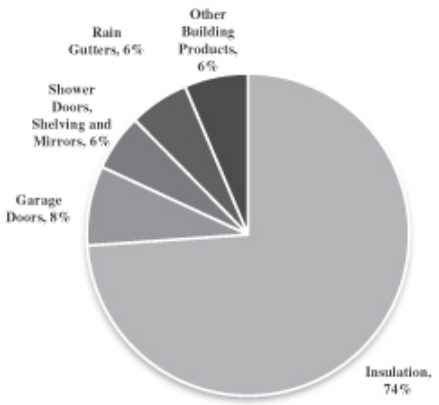
This prospectus summary highlights certain information appearing elsewhere in this prospectus. As this is a summary, it does not contain all of the information that you should consider in making an investment decision. You should read the entire prospectus carefully, including the information under "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus, before investing. This prospectus includes forward-looking statements that involve risks and uncertainties. See "Information Regarding Forward-Looking Statements." Unless the context otherwise requires, the terms "IBP," "the company," "we," "us" and "our" in this prospectus refer to Installed Building Products, Inc. and its subsidiaries.

OUR COMPANY

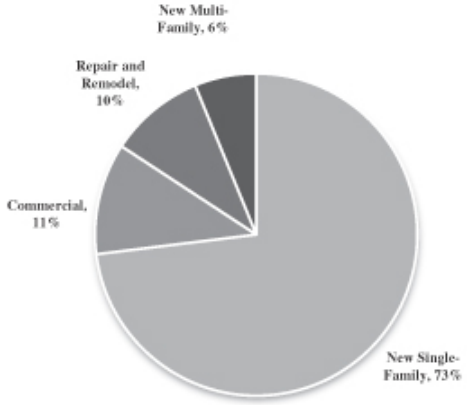
We are the second largest new residential insulation installer in the United States based on total U.S. housing completions, with a national platform consisting of over 100 locations serving customers in 44 states. We believe we have the number one or two market position for new single-family insulation installation in more than half of the markets in which we operate, based on permits issued in those markets. We also install complementary building products, including garage doors, rain gutters, shower doors, closet shelving and mirrors, which provide cross-selling opportunities. For the nine months ended September 30, 2013, we generated net revenue of $312.6 million, Adjusted EBITDA of $16.3 million and net income of $3.7 million. This represents a 49.0% increase in net revenue and a 3.1 times increase in Adjusted EBITDA as compared to the nine months ended September 30, 2012. Approximately 79% of our net revenue in the nine months ended September 30, 2013 was derived from sales to the U.S. residential new construction market.

Net Revenue for the nine-month period ended September 30, 2013

By product as a % of net revenue



By end market as a % of net revenue



We manage all aspects of the installation process for our customers, from our direct purchase and receipt of materials from national manufacturers, to our timely supply of materials to job sites and quality installation. Installation of insulation, which includes air sealing, is a critical phase in the construction process, as certain interior work cannot begin until the insulation phase passes inspection. We benefit from our national scale, long-

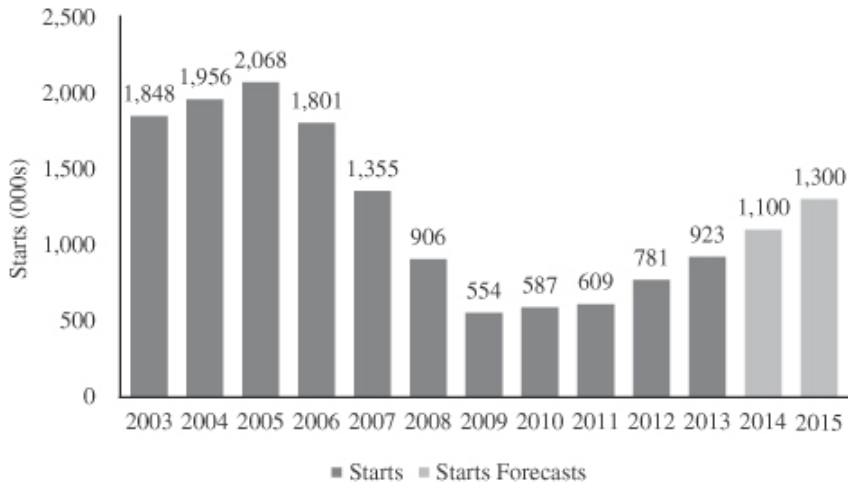
standing supplier relationships and a broad customer base that includes production and custom homebuilders, multi-family and commercial contractors, and homeowners. During each of the past five years, no single customer accounted for more than 3% of our net revenue.

Our business began in 1977 with one location in Columbus, Ohio. In the late 1990s, we began our acquisition strategy with the goal of creating a national platform. Since 1999, we have successfully completed and integrated over 90 acquisitions, which has allowed us to generate significant scale and to diversify our product offering while expanding into some of the most attractive housing markets in the United States. Over the past several years, our net revenue has increased at a faster rate than our operating expenses, resulting in an improved cost structure and a more efficient and scalable operating model to improve our financial performance and returns on invested capital. We are well positioned to continue to grow our business through the ongoing housing recovery, market share gains and acquisitions. We estimate that we have grown our share of the U.S. residential new construction insulation installation market from approximately 5% as of December 31, 2005 to approximately 16% as of September 30, 2013, based on total U.S. housing completions.

INDUSTRY OVERVIEW AND TRENDS

Housing End Market. Our business is driven primarily by the U.S. residential new construction market. According to the U.S. Census Bureau, total housing starts averaged approximately 1.6 million per year from 1968 to 2006. From 2007 to 2012, housing starts averaged approximately 800,000 per year, reaching a low in 2009 of approximately 554,000. After remaining relatively flat in 2010 and 2011, the housing industry started to recover in 2012, with U.S. housing starts increasing to approximately 781,000, which was the highest level achieved since 2008.

Historical and Forecast U.S. Housing Starts



Source: U.S. Census Bureau for historical starts data; Blue Chip for starts forecasts.

We believe that a new home construction recovery is currently underway on a national basis, which is being driven by key macroeconomic factors, including improved consumer confidence, increasing household formation and attractive levels of new home affordability. According to Blue Chip, housing starts are expected to grow by

19% in 2014 to reach approximately 1.1 million and by 18% in 2015 to reach approximately 1.3 million. We continuously monitor housing market growth trends across the United States in order to allocate our resources to maximize operating efficiencies and assess geographic expansion opportunities.

Other End Markets. We also install building products, including insulation, for the commercial construction and repair and remodel end markets. The McGraw Hill 2013 Dodge Construction Outlook (third quarter update) forecasts a 5% year-over-year increase in square footage for commercial construction in 2013 and a 17% year-over-year increase in 2014. We also expect to experience an increase in repair and remodel activity as the overall housing market recovery progresses.

Insulation Market. We compete primarily in the U.S. residential new construction insulation installation market, which we believe exceeded $1.4 billion of sales in 2012 and $4.0 billion of sales in 2005. Sales in the U.S. residential new construction insulation installation market are tied to trends in the housing market. We estimate that the top three insulation installers comprise approximately half of the total market. The remainder of the market is highly fragmented and is comprised primarily of smaller, privately owned, local companies, many of which lack scale and have limited access to capital.

Insulation and energy efficiency standards. The amount of insulation in a new home is regulated by various building and energy codes, which establish minimum thermal and air sealing performance requirements. These codes are typically updated with more stringent requirements every three years. The most recent of these code enhancements to be adopted is the 2012 International Energy Conservation Code, or the 2012 IECC. As of November 2013, six states and an additional 44 local jurisdictions had adopted the 2012 IECC, and the U.S. Department of Energy projects that 18 states will have adopted standards at the 2012 IECC level or higher by 2015. We believe that new residential insulation demand will increase as a result of increased adoption of the 2012 IECC by states and municipalities.

Installation and homebuilders. Builders value the benefits of using a qualified and experienced installer. These benefits include expertise in installing insulation and other products, knowledge of local building codes, timely supply of materials to job sites and management of installer labor. According to the NAHB, insulation comprises 1.8% of the total construction cost of a typical single-family home.

OUR COMPETITIVE STRENGTHS

We believe we benefit from the following competitive strengths:

Local market leadership with national scale

- We are the second largest new residential insulation installer in the United States based on total U.S. housing completions. We installed insulation in more than 70,000 homes in 2012 and operate in over 70% of the 50 largest housing markets across the United States, as measured by U.S. Census Bureau population estimates.
- Our local branch operations have earned a reputation for timely and quality installations, positioning us, we believe, as the number one or number two insulation installer for new single-family insulation installation in more than half of the markets we serve, based on permits issued in those markets.
- Our branches have expertise in local building codes and energy-efficient building practices, and strong working relationships with homebuilders and on-site construction managers.
- Our regional managers, local branch managers and sales force have significant experience in the industry and have spent an average of more than 10 years with our operations.

Proven ability to gain market share

- We estimate that we have increased our market share in the U.S. residential new construction insulation installation market from approximately 5% to approximately 16% from December 31, 2005 to September 30, 2013, based on total U.S. housing completions.
- We have increased our net revenue divided by total U.S. housing completions by 180% from 2005 to 2012. We believe that our ability to increase net revenue performance over this period, despite a 66% decline in the number of total U.S. housing completions over this period, was the result of acquiring local installation operations, gaining market share organically, cross-selling complementary installation services and installing more insulation per home due to the adoption of more energy efficient building codes.

Net Revenue Divided by Total U.S. Housing Completions

Source: U.S. Census Bureau for housing completions data.

Proven acquisition track record

- Since 1999, we have completed over 90 acquisitions.
- We have a proven ability to identify operations that meet our disciplined acquisition criteria and to successfully integrate them to realize synergies within our scalable infrastructure.
- Our ability to retain local employees, trademarks, trade names and long-term customers has been an important component of our successful acquisition strategy.

Highly efficient and scalable operating model

- Our national platform and long-standing supplier relationships allow us to leverage economies of scale to deliver attractive margins.
- Our web-based information system facilitates the complete proposal-to-collection process with a customizable platform that supports local market needs, while also enabling efficient centralized accounting and in-depth data analysis.
- Our local branch operations benefit from dedicated corporate services related to purchasing, safety practices, claims and risk management, regulatory compliance and human resources support.

Highly experienced and incentivized management team

- Our management team has led us through multiple housing industry cycles, providing valuable continuity and a demonstrated ability to improve operations and grow our business both organically and through acquisitions.
- Each of our executive officers has more than 10 years of experience with us. They and our regional presidents average more than 20 years of experience in the building products and construction industries.
- Our senior management team is highly incentivized to succeed. Jeff Edwards, our Chief Executive Officer and Chairman, and our directors and executive officers will beneficially own approximately % and %, respectively, of our common stock after this offering.

OUR GROWTH STRATEGY

Our objective is to leverage our competitive strengths to increase stockholder value through the following key strategies.

Capitalize on the new construction market recovery

- Approximately 79% of our net revenue in the nine months ended September 30, 2013 was derived from sales to the U.S. residential new construction market. According to Blue Chip, housing starts are expected to grow by approximately 19% in 2014 and approximately 18% in 2015.
- We estimate that our current addressable market, measured by the total number of permits issued in the markets we serve, has grown from approximately 24% of total new U.S. residential building permits for the year ended December 31, 2005 to approximately 55% for the nine months ended September 30, 2013.
- Our diversified customer base includes an attractive mix of production and custom homebuilders, ranging from national home builders to regional and local homebuilders as well as multi-family and commercial contractors, which we believe will enable us to grow through all stages of the housing recovery.
- We will continue to emphasize sourcing direct from manufacturers, local pricing discipline and working capital management to maximize our operating leverage and improve our market position.

Continue to gain market share through organic growth

- We believe we will continue to gain organic market share, aided by our national scale and local presence, quality service and ability to hire, train and retain installers.
- We expect to continue to strengthen our leading national market position, as many of our competitors lack the access to capital required to keep pace with the U.S. housing market recovery.
- We will continue to pursue cross-selling opportunities in garage doors, rain gutters, shower doors, closet shelving and mirrors and other complementary products. We estimate that our net revenue contributed by these products divided by total U.S. housing completions has grown from approximately $51 in 2005 to approximately $120 in 2012, a 135% increase.

Pursue value-enhancing strategic acquisitions

- The highly fragmented nature of our industry allows for both geographic expansion and existing market tuck-in acquisitions.
- We will continue to identify and pursue strategic acquisitions, based on our acquisition criteria that include local brand strength and quality of the local management and labor force.
- We believe we will continue to achieve synergies from our acquisitions due to our national buying power, value-enhancing technology and proven operating platform.

Maximize benefits from energy efficiency standards and industry trends

- We expect to increase our net revenue as building codes continue to require higher energy efficiency and homeowners become more focused on energy conservation.
- A return to the historic mix of single-family and multi-family new home construction activity, as forecasted by the NAHB, is expected to further increase insulation demand.
- Approximately 11% of our net revenue was derived from sales made to the commercial construction end market for the nine months ended September 30, 2013. According to the McGraw Hill 2013 Dodge Construction Outlook (third quarter update), square footage for commercial construction starts is expected to increase 5% year-over-year in 2013 and 17% year-over-year in 2014.

RISKS ASSOCIATED WITH OUR BUSINESS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described in "Risk Factors" before making a decision to invest in our common stock. If any of these risks actually occurs, our business, financial condition, results of operations and prospects would likely be materially adversely affected. In such case, the trading price of our common stock would likely decline, and you may lose part or all of your investment. Below is a summary of some of the principal risks we face:

- our dependence on the residential construction industry, the economy and the credit markets;
- uncertainty regarding the housing recovery;
- declines in the economy or expectations regarding the housing recovery that could lead to additional significant impairment charges;
- the cyclical and seasonal nature of our business;
- our exposure to severe weather conditions;
- the highly fragmented and competitive nature of our industry;
- product shortages or the loss of key suppliers;
- changes in the costs and availability of products;
- inability to successfully acquire and integrate other businesses;
- our exposure to claims arising from our acquired operations;
- our reliance on key personnel;
- our ability to attract, train and retain qualified employees while controlling labor costs;
- our exposure to product liability, workmanship warranty, casualty, construction defect and other claims and legal proceedings;
- changes in, or failure to comply with, federal, state, local and other regulations;
- we are a holding company and conduct all of our operations through our subsidiaries;
- disruptions in our information technology systems; and
- our ability to implement and maintain effective internal control over financial reporting and remediate any outstanding material weakness and significant deficiencies.

OUR PRINCIPAL INVESTORS

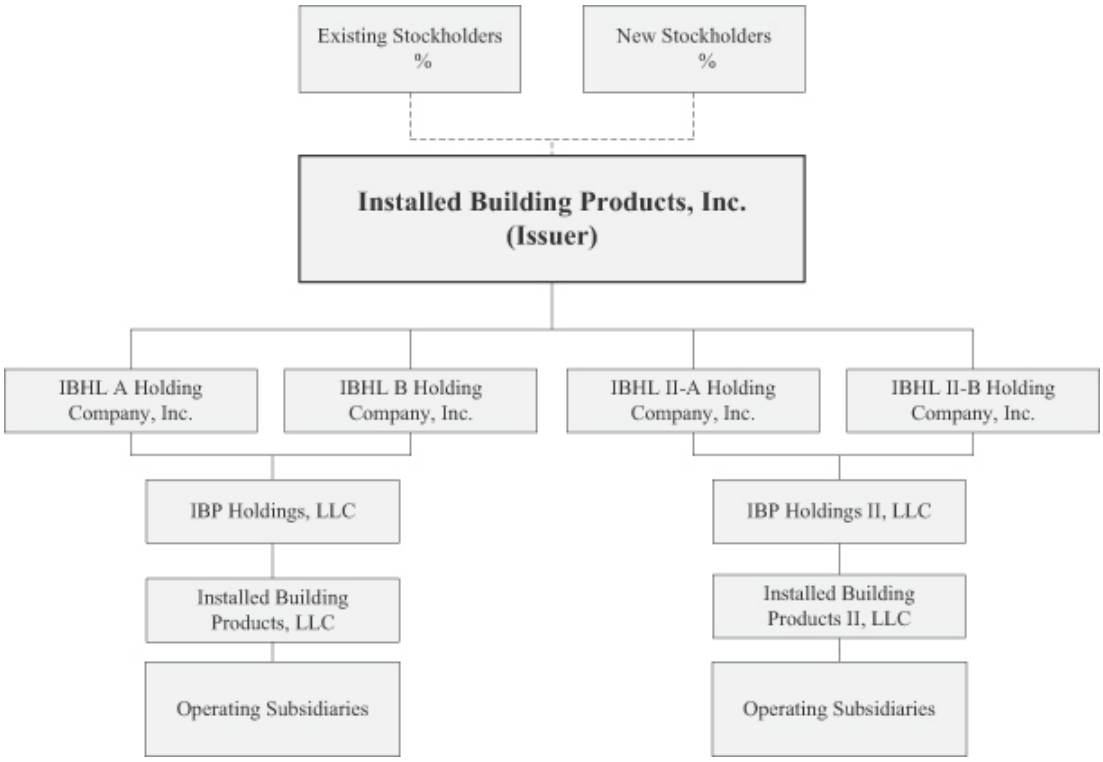
Our management team is led by Jeff Edwards, who has been our Chief Executive Officer since 2004 and Chairman of our Board of Directors since 1999. Jeff Edwards and members of his family have started, acquired and invested in companies for more than 40 years across a variety of industries, including multi-family and student

housing development and management, industrial tool distribution, wholesale building supply, homebuilding, land and real estate development, and real estate brokerage. Collectively, these companies are referred to as the Edwards Companies. Jeff Edwards, Peter Edwards Jr., Anne Edwards and Michael Edwards, and the investment entities through which they directly and indirectly beneficially own shares of our common stock, are referred to herein as the Edwards Investors. Jeff Edwards has voting and dispositive control over all of the shares of our common stock owned by the Edwards Investors. Peter Edwards Jr., Anne Edwards and Michael Edwards are not currently and have not been directors, officers or employees of our company. Jeff Edwards will beneficially own approximately % of our common stock after this offering.

Littlejohn Management Holdings, LLC is a private equity firm that seeks investment opportunities in middle-market companies undergoing a fundamental change in capital structure, strategy, operations or growth. Since the firm was founded in 1996, Littlejohn has made equity investments of approximately $2.0 billion in over 30 platform portfolio companies and many add-on acquisitions. As of September 30, 2013, the firm has approximately 25 investment professionals, ten of whom are partners with extensive investment and operating experience. Littlejohn Management Holdings, LLC and its affiliates, including Littlejohn Fund IV, L.P., are collectively referred to herein as Littlejohn. Littlejohn will beneficially own approximately % of our common stock after this offering.

COMPANY INFORMATION

Installed Building Products, Inc. (formerly, CCIB Holdco, Inc.) is a Delaware corporation formed on October 28, 2011 in connection with our Recapitalization. Installed Building Products, Inc. is a holding company that derives all of its operating income from its subsidiaries. Our organization and ownership structure following this offering is presented below:



Our principal executive offices are located at 495 South High Street, Suite 50, Columbus, Ohio 43215. Our main telephone number is (614) 221-3399. Our corporate internet website address is www.installedbuildingproducts.com. The information contained in, or that can be accessed through, our websites is not incorporated by reference and is not a part of this prospectus.

IMPLICATIONS OF BEING AN EMERGING GROWTH COMPANY

We qualify as an "emerging growth company" as defined in the Jumpstart our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include:

- a requirement to have only two years of audited financial statements and only two years of related selected financial data and management's discussion and analysis of financial condition and results of operations disclosure;
- an exemption from the auditor attestation requirement in the assessment of internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act;
- reduced disclosure about executive compensation arrangements; and
- no requirement to seek non-binding advisory votes on executive compensation or golden parachute arrangements.

We may take advantage of the provisions listed above until we are no longer an emerging growth company. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the completion of this offering, (b) in which we have total annual gross revenue of at least $1.0 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700 million as of the prior June 30th, and (2) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period. We may choose to take advantage of some but not all of these reduced disclosure requirements.

The JOBS Act also permits emerging growth companies to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We are choosing to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted. This decision to opt out of the extended transition period is irrevocable.

The Offering

Common stock offered by us	shares (or shares if the underwriters exercise their option to purchase additional shares in full).
Common stock offered by the selling stockholders	shares.
Common stock to be outstanding after this offering	shares (or shares if the underwriters exercise their option to purchase additional shares in full).
Option to purchase additional shares	We have granted the underwriters a 30-day option to purchase up to additional shares of our common stock.
Use of proceeds	We expect to receive net proceeds from this offering of approximately $ million, or approximately $ million if the underwriters exercise their option to purchase additional shares of our common stock in full, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discount and estimated offering expenses payable by us. We intend to use the net proceeds from this offering (including any additional proceeds that we may receive if the underwriters exercise their option to purchase additional shares of our common stock) to repurchase all of our outstanding preferred stock from Littlejohn for total consideration of $, to repay a portion of our outstanding indebtedness and the balance for general corporate purposes. See "Use of Proceeds." We will not receive any proceeds from the sale of shares of our common stock in this offering by the selling stockholders.
Dividend policy	We currently intend to retain any future earnings to finance the development and expansion of our business and, therefore, do not intend to pay dividends on our common stock for the foreseeable future. Our ability to pay dividends on our common stock will be limited by our revolving credit facility. Any future determination to pay dividends will be at the discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements, contractual restrictions, legal requirements and such other factors as our board of directors deems relevant. See "Dividend Policy."
Proposed New York Stock Exchange symbol	We intend to list our common stock on the New York Stock Exchange, or NYSE, under the symbol "IBP."
Risk factors	Investing in our common stock involves a high degree of risk. See "Risk Factors" beginning on page 13 of this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.

The number of shares of our common stock outstanding after this offering is based on shares of our common stock outstanding as of December 1, 2013 and excludes shares of common stock that will be reserved for issuance under our 2014 Omnibus Incentive Plan. Unless otherwise indicated, all information in this prospectus assumes:

- the filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, which will occur immediately prior to the effectiveness of the registration statement of which this prospectus forms a part;
- the repurchase by us of all of our outstanding preferred stock from Littlejohn for total consideration of $;
- no exercise by the underwriters of their option to purchase additional shares of our common stock; and
- a for stock split of our common stock to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

Summary Consolidated Financial Data

The summary consolidated financial data for each of the two years ended December 31, 2011 and 2012 has been derived from our audited consolidated financial statements that are included elsewhere in this prospectus. The summary consolidated statements of operations data for the nine months ended September 30, 2012 and 2013 and the summary consolidated balance sheet data as of September 30, 2013 have been derived from our unaudited consolidated financial statements that are included elsewhere in this prospectus. Our historical results for any prior period are not necessarily indicative of results expected in any future period.

The following data should be read in conjunction with the information under "Capitalization" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus. The following table does not take into effect the split of our common stock to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

	Year ended December 31,		Nine months ended September 30,	
	2011	2012	2012	2013
(in thousands, except share and per share data)				
Statement of operations information:				
Net revenue	$ 238,447	$ 301,253	$ 209,855	$ 312,599
Cost of sales	181,221	227,210	157,616	234,121
Gross profit	57,226	74,043	52,239	78,478
Operating expenses				
Selling	18,446	19,807	14,443	18,454
Administrative (1)(2)	45,678	56,333	41,274	49,183
Management fees, related parties (2)	4,760	4,300	—	—
Gain on litigation settlement	—	(6,975)	—	—
Amortization	3,785	3,082	2,300	2,301
Impairment of intangibles	1,687	352	—	—
Other	—	(960)	(960)	—
Operating (loss) income	(17,130)	(1,896)	(4,818)	8,540
Other expense (income)				
Interest expense	3,673	1,979	1,476	1,657
Interest expense, related parties	3,321	—	—	—
Gain on extinguishment of debt	(18,542)	—	—	—
Other	159	(136)	(135)	(24)
(Loss) income before income taxes	(5,741)	(3,739)	(6,159)	6,907
Income tax provision	1,449	555	510	2,646
Net (loss) income from continuing operations	(7,190)	(4,294)	(6,669)	4,261
Loss (income) from discontinued operations	2,455	(3,835)	530	960
Income tax (benefit) provision	(660)	1,447	(200)	(362)
Loss (income) from discontinued operations, net of tax	1,795	(2,388)	330	598
Net (loss) income	$ (8,985)	$ (1,906)	$ (6,999)	$ 3,663
Accretion charges on Series A Redeemable Preferred Stock	(811)	(5,529)	(4,085)	(4,597)
Accretion charges on Pre-Recapitalization Preferred Units	(1,621)	—	—	—
Gain on extinguishment of Pre-Recapitalization Preferred Units	85,040	—	—	—
Net income (loss) attributable to common stockholders	$ 73,623	$ (7,435)	$ (11,084)	$ (934)
Net income (loss) per share attributable to common stockholders (basic and diluted):				
Continuing operations	$ 75.42	$ (9.42)	$ (10.59)	$ (0.30)
Discontinued operations	(1.80)	2.29	(0.33)	(0.53)
Net income (loss) per share:	$ 73.62	$ (7.13)	$ (10.92)	$ (0.83)
As adjusted net income (loss) per share attributable to common stockholders (basic and diluted) (3)(4):				
Continuing operations	$	$	$	$
Discontinued operations				
Net income (loss) per share:	$	$	$	$
Weighted average number of shares outstanding:				
Basic and diluted	1,000,000	1,043,450	1,015,176	1,129,944
As adjusted basic and diluted (4)				

(in thousands)	As of December 31, 2011	As of December 31, 2012	As of September 30, 2013
Balance sheet data:			
Cash	$ 2,528	$ 3,898	$ 5,270
Total current assets	56,554	75,768	93,733
Property and equipment, net	8,198	17,931	29,524
Total assets	127,526	160,752	189,687
Total funded debt (5)	21,255	30,075	46,790
Mezzanine equity (6)	59,587	66,861	104,566
Total stockholders' equity	(9,560)	(7,482)	(41,524)
Total mezzanine equity and stockholder's equity	50,027	59,379	63,042

(in thousands, except percentages and net revenue per completion)	Year ended December 31, 2011	Year ended December 31, 2012	Nine months ended September 30, 2012	Nine months ended September 30, 2013
Statement of cash flows:				
Net cash (used in) provided by:				
Operating activities	$(12,755)	$ 4,594	$(2,173)	$ 2,617
Investing activities	181	(2,743)	(106)	(1,551)
Financing activities	11,945	(481)	5,395	306
Other financial data:				
Adjusted EBITDA (7)	$ (6,563)	$ 6,205	$ 5,173	$16,272
Adjusted EBITDA margin (7)	(2.8)%	2.1%	2.5%	5.2%
Net revenue divided by total U.S. housing completions	$ 408	$ 464	$ 454	$ 572

(1) In 2010, IBP Management Holdings, LLC, one of our stockholders, and in 2011, IBP Investment Holdings, LLC, one of our principal stockholders, issued awards of their equity interests to certain of our employees. Certain of these employees were granted rights to put such equity awards during a limited period to Jeff Edwards, our Chairman, Chief Executive Officer and President. Accounting guidance requires that the compensation associated with these equity awards be pushed down to us and recorded as non-cash compensation expense. The non-cash compensation expense associated with the equity awards approximated $0.8 million for the year ended December 31, 2011, $4.7 million for the year ended December 31, 2012, $4.6 million for the nine months ended September 30, 2012 and $0 for the nine months ended September 30, 2013 and is included in administrative expenses.

(2) For the year ended December 31, 2011, management fees represented amounts charged to us by IBP Holding Company, a related party, under agreements originally entered into in March 2004 and October 2007, which were terminated as a result of our Recapitalization. The associated expenses were transferred to us and the IBP Holding Company personnel became our employees in January 2012. For the year ended December 31, 2012, management fees were paid to Littlejohn Managers, LLC ($1.1 million), Jeff Edwards ($2.7 million) and TCI Holdings, LLC ($0.5 million) pursuant to an agreement dated December 18, 2012, which was terminated on November 22, 2013. No similar fees were charged during 2013, and we do not expect to incur management fees going forward.
Prior to November 1, 2013, Jeff Edwards served as a consultant and non-employee officer to us. As such, he did not receive salary or bonus for 2012. The costs of Jeff Edwards' services were paid through the management agreements discussed above. See the sections of this prospectus captioned "Compensation of our Executive Officers and Directors" and "Certain Relationships and Related-Party Transactions—Management Agreements." Jeff Edwards did not receive any compensation during the nine months ended September 30, 2013. In anticipation of this offering and with a view towards operating as a public company, we entered into an employment agreement with Jeff Edwards on November 1, 2013 that will pay Mr. Edwards a minimum annual base salary of $600,000 and provide him an opportunity to participate in the Company's annual incentive and benefit programs. Compensation paid by us to Mr. Edwards on or after November 1, 2013 will be recorded as an administrative expense in our consolidated statement of operations. As a result of the foregoing, our performance for the period ending September 30, 2013 will not be comparable in this respect to our operations in prior or subsequent periods and may not be indicative of future results.

(3) Our net income (loss) attributable to common stockholders has been adjusted to reflect the elimination of the accretion charges on the Series A Preferred Stock and the Redeemable Common Stock upon the consummation of this offering.

(4) Assumes the issuance of additional shares as a result of this offering.

(5) Total funded debt consists of current and long-term portions of long-term debt and capital lease obligations.

(6) Consists of Series A Preferred Stock and Redeemable Common Stock.

(7) Adjusted EBITDA measures performance by adjusting net income (loss) to exclude interest expense, income tax expense (benefit), depreciation and amortization, or EBITDA, and adjusts for certain income and expense items that are not considered part of our core operations. The Adjusted EBITDA margin takes Adjusted EBITDA and divides it by net revenue. See "Non-GAAP Measures" in the section of this prospectus captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The following table presents a reconciliation of Adjusted EBITDA to Net (loss) income, the most comparable GAAP measure, for each of the periods indicated.

	Year ended December 31,		Nine months ended September 30,	
(in thousands)	**2011**	**2012**	**2012**	**2013**
Net (loss) income	$ (8,985)	$(1,906)	$(6,999)	$ 3,663
Interest expense	6,994(a)	1,979	1,476	1,657
Provision for income taxes (b)	1,449	555	510	2,646
Depreciation and amortization	9,087	7,894	5,539	8,306
EBITDA	8,545	8,522	526	16,272
Gain on extinguishment of debt (c)	(18,542)	—	—	—
Recapitalization transaction fees (d)	2,654	—	—	—
Legal settlement (e)	—	(6,975)	—	—
Non-cash stock compensation (f)	780	4,658	4,647	—
Adjusted EBITDA	$ (6,563)	$ 6,205	$ 5,173	$16,272

a. Consists of interest expense of $3,673 on debt and related-party interest of $3,321. The related-party interest was forgiven in connection with our Recapitalization.
b. Excludes income taxes related to discontinued operations.
c. Represents the gain recorded in the 2011 Consolidated Statement of Operations related to the extinguishment of certain first lien senior secured indebtedness in connection with our Recapitalization.
d. Represents expenses related to the Recapitalization.
e. Represents the settlement in 2012 of a class action lawsuit in which we were one of the plaintiffs. The lawsuit related to excess material prices being charged by certain manufacturers.
f. In 2010, IBP Management Holdings, LLC and, in 2011, IBP Investment Holdings, LLC issued awards of their equity interests to certain of our employees. Certain of these employees were granted rights to put such equity awards during a limited period to Jeff Edwards, our Chairman, Chief Executive Officer and President. Accounting guidance requires that the compensation associated with these equity awards be pushed down to us and recorded as non-cash compensation expense.

Risk Factors

Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information in this prospectus, including our consolidated financial statements and related notes included elsewhere in this prospectus, before making an investment decision. If any of the following risks are realized, our business, financial condition, results of operations and prospects could be materially and adversely affected. In that event, the trading price of our common stock could decline and you could lose part or all of your investment.

RISKS ASSOCIATED WITH OUR BUSINESS

Our business is dependent on the residential construction industry, the economy, the credit markets and other important factors, many of which are beyond our control.

We are highly dependent on the level of new home construction, which in turn is dependent upon a number of factors, including interest rates, consumer confidence, employment rates, foreclosure rates, housing inventory levels, housing demand and the health of the economy and mortgage markets. Unfavorable changes in demographics, credit markets, political conditions, consumer confidence, household formation, housing affordability or housing inventory levels, or a weakening of the national economy or of any regional or local economy in which we operate, could adversely affect consumer spending, result in decreased demand for homes and adversely affect our business. Additional headwinds may come from the efforts and proposals of lawmakers to reduce the debt of the federal government and/or solve state budget shortfalls through tax increases and/or spending cuts, and financial markets' and businesses' reactions to those efforts and proposals, which could impair economic growth.

The housing market recovery faces significant challenges.

While some of the challenges facing the housing market moderated in 2012, several remain, and these challenges could return and/or intensify to limit the extent of any recovery of or future improvement in housing market conditions. These challenges include (i) weak general economic and employment growth that, among other things, limits consumer incomes, consumer confidence and demand for homes; (ii) elevated levels of mortgage loan delinquencies, defaults and foreclosures that could add to an inventory of lender-owned homes that may be sold in competition with new and resale homes at low distressed prices or that generate short sales activity at such price levels; (iii) a significant number of homeowners whose outstanding principal balance on their mortgage loan exceeds the market value of their home, which undermines their ability to purchase another home that they otherwise might desire and be able to afford; (iv) volatility and uncertainty in U.S. financial, credit and consumer lending markets amid slow growth or recessionary conditions; and (v) tight lending standards and practices for mortgage loans that limit consumers' ability to qualify for mortgage financing to purchase a home, including increased minimum credit score requirements, credit risk/mortgage loan insurance premiums and/or other fees and required down payment amounts, more conservative appraisals, higher loan-to-value ratios and extensive buyer income and asset documentation requirements. Given these factors, the present housing recovery may not continue or gain further momentum, which could adversely affect our business, financial condition and results of operations.

The present housing recovery is relative to the historically low levels of home sales and residential new construction activity experienced during the recent housing downturn. Even with the upturn in 2012, new home construction remains well below, and may not return to, the peak levels reached shortly before the housing downturn began in 2006. In addition, we operate in certain markets where new home construction lags the housing recovery. If the present new home construction recovery stalls or does not continue at the same pace, or any or all of the negative factors described above persist or worsen, there would likely be a corresponding adverse effect on the new home construction market, which would have a material adverse effect on our business and our consolidated financial statements, including, but not limited to, the amount of revenues we generate and our ability to operate profitably.

A decline in the economy and a deterioration in expectations regarding the housing recovery could result in our taking additional significant non-cash impairment charges, which may reduce our financial resources and flexibility and could negatively affect our earnings and reduce stockholders' equity.

During 2010, we recorded a $64.3 million goodwill impairment charge. We did not record any goodwill impairment charges in 2011 or 2012 or the nine months ended September 30, 2013; however, a decline in the expectation of our future performance or deterioration in expectations regarding the timing and the extent of the recovery of new home construction and home improvement may cause us to recognize additional non-cash, pre-tax impairment charges for goodwill and other indefinite-lived intangible assets or other long-lived assets, which are not determinable at this time. In addition, as a result of our acquisition strategy, we will likely record additional goodwill and may incur impairment charges in connection with prior and future acquisitions. If the value of goodwill or other intangible assets is impaired, our earnings and stockholders' equity would be adversely affected. In addition, if future acquisitions are not successful, we may record additional unexpected impairment charges.

Further, our revolving credit facility contains financial covenants that we must comply with, including covenants regarding limits on our debt to total capitalization ratio. We expect any future credit facility that we may enter into would contain similar covenants. If we record additional non-cash impairment charges, our stockholders' equity would be reduced, and our borrowing capacity under our new credit facility may be limited or we may need to seek waivers or amendments and there can be no assurance that these will be attainable on commercially reasonable terms or at all. Alternative financing may not be available on acceptable terms and at acceptable rates, if at all.

Our business is cyclical and significantly affected by changes in general and local economic conditions.

Demand for our services is cyclical and highly sensitive to general and local economic conditions over which we have no control, including changes in:

- the number of new home and commercial building construction starts;
- short- and long-term interest rates;
- inflation;
- employment levels and job and personal income growth;
- housing demand from population growth, household formation and other demographic changes;
- availability and pricing of mortgage financing for homebuyers and commercial financing for developers of multi-family homes and subcontractors;
- consumer confidence generally and the confidence of potential homebuyers in particular;
- U.S. and global financial system and credit market stability;
- private party and government mortgage loan programs and federal and state regulation, oversight and legal action regarding lending, appraisal, foreclosure and short sale practices;
- federal and state personal income tax rates and provisions, including provisions for the deduction of mortgage loan interest payments, real estate taxes and other expenses; and
- federal, state and local energy efficiency programs, regulations, codes and standards.

Adverse changes in these conditions may affect our business generally or may be more prevalent or concentrated in particular markets in which we operate. Any deterioration in economic conditions or continuation of uncertain economic conditions could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our business may be affected by severe weather conditions and is seasonal.

Severe weather conditions, such as unusually prolonged cold conditions, rain, blizzards or hurricanes, could accelerate, delay or halt construction or installation activity. The impact of these types of events on our business may adversely impact our net revenue, cash flows from operations and results of operations. If net revenue were to fall substantially below what we would normally expect during certain periods, our financial results would be adversely impacted.

We tend to have higher sales during the second half of the year as our homebuilder customers complete construction of homes placed under contract for sale in the traditionally stronger spring selling season. In addition, some of our larger branches operate in states more impacted by winter weather and as such experience a slowdown in construction activity during the first quarter of the calendar year. This winter slowdown contributes to traditionally lower sales in our first quarter.

Our industry is highly fragmented and competitive, and increased competitive pressure may adversely affect our business, financial condition, results of operations and cash flows.

The building products installation industry is highly fragmented and competitive. We face significant competition from other national, regional and local companies. Any of these competitors may (i) foresee the course of market development more accurately than we do, (ii) offer services that are deemed superior to ours, (iii) install building products at a lower cost, (iv) develop stronger relationships with homebuilders and suppliers, (v) adapt more quickly to new technologies, new installation techniques or evolving customer requirements or (vi) have access to financing on more favorable terms than we can obtain in the market. As a result, we may not be able to compete successfully with them. If we are unable to compete effectively, our business, financial condition, results of operations and cash flows may be adversely affected.

Product shortages or the loss of key suppliers could affect our business, financial condition, results of operations and cash flows.

Our ability to offer a wide variety of products to our customers is dependent upon our ability to obtain adequate product supply from manufacturers. We do not typically enter into long-term agreements with our suppliers. Generally, our products are available from various sources and in sufficient quantities. However, the loss of, or a substantial decrease in the availability of, products from our suppliers or the loss of key supplier arrangements could adversely impact our business, financial condition, results of operations and cash flows. In prior downturns in the housing industry, manufacturers have reduced capacity by closing plants and production lines within plants. Even if such capacity reductions are not permanent, there may be a delay in manufacturers' ability to increase capacity in times of rising demand. If the demand for products from manufacturers and other suppliers exceeds the available supply, we may be unable to source additional products in sufficient quantity or quality in a timely manner and the prices for the products that we install could rise. These developments could affect our ability to take advantage of market opportunities and limit our growth prospects. Our largest supplier, Owens Corning, accounted for approximately 22%, and our three largest suppliers in aggregate accounted for approximately 42%, of our material purchases in 2012. For the nine months ended September 30, 2013, Owens Corning accounted for approximately 24% of our material purchases and our three largest suppliers in the aggregate accounted for approximately 45%.

Failure by our suppliers to continue to provide us with products on commercially favorable terms, or at all, could put pressure on our operating margins or have a material adverse effect on our financial condition, operating results and cash flows. Our inability to source materials in a timely manner could also damage our relationships with our customers.

Changes in the costs of the products we install can decrease our profit margins.

The principal building products that we install have been subject to price changes in the past, some of which have been significant. Our results of operations for individual quarters can be and have been hurt by a delay between

the time building product cost increases are implemented and the time we are able to increase prices for our products, if at all. Our supplier purchase prices often depend on volume requirements. If we do not meet these volume requirements, our costs could increase and our margins may be adversely affected. In addition, while we have been able to achieve cost savings through volume purchasing and our relationships with suppliers, we may not be able to continue to receive advantageous pricing for the products that we install, which could have a material adverse effect on our financial condition, results of operations and cash flows.

We may be unable to successfully acquire and integrate other businesses.

We may be unable to continue to grow our business through acquisitions. We may not be able to continue to identify suitable acquisition candidates and may face increased competition for these acquisition candidates. In addition, acquired businesses may not perform in accordance with expectations, and our business judgments concerning the value, strengths and weaknesses of acquired businesses may not prove to be correct. We may also be unable to achieve expected improvements or achievements in businesses that we acquire. At any given time, we may be evaluating or in discussions with one or more acquisition candidates, including entering into non-binding letters of intent. Future acquisitions may result in the incurrence of debt and contingent liabilities, legal liabilities, goodwill impairments, increased interest expense and amortization expense and significant integration costs.

Acquisitions involve a number of special risks, including:

- our inability to manage acquired businesses or control integration costs and other costs relating to acquisitions;
- potential adverse short-term effects on operating results from increased costs or otherwise;
- diversion of management's attention;
- failure to retain existing key personnel of the acquired business and recruit qualified new employees at the location;
- failure to successfully implement infrastructure, logistics and systems integration;
- potential impairment of goodwill;
- risks associated with the internal controls of acquired companies;
- exposure to legal claims for activities of the acquired business prior to acquisition and inability to realize on any indemnification claims, including with respect to environmental and immigration claims;
- the risks inherent in the systems of the acquired business and risks associated with unanticipated events or liabilities; and
- our inability to obtain financing necessary to complete acquisitions on attractive terms or at all.

Our strategy could be impeded if we do not identify, or face increased competition for, suitable acquisition candidates and our business, financial condition and results of operations could be adversely affected if any of the foregoing factors were to occur.

We may be subject to claims arising from the operations of our various businesses for periods prior to the dates we acquired them.

We have consummated over 90 acquisitions. We may be subject to claims or liabilities arising from the ownership or operation of acquired businesses for the periods prior to our acquisition of them, including environmental, employee-related and other liabilities and claims not covered by insurance. These claims or liabilities could be significant. Our ability to seek indemnification from the former owners of our acquired businesses for these claims or liabilities may be limited by various factors, including the specific time, monetary or other limitations contained in the respective acquisition agreements and the financial ability of the former

owners to satisfy our indemnification claims. In addition, insurance companies may be unwilling to cover claims that have arisen from acquired businesses or locations, or claims may exceed the coverage limits that our acquired businesses had in effect prior to the date of acquisition. If we are unable to successfully obtain insurance coverage of third-party claims or enforce our indemnification rights against the former owners, or if the former owners are unable to satisfy their obligations for any reason, including because of their current financial position, we could be held liable for the costs or obligations associated with such claims or liabilities, which could adversely affect our financial condition and results of operations.

Our success depends on our key personnel.

Our business results depend largely upon the continued contributions of our chief executive officer and other members of our management team. We do not have employment agreements with any of our executive officers, other than Jeff Edwards, the Chairman of our Board and our Chief Executive Officer and President. Although our employment agreement with Mr. Edwards provides for a three-year term, he is permitted under the agreement to resign his employment at any time with only 30 days prior written notice to us. Also, while his employment agreement requires Mr. Edwards to devote the amount of time necessary to conduct our business and affairs, he is also permitted to engage in other business activities that do not create a conflict of interest or substantially interfere with his service to us, including non-competitive operational activities for his real estate development business. See “Compensation of Our Executive Officers and Directors—Compensation of Our Executive Officers— Employment Agreement with Jeff Edwards.” Although we maintain key person life insurance on Mr. Edwards, if he no longer serves in (or serves in some lesser capacity than) his current role, or if we lose other members of our management team, our business, financial condition and results of operations, as well as the market price of our securities, could be adversely affected.

Our business results also depend upon our branch managers and sales personnel, including those of companies recently acquired. While we customarily sign non-competition agreements, typically lasting two years, with our branch managers and sales personnel in order to maintain key customer relationships in our markets, such agreements do not protect us fully against competition.

We are dependent on attracting, training and retaining qualified employees while controlling labor costs.

We must attract, train and retain a large number of qualified employees while controlling related labor costs. We compete with other businesses for these employees. Tighter labor markets, due to a recovering housing market or otherwise, may make it more difficult for us to hire and retain installers and control labor costs. Our ability to control labor costs is subject to numerous external factors, including competitive wage rates and health and other insurance costs.

With the passage in 2010 of the U.S. Patient Protection and Affordable Care Act, or the Affordable Care Act, we are required to provide affordable coverage, as defined in the Affordable Care Act, to all employees, or otherwise be subject to a payment per employee based on the affordability criteria therein. Many of these requirements will be phased in over a period of time. Additionally, some states and localities have passed state and local laws mandating the provision of certain levels of health benefits by some employers. Although the impact of these new legislative directives on our business is not yet certain, increased health care and insurance costs could have an adverse effect on our business, financial condition and results of operations. In addition, changes in the federal or state minimum wage or living wage requirements or changes in other workplace regulations could adversely affect our ability to meet our financial targets.

In addition, various states in which we operate are considering or have already adopted new immigration laws or enforcement programs, and the U.S. Congress and Department of Homeland Security from time to time consider and may implement changes to federal immigration laws, regulations or enforcement programs. Although we verify the employment eligibility status of all our employees, including through participation in the “E-Verify” program where required, some of our employees may, without our knowledge, be unauthorized workers. Unauthorized workers are subject to deportation and may subject us to fines, penalties and adverse publicity.

Termination of a significant number of employees who are unauthorized workers may disrupt our operations and cause temporary increases in our labor costs as we train new employees. We could also become subject to fines, penalties and other costs related to claims that we did not fully comply with all recordkeeping obligations of federal and state immigration laws.

If we are unable to hire and retain qualified installation personnel at economically reasonable compensation and benefits levels, our business, prospects, financial condition and results of operations could be adversely affected.

We may be subject to periodic litigation and regulatory proceedings, including Fair Labor Standards Act and state wage and hour class action lawsuits, which may adversely affect our business and financial performance.

From time to time, we may be involved in lawsuits and regulatory actions, including class action lawsuits, that are brought or threatened against us for alleged violations of the Fair Labor Standards Act, or the FLSA, and state wage and hour laws. We are currently a defendant in two such lawsuits in Washington and Tennessee. Due to the inherent uncertainties of litigation, we cannot accurately predict the ultimate outcome of these or any similar proceedings that may arise in the future. The ultimate resolution of these matters through settlement, mediation or court judgment could have a material adverse impact on our financial condition, results of operations and cash flows. In addition, regardless of the outcome, these proceedings could result in substantial costs and may require us to devote substantial resources, including the time of our management team, to defend ourselves. See “Business—Legal Proceedings,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Operating Results—Labor Costs” and Note 11 to our audited consolidated financial statements for the year ended December 31, 2012 included elsewhere in this prospectus.

The nature of our business exposes us to product liability, workmanship warranty, casualty, construction defect, breach of contract and other claims and legal proceedings.

We are subject to product liability, workmanship warranty, casualty, construction defect, breach of contract and other claims relating to the products we install that, if adversely determined, could adversely affect our financial condition, results of operations and cash flows. We rely on manufacturers and other suppliers to provide us with most of the products we install. Because we do not have direct control over the quality of such products manufactured or supplied by such third-party suppliers, we are exposed to risks relating to the quality of such products. In addition, we are exposed to potential claims arising from the conduct of our employees, and homebuilders and other subcontractors, for which we may be contractually liable. Certain types of insulation, particularly spray foam applications, require our employees to handle potentially hazardous or toxic substances. While our employees who handle these and other potentially hazardous or toxic materials, including lead-based paint, receive specialized training and wear protective clothing, there is still a risk that they, or others, may be exposed to these substances. Exposure to these substances could result in significant injury to our employees and others, including site occupants, and damage to our property or the property of others, including natural resource damage. Our personnel and others at our work sites are also at risk for other workplace-related injuries, including slips and falls. We have in the past been, and may in the future be, subject to fines, penalties and other liabilities in connection with any such injury or damage. Although we currently maintain what we believe to be suitable and adequate insurance in excess of our self-insured amounts, we may be unable to maintain such insurance on acceptable terms or such insurance may not provide adequate protection against potential liabilities. Product liability, workmanship warranty, casualty, negligence, construction defect, breach of contract and other claims can be expensive to defend and can divert the attention of management and other personnel for significant periods of time, regardless of the ultimate outcome. In addition, lawsuits relating to construction defects typically have statutes of limitations that can run as long as ten years. Claims of this nature could also have a negative impact on customer confidence in us and our services. In addition, we are subject to various claims and lawsuits incidental to the conduct of our business in the ordinary course. Current or future claims could have a material adverse effect on our reputation, business, financial condition and results of operations. We may also be unable to obtain performance and licensing bonds on commercially reasonable terms or at all in the future. Surety companies issue bonds on a project-by-project basis and can decline to issue bonds at any time. Our inability to

obtain such bonds would materially and adversely affect our business, financial condition, results of operations and cash flows. For additional information, see Note 11 to our audited consolidated financial statements for the year ended December 31, 2012 included elsewhere in this prospectus.

Federal, state, local and other laws and regulations could impose substantial costs and/or restrictions on our operations that would reduce our net income.

We are subject to various federal, state, local and other laws and regulations, including, among other things, worker and workplace health and safety regulations promulgated by the Department of Labor's Occupational Safety and Health Administration, or OSHA, regulations promulgated by the Department of Transportation, or DOT, and employment regulations promulgated by the U.S. Equal Employment Opportunity Commission. More burdensome regulatory requirements in these or other areas, including workers' compensation, may increase our expenses and adversely affect our business, financial condition, results of operations and cash flows. Moreover, failure to comply with the regulatory requirements applicable to our business could expose us to substantial fines and penalties that could adversely affect our business, financial condition, results of operations and cash flows.

Our transportation operations, upon which we depend to transport materials from our locations to job sites, are subject to the regulatory jurisdiction of the DOT. The DOT has broad administrative powers with respect to our transportation operations. More restrictive limitations on vehicle weight and size, trailer length and configuration or driver hours of service would increase our costs, which, if we are unable to pass these cost increases on to our customers, may increase our selling and administrative expenses and adversely affect our financial condition, operating results and cash flows. If we fail to comply adequately with DOT regulations or regulations become more stringent, we could experience increased inspections, regulatory authorities could take remedial action including imposing fines or shutting down our operations and we could be subject to increased audit and compliance costs. We organize our transportation operations as a separate legal entity in certain states, including in Ohio and Indiana, in order to take advantage of sales tax exemptions relating to vehicle operating costs. If legislation is enacted that modifies or eliminates these exemptions, our costs would increase. If any of these events were to occur, our financial condition, results of operations and cash flows would be adversely affected.

In addition, the residential construction industry is subject to various federal, state and local statutes, ordinances, rules and regulations concerning zoning, building design and safety, construction, contractors' licensing, energy conservation and similar matters, including regulations that impose restrictive zoning and density requirements on the residential new construction industry or that limit the number of homes that can be built within the boundaries of a particular area. Regulatory restrictions and industry standards may require us to alter our installation processes and our sourcing and otherwise increase our operating expenses and limit the availability of suitable building lots for our customers, any of which could negatively affect our business, financial condition and results of operations.

We are subject to environmental regulation and potential exposure to environmental liabilities.

We are subject to various federal, state, and local environmental laws and regulations. Although we believe that we operate our business, including each of our locations, in material compliance with applicable laws and regulations and maintain all material permits required under such laws and regulations to operate our business, we may be held liable or incur fines or penalties in connection with such requirements. As the nature of our business involves the use or handling of certain potentially hazardous or toxic substances, including spray foam applications and lead-based paint, we may be held liable for claims alleging injury or damage resulting from the release or exposure to such substances. In addition, as owners and lessees of real property, we may be held liable for, among other things, hazardous or toxic substances, including asbestos or petroleum products on, at, under or emanating from currently or formerly owned or operated properties, or any off-site disposal locations, or for any known or newly discovered environmental conditions at or relating to any of our properties, including those arising from activities conducted by previous occupants or at adjoining properties, without regard to whether we knew of or were responsible for such release. We may be required to investigate, remove, remediate or monitor

the presence or release of such hazardous or toxic substances or petroleum products. We may also be held liable to a governmental entity for fines and penalties or to third parties for damages, including for bodily injury, property damage and natural resource damage in connection with the presence or release of hazardous or toxic substances or petroleum products. In addition, expenditures may be required in the future as a result of releases of, or exposure to, hazardous or toxic substances or petroleum products, the discovery of currently unknown environmental conditions or changes in environmental laws and regulations or their interpretation or enforcement and in certain instances, such expenditures may be material. While not having a material impact on our financial condition or results of operations, in 2011, a fire at one of our branches resulted in the run-off of hazardous materials into a nearby stream. We investigated and remediated the incident and received a no further action letter from the environmental regulatory authority with jurisdiction over the matter.

Increases in union organizing activity and work stoppages could delay or reduce availability of products that we install and increase our costs.

Less than one percent of our employees are currently covered by collective bargaining or other similar labor agreements. However, if a larger number of our employees were to unionize, including in the wake of any future legislation that makes it easier for employees to unionize, our business could be negatively affected. Any inability by us to negotiate collective bargaining arrangements could cause strikes or other work stoppages, and new contracts could result in increased operating costs. If any such strikes or other work stoppages occur, or if other employees become represented by a union, we could experience a disruption of our operations and higher labor costs.

In addition, certain of our suppliers have unionized work forces and certain of our products are transported by unionized truckers. Strikes, work stoppages or slowdowns could result in slowdowns or closures of facilities where components of the products that we install are manufactured or could affect the ability of our suppliers to deliver such products to us. Any interruption in the production or delivery of these products could delay or reduce availability of these products and increase our costs.

We are a holding company and conduct all of our operations through our subsidiaries.

We are a holding company and all of our operating assets are held by our direct and indirect subsidiaries. We derive all of our operating income from our subsidiaries. We will rely on the earnings and cash flows of our subsidiaries, which are paid to us by our subsidiaries in the form of dividends and other payments or distributions, to meet our debt service and other obligations. The ability of our subsidiaries to pay dividends or make other payments or distributions to us will depend on their respective operating results and may be restricted by, among other things, the laws of their jurisdiction of organization (which may limit the amount of funds available for the payment of dividends and other distributions to us), the terms of existing and future indebtedness and other agreements of our subsidiaries and the covenants of any future outstanding indebtedness that our subsidiaries incur.

Increases in fuel costs could adversely affect our results of operations.

The price of oil has fluctuated over the last few years, creating volatility in our fuel costs. We do not currently hedge our fuel costs. Increases in fuel costs can negatively impact our cost to deliver our products to our customers and thus increase our cost of sales. If we are unable to increase the selling price of our products to our customers to cover any increases in fuel costs, net income may be adversely affected.

We may be adversely affected by disruptions in our information technology systems.

Our operations are dependent upon our information technology systems, including our web-enabled internal software technology, jobCORE. The jobCORE software provides in-depth, real-time financial performance data from each branch location to the corporate office. We rely upon such information technology systems to manage customer orders on a timely basis, to coordinate our sales and installation activities across all of our locations and

to manage invoicing. A substantial disruption in our information technology systems for any prolonged time period (arising from, for example, system capacity limits from unexpected increases in our volume of business, outages, computer viruses, unauthorized access or delays in our service) could result in delays in receiving inventory and supplies or installing our products on a timely basis for our customers, which could adversely affect our reputation and customer relationships. Our systems might be damaged or interrupted by natural or man-made events or by computer viruses, physical or electronic break-ins, or similar disruptions affecting the Internet. Such delays, problems or costs could have a material adverse effect on our financial condition, results of operations and cash flows.

Because we operate our business through highly dispersed locations across the United States, our operations may be materially adversely affected by inconsistent practices and the operating results of individual branches may vary.

We operate our business through a network of highly dispersed locations throughout the United States, supported by corporate executives and services in our headquarters, with local branch management retaining responsibility for day-to-day operations and adherence to applicable local laws. Our operating structure can make it difficult for us to coordinate procedures across our operations in a timely manner or at all. In addition, our branches may require significant oversight and coordination from headquarters to support their growth. Inconsistent implementation of corporate strategy and policies at the local level could materially and adversely affect our overall profitability, business, results of operations, financial condition and prospects.

In addition, the operating results of an individual branch may differ from that of another branch for a variety of reasons, including market size, management practices, competitive landscape, regulatory requirements and local economic conditions. As a result, certain of our branches may experience higher or lower levels of growth than other branches. For example, during the nine months ended September 30, 2013, approximately 25% of the increase in our net revenue as compared to the same period in 2012 was generated by approximately 14% of our branches with approximately 50% of our branches, including acquired branches, accounting for 53% of the increase. Therefore, our overall financial performance and results of operations may not be indicative of the performance and results of operations of any individual branch.

Restrictions in our existing revolving credit facility, or any other indebtedness we may incur in the future, could adversely affect our business, financial condition, results of operations, ability to make distributions to stockholders and the value of our common stock.

Our existing revolving credit facility, or any future credit facility or other indebtedness we enter into, may limit our ability to, among other things:

- incur or guarantee additional debt;
- make distributions or dividends on or redeem or repurchase shares of common stock;
- make certain investments and acquisitions;
- make capital expenditures;
- incur certain liens or permit them to exist;
- enter into certain types of transactions with affiliates;
- acquire, merge or consolidate with another company; and
- transfer, sell or otherwise dispose of all or substantially all of our assets.

Our revolving credit facility contains, and any future credit facility or other debt instruments we may enter into will also likely contain, covenants requiring us to maintain certain financial ratios and meet certain tests, such as a fixed charge coverage ratio, a leverage ratio and minimum EBITDA test. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Revolving Credit

Facility." Our ability to comply with those financial ratios and tests can be affected by events beyond our control, and we may not be able to comply with those ratios and tests when required to do so under the applicable debt instruments.

The provisions of our revolving credit facility or other debt instruments may affect our ability to obtain future financing and pursue attractive business opportunities and our flexibility in planning for, and reacting to, changes in business conditions. In addition, a failure to comply with the provisions of our revolving credit facility, any future credit facility or other debt instruments could result in a default or an event of default that could enable our lenders or other debt holders to declare the outstanding principal of that debt, together with accrued and unpaid interest, to be immediately due and payable. If the payment of our debt is accelerated, our assets may be insufficient to repay such debt in full, and our stockholders could experience a partial or total loss of their investment.

We could manage working capital in ways that may affect our cash flow from operations.

Since we aim to continuously manage our working capital, we could manage our payments to suppliers differently in the future. Changes in how we manage our payments to suppliers could decrease our cash flow from operations and increase our working capital as a percentage of sales. In addition, we have two supply contracts with minimum purchase requirements at market rates. These obligations may cause us to purchase materials earlier than we otherwise would and increase our working capital requirements. There is no guarantee that our working capital as a percentage of sales will continue to decrease or that it will not increase in the future.

Our independent registered public accounting firms have identified a material weakness and significant deficiencies in our internal control over financial reporting that, if not properly remediated, could result in material misstatements in our financial statements in future periods.

Although we did not engage our independent registered public accounting firms to conduct an audit of our internal control over financial reporting, in connection with the audits of our consolidated financial statements as of and for the years ended December 31, 2011 and 2012, and the six months ended June 30, 2013, our independent registered public accounting firms informed us that they identified a material weakness and significant deficiencies relating to our internal control over financial reporting under standards established by the PCAOB. The PCAOB defines a material weakness as a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of the company's financial reporting.

The material weakness identified by our independent registered public accounting firms related to adjustments made in connection with their audits to our financial statements in the areas of income taxes, self-insurance reserves, stock-based compensation, accounts payable, discontinued operations, derivative accounting and lease accounting, and resulted primarily from insufficient personnel within our organization possessing an appropriate level of knowledge, experience and training with regard to complex transactions and technical accounting matters, particularly as they relate to public companies. The material weakness resulted in a number of audit adjustments to our financial statements for the periods that were the subject of these audits.

We have taken and will take a number of actions to remediate this material weakness including, but not limited to, adding experienced accounting and financial personnel, retaining third-party consultants to review our internal controls and to recommend improvements, and implementing improvements to our closing procedures and consolidation processes. We cannot assure you when we will remediate such weakness, nor can we be certain of whether additional actions will be required or the costs of any such actions.

In addition, during the audits of our consolidated financial statements as of and for the years ended December 31, 2011 and 2012, and the six months ended June 30, 2013, our independent registered public accounting firms identified significant deficiencies related to our internal controls over information technology systems, cash receipts and related segregation of duties at the branch level involving less than ten of our branches, access to and review of journal entry postings and access to add or modify customer information. We believe we have remediated the information technology systems and the access to journal entry postings significant deficiencies. In addition, we are in the process of addressing the remaining significant deficiencies and expect to implement additional procedures, including at the corporate level, to improve our internal control over financial reporting.

We may need to take additional measures to fully mitigate these issues, and the measures we have taken, and expect to take, to improve our internal controls may not be sufficient to address the issues identified, to ensure that our internal controls are effective or to ensure that the identified material weakness or significant deficiencies or other material weaknesses or deficiencies will not result in a material misstatement of our annual or interim financial statements. In addition, other material weaknesses or deficiencies may be identified in the future. If we are unable to correct material weaknesses or deficiencies in internal controls in a timely manner, our ability to record, process, summarize and report financial information accurately and within the time periods specified in the rules and forms of the Securities and Exchange Commission, or the SEC, will be adversely affected. This failure could negatively affect the market price and trading liquidity of our common stock, cause investors to lose confidence in our reported financial information, subject us to civil and criminal investigations and penalties, and generally materially and adversely impact our business and financial condition.

RISKS RELATED TO THIS OFFERING AND OUR COMMON STOCK

Before this offering, there was no public market for our common stock, and an active trading market for our common stock may not develop, which could impede your ability to sell shares and depress the market price of your shares.

Prior to this offering, there has been no public market for our common stock. An active trading market on the NYSE or otherwise may not develop upon completion of this offering or, if it does develop, it may not be sustained. If an active trading market does not develop, you may have difficulty selling any shares of our common stock that you purchase, and the value of such shares might be materially impaired. The initial public offering price of our common stock will be determined by negotiations between us and representatives of the underwriters and may not reflect the prevailing price in the open market. See “Underwriting” for a discussion of the factors considered in determining the initial public offering price.

The price of our common stock may fluctuate substantially, and your investment may decline in value.

Following this offering, the market price of our common stock may be significantly affected by factors, such as:

- market conditions affecting the residential construction and building products industries;
- quarterly variations in our results of operations;
- changes in government regulations;
- the announcement of acquisitions by us or our competitors;
- changes in general economic and political conditions;
- volatility in the financial markets;
- results of our operations and the operations of others in our industry;
- changes in interest rates;
- threatened or actual litigation and government investigations;
- the addition or departure of key personnel;

- actions taken by our stockholders, including the sale or disposition of their shares of our common stock; and
- differences between our actual financial and operating results and those expected by investors and analysts and changes in analysts' recommendations or projections.

These and other factors may lower the market price of our common stock, regardless of our actual operating performance. As a result, our common stock may trade at prices significantly below the public offering price.

Furthermore, in recent years the stock market has experienced significant price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies, including companies in our industry. The changes frequently appear to occur without regard to the operating performance of the affected companies. Hence, the price of our common stock could fluctuate based upon factors that have little or nothing to do with us, and these fluctuations could materially reduce the price of our common stock and materially affect the value of your investment.

The obligations associated with being a public company will require significant resources and management attention.

As a public company, we will face increased legal, accounting, administrative and other costs and expenses that we have not incurred as a private company, particularly after we are no longer an emerging growth company. We expect to incur incremental costs related to operating as a public company of approximately $2.5 to $3.0 million annually, although there can be no assurance that these costs will not be higher, particularly when we no longer qualify as an emerging growth company. After the completion of this offering, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which requires that we file annual, quarterly and current reports with respect to our business and financial condition and proxy and other information statements, and the rules and regulations implemented by the SEC, the Sarbanes-Oxley Act, the Dodd-Frank Act, the Public Company Accounting Oversight Board and the NYSE each of which imposes additional reporting and other obligations on public companies. As a public company, we will be required to:

- prepare and distribute periodic reports, proxy statements and other stockholder communications in compliance with the federal securities laws and the NYSE rules;
- expand the roles and duties of our board of directors and committees thereof;
- create a nominating and governance committee;
- maintain an internal audit function;
- institute more comprehensive financial reporting and disclosure compliance functions;
- involve and retain to a greater degree outside counsel and accountants in the activities listed above;
- enhance our investor relations function;
- establish new internal policies, including those relating to trading in our securities and disclosure controls and procedures;
- retain additional personnel;
- comply with NYSE listing standards; and
- comply with the Sarbanes-Oxley Act.

We expect these rules and regulations and changes in laws, regulations and standards relating to corporate governance and public disclosure, which have created uncertainty for public companies, to increase legal and financial compliance costs and make some activities more time consuming and costly. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result,

their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. Our investment in compliance with existing and evolving regulatory requirements will result in increased administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

These increased costs will require us to divert a significant amount of money that we could otherwise use to expand our business and achieve our strategic objectives. We also expect that it will be expensive to maintain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors or as executive officers. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory action and civil litigation.

If we are unable to implement and maintain effective internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports, which could adversely affect the market price of our common stock.

We are not currently required to comply with Section 404 of the Sarbanes-Oxley Act, and are therefore not required to make an assessment of the effectiveness of our internal control over financial reporting for that purpose. However, as a public company, we will be required to maintain internal control over financial reporting and to report any material weaknesses in such internal controls. In addition, we will be required to furnish a report by management on the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act, or Section 404, at the time of our second annual report on Form 10-K, which will be for our year ending December 31, 2015. We are in the process of designing, implementing and testing the internal control over financial reporting required to comply with this obligation, which process is time consuming, costly and complex. If we are unable to remediate the material weakness previously described or if, in the future, we identify material weaknesses in our internal control over financial reporting, we are unable to comply with the requirements of Section 404 in a timely manner or assert that our internal control over financial reporting are effective, or our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected, and we could become subject to investigations by the SEC, the NYSE or other regulatory authorities, which could require additional financial and management resources.

We are an emerging growth company and, as a result of the reduced disclosure and governance requirements applicable to emerging growth companies, our common stock may be less attractive to investors.

We are an emerging growth company, as defined in the JOBS Act, and we are eligible to take advantage of certain exemptions from various reporting requirements applicable to other public companies. Those exemptions include, but are not limited to, a requirement to present only two years of audited financial statements, an exemption from the auditor attestation requirement of Section 404 of the Sarbanes-Oxley Act, reduced disclosure about executive compensation arrangements pursuant to the rules applicable to smaller reporting companies and no requirement to seek non-binding advisory votes on executive compensation or golden parachute arrangements. We have elected to adopt these reduced disclosure requirements. We may take advantage of these provisions until we are no longer an emerging growth company. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the completion of this offering, (b) in which we have total annual gross revenue of at least $1.0 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700 million as of the prior June 30th, and (2) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year

period. We cannot predict if investors will find our common stock less attractive as a result of our taking advantage of these exemptions. If some investors find our common stock less attractive as a result of our choices, there may be a less active trading market for our common stock and our stock price may be more volatile.

Future sales of our common stock, or the perception in the public markets that these sales may occur, may depress our stock price.

The market price of our common stock could decline significantly as a result of sales of a large number of shares of our common stock in the market after this offering. These sales, or the perception that these sales might occur, could depress the market price of our common stock or make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

Upon the completion of this offering, we will have shares of common stock outstanding (or if the underwriters exercise their option to purchase additional shares in full). The shares of common stock offered in this offering will be freely tradable, except for any shares of common stock that may be held or acquired by our directors, executive officers and other affiliates, the sale of which will be restricted under the Securities Act of 1933, as amended, or the Securities Act. In addition, shares reserved for future issuance under our 2014 Omnibus Incentive Plan will become eligible for sale in the public market in the future, subject to certain legal and contractual limitations.

Moreover, pursuant to a registration rights agreement among us and our current stockholders, certain of our stockholders will have the right to require us to register under the Securities Act any shares in our company not sold by such stockholders in this offering. See "Certain Relationships and Related-Party Transactions—Registration Rights Agreement." If our existing stockholders sell substantial amounts of our common stock in the public market, or if the public perceives that such sales could occur, this could have an adverse impact on the market price of our common stock, even if there is no relationship between such sales and the performance of our business.

In connection with this offering, we, our directors and executive officers, the selling stockholders and holders of our outstanding common stock have each agreed to certain lock-up restrictions. We and they and their permitted transferees will not be permitted to sell any shares of our common stock for 180 days after the date of this prospectus, except as discussed in "Shares Eligible for Future Sale," without the prior consent of Deutsche Bank Securities Inc. and UBS Securities LLC. Deutsche Bank Securities Inc. and UBS Securities LLC may, in their sole discretion, release all or any portion of the shares of our common stock from the restrictions in any of the lock-up agreements described above. See "Underwriting." We expect certain of our stock to be pledged following the expiration of the lock-up period. See note (4) to the table included under the caption "Principal and Selling Stockholders."

Also, in the future, we may issue shares of our common stock in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock.

Jeff Edwards and Littlejohn will continue to have significant ownership of our common stock and may have interests that conflict with those of our other stockholders.

Upon the completion of this offering, Jeff Edwards will beneficially own approximately % of our common stock and Littlejohn will beneficially own approximately % of our common stock (assuming no exercise of the underwriters' option to purchase additional shares of our common stock). So long as such persons continue to hold, directly or indirectly, shares of common stock representing a significant percentage of the voting power of our common stock, they will be able to exercise control over all matters requiring stockholder approval, including the election of directors, amendment of our amended and restated certificate of incorporation and approval of significant corporate transactions, and will have significant control over our management and policies. This concentration of voting power may have the effect of delaying or preventing a change in control of us or discouraging others from making tender offers for our shares of common stock, which could prevent

stockholders from receiving a premium for their shares of common stock. These actions may be taken even if other stockholders oppose them. The interests of Jeff Edwards and Littlejohn may not always coincide with the interests of other stockholders, and each may act in a manner that advances its best interests and not necessarily those of our other stockholders. In addition, under our amended and restated certificate of incorporation, Jeff Edwards and Littlejohn are permitted to pursue corporate opportunities for themselves, rather than for us. See "Description of Capital Stock—Corporate Opportunity."

Provisions of our charter documents and Delaware law could delay, discourage or prevent an acquisition of us, even if the acquisition would be beneficial to our stockholders, and could make it more difficult for our stockholders to change our management.

Our amended and restated certificate of incorporation and bylaws that will be in effect immediately prior to the completion of this offering may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares of our common stock. In addition, these provisions may frustrate or prevent any attempt by our stockholders to replace or remove our current management by making it more difficult to replace or remove our board of directors. These provisions will include the following:

- a classified board of directors with three-year staggered terms;
- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the exclusive right of our board of directors to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- the ability of our board of directors to authorize the issuance of shares of preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of the holders of our stock or a hostile acquirer;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- a requirement that a special meeting of stockholders may be called only by the chairman of our board of directors, our Chief Executive Officer or upon a resolution approved by a majority of the total number of directors that we would have if there were no vacancies, and not by our stockholders; and
- advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us.

In addition, we will be subject to Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with a stockholder owning 15% or more of such corporation's outstanding voting stock for a period of three years following the date on which such stockholder became an "interested" stockholder. This provision could have the effect of delaying or preventing a change of control, whether or not it is desired by or beneficial to our stockholders. Any delay or prevention of a change of control transaction or changes in our board of directors and management could deter potential acquirers or prevent the completion of a transaction in which our stockholders could receive a substantial premium over the then-current market price for their shares of our common stock. See "Description of Capital Stock—Anti-Takeover Effects of Provisions of our Charter, our Amended and Restated Bylaws and Delaware Law."

Purchasing shares of our common stock in this offering will result in an immediate and substantial dilution of your investment.

The initial public offering price of our common stock is substantially higher than the net tangible book value per share of our common stock. Therefore, investors purchasing shares of our common stock in this offering will pay a price per share that substantially exceeds the book value of our tangible assets after subtracting our liabilities. As a result, investors purchasing common stock in this offering will incur immediate dilution of $ per share (assuming no exercise of the underwriters' option to purchase additional shares of our common stock), based on an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover of this prospectus. See "Dilution."

Furthermore, if we raise additional capital or acquire new businesses by issuing new convertible or equity securities, your interest will be further diluted. This may result in the loss of all or a portion of their investment in our common stock. In addition, newer securities may have rights, preferences or privileges senior to those of securities held by investors in our common stock.

We do not expect to pay any dividends in the foreseeable future.

We intend to retain our future earnings, if any, in order to reinvest in the development and growth of our business and, therefore, do not intend to pay dividends on our common stock for the foreseeable future. Any future determination to pay dividends will be at the discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements, the limits imposed by the terms of our revolving credit facility, or any then-existing debt instruments, and such other factors as our board of directors deems relevant. Accordingly, investors in our common stock may need to sell their shares to realize a return on their investment in our common stock, and investors may not be able to sell their shares at or above the prices paid for them.

If securities analysts do not publish favorable reports about us or if we, or our industry, are the subject of unfavorable commentary, the price of our common stock could decline.

The trading price for our common stock will depend in part on the research and reports about us that are published by analysts in the financial industry. Analysts could issue negative commentary about us or our industry, or they could downgrade our common stock. We may also not receive sufficient research coverage or visibility in the market. Any of these factors could result in the decline of the trading price of our common stock, causing investors in our common stock to lose all or a portion of their investment.

Information Regarding Forward-Looking Statements

This prospectus includes forward-looking statements within the meaning of U.S. federal securities laws, which involve risks and uncertainties. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believe," "estimate," "project," "aim," "anticipate," "expect," "seek," "predict," "contemplate," "continue," "possible," "intend," "may," "plan," "forecast," "future," "might," "will," "could," would" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this prospectus and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth strategies, the industry in which we operate and potential acquisitions. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results. All forward-looking statements are based upon information available to us on the date of this prospectus.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the stability of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this prospectus. In addition, even if our results of operations, financial condition and liquidity and the development of the industry in which we operate are consistent with the forward looking statements contained in this prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause our results to vary from expectations include, but are not limited to:

- our dependence on the residential construction industry, the economy and the credit markets;
- uncertainty regarding the housing recovery;
- declines in the economy or expectations regarding the housing recovery that could lead to additional significant impairment charges;
- the cyclical and seasonal nature of our business;
- our exposure to severe weather conditions;
- the highly fragmented and competitive nature of our industry;
- product shortages or the loss of key suppliers;
- changes in the costs and availability of products;
- inability to successfully acquire and integrate other businesses;
- our exposure to claims arising from our acquired operations;
- our reliance on key personnel;
- our ability to attract, train and retain qualified employees while controlling labor costs;
- our exposure to product liability, workmanship warranty, casualty, construction defect and other claims and legal proceedings;
- changes in, or failure to comply with, federal, state, local and other regulations;
- we are a holding company and conduct all of our operations through our subsidiaries;
- disruptions in our information technology systems;

- our ability to implement and maintain effective internal control over financial reporting and remediate any outstanding material weakness and significant deficiencies; and
- additional factors discussed under the sections captioned “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business.”

Other sections of this prospectus include additional factors that could adversely impact our business and financial performance. In light of these risks, uncertainties and assumptions, the forward-looking events described in this prospectus may not occur. Moreover, we operate in an evolving environment. New risk factors and uncertainties emerge from time to time, and it is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We qualify all of our forward-looking statements by these cautionary statements.

Estimates and forward-looking statements speak only as of the date they were made, and, except to the extent required by law, we undertake no obligation to update or to review any estimate and/or forward-looking statement because of new information, future events or other factors. Estimates and forward-looking statements involve risks and uncertainties and are not guarantees of future performance. As a result of the risks and uncertainties described above, the estimates and forward-looking statements discussed in this prospectus might not occur and our future results and our performance may differ materially from those expressed in these forward-looking statements due to, but not limited to, the factors mentioned above. Because of these uncertainties, you should not place undue reliance on these forward-looking statements when making an investment decision.

Use of Proceeds

We expect to receive net proceeds from this offering of approximately $ million, or approximately $ million if the underwriters exercise their option to purchase additional shares in full (assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus), after deducting the underwriting discount and estimated offering expenses payable by us.

We intend to use the net proceeds from this offering (including any additional proceeds that we may receive if the underwriters exercise their option to purchase additional shares of our common stock) to repurchase all of our outstanding preferred stock from Littlejohn for total consideration of $, to repay a portion of our outstanding indebtedness and the balance for general corporate purposes.

Concurrent with the completion of this offering, we intend to use a portion of the proceeds from this offering to repay approximately $ of our indebtedness outstanding under our revolving facility. As of September 30, 2013, we had approximately $23.7 million outstanding under our existing credit facility at a rate of one-month LIBOR plus 2.25%. Our revolving credit facility matures on May 4, 2016. For a description of the terms of our revolving credit facility, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Revolving Credit Facility.”

Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds received by us from this offering by approximately $ million, assuming the number of shares of our common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the underwriting discount and estimated offering expenses payable by us.

We may also increase or decrease the number of shares we are offering. Each increase (decrease) of one million shares in the number of shares of our common stock offered by us would increase (decrease) the net proceeds received by us from this offering by approximately $ million, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discount and estimated offering expenses payable by us.

The information discussed above is illustrative only and subject to the actual public offering price and the actual number of shares offered at pricing.

We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders.

Dividend Policy

We currently do not anticipate paying dividends after the offering for the foreseeable future. Instead, we anticipate that our earnings will be used to provide working capital to support our operations and to finance the growth and development of our business. Any future determination relating to dividends will be made at the discretion of our board of directors and will depend on a number of factors, including our future earnings, capital requirements, financial condition, future prospects, contractual restrictions, legal requirements and other factors as our board of directors may deem relevant. The ability of our board of directors to declare any dividends will be subject to certain limits imposed by the terms of our revolving credit facility and any then-existing debt instruments. See "Management Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Revolving Credit Facility."

Capitalization

The following table describes our cash, debt and capitalization as of September 30, 2013:

- on an actual basis; and
- on an as adjusted basis, giving effect to:
  - the sale of shares of our common stock in the offering at an assumed initial public offering price of $ per share (the midpoint of the price range set forth on the cover page of this prospectus); and
  - the application of the estimated net proceeds from the offering as described under "Use of Proceeds."

You should read this table in conjunction with the sections captioned "Use of Proceeds," "Selected Consolidated Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus. The table below does not give effect to any exercise by the underwriters of their option to purchase additional shares of our common stock or the for stock split to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

	As of September 30, 2013	
	Actual	As Adjusted
($ in thousands, except share amounts)		
Cash	$ 5,270	$
Debt:		
Revolving credit facility	$ 23,715	$
Notes payable	798	
Total debt (1)	24,513	
Mezzanine Equity:		
Series A Preferred Stock $0.01 par value: 1,000 authorized, issued and outstanding, actual and no shares authorized, issued or outstanding, as adjusted	54,212	—
Redeemable Common Stock; $0.01 par value: 300,000 authorized, issued and outstanding, actual and no shares authorized, issued or outstanding, as adjusted (2)	50,354	—
Stockholders' Equity:		
Preferred stock, $0.01 par value: shares authorized and no shares issued outstanding, as adjusted	—	
Common stock, $0.01 par value: 1,394,916 shares authorized and 829,944 shares issued and outstanding, actual and shares authorized and shares issued and outstanding, as adjusted	8	
Accumulated deficit	(41,532)	
Total stockholders' equity	(41,524)	
Total capitalization	$ 87,555	$

(1) Excludes capital lease obligations of $22.3 million.
(2) Upon the closing of this offering, the redemption feature of the 300,000 shares of our outstanding Redeemable Common Stock will terminate and there will be no redemption provisions applicable to any shares of our common stock. As a result, the 300,000 shares of our outstanding Redeemable Common Stock will be converted into common stock and recorded in Stockholders' Equity.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share (the midpoint of the price range set forth on the cover page of this prospectus) would increase (decrease) the "as adjusted" amounts of each of cash, total stockholders' equity and total capitalization by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and estimated offering expenses.

A one million share increase (decrease) in the number of shares of common stock sold by us in this offering would increase (decrease) the "as adjusted" amounts of each of cash, total stockholders' equity and total capitalization by approximately $ million, assuming an initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and estimated offering expenses.

The "as adjusted" amounts discussed above are illustrative only and subject to the actual public offering price and the actual number of shares sold in this offering.

Dilution

Purchasers of shares of our common stock in this offering will incur an immediate and substantial dilution in net tangible book value per share of their shares of our common stock from the initial public offering price.

The difference between the per share offering price paid by purchasers of our common stock in this offering and the net tangible book value per share of our common stock after this offering constitutes the dilution to purchasers in this offering. Net tangible book value per share is determined by dividing our net tangible book value, which is our total tangible assets less total liabilities, by the number of outstanding shares of our common stock.

Our net tangible book value as of September 30, 2013 was $, or $ per share of common stock, based on shares of our common stock outstanding.

After giving effect to our sale of shares of common stock in this offering, at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discount and estimated offering expenses payable by us in connection with this offering, our net tangible book value as of September 30, 2013 would have been $, or $ per share. This represents an immediate increase in net tangible book value to existing stockholders of $ per share and an immediate dilution to new investors of $ per share. The following table illustrates this per share dilution:

Assumed initial public offering price	$
Net tangible book value per share as of September 30, 2013	
Increase in net tangible book value per share attributable to new investors	
Net tangible book value per share after this offering	
Dilution per share to new investors	$

The following table sets forth, as of September 30, 2013, on an as adjusted basis for this offering, the number of shares of common stock purchased from us, the total consideration paid and the average price per share paid by our existing stockholders and to be paid by our new investors purchasing shares of common stock in this offering, at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting the underwriting discounts and estimated offering expenses payable by us in connection with this offering:

	Common Stock Purchased		Total Consideration (in thousands)		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders (1)		%	$	%	$
New investors (1)					
Total		%	$	%	$

(1) The number of shares purchased by existing stockholders includes shares being sold by the selling stockholders in this offering. The number of shares purchased by new investors does not include shares being sold by the selling stockholders in this offering.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share of common stock, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) total consideration paid by new investors in this offering by $ and would increase (decrease) the average price per share paid by new investors by $, assuming the number of common stock offered, as set forth on the cover page of this prospectus, remains the same and without deducting the estimated underwriting discounts and offering expenses payable by us in connection with this offering.

Sales by the selling stockholders in this offering will reduce the number of shares held by existing stockholders to shares, or approximately % (shares, or approximately %, if the underwriters exercise their option to purchase additional shares in full), and will increase the number of shares to be purchased by new investors to shares, or approximately % (shares, or approximately %, if the underwriters exercise their option to purchase additional shares in full), of the total common stock outstanding after this offering.

If the underwriters exercise in full their option to purchase additional shares of our common stock in the offering, the following will occur:

- the number of shares of our common stock held by new investors will increase to , or % of the total number of shares of our common stock outstanding after this offering; and
- the net tangible book value would be $ per share and the dilution to new investors in this offering would be $ per share.

The foregoing table excludes shares of our common stock reserved for future issuance under our 2014 Omnibus Incentive Plan, which will be effective upon the completion of this offering.

We may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent additional capital is raised through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders. See “Risk Factors—Risks related to this offering and our common stock—Purchasing shares of our common stock in this offering will result in an immediate and substantial dilution of your investment.”

Selected Consolidated Financial Data

The following table sets forth selected historical consolidated financial data that should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and notes thereto included elsewhere in this prospectus. The selected historical consolidated financial data in this section is not intended to replace our historical consolidated financial statements and the related notes thereto. Our historical results are not necessarily indicative of future results, and our operating results for the six months ended June 30, 2013 and nine months ended September 30, 2013 are not necessarily indicative of the results that may be expected for the year ended December 31, 2013.

The selected consolidated balance sheet data as of December 31, 2011 and 2012 and June 30, 2013 and the selected consolidated statements of operations and cash flows data for each year ended December 31, 2011 and 2012 and for the six months ended June 30, 2013, have been derived from our audited consolidated financial statements that are included elsewhere in this prospectus.

The selected consolidated statement of operations and cash flows data for each of the six months ended June 30, 2012 and nine months ended September 30, 2012 and 2013 has been derived from our unaudited consolidated financial statements that are included elsewhere in this prospectus. The unaudited consolidated financial statements have been prepared on the same basis as our audited consolidated financial statements and include all adjustments (consisting of normal recurring adjustments) we considered necessary for a fair presentation of the results for the periods presented. Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP.

	Year ended December 31,		Six months ended June 30,		Nine months ended September 30,	
	2011	2012	2012	2013	2012	2013
(in thousands, except share and per share data)						
Statement of operations information:						
Net revenue	$ 238,447	$ 301,253	$ 129,548	$ 196,649	$ 209,855	$ 312,599
Cost of sales	181,221	227,210	97,574	148,120	157,616	234,121
Gross profit	57,226	74,043	31,974	48,529	52,239	78,478
Operating expenses						
Selling	18,446	19,807	9,765	11,908	14,443	18,454
Administrative (1)(2)	45,678	56,333	28,056	32,300	41,274	49,183
Management fees, related parties (2)	4,760	4,300	—	—	—	—
Gain on litigation settlement	—	(6,975)	—	—	—	—
Amortization	3,785	3,082	1,463	1,544	2,300	2,301
Impairment of intangibles	1,687	352	—	—	—	—
Other	—	(960)	(916)	—	(960)	—
Operating (loss) income	(17,130)	(1,896)	(6,394)	2,777	(4,818)	8,540
Other expense (income)						
Interest expense	3,673	1,979	863	1,044	1,476	1,657
Interest expense, related parties	3,321	—	—	—	—	—
Gain on extinguishment of debt	(18,542)	—	—	—	—	—
Other	159	(136)	(149)	(164)	(135)	(24)
(Loss) income before income taxes	(5,741)	(3,739)	(7,108)	1,897	(6,159)	6,907
Income tax provision	1,449	555	589	704	510	2,646
Net (loss) income from continuing operations	(7,190)	(4,294)	(7,697)	1,193	(6,669)	4,261

	Year ended December 31,		Six months ended June 30,		Nine months ended September 30,	
	2011	2012	2012	2013	2012	2013
Loss (income) from discontinued operations	$ 2,455	$ (3,835)	$ 320	$ 773	$ 530	$ 960
Income tax (benefit) provision	(660)	1,447	(121)	(276)	(200)	(362)
Loss (income) from discontinued operations, net of tax	1,795	(2,388)	199	497	330	598
Net (loss) income	$ (8,985)	$ (1,906)	$ (7,896)	$ 696	$ (6,999)	$ 3,663
Accretion charges on Series A Redeemable Preferred Stock	(811)	(5,529)	(2,683)	(3,019)	(4,085)	(4,597)
Accretion charges on Pre-Recapitalization Preferred Units	(1,621)	—	—	—	—	—
Gain on extinguishment of Pre-Recapitalization Preferred Units	85,040	—	—	—	—	—
Net income (loss) attributable to common stockholders	$73,623	$(7,435)	$(10,579)	$(2,323)	$(11,084)	$(934)
Net income (loss) per share attributable to common stockholders (basic and diluted):						
Continuing operations	$ 75.42	$ (9.42)	$ (10.38)	$ (1.62)	$ (10.59)	$ (0.30)
Discontinued operations	(1.80)	2.29	(0.20)	(0.44)	(0.33)	(0.53)
Net income (loss) per share:	$ 73.62	$ (7.13)	$ (10.58)	$ (2.06)	$ (10.92)	$ (0.83)
As adjusted net income (loss) per share attributable to common stockholders (basic and diluted) (3)(4):						
Continuing operations	$	$	$	$	$	$
Discontinued operations						
Net income (loss) per share:	$	$	$	$	$	$
Weighted average number of shares outstanding:						
Basic and diluted	1,000,000	1,043,450	1,000,000	1,129,944	1,015,176	1,129,944
As adjusted basic and diluted (4)						

	As of December 31,		As of June 30,	As of September 30,
(in thousands)	2011	2012	2013	2013
Balance sheet data:				
Cash	$ 2,528	$ 3,898	$ 3,853	$ 5,270
Total current assets	56,554	75,768	87,835	93,733
Property and equipment, net	8,198	17,931	26,824	29,524
Total assets	127,526	160,752	181,496	189,687
Total funded debt (5)	21,255	30,075	49,700	46,790
Mezzanine equity (6)	59,587	66,861	100,254	104,566
Total stockholders' equity	(9,560)	(7,482)	(40,179)	(41,524)
Total mezzanine equity and stockholders' equity	50,027	59,379	60,075	63,042

(in thousands, except percentages and net revenue per completion)	Year ended December 31, 2011	Year ended December 31, 2012	Six months ended June 30, 2012	Six months ended June 30, 2013	Nine months ended September 30, 2012	Nine months ended September 30, 2013
Statement of cash flows:						
Net cash provided by (used in):						
Operating activities	$(12,755)	$ 4,594	$(2,664)	$(7,554)	$(2,173)	$ 2,617
Investing activities	181	(2,743)	284	(1,041)	(106)	(1,551)
Financing activities	11,945	(481)	4,244	8,550	5,395	306
Other financial data:						
Adjusted EBITDA (7)	$ (6,563)	$ 6,205	$ 1,680	$ 7,629	$ 5,173	$16,272
Adjusted EBITDA margin (7)	(2.8)%	2.1%	1.3%	3.9%	2.5%	5.2%
Net revenue divided by total U.S. housing completions	$ 408	$ 464	$ 468	$ 582	$ 454	$ 572

(1) In 2010, IBP Management Holdings, LLC and, in 2011, IBP Investment Holdings, LLC issued awards of their equity interests to certain of our employees. Certain of these employees were granted rights to put such equity awards during a limited period to Jeff Edwards, our Chairman, Chief Executive Officer and President. Accounting guidance requires that the compensation associated with these equity awards be pushed down to us and recorded as non-cash compensation expense. The non-cash compensation expense associated with the equity awards approximated $0.8 million for the year ended December 31, 2011, $4.7 million for the year ended December 31, 2012, $4.6 million for the nine months ended September 30, 2012, and $0 for the nine months ended September 30, 2013, and is included in administrative expenses.

(2) For the year ended December 31, 2011, management fees represented amounts charged to us by IBP Holding Company, a related party, under agreements originally entered into in March 2004 and October 2007, which were terminated as a result of our Recapitalization. The associated expenses were transferred to us and IBP Holding Company personnel became our employees in January 2012. For the year ended December 31, 2012, management fees were paid to Littlejohn Managers, LLC ($1.1 million), Jeff Edwards ($2.7 million) and TCI Holdings, LLC ($0.5 million) pursuant to an agreement dated December 18, 2012, which was terminated on November 22, 2013. No similar fees were charged during 2013, and we do not expect to incur management fees going forward.
Prior to November 1, 2013, Jeff Edwards served as a consultant and non-employee officer to us. As such he did not receive salary or bonus for 2012. The costs of Jeff Edward's services were paid through the management agreements discussed above. See the sections of this prospectus captioned "Compensation of our Executive Officers and Directors" and "Certain Relationships and Related-Party Transactions—Management Agreements." Jeff Edwards did not receive any compensation during the nine months ended September 30, 2013. In anticipation of this offering and with a view towards operating as a public company, we entered into an employment agreement with Jeff Edwards on November 1, 2013 that will pay Mr. Edwards a minimum annual base salary of $600,000 and provide him an opportunity to participate in the Company's annual incentive and benefit programs. Compensation paid by us to Mr. Edwards on or after November 1, 2013 will be recorded as an administrative expense in our consolidated statement of operations. As a result of the foregoing, our performance for the period ending September 30, 2013 will not be comparable in this respect to our operations in prior or subsequent periods and may not be indicative of future results.

(3) Our net income (loss) attributable to common stockholders has been adjusted to reflect the elimination of the accretion charges on the Series A Preferred Stock and the Redeemable Common Stock upon the consummation of this offering.

(4) Assumes the issuance of additional shares as a result of this offering.

(5) Total funded debt consists of current and long-term portions of long-term debt and capital lease obligations.

(6) Consists of Series A Preferred Stock and Redeemable Common Stock.

(7) Adjusted EBITDA measures performance by adjusting EBITDA for certain income and expense items that are not considered part of our core operations. The Adjusted EBITDA margin takes Adjusted EBITDA and divides it by net revenue. See "Non-GAAP Measures" in the section of this prospectus captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The following table presents a reconciliation of Adjusted EBITDA to Net (loss) income, the most comparable GAAP measure, for each of the periods indicated.

(in thousands)	Year ended December 31, 2011	2012	Six months ended June 30, 2012	2013	Nine months ended September 30, 2012	2013
Net (loss) income	$ (8,985)	$(1,906)	$(7,896)	$ 696	$(6,999)	$ 3,663
Interest expense	6,994(a)	1,979	863	1,044	1,476	1,657
Provision for income taxes (b)	1,449	555	589	704	510	2,646
Depreciation and amortization	9,087	7,894	3,550	5,185	5,539	8,306
EBITDA	8,545	8,522	(2,894)	7,629	526	16,272
Gain on extinguishment of debt (c)	(18,542)	—	—	—	—	—
Recapitalization transaction fees (d)	2,654	—	—	—	—	—
Legal settlement (e)	—	(6,975)	—	—	—	—
Non-cash stock compensation (f)	780	4,658	4,574	—	4,647	—
Adjusted EBITDA	$ (6,563)	$ 6,205	$ 1,680	$7,629	$ 5,173	$16,272

a. Consists of interest expense of $3,673 on debt and related-party interest of $3,321. The related-party interest was forgiven in connection with our Recapitalization.
b. Excludes income taxes related to discontinued operations.
c. Represents the gain recorded in the 2011 Consolidated Statement of Operations related to the extinguishment of certain first lien senior secured indebtedness in connection with our Recapitalization.
d. Represents expenses related to the Recapitalization.
e. Represents the settlement in 2012 of a class action lawsuit in which we were one of the plaintiffs. The lawsuit related to excess material prices being charged by certain manufacturers.
f. In 2010, IBP Management Holdings, LLC and, in 2011, IBP Investment Holdings, LLC issued awards of their equity interests to certain of our employees. Certain of these employees were granted rights to put such equity awards during a limited period to Jeff Edwards, our Chairman, Chief Executive Officer and President. Accounting guidance requires that the compensation associated with these equity awards be pushed down to us and recorded as non-cash compensation expense.

Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following in conjunction with the sections of this prospectus captioned "Risk Factors," "Information Regarding Forward-Looking Statements," "Selected Consolidated Financial Data" and "Our Business" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus. This discussion contains forward-looking statements reflecting current expectations that involve risks and uncertainties. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the section captioned "Risk Factors" and elsewhere in this prospectus.

OVERVIEW

We are the second largest new residential insulation installer in the United States based on total U.S. housing completions, with a national platform consisting of over 100 locations serving customers in 44 states. We also install complementary building products, including garage doors, rain gutters, shower doors, closet shelving and mirrors. Insulation installation comprised approximately 74% of our net revenue for the nine-month period ended September 30, 2013, and we expect this category to continue to account for a substantial majority of our business for the foreseeable future. The new single-family end market comprised approximately 73% of our net revenue for the nine-month period ended September 30, 2013. We also participate in the new multi-family, repair and remodel and commercial end markets.

Substantially all of our net revenue comes from service-based installation of various products in the residential new, repair and remodel and commercial construction end markets. We manage all aspects of the installation process for our customers, from our direct purchase and receipt of materials from national manufacturers, to our timely supply of materials to job sites and quality installation. Installation of insulation, which includes air sealing, is a critical phase in the construction process, as certain interior work cannot begin until the insulation phase passes inspection. Our branches have expertise in local building codes and energy-efficient building practices, and strong working relationships with homebuilders and on-site construction managers. At the same time, our centralized corporate support functions allow us to leverage our longstanding supplier relationships, web-based information system and other dedicated corporate services to benefit our operations as a whole.

Our business began in 1977 with one location in Columbus, Ohio. In the late 1990s, we began our acquisition strategy with the goal of creating a national platform. Since 1999, we have successfully completed and integrated over 90 acquisitions, which has allowed us to generate significant scale and to diversify our product offering while expanding into some of the most attractive housing markets in the United States. We are well positioned to continue to grow our business through acquisitions, market share gains and the ongoing housing recovery. We estimate that we have grown our share of the U.S. residential new construction insulation installation market from approximately 5% as of December 31, 2005 to approximately 16% as of September 30, 2013, based on total U.S. housing completions. Our company operations are aligned such that we operate as one operating segment and a single reportable segment.

KEY FACTORS AFFECTING OUR OPERATING RESULTS

Conditions in the U.S. residential new construction industry and U.S. economy.

Our business is driven primarily by the U.S. residential new construction market, which is in turn dependent upon a number of economic factors, including demographic trends, interest rates, consumer confidence, employment rates, housing inventory levels, foreclosure rates, the health of the economy and availability of mortgage financing. The housing downturn that began in 2006 caused many builders to significantly decrease their production of housing units because of lower demand and excess inventory. According to the U.S. Census Bureau, total housing starts averaged approximately 1.6 million per year from 1968 to 2006. From 2007 to 2012, housing starts averaged approximately 800,000 per year, reaching a low in 2009 of approximately 554,000. After remaining relatively flat in 2010 and 2011, the housing industry started to recover in 2012 with U.S. housing

starts increasing to approximately 781,000 in 2012, which was the highest level achieved since 2008. Due to the lower levels in housing starts and construction activity, we experienced pressure on both our gross and operating margins until the recovery began in 2012.

We believe there are several trends that should drive long-term growth in the housing market. These trends include housing affordability, an aging housing stock, population growth and growth in household formation. These positive trends are reflected in Blue Chip's most recent consensus forecast, which projects housing starts to increase to approximately 1.1 million in 2014 and approximately 1.3 million in 2015. In NAHB's 2013 Economic and Housing Outlook, it cites improving overall economic characteristics in U.S. housing markets, which include positive demographic trends in household formations and household balance sheets. Additionally in its 2013 State of The Nation's Housing report, the Joint Center of Housing Studies of Harvard University describes a continued trend of increases in housing prices and strong housing demand relative to housing supply. We expect that our net revenue, gross profit, and operating income will benefit from these trends. In addition, we continue to experience improved operating efficiencies resulting from certain costs, such as administrative wages and benefits, facility costs and other operating and administrative costs, increasing at a lower rate than the rate at which net revenue increases. For the nine months ended September 30, 2013, our net revenue increased 49% compared to the nine months ended September 30, 2012, while our operating expenses related to selling and administrative increased by 21.4% during the same period, as facilities and certain other administrative costs did not increase at the same rate as net revenue. Excluding non-cash stock compensation expense incurred in the first nine months ended September 30, 2012, operating expenses increased 33.4% during the nine months ended September 30, 2013. We continuously monitor housing market growth trends across the United States in an effort to properly allocate resources in order to maximize operating efficiencies and assess geographic expansion opportunities.

Trends in the construction industry

Our operating results may vary according to the amount and type of products we install and the mix of our end-markets among new single-family, multi-family and commercial builders and owners of existing homes. The NAHB forecasts a higher rate of growth in single-family new home construction compared to that for multi-family new home construction. We expect to benefit from this shift in mix because our net revenue per single-family completion is approximately three times our net revenue per multi-family completion. As the housing market recovery continues, we expect to benefit not only from the increased participation of large homebuilders in the early stages of the recovery, but also as custom builders and individual lot owners build more in the later stages of the U.S. housing recovery. We maintain an attractive mix of business among all types of homebuilders. Our net revenue derived from the ten largest homebuilders in the United States increased from approximately 7.5% in the year ended December 31, 2010 to approximately 10.7% in the nine months ended September 30, 2013. We are also particularly well positioned with custom home builders, given our geography and market share position with these customers, to take advantage of the later stages of the recovery cycle. In addition to providing services to the residential new construction and repair and remodel end markets, we provide services to the commercial construction end market, which represented approximately 11.2% of our total net revenue for the period ended September 30, 2013. The McGraw Hill 2013 Dodge Construction Outlook (third quarter update) forecasts a 5% year-over-year increase in square footage for commercial construction in 2013 and a 17% year-over-year increase in 2014. We also expect to see an increase in repair and remodel activity as the housing market recovery progresses.

We also expect our net revenue, gross profit, and operating income to benefit, over time, from increased adoption by states and municipalities of the 2012 IECC.

Material costs

We purchase the materials that we install primarily from manufacturers. We believe that, as a result of our national scale and long-standing relationships with many of our suppliers, we will continue to have access to an adequate supply of these materials at favorable prices to keep up with the growing demand for our products as

the housing market recovers. Prices for our products have generally been subject to cyclical market fluctuations and track the health of the U.S. residential new construction market. In the event that increased demand leads to higher prices for the products that we install, due to the fragmented and competitive nature of our industry, we may have limited, if any, ability to pass on price increases in a timely manner or at all. In the past, we have generally been able to pass on these increases to our customers over time.

Labor costs

Our business is labor intensive. As of September 30, 2013, we had approximately 3,100 employees, most of whom work as installers on local construction sites. As the housing market continues to recover, we expect that labor markets will tighten as the demand for installers increases. Tighter labor markets may make it more difficult for us to hire and retain installers and could also increase our labor costs. We will also be required to spend more on training as we hire additional installers. We offer a comprehensive benefits package, which many of our local competitors are not able to provide and which will increase our costs as we hire additional personnel. We are still assessing the impact of recent legislation governing health care benefits and other insurance costs to determine any potential impact on our labor costs. We expect to recognize one-time, non-recurring costs related to our settlement of a class action lawsuit in Washington State in the fourth quarter of 2013, subject to court approval of the settlement. See "Business—Legal Proceedings."

Other factors

We expect our selling and administrative expenses to continue to increase in absolute dollars as we incur increased costs related to the growth of our business and our operation as a public company, which could impact our future operating profitability. Upon completion of this offering, we expect to incur incremental annual costs related to operating as a public company of approximately $2.5 to $3.0 million, although there can be no assurance that these costs will not be higher, particularly when we are no longer an emerging growth company. Included in this amount is additional compensation expense for Jeff Edwards, our Chief Executive Officer, who, prior to November 1, 2013, did not receive any base salary compensation. See "Compensation of our Executive Officers and Directors—Compensation of our Executive Officers—Employment Agreement with Jeff Edwards" for additional information regarding these compensation arrangements.

ACQUISITIONS

Since 1999, our acquisition strategy has allowed us to generate significant scale, diversify our product offering and expand into many of the largest housing markets in the United States. We have pursued and will continue to pursue both geographic expansion and tuck-in acquisitions in existing markets. We will look to complete acquisitions that meet our criteria, which include a strong local reputation and high-quality management and labor force. Our acquisition strategy is also focused on using our national buying power, value-enhancing technology and proven operating platform to achieve operating efficiencies in our acquisitions. We have historically been more active in pursuing acquisitions during periods of housing market growth.

During 2012, we completed seven acquisitions, comprised of five asset acquisitions and two business combinations as defined by Accounting Standards Codification 805 "Business Combinations." The two business combinations made during 2012 are described below.

- On August 31, 2012, we acquired TCI Contracting, LLC and its subsidiaries for a purchase price of $4.7 million, which consisted of $0.6 million in cash (in the form of a seller note) and 129,944 shares of our common stock (valued at $4.1 million at the acquisition date). Our acquisition of TCI Contracting, LLC added 14 operating locations in nine states. These locations install insulation as well as our other complementary building products.
- On November 16, 2012, we acquired Accurate Insulation LLC for approximately $1.2 million in cash. Our acquisition of Accurate Insulation LLC added one branch consisting of two locations in Maryland. These locations primarily offer insulation installation services.

For additional information concerning these business combinations, see Note 12 to our audited consolidated financial statements for the year ended December 31, 2012 included elsewhere in this prospectus.

The five asset acquisitions in 2012 consisted of various asset purchases of vehicles and other assets for which we paid approximately $0.5 million dollars in aggregate consideration.

As part of our ongoing strategy to increase market share in certain markets, we acquired Pensacola, Florida-based Ace Insulation Contractors, Inc. ("Ace") in March 2013 for a total purchase price of approximately $1.0 million, consisting of $0.7 million in cash and $0.3 million in seller notes. For additional information concerning the Ace business combination, see Note 12 to our audited consolidated financial statements for the period ended June 30, 2013 included elsewhere in this prospectus.

Direct acquisition and integration costs for the year ended December 31, 2012 and for the nine months ended September 30, 2013 were not material and were expensed as incurred. We have in the past been, and may in the future be, subject to post-closing payment obligations under contracts we enter into with businesses we acquire.

OUR RECAPITALIZATION

On November 4, 2011, we completed a recapitalization involving our then outstanding indebtedness and equity interests and the combination of our business operations. Prior to our recapitalization, we operated through two companies that were under common control, IBP Holdings, LLC, or IBP I, and IBP Holdings II, LLC, or IBP II. References in this prospectus to IBP I also may refer to Installed Building Products, LLC, its direct wholly owned operating subsidiary, and references to IBP II also may refer to Installed Building Products II, LLC its direct wholly owned operating subsidiary. These two entities operated as distinct legal entities in substantially the same business in different geographic markets. Each had its own credit facility. The recapitalization served, in part, to provide common ownership and lender relationships for all of our operations. On November 4, 2011, in connection with our recapitalization, Installed Building Products, Inc., formerly known as CCIB Holdco, Inc., became the parent of IBP I and IBP II and their respective subsidiaries. Our recapitalization involved: (i) the repayment and cancellation of outstanding indebtedness of IBP I and IBP II of approximately $126.5 million, which resulted in a gain of $18.5 million, (ii) capital contributions from our stockholders in the amount of $12.0 million to repay debt, (iii) the exchange by the equityholders of IBP I and IBP II for new equity interests in us, which resulted in a gain attributable to our common stockholders of $85.0 million that did not impact net loss from continuing operations, and (iv) entry into our existing credit facility.

The above described series of events are referred to in this prospectus as our Recapitalization. Certain of our affiliates participated in our Recapitalization. See "Certain Relationships and Related-Party Transactions" included elsewhere in this prospectus. See Note 1 to our audited consolidated financial statements for the year ended December 31, 2012 included elsewhere in this prospectus for a more detailed description of IBP I's and IBP II's previously existing credit facilities and our revolving credit facility.

SEASONALITY

We tend to have higher sales during the second half of the year as our homebuilder customers complete construction of homes placed under contract for sale in the traditionally stronger spring selling season. In addition, some of our larger branches operate in states more impacted by winter weather and as such experience a slowdown in construction activity during the first quarter of the calendar year. This winter slowdown contributes to traditionally lower sales in our first quarter.

The composition and level of our working capital typically change during periods of increasing sales as we carry more inventory and receivables, although this is generally offset in part by higher trade payables to our suppliers. Working capital levels typically increase in the summer and fall seasons due to higher sales during the peak of residential construction activity. The subsequent collection of receivables and reduction in inventory levels during the winter months has typically positively impacted cash flow. In the past, from time to time, we have utilized our borrowing availability under our credit facilities to cover short-term working capital needs.

NON-GAAP MEASURES

In addition to the results reported in accordance with GAAP, we have provided information in this prospectus relating to Adjusted EBITDA and Adjusted EBITDA margin.

Adjusted EBITDA and Adjusted EBITDA margin

Adjusted EBITDA measures performance by adjusting EBITDA for certain income or expense items that are not considered part of our core operations. Adjusted EBITDA margin takes Adjusted EBITDA and divides it by net revenue. We believe that the presentation of these measures provides useful information to investors regarding our results of operations because it assists both investors and us in analyzing and benchmarking the performance and value of our business. We also believe these measures are useful to investors and us as measures of comparative operating performance from period to period as they measure our changes in pricing decisions, cost controls and other factors that impact operating performance, and they remove the effect of our capital structure (primarily interest expense), asset base (primarily depreciation and amortization), items outside our control (primarily income taxes) and the volatility related to the timing and extent of other activities such as asset impairments and non-core income and expenses. Accordingly, we believe that these measures are useful for comparing general operating performance from period to period. In addition, we use various EBITDA-based measures in determining certain of our incentive compensation programs. Other companies may define Adjusted EBITDA and Adjusted EBITDA margin differently and, as a result, our measures may not be directly comparable to measures of other companies. In addition, Adjusted EBITDA may be defined differently for purposes of covenants contained in our revolving credit facility or any future facility.

Although we use these measures to assess the performance of our business, the uses of the measures are limited because they do not include certain material expenses, such as interest and taxes, necessary to operate our business. Adjusted EBITDA and Adjusted EBITDA margin should be considered in addition to, and not as substitutes for, net income (loss) in accordance with GAAP as a measure of performance. Our presentation of these measures should not be construed as an indication that our future results will be unaffected by unusual or non-recurring items. These measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. Because of these limitations, these measures are not intended as alternatives to net income (loss) from continuing operations as indicators of our operating performance, as alternatives to any other measure of performance in conformity with GAAP or as alternatives to cash flow provided by operating activities as measures of liquidity. You should therefore not place undue reliance on these measures or ratios calculated using those measures.

COMPONENTS OF RESULTS OF OPERATIONS

Net Revenue. Net revenue is derived from installation of products sold to our customers. Revenue from the sale and installation of products to customers are recognized at the time installation is complete. We track and analyze net revenue by the number of completed jobs.

Cost of Sales. Our cost of sales is comprised of the costs of materials and labor to purchase and install our products for our customers. Also included in our cost of sales are the cost of safety and other supplies, workers compensation insurance and certain costs to manage our warehouses, as well as the following vehicle-related expenses: fuel, repairs and maintenance, depreciation, lease expense, insurance, licensing and titling.

Selling Expenses. Selling expenses primarily include wages and commissions for our sales staff, advertising and bad debt expense.

Administrative Expenses. Administrative expenses include wages and benefits for branch management and administrative personnel, corporate office personnel, non-cash stock compensation, facility costs, office supplies, telecommunications, legal, accounting and general liability insurance costs. For periods after November 1, 2013, the costs of Jeff Edwards' services to us will be paid through an employment agreement and will be included in

administrative expenses. Prior to such date, Mr. Edwards was compensated through management agreements and such amounts were recorded in management fees. As a result, our performance for certain periods presented may not be comparable in this respect.

Management Fees. For the year ended December 31, 2011, management fees represented amounts charged to us by IBP Holding Company, a related party, under agreements originally entered into in March 2004 and October 2007. These agreements were terminated and the associated fees were no longer charged to us beginning in January 2012 as a result of our Recapitalization. For the year ended December 31, 2012, management fees were paid to Littlejohn Managers, LLC ($1.1 million), Jeff Edwards ($2.7 million) and TCI Holdings, LLC ($0.5 million) pursuant to an agreement dated December 18, 2012, which was terminated on November 22, 2013. No similar fees were charged during 2013, and we do not expect to incur management fees going forward. Prior to November 1, 2013, Jeff Edwards served as a consultant and non-employee officer to us. As such, he did not receive salary or bonus for 2012 or for the period from January 1, 2013 to October 31, 2013. The costs of Jeff Edwards' services were paid through the management agreements discussed above. For periods after November 1, 2013, Mr. Edwards' salary and bonus will be included in administrative expenses. See the sections of this prospectus captioned "Compensation of our Executive Officers and Directors" and "Certain Relationships and Related-Party Transactions—Management Agreements."

Amortization Expense. Amortization expense represents the decline in value over time of definite-lived intangible assets such as trademarks, trade names, customer lists and non-competition agreements obtained as a result of past acquisitions.

Impairment Expense. Impairment expense represents the difference in carrying value and fair value of an asset recognized during a period.

Other Operating Expense (Income). Other operating expense (income) includes a net gain on a litigation settlement and a gain from insurance proceeds.

Interest Expense, Net. Interest expense, net relates primarily to our interest expense on capital leases and our revolving lines of credit.

Gain on Extinguishment of Debt. Gain on extinguishment of debt represents the difference between the carrying amount of the extinguished debt and the fair value of equity provided to stockholders in exchange for that debt.

Other Expense (Income), Net. Other expense (income), net includes profit and losses related to and various miscellaneous non-operating expenses.

Income Taxes. Income taxes are recorded using the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred tax assets and liabilities are recognized for the deferred tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those differences are expected to be recovered or settled.

Discontinued Operations. Gain (loss) from discontinued operations represents the after tax gain or loss on the sale or closure of operations of our business and the after tax effect of the discontinued operations for all periods presented.

Accretion charges on Series A Redeemable Preferred Stock and Pre-Recapitalization Preferred Units. Accretion charges on Series A Redeemable Preferred Stock and Pre-Recapitalization Preferred Units represent the change in carrying value of such shares and units during the period as they are accreted from the initial carrying value at the date of issuance to the redemption value at the earliest redemption date.

Results of Operations

The following table sets forth our operating results for the periods indicated.

	Year ended December 31,		Six months ended June 30,		Nine months ended September 30,	
	2011	2012	2012	2013	2012	2013
(in thousands)						
Statement of operations information:						
Net revenue	$ 238,447	$ 301,253	$ 129,548	$ 196,649	$ 209,855	$ 312,599
Cost of sales	181,221	227,210	97,574	148,120	157,616	234,121
Gross profit	57,226	74,043	31,974	48,529	52,239	78,478
Operating expenses						
Selling	18,446	19,807	9,765	11,908	14,443	18,454
Administrative	45,678	56,333	28,056	32,300	41,274	49,183
Management fees, related parties	4,760	4,300	—	—	—	—
Gain on litigation settlement	—	(6,975)	—	—	—	—
Amortization	3,785	3,082	1,463	1,544	2,300	2,301
Impairment of intangibles	1,687	352	—	—	—	—
Other	—	(960)	(916)	—	(960)	—
Operating (loss) income	(17,130)	(1,896)	(6,394)	2,777	(4,818)	8,540
Other expense (income)						
Interest expense	3,673	1,979	863	1,044	1,476	1,657
Interest expense, related parties	3,321	—	—	—	—	—
Gain on extinguishment of debt	(18,542)	—	—	—	—	—
Other	159	(136)	(149)	(164)	(135)	(24)
(Loss) income before income taxes	(5,741)	(3,739)	(7,108)	1,897	(6,159)	6,907
Income tax provision	1,449	555	589	704	510	2,646
Net (loss) income from continuing operations	(7,190)	(4,294)	(7,697)	1,193	(6,669)	4,261
Loss (income) from discontinued operations	2,455	(3,835)	320	773	530	960
Income tax (benefit) provision	(660)	1,447	(121)	(276)	(200)	(362)
Loss (income) from discontinued operations, net of tax	1,795	(2,388)	199	497	330	598
Net (loss) income	$ (8,985)	$ (1,906)	$ (7,896)	$ 696	$ (6,999)	$ 3,663
Accretion charges on Series A Redeemable Preferred Stock	(811)	(5,529)	(2,683)	(3,019)	(4,085)	(4,597)
Accretion charges on Pre-Recapitalization Preferred Units	(1,621)	—	—	—	—	—
Gain on extinguishment of Preferred Units	85,040	—	—	—	—	—
Net income (loss) attributable to common stockholders	$ 73,623	$ (7,435)	$ (10,579)	$ (2,323)	$ (11,084)	$ (934)

Nine Months Ended September 30, 2013 Compared to Nine Months Ended September 30, 2012

Net Revenue

For the nine months ended September 30, 2013, net revenue increased $102.7 million, or 49.0%, to $312.6 million from $209.9 million during the nine months ended September 30, 2012. The increase in net revenue included revenue from acquisitions of $40.3 million. Of the remaining $62.4 million increase in net revenue, approximately $48.3 million, or 47.0% of the increase, was predominantly attributable to growth in the number of completed jobs in the residential new construction end market. The remaining increase in net revenue of approximately $14.2 million, or 13.8% of the increase, resulted from a variety of factors including customer and product mix, market pricing variations and insulation volumes driven by building code requirements. Of these, no one factor was more significant than any other. For the nine months ended September 30, 2013, approximately 25% of the increase in our net revenue was generated by 14% of our branches with approximately 50% of our branches, including acquired branches, accounting for 53% of the increase.

Cost of sales

For the nine months ended September 30, 2013, cost of sales increased $76.5 million, or 48.5%, to $234.1 million from $157.6 million during the nine months ended September 30, 2012. The increase in cost of sales included increases from acquired businesses of approximately $31.1 million. Of the remaining $45.4 million in increases, approximately $36.3 million, or 47.5% of the increase, was predominantly attributable to growth in the number of completed jobs in the residential new construction end market. Additionally, cost of sales increased $8.7 million, or 11.4% of the increase, as a result of a variety of factors including customer and product mix, market pricing variations and insulation volumes driven by building code requirements. Of these items, no one was more significant than the other. Depreciation expense increased $2.3 million as a result of increased investment in vehicles and equipment to support our growth. This increase was partially offset by $1.9 million in improved leverage of our branch cost structures.

Operating expenses

Selling

For the nine months ended September 30, 2013, selling expenses increased $4.0 million, or 27.8%, to $18.5 million from $14.4 million for the nine months ended September 30, 2012. This increase was primarily due to increases in wages and commissions of $1.0 million and $3.0 million, respectively, to support increased sales. However, selling expenses declined by 1.0% as a percentage of net revenue for the nine months ended September 30, 2013, as compared to the nine months ended September 30, 2012, as a result of reduced advertising expense and wages as a percentage of net revenue.

Administrative

For the nine months ended September 30, 2013, administrative expenses increased $7.9 million, or 19.2%, to $49.2 million from $41.3 million for the nine months ended September 30, 2012. During the nine months ended September 30, 2012, we recorded a $4.6 million non-cash compensation charge. There was no similar expense for the nine months ended September 30, 2013. Excluding non-cash compensation, administrative expenses increased $12.5 million, a 34.1% increase. The increase was driven primarily by increases in wages and benefits of $7.8 million and facility costs of $1.2 million attributable to acquisitions and our organic growth, along with a $3.5 million increase in other administrative costs that includes items such as liability insurance, telephone expenses, travel expenses and accounting and consulting fees. Despite these increases, administrative expenses declined on an overall basis as a percentage of net revenue from 17.5% to 15.7%, after adjusting for the impact of the non-cash compensation expense, due to operating efficiencies from higher sales.

Administrative expenses do not include any compensation expense for Mr. Edwards during the nine months ended September 30, 2013. In anticipation of this offering and with a view towards operating as a public company, we entered into an employment agreement with Jeff Edwards on November 1, 2013 that will pay Mr. Edwards a minimum annual base salary of $600,000 and provide him an opportunity to participate in our annual incentive and benefit programs. Compensation paid by us to Mr. Edwards on or after November 1, 2013 will be recorded as an administrative expense in our consolidated statement of operations. Previously, Mr. Edwards served as a consultant and non-employee officer to us and did not receive a salary. Instead, Mr. Edwards was compensated through certain management agreements described in additional detail under the caption “Certain Relationships and Related-Party Transactions —Management Agreements.” As a result, our performance for the period ended September 30, 2013 is not comparable in this respect to our operations from prior periods, will not be comparable in this respect to future periods and may not be indicative of future results.

Amortization

Amortization expense was relatively flat for the nine months ended September 30, 2013 compared to the nine months ended September 30, 2012 at $2.3 million.

Other

For the nine months ended September 30, 2012, other income was comprised of a $1.0 million gain associated with insurance claims for a fire that occurred at one of our branches.

Other expense (income)

Interest expense

For the nine months ended September 30, 2013, interest expense was $1.7 million, compared to $1.5 million for the nine months ended September 30, 2012. This increase was a result of higher average outstanding borrowings under our revolving credit facility to support working capital growth required to support our increased net revenue.

Other

Other income was relatively flat for the nine months ended September 30, 2013 compared to the nine months ended September 30, 2012 at $0.1 million.

Income tax provision

For the nine months ended September 30, 2013, income tax expense increased $2.1 million to $2.6 million from $0.5 million for the nine months ended September 30, 2012. This increase resulted from the significant increase in income from continuing operations and the impact of the $4.6 million in non-deductible stock-based compensation in the nine months ended September 30, 2012.

Loss from discontinued operations

For the nine months ended September 30, 2013 and the nine months ended September 30, 2012, we elected to discontinue certain locations as the result of underperforming markets. For the nine months ended September 30, 2013, we had a loss from discontinued operations of $0.6 million compared to a loss from discontinued operations of $0.3 million for the nine months ended September 30, 2012.

Six Months Ended June 30, 2013 Compared to Six Months Ended June 30, 2012

Net revenue

For the six months ended June 30, 2013, net revenue increased $67.1 million, or 51.8%, to $196.6 million from $129.5 million during the six months ended June 30, 2012. The increase in net revenue included revenue from acquisitions of $27.1 million. Of the remaining $40.0 million increase in net revenue, approximately $33.1 million, or 49.3% of the increase, was predominantly attributable to growth in the number of completed jobs in the residential new construction end market. The remaining increase in net revenue of approximately $6.9 million, or 10.3% of the increase, resulted from a variety of factors including customer and product mix, market pricing variations and insulation volumes driven by building code requirements. Of these, no one factor was more significant than any other. For the six months ended June 30, 2013, approximately 25% of the increase in our net revenue was generated by 12% of our branches with approximately 50% of our branches, including acquired branches, accounting for 54% of the increase.

Cost of sales

For the six months ended June 30, 2013, cost of sales increased $50.5 million, or 51.8%, to $148.1 million from $97.6 million during the six months ended June 30, 2012. The increase in cost of sales included increases from acquired businesses of approximately $20.7 million.

Of the remaining $29.8 million in increases, approximately $24.9 million, or 49.3% of the increase, was predominantly attributable to growth in the number of completed jobs in the residential new construction end market. Additionally, cost of sales increased $4.5 million, or 8.9% of the increase, as a result of a variety of factors including customer and product mix, market pricing variations and insulation volumes driven by building code requirements. Of these items, no one was more significant than the other. Depreciation expense increased $1.3 million as a result of increased investment in vehicles and equipment to support our growth. This increase was partially offset by $0.8 million in improved leverage of our branch cost structures.

Operating expenses

Selling

For the six months ended June 30, 2013, selling expenses increased $2.1 million, or 21.9%, to $11.9 million from $9.8 million for the six months ended June 30, 2012. This increase was primarily due to increases in wages and commissions of $0.8 million and $1.6 million, respectively, to support increased sales. These increases were offset by a $0.3 million decrease in advertising expense and other miscellaneous selling expenses. Selling expenses declined by 1.5% as a percentage of net revenue for the six months ended June 30, 2013, as compared to the six months ended June 30, 2012, as a result of reduced advertising expense and wages as a percentage of net revenue.

Administrative

For the six months ended June 30, 2013, administrative expenses increased $4.2 million, or 15.1%, to $32.3 million from $28.1 million for the six months ended June 30, 2012. During the first six months ended June 30, 2012 we recorded a $4.6 million non-cash compensation charge. There was no similar expense for the six months ended June 30, 2013. Excluding non-cash compensation, administrative expenses increased $8.8 million, a 37.6% increase. The increase was driven primarily by an increase in wages and benefits of $5.3 million and facility costs of $0.9 million attributable to acquisitions and our organic growth, along with a $2.6 million increase in miscellaneous other administrative costs including liability insurance, telephone expenses, travel expenses and accounting and consulting fees. Despite these increases, administrative expenses declined on an overall basis as a percentage of net revenue from 18.1% and 16.4%, after adjusting for the impact of the non-cash compensation expense, due to operating efficiencies from higher sales.

Amortization

Amortization expense was relatively flat for the six months ended June 30, 2013 compared to the six months ended June 30, 2012, at $1.5 million.

Other

For the six months ended June 30, 2012, other income was comprised primarily of a $0.9 million gain associated with insurance claims for a fire that occurred at one of our branches.

Other expense (income)

Interest expense

For the six months ended June 30, 2013, interest expense was $1.0 million, compared to $0.9 million for the six months ended June 30, 2012. This increase was a result of higher average outstanding borrowings under our revolving credit facility to support working capital growth required to support our increased net revenue.

Other

For the six months ended June 30, 2013, other income increased to $0.2 million compared to $0.1 million for the six months ended June 30, 2012.

Income tax provision

For the six months ended June 30, 2013, income tax expense increased $0.1 million to $0.7 million from $0.6 million for the six months ended June 30, 2012.

Loss from discontinued operations, net

For the six months ended June 30, 2013, we had a loss from discontinued operations of $0.5 million compared to a loss from discontinued operations of $0.2 million for the six months ended June 30, 2012 due to the closure of locations in certain underperforming markets.

Year Ended December 31, 2012 Compared to the Year Ended December 31, 2011

Net revenue

For the year ended December 31, 2012, net revenue increased $62.8 million, or 26.3%, to $301.3 million from $238.4 million during the year ended December 31, 2011. The increase in net revenue included revenue from acquisitions of approximately $14.0 million. Of the remaining $48.8 million increase in net revenue, approximately $37.1 million, or 59.1% of the increase, was predominantly attributable to growth in the number of completed jobs in the residential new construction end market. The remaining increase in net revenue of approximately $11.7 million, or 18.6% of the increase, resulted from a variety of factors including customer and product mix, market pricing variations and insulation volumes driven by building code requirements. Of these, no one factor was more significant than any other. For the year ended December 31, 2012, approximately 25% of the increase in our net revenue was generated by 6% of our branches with approximately 50% of our branches, including acquired branches, accounting for 82% of the increase.

Cost of sales

For the year ended December 31, 2012, cost of sales increased $46.0 million, or 25.4%, to $227.2 million from $181.2 million during the year ended December 31, 2011. The increase in cost of sales included increases from acquired businesses of approximately $10.0 million. Of the remaining $36.0 million in increases, approximately $28.2 million, or 61.3% of the increase, was predominantly attributable to increased growth in the number of completed jobs in the residential new construction end market. Additionally, cost of sales increased $9.9 million, or 21.5% of the increase, as a result of a variety of factors including customer and product mix, market pricing variations and insulation volumes driven by building code requirements. Of these items, no one was more significant than the other. Improved leverage of our branch cost structures resulted in cost of sales improvement of approximately $2.1 million.

Operating expenses

Selling

For the year ended December 31, 2012, selling expenses increased $1.4 million, or 7.4%, to $19.8 million from $18.4 million for the year ended December 31, 2011. This increase was due to increases in wages and commissions of $0.6 million and $2.3 million, respectively, to support higher sales and was offset by a reduction in bad debt expense of approximately $1.7 million. Selling expenses declined by 1.2% as a percentage of net revenue for the year ended December 31, 2012 as compared to the year ended December 31, 2011, as a result of bad debt expense and wages comprising a lower percentage of net revenue.

Administrative

For the year ended December 31, 2012, administrative expenses increased $10.7 million, or 23.3%, to $56.3 million from $45.7 million for the year ended December 31, 2011. During the years ended December 31, 2012 and December 31, 2011, we recorded a $4.7 million and $0.8 million non-cash compensation charge,

respectively. Excluding non-cash compensation, administrative expenses increased $6.8 million, or 15.1%, which was due to increased wages and benefits costs of $6.9 million and facility costs of $0.6 million, along with a decrease in other administrative expenses of approximately $0.7 million. A decrease of Recapitalization transaction fees of $2.7 million incurred in 2011 was offset by increased costs in general liability insurance, travel and other office and facility expenses.

Management fees, related parties

For the year ended December 31, 2012, management fee expenses decreased $0.5 million, or 9.7%, to $4.3 million from $4.8 million for the year ended December 31, 2011. For the year ended December 31, 2011, management fees represented amounts charged to us by IBP Holding Company, one of our indirect stockholders and a related party, for corporate office personnel expenses under agreements originally entered into in March 2004 and October 2007. These agreements terminated and the associated fees were no longer charged to us beginning in January 2012 as a result of our Recapitalization. For the year ended December 31, 2012, management fees were paid to Littlejohn Managers, LLC ($1.1 million), Jeff Edwards ($2.7 million) and TCI Holdings, LLC ($0.5 million) pursuant to an agreement dated December 18, 2012, which was terminated on November 22, 2013. No similar fees were charged during 2013, and we do not expect to incur management fees going forward. Prior to November 1, 2013, Jeff Edwards served as a consultant and non-employee officer to us. As such, he did not receive salary or bonus for 2012. The costs of Jeff Edwards' services were paid through the management agreements. See the sections of this prospectus captioned "Compensation of our Executive Officers and Directors" and "Certain Relationships and Related-Party Transactions—Management Agreements."

Gain on litigation settlement

For the year ended December 31, 2012, a net gain on a litigation settlement of $7.0 million was recognized due to the settlement in 2012 of a class action lawsuit in which we were one of the plaintiffs. The lawsuit related to excess material prices being charged by certain manufacturers.

Amortization

For the year ended December 31, 2012, amortization expense decreased by $0.7 million, or 18.6%, to $3.1 million from $3.8 million during the year ended December 31, 2011. The decrease period-over-period was driven by intangible asset impairments recorded during 2011 in the amount of $1.7 million, which brought down the total gross intangible asset value thus reducing amortization on a going-forward basis.

Impairment of intangibles

For the year ended December 31, 2012, impairment of intangibles decreased by $1.3 million, or 79.1%, to $0.4 million from $1.7 million during the year ended December 31, 2011. The decrease period-over-period resulted from an impairment charge in 2011 related to the impairment of certain customer relationships and trademark and trade name intangible assets.

Other

For the year ended December 31, 2012, other income was comprised primarily of a $1.0 million gain associated with insurance claims for a fire that occurred at one of our branches.

Other expense (income)

Interest expense

For the year ended December 31, 2012, interest expense was $2.0 million, compared to $3.7 million for the year ended December 31, 2011. This decrease of $1.7 million was a result of lower average outstanding borrowings under our revolving credit facility combined with lower average borrowing rates. For the year ended December 31, 2012, we recorded no related-party interest expense, compared to $3.3 million for the year ended December 31, 2011. This decrease was the result of the extinguishment of related-party debt in 2011 in connection with our Recapitalization. Refer to "—Our Recapitalization" and Note 1 to our audited consolidated financial statements for the year ended December 31, 2012 for further discussion.

Gain on extinguishment of debt

For the year ended December 31, 2011, gain on extinguishment of debt was $18.5 million related to the extinguishment of debt associated with our Recapitalization. In connection with our Recapitalization, we entered into a series of transactions through which the majority of our then-outstanding debt was cancelled or forgiven. The $18.5 million gain represents the difference in the carrying amount of debt and the fair value of the debt recognized. Refer to "—Our Recapitalization" and Note 1 to our audited consolidated financial statements for the year ended December 31, 2012 for further discussion.

Other

For the year ended December 31, 2012, other income was $0.1 million compared to other expense of $0.2 million for the year ended December 31, 2011.

Income tax provision

In 2011, we recorded an income tax provision of $1.4 million on our loss from continuing operations of $5.7 million, or an effective rate of (25.2%). The 2011 provision was primarily driven by the impact of the Recapitalization, as well as the recognition of non-deductible losses recorded in 2011. In 2012, we recorded an income tax provision of $0.6 million on our loss from continuing operations of $3.7 million, or an effective rate of (14.8%). The 2012 provision was primarily driven by the impact of non-deductible stock compensation recorded in 2012, and to a lesser extent an increase of our valuation allowance on net operating losses.

Loss from discontinued operations, net

For the year ended December 31, 2012, we had income from discontinued operations of $2.4 million compared to a loss from discontinued operations of $1.8 million for the year ended December 31, 2011. During the year ended December 31, 2012, we discontinued an operation that was used for regrinding materials to produce loosefill insulation. Substantially all materials subject to regrinding in this operation were provided by a single supplier. The contract under which the materials were obtained was terminated during 2012. As a result, the associated operation was discontinued. A gain of $4.5 million was recorded as a result of the cancelled supplier contract. During the year ended December 31, 2011, we elected to discontinue locations in certain underperforming markets.

Liquidity and Capital Resources

Our primary capital requirements are to fund working capital needs, operating expenses, acquisitions and capital expenditures and meet required interest payments. Since 2011, our capital resources have primarily consisted of cash and borrowings under our revolving credit facility.

The residential construction industry, and therefore our business, experienced a significant downturn that started in 2006. However, beginning in 2012, we saw the first meaningful increase in housing completions since the downturn began. While we have experienced improved profitability and liquidity through the first nine months of 2013, we have invested significantly in working capital due to our increased sales, supported primarily by our revolving credit facility. Additionally, we have utilized capitalized leases to finance an increase in the number of our vehicles.

As of September 30, 2013, we had $5.3 million in cash and $19.0 million of unused borrowing capacity under our revolving credit facility. In addition to cash, we had restricted cash of $1.7 million as of September 30, 2013, which is a contractually required component of our self-insured retention ("SIR") general liability insurance policy and our high-deductible workers' compensation insurance policies to ensure payment under these programs.

We believe that our cash flows from operations, combined with our current cash levels and available borrowing capacity, will be adequate to support our ongoing operations and to fund our debt service requirements, capital expenditures and working capital for at least the next 12 months.

Historical cash flow information

Working capital

We carefully manage our working capital and operating expenses. As of September 30, 2013 and December 31, 2012, our working capital was 8.7% and 7.6% of net revenue, respectively. While we continue to look for opportunities to reduce our working capital as a percentage of net revenue, we may decide in the future to negotiate additional discounted payment terms with our vendors. While this would reduce our cost of sales, it would decrease our cash flow from operations.

Working capital was $27.2 million as of September 30, 2013, $29.5 million as of June 30, 2013, and $23.0 million and $18.4 million as of December 31, 2012 and 2011, respectively.

The increase in accounts receivable, net, of $14.1 million as of September 30, 2013 as compared to December 31, 2012, is primarily a result of higher net revenue and seasonal increases that are typical following the winter months. Accounts receivable, net, increased $11.9 million as of December 31, 2012 as compared to December 31, 2011, primarily as a result of increased net revenue. Days sales outstanding as of September 30, 2013 and December 31, 2012 and 2011 were approximately 53.0, 55.9, and 52.6 days, respectively. Although days sales outstanding has remained relatively constant, the fluctuation in days sales outstanding is impacted by increases or decreases in the accounts receivable balance as compared to net revenue for the same period.

The increase in inventory, net, of $2.8 million as of September 30, 2013 as compared to December 31, 2012, is primarily a result of higher net revenue and seasonal increases that are typical following the winter months. Inventories, net, increased $4.4 million as of December 31, 2012 as compared to December 31, 2011, primarily due to increased net revenue to meet increased demand. Inventory turns September 30, 2013 and December 31, 2012 and 2011 were approximately 7.4, 8.8 and 7.5, respectively. Fluctuations in inventory turns are primarily a result of the seasonal increases in inventory during the winter months.

Other current assets increased $0.7 million to $6.1 million as of September 30, 2013 as compared to December 31, 2012 primarily due to an increase in material rebates receivables associated with higher material purchases to support higher sales. Other current assets increased $1.8 million or 51.2% as of December 31, 2012 as compared to December 31, 2011, primarily due to an increase in material rebates receivables.

Accounts payable increased $8.9 million as of September 30, 2013 as compared to December 31, 2012, and increased $9.6 million as of December 31, 2012 as compared to December 31, 2011, in each case, primarily as a result of changes in the volume of inventory purchases due to higher net revenue leading up to each balance sheet date.

Accrued liabilities increased $3.5 million as of September 30, 2013 as compared to December 31, 2012, and increased $0.6 million as of December 31, 2012 as compared to December 31, 2011, in each case, primarily due to increases in operating expenses required to support the increasing level of net revenue.

Cash flow from operating activities

Net cash provided by operating activities was $2.6 million for the nine months ended September 30, 2013 as compared to net cash used in operating activities of $2.2 million for the nine months ended September 30, 2012. This increase in cash flow was due primarily to an increase in net income discussed above.

Net cash used in operating activities was $7.6 million for the six months ended June 30, 2013 as compared to net cash used in operating activities of $2.7 million for the six months ended June 30, 2012. This decrease in cash flow was attributable to the increase in net income of $8.6 million, offset by a decrease in adjustments to net income of $3.9 million, which was primarily related to an adjustment for non-cash stock compensation of $4.6 million during the six months ended June 30, 2012. Additionally, the decrease in the change in current assets and liabilities of $12.3 million primarily related to an increase in accounts receivable of $7.2 million and tax payments of $5.1 million during the period.

Net cash provided by operating activities was $4.6 million for the year ended December 31, 2012 as compared to net cash used in operating activities of $12.8 million for the year ended December 31, 2011. This increase in cash flow was attributable to the decrease in net loss of $7.1 million and an increase in adjustments to net loss of $16.8 million, which was primarily due to the gain on extinguishment of debt of $18.5 million that occurred in 2011. This increase was offset by a decrease in the change in current assets and liabilities of $6.5 million, which primarily related to a decrease in accounts receivable of $1.3 million and an increase in other liabilities of $4.1 million.

Cash flows from investing activities

Net cash used in investing activities was $1.6 million for the nine months ended September 30, 2013 as compared to $0.1 million for the nine months ended September 30, 2012. This decrease in cash flow was primarily the result of an increase of $0.7 million in property and equipment purchases during the nine months ended September 30, 2013. In addition cash payments of $0.7 million were made for business combinations during the nine months ended September 30, 2013 as opposed to receipt of cash of $0.3 million through business combinations made during the nine months ended September 30, 2012.

Net cash used in investing activities was $1.0 million for the six months ended June 30, 2013 as compared to net cash provided by investing activities of $0.3 million for the six months ended June 30, 2012. The decrease in cash flow was primarily the result of an increase of $0.6 million in property and equipment purchased during the six months ended June 30, 2013 in addition to cash payments of $0.7 million for business combinations made during the period. No business combinations occurred during the six months ended June 30, 2012.

Net cash used in investing activities was $2.7 million for the year ended December 31, 2012 as compared to net cash provided by investing activities was $0.2 million for the year ended December 31, 2011. The decrease in cash flow was primarily the result of an increase of $1.9 million in property and equipment purchased during the year ended December 31, 2012 in addition to cash payments of $0.8 million for business combinations made during the period. No business combinations occurred during the year ended December 31, 2011.

Cash flows from financing activities

Net cash provided by financing activities was $0.3 million for the nine months ended September 30, 2013 as compared to $5.4 million for the nine months ended September 30, 2012. The decrease in cash flow was the result of an increase of $2.7 million in principal payments on capital leases and increased payments for deferred offering costs of $1.1 million during the nine months ended September 30, 2013.

Net cash provided by financing activities was $8.6 million for the six months ended June 30, 2013 as compared to $4.2 million for the six months ended June 30, 2012. The increase in cash flow was the result of an increase of $6.3 million in borrowings under the revolving line of credit, offset by an increase of $1.6 million in principal payments on capital leases.

Net cash used in financing activities was $0.5 million for the year ended December 31, 2012 as compared to net cash provided by financing activities of $11.9 million for the year ended December 31, 2011. The decrease in cash flow was the result of a decrease of $10.1 million in capital contributions and a decrease of $11.8 million in net proceeds from all lines of credit. These factors were offset by a decrease of $9.4 million in principal payments on long-term debt during the year ended December 31, 2012.

Capital expenditures

Capital expenditures vary depending on prevailing business factors, including current and anticipated market conditions. Historically, capital expenditures have remained steady in comparison to the operating cash flows generated during the corresponding periods. We expect our 2013 capital expenditures to be approximately $18 to $20 million (including new capital lease obligations) primarily related to purchases of vehicles and various equipment to support our operations and increased net revenue.

Revolving credit facility

We entered into our revolving credit facility on November 4, 2011 with Bank of America, N.A. Under the revolving credit facility, our line of credit has a maximum limit of $50.0 million. Amounts outstanding under the revolving credit facility are due May 4, 2016 with interest at the greater of 1) the Eurodollar rate, or the London Interbank Offered Rate, or LIBOR, or 2) the alternate base rate, which approximates the prime rate, plus a margin based on the type of rate applied. As of September 30, 2013, we had $23.7 million outstanding under our revolving credit facility at 1-month LIBOR including margin (2.25% to 3.75%) and $0.7 million outstanding at the prime rate including margin (4.25%).

Our revolving credit facility permits borrowings based on a stated percentage of eligible accounts receivable and inventories. We are required to pay a monthly fee of 0.375% per annum on the average unused commitment under our revolving credit facility. Borrowings outstanding under our revolving credit facility are collateralized by a first priority lien on all assets, including, but not limited to, all real estate, property, equipment, receivables and inventories. In addition, the borrowing base under our revolving credit facility may be reduced by the sum of letter of credit obligations, inventory reserves and reserves relating to claims that may be reasonably expected to be asserted against the collateral securing such credit facility, among other specified amounts. Our revolving credit facility also contains various customary restrictive non-financial covenants and a change in control and event of default provision.

Our revolving credit facility also allows us to issue letters of credit not to exceed $10.0 million in the aggregate. To support our insurance programs, we had $7.3 million of letters of credit outstanding as of September 30, 2013.

Certain subsidiaries of Installed Building Products, Inc. are borrowers under our revolving credit facility, Installed Building Products, Inc. and certain other of its subsidiaries are guarantors of our revolving credit facility.

Our revolving credit facility contains certain customary representations and warranties and affirmative and negative covenants, including financial reporting requirements and covenants limiting our indebtedness, investments, liens, restricted payments, asset sales, affiliate transactions, hedging agreements, restrictive agreements, equity issuances by subsidiaries, leases, mergers and acquisitions. In addition, if minimum availability under our revolving credit facility falls below a certain threshold, the facility requires that we satisfy

a fixed charge coverage ratio and minimum EBITDA test. With respect to restrictions on acquisitions, certain acquisitions are permitted if (1) our pro forma fixed charge coverage ratio is at least 1.10 to 1.00 as of the recently ended measurement period and the pro forma availability under our revolving credit facility immediately before and after making such acquisition, and the average pro forma availability for the 30 days prior to such acquisition, is at least $5.0 million or (2) the pro forma availability immediately before and after making such acquisition, and the average pro forma availability for the 30 days prior to such acquisition, is at least $10.0 million.

We are currently in discussions to amend the terms of our revolving credit facility or enter into a new credit facility following this offering. While we expect to amend the terms of or replace our existing revolving credit facility in the next three to six months, we cannot guarantee such timing or that we will amend the terms of or replace our existing revolving credit facility at all. While we do not know the exact terms of any amended or replacement credit facility, we would expect to be subject to continued negative covenants and compliance with certain financial ratios.

Letters of Credit and Bonds

We use letters of credit to secure our performance under our general liability and workers compensation insurance programs. Our workers compensation insurance program is considered a high deductible program whereby we are responsible for the cost of claims under $0.5 million. If we do not pay these claims, our insurance carriers are required to make these payments to the claimants on our behalf. Our general liability insurance program has an SIR of $0.35 million whereby we are responsible for all claims below the SIR, and the insurance company only has liability above the SIR. As of September 30, 2013, we had $7.3 million of outstanding letters of credit and $1.7 million in cash securing our performance under these insurance programs. We occasionally use performance bonds to ensure completion of our work on certain larger customer contracts that can span multiple accounting periods. As of September 30, 2013, we had approximately 15 performance bonds outstanding, totaling $2.0 million. Performance bonds generally do not have stated expiration dates; rather, we are released from the bonds as the contractual performance is completed. As of September 30, 2013, we had approximately 155 permit and license bonds outstanding, totaling $3.0 million. Permit and license bonds are typically issued for one year and are required by certain municipalities when we obtain licenses and permits to perform work in their jurisdictions.

Contractual Obligations

In the table below, we set forth our enforceable and legally binding obligations as of December 31, 2012. Some of the amounts included in the table are based on management's estimates and assumptions about these obligations, including their duration, the possibility of renewal, anticipated actions by third parties and other factors. Because these estimates and assumptions are necessarily subjective, our actual payments may vary from those reflected in the table. The figures in the table below do not reflect the anticipated proceeds of this offering and the application thereof.

	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Long-term debt obligations (1)	$20,032	$ 643	$ 1,206	$18,184	$ —
Capital lease obligations (2)	13,803	4,546	6,567	2,690	—
Operating lease obligations (3)	17,090	4,803	6,044	2,654	3,589
Purchase obligations (4)	80,363	23,873	47,596	8,894	—

(1) Long-term debt obligations include estimated interest payments. In determining estimated interest payments, we utilize the current market rate. Additionally, our estimated interest payments have been calculated assuming that our debt balance as of December 31, 2012 remains outstanding in line with the above-disclosed payment schedule. Long-term debt obligations include amounts outstanding under our revolving credit facility.

(2) We maintain a fleet of production vehicles under a capital lease structure. The leases expire on various dates through December 2017. We anticipate continuing the leasing of production vehicles to include new vehicles to support the increasing number of installation jobs in our business as well as to replace aging vehicles. We lease certain facilities, vehicles and equipment under operating lease agreements, including, but not limited to, corporate offices, branch locations and various office and operating equipment. Capital lease obligations, as disclosed above, include estimated interest expense payments. In determining expected interest expense payments, we utilize the current market rate.

(3) We lease certain locations, vehicles and equipment under operating lease agreements, including, but not limited to, corporate offices, branch locations and various office and operating equipment. In some instances, these location lease agreements exist with related parties. See "Certain Relationships and Related-Party Transactions—Real Property Leases."

(4) We entered into two supply contracts with minimum purchase requirements at market rates. The amounts in the above table represent our best estimate as to the prices that will be payable for the minimum volume of purchases that must be made under the contracts. Similar commitments existed in 2012 and were fully met. We expect to exceed our minimum requirements under these agreements in 2013.

Off-Balance Sheet Arrangements

As of September 30, 2013 and December 31, 2012 and 2011, other than operating leases and purchase obligations described above, letters of credit issued under our revolving credit facility and performance and license bonds, we had no material off-balance sheet arrangements with unconsolidated entities.

INFLATION

Our performance is dependent to a significant extent upon the levels of U.S. residential new construction spending, which is affected by factors such as interest rates, inflation, consumer confidence and unemployment. We do not believe that inflation has had a material impact on our business, financial condition or results of operations during the past two fiscal years.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of our consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. Certain accounting policies involve judgments and uncertainties to such an extent that there is a reasonable likelihood that materially different amounts could have been reported using different assumptions or under different conditions. We evaluate our estimates and assumptions on a regular basis. We base our estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of our assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and assumptions used in preparation of our consolidated financial statements. We provide discussion of our more significant accounting policies, estimates and judgments used in preparation of our consolidated financial statements below.

Revenue Recognition

Revenue from the sale and installation of products is recognized when all of the following have occurred: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or services have been rendered, (iii) the price is fixed or determinable and (iv) the ability to collect is reasonably assured. Revenue from the sale and installation of products is recognized at the time the installation is complete.

Goodwill

Goodwill results from business combinations and represents the excess of the purchase price over the fair value of acquired tangible assets and liabilities and identifiable intangible assets.

Goodwill is assigned to and tested for impairment at a reporting unit level. We have one operating segment and our branches meet the definition of components as they are businesses for which discrete financial information is available and whose operating results are reviewed by management. In accordance with the guidance outlined in Accounting Standards Codification, or ASC, 350-20, our components qualify to be aggregated into one reporting unit for goodwill impairment testing purposes.

Annually, or if conditions indicate an earlier review is necessary, we assess qualitative factors to determine if it is more likely than not that the fair value of the reporting unit is less than its carrying amount and if it is necessary to perform the quantitative two-step goodwill impairment test.

At December 31, 2011 and 2012, our measurement dates, we performed a step one analysis and compared the carrying value of the reporting unit to an estimate of the reporting unit's fair value to identify potential impairment. There was no goodwill impairment in either 2011 or 2012. The estimated fair value of the reporting unit was substantially in excess of the carrying value at December 31, 2012.

The estimate of the reporting unit's fair value is determined by weighting a discounted cash flow model and a market-related model. The estimate of the reporting unit's fair value involves significant unobservable inputs (Level 3). These Level 3 inputs are primarily our forecasts utilized in the discounted cash flow model and our determination of the weight applied to each of the aforementioned models. Our forecasts include current and projected future levels of cash flow based on management's plans, business trends, prospects, market and economic conditions and market-participant considerations. Our forecasts are based upon the best information available at the measurement date; however, actual results may vary from the forecasts and thus the forecasts represent a Level 3 input. We take our forecasts and apply a discount rate commensurate with our capital structure and the cost of capital of comparable market participants, giving appropriate consideration to the prevailing borrowing rates within our industry, to arrive at our discounted cash flow model. We elected to weight the discounted cash flow model and market related model, placing more weight on the discounted cash flow model. We believe the discounted cash flow approach more appropriately captures the specific growth and risk profile of the reporting unit, whereas the market approach requires a qualitative assessment of the reporting unit's risk profile and growth prospects compared to reasonably similar publicly-traded companies. In periods where both models produce significantly equivalent results we may elect to use the results of the discounted cash flow model only.

If the estimated fair value of the reporting unit is less than the carrying value, a second step is performed to determine the amount of the potential goodwill impairment. If impaired, goodwill is written down to its estimated implied fair value.

Taxes

We account for income taxes using the asset and liability method. Under this method, the amount of taxes currently payable or refundable are accrued, and deferred tax assets and liabilities are recognized for the estimated future tax consequences of temporary differences that currently exist between the tax basis and financial reporting basis of our assets and liabilities.

Valuation allowances are established against deferred tax assets when it is more likely than not that the realization of those deferred tax assets will not occur. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, the ability to produce future taxable income, tax planning strategies available and recent financial operations. In projecting future taxable income, we begin with historical results

adjusted for the results of discontinued operations and changes in accounting policies and incorporate assumptions, including the amount of future federal and state pretax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax planning strategies.

Deferred tax assets and liabilities are measured using the enacted tax rates in effect in the years when those temporary differences are expected to reverse. The effect on deferred taxes from a change in tax rate is recognized through continuing operations in the period that includes the enactment date of the change.

A tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. We recognize tax liabilities for uncertain tax positions and adjust these liabilities when our judgment changes as a result of the evaluation of new information not previously available.

Our income tax expense, deferred tax assets and liabilities and reserves for unrecognized tax benefits reflect management's best assessment of estimated future taxes to be paid. We are subject to income taxes in the United States which includes numerous state and local jurisdictions. Significant judgments and estimates are required in determining the income tax expense.

Stock-based compensation

We estimate the value of stock-based awards on the date granted and each subsequent balance sheet date for liability awards. The Employee Puts are deemed to be liability-classified instruments that are directly associated with the awards. As such, both the awards and the Employee Puts are accounted for as liability-classified instruments as of the issuance date of the Employee Put. During the period for which the Employee Puts are exercisable, both the Employee Puts and the associated awards are remeasured to fair value each reporting period. In the absence of a publicly traded market, the fair market value of the put options and underlying shares are estimated primarily using discounted cash flow and, secondarily, other market-related models using current industry trends. In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of income based on management's plans, business trends, prospects and market and economic conditions and market-participant considerations. The adjustment to the carrying value is based upon an equity rate of return for a public company in our industry with similar financial trends and characteristics. The determined fair value of our common stock is used to determine the value of the membership interest units based on their ownership interest. The membership interest units and related put options are recorded at fair value as compensation expense.

Recent Accounting Pronouncements

Fair Value Measurement: In May 2011, the Financial Accounting Standards Board, or the FASB, issued Accounting Standards Update No. 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in GAAP and IFRS, or ASU 2011-04. The amendments in this ASU are intended to improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with GAAP and International Financial Reporting Standards, or IFRS. The amendments in this ASU explain how to measure fair value. They do not require additional fair value measurements and are not intended to establish valuation standards or affect valuation practices outside of financial reporting. We adopted the provisions of ASU 2011-04 on January 1, 2012. The adoption did not have an impact on our financial position or results of operations.

Implications of Being an Emerging Growth Company

We qualify as an emerging growth company as defined in the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies. These provisions include:

- a requirement to have only two years of audited financial statements and only two years of related Selected Financials and Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure;
- an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act;
- reduced disclosure about the emerging growth company's executive compensation arrangements; and
- no requirement to seek non-binding advisory votes on executive compensation or golden parachute arrangements.

We have elected to adopt the reduced disclosure requirements available to emerging growth companies, including a requirement to have only two years of audited financial statements, two years of related selected financial data and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure as well as reduced disclosure about executive compensation arrangements. As a result of these elections, the information that we provide in this prospectus may be different than the information you may receive from other public companies in which you hold equity interests. In addition, it is possible that some investors will find our common stock less attractive as a result of our elections, which may cause a less active trading market for our common stock and more volatility in our stock price.

We may take advantage of these provisions until we are no longer an emerging growth company. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the completion of this offering, (b) in which we have total annual gross revenue of at least $1.0 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700 million as of the prior June 30, or (2) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period. We may choose to take advantage of some but not all of these reduced burdens.

The JOBS Act permits emerging growth companies to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We are choosing to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted. This decision to opt out of the extended transition period is irrevocable.

Quantitative and Qualitative Disclosure on Market Risks

We are exposed to market risks related to fluctuations in interest rates on our outstanding variable rate debt. As of December 31, 2012, we had approximately $18 million outstanding under our revolving credit facility and approximately $12 million outstanding under various capital leases. A hypothetical one percentage point increase (decrease) in interest rates on our variable rate debt would increase (decrease) our annual interest expense by approximately $0.3 million.

For variable rate debt, interest rate changes generally do not affect the fair value of the debt instrument, but do impact future earnings and cash flows, assuming other factors are held constant. We did not utilize swaps, forward or option contracts on interest rates or commodities, or other types of derivative financial instruments during 2012. We have not entered into and currently do not hold derivatives for trading or speculative purposes.

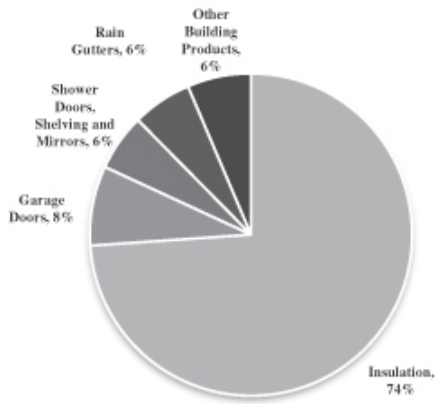
Our Business

OUR COMPANY

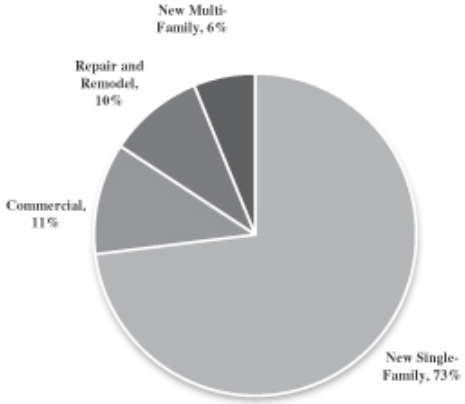
We are the second largest new residential insulation installer in the United States based on total U.S. housing completions, with a national platform consisting of over 100 locations serving customers in 44 states. We believe we have the number one or two market position for new single-family insulation installation in more than half of the markets in which we operate, based on permits issued in those markets. We also install complementary building products, including garage doors, rain gutters, shower doors, closet shelving and mirrors, which provide cross-selling opportunities. For the nine months ended September 30, 2013, we generated net revenue of $312.6 million, Adjusted EBITDA of $16.3 million and net income of $3.7 million. This represents a 49.0% increase in net revenue and a 3.1 times increase in Adjusted EBITDA as compared to the nine months ended September 30, 2012. Approximately 79% of our net revenue in the nine months ended September 30, 2013 was derived from sales to the U.S. residential new construction market.

Net Revenue for the nine-month period ended September 30, 2013

By product as a % of net revenue



By end market as a % of net revenue



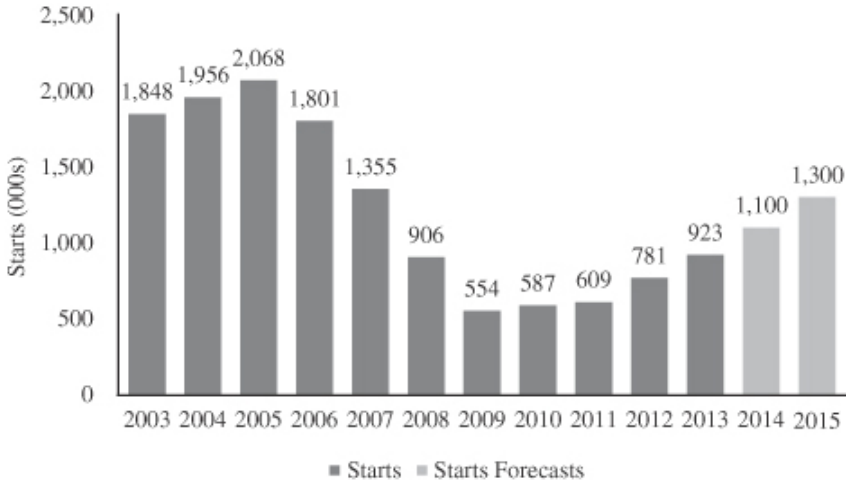
We manage all aspects of the installation process for our customers, from our direct purchase and receipt of materials from national manufacturers, to our timely supply of materials to job sites and quality installation. Installation of insulation, which includes air sealing, is a critical phase in the construction process, as certain interior work cannot begin until the insulation phase passes inspection. We benefit from our national scale, long-standing supplier relationships and a broad customer base that includes production and custom homebuilders, multi-family and commercial contractors, and homeowners. During each of the past five years, no single customer accounted for more than 3% of our net revenue.

Our business began in 1977 with one location in Columbus, Ohio. In the late 1990s, we began our acquisition strategy with the goal of creating a national platform. Since 1999, we have successfully completed and integrated over 90 acquisitions, which has allowed us to generate significant scale and to diversify our product offering while expanding into some of the most attractive housing markets in the United States. Over the past several years, our net revenue has increased at a faster rate than our operating expenses, resulting in an improved cost structure and more efficient and scalable operating model to improve our financial performance and returns on invested capital. We are well positioned to continue to grow our business through the ongoing housing recovery, market share gains and acquisitions. We estimate that we have grown our share of the U.S. residential new construction insulation installation market from approximately 5% as of December 31, 2005 to approximately 16% as of September 30, 2013, based on total U.S. housing completions.

INDUSTRY OVERVIEW AND TRENDS

Housing End Market. Our business is driven primarily by the U.S. residential new construction market. According to the U.S. Census Bureau, total housing starts averaged approximately 1.6 million per year from 1968 to 2006. From 2007 to 2012, housing starts averaged approximately 800,000 per year, reaching a low in 2009 of approximately 554,000. After remaining relatively flat in 2010 and 2011, the housing industry started to recover in 2012, with U.S. housing starts increasing to approximately 781,000, which was the highest level achieved since 2008.

Historical and Forecast U.S. Housing Starts



Source: U.S. Census Bureau for historical starts data; Blue Chip for starts forecasts.

We believe that a new home construction recovery is currently underway on a national basis, which is being driven by key macroeconomic factors, including improved consumer confidence, increasing household formation and attractive levels of new home affordability. According to Blue Chip, housing starts are expected to grow by 19% in 2014 to reach approximately 1.1 million and by 18% in 2015 to reach approximately 1.3 million. We continuously monitor housing market growth trends across the United States in order to allocate our resources to maximize operating efficiencies and assess geographic expansion opportunities.

Other End Markets. We also install building products, including insulation, for the commercial construction and repair and remodel end markets. The McGraw Hill 2013 Dodge Construction Outlook (third quarter update) forecasts a 5% year-over-year increase in square footage for commercial construction in 2013 and a 17% year-over-year increase in 2014. We also expect to experience an increase in repair and remodel activity as the overall housing market recovery progresses.

Insulation Market. We compete primarily in the U.S. residential new construction insulation installation market, which we believe exceeded $1.4 billion of sales in 2012 and $4.0 billion of sales in 2005. Sales in the U.S. residential new construction insulation installation market are tied to trends in the housing market. We estimate that the top three insulation installers comprise approximately half of the total market. The remainder of the market is highly fragmented and is comprised primarily of smaller, privately owned, local companies, many of which lack scale and have limited access to capital.

Insulation and energy efficiency standards. The amount of insulation in a new home is regulated by various building and energy codes, which establish minimum thermal and air sealing performance requirements. These

codes are typically updated with more stringent requirements every three years. The most recent of these code enhancements to be adopted is the 2012 IECC. As of November 2013, six states and an additional 44 local jurisdictions had adopted the 2012 IECC, and the U.S. Department of Energy projects that 18 states will have adopted standards at the 2012 IECC level or higher by 2015. We believe that new residential insulation demand will increase as a result of increased adoption of the 2012 IECC by states and municipalities.

Installation and homebuilders. Builders value the benefits of using a qualified and experienced installer. These benefits include expertise in installing insulation and other products, knowledge of local building codes, timely supply of materials to job sites and management of installer labor. According to the NAHB, insulation comprises 1.8% of the total construction cost of a typical single-family home.

OUR COMPETITIVE STRENGTHS

We believe we benefit from the following competitive strengths:

Local market leadership with national scale

- We are the second largest new residential insulation installer in the United States based on total U.S. housing completions. We installed insulation in more than 70,000 homes in 2012 and operate in over 70% of the 50 largest housing markets across the United States, as measured by U.S. Census Bureau population estimates.
- Our local branch operations have earned a reputation for timely and quality installations, positioning us, we believe, as the number one or number two insulation installer for new single-family insulation installation in more than half of the markets we serve, based on permits issued in those markets.
- Our branches have expertise in local building codes and energy-efficient building practices, and strong working relationships with homebuilders and on-site construction managers.
- Our regional managers, local branch managers and sales force have significant experience in the industry and have spent an average of more than 10 years with our operations.

Proven ability to gain market share

- We estimate that we have increased our market share in the U.S. residential new construction insulation installation market from approximately 5% to approximately 16% from December 31, 2005 to September 30, 2013, based on total U.S. housing completions.
- We have increased our net revenue divided by total U.S. housing completions by 180% from 2005 to 2012. We believe that our ability to increase net revenue performance over this period, despite a 66% decrease in the number of total U.S. housing completions over this period, was the result of our acquiring local installation operations, gaining market share organically, cross-selling complementary installation services and installing more insulation per home due to the adoption of more energy efficient building codes.

Net Revenue Divided by Total U.S. Housing Completions

Source: U.S. Census Bureau for housing completions data.

Proven acquisition track record

- Since 1999, we have completed over 90 acquisitions.
- We have a proven ability to identify operations that meet our disciplined acquisition criteria and to successfully integrate them to realize synergies within our scalable infrastructure.
- Our ability to retain local employees, trademarks, trade names and long-term customers has been an important component of our successful acquisition strategy.

Highly efficient and scalable operating model

- Our national platform and long-standing supplier relationships allow us to leverage economies of scale to deliver attractive margins.
- Our web-based information system facilitates the complete proposal-to-collection process with a customizable platform that supports local market needs, while also enabling efficient centralized accounting and in-depth data analysis.
- Our local branch operations benefit from dedicated corporate services related to purchasing, safety practices, claims and risk management, regulatory compliance and human resources support.

Highly experienced and incentivized management team

- Our management team has led us through multiple housing industry cycles, providing valuable continuity and a demonstrated ability to improve operations and grow our business both organically and through acquisitions.
- Each of our executive officers has more than 10 years of experience with us. They and our regional presidents average more than 20 years of experience in the building products and construction industries.
- Our senior management team is highly incentivized to succeed. Jeff Edwards, our Chief Executive Officer and Chairman, and our directors and executive officers will beneficially own approximately % and %, respectively, of our common stock after this offering.

OUR GROWTH STRATEGY

Our objective is to leverage our competitive strengths to increase stockholder value through the following key strategies.

Capitalize on the new construction market recovery

- Approximately 79% of our net revenue in the nine months ended September 30, 2013 was derived from sales to the U.S. residential new construction market. According to Blue Chip, housing starts are expected to grow by approximately 19% in 2014 and approximately 18% in 2015.
- We estimate that our current addressable market, measured by the total number of permits issued in the markets we serve, has grown from approximately 24% of total new U.S. residential building permits for the year ended December 31, 2005 to approximately 55% for the nine months ended September 30, 2013.
- Our diversified customer base includes an attractive mix of production and custom homebuilders, ranging from national home builders to regional and local homebuilders as well as multi-family and commercial contractors, which we believe will enable us to grow through all stages of the housing recovery.
- We will continue to emphasize sourcing direct from manufacturers, local pricing discipline and working capital management to maximize our operating leverage and improve our market position.

Continue to gain market share through organic growth

- We believe we will continue to gain organic market share, aided by our national scale and local presence, quality service and ability to hire, train and retain installers.
- We expect to continue to strengthen our leading national market position, as many of our competitors lack the access to capital required to keep pace with the U.S. housing market recovery.
- We will continue to pursue cross-selling opportunities in garage doors, rain gutters, shower doors, closet shelving and mirrors and other complementary products. We estimate that our net revenue contributed by these products divided by total U.S. housing completions has grown from approximately $51 in 2005 to approximately $120 in 2012, a 135% increase.

Pursue value-enhancing strategic acquisitions

- The highly fragmented nature of our industry allows for both geographic expansion and existing market tuck-in acquisitions.
- We will continue to identify and pursue strategic acquisitions, based on our acquisition criteria that include local brand strength and quality of the local management and labor force.
- We believe we will continue to achieve synergies from our acquisitions due to our national buying power, value-enhancing technology and proven operating platform.

Maximize benefits from energy efficiency standards and industry trends

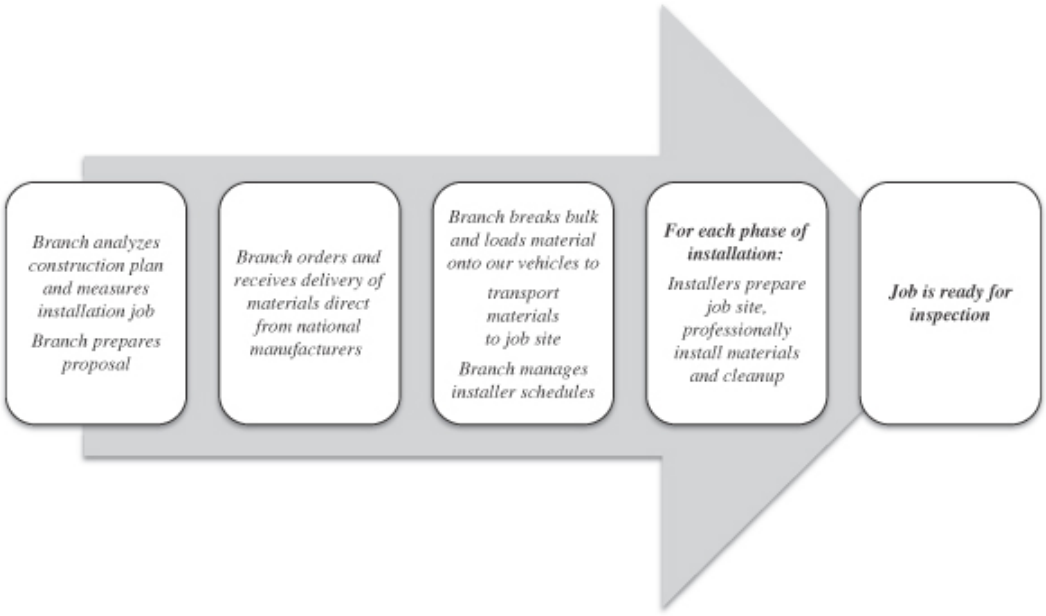
- We expect to increase our net revenue as building codes continue to require higher energy efficiency and homeowners become more focused on energy conservation.
- A return to the historic mix of single-family and multi-family new home construction activity, as forecasted by the NAHB, is expected to further increase insulation demand.
- Approximately 11% of our net revenue was derived from sales made to the commercial construction end market for the nine months ended September 30, 2013. According to the McGraw Hill 2013 Dodge Construction Outlook (third quarter update), square footage for commercial construction starts is expected to increase 5% year-over-year in 2013 and 17% year-over-year in 2014.

OUR OPERATIONS

We manage all aspects of the installation process for our customers, from our direct purchase and receipt of materials from national manufacturers, to our timely supply of materials to job sites and quality installation:

- In each of our markets, our branch management and staff foster close working relationships with local customers.
- Our branch management hires and trains installers with a focus on quality, safety and timely installation.
- Our branch sales staff analyzes construction plans and measures the installation job to prepare customer proposals that comply with local building codes and energy efficiency standards and otherwise meet customer requirements.
- Our branches order and receive delivery of materials direct from national manufacturers.
- Our branches break bulk and load required materials onto our vehicles for each job, and manage installer schedules to ensure timely installation that meets our customer's scheduling requirements.
- For each phase of product installation, our installers prepare the job site, professionally install the materials to pass inspection, clean-up when the installation is complete and return unused materials to the branch.

Our Installation Process



Our customers generally select their building products installer based on quality and timeliness of service, knowledge of local building codes, pricing, relationships and reputation in the market. For these reasons, we emphasize the importance of developing and maintaining customer relationships at the local level and rely heavily on the knowledge and experience of our branch management and staff.

Once we are selected for an installation job, our branch staff coordinates with our customer to ensure that the job is completed in a quality manner and within the customer's production schedule. Throughout the construction

process, our branch sales and supervisory staff and installation teams, typically consisting of a senior installer and one or two other installers, make frequent site visits to ensure timely and proper installation and to provide general service support. We believe a high level of service is valued by our customers and generates customer loyalty. There are typically three phases to complete an insulation installation: (i) basement insulation installation; (ii) air sealing of the structure and installation of insulation in the exterior walls; and (iii) insulation for the ceiling and attic. We also assist the builders with coordinating inspection. In addition to visiting a job site during each of these three phases, we will return to a building site when we are selected to install other products such as garage doors, rain gutters, shower doors, closet shelving or mirrors. We believe that our ability to consistently complete our installations within a customer's production schedule is recognized by our customers and is a key component of our high level of service.

Insulation

Overview

We are the second largest new residential insulation installer in the United States based on total U.S. housing completions. Insulation installation comprised approximately 74% of our net revenue for the nine-month period ended September 30, 2013. Approximately 79% of our net revenue for the nine-month period ended September 30, 2013 was derived from sales to the U.S. residential new construction market. We handle every stage of the installation process, including material procurement, project scheduling and logistics, multi-phase professional installation and field quality inspection.

Insulation Materials

We offer a wide range of insulation materials, including:

- Fiberglass Insulation – Fiberglass insulation is made of fibrous glass that is held together by a thermoset resin creating insulating air pockets. It typically contains an average of 50% recycled content. It is available in two forms: batts (also referred to as blankets) and loosefill (also referred to as blown in). Fiberglass is the most widely used residential insulation material in the United States. Installations of fiberglass insulation accounted for approximately 85% of our insulation sales for the nine months ended September 30, 2013.
- Spray Foam Insulation – Spray foam insulation is applied at a job site by mixing two chemical components together in specialized application equipment. It is generally polyurethane foam. While typically having the highest insulating and sealing effectiveness of all insulation materials that we offer, it is also typically the most expensive on an installed basis. Spray foam insulation accounted for approximately 10% of our insulation sales for the nine months ended September 30, 2013.
- Cellulose Insulation – Cellulose insulation is made primarily of paper and cardboard and has a very high recycled content. Cellulose is only available in loosefill form and is blown into the structure with specialized equipment. Cellulose insulation accounted for approximately 5% of our insulation sales for the nine months ended September 30, 2013.

Insulation Installation Applications

Local building codes typically require insulation to be installed in multiple areas of a structure. Each of these areas is frequently referred to as a phase of the insulation installation process and requires a separate trip to the job site by our installers at different points in the construction of a structure. Building practice and the inspection process differ geographically and call for our involvement at different times during the construction process. We provide installation of insulation and sealant materials in all areas of a structure, which could include:

- Building Envelope – We insulate the exterior walls of both residential and commercial structures by applying insulation on the wall or between the studs.

- Attic – We insulate the attics of new and existing residential structures. The attic is the area where the most energy is lost in a home.
- Basement and Crawl Space – These spaces typically account for the second most energy loss in a structure.
- Acoustical – Many builder or architect specifications call for acoustical insulation for sound reduction purposes in both residential and commercial structures. This product is generally installed in the interior walls to isolate sound transmission.

In each of these applications, we typically use fiberglass batts, except in attic insulations where we typically install loosefill fiberglass.

Garage Doors

We install and service garage doors and openers in certain of our locations for residential and commercial new construction builders, homeowners and commercial customers. We offer a variety of options from some of the best-known garage door brands. We offer steel, aluminum, wood and vinyl garage doors as well as opener systems. Unlike the other products we install, the garage door business has an ongoing aftermarket service component. Garage door installations and service comprised approximately 8% of our net revenue for the nine months ended September 30, 2013.

Shower Doors, Shelving and Mirrors

Some of our locations install a variety of shower enclosures, ranging from basic sliding door designs to complex custom designs. We have the ability to meet our customers' diverse needs by customizing shower enclosures by size and style according to their specifications, such as framing, hardware and glass options. We design and install closet shelving systems in select markets utilizing some of the highest quality products available from national brands. We also offer standard and custom designed mirrors for our customers. Shower doors, closet shelving and mirror installations comprised approximately 6% of our net revenue for the nine months ended September 30, 2013.

Rain Gutters

Some of our locations install a wide range of rain gutters, which direct water from a home's roof away from the structure and foundation. Rain gutters are typically constructed from aluminum or copper and are available in a wide variety of colors, shapes and widths. They are generally fabricated and assembled on the job site using specialized equipment. The installation of rain gutters comprised approximately 6% of our net revenue for the nine months ended September 30, 2013.

Other Building Products

Some of our locations install pre-fabricated fireplaces, waterproofing and other complementary building products. Installation of other building products comprised approximately 6% of our net revenue for the nine months ended September 30, 2013.

Sales and Marketing

We seek to attract and retain customers through exceptional customer service, superior installation quality, broad service offerings and competitive pricing. Our strategy is centered on building and maintaining these strong customer relationships. We also capitalize on cross-selling opportunities from existing customer relationships and identifying situations where customers may benefit from more than one of our installation service offerings. By executing this strategy, we believe we can continue to generate incremental sales volumes with new and existing customers.

Experienced sales and service professionals are important to our customer growth and increasing our profitability. Retaining and motivating local employees has been an important component of our acquisition and operating strategies. As of September 30, 2013, we employed approximately 280 sales professionals and our sales force has spent an average of more than 10 years with our operations. The local sales staff, which is generally led by the branch manager, is responsible for maintaining relationships with our customers. These local teams work diligently to increase sales by supporting our existing customers with excellent service and value while also pursuing new customers with competitive offerings. In addition to the efforts of our sales staff, we market our product and service offerings on the Internet, in the local yellow pages and through advertisements in trade journals. We conduct substantially all of our marketing through local trademarks and trade names.

Quality Control and Safety

Our quality control process starts with the initial proposal. Our sales staff and managers are knowledgeable about our service offerings and scope of work. They are trained on the manufacturer's guidelines as well as state and local building codes. Our quality control programs emphasize onsite inspections, training by manufacturers and various certification programs.

We consider risk management and safety to be a core business objective. Significant staffing, funding and other resources are allocated to our management systems that directly impact quality and safety for our employees and our customers. Our branch managers are held accountable for the safety of employees and quality of workmanship at their locations. We provide our employees with on-going training and development programs necessary to generate best in class work quality and safety performance.

CUSTOMERS

We serve a broad group of national, regional and local homebuilders, multi-family and commercial builders, individual homeowners and repair and remodeling contractors. Our top ten customers, which are a combination of national and regional builders, accounted for approximately 10.5% of net revenue for the year ended December 31, 2012. No single customer accounted for more than 3% of net revenue during the year ended December 31, 2012 or the nine months ended September 30, 2013.

BACKLOG

Due to our customers' strict demand for timely installation of our products, our installation jobs are scheduled and completed within a short timeframe. We do not consider backlog material to our business.

SUPPLIERS

We have long-term relationships with many of our suppliers and have not experienced any significant disruption in the supply of any of the primary materials we purchase and install. As one of the largest purchasers of fiberglass and spray foam insulation in the United States, we maintain particularly strong relationships with the largest manufacturers of these insulation products. Additionally, the proximity of certain of our branch locations to insulation manufacturers' facilities provides additional mutual benefits, including opportunities for cost savings and joint planning regarding future production. We also maintain good relationships with suppliers of the non-insulation products we install. We believe that the pricing, terms and rebates we receive from our suppliers, as well as supply assurance, are favorable. We have found that using multiple suppliers helps to ensure a stable source of materials and favorable purchasing terms as suppliers compete to gain and maintain our business. In addition, our national purchasing volumes provide leverage with suppliers. We will continue to pursue additional procurement cost savings and purchasing synergies.

SEASONALITY

We tend to have higher sales during the second half of the year as our homebuilder customers complete construction of homes placed under contract for sale in the traditionally stronger spring selling season. In addition, some of our larger branches operate in states more impacted by winter weather and as such experience a slowdown in construction activity during the first quarter of the calendar year. This winter slowdown contributes to traditionally lower sales in our first quarter.

The composition and level of our working capital typically change during periods of increasing sales as we carry more inventory and receivables, although this is generally offset in part by higher trade payables to our suppliers. Working capital levels typically increase in the summer and fall seasons due to higher sales during the peak of residential construction activity. The subsequent collection of receivables and reduction in inventory levels during the winter months has typically positively impacted cash flow. In the past, from time to time, we have utilized our borrowing availability under our credit facilities to cover short-term working capital needs.

COMPETITION

We believe that competition in our industry is based on quality and timeliness of service, knowledge of local building codes, pricing, relationships and reputation in the market. We are the second largest new residential installer of insulation in the United States based on total U.S. housing completions. The building products installation industry is highly fragmented. The markets for our non-insulation installation services are even more fragmented than the markets for insulation installation services. Our competitors include two other large national contractors, several large regional contractors and numerous local contractors. Some of our competitors have greater financial and other resources than we do. We believe we will continue to effectively compete in our local markets given our long standing customer relationships, access to capital, tenure and quality of local staff, quality installation reputation and competitive pricing.

EMPLOYEES

As of September 30, 2013, we had approximately 3,100 employees, consisting of approximately 2,200 installers, 280 sales professionals, 130 production personnel and 460 administrative and management personnel. Less than 20 of our employees are covered under collective bargaining agreements. We have never experienced a work stoppage or strike and we believe that we have good relations with our employees.

INFORMATION TECHNOLOGY

JobCORE is our web-enabled internal software technology. The system is designed to operate our business in a highly efficient manner and manage our operations. In addition, we integrate jobCORE into our acquired operations. The jobCORE software provides in-depth, real-time financial performance data from each branch to the corporate office. JobCORE is currently used in substantially all of our branches and provides us, our branch managers and our salespeople with an important operational tool for monitoring branch level performance. It assists management in assessing important business questions, including customer analysis, sales staff analysis, branch analysis and other operating activities.

INTELLECTUAL PROPERTY

We possess intellectual property rights, including trademarks, trade names and know-how and other proprietary rights that are important to our business. In particular, we maintain registered trademarks and trade names, some of which are the trademarks and trade names under which many of our local branches operate. While we do not believe our business is dependent on any one of our trademarks or trade names, we believe that our trademarks and trade names are important to the development and conduct of our business as well as to the local marketing of our services. We also maintain domain name registration for each of our local branch websites. We make

efforts to protect our intellectual property rights, however the actions taken by us may be inadequate to prevent others from using similar intellectual property. In addition, third parties may assert claims against our use of intellectual property and we may be unable to successfully resolve such claims.

PROPERTIES

Real Property

We lease office and warehouse space in 32 states, including our headquarters in Columbus, Ohio. Our properties range in size from approximately 650 square feet to approximately 90,000 square feet. Our leases are typically short term in duration with customary extensions at our option. We also own two adjoining properties in Mars, Pennsylvania. We believe suitable alternative space is available in all of our markets. The table below summarizes our locations, as of September 30, 2013. All locations are leased unless otherwise indicated.

State	Number of Locations	Approximate Total Square Footage	State	Number of Locations	Approximate Total Square Footage
Alabama	1	10,500	Mississippi	1	3,900
California	7	68,428	Nebraska	1	9,192
Colorado	5	35,405	New Hampshire	3	35,096
Connecticut	1	6,285	New York	8	92,300
Delaware	1	9,625	North Carolina	3	30,110
Florida	6	55,350	Ohio	12	262,283
Georgia	6	50,488	Oklahoma	1	12,547
Illinois	2	18,335	Oregon	1	16,330
Indiana	9	184,129	Pennsylvania	3*	5,000
Kentucky	2	16,000	South Carolina	3	53,775
Louisiana	1	15,000	Tennessee	2	36,700
Maine	2	30,000	Texas	4	69,415
Maryland	3	34,710	Vermont	1	12,400
Massachusetts	4	45,303	Virginia	3	25,700
Michigan	1	19,000	Washington	1	18,247
Minnesota	4	33,540	Wisconsin	1	16,640

* We own two adjoining properties in Mars, Pennsylvania.

Our Fleet

As of September 30, 2013, our fleet consisted of approximately 1,900 total vehicles, which are comprised of approximately 1,600 installation vehicles, which our installers use to deliver and install products from our local locations to job sites, and approximately 300 other vehicles that are utilized by our sales staff and branch managers.

ENVIRONMENTAL AND OTHER REGULATORY MATTERS

We are subject to various federal, state and local government regulations applicable in the jurisdictions in which we operate, including laws and regulations relating to our relationships with our employees, public health and safety, work place safety, transportation, zoning and fire codes. We strive to operate in accordance with applicable laws, codes and regulations.

Our transportation operations are subject to the regulatory jurisdiction of the DOT, which has broad administrative powers. We are also subject to safety requirements governing interstate operations prescribed by the DOT. Vehicle dimension and weight and driver hours of service also are subject to both federal and state regulation. Our operations are also subject to the regulatory jurisdiction of OSHA, which has broad administrative powers regarding workplace and jobsite safety.

Our operations and properties are also subject to federal, state and local laws and regulations relating to the use, storage, handling, generation, transportation, treatment, emission, release, discharge and disposal of hazardous or toxic materials, substances and wastes and petroleum products and the investigation, remediation, removal and monitoring of the presence or release of such materials, substances, wastes and petroleum products, including at currently or formerly owned or occupied premises and off-site disposal locations. We have not previously incurred material costs to comply with environmental laws and regulations. However, we could be subject to material costs, liabilities or claims relating to environmental compliance in the future, especially in the event of changes in existing laws and regulations or in their interpretation or enforcement.

As the nature of our business involves the use or handling of certain potentially hazardous or toxic substances, including spray foam applications and lead-based paint, we may be held liable for claims alleging injury or damage resulting from the release of or exposure to such substances, as well as claims relating to the presence of mold, fungal growth and moisture intrusion alleged in connection with our business activities. In addition, as owners and lessees of real property, we may be held liable for, among other things, releases of hazardous or toxic substances or petroleum products on, at, under or emanating from currently or formerly owned or operated properties, or any off-site disposal locations, or for any known or newly discovered environmental conditions at or relating to any of our properties, including those arising from activities conducted by previous occupants or at adjoining properties, without regard to whether we knew of or were responsible for such release. We may be required to investigate, remove, remediate or monitor the presence or release of such hazardous or toxic substances or petroleum products and may be held liable by a governmental entity for fines and penalties or to any third parties for damages, including for bodily injury, property damage and natural resource damage in connection with the presence or release of hazardous or toxic substances or petroleum products.

To date, costs to comply with applicable laws and regulations relating to pollution or the protection of human health and safety, the environment and natural resources have not had a material adverse effect on our financial condition or operating results, and we do not anticipate incurring material expenditures to comply with environmental laws and regulations in the current fiscal year.

In conjunction with our lease agreements and other transactions, we often provide reasonable and customary indemnifications relating to various matters, including environmental issues. To date, we have not had to pay a material amount pursuant to any such indemnification obligations.

In addition, our suppliers are subject to various laws and regulations, including in particular, environmental laws and regulations.

LEGAL PROCEEDINGS

A class action lawsuit was filed on February 11, 2013 and an amended complaint was filed on May 15, 2013 in the Superior Court of King County, Washington, against us, alleging violations of Washington State wage and hour laws for failure to pay prevailing and minimum wage and overtime wages. The plaintiffs are former insulation installers for Installed Building Products II, LLC, one of our subsidiaries, who seek to represent all similarly situated workers who they allege were not paid for all time worked on various prevailing wage and commercial insulation projects. The plaintiffs seek all unpaid wages including minimum wage and overtime pay, double damages for a willful violation of the law and litigation costs and fees. In October 2013, the court issued an order certifying the putative class and in November 2013 ordered that all class members be notified. In December 2013, we appealed the court's orders. On January 14, 2014, the parties mediated the case. The parties have agreed in principle to a settlement that is subject to court approval.

A lawsuit was filed on July 23, 2013 in federal court in the Middle District of Tennessee against TCI d/b/a Installed Building Products of Nashville, alleging unpaid overtime and failure to pay lawful wages under federal law, Tennessee common law and in unjust enrichment and breach of an alleged contract. The named plaintiffs are

former insulation installers of TCI, one of our subsidiaries, who allege they and similarly situated workers performed work beyond forty hours in a week for which they were not paid time and a half their regular hourly wage. Plaintiffs seek to have this case certified as a collective action under the Fair Labor Standards Act and as a class action under Tennessee law. They seek reimbursement of the overtime wages for all time worked over forty hours each week, as well as liquidated damages and litigation costs and fees. We have filed an answer denying the material allegations in the complaint. The parties have exchanged initial written discovery. Depositions have begun and a mediation is scheduled for February 3, 2014. We intend to vigorously defend against the case.

In addition, we are involved in various claims and lawsuits incidental to the conduct of our business in the ordinary course. We carry insurance coverage in excess of our self-insured coverage, which we believe to be reasonable under the circumstances, although insurance may or may not cover any or all of our liabilities in respect of claims and lawsuits. We do not believe that the ultimate resolution of these matters individually or in the aggregate will have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Management

EXECUTIVE OFFICERS AND DIRECTORS

Set forth below are the names, ages and positions of our executive officers and directors as of January 1, 2014.

Name	Age	Position(s) held
Jeffrey W. Edwards	50	President, Chief Executive Officer and Chairman
Michael T. Miller	49	Executive Vice President, Chief Financial Officer and Director
Jay P. Elliott	52	Chief Operating Officer
Steven G. Raich	40	Director
J. Michael Nixon	68	Director
Lawrence A. Hilsheimer	56	Director Nominee
Michael H. Thomas	64	Director Nominee

CERTAIN SIGNIFICANT EMPLOYEES

Name	Age	Position(s) held
W. Jeffrey Hire	62	President of External Affairs
R. Scott Jenkins	58	Regional President
William W. Jenkins	57	Director of Internal Audit
Matthew J. Momper	53	Regional President
Warren W. Pearce	55	Regional President
Randall S. Williamson	51	Regional President

BIOGRAPHICAL INFORMATION

Executive Officers and Directors

Jeffrey W. Edwards is our President, Chief Executive Officer and Chairman and has held these positions since 2011, 2004 and 1999, respectively. Mr. Edwards' position allows him to advise the board of directors on management's perspective over a full range of issues affecting our company. Prior to joining us, he acted as an officer and strategist for the Edwards Companies. Since 1988, Mr. Edwards has been involved in the launch of many business ventures as well as commercial real estate developments in central Ohio. He holds a B.S. in Marketing from Miami University. We believe that Mr. Edwards' leadership, executive, managerial and business experience, along with his more than 25 years of experience in the field, qualify him to be a member of our board of directors.

Michael T. Miller has served as our most senior financial officer since he joined us in 2000 as our Executive Vice President – Finance, has been our Chief Financial Officer since July 2013 and has served as a director since March 2004. Prior to joining us, he held the position of Senior Vice President/Managing Director responsible for Corporate Investment Banking at Huntington Capital Corp., a subsidiary of Huntington Bancshares, Inc., a regional bank holding company. Before joining Huntington in 1991, Mr. Miller held various positions with Deutsche Bank and CIBC in New York. Mr. Miller began his career at First Union National Bank in Charlotte, North Carolina. Mr. Miller holds a B.A. from Wake Forest University. We believe that Mr. Miller's extensive experience with us in the building products industry, background in finance and knowledge of financial reporting make him qualified to serve as a member of our board of directors.

Jay P. Elliott has been our Chief Operating Officer since August 2013. Since joining us in April 2002 as Regional Operations and Business Integrations Manager, Mr. Elliott has led our acquisition integration process and overseen various corporate functions. Prior to joining us, Mr. Elliott worked with E&Y Corporate Finance, LLC in restructuring advisory services. Mr. Elliott's experience includes ten years with Owens Corning in several roles including new business development, market management and corporate strategic planning.

Additionally, he spent three years with IBM and began his career with Westinghouse Electric Corp. Mr. Elliott earned an M.B.A. from Cornell University Johnson Graduate School of Management, a B.E. from Dartmouth College Thayer School of Engineering, and an A.B. from Colgate University.

Non-executive Directors

Steven G. Raich has served as a director since November 2011. Mr. Raich became a partner of Littlejohn in January 2008 after having been with the firm since 2000. Mr. Raich joined Littlejohn from Golub Capital, a private equity and debt fund where he analyzed new investment opportunities and worked with portfolio company managers. Previously, Mr. Raich was at Ernst & Young LLP in the mergers and acquisitions advisory services group. Mr. Raich received an M.B.A. from the Stern School of Business at N.Y.U. and an A.B. from Duke University. We believe that Mr. Raich's extensive experience in corporate strategy, finance and acquisitions makes him qualified to serve as a member of our board of directors.

J. Michael Nixon has served as a director since December 2012. Mr. Nixon is the founder of TCI Contracting, LLC, one of our indirect subsidiaries, where he has served as the chief executive officer since 2006. Prior to establishing TCI Contracting, LLC, he founded and led Quality Insulation Inc., a Connecticut-based insulation installer, over a thirty year period. In addition, Mr. Nixon is the owner of Hawks Ridge Golf Club in Ball Ground, Georgia. In 2010, Mr. Nixon was appointed to the Cherokee County Airport Authority, and in 2011, he was appointed to the Georgia Properties Commission. We believe that Mr. Nixon's extensive experience and leadership in the building products installation industry makes him qualified to serve as a member of our board of directors.

Lawrence A. Hilsheimer will serve as one of our directors upon the completion of this offering. Since April 2013, Mr. Hilsheimer has served as Executive Vice President and Chief Financial Officer of The Scotts Miracle-Gro Company, where he has overall responsibility for corporate and operating finance functions. Prior to joining Scotts, from 2007 to 2013, Mr. Hilsheimer served in various roles at Nationwide Mutual Insurance Company, starting as Executive Vice President and Chief Financial Officer through 2009, followed by President and Chief Operating Officer roles for multiple business units, including Nationwide Direct and Customer Solutions and, most recently, Nationwide Retirement Plans. Prior to joining Nationwide, Mr. Hilsheimer was Vice Chairman and Regional Managing Partner of Deloitte & Touche USA, LLP. Mr. Hilsheimer holds a B.A. in business administration from Fisher College of Business at The Ohio State University and a J.D. from Capital University Law School. Mr. Hilsheimer sits on the Dean's Advisory Council at the Fisher College of Business and on the Audit and Compliance Committee of The Ohio State University Board of Trustees. We believe that Mr. Hilsheimer's broad business background and corporate finance experience, including as a chief financial officer with responsibility and accountability for all corporate and operating finance functions, make him qualified to serve as a member of our board of directors.

Michael H. Thomas will serve as one of our directors upon the completion of this offering. Since joining Stonehenge Partners, Inc. in 1999, Mr. Thomas has been responsible for providing counsel as it relates to matters of investment origination, portfolio asset management and disposition of investments. Prior to joining Stonehenge, Mr. Thomas co-founded and served as Executive Vice President and Treasurer of JMAC, Inc., the holding and investment company of the McConnell family of Worthington, Ohio. His activities at JMAC included direct investment in the financial services, publishing, health care, real estate and manufacturing sectors. He was also responsible for the McConnell family's financial, estate and income tax planning. From 1971 to 1980, Mr. Thomas worked for Ernst and Young LLP, managing its Columbus, Ohio tax practice. Mr. Thomas holds a B.A. in business administration from the University of Notre Dame. Mr. Thomas previously served as one of our directors from 2004 to 2011. We believe Mr. Thomas' significant business and investment experience, knowledge of our business, and accounting background make him qualified to serve as a member of our board of directors.

Certain Significant Employees

W. Jeffrey Hire joined us in late 2008, and was named President of External Affairs in December 2013. His responsibilities include working with our largest customers, our major suppliers and industry associations. Prior to joining us, Mr. Hire held numerous management positions at Owens Corning from 1978 to 2008. From 2006 to 2008, he served as Director of Products and Programs for the Insulating Systems Business, developing product innovations and value-added customer programs. For eleven years prior to that, Mr. Hire was General Manager of the Insulation Contractor Segment of the Residential Insulation Division. Mr. Hire earned a B.S. in Philosophy from University of Mount Union in Alliance, Ohio and an M.B.A. specializing in General Management from The University of St. Thomas Opus College of Business in St. Paul, Minnesota. He serves on the Board of Directors of the Insulation Contractors Association of America and has served as a Committee Chairman for the North American Insulation Manufacturers Association. Mr. Hire received the Insulation Contractors Association of America's "Key Man" award for his leadership and dedication to the industry.

R. Scott Jenkins has been a Regional President since October 2006 when we acquired OJ Insulation, Inc., which he co-founded in 1984. During his 22-year tenure at OJ Insulation, as owner and Chief Executive Officer, Mr. Jenkins was responsible for numerous strategic acquisitions and significant company growth. Since joining us, Mr. Jenkins has taken on the management of operations in certain states, including Texas, Washington and California. Mr. Jenkins received a B.A. in Social Science from the University of California at Irvine and has been an active member of Vistage International CEO Organization since 2004.

William W. Jenkins has been our Director of Internal Audit since September 2013. Previously, Mr. Jenkins served as a Regional President from 2011 to 2013 and as our President from 1998 to 2011. Prior to joining us, Mr. Jenkins held senior management positions with Midwest Wholesale Building Materials, a building products wholesaler and BuyOhio Realtors. Mr. Jenkins began his career with Ernst & Young LLP, where he progressed to become a Senior Manager, specializing in audits of publicly held and privately held insurance, wholesale distribution and fast-food companies. Mr. Jenkins graduated from The Ohio State University with a B.S. and became a licensed CPA in the State of Ohio. He is currently a member of the American Institute of Certified Public Accountants.

Matthew J. Momper has been a Regional President since 2008. Prior to joining us, Mr. Momper served as President of Momper Insulation Inc., a family business, which he joined in 1984. Mr. Momper was responsible for significant growth of Momper Insulation Inc., and the strategic decision to join that company with us in 1998. Since joining us, Mr. Momper has taken on the management of operations in certain states, including Indiana, Ohio and Illinois. Mr. Momper received a B.S. from Ball State University and an M.B.A. from Drake University. He currently serves on the Board of Trustees for Ball State University and the Board of Directors for the Allen County Building Department.

Warren W. Pearce has been a Regional President since 2011. From 2004 to 2011, Mr. Pearce was Vice President of Operations for Masco Corporation, where he held various other positions beginning in 1989. Prior to joining Masco, Mr. Pearce began his career at Carroll Insulation and later served as branch manager at American Aluminum Insulation. Since joining us, Mr. Pearce has taken on the management of operations in certain key states, including Ohio, Indiana and Maryland. Mr. Pearce received from Kent Votech his Electrical Apprenticeship certification.

Randall S. Williamson has been a Regional President since 2001. Mr. Williamson began his career in 1981 at Monroe Insulation and Gutter Company Incorporated, or Monroe, where he progressed to become Vice President in 1992. In 1996, Mr. Williamson purchased Monroe and merged it with other companies to form American Building Systems, Inc., where he served as President until 2001. American Building Systems, Inc. merged with us in 2001. Mr. Williamson has taken on the management of operations in certain states, including Massachusetts, New York and Michigan. Mr. Williamson attended Colorado State University and serves on the board of governors for U.S. Grown Foods.

COMPOSITION OF THE BOARD OF DIRECTORS

After the completion of this offering, our board of directors will be comprised of directors, of whom Messrs. and were designated by our stockholders pursuant to the board designation provisions of our Stockholders Agreement dated November 4, 2011, as amended, or our Stockholders Agreement. Upon the completion of this offering, these board designation provisions of our Stockholders Agreement will terminate. See "Certain Relationships and Related-Party Transactions—Stockholders Agreement." and have agreed to become members of our board of directors upon completion of this offering.

Our business and affairs are managed under the direction of our board of directors. Our amended and restated bylaws provide that the authorized size of our board of directors is to be determined from time to time by resolution of the board of directors. The authorized number of directors may be changed by resolution duly adopted by at least a majority of our entire board of directors then in office, although no decrease in the authorized number of directors will have the effect of removing an incumbent director from our board of directors until the incumbent director's term of office expires. Vacancies on our board of directors can be filled by resolution of our board of directors.

Upon the completion of this offering, our board of directors will be divided into three classes, each serving staggered, three-year terms:

- Our class I directors will be and , and their terms will expire at the first annual meeting of stockholders following the date of this prospectus;
- Our class II directors will be and , and their terms will expire at the second annual meeting of stockholders following the date of this prospectus; and
- Our class III directors will be and , and their terms will expire at the third annual meeting of stockholders following the date of this prospectus.

As a result, only one class of directors will be elected at each annual meeting of stockholders, with the other classes continuing for the remainder of their respective terms.

DIRECTOR INDEPENDENCE

In 2013, our board of directors undertook a review of its composition and the independence of each director. Based upon information requested from and provided by each director and director nominee concerning his or her background, employment and affiliations, our board of directors has determined that each of and , each of whom has agreed to become a member of our board of directors upon completion of this offering, have no material relationship that would interfere with the exercise of independent judgment and is "independent" as defined in the NYSE listing rules. We intend to rely on the NYSE transition rules, which provide for phase-in compliance for companies listing in connection with their initial public offering. Accordingly, we intend to have a majority of our board comprised of independent directors within one year of our listing.

The SEC rules and NYSE listing rules require that at least one member of our audit committee be independent as of the date of this prospectus and that each of our audit, compensation and nominating and corporate governance committees be comprised of a majority of independent directors within 90 days of our listing and solely of independent directors within one year of our listing. We intend to comply with these transition rules.

BOARD LEADERSHIP STRUCTURE

Jeff Edwards serves as our President, Chief Executive Officer and Chairman. The positions of chairman of the board and chief executive officer have historically been combined at our company. We believe a combined chairman and chief executive officer role helps provide strong, unified leadership for our management team and

board of directors. In addition, our customers, stockholders, suppliers and other business partners view our chairman and chief executive officer as a leader in our industry. While our amended and restated bylaws and corporate governance guidelines do not require that our chairman and chief executive officer positions be combined, our board of directors believes that having a combined position is the appropriate leadership structure for us at this time.

ROLE OF OUR BOARD OF DIRECTORS IN RISK OVERSIGHT

Risk assessment and oversight are an integral part of our governance and management processes. Our board of directors encourages management to promote a culture that incorporates risk management into our corporate strategy and day-to-day business operations. Management discusses strategic and operational risks at regular management meetings, and conducts specific strategic planning and review sessions during the year that include a focused discussion and analysis of the risks facing us. Throughout the year, senior management reviews these risks with the board of directors at regular board meetings as part of management presentations that focus on particular business functions, operations or strategies, and presents the steps taken by management to mitigate or eliminate such risks.

Our board of directors does not have a standing risk management committee, but rather administers this oversight function directly through our board of directors as a whole, as well as through various standing committees of our board of directors that address risks inherent in their respective areas of oversight. In particular, our board of directors is responsible for monitoring and assessing strategic risk exposure. Our audit committee is responsible for overseeing our major financial risk exposures and the steps our management has taken to monitor and control these exposures and our compensation committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage unnecessary risk-taking. In addition, upon completion of this offering, our audit committee will oversee the performance of our internal audit function and consider and approve or disapprove any related-party transactions and our nominating and governance committee will monitor the effectiveness of our corporate governance guidelines.

COMMITTEES OF OUR BOARD OF DIRECTORS

After completion of this offering, the standing committees of our board of directors will consist of an audit committee, compensation committee and nominating and corporate governance committee. The board of directors will adopt written charters for the audit committee, compensation committee and nominating and corporate governance committee, which will be available on our website upon the completion of this offering. In addition, from time to time, special committees may be established under the direction of our board of directors when necessary to address specific issues. The information contained in, or that can be accessed through, our websites is not incorporated by reference and is not a part of this prospectus.

Audit Committee

Our audit committee will oversee our corporate accounting and financial reporting process. Upon completion of this offering, the audit committee will be responsible for, among other things:

- appointing our independent registered public accounting firm;
- evaluating the independent registered public accounting firm’s qualifications, independence and performance;
- determining the engagement of the independent registered public accounting firm;
- reviewing and approving the scope of the annual audit and the audit fee;
- reviewing and discussing the adequacy and effectiveness of our accounting and financial reporting processes and internal controls and the audits of our financial statements;

- reviewing and approving, in advance, all audit and non-audit services to be performed by our independent auditor, taking into consideration whether the independent auditor's provision of non-audit services to us is compatible with maintaining the independent auditor's independence;
- monitoring and ensuring the rotation of partners of the independent registered public accounting firm on our engagement team as required by law;
- establishing and overseeing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters, including procedures for the confidential, anonymous submission by our employees regarding questionable accounting or auditing matters and reviewing such complaints;
- reviewing and approving related-party transactions for potential conflict of interest situations on an ongoing basis;
- investigating any matter brought to its attention within the scope of its duties and engaging independent counsel and other advisors as the audit committee deems necessary;
- reviewing reports to management prepared by the internal audit function, as well as management's responses;
- reviewing our financial statements and our management's discussion and analysis of financial condition and results of operations to be included in our annual and quarterly reports to be filed with the SEC;
- from time to time reviewing the audit committee charter and the committee's performance; and
- handling such other matters that are specifically delegated to the audit committee by our board of directors from time to time.

Upon completion of this offering, our audit committee will consist of , who will serve as chairperson of the committee, and . All members of our audit committee meet the requirements for financial literacy under the applicable rules and regulations of the SEC and NYSE. Our board of directors has determined that is an audit committee financial expert as defined under the applicable rules of the SEC and has the requisite financial sophistication as defined under the applicable rules and regulations of the NYSE. Under the rules of the SEC and NYSE, members of the audit committee must also meet independence standards under Rule 10A-3 of the Exchange Act, subject to the transition rules described above.

Compensation Committee

Our compensation committee will review and recommend policies relating to compensation and benefits of our officers, directors and employees. Upon completion of this offering, the compensation committee will be responsible for, among other things:

- reviewing and approving the compensation, employment agreements and severance arrangements and other benefits of all of our executive officers;
- reviewing and determining director compensation from time to time in accordance with our amended and restated certificate of incorporation and the applicable NYSE rules;
- reviewing and approving, on an annual basis, the corporate goals and objectives relevant to the compensation of our executive officers, and evaluating their performance in light of such goals and objectives;
- reviewing and making recommendations periodically to our board of directors with respect to director compensation, including salary, bonus and equity and non-equity incentive compensation, subject to approval by our board of directors;

- reviewing and discussing with management our Compensation Discussion and Analysis, or CD&A, or such other similar section, and recommending that the CD&A, or such other similar section, if required, be included or incorporated by reference in our proxy statement and annual report on Form 10-K;
- reviewing our incentive compensation arrangements to confirm that incentive pay does not encourage unnecessary risk-taking and reviewing and discussing periodically the relationship between risk management policies and practices, business strategy and our executive officers' compensation;
- reviewing and evaluating, at least annually, the performance of the compensation committee and its members, including compliance by the compensation committee with its charter;
- retaining or obtaining, in its sole discretion, the advice of a compensation consultant, independent legal counsel or other adviser after taking into consideration the factors required by any applicable requirements of the Exchange Act and any applicable exchange rules;
- maintaining direct responsibility over the appointment, oversight and compensation of compensation consultants, independent legal counsel and other advisers engaged by the compensation committee;
- providing for appropriate funding for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the compensation committee; and
- handling such other matters that are specifically delegated to the compensation committee by our board of directors from time to time.

Upon completion of this offering, our compensation committee will consist of , who will serve as chairperson of the committee, and . Each of the members of our compensation committee will be independent under the rules of the NYSE, will be a "non-employee director" as defined in Rule 16b-3 promulgated under the Exchange Act and will be an "outside director" as that term is defined in Section 162(m) of the Code, subject to the transition rules described above.

Nominating and Corporate Governance Committee

Upon the completion of this offering, the nominating and corporate governance committee will be responsible for, among other things:

- identifying and screening candidates for our board of directors and recommending nominees for election as directors;
- establishing procedures to exercise oversight of the evaluation of our board of directors and management;
- developing and recommending to our board of directors a set of corporate governance guidelines, as well as reviewing these guidelines and recommending any changes to our board of directors;
- reviewing the structure of our board of directors' committees and recommending to our board of directors for its approval directors to serve as members of each committee, and where appropriate, making recommendations regarding the removal of any member of any committee;
- reviewing and assessing the adequacy of its formal written charter on an annual basis; and
- generally advising our board of directors on corporate governance and related matters.

Upon completion of this offering, our nominating and corporate governance committee will consist of , who will serve as chairperson of the committee, and . Each of the members of our nominating and corporate governance committee will be an independent director under the rules of the NYSE relating to nominating and corporate governance committee independence, subject to the transition rules described above.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During 2012, our chief financial officer was a member of our compensation committee and our audit committee. None of our executive officers serves as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee.

BOARD DIVERSITY

Upon completion of this offering, our nominating and corporate governance committee will be responsible for reviewing with our board of directors, on an annual basis, the appropriate characteristics, skills and experience required for the board of directors as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current members), the nominating and corporate governance committee, in recommending candidates for election, and the board of directors, in approving (and, in the case of vacancies, appointing) such candidates, will take into account many factors, including the following:

- personal and professional integrity;
- ethics and values;
- experience in corporate management, such as serving as an officer or former officer of a publicly held company;
- experience in the industries in which we compete;
- experience as a board member or executive officer of another publicly held company;
- diversity of expertise and experience in substantive matters pertaining to our business relative to other board members;
- conflicts of interest; and
- practical and mature business judgment.

FAMILY RELATIONSHIPS

There are no family relationships among any of our executive officers or any of our directors.

CODE OF BUSINESS CONDUCT AND ETHICS

We have adopted a code of business conduct and ethics, effective upon completion of this offering, applicable to all of our employees, officers, directors and consultants, including our principal executive, financial and accounting officers and all persons performing similar functions. A copy of that code will be available on our website prior to completion of this offering. We expect that any amendments to the code, or any waivers of its requirements, will be disclosed on our website or as required by applicable law or NYSE listing requirements.

Compensation of our Executive Officers and Directors

Our named executive officers, or the Named Executive Officers, for the year ended December 31, 2013, are:

- Jeff Edwards, our President, Chief Executive Officer and Chairman;
- Michael Miller, our Executive Vice President and Chief Financial Officer; and
- Jay Elliott, our Chief Operating Officer.

COMPENSATION OF OUR EXECUTIVE OFFICERS

Summary Compensation Table for the year ended December 31, 2013

The following table contains information about the compensation paid to or earned by each of our Named Executive Officers during the most recently completed fiscal year.

Name and Principal Position	Year	Salary ($)	Bonus ($)	All Other Compensation ($)	Total ($)
Jeff Edwards, *President, Chief Executive Officer and Chairman*	2013	83,077(1)	—	4,016(2)	87,093
	2012	(3)	—	2,674,414(4)	2,674,414
Michael Miller, *Executive Vice President and Chief Financial Officer*	2013	201,002	—	18,887(5)	219,889
	2012	201,000	—	2,158,810(6)	2,359,810
Jay Elliott, *Chief Operating Officer*	2013	194,900	—	10,409(7)	205,309
	2012	190,609	25,000(8)	593,713(9)	809,322

(1) From January 1, 2013 through October 31, 2013, Mr. Edwards served as a consultant and non-employee officer to us in the capacity of Chief Executive Officer and President. Effective November 1, 2013, we entered into an employment agreement with Mr. Edwards pursuant to which he continues to serve as our Chief Executive Officer and President in an employee capacity earning an annual base salary of $600,000. The amount in this column reflects amounts earned upon and following Mr. Edwards's employment commencement date with us in 2013.

(2) Includes lease administrative costs of $300 and automobile insurance premium costs of $505 for a company-provided vehicle and mobile phone costs of $3,211 paid by us on behalf of Mr. Edwards.

(3) In 2012, Mr. Edwards served as a consultant and non-employee officer to us in the capacity of Chief Executive Officer and President. As such, he did not receive a salary for 2012.

(4) Includes $2,670,045 paid to Mr. Edwards for his services to us in 2012 pursuant to management agreements involving us and certain of our affiliates. For a description of these agreements, please see the sections of this prospectus captioned "Certain Relationship and Related-Party Transactions—Management Agreements." This amount also includes lease fees and maintenance costs of $3,843 for a company-provided vehicle and insurance premium costs of $526 paid by us on behalf of Mr. Edwards.

(5) Includes 401(k) matching contributions of $4,003, lease payments of $10,762 and automobile insurance premium costs of $505 for a company-provided vehicle, parking costs of $1,452 and mobile phone costs of $2,120 paid by us on behalf of Mr. Miller.

(6) In 2011, IBP Investment Holdings, LLC issued an equity award to Mr. Miller. In May 2012, Mr. Miller became entitled to a put right with respect to such award, pursuant to which he could require Mr. Edwards, our Chairman, Chief Executive Officer and President, to purchase the award during a limited period. Even though the award is in respect of our stockholder's (and not our) equity, under applicable accounting guidance, in 2012 we were required to recognize the fair value associated with the put right, and, accordingly, recorded the value as non-cash compensation expense included in administrative expenses. The amount in this column includes $2,150,046, representing the fair value associated with Mr. Miller's put right. However, the put rights were never exercised and were terminated by Mr. Miller effective November 30, 2013. As such, no amounts were or will be paid under the put rights. The amount in this column also includes 401(k) matching contributions of $4,201, lease fees, taxes and titling costs of $2, 720 for a company-provided vehicle, parking costs of $1,452 paid by us, and insurance premium costs of $526 paid by us on behalf of Mr. Miller.

(7) Includes 401(k) matching contributions of $2,924, lease payments of $4,186, fuel reimbursement costs of $732 and automobile insurance premium costs of $198 for a company-provided vehicle, parking costs of $1,452 and mobile phone costs of $848 paid by us on behalf of Mr. Elliott.

(8) This amount represents a discretionary bonus that was paid to Mr. Elliott for his performance in 2012 and was not based on any special factors. In accordance with the terms of Mr. Elliott's original offer letter with us dated February 21, 2002, he was entitled to receive a $25,000 bonus with respect to his initial year of employment with us. Following Mr. Elliott's initial year of employment with us, even though we were no longer required to pay him an annual bonus, we continued to pay, on an annual and discretionary basis, a bonus to Mr. Elliott in the amount of $25,000 (including with respect to our 2012 fiscal year).

(9) In 2010, IBP Management Holdings, LLC issued an equity award to Mr Elliott. In May 2012, Mr. Elliott became entitled to a put right with respect to such award, pursuant to which he could require Mr. Edwards, our Chairman, Chief Executive Officer and President, to purchase the award during a limited period. Even though the award is in respect of our stockholder's (and not our) equity, under applicable accounting guidance, in 2012 we were required to recognize the fair value associated with the put right, and, accordingly, recorded the value as non-cash compensation expense included in administrative expenses. The amount in this column includes $588,864, representing the fair value associated with Mr. Elliott's put right. However, the put rights were never exercised and were terminated by Mr. Elliott effective November 30, 2013. As such, no amounts were or will be paid under the put rights. The amount in this column also includes 401(k) matching contributions of $3,328 and parking costs of $1,452 paid by us on behalf of Mr. Elliott.

Consulting Agreement with Jeff Edwards

In March 2004, we entered into a consulting agreement with Jeff Edwards pursuant to which Mr. Edwards agreed to serve as our Chief Executive Officer in a non-employee capacity. The agreement did not provide Mr. Edwards with any base salary, bonus or severance entitlements. The agreement provided that the costs of Mr. Edwards' services to us would be covered under separate management agreements involving us and certain of our affiliates, which arrangements are described in the section of this prospectus captioned "Certain Relationship and Related-Party Transactions—Management Agreements." Mr. Edwards was entitled to reimbursement for reasonable business expenses incurred in connection with his performance of services under the consulting agreement.

The consulting agreement provided for an initial term of five years, with automatic three-year renewals unless either party provided the other party with notice of non-renewal at least 60 days prior to the expiration of the then-current renewal period. Pursuant to the agreement, Mr. Edwards was subject to non-disclosure restrictions that applied during the term and survive termination of the agreement. The consulting agreement was terminated upon the effective date of Mr. Edwards's employment agreement, described below.

Employment Agreement with Jeff Edwards

On November 1, 2013, we entered into an employment agreement with Jeff Edwards pursuant to which Mr. Edwards agreed to continue to serve as our Chief Executive Officer and President in an employee capacity. The agreement provides Mr. Edwards with a minimum annual base salary of $600,000 and an opportunity to participate in our annual incentive programs, as well as our employee benefit plans and programs, in effect from time to time. The agreement provides for an initial employment term of three years, with automatic one-year renewals on the expiration date of the initial term and each anniversary thereafter, unless either we or Mr. Edwards provide notice of non-renewal at least 90 days prior to the commencement of a renewal period.

During the employment term, Mr. Edwards is required to devote the amount of his business time necessary and proper to conduct our business and affairs, and use his best efforts to perform faithfully his duties and responsibilities as our Chief Executive Officer and President. However, to the extent such activities do not create a conflict of interest or substantially interfere with the performance of Mr. Edwards' duties and responsibilities to us, he may (i) manage his personal and family financial and legal affairs, (ii) participate in charitable, civic, educational, professional, community and industry affairs (including serving on boards or committees of such

entities), (iii) serve on the boards of directors of the Salvation Army and the Columbus Museum of Art and (iv) continue to engage in non-competitive operational activities for a real estate development business in which he participated prior to entering into his employment agreement with us.

In the event we terminate Mr. Edwards' employment without "cause" (as defined in the employment agreement) or if Mr. Edwards terminates his employment for "good reason" (as defined in the employment agreement), then, subject to Mr. Edwards' execution and non-revocation of a release of claims, and further subject to his continued compliance with the restrictive covenants in the employment agreement, we are required to pay him: (i) base salary continuation payments for 18 months; (ii) any earned and unpaid prior year's bonus; and (iii) any bonus earned for the year of termination based on actual performance, pro-rated based on the duration of Mr. Edwards' employment during the year of termination. If any such termination occurs within two years following a change in control (other than as a result of a sale of all of Mr. Edwards' equity interests in us), then the base salary continuation payment period described in clause (i) above would be 24 months, rather than 18 months.

Mr. Edwards is subject to non-competition and customer and employee non-solicitation restrictions while employed and for two years after termination of his employment, as well as confidentiality restrictions that last during his employment and thereafter. In addition, during his employment and thereafter, Mr. Edwards has agreed not to disparage us, and we have agreed to instruct our executive officers not to disparage Mr. Edwards.

Employment Agreement with Jay Elliott

Effective October 1, 2013, we and Jay Elliott agreed to terminate our employment agreement with him pursuant to which Mr. Elliott served as our Regional Operations & Business Integration Manager. The agreement provided Mr. Elliott with a minimum annual base salary of $175,000 (which, for 2013, was increased to $202,261) and an opportunity to receive additional compensation in the form of a discretionary bonus pursuant to bonus programs in effect from time to time for similarly situated employees.

The employment agreement provided for automatic one-year renewals each year unless either party gave the other party notice of non-renewal at least 60 days prior to the commencement of a renewal period. In the event we terminated Mr. Elliott's employment other than for cause or due to death or disability, or if we gave him a notice of non-renewal, the agreement provided that we would pay him an amount equal to his base salary through the end of the term. Mr. Elliott continues to be employed by us.

Outstanding Equity Awards as of December 31, 2013

None of our Named Executive Officers had equity awards with respect to any of our capital stock outstanding as of December 31, 2013.

COMPENSATION OF OUR DIRECTORS

During the year ended December 31, 2013, our directors did not receive any compensation for their services as directors.

Following the consummation of this offering, we intend to implement a director compensation program pursuant to which our independent directors will receive the following compensation for their service on our board of directors:

- An annual retainer of $50,000;
- An additional annual retainer of $10,000 for serving as chair of the Audit Committee;
- An additional annual retainer of $10,000 for serving as chair of the Compensation Committee;

- An additional annual retainer of $10,000 for serving as chair of the Nominating and Corporate Governance Committee; and
- An annual grant of restricted stock made under the 2014 Omnibus Incentive Plan, or the 2014 Plan, having a fair market value of $50,000, all of which shall vest on the earlier to occur of the one-year anniversary of the grant date and immediately prior to the first annual meeting of our stockholders occurring after the grant date.

2014 OMNIBUS INCENTIVE PLAN

On , 2014, in anticipation of this offering, our board of directors adopted and established our 2014 Plan, subject to approval of our stockholders. Our stockholders approved the 2014 Plan on , 2014 (which is the effective date of the 2014 Plan). We believe that a new omnibus incentive plan is appropriate in connection with a public offering of our common stock in order to enhance our profitability and value for the benefit of our stockholders by enabling us to offer our eligible employees, consultants and non-employee directors incentive awards to attract, retain and reward such individuals and strengthen the mutuality of interests between such individuals and our stockholders. The material terms of the 2014 Plan are summarized below. The following summary is qualified in its entirety by reference to the complete text of the 2014 Plan, a copy of which is included as an exhibit to the registration statement of which this prospectus is a part.

Administration of the Plan

The board of directors has appointed the compensation committee to administer the 2014 Plan. The compensation committee is authorized to grant awards to eligible employees, consultants and non-employee directors. To the extent required, subject to applicable transition rules, all members of the compensation committee are "non-employee directors" within the meaning of Rule 16b-3 under the Exchange Act, "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, or the Code, and "independent directors" under applicable NYSE rules.

Number of Authorized Shares and Award Limits

The aggregate number of our shares of common stock that may be issued or used for reference purposes under the 2014 Plan may not exceed shares (subject to adjustment pursuant to the terms of the 2014 Plan as described below).

Our shares of common stock that are subject to awards will be counted against the overall limit as one share for every share granted. If any award is cancelled, expires or terminates unexercised for any reason, the shares covered by such award will again be available for the grant of awards under the 2014 Plan, except that any shares that are not issued as the result of a net settlement or that are used to pay any exercise price or tax withholding obligation will not be available for the grant of awards. Shares of common stock that we repurchase on the open market with the proceeds of an option exercise price also will not be available for the grant of awards.

The maximum number of our shares of common stock that may be subject to any award of stock options, any restricted stock or other stock-based award denominated in shares that may be granted under the 2014 Plan during any fiscal year to each employee or consultant is shares per type of award, provided that the maximum number of our shares of common stock for all types of awards during any fiscal year does not exceed shares per each employee or consultant. The maximum number of our shares of common stock that may be granted pursuant to awards under the 2014 Plan during any fiscal year to any non-employee director is shares. The foregoing individual participant limits are cumulative, that is, to the extent that shares of common stock that may be granted to an individual in a fiscal year are not granted, then the number of shares of common stock that may be granted to such individual shall be increased in the subsequent fiscal year. In addition, the maximum value at grant of any other stock-based award denominated in cash and any performance-based cash award that may be granted during any fiscal year to an employee or consultant is $. However, the

foregoing limits (other than the limit on the maximum number of our shares of common stock for all types of awards during any fiscal year) will not apply (i) to options, stock appreciation rights or restricted stock or other stock-based awards that constitute "restricted property" under Section 83 of the Code to the extent granted during the Reliance Period (as described below) or (ii) to performance-based cash awards or other types of other stock-based awards to the extent paid or otherwise settled during the Reliance Period.

For companies that become public in connection with an initial public offering, the deduction limit under Section 162(m) of the Code does not apply during a "reliance period" under the Treasury Regulations under Section 162(m) of the Code which may be relied upon until the earliest of: (i) the expiration of the 2014 Plan, (ii) the date the 2014 Plan is materially amended for purposes of Treasury Regulation Section 1.162-27(h)(1)(iii); (iii) the date all shares of common stock available for issuance under this 2014 Plan have been allocated; or (iv) the date of the first annual meeting of our stockholders for the election of directors occurring after the close of the third calendar year following the calendar year in which the initial public offering occurs, such period is referred to herein as the Reliance Period.

The compensation committee will, in accordance with the terms of the 2014 Plan, make appropriate adjustments to the above aggregate and individual limits, to the number and/or kind of shares or other property (including cash) underlying awards and to the purchase price of shares underlying awards, in each case, to reflect any change in our capital structure or business.

Eligibility and Participation

All current and prospective eligible employees and consultants of ours and our affiliates, and all of our non-employee directors, are eligible to be granted non-qualified stock options, restricted stock awards, performance-based cash awards and other stock-based awards under the 2014 Plan. However, only employees of ours and our subsidiaries are eligible to be granted incentive stock options, or ISOs, under the 2014 Plan. Eligibility for awards under the 2014 Plan is determined by the compensation committee in its sole discretion.

Types of Awards

Stock Options. The 2014 Plan authorizes the compensation committee to grant ISOs to eligible employees and non-qualified stock options to purchase shares to eligible employees, consultants and non-employee directors (referred to as "participants"). The compensation committee will determine the number of shares of common stock subject to each option, the term of each option, the exercise price (which may not be less than the fair market value of the shares of our common stock at the time of grant or, in the case of ISOs granted to ten-percent stockholders, 110 percent of the fair market value), the vesting schedule and the other terms and conditions of each option. Options will be exercisable at such times and subject to such terms and conditions as are determined by the compensation committee at grant. The maximum term of options under the 2014 Plan is ten years (or five years in the case of ISOs granted to ten-percent stockholders). Upon the exercise of an option, the participant must make payment of the full exercise price (i) in cash or by check, bank draft or money order, (ii) solely to the extent permitted by law, through the delivery of irrevocable instructions to a broker (reasonably acceptable to us) to promptly deliver to us an amount equal to the aggregate exercise price and/or (iii) on such other terms and conditions as may be acceptable to the compensation committee (including, without limitation, the relinquishment of options or by payment in full or in part in the form of shares of our common stock owned by the participant). Unless otherwise determined by the compensation committee, the 2014 Plan provides that options vested and exercisable as of the date of a participant's termination of employment, consultancy or directorship (as applicable) will remain exercisable for the following periods following the date of termination: if such termination is due to the participant's death or "disability" (as defined in the 2014 Plan), one (1) year; if such termination is by us without "cause" (as defined in the 2014 Plan), 90 days; and if such termination is voluntary, 30 days. Upon an employment termination by us for cause or a voluntary resignation following an event that would be grounds for termination for cause, the options will terminate and expire on the date of employment termination. Unless otherwise determined by the compensation committee, upon any employment termination, unvested options will terminate and expire on the date of employment termination.

Restricted Stock. The 2014 Plan authorizes the compensation committee to grant restricted stock awards to eligible participants. Recipients of restricted stock awards enter into an agreement with us subjecting the restricted stock awards to transfer and other restrictions and providing the criteria or dates on which such awards vest and such restrictions lapse. The restrictions on restricted stock awards may lapse and the awards may vest over time, based on performance criteria or other factors (including, without limitation, performance goals that are intended to comply with the performance-based compensation exception under Section 162(m) of the Code, as discussed below), as determined by the compensation committee at grant. Except as otherwise determined by the compensation committee, a holder of a restricted stock award has all of the attendant rights of a stockholder, including the right to vote. However, such holder does not have the right to tender shares of the restricted stock and any dividends or other distributions payable on the restricted stock will not be paid unless and until the underlying shares of restricted stock vest and are no longer subject to restrictions.

Other Stock-Based Awards. The 2014 Plan authorizes the compensation committee to grant awards of shares of our common stock and other awards to eligible participants that are valued in whole or in part by reference to, or are payable in or otherwise based on, shares of our common stock, including, but not limited to, shares of common stock awarded purely as a bonus in lieu of cash and not subject to any restrictions or conditions; shares of common stock in payment of the amounts due under an incentive or performance plan sponsored or maintained by us or an affiliate; stock appreciation rights; stock equivalent units; restricted stock units; performance awards entitling participants to receive a number of shares of our common stock (or cash in an equivalent value) or a fixed dollar amount, payable in cash, stock or a combination of both, with respect to a designated performance period; or awards valued by reference to book value of our shares of common stock.

Certain Performance-Based Awards

The 2014 Plan authorizes the compensation committee to grant performance-based stock-based and cash awards. As noted above, following the Reliance Period, performance-based awards granted under the 2014 Plan that are intended to satisfy the performance-based compensation exception under Section 162(m) of the Code will vest based on attainment of specified performance goals established by the compensation committee. These performance goals will be based on the attainment of a certain target level of, or a specified increase in (or decrease where noted), criteria selected by the compensation committee. Such performance goals may be based upon the attainment of specified levels of company, subsidiary, division or other operational unit performance under one or more of the measures described above relative to the performance of other companies. The compensation committee may designate additional business criteria on which the performance goals may be based or adjust, modify or amend those criteria, to the extent permitted by Section 162(m) of the Code. Unless the compensation committee determines otherwise, to the extent permitted by Section 162(m) of the Code, the compensation committee will disregard and exclude the impact of special, unusual or non-recurring items, events, occurrences or circumstances; discontinued operations or the disposal of a business; the operations of any business that we acquire during the fiscal year or other applicable performance period; or a change in accounting standards required by generally accepted accounting principles.

Effect of Detrimental Activity

Unless otherwise determined by the compensation committee, the 2014 Plan provides that, in the event a participant engages in “detrimental activity” (as defined in the 2014 Plan), all unexercised options held by the participant will terminate and expire and all unvested restricted stock and other stock-based awards will be immediately forfeited. As a condition to exercise an option, a participant is required to certify that he or she is in compliance with the terms and conditions of the 2014 Plan and that he or she has not engaged in, and does not intend to engage in, any detrimental activity. If the participant engages in a detrimental activity within one year following the exercise of an option, or if earlier, within one year following the date of the participant’s employment termination, we are entitled to recover from the participant, at any time within one year after such date, any gain realized from the exercise of such option. If the participant engages in a detrimental activity within one year following the vesting date of a restricted stock award or other stock-based award, we are entitled to recover from the participant, at any time within one year after such detrimental activity, the fair market value on

the vesting date of any restricted stock award, and any gain realized from the vesting of any other stock-based award, that vested during such period. Unless otherwise determined by the compensation committee, the foregoing provisions will cease to apply upon a change in control (as defined in the 2014 Plan and described below).

Effect of Certain Transactions; Change in Control

In the event of a change in control, except as otherwise provided by the compensation committee in an award agreement, unvested awards will not vest. Instead, the compensation committee may, in its sole discretion provide for outstanding awards to be treated in accordance with one of the following methods: (i) awards (whether or not vested) may be continued, assumed or substituted for; (ii) awards may be purchased for an amount of cash equal to the change in control price per share; and/or (iii) stock options or other stock-based appreciation awards may be cancelled if the change in control price is less than the applicable exercise price. However, the compensation committee may in its sole discretion provide for the acceleration of vesting and lapse of restrictions of an award at any time. For the purposes of the foregoing, a "change in control" generally means the occurrence of one of the following events:

- the acquisition (including through purchase, reorganization, merger or consolidation) by a person or entity of 45% or more of the voting power of the securities entitled to vote to elect our board of directors;
- an election of individuals to our board of directors that causes a change in two-thirds of our board of directors, unless the individuals elected are approved by a vote of at least two-thirds of the directors then in office who either were directors as of the effective date of the 2014 Plan or whose election or nomination for election was previously so approved; or
- the sale or other disposition of all or substantially all of our assets.

In addition, upon the occurrence of an "acquisition event" (as defined below), the compensation committee may terminate all outstanding and unexercised options (or any other stock-based awards that are subject to exercise by the holder thereof) (referred to as the "exercisable awards"), effective as of the date of the acquisition event, by delivering a termination notice to each participant at least 20 days prior to the date of the acquisition event. During the period after which notice is provided, each participant may exercise all of his or her then outstanding and vested exercisable awards, subject to the occurrence of the acquisition event. Any exercisable award that has an exercise price that is equal to or greater than the fair market value of our common stock on the date of the acquisition event may be canceled by the compensation committee without consideration. Under the 2014 Plan, an "acquisition event" means (i) a merger or consolidation in which we are not the surviving entity, (ii) any transaction that results in the acquisition of all or substantially all of our outstanding common stock by a single person or group of persons, or (iii) the sale or transfer of all or substantially all of our assets.

Non-Transferability of Awards

Except as the compensation committee may permit, at the time of grant or thereafter, awards granted under the 2014 Plan are generally not transferable by a participant other than by will or the laws of descent and distribution. Shares of our common stock acquired by a permissible transferee will continue to be subject to the terms of the 2014 Plan and the applicable award agreement.

Term

Awards under the 2014 Plan may not be made after , 2024, but awards granted prior to such date may extend beyond that date. We may seek stockholder re-approval of the performance goals in the 2014 Plan and, to the extent that such stockholder approval is obtained on or after the first stockholders' meeting in the fifth year following the year of the last stockholder approval of the performance goals in the 2014 Plan, awards under the 2014 Plan may be made based on such performance goals in order to qualify for the "performance-based compensation" exception under Section 162(m) of the Code.

Amendment and Termination

Subject to the rules referred to in the balance of this paragraph, our board of directors may at any time amend, in whole or in part, any or all of the provisions of the 2014 Plan, or suspend or terminate it entirely, retroactively or otherwise. Except as required to comply with applicable law, no such amendment may reduce the rights of a participant with respect to awards previously granted without the consent of such participant. In addition, without the approval of stockholders, no amendment may be made that would: increase the aggregate number of shares of our common stock that may be issued under the 2014 Plan; increase the maximum individual participant share limitations for a fiscal year or year of a performance period; change the classification of individuals eligible to receive awards under the 2014 Plan; extend the maximum option term; alter the performance criteria; amend the terms of any outstanding stock option or other stock appreciation award to reduce the exercise price thereof (i.e., reprice); cancel any outstanding "in-the-money" stock option or other stock appreciation award in exchange for cash, other awards or stock option or other stock appreciation award with a lower exercise price; require stockholder approval in order for the 2014 Plan to continue to comply with Section 162(m) of the Code or Section 422 of the Code; or require stockholder approval under the rules of any exchange or system on which our securities are listed or traded. Following completion of this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register the full number of shares of our common stock that will be available for issuance under the 2014 Plan, as described in the section titled "—2014 Omnibus Incentive Plan—Number of Authorized Shares and Award Limits" above.

Certain Relationships and Related-Party Transactions

Stockholders Agreement

On November 4, 2011, we entered into the Stockholders Agreement. Among other things, the Stockholders Agreement provides board designation rights for the Edwards Investors and Littlejohn and requires the approval of certain holders of our equity securities in order for us to take specified corporate actions. The Stockholders Agreement also provides for certain restrictions on the ability of our stockholders to transfer shares of our equity securities. Certain holders of our equity securities were granted put rights, drag-along rights and pre-emptive rights. The Stockholders Agreement will automatically terminate upon the completion of this offering.

Registration Rights

We are party to a registration rights agreement with our stockholders dated November 6, 2013 or the Registration Rights Agreement. Under the Registration Rights Agreement, following the completion of this offering, Cetus Capital II, LLC, IBP Investment Holdings, LLC, IBP Management Holdings, LLC and TCI Holdings, LLC, or collectively, the Investors, will have demand, piggyback and Form S-3 registration rights. Subject to conditions and limitations as set forth in the agreement, including our right to defer a demand registration under certain circumstances, at any time which we are not eligible to register securities on Form S-3, the Investors may require that we register for public resale on Form S-1 under the Securities Act of all or part of the shares held by such Investors, so long as the securities being registered in each registration statement are proposed to be sold at an aggregate price to the public of at least $30.0 million with respect to a request made within the first twelve months following the completion of this offering, and at least $15.0 million with respect to any subsequent request. If we become eligible to register the sales of securities on Form S-3 under the Securities Act, the Investors have the right to require us to register the sale of common stock held by them on Form S-3 at an aggregate price to the public of at least $15.0 million. We will not be obligated to effectuate more than one demand registration on Form S-1 or more than two demand registrations on Form S-3 during any calendar year. Subject to certain exceptions, the Investors are also entitled to piggyback registration rights with respect to any registration effected by us.

Under the Registration Rights Agreement, we will be responsible, subject to certain exceptions, for the expenses of any offering of our shares of common stock offered pursuant to the agreement other than underwriting discounts and selling commissions. The Registration Rights Agreement contains customary indemnification and market hold-back provisions.

Management Agreements

On April 30, 2010, we entered into a Second Amended and Restated Management Agreement with (i) IBP Holding Company, an affiliate of the Edwards Investors, and (ii) certain other investors. Pursuant to the Second Amended and Restated Management Agreement, IBP Holding Company provided certain executive, management, administrative, corporate overhead, clerical and other support services to one of our operating subsidiaries, Installed Building Products, LLC. A substantially similar management agreement was entered into on October 29, 2007 for IBP Holding Company to provide certain executive, management, administrative, corporate overhead, clerical and other support services to one of our other operating subsidiaries, Installed Building Products II, LLC. We collectively refer to these agreements as the Old Service Agreements. Pursuant to the Old Service Agreements, IBP Holding Company was paid management fees in an aggregate amount of approximately $4.4 million in 2010 and $4.8 million in 2011. The Old Service Agreements were terminated on December 31, 2011 and all employees of IBP Holding Company became employees of Installed Building Products, LLC, one of our operating subsidiaries.

On December 18, 2012, we entered into a Management Services and Fee Agreement with (i) Littlejohn Managers, LLC, (ii) Jeff Edwards, (iii) IBP Holding Company, an affiliate of the Edwards Investors, and (iv) TCI Holdings, LLC, one of our principal stockholders, or collectively the Managers. Pursuant to the Management

Services and Fee Agreement, management fees were paid to Littlejohn Managers, LLC ($1.1 million), Jeff Edwards ($2.7 million) and TCI Holdings, LLC ($0.5 million) during the year ended December 31, 2012. The Management Services and Fee Agreement was terminated on November 22, 2013. The indemnification provisions in favor of the Managers survive such termination.

Financing and Recapitalization Transactions

In 2010, IBP Funding Company, LLC, which was owned by one of our indirect stockholders and the Edwards Investors, and Primstone Funding Company, LLC, which was owned by some of our indirect stockholders, purchased $27.8 million of outstanding senior secured indebtedness under IBP I's then existing credit facility and converted the loans to second lien loans. In connection with our Recapitalization, this second lien debt of IBP I was cancelled on November 3, 2011. Through a series of purchases in July 2011, Cetus Capital II, LLC, or Cetus II, purchased the remaining $77.6 million (including accrued interest) of IBP I's outstanding indebtedness under IBP's then-existing credit facility, or the first lien debt. As part of the Recapitalization, Cetus II contributed the first lien debt to us in exchange for 1,000 shares of our Series A Preferred Stock and 300,000 shares of our Redeemable Common Stock.

In 2011, the Edwards Investors and an affiliate issued promissory notes to the lender under IBP II's then existing credit facility. The issuers of the notes used a portion of the funds from the loan to make a $12.0 million capital contribution to IBP II, which was then used by IBP II to repay outstanding amounts under its credit facility. In connection with our Recapitalization, IBP II repaid the remaining $500,000 outstanding under its existing credit facility on November 4, 2011.

In connection with our Recapitalization, on November 4, 2011, we assumed a $1.7 million liability of IBP Holding Company, an affiliate of the Edwards Investors, for accrued deferred bonuses of its employees, which bonuses were paid by us in 2012. Personnel of the corporate headquarters were employed by IBP Holding Company prior to 2012 and, since January 1, 2012, have been employed by IBP I.

In connection with our Recapitalization, stockholder notes in the amount of $3.8 million plus accrued interest of $0.9 million owed by us to the Edwards Investors were cancelled.

Pursuant to the Recapitalization and Exchange Agreement, dated November 4, 2011, which we entered into with Cetus II, we had a call right to purchase 50,000 shares of common stock from Cetus II at a purchase price of $0.01 per share. Pursuant to an amendment to the Recapitalization Agreement and Exchange Agreement dated January 27, 2014, our call right was terminated and IBP Investment Holdings, LLC, TCI Holdings, LLC and IBP Management Holdings, LLC will have a call right to purchase 44,000 shares of common stock in the aggregate from Cetus II at a purchase price of $0.01 per share. These stockholders intend to exercise such call right prior to the effectiveness of the registration statement of which this prospectus forms a part.

TCI Transaction

On August 31, 2012, we entered into a Membership Interest Purchase Agreement with TCI Holdings, LLC to acquire TCI Contracting, LLC. In connection with that transaction, TCI Holdings, LLC was issued 129,944 shares of our common stock (before giving effect to our for stock split to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part) and became party to the Stockholders Agreement. J. Michael Nixon, a member of TCI Holdings, LLC, was not a member of our board of directors at the time of the transaction, but became a member of our board in December 2012.

Supplier Loans

On May 17, 2010, CertainTeed Corporation, one of our insulation suppliers, loaned funds to IBP Holding Company, an affiliate of the Edwards Investors in the principal amount of $2.0 million. The funds were made available as capital contributions to us and used for general corporate purposes. The loan was repaid by the Edwards Investors on June 19, 2013.

On March 26, 2009, Knauf Insulation, GmbH, one of our insulation suppliers, loaned funds to the Edwards Investors in the principal amount of $10.0 million. The funds were made available as capital contributions to us and were primarily used for general corporate purposes. The Edwards Investors continue to make payments on the loan. The loan will be repaid in full by the Edwards Investors and terminated concurrently with the completion of this offering.

On March 26, 2004, Installed Building Systems, Inc., an affiliate of Jeff Edwards, entered into an amended and restated loan agreement with Owens Corning pursuant to which Owens Corning loaned funds to the Edwards Investors in the principal amount of $10.0 million. The funds were made available as capital contributions to us and used for general corporate purposes. The Edwards Investors continue to make payments on the loan. The loan will be repaid in full by the Edwards Investors and terminated concurrently with the completion of this offering.

Employee Benefits

The Edwards Industries, Inc. Medical Trust, or the Medical Trust, provides medical and dental benefits to our employees as well as those of other businesses affiliated with the Edwards Investors. We pay premiums to the Medical Trust for the provision of these benefits. We paid an aggregate of $6.2 million for the year ended December 31, 2011, $6.3 million for the year ended December 31, 2012 and $5.8 million for the nine months ended September 30, 2013 to the Medical Trust for all our health plans.

Related-Party Sales

Certain of our operating subsidiaries install products in the ordinary course of their businesses to the following affiliates of the Edwards Investors: Michael Edwards Construction, Edwards Communities Construction Company and affiliates and Duffy Homes, Inc. These transactions are performed on terms comparable to those that could be obtained in an arm's-length transaction with an unrelated third party. Aggregate sales to these affiliates of the Edwards Investors totaled $2.7 million for the year ended December 31, 2011, $1.7 million for the year ended December 31, 2012 and $0.9 million for the nine months ended September 30, 2013.

Real Property Leases

Pursuant to a lease agreement dated as of May 1, 2003, as amended, we lease our headquarters at 495 S. High Street, Columbus, Ohio from 495 South High Street, L.L.C., an entity affiliated with the Edwards Investors. The annual base rent is $158,827. Prior to November 1, 2013, the base rent was $201,471.

Pursuant to a lease agreement dated as of March 14, 2005, we lease a branch location at 1320 McKinley Avenue, Columbus, Ohio from Peter H. Edwards, an immediate family member of Jeff Edwards. The annual base rent is $133,554.

TCI Contracting, LLC, one of our indirect subsidiaries, leases locations in Georgia, Florida and Tennessee pursuant to the terms of five lease agreements with one or more entities in which J. Michael Nixon, one of our directors, has an interest. The annual base rent for these locations is $33,000, $66,000, $90,000, $66,000 and $60,000 respectively.

Guarantees of Corporate Liabilities

Pursuant to an Individual Guaranty Agreement and a Guaranty Agreement, each dated as of October 22, 2012, Jeff Edwards, Peter Edwards Jr., Anne Edwards and Michael Edwards, individually, and Littlejohn guaranteed our letter of credit reimbursement obligations to Bank of America, N.A. in connection with letters of credit issued by Bank of America, N.A. to support our workers compensation policies. Such letters of credit are currently issued under our revolving credit facility and these guarantees were terminated on July 30, 2013.

Jeff Edwards has personally guaranteed reimbursement obligations of ours. The total obligation amounts were $316,613 for the year ended December 31, 2012 and $39,000 for the nine months ended September 30, 2013 under certain performance and licensing bonds issued by sureties on behalf of us in the ordinary course of business. These bonds were replaced with bonds that do not require any guarantee and the last of these guarantees was terminated on January 17, 2014.

Policies and Procedures for Related-Party Transactions

Our board of directors expects to adopt a written related-party transaction policy, to be effective upon the completion of this offering, setting forth the policies and procedures for the review and approval or ratification of transactions involving us and "related persons." For the purposes of this policy, "related persons" will include our executive officers, directors and director nominees or their immediate family members, or stockholders owning five percent or more of our outstanding common stock and their immediate family members.

The policy will cover, with certain exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships in which we were or are to be a participant, where the amount involved exceeds $120,000 and a related person had or will have a direct or indirect material interest, including, without limitation, purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. In reviewing and approving any such transactions, our audit committee is tasked to consider all relevant facts and circumstances, including, but not limited to, whether the transaction is on terms comparable to those that could be obtained in an arm's length transaction with an unrelated party and the extent of the related person's interest in the transaction. All related-party transactions may only be consummated if our audit committee has approved or ratified such transaction in accordance with the guidelines set forth in the policy. Any member of the audit committee who is a related person with respect to a transaction under review will not be permitted to participate in the deliberations or vote respecting approval or ratification of the transaction. However, such director may be counted in determining the presence of a quorum at a meeting of the audit committee that considers the transaction. All of the transactions described in this section occurred prior to the adoption of this policy.

Principal and Selling Stockholders

The following table lists information regarding the beneficial ownership of our common stock as of January , 2014 by (i) each person whom we know to beneficially own more than 5% of our outstanding common stock, or a 5% Stockholder, (ii) each director, (iii) each Named Executive Officer, (iv) all directors and executive officers as a group and (v) each selling stockholder. Unless otherwise indicated, the address of each officer and director is that of our headquarters, c/o Installed Building Products, Inc., 495 South High Street, Suite 50, Columbus, Ohio 43215. The information below does not give effect to the stock split to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

The number of shares of common stock "beneficially owned" by each stockholder is determined under rules issued by the SEC regarding the beneficial ownership of securities. This information is not necessarily indicative of ownership for any other purpose. Under these rules, beneficial ownership of shares of our common stock includes (1) any shares as to which the person or entity has sole or shared voting power or investment power and (2) any shares as to which the person or entity has the right to acquire beneficial ownership within 60 days after January , 2014, including any shares that could be purchased by the exercise of options or warrants held by that person. Each holder's percentage ownership before this offering is based on 1,129,944 shares of common stock outstanding as of January , 2014. Each holder's percentage ownership after this offering is based on shares of common stock to be outstanding immediately after the completion of this offering. The percentages assume no exercise by the underwriters of their option to purchase additional shares.

The amounts below reflect: (1) the purchase of an aggregate of 44,000 shares of our common stock by IBP Investment Holdings, LLC, TCI Holdings, LLC and IBP Management Holdings, LLC from Cetus II pursuant to the Call Right, as discussed in additional detail in "Certain Relationships and Related-Party Transactions—Financing and Recapitalization Transactions" and (2) an in-kind distribution of 19,600 shares of our common stock by IBP Management Holdings, LLC to its members.

Unless otherwise indicated below, to our knowledge, all persons named in the table have sole voting and investment power with respect to their shares of common stock.

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned Before Offering	Number of Shares Offered	Percentage of Shares Beneficially Owned After Offering
5% Stockholders:				
IBP Investment Holdings, LLC (1)	716,480	63.4%		
Cetus Capital II, LLC (2)	256,000	22.7%		
TCI Holdings, LLC (3)	136,764	12.1%		
Directors and Executive Officers:				
Jeffrey W. Edwards (4)	720,860	63.8%		
Michael T. Miller	—	—		
Jay P. Elliott	2,038	*		
Steven G. Raich (5)	256,000	22.7%		
J. Michael Nixon (3)	136,764	12.1%		
Lawrence A. Hilsheimer	—	—		
Michael H. Thomas	—	—		
All directors and executive officers as a group (7 persons)	1,115,662	98.7%		

* Denotes less than 1.0% beneficial owner.

(1) IBP Investment Holdings, LLC, or Investment Holdings, is a Delaware member-managed limited liability company. PJAM IBP Holdings, Inc., or PJAM, an Ohio corporation, and Installed Building Systems, Inc., or Systems, a Delaware corporation, own 41.4% and 36.0%, respectively, of the outstanding common units

of Investment Holdings. Mr. Edwards, our President, Chief Executive Officer and Chairman, controls PJAM and Systems, and owns certain outstanding common units of Investment Holdings. Mr. Edwards has sufficient voting and dispositive power to control Investment Holdings. OCM IBP Holdings, Inc., or OCM, a Delaware corporation, that is an affiliate of OCM Mezzanine Fund, L.P., a fund sponsored by Oaktree Capital Management, owns all of the issued and outstanding Series A preferred units of Investment Holdings. OCM, Stonehenge Opportunity Fund LLC, Primus Capital Fund V, L.P. and Primus Executive Fund V, L.P. (collectively, the "Funds") own an aggregate of 12.3% of the outstanding common units of Investment Holdings. The remaining outstanding common units of Investment Holdings are owned by other members of our management team and a dynasty trust for the benefit of Mr. Edwards' family. The proceeds received by Investment Holdings in this offering will be used to repurchase some or all of the Series A preferred units of Investment Holdings held by OCM and some or all of the common units of Investment Holdings held by the Funds. None of the other members of Investment Holdings, including Mr. Edwards, will receive any of such proceeds. The address for Investment Holdings is 495 South High Street, Suite 50, Columbus, Ohio 43215.

(2) Cetus Capital II, LLC, a Delaware limited liability company, or Cetus II, is an affiliate of Littlejohn. Littlejohn Fund IV, L.P., or Fund IV, as the sole member of Cetus II, and Littlejohn Associates IV, L.L.C., or Associates IV, the general partner of Fund IV, may each be deemed to be the indirect beneficial owner of these shares. Steven G. Raich and Robert E. Davis are managers of Associates IV and hold voting and dispositive power over these shares. Each of Fund IV, Associates IV, Steven G. Raich and Robert E. Davis disclaim any beneficial ownership of such shares in which it or he does not have a pecuniary interest. The address of each of Cetus II, Fund IV and Associates IV is 8 Sound Shore Drive, Greenwich, Connecticut 06830.

(3) Represents shares held by TCI Holdings, LLC, a member-managed Georgia limited liability company. Mr. Nixon shares voting and dispositive power over the shares held by TCI Holdings, LLC. Mr. Nixon disclaims any beneficial ownership of such shares in which he does not have a pecuniary interest. The address for TCI Holdings, LLC and Mr. Nixon is 4080 McGinnis Ferry Road #1504, Alpharetta, Georgia 30005. Inis Investment Co. shares voting and dispositive power over the shares held by TCI Holdings, LLC. Inis Investment Co. disclaims any beneficial ownership of such shares in which it does not have a pecuniary interest. The address for Inis Investment Co. is 1209 Orange Street, Wilmington, Delaware 19801.

(4) Represents shares held by Investment Holdings and IBP Management Holdings, LLC, or Management Holdings. Mr. Edwards has voting and dispositive control over the shares held by Investment Holdings and Management Holdings. The shares held by Investment Holdings are expected to be distributed to its members after the expiration of the 180-day lock-up period. From and after the expiration of the 180-day lock-up period, Mr. Edwards has agreed to pledge approximately 275,000 of these shares to secure certain loans made by a financial institution to him and members of his family. Mr. Edwards disclaims beneficial ownership of such shares in which he does not have a pecuniary interest.

(5) Represents shares held by Cetus II. Mr. Raich is a partner of Littlejohn and may be deemed to beneficially own the shares held by Cetus II. Mr. Raich disclaims any beneficial ownership of such shares in which he does not have a pecuniary interest. The address for Mr. Raich is 8 Sound Shore Drive, Greenwich, Connecticut 06830.

Description of Capital Stock

The following description is intended as a summary of our amended and restated certificate of incorporation (which we refer to as our "charter") and our amended and restated bylaws, in each case, which will become effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part and which will be filed as exhibits to such registration statement, and to the applicable provisions of the Delaware General Corporation Law. Because the following is only a summary, it does not contain all of the information that may be important to you. For a complete description, you should refer to our charter and amended and restated bylaws.

General

Immediately prior to the effectiveness of the registration statement of which this prospectus forms a part, we will file our charter that authorizes shares of common stock, $0.01 par value per share, and shares of preferred stock, $0.01 per value per share, 1,000 of which are designated as Series A Preferred Stock.

As of , 2014, we had shares of our common stock outstanding and 1,000 shares of our Series A Preferred Stock outstanding. All of our outstanding Series A Preferred Stock will be redeemed with a portion of the net proceeds received by us in this offering and, once redeemed, such shares will be retired and may not be reissued. Following the completion of this offering and the use of proceeds therefrom, no shares of our preferred stock will be designated, issued or outstanding.

COMMON STOCK

Voting Rights

Each holder of our common stock is entitled to one vote for each share on all matters submitted to a vote of the stockholders, including the election of directors. Our stockholders do not have cumulative voting rights in the election of directors. Accordingly, holders of a majority of the voting shares are able to elect all of the directors.

Dividends

Subject to preferences that may be applicable to any then outstanding preferred stock, holders of our common stock are entitled to receive dividends, if any, as may be declared from time to time by our board of directors out of legally available funds.

Liquidation

In the event of our liquidation, dissolution or winding up, holders of our common stock are entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities and the satisfaction of any liquidation preference granted to the holders of any then outstanding shares of preferred stock.

Rights and Preferences

Holders of our common stock have no preemptive, conversion, subscription or other rights, and there are no sinking fund provisions applicable to our common stock. Upon the closing of this offering, the redemption feature of our outstanding redeemable common stock will terminate and there will be no redemption provisions applicable to any shares of our common stock. The rights, preferences and privileges of the holders of our common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of our preferred stock that we may designate in the future.

Fully Paid and Nonassessable

All of our outstanding shares of common stock are, and the shares of common stock to be issued in this offering will be, fully paid and nonassessable.

PREFERRED STOCK

Concurrent with the closing of this offering, all outstanding shares of our Series A Preferred Stock will be repurchased by us for an aggregate purchase price of $ and retired. Immediately following this offering, we will amend our charter to delete all references to the Series A Preferred Stock. Following the completion of this offering, our board of directors will have the authority, without further action by our stockholders, to issue up to shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting, or the designation of, such series, any or all of which may be greater than the rights of common stock. The issuance of our preferred stock could adversely affect the voting power of holders of common stock and the likelihood that such holders will receive dividend payments and payments upon our liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or preventing a change in control of our company or other corporate action. Immediately after completion of this offering, no shares of preferred stock will be outstanding, and we have no present plan to issue any shares of preferred stock.

ANTI-TAKEOVER EFFECTS OF PROVISIONS OF OUR CHARTER, OUR AMENDED AND RESTATED BYLAWS AND DELAWARE LAW

Our charter and amended and restated bylaws contain provisions that may delay, defer or discourage another party from acquiring control of us. We expect that these provisions, which are summarized below, will discourage coercive takeover practices or inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors, which we believe may result in an improvement of the terms of any such acquisition in favor of our stockholders. However, they also give our board of directors the power to discourage acquisitions that some stockholders may favor.

Undesignated Preferred Stock

The ability to authorize undesignated preferred stock will make it possible for our board of directors to issue preferred stock with super voting, special approval, dividend or other rights or preferences on a discriminatory basis that could impede the success of any attempt to acquire us. These and other provisions may have the effect of deferring, delaying or discouraging hostile takeovers, or changes in control or management of our company.

Board Size; Filling of Vacancies

Our charter and amended and restated bylaws provide that the number of directors on our board of directors will be fixed exclusively by our board of directors. Newly created directorships resulting from any increase in our authorized number of directors will be filled solely by the vote of our remaining directors in office. Any vacancies in our board of directors resulting from death, resignation, retirement, disqualification or removal from office or other cause will be filled solely by a majority vote of our remaining directors, or a quorum of our remaining directors, in office.

Classified Board of Directors

Our charter provides that our board of directors will be divided into three classes, with each class serving three-year staggered terms.

Special Meetings of Stockholders

Our charter and amended and restated bylaws provide that special meetings of the stockholders may be called only by the chairman of our board of directors, our Chief Executive Officer, any two directors or upon a resolution approved by a majority of the total number of directors that we would have if there were no vacancies, and not by our stockholders.

No Stockholder Action by Written Consent

Our charter provides that any action required or permitted to be taken by the stockholders may be effected only at a duly called annual or special meeting.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our amended and restated bylaws establish advance notice procedures with respect to stockholder proposals and nomination of candidates for election as directors other than nominations made by or at the direction of our board of directors or a committee of our board of directors.

Business combinations with interested stockholders

We will be subject to Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with a stockholder owning 15% or more of such corporation's outstanding voting stock for a period of three years following the date on which such stockholder became an "interested" stockholder. In order for us to consummate a business combination with an "interested" stockholder within three years of the date on which the stockholder became "interested," either (1) the business combination or the transaction that resulted in the stockholder becoming "interested" must be approved by our board of directors prior to the date the stockholder became "interested," (2) the "interested" stockholder must own at least 85% of our outstanding voting stock at the time the transaction commences (excluding voting stock owned by directors who are also officers and certain employee stock plans) or (3) the business combination must be approved by our board of directors and authorized by at least two-thirds of our stockholders (excluding the "interested" stockholder). This provision could have the effect of delaying or preventing a change of control, whether or not it is desired by or beneficial to our stockholders. Any delay or prevention of a change of control transaction or changes in our board of directors and management could deter potential acquirers or prevent the completion of a transaction in which our stockholders could receive a substantial premium over the then-current market price for their shares of our common stock.

CORPORATE OPPORTUNITY

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors or stockholders. Our charter provides that, to the fullest extent permitted by law, none of Jeff Edwards or Littlejohn or his or its affiliates has any duty to refrain from (i) engaging in a corporate opportunity in the same or similar business activities or lines of business in which we or our affiliates now engage or propose to engage or (ii) otherwise competing with us or our affiliates. In addition, to the fullest extent permitted by law, in the event that Jeff Edwards or Littlejohn acquires knowledge of a potential transaction or other business opportunity that may be a corporate opportunity for itself or himself or its or his affiliates or for us or our affiliates, such person has no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and they may take any such opportunity for themselves or offer it to another person or entity. Our charter does not renounce our interest in any business opportunity that is expressly offered to a non-employee director solely in his or her capacity as a director or officer of IBP.

LIMITATIONS ON LIABILITY, INDEMNIFICATION OF OFFICERS AND DIRECTORS AND INSURANCE

Our charter and amended and restated bylaws, which will become effective immediately prior to the completion of this offering, contain provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Delaware law. For a discussion concerning limitations of liability and indemnification applicable to our directors and officers, see "Management—Limitations on Liability, Indemnification of Officers and Directors and Insurance."

NEW YORK STOCK EXCHANGE LISTING

We intend to apply to list our common stock on the NYSE under the symbol "IBP."

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the shares of our common stock will be American Stock Transfer & Trust Company, LLC.

Shares Eligible for Future Sale

Prior to this offering, there has been no public market for our common stock and a liquid trading market for our common stock may not develop or be sustained after this offering. Future sales of our common stock, including shares issued upon the exercise of outstanding options in the public market after this offering, or the perception that those sales may occur, could cause the prevailing market price for our common stock to fall or impair our ability to raise equity capital in the future. As described below, only those shares sold in this offering will be available for sale in the public market for a period of several months after completion of this offering due to contractual and legal restrictions on resale described below. Future sales of our common stock in the public market either before (to the extent permitted) or after restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price of our common stock at such time and our ability to raise equity capital at a time and price we deem appropriate. Although we have applied to have our common stock approved for listing on the NYSE under the symbol "IBP," we cannot assure you that there will be an active public market for our common stock.

SALE OF RESTRICTED SHARES

Based on the number of shares of our common stock outstanding as of , 2014, upon the completion of this offering and assuming no exercise of the underwriters' option to purchase additional shares of common stock, we will have outstanding an aggregate of approximately shares of common stock. Of these shares, all of the shares of common stock to be sold in this offering, and any shares sold upon exercise of the underwriters' option to purchase additional shares, will be freely tradable in the public market without restriction or further registration under the Securities Act, unless the shares are held by any of our "affiliates" as such term is defined in Rule 144 of the Securities Act. All remaining shares of common stock held by existing stockholders immediately prior to the completion of this offering will be "restricted securities" as such term is defined in Rule 144. These restricted securities were issued and sold by us in private transactions and are eligible for public sale only if registered under the Securities Act or if they qualify for an exemption from registration under the Securities Act, including the exemption provided by Rule 144, which is summarized below. As a result of the contractual 180-day lock-up period described below and the provisions of Rule 144 and 701 of the Securities Act, the restricted securities will be available for sale in the public markets as follows:

Date Available for Sale	Shares Eligible for Sale	Description
Date of Prospectus		Shares sold in the offering and shares saleable under Rule 144 that are not subject to a lock-up
180 Days after Date of Prospectus		Lock-up released; shares saleable under Rule 144

RULE 144

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act, for at least 90 days, a person (or persons whose shares are required to be aggregated) who is not deemed to have been one of our "affiliates" for purposes of Rule 144 at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months, including the holding period of any prior owner other than one of our "affiliates," is entitled to sell those shares in the public market (subject to the lock-up agreement referred to below, if applicable) without complying with the manner of sale, volume limitations or notice provisions of Rule 144, but subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than "affiliates," then such person is entitled to sell such shares in the public market without complying with any of the requirements of Rule 144 (subject to the lock-up agreement referred to above, if applicable). In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, our "affiliates," as defined in Rule 144, who

have beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than one of our "affiliates," are entitled to sell in the public market, upon expiration of any applicable lock-up agreements and within any three-month period, a number of those shares of our common stock that does not exceed the greater of:

- 1% of the number of common shares then outstanding, which will equal approximately shares of common stock immediately after this offering (calculated on the basis of the assumptions described above and assuming no exercise of the underwriters' option to purchase additional shares and no exercise of outstanding options or warrants); or
- the average weekly trading volume of our common stock on the NYSE during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Such sales under Rule 144 by our "affiliates" or persons selling shares on behalf of our "affiliates" are also subject to certain manner of sale provisions, notice requirements and to the availability of current public information about us. Notwithstanding the availability of Rule 144, the holders of all of our restricted securities have entered into lock-up agreements as referenced above and their restricted securities will become eligible for sale (subject to the above limitations under Rule 144) upon the expiration of the restrictions set forth in those agreements.

EQUITY INCENTIVE PLANS

Our board of directors and stockholders previously adopted an equity incentive plan. In connection with this offering, our board of directors and stockholders intend to adopt the 2014 Plan, which will replace the existing equity incentive plan. There are currently no outstanding options under the existing equity incentive plan. For a description of our 2014 Plan and the number of shares reserved for issuance, see "Executive Compensation—2014 Omnibus Incentive Plan."

In connection with this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register the total number of shares of our common stock that may be issued under our 2014 Plan. That registration statement will become effective upon filing, and any shares of our common stock covered by such registration statement will be eligible for sale in the public market beginning immediately after the effective date of such registration statement, subject to Rule 144 volume limitations applicable to affiliates, vesting restrictions and the lock-up agreements described below.

REGISTRATION RIGHTS

All of our current holders of shares of our common stock outstanding prior to this offering will, after the expiration of the lock-up period, be entitled to certain rights with respect to the registration of the offer and sale of those shares under the Securities Act. For a description of these registration rights, please see the section titled "Certain Relationships and Related-Party Transactions—Registration Rights." If the offer and sale of these shares are registered, they will be freely tradable without restriction under the Securities Act.

LOCK-UP AGREEMENTS

In connection with this offering, we, our executive officers, directors, and holders of substantially all of our common stock have agreed not to sell any shares of our common stock for a period of 180 days from the date of this prospectus, subject to certain exceptions. We refer you to "Underwriting—No Sales of Similar Securities."

Material U.S. Federal Income Tax Consequences to Non-U.S. Holders

The following discussion is a summary of the material U.S. federal income tax consequences to non-U.S. holders (as defined below) of the purchase, ownership and disposition of our common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or foreign tax laws are not discussed. This discussion is based on the Internal Revenue Code of 1986, as amended, or the Code, Treasury Regulations promulgated thereunder, judicial decisions and published rulings and administrative pronouncements of the Internal Revenue Service, or the IRS, in effect as of the date of this offering. These authorities may change or be subject to differing interpretations. Any such change may be applied retroactively in a manner that could adversely affect a non-U.S. holder of our common stock. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance that the IRS or a court will not take a contrary position regarding the tax consequences of the purchase, ownership and disposition of our common stock.

This discussion is limited to non-U.S. holders that hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a non-U.S. holder's particular circumstances, including the impact of the unearned income Medicare contribution tax. In addition, it does not address consequences relevant to non-U.S. holders subject to particular rules, including, without limitation:

- U.S. expatriates and certain former citizens or long-term residents of the United States;
- persons subject to the alternative minimum tax;
- persons holding our common stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies and other financial institutions;
- real estate investment trusts or regulated investment companies;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies" and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes;
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation; and
- tax-qualified retirement plans.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our common stock and the partners in such partnerships should consult their own tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT INTENDED AS TAX ADVICE. INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR

SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Definition of a Non-U.S. Holder

For purposes of this discussion, a "non-U.S. holder" is any beneficial owner of our common stock that is neither a "U.S. person" nor a partnership for U.S. federal income tax purposes. A U.S. person is any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more U.S. persons (within the meaning of Section 7701(a)(30) of the Code), or (2) has made a valid election under applicable Treasury Regulations to continue to be treated as a U.S. person.

Distributions

As described in the section captioned "Dividend Policy," we do not anticipate declaring or paying dividends to holders of our common stock in the foreseeable future.

If we do, however, make distributions on our common stock, such distributions of cash or property on our common stock will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles.

Subject to the discussion below regarding backup withholding and payments made to certain foreign accounts, dividends paid to a non-U.S. holder of our common stock that are not effectively connected with the non-U.S. holder's conduct of a trade or business within the United States will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (or such lower rate as may be specified by an applicable income tax treaty).

Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a non-U.S. holder's adjusted tax basis in its common stock, but not below zero. Any excess will be treated as capital gain and will be treated as described below in the section relating to the sale or other taxable disposition of the common stock.

Non-U.S. holders will be entitled to a reduction in or an exemption from withholding on dividends as a result of either (a) qualifying for the benefits of an applicable income tax treaty or (b) the non-U.S. holder holding our common stock in connection with the conduct of a trade or business within the United States and dividends being paid in connection with that trade or business. To claim such a reduction in or exemption from withholding, the non-U.S. holder must provide the applicable withholding agent with a properly executed (a) IRS Form W-8BEN claiming an exemption from or reduction of the withholding tax under the benefit of an applicable income tax treaty, (b) IRS Form W-8ECI stating that the dividends are effectively connected with the conduct by the non-U.S. holder of a trade or business within the United States or (c) a suitable substitute form, as may be applicable. These certifications must be provided to the applicable withholding agent prior to the payment of dividends and must be updated periodically. Non-U.S. holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced rate under an applicable income tax treaty, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Subject to the discussion below regarding backup withholding and payments made to certain foreign accounts, if dividends paid to a non-U.S. holder are effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such dividends are attributable), then, although exempt from U.S. federal withholding tax (provided the non-U.S. holder provides appropriate certification, as described above), the non-U.S. holder will be subject to U.S. federal income tax on such dividends on a net income basis at the regular graduated U.S. federal income tax rates. In addition, a non-U.S. holder that is or is treated as a corporation for U.S. federal income tax purposes may be subject to an additional branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on its effectively connected earnings and profits for the taxable year that are attributable to such dividends, as adjusted for certain items. Non-U.S. holders should consult their own tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Sale or Other Taxable Disposition

Subject to the discussion below regarding backup withholding and payments made to certain foreign accounts, a non-U.S. holder will not be subject to U.S. federal income tax on any gain realized upon the sale or other taxable disposition of our common stock unless:

- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such gain is attributable);
- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- our common stock constitutes a U.S. real property interest within the meaning of the Foreign Investment in Real Property Tax Act by reason of our status as a U.S. real property holding corporation, or a USRPHC, for U.S. federal income tax purposes.

Gain described in the first bullet point above will generally be subject to U.S. federal income tax on a net income basis at the regular graduated U.S. federal income tax rates. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on a portion of its effectively connected earnings and profits for the taxable year, as adjusted for certain items.

A non-U.S. holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) on any gain derived from the sale or other taxable disposition, which may be offset by certain U.S. source capital losses of the non-U.S. holder (even though the individual is not considered a resident of the United States) provided the non-U.S. holder timely files U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we are not, and do not anticipate that we will become, a USRPHC.

Non-U.S. holders should consult their own tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Subject to the discussion below regarding payments made to certain foreign accounts, a non-U.S. holder generally will not be subject to backup withholding with respect to payments of dividends on our common stock we make to the non-U.S. holder, provided the applicable withholding agent does not have actual knowledge or reason to know such holder is a U.S. person and the holder certifies its non-U.S. status by providing a valid IRS

Form W-8BEN or W-8ECI, or other applicable certification, or otherwise establishes an exception. However, information returns will be filed with the IRS in connection with any dividends on our common stock paid to the non-U.S. holder, regardless of whether any tax was actually withheld. Copies of these information returns may also be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which the non-U.S. holder resides or is established.

Information reporting and backup withholding may apply to the proceeds of a sale of our common stock within the United States, and information reporting may (although backup withholding will generally not) apply to the proceeds of a sale of our common stock outside the United States conducted through certain U.S.-related financial intermediaries, in each case, unless the beneficial owner certifies under penalty of perjury that it is a non-U.S. person on IRS Form W-8BEN or other applicable form (and the payor does not have actual knowledge or reason to know that the beneficial owner is a U.S. person) or otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a non-U.S. holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Additional Withholding Tax on Payments Made to Foreign Accounts

Withholding taxes may be imposed under the provisions of the law generally known as the Foreign Account Tax Compliance Act, or FATCA, on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or gross proceeds from the sale or other disposition of, our common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial U.S. owners" (as defined in the Code) or furnishes identifying information regarding each substantial U.S. owner or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified U.S. persons" or "U.S.-owned foreign entities" (each as defined in the Code), annually report certain information about such accounts and withhold 30% on payments to non-compliant foreign financial institutions and certain other account holders. An intergovernmental agreement between the United States and an applicable foreign country, or future Treasury Regulations or other guidance, may modify these requirements. Accordingly, the entity through which our common stock is held will affect the determination of whether such withholding is required.

Under the applicable Treasury Regulations and recent guidance from the IRS, withholding under FATCA will generally apply to payments of dividends on our common stock made on or after July 1, 2014 and to payments of gross proceeds from the sale or other disposition of such stock on or after January 1, 2017. The FATCA withholding tax will apply to all withholdable payments without regard to whether the beneficial owner of the payment would otherwise be entitled to an exemption from imposition of withholding tax pursuant to an applicable tax treaty with the United States or U.S. domestic law. We will not pay additional amounts to holders of our common stock in respect of any amounts withheld.

Prospective investors should consult their own tax advisors regarding the potential application of withholding under FATCA to their investment in our common stock.

Underwriting

We and the selling stockholders are offering the shares of our common stock described in this prospectus through the underwriters named below. Deutsche Bank Securities Inc. and UBS Securities LLC are acting as joint book-running managers of this offering and as representatives of the underwriters. We and the selling stockholders have entered into an underwriting agreement with the representatives. Subject to the terms and condition of the underwriting agreement, each of the underwriters has severally agreed to purchase, and we and the selling stockholders have agreed to sell to the underwriters, the number of shares of common stock listed next to its name in the following table.

Underwriter	Number of Shares
Deutsche Bank Securities Inc.	
UBS Securities LLC	
Zelman Partners LLC	
Total	

The underwriting agreement provides that the underwriters must buy all of the shares of common stock if they buy any of them. However, the underwriters are not required to pay for the shares covered by the underwriters' option to purchase additional shares as described below.

Our common stock is offered subject to a number of conditions, including:

- receipt and acceptance of our common stock by the underwriters; and
- the underwriters' right to reject orders in whole or in part.

We have been advised by the representatives that the underwriters intend to make a market in our common stock but that they are not obligated to do so and may discontinue making a market at any time without notice.

In connection with this offering, certain of the underwriters or securities dealers may distribute prospectuses electronically.

OPTION TO PURCHASE ADDITIONAL SHARES

We have granted the underwriters an option to buy up to an aggregate of additional shares of our common stock. The underwriters have 30 days from the date of this prospectus to exercise this option. If the underwriters exercise this option, they will each purchase additional shares of common stock approximately in proportion to the amounts specified in the table above.

DISCOUNTS

Shares sold by the underwriters to the public will initially be offered at the initial offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to $ per share from the initial public offering price. Sales of shares made outside of the United States may be made by affiliates of the underwriters. If all the shares are not sold at the initial public offering price, the representatives may change the offering price and the other selling terms. Upon execution of the underwriting agreement, the underwriters will be obligated to purchase the shares at the prices and upon the terms stated therein. The representatives of the underwriters have informed us that they do not expect to sell more than an aggregate of five percent of the total number of shares of common stock offered by them to accounts over which such representatives exercise discretionary authority.

The following table shows the per share and total underwriting discounts we and the selling stockholders will pay to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase up to additional shares.

	Paid by us		Paid by the Selling Stockholders	
	No Exercise	Full Exercise	No Exercise	Full Exercise
Per share (1)	$	$	$	$
Total	$	$	$	$

(1) Includes $ per share to be paid to our financial advisor, Moelis & Company LLC. See "—Financial Advisor."

We estimate that the total expenses of the offering payable by us, including the expenses of the selling stockholders but not including the underwriting discounts, will be approximately $ million, which includes an amount not to exceed $ that we have agreed to reimburse the underwriters for certain expenses (including fees of counsel for FINRA-related matters) incurred by them in connection with this offering.

NO SALES OF SIMILAR SECURITIES

We, our executive officers and directors, and holders of substantially all of our common stock have entered into lock-up agreements with the underwriters. Under the lock-up agreements, subject to certain exceptions, we and each of these persons may not, without the prior written approval of Deutsche Bank Securities and UBS Securities LLC, offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or hedge our common stock or securities convertible into or exchangeable or exercisable for our common stock. These restrictions will be in effect for a period of 180 days after the date of this prospectus. Deutsche Bank Securities and UBS Securities LLC may, at any time and in their sole discretion, release some or all the securities from these lock-up agreements. If the restrictions under the lock-up agreements are waived, shares of our common stock may become available for resale into the market, subject to applicable law, which could reduce the market price of our common stock.

INDEMNIFICATION

We have agreed to indemnify the several underwriters and the selling stockholders against certain liabilities, including certain liabilities under the Securities Act. If we are unable to provide this indemnification, we and the selling stockholders have agreed to contribute to payments the underwriters may be required to make in respect of those liabilities.

NEW YORK STOCK EXCHANGE QUOTATION

We intend to apply to have our common stock approved for listing on the NYSE under the symbol "IBP."

PRICE STABILIZATION, SHORT POSITIONS

In connection with this offering, the underwriters may engage in activities that stabilize, maintain or otherwise affect the price of our common stock during and after this offering, including:

- stabilizing transactions;
- short sales;
- purchases to cover positions created by short sales;
- imposition of penalty bids; and
- syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of our common stock while this offering is in progress. Stabilization transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. These transactions may also include making short sales of our common stock, which involve the sale by the underwriters of a greater number of shares of common stock than they are required to purchase in this offering and purchasing shares of common stock on the open market to cover short positions created by short sales. Short sales may be "covered short sales," which are short positions in an amount not greater than the underwriters' option to purchase additional shares referred to above, or may be "naked short sales," which are short positions in excess of that amount.

The underwriters may close out any covered short position by either exercising their option, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the underwriters' option.

Naked short sales are short sales made in excess of the underwriters' option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market that could adversely affect investors who purchased in this offering.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of that underwriter in stabilizing or short covering transactions.

These stabilizing transactions, short sales, purchases to cover positions created by short sales, the imposition of penalty bids and syndicate covering transactions may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result of these activities, the price of our common stock may be higher than the price that otherwise might exist in the open market. The underwriters may carry out these transactions on the NYSE, in the over-the-counter market or otherwise. Neither we nor the underwriters make any representation or prediction as to the effect that the transactions described above may have on the price of the shares. Neither we, nor any of the underwriters make any representation that the underwriters will engage in these stabilization transactions or that any transaction, once commenced, will not be discontinued without notice.

DETERMINATION OF OFFERING PRICE

Prior to this offering, there was no public market for our common stock. The initial public offering price will be determined by negotiation among us, the selling stockholders and the representatives of the underwriters. The principal factors to be considered in determining the initial public offering price include:

- the information set forth in this prospectus and otherwise available to the representatives;
- our history and prospects and the history and prospects for the industry in which we compete;
- our past and present financial performance;
- an assessment of our management;
- our prospects for future earnings and the present state of our development;
- the general condition of the securities market at the time of this offering;
- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

The estimated public offering price range set forth on the cover page of this preliminary prospectus is subject to change as a result of market conditions and other factors. Neither we nor the underwriters can assure investors that an active trading market will develop for our common stock or that the common stock will trade in the public market at or above the initial public offering price.

AFFILIATIONS

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and their affiliates may from time to time in the future engage with us or the selling stockholders and perform services for us or the selling stockholders in the ordinary course of their business for which they will receive customary fees and expenses. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of us or the selling stockholders. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of these securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in these securities and instruments.

FINANCIAL ADVISOR

We have retained Moelis & Company LLC, or Moelis, to act as our independent financial advisor in connection with this offering. Moelis is engaged to represent our interests only, is independent of the underwriters and is not a party to any securities purchase agreement with us, the underwriters or investors in relation to this offering.

Moelis is not acting as an underwriter and will not sell or offer to sell any securities in this offering, nor will it identify or solicit potential investors in this offering. We will pay Moelis a financial advisory fee equal to $ (and if the underwriters' option to purchase additional shares is exercised in full, an additional $), which includes financial advisory fees attributable to shares of common stock sold by the selling stockholders. In addition, Moelis will be paid $, or $ per share of the underwriting discount (and if the underwriters' option to purchase additional shares is exercised in full, an additional $, or $ per share of the underwriting discount) on shares of common stock sold by us and the selling stockholders. We have agreed to reimburse Moelis an amount not to exceed $25,000 for its reasonable out-of-pocket expenses incurred in entering into and performing its services, including the costs of its legal counsel, and we shall indemnify Moelis for matters relating to this offering.

ELECTRONIC DISTRIBUTION

A prospectus in electronic format may be made available on the Internet sites or through other online services maintained by one or more of the underwriters participating in this offering, or by their affiliates. In those cases, prospective investors may view offering terms online and, depending upon the particular underwriter, prospective investors may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of shares for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations. Other than the prospectus in electronic format, the information on any underwriter's website and any information contained in any other website maintained by an underwriter is not part of the prospectus or the registration statement of which this prospectus forms a part, has not been approved and/or endorsed by us or any underwriter in its capacity as underwriter and should not be relied upon by investors.

NOTICE TO PROSPECTIVE INVESTORS IN EUROPEAN ECONOMIC AREA

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a "Relevant Member State"), an offer to the public of any shares that are the subject of the offering contemplated by this prospectus (the "Shares") may not be made in that Relevant Member State except that an offer to the public in that Relevant Member State of any Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity that is a qualified investor as defined under the Prospectus Directive;

(b) by the underwriters to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the lead underwriters for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Shares shall result in a requirement for us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase any Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

The EEA selling restriction is in addition to any other selling restrictions set out in this prospectus.

NOTICE TO PROSPECTIVE INVESTORS IN UNITED KINGDOM

This prospectus is only being distributed to and is only directed at: (1) persons who are outside the United Kingdom; (2) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or the Order; or (3) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons falling within (1)-(3) together being referred to as "relevant persons"). The shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such shares will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this prospectus or any of its contents.

NOTICE TO PROSPECTIVE INVESTORS IN SWITZERLAND

The prospectus does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations, or the CO, and the shares will not be listed on the SIX Swiss Exchange. Therefore, the prospectus may not comply with the disclosure standards of the CO and/or the listing rules (including any prospectus schemes) of the SIX Swiss Exchange. Accordingly, the shares may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors, which do not subscribe to the shares with a view to distribution.

Legal Matters

Certain legal matters, including validity of the shares of common stock offered herein, will be passed upon by Proskauer Rose LLP, New York, New York and certain legal matters will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York.

Experts

The consolidated financial statements as of December 31, 2012 and June 30, 2013 and for the twelve-month and six-month periods ended December 31, 2012 and June 30, 2013, respectively, as included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein. Such consolidated financial statements have been so included on reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements as of December 31, 2011 and for the year then ended included in this prospectus have been so included in reliance on the report of Crowe Horwath LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

Where You Can Find More Information

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of our common stock being offered by this prospectus. This prospectus, which constitutes part of that registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules that are part of the registration statement. Some items included in the registration statement are omitted from the prospectus in accordance with the rules and regulations of the SEC. For further information with respect to us and the common stock offered in this prospectus, we refer you to the registration statement and the accompanying exhibits and schedules filed therewith. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement.

A copy of the registration statement and the accompanying exhibits and any other document we file may be inspected without charge at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549 and copies of all or any part of the registration statement may be obtained from this office upon the payment of the fees prescribed by the SEC. The public may obtain information on the operation of the public reference facilities in Washington, D.C. by calling the SEC at 1-800-SEC-0330. Our filings with the SEC are available to the public from the SEC's website at www.sec.gov.

Upon the completion of this offering, we will be subject to the information and periodic reporting requirements of the Exchange Act and, in accordance therewith, we will file proxy statements, periodic information and other information with the SEC. All documents filed with the SEC are available for inspection and copying at the public reference room and website of the SEC referred to above. We maintain a website at www.installedbuildingproducts.com. You may access our reports, proxy statements and other information free of charge at this website as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information contained in, or that can be accessed through, our websites is not incorporated by reference into this prospectus or registration statement of which this prospectus forms a part, and you should not rely on any such information in making your decision whether to purchase our securities.

INSTALLED BUILDING PRODUCTS, INC.
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AUDITED CONSOLIDATED FINANCIAL STATEMENTS

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
Installed Building Products, Inc.
Columbus, Ohio

We have audited the accompanying consolidated balance sheet of Installed Building Products, Inc. as of December 31, 2011, and the related consolidated statements of operations, stockholders' equity and redeemable instruments, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2011, and the results of its operations and its cash flows for the year then then ended, in conformity with U.S. generally accepted accounting principles.

/s/ Crowe Horwath LLP

Columbus, Ohio
December 9, 2013

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of Installed Building Products, Inc.:

We have audited the accompanying consolidated balance sheets of Installed Building Products, Inc. and subsidiaries (formerly known as CCIB Holdco, Inc.) (the "Company") as of June 30, 2013 and December 31, 2012 and the related consolidated statements of operations, stockholders' equity and redeemable instruments and cash flows for the six month period ended June 30, 2013 and the year ended December 31, 2012. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company and subsidiaries as of June 30, 2013 and December 31, 2012, and the results of their operations and their cash flows for the six month period ended June 30, 2013 and the year ended December 31, 2012, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP
Columbus, OH
December 9, 2013

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED BALANCE SHEETS
(in thousands, except for par value and share amounts)

	As of December 31, 2011	2012
ASSETS		
Current assets		
Cash	$ 2,528	$ 3,898
Restricted cash	1,803	1,803
Accounts receivable (less allowance for doubtful accounts of $1,571 and $1,412 as of December 31, 2011 and 2012, respectively)	34,360	46,100
Accounts receivable, related parties	655	774
Inventories	12,325	16,718
Deferred income taxes	392	726
Prepaid expenses, related parties	950	396
Other current assets	3,541	5,353
Total current assets	56,554	75,768
Property and equipment, net	8,198	17,931
Other non-current assets		
Goodwill	48,312	49,146
Intangibles, net	12,711	15,023
Other non-current assets	1,751	2,884
Total non-current assets	62,774	67,053
Total assets	$127,526	$160,752
LIABILITIES, REDEEMABLE INSTRUMENTS AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current maturities of long-term debt	$ 9	$ 186
Current maturities of capital lease obligations	1,839	3,822
Accounts payable	26,843	34,330
Accounts payable, related parties	—	2,133
Income taxes payable	223	2,562
Accrued compensation	7,138	7,562
Other current liabilities	2,065	2,202
Total current liabilities	38,117	52,797
Long-term debt	16,784	17,705
Capital lease obligations, less current maturities	2,623	8,362
Put option – Series A Preferred Stock	925	782
Deferred income taxes	11,147	12,101
Other long-term liabilities	7,903	9,626
Total liabilities	77,499	101,373
Commitments and contingencies (Note 11)		
Series A Preferred Stock; $0.01 par value: 1,000 authorized, issued and outstanding as of December 31, 2011 and 2012, respectively	44,086	49,615
Redeemable Common Stock; $0.01 par value: 300,000 authorized, issued and outstanding as of December 31, 2011 and 2012, respectively	15,501	17,246
Stockholders' equity		
Common Stock; $ 0.01 par value: 700,000 and 1,394,916 authorized, and 700,000 and 829,944 shares issued and outstanding as of December 31, 2011 and 2012, respectively	7	8
Additional paid in capital	—	3,983
Accumulated deficit	(9,567)	(11,473)
Total stockholders' equity	(9,560)	(7,482)
Total liabilities, redeemable instruments and stockholders' equity	$127,526	$160,752

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)

	Years ended December 31, 2011	2012
Net revenue	$ 238,447	$ 301,253
Cost of sales	181,221	227,210
Gross profit	57,226	74,043
Operating expenses		
Selling	18,446	19,807
Administrative	45,678	56,333
Management fees, related parties	4,760	4,300
Gain on litigation settlement	—	(6,975)
Amortization	3,785	3,082
Impairment of intangibles	1,687	352
Other	—	(960)
Operating loss	(17,130)	(1,896)
Other expense (income)		
Interest expense	3,673	1,979
Interest expense, related parties	3,321	—
Gain on extinguishment of debt	(18,542)	—
Other	159	(136)
	(11,389)	1,843
Loss before income taxes	(5,741)	(3,739)
Income tax provision	1,449	555
Net loss from continuing operations	(7,190)	(4,294)
Discontinued operations		
Loss (income) from discontinued operations	2,455	(3,835)
Income tax provision (benefit)	(660)	1,447
Loss (income) from discontinued operations, net of income taxes	1,795	(2,388)
Net loss	$ (8,985)	$ (1,906)
Accretion charges on Series A Preferred Stock	(811)	(5,529)
Accretion charges on Pre-Recapitalization Preferred Units	(1,621)	—
Gain on extinguishment of Pre-Recapitalization Preferred Units	85,040	—
Net income (loss) attributable to common stockholders	$ 73,623	$ (7,435)
Weighted average shares outstanding (basic and diluted)	1,000,000	1,043,450
Net income (loss) per share (basic and diluted)		
Income (loss) per share from continuing operations attributable to common stockholders (basic and diluted)	$ 75.42	$ (9.42)
(Loss) income per share from discontinued operations attributable to common stockholders (basic and diluted)	(1.80)	2.29
Income (loss) per share attributable to common stockholders (basic and diluted)	$ 73.62	$ (7.13)

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS
(in thousands, except share amounts)

	Common Stock		Series A-2 Preferred		Common Members' Equity	Additional Paid In Capital	Accumulated Deficit	Members/ Stockholders' Equity	Pre-Recapitalization Redeemable Preferred Units		Post-Recapitalization Redeemable			
											Preferred Stock		Common Stock	
	Shares	Amount	Shares	Amount					Shares	Amount	Shares	Amount	Shares	Amount
BALANCE – January 1, 2011	—	$ —	8,211,865	$ 8,212	$ (157,272)	$ 500	$ —	$ (148,560)	113,921,591	$ 110,454	—	$ —	—	$ —
Capital contribution from stockholders					12,628			12,628						
Stock- based compensation						780		780						
Conversion upon Recapitalization	700,000	7	(8,211,865)	(8,212)	146,265	(25,978)		112,082	(113,921,591)	(112,075)	1,000	43,275	300,000	14,900
Forgiveness of related party debt						36,813		36,813						
Deferred tax effects resulting from Recapitalization						(10,703)	(582)	(11,285)						
Net loss							(8,985)	(8,985)						
Accretion of Redeemable Preferred to Redemption Value					(1,621)	(811)		(2,432)		1,621		811		
Adjustments to Redeemable Common Stock fair value measurement						(601)		(601)						601
BALANCE – January 1, 2012	700,000	7	—	—	—	—	(9,567)	(9,560)	—	—	1,000	$ 44,086	300,000	$ 15,501
Issuance of common stock	129,944	1				4,099		4,100						
Capital contribution from stockholders						2,500		2,500						
Stock-based compensation						4,658		4,658						
Net loss							(1,906)	(1,906)						
Accretion of Redeemable Preferred to Redemption Value						(5,529)		(5,529)				5,529		
Adjustments to Redeemable Common Stock fair value measurement						(1,745)		(1,745)						1,745
BALANCE – December 31, 2012	829,944	$ 8	—	$ —	$ —	$ 3,983	$ (11,473)	$ (7,482)	—	$ —	1,000	$ 49,615	300,000	$ 17,246

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years ended December 31, 2011	2012
Cash flows from operating activities		
Net loss	$ (8,985)	$ (1,906)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities		
Depreciation and amortization of property and equipment	4,405	4,637
Amortization of intangibles	3,986	3,082
Amortization of deferred financing costs	696	175
Provision for doubtful accounts	2,156	482
Gain on sale of property and equipment	(240)	(1,280)
Noncash stock compensation	780	4,658
Gain on extinguishment of debt	(18,542)	—
Deferred income taxes	(1,536)	(767)
Impairment of intangibles	2,761	352
Other	—	(142)
Changes in assets and liabilities, excluding effects of acquisitions in 2012		
Accounts receivable	(5,457)	(6,858)
Inventories	1,603	(1,845)
Other assets	(379)	(1,948)
Accounts payable	(980)	2,013
Income taxes payable	1,225	2,339
Other liabilities	5,752	1,602
Net cash (used in) provided by operating activities	(12,755)	4,594
Cash flows from investing activities		
Restricted cash	459	—
Purchases of property and equipment	(1,062)	(2,929)
Acquisitions of businesses, net of cash acquired of $375 in 2012	—	(823)
Proceeds from sale of property and equipment	343	176
Proceeds from insurance	441	833
Net cash provided by (used in) investing activities	181	(2,743)
Cash flows from financing activities		
(Payments) Proceeds from revolving lines of credit, net	(4,472)	486
Proceeds from refinancing revolving line of credit	16,744	—
Principal payments on long-term debt	(9,960)	(511)
Payments on capital lease obligations	(2,181)	(2,956)
Capital contributions	12,628	2,500
Deferred financing activities	(814)	—
Net cash provided by (used in) financing activities	11,945	(481)
Net change in cash	(629)	1,370
Cash at beginning of year	3,157	2,528
Cash at end of year	$ 2,528	$ 3,898
Supplemental disclosures of cash flow information		
Net cash paid during the year for:		
Interest	$ 3,400	$ 1,893
Income taxes, net of refunds	199	378
Supplemental disclosure of noncash investing and financing activities		
Vehicles capitalized under capital leases and related lease obligations	2,816	11,090
Common stock issued for acquisition of business	—	4,100
Note payable issued in connection with acquisition of business	—	571
Notes payable issued for acquisition of assets	—	115
Recapitalization (see Notes 1, 5 and 10)		

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share amounts)

NOTE 1 – ORGANIZATION AND RECAPITALIZATION

Installed Building Products, Inc. ("IBP", formerly CCIB Holdco, Inc.), a Delaware corporation formed on October 28, 2011, and its wholly owned subsidiaries (collectively referred to as the "Company" and "we", "us" and "our"), primarily install insulation, garage doors, rain gutters, shower doors, closet shelving and mirrors and other products for residential and commercial builders located in the continental United States. IBP operates in over 100 locations within the continental United States and its corporate office is located in Columbus, Ohio.

We have one operating segment and a single reportable segment. Substantially all of our net revenue comes from service-based installation of various products in the new residential, repair and remodel and commercial construction end markets. Each of our branches has the capacity to serve all of our end markets. For the year ended December 31, 2012, 86.2% of our net revenue was attributable to new and existing residential construction, whereas 13.8% was attributable to commercial construction. For the year ended December 31, 2011, 83.6% of our net revenue was attributable to new and existing residential construction, with the remaining 16.4% attributable to commercial construction. The Company has no international sales. All of the Company's identifiable assets are in the continental United States.

The following is a summary of the annual percentage of installation net revenue by product category:

	Years ended December 31,	
	2011	2012
Insulation	72%	74%
Garage doors	10%	8%
Shower doors, shelving and mirrors	6%	6%
Rain gutters	5%	6%
Other building products	7%	6%
	100%	100%

2011 Recapitalization

Overview of Recapitalization – On November 4, 2011, through a series of transactions, we merged our historical operations of IBP Holdings, LLC ("IBP I") and IBP Holdings II, LLC ("IBP II"), and their respective operating subsidiaries, into the newly formed holding company, IBP, as part of a merger of entities under common control (the "Merger"). The Merger was accounted for in a manner similar to that of a pooling of interests. The consolidated financials are presented as if the Merger had taken place effective January 1, 2011. Additionally, on November 4, 2011, we entered into a series of transactions with IBP I and IBP II stockholders and debt holders that extinguished the majority of our then-outstanding debt and equity instruments and in exchange IBP issued new debt and equity instruments (collectively with the Merger, referred to as the "Recapitalization").

Prior to the Recapitalization:

In 2010, related parties IBP Funding Company, LLC and Primstone Funding Company, LLC purchased $27,778 of outstanding senior secured indebtedness, from certain lenders in IBP I's credit facility, which was converted into a second lien position (the "IBP I Second Lien Debt"). Also in 2010, a related party, Edwards IBP Holdings, LLC purchased $8,212 of subordinated debt and equity in IBP I held by a third party, which was converted into preferred equity in IBP I ("Preferred Units").

Through a series of purchases in July 2011, Cetus Capital II, LLC ("Cetus") purchased the remaining $77,642 of IBP I's outstanding first lien senior secured indebtedness (the "IBP I First Lien Debt"). Certain of our owners made a capital contribution to IBP II, which was used by IBP II to repay $12,010 of outstanding indebtedness under its credit facility (the "IBP II Credit Facility").

As part of the Recapitalization:

On October 28, 2011, CCIB Holdco, Inc., now known as "IBP", was formed. IBP then formed four subsidiaries: IBHL A Holding Company, Inc. ("IBHL A"), IBHL B Holding Company, Inc. ("IBHL B"), IBHL II-A Holding Company, Inc. ("IBHL II-A") and IBHL II-B Holding Company, Inc. ("IBHL II-B").

On November 3, 2011, the IBP I Second Lien Debt of $27,778 was cancelled by IBP Funding Company, LLC and Primstone Funding Company, LLC and $4,308 of interest owed was forgiven, $3,321 of which related to expense for the year ended December 31, 2011, resulting in a gain from extinguishment of $32,086 that was recorded to additional paid-in capital, as this was an extinguishment with related parties. Additionally, on November 3, 2011, notes payable of $3,781 were cancelled and $946 of interest owed was forgiven, resulting in a gain from extinguishment of $4,727 that was recorded to additional paid-in capital, as this was an extinguishment with a related party.

On November 4, 2011, Cetus contributed the IBP I First Lien Debt to IBP in exchange for 1,000 shares of IBP Series A preferred stock ("IBP Series A Preferred Stock") and 300,000 shares of redeemable common stock of IBP ("Redeemable Common Stock"). The newly issued shares of Common Stock and IBP Series A Preferred Stock were recorded at their respective fair values of $14,900 and $43,275. The difference between the balance of the First Lien debt of $77,642 (including accrued interest of $2,380) as of November 3, 2011 and the fair value of Common Stock and IBP Series A Preferred Stock of $59,100, which includes $925 attributable to the fair value of the embedded put option which was required to be bifurcated and accounted for separately, was recorded as a gain on extinguishment of debt of $18,542 in the 2011 Consolidated Statement of Operations, which was equal to approximately $12.05 in earnings per common share on both a basic and diluted income per share basis.

Additionally, as a part of our Recapitalization, we entered into a stockholders agreement, or the Stockholders Agreement, relating to our common and preferred stock. The Stockholders Agreement provides for certain restrictions on the ability of our stockholders to transfer shares of our equity securities. Certain holders of our equity securities were granted put rights, drag-along rights and pre-emptive rights.

IBP contributed the first lien debt to IBHL A and IBHL B in exchange for stock in those companies. IBHL A and IBHL B then contributed the First Lien Debt to IBP I in exchange for membership interests in IBP I. The existing owners of IBP I and IBP II transferred their membership interests in IBP I and IBP II to IBP Investment Holdings, LLC ("IBPIH"), an IBP shareholder, in exchange, through a series of mergers, for IBP stock. $25,978 was recorded to additional paid-in capital in the 2011 Consolidated Balance Sheet based on the carrying value of the IBP I and IBP II contributed equity in excess of the fair value of the IBP Common Stock received.

In accordance with authoritative standards, the Company recorded a gain attributable to the common stockholders on the extinguishment of the pre-Recapitalization Preferred units. The gain of $85,040 represents the excess of the carrying amount of the Series A1, Series A2, and Series B Preferred units immediately prior to the recapitalization over the fair value of the Common Stock issued to those holders in connection with the recapitalization and is recorded as a component of stockholders' equity.

Recapitalization Impact on Stock Based Awards – Additionally, IBP Management Holdings, LLC ("IBPMH") and IBPIH (holding company investors in IBP) were formed and previous holders of stock appreciation rights units in IBP I agreed to terminate their stock appreciation rights units in exchange for membership interest units in IBPMH and IBPIH for no additional consideration.

On various dates subsequent to the issuing of membership units in IBPMH and IBPIH, agreements (the "Employee Puts") were entered into between Jeff Edwards (our Chairman, President, Chief Executive Officer and controlling shareholder of IBP through indirect holding companies), as an individual, and certain IBP employees with respect to the employees' membership units in IBPMH and IBPIH, which allowed the holders to sell the units, at a fixed price, to Jeff Edwards. These Employee Puts expire on various dates through April 2014. For details on the accounting policy for these awards, see Note 2, Significant Accounting Policies.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The accompanying consolidated financial statements include all wholly owned subsidiaries and majority owned subsidiaries. The non-controlling interest relating to majority owned subsidiaries is not significant for presentation. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates

Preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, valuation allowance on deferred tax assets, valuation of the reporting unit, intangible assets and other long-lived assets, share based compensation, reserves for general liability, workers' compensation, medical insurance and common stock and preferred stock. Management believes the accounting estimates are appropriate and reasonably determined; however, due to the inherent uncertainties in making these estimates, actual amounts could differ from such estimates.

Cash and Cash Equivalents

We consider all highly liquid investments purchased with original term to maturity of three months or less to be cash equivalents. Substantially all cash and cash equivalents are held in one bank. The bank provides FDIC coverage of $250 per depositor. Included in accounts payable are outstanding checks of $1,491 and $1,480 as of December 31, 2011 and 2012, respectively. Included in accrued compensation are outstanding checks of $603 and $506 as of December 31, 2011 and 2012, respectively. We manage our cash to a zero balance account and borrow funds under the Revolving Line of Credit (the "LOC") to cover outstanding checks. Refer to Note 5, Long-Term Debt for further details on the LOC.

Restricted Cash

Restricted cash consists of deposits held by our insurance carrier for general liability and workers' compensation reserves. Restricted cash is not considered cash and cash equivalents for purposes of the statements of cash flows. Classification between current and long-term is dependent upon the timing of the intended use of each particular reserve.

(in thousands, except share amounts)

Revenue Recognition

Revenue from the sale and installation of products is recognized when all of the following have occurred: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or services have been rendered, (iii) the price is fixed or determinable and (iv) the ability to collect is reasonably assured. Revenue is recognized net of adjustments and discounts.

Revenue from the sale and installation of products to customers is recognized at the time the installation is complete.

Business Combinations

The purchase price for business combinations is allocated to the estimated fair values of acquired tangible and intangible assets and assumed liabilities, including goodwill, where applicable. Additionally, we recognize customer relationships, trademarks and trade names, and non-competition agreements as identifiable intangible assets. These assets are recorded at fair value as of the transaction date. The fair value of these intangibles is determined primarily using the income approach and using current industry information, which involves significant unobservable inputs (Level 3 inputs). These inputs include projected sales, margin and tax rate.

Accounts Receivable

The Company accounts for trade receivables based on amounts billed to customers. Past due receivables are determined based on contractual terms. The Company does not accrue interest on any of its trade receivables.

Allowance for Doubtful Accounts

The Company maintains an allowance for doubtful accounts for estimated losses resulting from the failure of customers to make required payments. The allowance is determined by management based on the Company's historical losses, specific customer circumstances and general economic conditions. The Company analyzes aged accounts receivable and generally increases the allowance as receivables age. Management reviews accounts receivable and records an allowance for specific customers based on current circumstances and charges off the receivable against the allowance when all attempts to collect the receivable have failed. This analysis is performed regularly and the allowance is adjusted accordingly. In 2011, we changed our estimate in order to account for balances extended beyond newly established collection periods and rates determined to be reasonable. The estimate was adjusted based upon internal studies of average collection periods, collection percentages of aged balances, trend analysis and changes in market conditions.

Allowance for doubtful accounts receivable

January 1, 2011	$ 2,172
Charged to costs and expenses	2,156
Charged to other accounts (1)	337
Deductions (2)	(3,094)
December 31, 2011	$ 1,571
Charged to costs and expenses	482
Charged to other accounts (1)	563
Deductions (2)	(1,204)
December 31, 2012	$ 1,412

(1) Recovery of receivables previously written-off as bad debt.
(2) Write-off of uncollectible accounts receivable.

Concentration of Credit Risk

Credit risk is the risk of financial loss to the Company from the non-performance of a contractual obligation on the part of the Company's counterparty. Such risk arises principally from the Company's receivables from customers and cash and bank balances. Substantially all of the Company's trade accounts receivable are from entities engaged in residential and commercial construction. The Company performs periodic credit evaluations of its customers' financial condition. The general credit risk of the Company's counterparties is not considered to be significant. In addition, no individual customer made up more than 3.0% of net revenue for the years ended December 31, 2011 or 2012.

Inventories

Inventories consist of insulation, garage doors, rain gutters, shower doors, mirrors, closet shelving and other products. We install the products but do not manufacture or modify them. We value inventory at the lower of cost or market with cost determined using the first-in, first-out ("FIFO") method. As of December 31, 2011 and 2012, all inventory was finished goods.

Property and Equipment, net

Property and equipment are stated at cost, less accumulated depreciation. The Company provides for depreciation and amortization of property and equipment using the straight-line method, over the expected useful lives of the assets. Leasehold improvements are amortized over the shorter of the useful life or the remaining lease term. Expected useful lives of property and equipment vary but generally are five years for vehicles, three to five years for furniture, fixtures and equipment, shorter of lease life or five years for leasehold improvements and 30 years for buildings.

Major renewals and improvements are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is recorded.

Goodwill

Goodwill results from business combinations and represents the excess of the purchase price over the fair value of acquired tangible assets and liabilities and identifiable intangible assets. Annually, on December 31, or if conditions indicate an earlier review is necessary, we assess qualitative factors to determine if it is more likely than not that the fair value of the reporting unit is less than its carrying amount and if it is necessary to perform the quantitative two-step goodwill impairment test. If we perform the quantitative test, we compare the carrying value of the reporting unit to an estimate of the reporting unit's fair value to identify potential impairment. The estimate of the reporting unit's fair value is determined by weighting a discounted cash flow model and a market-related model using current industry information that involve significant unobservable inputs (Level 3 inputs). In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of income based on management's plans, business trends, prospects and market and economic conditions and market-participant considerations. If the estimated fair value of the reporting unit is less than the carrying value, a second step is performed to determine the amount of the potential goodwill impairment. If impaired, goodwill is written down to its estimated implied fair value.

Impairment of Other Intangible and Long-Lived Assets

Other intangible assets consist of customer relationships, non-competition agreements and business trademarks and trade names. Amortization of finite lived intangible assets is recorded to reflect the pattern of economic benefits based on projected revenues over their respective estimated useful lives (customer relationships – 10 years, non-competition agreements – two to five years and business trademarks and trade names – eight to 15 years). We do not have any indefinite-lived intangible assets.

We review long-lived assets whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss is recognized when estimated future cash flows expected to result from the use of an asset and its eventual disposition are less than its carrying amount. When impairment is identified, the carrying amount of the asset is reduced to its estimated fair value. Assets to be disposed of are recorded at the lower of net book value or fair market value less cost to sell at the date management commits to a plan of disposal.

Other Liabilities

Our workers' compensation insurance is primarily under a high-deductible insurance policy and our general liability insurance is under a self-insured retention program ("SIR"). We are insured for covered claims above the deductible and SIR. The liabilities represent our best estimate of our costs, using generally accepted actuarial reserving methods, of the ultimate obligations for reported claims plus those incurred but not reported for all claims incurred through December 31, 2011 and 2012. We establish case reserves for reported claims using case-basis evaluation of the underlying claims data and we update as information becomes known. We regularly monitor the potential for changes in estimates, evaluate our insurance accruals and adjust our recorded provisions.

The assumptions underlying the ultimate costs of existing claim losses are subject to a high degree of unpredictability, which can affect the liability recorded for such claims. For example, variability in inflation rates of health care costs inherent in workers' compensation claims can affect the ultimate costs. Similarly, changes in legal trends and interpretations, as well as a change in the nature and method of how claims are settled can affect ultimate costs. Our estimates of liabilities incurred do not anticipate significant changes in historical trends for these variables, and any changes could have a considerable effect on future claim costs and currently recorded liabilities.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was approximately $1,440 and $1,694 during the years ended December 31, 2011 and 2012, respectively, and is included in selling expense on the Consolidated Statements of Operations.

Other Operating Expenses

A net gain on litigation settlement of $6,975 was recognized in 2012 due to the settlement of a class action lawsuit in which we were one of the plaintiffs. The lawsuit related to excess material prices being charged by certain manufacturers and was settled and paid in 2012. This gain is recognized in operating expenses on the Consolidated Statements of Operations.

Also included in operating expenses in 2012 is a $960 gain from insurance proceeds related to the replacement of property and equipment and business interruption due to a fire at a single location in 2011. This gain was recorded in other operating expenses on the Consolidated Statements of Operations in 2012.

Deferred Financing Costs

Deferred financing costs are amortized over the term of the related debt using the effective interest method. The related amortization expense of these costs was $696 and $175 and is included in interest expense on the Consolidated Statements of Operations for the years ended December 31, 2011 and 2012, respectively. Deferred financing costs are included in other long-term assets on the Consolidated Balance Sheets and were $671 and $496, net as of December 31, 2011 and December 31, 2012, respectively.

Share-Based Compensation

As further described in Note 1, Organization and Recapitalization, two of our stockholders issued membership interests in their equity to certain of our employees (the "Awards") during the years ended December 31, 2010 and 2011. Certain of these employees were granted Employee Puts.

In 2010, when the employees received the Awards, the then fair value of the Awards less any consideration in exchange for the Awards was recorded as compensation expense. In accordance with the terms of the Awards, they were deemed equity-classified instruments as there is no service or vesting period associated with these Awards and all compensation expense was recognized upon issuance.

Upon issuance of the Employee Puts, the then fair value of the Employee Puts received was recorded as compensation expense over the service period, if applicable. The Employee Puts are deemed to be liability-classified instruments that are directly associated with the Awards. As such, both the Awards and the Employee Puts are accounted for as liability-classified instruments as of the issuance date of the Employee Put. During the period for which the Employee Puts are exercisable, both the Employee Puts and the associated Awards are remeasured to fair value each reporting period.

It is assumed that Employee Puts will be exercised at the greater of the fixed price or fair market value. In the absence of a publicly traded market, the fair market value of the Employee Puts and underlying units are estimated primarily using discounted cash flow and, secondarily, using other market-related models that factor in current industry trends. In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of income based on management's plans, business trends, prospects and market and economic conditions and market-participant considerations. The adjustment to the carrying fair value is based upon an equity rate of return for a public company in our industry with similar financial trends and characteristics. The fair value of the Company's common stock is used to determine the value of the Employee Puts based on their ownership interest.

Because the awards were granted by a related party as compensation to employees of the Company, the compensation associated with the awards was pushed down by the related parties and recorded as a non-cash expense in the Company's Consolidated Statements of Operations during the years ended December 31, 2011 and 2012.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Under this method, the amount of taxes currently payable or refundable are accrued, and deferred tax assets and liabilities are recognized for the estimated future tax consequences of temporary differences that currently exist between the tax basis and financial reporting basis of the Company's assets and liabilities.

Valuation allowances are established against deferred tax assets when it is more likely than not that the realization of those deferred tax assets will not occur. In evaluating our ability to recover our deferred tax assets

within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, the ability to produce future taxable income, tax planning strategies available and recent financial operations. In projecting future taxable income, we begin with historical results adjusted for the results of discontinued operations and changes in accounting policies and incorporate assumptions including the amount of future federal and state pretax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates we use to manage the underlying businesses.

Deferred tax assets and liabilities are measured using the enacted tax rates in effect in the years when those temporary differences are expected to reverse. The effect on deferred taxes from a change in tax rate is recognized through continuing operations in the period that includes the enactment date of the change. Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Management is not aware of any such changes that would have a material effect on the Company's results of operations, cash flows, or financial position.

A tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Income tax positions must meet a more likely than not recognition threshold to be recognized.

The Company recognizes tax liabilities for uncertain tax positions and adjusts these liabilities when the Company's judgment changes as a result of the evaluation of new information not previously available. Due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense and the effective tax rate in the period in which the new information becomes available. Interest and penalties related to unrecognized tax benefits are recognized within income tax expense in the Consolidated Statements of Operations. Accrued interest and penalties are recognized in accrued expenses on the Consolidated Balance Sheets.

Although there were subsidiaries organized as C-corporations, prior to the Recapitalization, the Company was primarily treated as a partnership for federal income tax purposes and, therefore, had not been subject to federal and state income tax (subject to exception in a limited number of state and local jurisdictions). IBP is organized as a C-corporation. Therefore, effective with the Recapitalization, the Company is subject to federal, state and local income taxes.

Our income tax expense, deferred tax assets and liabilities and reserves for unrecognized tax benefits reflect management's best assessment of estimated future taxes to be paid. We are subject to income taxes in the United States which includes numerous state and local jurisdictions. Significant judgments and estimates are required in determining the income tax expense, deferred tax assets and liabilities and the reserve for unrecognized tax benefits.

Discontinued Operations

We continually review each of our markets in order to refine our overall investment strategy and to optimize capital and resource allocations in an effort to enhance our financial position and to increase Company value. This review entails an evaluation of both external market factors and our position in each market and over time has resulted in the decision to discontinue certain locations. Customers of discontinued locations will not be

(in thousands, except share amounts)

served by other locations. There were no material assets or liabilities related to our discontinued operations as of December 31, 2011 or December 31, 2012. Discontinued operations were not segregated in the Consolidated Statements of Cash Flows. Therefore, amounts for certain captions in the Consolidated Statements of Cash Flows, including impairment of intangibles and amortization of intangibles for the year ended December 31, 2011 will not agree with the respective data in the Consolidated Statements of Operations.

Estimated Fair Value of Financial Instruments

Accounts receivable, accounts payable and accrued liabilities as of December 31, 2011 and 2012 approximate their fair value due to the short-term maturities of these financial instruments. The carrying amounts of the long-term debt under the revolving lines of credit approximate their fair value as of December 31, 2011 and 2012 due to the short-term maturities of the underlying variable rate LIBOR agreements. This represents a Level 2 fair value measurement.

Recently Adopted Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board ("FASB") issued ASU No. 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS ("ASU 2011-04"). The amendments in this ASU are intended to improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and International Financial Reporting Standards ("IFRS"). The amendments in this ASU explain how to measure fair value. They do not require additional fair value measurements and are not intended to establish valuation standards or affect valuation practices outside of financial reporting. The guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. The Company adopted the provisions of ASU 2011-04 on January 1, 2012. The adoption did not have a material impact on the Company's financial position or results of operations.

Recently Issued Accounting Pronouncements Not Yet Adopted

As of December 31, 2012, there are no recently issued accounting standards not yet adopted that would have a material effect on the Company's financial statements.

NOTE 3 – PROPERTY AND EQUIPMENT

	As of December 31,	
	2011	2012
Land	$ 66	$ 66
Buildings	218	218
Leasehold improvements	3,365	3,492
Furniture, fixtures and equipment	15,194	16,606
Vehicles and equipment	39,785	47,814
	58,628	68,196
Less: accumulated deprecation and amortization	(50,430)	(50,265)
	$ 8,198	$ 17,931

Property and equipment as of December 31, 2011 and 2012 of $36,886 and $38,742, respectively, were fully depreciated. Depreciation expense for the years ended December 31, 2011 and 2012 was $4,405 and $4,637, respectively.

(in thousands, except share amounts)

NOTE 4 – GOODWILL AND INTANGIBLES

Goodwill

The change in carrying amount of goodwill was as follows:

	Years ended December 31, 2011	2012
Beginning balance	$118,316	$118,316
Accumulated impairment losses	(70,004)	(70,004)
Net goodwill	48,312	48,312
Goodwill from acquisitions	—	834
Ending balance	$ 48,312	$ 49,146

No impairment of goodwill was recognized for the years ended December 31, 2011 and 2012.

Intangibles, net

The following table provides the gross carrying amount and accumulated amortization for each major class of intangibles:

	As of December 31, 2011			2012		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Definite-lived intangibles:						
Customer relationships	$17,278	$ 10,659	$ 6,619	$20,439	$ 12,425	$ 8,014
Non-competition agreements	1,280	888	392	1,021	761	260
Trademarks and trade names	9,925	4,225	5,700	11,545	4,796	6,749
	$28,483	$ 15,772	$12,711	$33,005	$ 17,982	$15,023

Due to certain triggering events, we performed this analysis and recorded an impairment charge of $2,761 and $352 during the years ended December 31, 2011 and 2012, respectively. The charge consisted of $1,687 and $352 for impaired customer relationships and trademarks and trade names relating to certain branch name changes during 2011 and 2012, respectively. In 2011, the impairment charges also included $1,074 of impaired intangibles related to discontinued operations.

Amortization expense on intangible assets totaled $3,986 and $3,082 for the years ended December 31, 2011 and 2012, respectively. Remaining estimated aggregate annual amortization expense is as follows:

2013	$2,931
2014	2,496
2015	2,309
2016	1,989
2017	1,400
Thereafter	3,898

(in thousands, except share amounts)

NOTE 5 – LONG-TERM DEBT

Debt consists of the following:

	As of December 31, 2011	2012
Revolving line of credit	$16,744	$17,231
Various notes payable, maturing through December 2016; payable in various monthly installments, including interest rates ranging from 0.0% to 8.5%	49	660
	16,793	17,891
Less: current maturities	(9)	(186)
Long-term debt, less current maturities	$16,784	$17,705

We are a party to a revolving loan and security agreement with a lender (the "Credit Agreement") (most recently amended in December 2012). The Credit Agreement provides for a Revolving Line of Credit (the "LOC") with a maximum limit of $50,000 ($40,000 as of December 31, 2011). The LOC is due May 4, 2016 with interest at either 1) the Eurodollar rate ("LIBOR") or 2) the Alternate Base Rate (which approximates the Prime Rate), plus a margin based on the type of rate applied. The Company had $16,000 outstanding on the LOC at 1-month LIBOR including margin (2.25%-3.75%) as of December 31, 2012. The Company also had $1,231 outstanding on the LOC at the Alternate Base Rate including margin (4.25%) as of December 31, 2012.

The LOC permits borrowings based on a stated percentage of eligible accounts receivable and inventories. The borrowings on the LOC are also subject to a minimum availability reserve. The Company had available borrowings of $4,039 and $15,492 under its LOC as of December 31, 2011 and 2012, respectively. In addition, the Company is required to pay a monthly fee of 0.375% per annum on the average unused commitment under the LOC. Amounts outstanding under the Credit Agreement are collateralized by a first lien security position on all assets, including, but not limited to, all real estate, property, equipment, receivables and inventories.

The Credit Agreement also contains various restrictive non-financial covenants that include more frequent borrowing base reporting if the minimum availability falls below a certain threshold, and several limitations on specific changes that would result in incurring additional debts or pledging the Company's assets, including restrictions on distributions to be made to our stockholders. The Credit Agreement also contains a provision that upon a change in control or an event of default (as defined within the Credit Agreement), amounts outstanding under the LOC would bear interest at the rate as determined above plus 2%.

The Credit Agreement also allows the Company to issue Letters of Credit not to exceed $10,000 in the aggregate. To support the Company's insurance programs, there were outstanding Letters of Credit of $8,389 as of December 31, 2011 and $7,278 as of December 31, 2012.

IBP II was party to a separate credit agreement with a different lender dated September 28, 2007 (as most recently amended on March 25, 2011). This credit agreement initially consisted of a revolving line of credit and a term loan. In March 2011, certain of the then members of IBP II contributed $12,010 in the form of common members' equity. These funds were then used to pay down amounts outstanding under the IBP II credit agreement. The IBP II credit agreement was fully repaid in connection with the Recapitalization. See Note 1, Organization and Recapitalization for further details.

(in thousands, except share amounts)

Aggregate maturities of long-term debt are as follows:

2013	$ 186
2014	165
2015	176
2016	17,364
	$ 17,891

NOTE 6 – FAIR VALUE MEASUREMENTS

Fair Values

Fair value is the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The standard establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. During the periods presented, there were no transfers between fair value hierarchical levels.

	Balance as of December 31, 2011	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 925	$ —	$ —	$ 925
Redeemable Common Stock	15,501	—	—	15,501
Total items measured at fair value on a recurring basis	$ 16,426	$ —	$ —	$ 16,426

	Balance as of December 31, 2012	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 782	$ —	$ —	$ 782
Redeemable Common Stock	17,246	—	—	17,246
Total items measured at fair value on a recurring basis	$ 18,028	$ —	$ —	$ 18,028

The following is a general description of the valuation methodologies used for liabilities and mezzanine equity (which includes redeemable preferred and common stock) items measured at fair value:

Put option – Series A Preferred Stock – The Company identified a certain embedded feature in the Series A Preferred Stock that was required to be bifurcated and accounted for as a derivative. The identified put option allows Series A Preferred stockholders to put their shares upon a change in control. The estimated fair value of the put option on Series A Preferred Stock is determined using our estimates of the probability of a change in control during each period the option is outstanding in combination with the accreted fair value of the Series A Preferred Stock during the option period. Those resulting probabilities are then calculated at net present value. An increase in the probability of the change in control would increase the fair value of the embedded derivative.

Redeemable Common Stock – The estimated fair value of the redeemable feature of certain shares of our outstanding common stock is determined using a combination of discounted cash flows and market multiple approach modeling. The fair value is estimated using this method to mark the Redeemable Common Stock to market at each period end. The weighted average cost of capital (“WACC”) used was 13% as of December 31, 2011 and 2012, respectively, and an increase in the WACC would decrease the fair value of the Redeemable Common Stock.

Changes in the fair value of recurring fair value measurements using significant unobservable inputs (Level 3) for the years ended December 31, 2011 and 2012 were as follows (in thousands):

Balance as of January 1, 2011	$ —
Put option liabilities recorded	925
Mezzanine equity items recorded	14,900
Adjustments to fair value measurement impacting the Statement of Stockholders’ Equity and Redeemable Instruments	601
Balance as of December 31, 2011	16,426
Adjustments to fair value measurement impacting the Statement of Stockholders’ Equity and Redeemable Instruments	1,745
Adjustments to fair value measurement impacting the Statement of Operations	(143)
Balance as of December 31, 2012	$18,028

The unrealized gain related to the put option liabilities is recorded within other expense (income) on the Consolidated Statements of Operations.

Assets Measured at Fair Value on a Nonrecurring Basis

Certain assets are measured at fair value on a nonrecurring basis in periods subsequent to initial recognition. Assets measured at fair value on a nonrecurring basis during the years ended December 31, 2011 and 2012 are categorized based on the lowest level of significant input to the valuation. The assets were measured at fair value as our impairment assessment indicated a carrying value for each of the assets in excess of the asset's estimated fair value. In some circumstances, the impairment assessment was performed as a result of a portion of the business being classified as a discontinued operation. Discounted cash flows, a Level 3 input, were utilized in determining estimated fair values. See the "Impairment of Long-Lived Assets" caption of Note 2, Significant Accounting Policies, for more information.

The amount of impairment loss included in net income (loss) attributable to common stockholders was $2,761 and $352 for the years ended December 31, 2011 and 2012, respectively.

NOTE 7 – STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS

As of December 31, 2011, we had 1,000,000 shares of common stock, authorized, issued and outstanding and 1,000 shares of Series A Preferred Stock, authorized, issued and outstanding, all with par value of $0.01.

In August 2012, the Company amended its Certificate of Incorporation to authorize 1,694,916 shares of Common Stock. As of December 31, 2012, the Company had 1,129,944 shares of common stock issued and outstanding and 1,000 shares of Series A Preferred Stock issued and outstanding. The additional 129,944 shares of common stock were issued during 2012 to the previous members of a business acquired in 2012. See Note 12, Business Combinations for further details.

Redeemable Instruments

The Series A Preferred Stock carries an optional redemption feature and can be redeemed, at the election of the holder, any time on or after July 31, 2016, but prior to July 31, 2021, at an amount equal to $75,789, three times the original issue price of $25,263, plus accrued dividends, if any (the "Redemption Price"). If the optional redemption is exercised and we are unable to settle the obligation with the holder, then dividends accrue at a rate of 25% on the portion of shares not redeemed. The Company may, at its election prior to the optional redemption date, redeem the shares of Series A Preferred Stock at the Redemption Price. As the redemption of the preferred shares is dependent on the passage of time, the Company has elected to accrete to the Redemption Price the value of the Series A Preferred Stock using the interest method, over the period from the issuance date until the earliest redemption date (July 31, 2016).

One of our stockholders who owns 300,000 shares of Redeemable Common Stock as of November 4, 2011, has put rights that require us to repurchase its shares beginning in April 2019 at the fair value determined at the redemption date. As the redemption price is equivalent to the fair value of the instrument, we adjust the carrying value of the Redeemable Common Stock to its fair value with an adjustment to equity. We also have a right to call 50,000 of these shares, at par value, before December 31, 2014 if we redeem all of the Series A Preferred Stock prior to that date. These put and call rights terminate upon an initial public offering of the Company's common stock.

Upon dissolution of the Company and payment of all indebtedness to creditors, preferred stockholders are entitled to receive distributions for their preferred shares up to the Redemption Price prior to common stockholders.

NOTE 8 – EMPLOYEE BENEFITS

We participate in multiple healthcare plans, one of which is held and administered by a trust that is a related party. This plan is partially self-funded with an insurance company paying benefits in excess of stop loss limits per individual. Our healthcare benefit expense (net of employee contributions) was approximately $5,199 and $5,744 for the years ended December 31, 2011 and 2012, respectively for all plans. An accrual for estimated healthcare claims incurred but not yet reported is included within accrued compensation on the Consolidated Balance Sheets and was $661 and $663 as of December 31, 2011 and December 31, 2012, respectively.

We participate in multiple workers' compensation plans. Under these plans, we use a high deductible program to cover losses above the deductible amount on a per claim basis. We accrue for the estimated losses occurring from both asserted and un-asserted claims. A workers' compensation liability for premiums is included in other current liabilities on the Consolidated Balance Sheets. Insurance claims and reserves include accruals of estimated settlements for known claims, as well as accruals of actuarial estimates of IBNR. In estimating these reserves, historical loss experience and judgments about the expected levels of costs per claim are considered. These claims are accounted for based on actuarial estimates of the undiscounted claims, including those claims incurred but not reported. We believe the use of actuarial methods to account for these liabilities provides a consistent and effective way to measure these highly judgmental accruals.

Workers' compensation expense totaled $3,092 and $4,043 during the years ended December 31, 2011 and 2012, respectively. As of December 31, 2011 and 2012, respectively, workers' compensation reserves for known claims and incurred but not reported claims ("IBNR") totaled $3,317 and $4,570 and are included in other long-term liabilities on the accompanying balance sheets. Other long-term liabilities also include $3,039 and $3,430 of accrued insurance reserves as of December 31, 2011 and December 31, 2012, respectively. We also had an insurance receivable for a claim that exceeded the stop loss limit and is included in other long-term assets on the face of the Consolidated Balance Sheets. That receivable offsets an equal liability included within the reserve amount noted above and totaled $768 and $1,777 as of December 31, 2011 and 2012, respectively.

The Company also participates in various profit-sharing and 401(k) plans. Certain plans provide that eligible employees can defer a portion of their wages into the trust, subject to current Internal Revenue Code rules and limitations. The Company provides a matching contribution of wages deferred by employees and can also make discretionary contributions to each plan. Certain plans allow for discretionary employer contributions only. These plans cover substantially all eligible employees of the Company. During the years ended December 30, 2011 and 2012, we matched employee contributions under certain plans, resulting in total match and administrative expenses of $95 and $529, respectively.

NOTE 9 – INCOME TAXES

As part of the Recapitalization in 2011 described in Note 1, Organization and Recapitalization, both IBHL and IBHL II membership interests were contributed to the subsidiaries of IBP. The previous members are no longer members of IBHL or IBHL II. Given the greater than 50% change in ownership, there was a technical termination of the partnerships, including certain lower tier partnerships under the federal tax law. The ownership change resulted in a full limitation of the net operating loss carryforward attributes of the subsidiary C-corporations. As a result, the Company wrote off the net operating loss deferred tax assets, which had been previously fully reserved.

Upon formation of IBP, we recorded a deferred tax liability ("DTL") for the difference in the book basis and tax basis of IBP's investment in IBP I and IBP II. The change in basis and the requirement to be taxed as a

(in thousands, except share amounts)

C-corporation resulted from the transfer of partnership interests at the member level. The resulting initial recognition of deferred tax assets and liabilities resulting from the Recapitalization of $11,280 has been recorded directly to equity.

Prior to this change, the subsidiary C-corporations were the only tax filing entities required to record tax expense and deferred tax assets and liabilities. As shown in the effective tax rate reconciliation, the recapitalization and change in the valuation allowance were the main drivers of the effective tax rate for 2011, which was significantly lower than the 2011 statutory tax rate and the 2012 effective tax rate.

The provision for income taxes from continuing operations is comprised of:

	Years ended December 31,	
	2011	2012
Current:		
Federal	$2,035	$1,213
State	232	194
	2,267	1,407
Deferred:		
Federal	(755)	(794)
State	(63)	(58)
	(818)	(852)
Total tax expense	$1,449	$ 555

The reconciliation between the Company's effective tax rate on loss from continuing operations and the federal statutory tax rate is as follows:

	Years ended December 31,			
	2011		2012	
Income tax at federal statutory rate	$(2,009)	35.0%	$(1,309)	35.0%
Non-deductible loss from flow through entities prior to Recapitalization	888	(15.5)%		
Loss of tax attributes resulting from Recapitalization	9,878	(172.1)%		
Extinguishment of debt	355	(6.2)%		
Stock compensation	273	(4.8)%	1,581	(42.3)%
Other non-deductible expenses	76	(1.3)%	(6)	0.2%
Change in valuation allowance	(8,239)	143.5%	214	(5.7)%
Interest and penalties on uncertain tax positions	118	(2.1)%	56	(1.5)%
State income taxes, net of federal benefit	109	(1.9)%	19	(0.5)%
	$ 1,449	(25.2)%	$ 555	(14.8)%

(in thousands, except share amounts)

Components of the net deferred tax liability are as follows:

	As of December 31, 2011	2012
Deferred Tax Assets		
Current		
Accrued reserves and allowances	$ 374	$ 705
Inventories	32	46
Current deferred tax assets	406	751
Long-term		
Property and equipment	18	—
Net operating loss carryforwards	75	688
Long-term deferred tax assets	93	688
Total deferred tax assets	499	1,439
Less: Valuation allowance	(14)	(228)
Net deferred tax assets	485	1,211
Deferred Tax Liabilities		
Long-term		
Property and equipment	—	(61)
Intangibles	(794)	(529)
Investment in partnership	(10,367)	(11,932)
Other	(79)	(64)
Total deferred tax liabilities	(11,240)	(12,586)
Net deferred tax liabilities	$(10,755)	$(11,375)

As of December 31, 2012, we have federal and state income tax net operating loss (NOL) carryforwards of $688. Due to the IRS Section 382 elimination of NOLs generated prior to the Recapitalization, the earliest expiration date is 2030.

Valuation Allowance

We assess the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets on a jurisdiction and by tax filing entity basis. A significant piece of objective negative evidence evaluated is cumulative losses incurred over the most recent three year period. Such objective evidence limits the ability to consider other subjective positive evidence such as our projections for future growth.

Based on this evaluation, a valuation allowance has been recorded as of December 31, 2011 and 2012 for the net deferred tax assets recorded on certain of our wholly owned subsidiaries. Such deferred tax assets relate primarily to net operating losses that are not more likely than not realizable. However, the amount of the deferred tax asset considered realizable could be adjusted if estimates of future taxable income during the carryforward

(in thousands, except share amounts)

period change, or if objective negative evidence in the form of cumulative losses is no longer present. Additional weight may be given to subjective evidence such as our projections for growth in this situation.

	Valuation Allowance
January 1, 2011	$(9,028)
Charged to costs and expenses	(5)
Deductions	9,019
December 31, 2011	(14)
Charged to costs and expenses	(214)
December 31, 2012	$ (228)

Uncertain Tax Positions

We are subject to taxation in the United States and various state jurisdictions. As of December 31, 2012 our tax years for 2009, 2010, and 2011 are subject to examination by the tax authorities. We have unrecognized tax benefits related to temporary items. A rollforward of the gross unrecognized tax benefits is as follows:

Unrecognized tax benefit, January 1, 2011	$ —
Increase as a result of tax positions taken during the period	924
Unrecognized tax benefit, December 31, 2011	924
Increase as a result of tax positions taken during the period	945
Decrease as a result of tax positions taken during the period	(504)
Unrecognized tax benefit, December 31, 2012	$1,365

These unrecognized benefits result from the difference in taxable income calculated at the time of the return versus calculated per the provision. We expect a reversal of approximately $926 of our unrecognized tax benefit in the next twelve months, because of unrecognized benefits relating to temporary items that will reverse in the next twelve months. $619 of the unrecognized tax benefits, if recognized, would affect the effective tax rate.

Interest expense and penalties accrued related to uncertain tax positions for the year ended December 31, 2011 and 2012 are not significant.

Determining uncertain tax positions and the related estimated amounts requires judgment and carry estimation risk. If future tax law changes or interpretations should come to light, or additional information should become known, our conclusions regarding unrecognized tax benefits may change.

NOTE 10 – RELATED PARTY TRANSACTIONS

The Company previously paid management fees to IBP Holdings, LLC for corporate support functions under a management fee agreement. These fees totaled $4,760 for the year ended December 31, 2011. As part of the Recapitalization on November 4, 2011 (see Note 1, Organization and Recapitalization), this management agreement was cancelled. In December 2012, the Company entered into a new management services and fee agreement and made a payment of $4,300 for management fees to certain related parties for management services. Pursuant to this agreement, the board of directors annually determined whether a management fee would be paid as well as the amount of that fee. The agreement was terminated on October 22, 2013.

(in thousands, except share amounts)

We sell installation services to other companies related through common or affiliated ownership. We also purchase services and materials and pay rent to companies with common or related ownership.

We lease our headquarters and other facilities from certain related parties. Refer to Note 11, Commitments and Contingencies, for future minimum lease payments to be paid to these related parties.

For the years ended December 31, 2011 and 2012, the amount of sales to common or related parties as well as the purchases from and rent expense paid to these common or related parties are as follows:

	Years ended December 31,	
	2011	2012
Sales	$ 2,704	$ 1,689
Purchases	610	3,668
Rent	158	288

Related party purchases made during the year ended December 31, 2012 include $743 paid to a related party as part of an acquisition made during the year. Refer to “Accurate Building Products Inc.” within Note 12, Business Combinations for additional information.

Pursuant to an Individual Guaranty Agreement and a Guaranty Agreement, each dated as of October 22, 2012, certain of our investors guaranteed our letter of credit reimbursement obligations to Bank of America, N.A. in connection with letters of credit issued by Bank of America, N.A. to support our workers compensation policies. Such letters of credit are currently issued under our existing credit facility and these guarantees were terminated on July 30, 2013. In addition, one of our investors guaranteed certain reimbursement obligations of ours under certain performance and licensing bonds issued by sureties on behalf of us in the ordinary course of business. These bonds are being replaced as they expire with bonds that do not require any guarantee. These obligations were not direct guarantees of the company.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Leases

We are obligated under capital leases covering vehicles and certain equipment. Total assets relating to capital leases were $31,627 and $39,364 as of December 31, 2011 and 2012, respectively, and a total of $22,821 and $23,033 were fully depreciated as of December 31, 2011 and 2012, respectively. The vehicles and equipment leases generally have terms ranging from four to six years. The net book value of assets under capital leases was $4,258 and $12,694 as of December 31, 2011 and 2012, respectively, net of accumulated depreciation of $27,369 and $26,670, respectively. Amortization of assets held under capital leases is included with depreciation expense on the Consolidated Statements of Operations.

We also have several noncancellable operating leases, primarily for buildings, improvements, equipment and certain vehicles. These leases generally contain renewal options for periods ranging from one to five years and require the Company to pay all executory costs such as property taxes, maintenance and insurance.

(in thousands, except share amounts)

Future minimum lease payments under noncancellable operating leases (with initial or remaining lease terms in excess of one year) and future minimum capital lease payments as of December 31, 2012 are as follows:

	Capital leases	Operating Leases		
		Related party	Other	Total Operating
2013	$ 4,546	$ 446	$ 4,357	$ 4,803
2014	3,815	396	3,343	3,739
2015	2,752	273	2,032	2,305
2016	1,862	180	1,442	1,622
2017	828	89	943	1,032
Thereafter			3,589	3,589
	13,803	$ 1,384	$15,706	$ 17,090
Less: Amounts representing interest	(1,619)			
Total obligation under capital leases	12,184			
Less: Current portion of capital leases	(3,822)			
Long-term capital lease obligation	$ 8,362			

Total rent expense under these operating leases for years ended December 31, 2011 and 2012 was $5,906 and $6,343, respectively, which is included in the Consolidated Statements of Operations as follows:

	Year Ended	
	December 31, 2011	December 31, 2012
Cost of Sales	$ 382	$ 435
Selling	173	113
Administrative	5,351	5,795
Total	$ 5,906	$ 6,343

Supply Contract Commitments

As of December 31, 2011 and December 31, 2012, we had two product supply contracts with minimum purchase requirements at market rates. The terms of the contracts extend through December 31, 2014 and August 31, 2017. The contract commitments are disclosed in the table below. We expect our quantity purchases to exceed the minimum quantity commitments for all years covered by the contracts. Actual purchases made under the contracts for the years ended December 31, 2011 and December 31, 2012 were $4,636 and $13,804, respectively. Purchase obligations under the contracts as of December 31, 2012 were as follows:

	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Purchase Obligations	$7,500	$ 2,500	$ 5,000	$ —	$ —

Other Commitments and Contingencies

A class action lawsuit was filed on February 11, 2013 and an amended complaint was filed on May 15, 2013 in the Superior Court of King County, Washington, against us, alleging violations of Washington State wage and

hour laws for failure to pay prevailing and minimum wage and overtime wages. The plaintiffs are former insulation installers for Installed Building Products II, LLC, one of our subsidiaries, in Washington who seek to represent all similarly situated workers. They seek all unpaid wages, along with litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

A lawsuit was filed on July 23, 2013 in federal court in the Middle District of Tennessee against one of our subsidiaries, TCI Contracting LLC ("TCI") d/b/a Installed Building Products of Nashville, alleging unpaid overtime and failure to pay lawful wages under federal law, Tennessee common law and in unjust enrichment and in breach of an alleged contract. The named plaintiffs are former insulation installers in Nashville. The plaintiffs seek to have this case certified as a collective action under the Federal Fair Labor Standards Act and as a class action under Tennessee law. They seek reimbursement of the overtime wages for all time worked over forty hours each week, as well as liquidated damages and litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

The ultimate liabilities, if any, with respect to the two employment-related cases disclosed above cannot be determined at this time, and we are currently unable to estimate a range of reasonably possible losses associated with the litigation. As such, we have not accrued a liability relating to these matters as of December 31, 2012.

From time to time, various claims and litigation are asserted or commenced against us principally arising from contractual matters and personnel and employment disputes. In determining loss contingencies, management considers the likelihood of loss as well as the ability to reasonably estimate the amount of such loss or liability. An estimated loss is recorded when it is considered probable that such a liability has been incurred and when the amount of loss can be reasonably estimated. It is not certain that we will prevail in these matters. However, we do not believe that the ultimate outcome of any pending matters will have a material adverse effect on our consolidated financial position, results of operations or cash flows.

NOTE 12 – BUSINESS COMBINATIONS

As part of our ongoing strategy to increase market share in certain markets, we acquired two businesses during 2012 (TCI and Accurate Building Products Inc., "Accurate"). In connection with these business combinations the Company entered into non-competition agreements with the former owners.

TCI

On August 31, 2012 the Company acquired 100% of the outstanding membership interest of TCI and 87.5% of the issued and outstanding capital stock of a subsidiary of TCI. Simultaneous with the purchase of TCI, IBP purchased the remaining 12.5% of issued and outstanding capital stock of the subsidiary for $571, which was paid in the form of a seller note.

The purchase price consisted of 11.5% (or 129,944 shares) of IBP common stock, which was valued at $4,100 at the date of the transaction.

The results of operations of the business and its subsidiary are included in the Consolidated Financial Statements from August 31, 2012, the date of acquisition. The revenue and net loss of TCI since the acquisition date included in the Company's Consolidated Statement of Operations for the year ended December 31, 2012 were $12,354 and ($1,144), respectively.

(in thousands, except share amounts)

Accurate

On November 16, 2012, the Company acquired 100% of the membership interests of Accurate which was not significant within the meaning of Regulation S-X under the Securities Act of 1933, as amended (the "Securities Act") . The purchase price consisted of cash of $1,198 and a note for $80. The revenue and net income of Accurate since the date of acquisition included in the Company's Consolidated Statement of Operations for the year ended December 31, 2012 were $1,743 and $126, respectively.

The estimated fair values of the assets acquired and liabilities assumed for both the TCI and Accurate acquisitions approximated the following:

	TCI	Accurate
Cash	$ 317	$ 58
Accounts receivable	3,880	1,606
Inventory	1,984	564
Note receivable	—	171
Other current assets	244	47
Property and equipment	285	183
Intangibles	4,390	1,123
Goodwill	834	—
Accounts payable and accrued expenses	(5,815)	(2,037)
Deferred tax liability	(1,387)	—
Long-term debt	(61)	(437)
Total purchase price	4,671	1,278
Fair value of common stock issued	4,100	—
Seller notes and obligations	571	80
Cash paid	—	1,198
Total purchase price	$ 4,671	$ 1,278

Estimates of acquired intangible assets related to the TCI and Accurate acquisitions are as follows:

	TCI		Accurate	
Acquired Intangible Assets	Estimated Fair Value	Weighted Average Estimated Useful Life (yrs)	Estimated Fair Value	Weighted Average Estimated Useful Life (yrs)
Customer relationships	$ 2,500	10	$ 741	10
Trade names	1,820	8	247	15
Non-competition agreements	70	2	135	3

(in thousands, except share amounts)

Pro Forma Information (unaudited)

The unaudited pro forma information has been prepared as if the TCI and Accurate acquisitions had taken place on January 1, 2011. The unaudited pro forma information is not necessarily indicative of the results that we would have achieved had the transactions actually taken place on January 1, 2011, and the unaudited pro forma information does not purport to be indicative of future financial operating results.

	Pro forma for the years ended December 31,	
	2011	2012
Net revenue	$ 277,834	$ 331,501
Net loss	(13,951)	(3,200)
Net income/(loss) attributable to common stockholders	68,657	(8,729)
Net income/(loss) per share attributable to common stockholders (basic and diluted)	60.76	(7.73)

Unaudited pro forma net income has been calculated after adjusting the combined results of the Company to reflect additional intangible asset amortization expense of $648 and $455, for the years ended December 31, 2011 and 2012, respectively.

See Note 15, Subsequent Events, for disclosures regarding the acquisition of Ace Insulation (“Ace”), which took place after the balance sheet date, but before the issuance of these consolidated financial statements.

NOTE 13 – DISCONTINUED OPERATIONS

During the year ended December 31, 2012, we made the decision to close our branches in Erie, Pennsylvania and Knoxville, Tennessee. During the year ended December 31, 2011, we made the decision to close the following six branches: Tyler, Texas; Augusta, Georgia; Jacksonville, Florida; Salt Lake City, Utah; Philadelphia, Pennsylvania; and Phoenix, Arizona. We have presented the operations of these closed branches as discontinued operations in the Consolidated Statements of Operations for the years ended December 31, 2011 and 2012.
All closures made during the years ended December 31, 2011 and 2012 were made in order to optimize capital and resource allocations and enhance our financial position. We have no continuing involvement with or cash flows from the closed branches. Further, the customers associated with closed branches and other discontinued operations will not be served by other branches. A summary of operations we discontinued in these markets for the years ended December 31, 2011 and 2012 is as follows:

	Years ended December 31,	
	2011	2012
Net revenue	$ 9,574	$ 4,020
(Loss) income from discontinued operations, before income taxes	(2,455)	3,835
Income tax benefit (expense)	660	(1,447)
(Loss) income from discontinued operations, after tax	$ (1,795)	$ 2,388

For the year ended December 31, 2012, pre-tax net income from discontinued operations includes a gain of $4,500 relating to a payment received for a cancelled vendor contract at one of our closed operations.

(in thousands, except share amounts)

NOTE 14 – (LOSS) INCOME PER COMMON SHARE

Basic net (loss) income per share is calculated by dividing net (loss) income attributable to common stockholders by the weighted average shares outstanding during the period, without consideration for common stock equivalents. As IBP only had common shares outstanding subsequent to the Recapitalization on November 4, 2011, the weighted average shares outstanding for 2011 assumed the shares issued at the date of the Recapitalization were issued and outstanding for the full year.

Diluted net (loss) income per share is calculated by adjusting weighted average shares outstanding for the dilutive effect of common share equivalents outstanding for the period, determined using the treasury stock method. There were no common stock equivalents with a dilutive effect during the years ended December 31, 2011 and 2012 and therefore, basic and diluted net (loss) income per share were the same for all periods presented. Income (loss) attributable to common stockholders includes the accretion of Series A Preferred Stock in 2011 and 2012 and the accretion of Pre-Recapitalization Preferred Units and the gain on extinguishment of Pre-Recapitalization Preferred Units in 2011.

NOTE 15 – SUBSEQUENT EVENTS

We have evaluated events and transactions occurring subsequent to the balance sheet date of December 31, 2012 through December 9, 2013, the date on which the financial statements were issued, for items that should be recognized or disclosed in these Consolidated Financial Statements.

Effective November 30, 2013, the Employee Puts between Jeffrey Edwards and our other executive officers were terminated.

The Management Services and Fee Agreement, dated as of December 18, 2012, among the Company, Littlejohn Managers, LLC, Jeffrey Edwards, IBP Holding Company and TCI Holdings, LLC was terminated on November 22, 2013.

On March 16, 2013 the Company acquired 100% of the membership interests of Ace, which was not significant within the meaning of Regulation S-X under the Securities Act.

The estimated fair values of the assets acquired and liabilities assumed for the Ace acquisition are as follows:

	Ace
Accounts receivable	$ 213
Inventory	14
Property and equipment	263
Intangibles	1,106
Accounts payable and accrued expenses	(609)
Total purchase price	$ 987
Seller notes and obligations	300
Cash paid	687
Total purchase price	$ 987

(in thousands, except share amounts)

Estimates of acquired intangible assets related to the acquisition are as follows:

	Ace	
Acquired Intangible Assets	Estimated fair value	Weighted average estimated useful life (yrs)
Customer relationships	$ 826	10
Trademarks and trade names	280	15

Pro Forma Information (unaudited)

The unaudited pro forma information has been prepared as if the acquisition had taken place on January 1, 2011. The unaudited pro forma information is not necessarily indicative of the results that we would have achieved had the transactions actually taken place on January 1, 2011, and the unaudited pro forma information does not purport to be indicative of future financial operating results.

	Pro forma for the year ended December 31,	
	2011	2012
Net revenue	$242,856	$304,638
Net loss	(9,137)	(2,200)
Net income (loss) attributable to common stockholders	73,471	(7,729)
Net income (loss) per share attributable to common stockholders (basic and diluted)	73.47	(7.41)

Unaudited pro forma net income has been calculated after adjusting the combined results of the Company to reflect additional intangible asset amortization expense of $101 for both of the years ended December 31, 2011 and 2012.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED BALANCE SHEETS

(in thousands, except for par value and share amounts)

	As of December 31, 2012	As of June 30, 2013
ASSETS		
Current assets		
Cash	$ 3,898	$ 3,853
Restricted cash	1,803	1,708
Accounts receivable (less allowance for doubtful accounts of $1,412 and $1,548 as of December 31, 2012 and June 30, 2013, respectively)	46,100	56,057
Accounts receivable, related parties	774	366
Inventories	16,718	19,130
Deferred income taxes	726	147
Income taxes receivable	—	1,523
Prepaid expenses, related parties	396	—
Other current assets	5,353	5,051
Total current assets	75,768	87,835
Property and equipment, net	17,931	26,824
Other non-current assets		
Goodwill	49,146	49,146
Intangibles, net	15,023	14,631
Other non-current assets	2,884	3,060
Total non-current assets	67,053	66,837
Total assets	$ 160,752	$ 181,496
LIABILITIES, REDEEMABLE INSTRUMENTS AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current maturities of long-term debt	$ 186	$ 264
Current maturities of capital lease obligations	3,822	6,671
Accounts payable	34,330	36,351
Accounts payable, related parties	2,133	3,660
Income taxes payable	2,562	—
Accured compensation	7,562	8,562
Other current liabilities	2,202	2,789
Total current liabilities	52,797	58,297
Long-term debt	17,705	29,511
Capital lease obligations, less current maturities	8,362	13,254
Put option – Series A Preferred Stock	782	519
Deferred income taxes	12,101	10,867
Other long-term liabilities	9,626	8,973
Total liabilities	101,373	121,421
Commitments and contingencies (Note 11)		
Series A Preferred Stock; $0.01 par value: 1,000 authorized, issued and outstanding as of December 31, 2012 and June 30, 2013, respectively	49,615	52,634
Redeemable Common Stock; $0.01 par value: 300,000 authorized, issued and outstanding as of December 31, 2012 and June 30, 2013, respectively	17,246	47,620
Stockholders' equity		
Common Stock; $0.01 par value: 1,394,916 shares authorized and 829,944 shares issued and outstanding as of December 31, 2012 and June 30, 2013, respectively	8	8
Additional paid in capital	3,983	—
Accumulated deficit	(11,473)	(40,187)
Total stockholders' equity	(7,482)	(40,179)
Total liabilities, redeemable instruments and stockholders' equity	$ 160,752	$ 181,496

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)

	Six months ended June 30,	
	2012	2013
	(unaudited)	
Net revenue	$ 129,548	$ 196,649
Cost of sales	97,574	148,120
Gross profit	31,974	48,529
Operating expenses		
Selling	9,765	11,908
Administrative	28,056	32,300
Amortization	1,463	1,544
Other	(916)	—
Operating (loss) income	(6,394)	2,777
Other expense (income)		
Interest expense	863	1,044
Other	(149)	(164)
	714	880
(Loss) income before income taxes	(7,108)	1,897
Income tax provision	589	704
Net (loss) income from continuing operations	(7,697)	1,193
Discontinued operations		
Loss from discontinued operations	320	773
Income tax benefit	(121)	(276)
Loss from discontinued operations, net of income taxes	199	497
Net (loss) income	$ (7,896)	$ 696
Accretion charges on Series A Redeemable Preferred Stock	(2,683)	(3,019)
Net loss attributable to common stockholders	$ (10,579)	$ (2,323)
Weighted average shares outstanding (basic and diluted)	1,000,000	1,129,944
Net loss per share (basic and diluted)		
Loss per share from continuing operations attributable to common stockholders (basic and diluted)	$ (10.38)	$ (1.62)
Loss per share from discontinued operations attributable to common stockholders (basic and diluted)	(0.20)	(0.44)
Loss per share attributable to common stockholders (basic and diluted)	$ (10.58)	$ (2.06)

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS
(in thousands, except share amounts)

(unaudited)

	Common Stock		Additional Paid In	Accumulated	Stockholders'	Preferred Stock		Common Stock	
	Shares	Amount	Capital	Deficit	Equity	Shares	Amount	Shares	Amount
BALANCE – January 1, 2012	700,000	$ 7	$ —	$ (9,567)	$ (9,560)	1,000	$44,086	300,000	$15,501
Stock-based compensation			4,574		4,574				
Net loss				(7,896)	(7,896)				
Accretion of Redeemable Preferred to Redemption Value			(2,683)		(2,683)		2,683		
Adjustments to Redeemable Common Stock fair value measurement			369		369				(369)
BALANCE – June 30, 2012	700,000	$ 7	$ 2,260	$ (17,463)	$ (15,196)	1,000	$46,769	300,000	$15,132

	Common Stock		Additional Paid In	Accumulated	Stockholders'	Redeemable Preferred Stock		Redeemable Common Stock	
	Shares	Amount	Capital	Deficit	Equity	Shares	Amount	Shares	Amount
BALANCE – January 1, 2013	829,944	$ 8	$ 3,983	$ (11,473)	$ (7,482)	1,000	$49,615	300,000	$17,246
Net income				696	696				
Accretion of Redeemable Preferred to Redemption Value			(3,019)		(3,019)		3,019		
Adjustments to Redeemable Common Stock fair value measurement			(964)	(29,410)	(30,374)				30,374
BALANCE – June 30, 2013	829,944	$ 8	$ —	$ (40,187)	$ (40,179)	1,000	$52,634	300,000	$47,620

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Six months ended June 30, 2012 (unaudited)	2013
Cash flows from operating activities		
Net (loss) income	$ (7,896)	$ 696
Adjustments to reconcile net (loss) income to net cash used in by operating activities		
Depreciation and amortization of property and equipment	2,000	3,554
Amortization of intangibles	1,463	1,544
Amortization of deferred financing costs	87	87
Provision for doubtful accounts	583	532
Gain on sale of property and equipment	(189)	(191)
Noncash stock compensation	4,574	—
Deferred income taxes	104	(655)
Other	(97)	(263)
Changes in assets and liabilities, excluding effects of acquisitions		
Accounts receivable	(2,741)	(9,868)
Inventories	(1,290)	(2,399)
Other assets	(2,406)	(165)
Accounts payable	3,561	3,258
Income taxes payable	753	(4,302)
Other liabilities	(1,170)	618
Net cash used in operating activities	(2,664)	(7,554)
Cash flows from investing activities		
Restricted cash	—	95
Purchases of property and equipment	(780)	(1,421)
Cash paid for businesses acquired	—	(687)
Proceeds from sale of property and equipment	231	972
Proceeds from insurance	833	—
Net cash provided by (used in) provided by investing activities	284	(1,041)
Cash flows from financing activities		
Proceeds from revolving line of credit, net	5,417	11,696
Principal payments on other notes payable	(20)	(425)
Payments on capital lease obligations	(1,153)	(2,721)
Net cash provided by financing activities	4,244	8,550
Net change in cash	1,864	(45)
Cash at beginning of period	2,528	3,898
Cash at end of period	$ 4,392	$ 3,853
Supplemental disclosures of cash flow information		
Net cash paid during the period for:		
Interest	$ 745	$ 964
Income taxes, net of refunds	117	6,181
Supplemental disclosure of noncash investing and financing activities		
Vehicles capitalized under capital leases and related lease obligations	2,330	10,990
Note payable issued in connection with acquisition of business	—	300

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share amounts)

NOTE 1 – ORGANIZATION

Installed Building Products, Inc. ("IBP", formerly CCIB Holdco, Inc.), a Delaware corporation formed on October 28, 2011, and its wholly owned subsidiaries (collectively referred to as the "Company" and "we", "us" and "our"), primarily install insulation, garage doors, rain gutters, shower doors, closet shelving and mirrors and other products for residential and commercial builders located in the continental United States. IBP operates in over 100 locations within the continental United States and its corporate office is located in Columbus, Ohio.

We have one operating segment and a single reportable segment. Substantially all of our sales come from service based installation of various products in the existing and new residential and commercial construction end markets. Each of our branches has the capacity to serve all of our end markets. For the six months ended June 30, 2012, 85.0% of our net revenue was attributable to new and existing residential construction, whereas 15.0% was attributable to commercial construction. For the six months ended June 30, 2013, 88.4% of our net revenue was attributable to new and existing residential construction, with the remaining 11.6% attributable to commercial construction. The Company has no international sales. All of the Company's identifiable assets are in the continental United States.

All amounts as of and for the period ended June 30, 2012 are unaudited.

The following is a summary of the percentage of installation net revenue by product category:

	Six months ended June 30,	
	2012	2013
Insulation	74%	74%
Garage Doors	9%	8%
Shower doors, shelving & mirrors	6%	6%
Rain gutters	5%	6%
Other building products	6%	6%

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The accompanying consolidated financial statements include all wholly owned subsidiaries and majority owned subsidiaries. The non-controlling interest relating to majority owned subsidiaries is not significant for presentation. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates

Preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, valuation allowance on deferred tax assets, valuation of the reporting unit, intangible assets and other long-lived assets, share based compensation, reserves for general liability, workers' compensation and medical insurance and common stock and preferred stock. Management believes the accounting estimates are appropriate and reasonably determined; however, due to the inherent uncertainties in making these estimates, actual amounts could differ from such estimates.

Cash and Cash Equivalents

We consider all highly liquid investments purchased with original term to maturity of three months or less to be cash equivalents. Substantially all cash and cash equivalents are held in one bank. The bank provides FDIC coverage of $250 per depositor. Included in accounts payable are outstanding checks of $1,480 and $2,567 as of December 31, 2012 and June 30, 2013, respectively. Included in accrued compensation are outstanding checks of $506 and $892 as of December 31, 2012 and June 30, 2013, respectively. We manage our cash to a zero balance account and borrow funds under our Revolving Line of Credit (the "LOC") to cover outstanding checks. Refer to Note 5, Long-Term Debt for further details on the LOC.

Restricted Cash

Restricted cash consists of deposits held by our insurance carrier for general liability and workers' compensation reserves. Restricted cash is not considered cash and cash equivalents for purposes of the statements of cash flows. Classification between current and long-term is dependent upon the timing of the intended use of each particular reserve.

Revenue Recognition

Revenue from the sale and installation of products is recognized when all of the following have occurred: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or services have been rendered, (iii) the price is fixed or determinable and (iv) the ability to collect is reasonably assured. Revenue is recognized net of adjustments and discounts.

Revenue from the sale and installation of products to customers is recognized at the time the installation is complete.

Business Combinations

The purchase price for business combinations is allocated to the estimated fair values of acquired tangible and intangible assets and assumed liabilities, including goodwill, where applicable. Additionally, we recognize customer relationships, trademarks and trade names, and non-competition agreements as identifiable intangible assets. These assets are recorded at fair value as of the transaction date. The fair value of these intangibles is determined primarily using the income approach and using current industry information which involves significant unobservable inputs (Level 3 inputs). These inputs include projected sales, margin, and tax rate.

Accounts Receivable

The Company accounts for trade receivables based on amounts billed to customers. Past due receivables are determined based on contractual terms. The Company does not accrue interest on any of its trade receivables.

Allowance for Doubtful Accounts

The Company maintains an allowance for doubtful accounts for estimated losses resulting from the failure of customers to make required payments. The allowance is determined by management based on the Company's historical losses, specific customer circumstances, and general economic conditions. The Company analyzes aged accounts receivable and generally increases the allowance as receivables age. Management reviews

(in thousands, except share amounts)

accounts receivable and records an allowance for specific customers based on current circumstances and charges off the receivable against the allowance when all attempts to collect the receivable have failed. This analysis is performed regularly and the allowance is adjusted accordingly.

Allowance for doubtful accounts receivable	
January 1, 2012	$ 1,571
Charged to costs and expenses	$ 583
Charged to other accounts (1)	172
Deductions (2)	(531)
June 30, 2012	$ 1,795
January 1, 2013	$ 1,412
Charged to costs and expenses	532
Charged to other accounts (1)	172
Deductions (2)	(568)
June 30, 2013	$ 1,548

(1) Recovery of receivables previously written-off as bad debt.
(2) Write-off of uncollectible accounts receivable.

Concentration of Credit Risk

Credit risk is the risk of financial loss to the Company from the non-performance of a contractual obligation on the part of the Company's counterparty. Such risk arises principally from the Company's receivables from customers and cash and bank balances. Substantially all of the Company's trade accounts receivable are from entities engaged in residential and commercial construction. The Company performs periodic credit evaluations of its customers' financial condition. The general credit risk of the Company's counterparties is not considered to be significant. In addition, no individual customer made up more than 3.0% of net revenue for the six months ended June 30, 2012 and 2013.

Inventories

Inventories consist of insulation, garage doors, rain gutters, shower doors, mirrors, closet shelving and other products. We install these products but do not manufacture or modify them. We value inventory at the lower of cost or market with cost determined using the first-in, first-out ("FIFO") method. As of December 31, 2012 and June 30, 2013, all inventory was finished goods.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. The Company provides for depreciation and amortization of property and equipment using the straight-line method, over the expected useful lives of the assets. Leasehold improvements are amortized over the shorter of the useful life or the remaining lease term.

Expected useful lives of property and equipment vary but generally are the shorter of lease life or five years for vehicles, three to five years for furniture, fixtures and equipment, shorter of lease life or five years for leasehold improvements and 30 years for buildings.

Major renewals and improvements are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is recorded.

Goodwill

Goodwill results from business combinations and represents the excess of the purchase price over the fair value of acquired tangible assets and liabilities and identifiable intangible assets. Annually, on December 31, or if conditions indicate an earlier review is necessary, we assess qualitative factors to determine if it is more likely than not that the fair value of a reporting unit is less than its carrying amount and if it is necessary to perform the quantitative two-step goodwill impairment test. If we perform the quantitative test, we compare the carrying value of the reporting unit to an estimate of the reporting unit's fair value to identify potential impairment. The estimate of the reporting unit's fair value is determined by weighting a discounted cash flow model and a market-related model using current industry information that involve significant unobservable inputs (Level 3 inputs). In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of income based on management's plans, business trends, prospects and market and economic conditions and market-participant considerations. If the estimated fair value of the reporting unit is less than the carrying value, a second step is performed to determine the amount of the potential goodwill impairment. If impaired, goodwill is written down to its estimated implied fair value.

Impairment of Other Intangible and Long-Lived Assets

Other intangible assets consist of customer relationships, non-competition agreements and business trademarks and trade names. Amortization of finite lived intangible assets is recorded to reflect the pattern of economic benefits based on projected revenues over their respective estimated useful lives (customer relationships – 10 years, non-competition agreements – two to five years and business trademarks and trade names – eight to 15 years). We do not have any indefinite-lived intangible assets.

We review long-lived assets whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss is recognized when estimated future cash flows expected to result from the use of an asset and its eventual disposition are less than its carrying amount. When impairment is identified, the carrying amount of the asset is reduced to its estimated fair value. Assets to be disposed of are recorded at the lower of net book value or fair market value less cost to sell at the date management commits to a plan of disposal. Based upon our assessments no impairment charges were recorded during the six months ended June 30, 2012 or June 30, 2013.

Other Liabilities

Our workers' compensation insurance is primarily under a high-deductible insurance policy and our general liability insurance is under a self-insured retention program ("SIR"). We are insured for covered claims above the deductible and SIR. The liabilities represent our best estimate of our costs, using generally accepted actuarial reserving methods, of the ultimate obligations for reported claims plus those incurred but not reported for all claims incurred through December 31, 2012 and June 30, 2013. We establish case reserves for reported claims using case-basis evaluation of the underlying claims data and we update as information becomes known.

The assumptions underlying the ultimate costs of existing claim losses are subject to a high degree of unpredictability, which can affect the liability recorded for such claims. For example, variability in inflation rates

of health care costs inherent in workers' compensation claims can affect the ultimate costs. Similarly, changes in legal trends and interpretations, as well as a change in the nature and method of how claims are settled can affect ultimate costs. Our estimates of liabilities incurred do not anticipate significant changes in historical trends for these variables, and any changes could have a considerable effect on future claim costs and currently recorded liabilities.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was approximately $1,036 and $788 for the six months ended June 30, 2012 and 2013, respectively, and is included in selling expense on the Consolidated Statements of Operations.

Deferred Financing Costs

Deferred financing costs are amortized over the term of the related debt using the effective interest method. The related amortization expense of these costs was $87 and $87 and is included in interest expense on the Consolidated Statements of Operations for the six months ended June 30, 2012 and 2013, respectively. Deferred financing costs are included in other long-term assets on the Consolidated Balance Sheets and were $496 and $408, net as of December 31, 2012 and June 30, 2013, respectively.

Share-Based Compensation

In 2010, IBP Management Holdings, LLC, one of our stockholders, and in 2011, IBP Investment Holdings, LLC, one of our principal stockholders, issued membership interests in their equity to certain of our employees (the "Awards"). Certain of these employees were granted Employee Puts.

In 2010, when the employees received the Awards, the then fair value of the Awards less any consideration in exchange for the Awards was recorded as compensation expense. In accordance with the terms of the Awards, they were deemed equity-classified instruments as there is no service or vesting period associated with these Awards and all compensation expense was recognized upon issuance.

Upon issuance of the Employee Puts, the then fair value of the Employee Puts received was recorded as compensation expense over the service period, if applicable. The Employee Puts are deemed to be liability-classified instruments that are directly associated with the Awards. As such, both the Awards and the Employee Puts are accounted for as liability-classified instruments as of the issuance date of the Employee Put. During the period for which the Employee Puts are exercisable, both the Employee Puts and the associated Awards are remeasured to fair value each reporting period.

It is assumed that Employee Puts will be exercised at the greater of the fixed price or fair market value. In the absence of a publicly traded market, the fair market value of the Employee Puts and underlying units are estimated primarily using discounted cash flow and, secondarily, using other market-related models that factor in current industry trends. In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of income based on management's plans, business trends, prospects and market and economic conditions and market-participant considerations. The adjustment to the carrying fair value is based upon an equity rate of return for a public company in our industry with similar financial trends and characteristics. The fair value of the Company's common stock is used to determine the value of the Employee Puts based on their ownership interest.

Because the awards were granted by a related party as compensation to employees of the Company, the compensation associated with the awards was pushed down by the related parties and recorded as a non-cash expense in the Company's Consolidated Statements of Operations during the six months ended June 30, 2012 and June 30, 2013.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Under this method, the amount of taxes currently payable or refundable are accrued, and deferred tax assets and liabilities are recognized for the estimated future tax consequences of temporary differences that currently exist between the tax basis and financial reporting basis of the Company's assets and liabilities.

Valuation allowances are established against deferred tax assets when it is more likely than not that the realization of those deferred tax assets will not occur. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, the ability to produce future taxable income, tax planning strategies available and recent financial operations. In projecting future taxable income, we begin with historical results adjusted for the results of discontinued operations and changes in accounting policies and incorporate assumptions including the amount of future federal and state pretax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates we use to manage the underlying businesses.

Deferred tax assets and liabilities are measured using the enacted tax rates in effect in the years when those temporary differences are expected to reverse. The effect on deferred taxes from a change in tax rate is recognized through continuing operations in the period that includes the enactment date of the change. Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Management is not aware of any such changes that would have a material effect on the Company's results of operations, cash flows or financial position.

A tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Income tax positions must meet a more likely than not recognition threshold to be recognized.

The Company recognizes tax liabilities for uncertain tax positions and adjusts these liabilities when the Company's judgment changes as a result of the evaluation of new information not previously available. Due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense and the effective tax rate in the period in which the new information becomes available. Interest and penalties related to unrecognized tax benefits are recognized within income tax expense in the Consolidated Statements of Operations. Accrued interest and penalties are recognized in accrued expenses on the Consolidated Balance Sheets.

Our income tax expense, deferred tax assets and liabilities and reserves for unrecognized tax benefits reflect management's best assessment of estimated future taxes to be paid. We are subject to income taxes in the United States which includes numerous state and local jurisdictions. Significant judgments and estimates are required in determining the income tax expense, deferred tax assets and liabilities and the reserve for unrecognized tax benefits.

Discontinued Operations

We continually review each of our markets in order to refine our overall investment strategy and to optimize capital and resource allocations in an effort to enhance our financial position and to increase Company value. This review entails an evaluation of both external market factors and our position in each market and over time has resulted in the decision to discontinue certain locations. Customers of discontinued locations will not be served by other locations. There were no material assets or liabilities related to our discontinued operations as of December 31, 2012 or June 30, 2013. Discontinued operations were not segregated in the Consolidated Statements of Cash Flows.

Estimated Fair Value of Financial Instruments

Accounts receivable, accounts payable and accrued liabilities as of December 31, 2012 and June 30, 2013 approximate their fair value due to the short-term maturities of these financial instruments. The carrying amounts of the long-term debt under the revolving lines of credit approximate their fair value as of December 31, 2012 and June 30, 2013 due to the short term maturities of the underlying variable rate LIBOR agreements. This represents a Level 2 fair value measurement.

Recently Adopted Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS (“ASU 2011-04”). The amendments in this ASU are intended to improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and International Financial Reporting Standards (“IFRS”). The amendments in this ASU explain how to measure fair value. They do not require additional fair value measurements and are not intended to establish valuation standards or affect valuation practices outside of financial reporting. The guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. The Company adopted the provisions of ASU 2011-04 on January 1, 2012. The adoption did not have a material impact on the Company’s financial position or results of operations.

Recently Issued Accounting Pronouncements Not Yet Adopted

As of June 30, 2013, there are no recently issued accounting standards not yet adopted that would have a material effect on the Company’s financial statements.

(in thousands, except share amounts)

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	As of December 31, 2012	As of June 30, 2013
Land	$ 66	$ 66
Buildings	218	218
Leasehold improvements	3,492	3,496
Furniture, fixtures and equipment	16,606	14,932
Vehicles and equipment	47,814	57,154
	68,196	75,866
Less: accumulated deprecation and amortization	(50,265)	(49,042)
	$ 17,931	$ 26,824

Property and equipment as of December 31, 2012 and June 30, 2013 of $38,742 and $37,570, respectively, were fully depreciated. Depreciation expense during the six months ended June 30, 2012 and 2013 was $2,000 and $3,554, respectively.

NOTE 4 – GOODWILL AND INTANGIBLES

The Company's goodwill was tested for impairment as of December 31, 2012. Going forward we have moved our goodwill impairment assessment date to October 1.

Intangibles, net

The following table provides the gross carrying amount and accumulated amortization for each major class of intangibles:

	As of December 31, 2012			As of June 30, 2013		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Amortized intangibles:						
Customer relationships	$20,439	$ 12,425	$ 8,014	$21,268	$ 13,428	$ 7,840
Non-competition agreements	1,021	761	260	1,061	857	204
Trademarks and trade names	11,545	4,796	6,749	11,827	5,240	6,587
	$33,005	$ 17,982	$15,023	$34,156	$ 19,525	$14,631

(in thousands, except share amounts)

Amortization expense on intangible assets totaled $1,400 and $1,544 during the six months ended June 30, 2012 and 2013, respectively. Remaining estimated aggregate annual amortization expense is as follows:

2013	$ 1,498
2014	2,606
2015	2,416
2016	2,090
2017	1,501
Thereafter	4,520

NOTE 5 – LONG-TERM DEBT

Debt consists of the following:

	As of December 31, 2012	As of June 30, 2013
Revolving Lines of Credit	$ 17,231	$ 28,928
Various notes payable, maturing through December 2016; payable in various monthly installments, including interest rates ranging from 0.0% to 8.5%	660	847
	17,891	29,775
Less: current maturities	(186)	(264)
Long-term debt, less current maturities	$ 17,705	$ 29,511

We are a party to a revolving loan and security agreement with a lender (the “Credit Agreement”). The Credit Agreement provides for a Revolving Line of Credit (the “LOC”) with a maximum limit of $50,000. The LOC is due May 4, 2016 with interest at either 1) the Eurodollar rate (“LIBOR”) or 2) the Alternate Base Rate (which approximates the Prime Rate), plus a margin based on the type of rate applied. The Company had $16,000 and $27,000 outstanding on the LOC at 1-month LIBOR including margin (2.25% - 3.75%) as of December 31, 2012 and June 30, 2013, respectively. The Company also had $1,231 and $1,928 outstanding on the LOC at the Alternate Base Rate including margin (4.25%) as of December 31, 2012 and June 30, 2013, respectively.

The LOC permits borrowings based on a stated percentage of eligible accounts receivable and inventories. The borrowings on the LOC are also subject to a minimum availability reserve. The Company had available borrowings of $15,492 and $13,795 under its LOC as of December 31, 2012 and June 30, 2013, respectively. In addition, the Company is required to pay a monthly fee of 0.375% per annum on the average unused commitment under the LOC. Amounts outstanding under the Credit Agreement are collateralized by a first lien security position on all assets, including, but not limited to, all real estate, property, equipment, receivables and inventories.

The Credit Agreement also contains various restrictive non-financial covenants that include more frequent borrowing base reporting if the minimum availability falls below a certain threshold, and several limitations on specific changes that would result in incurring additional debts or pledging the Company’s assets, including

(in thousands, except share amounts)

restrictions on distributions to be made to our stockholders. The Credit Agreement also contains a provision that upon a change in control or an event of default (as defined within the Credit Agreement), amounts outstanding under the LOC would bear interest at the rate as determined above plus 2%.

The Credit Agreement also allows the Company to issue Letters of Credit not to exceed $10,000 in the aggregate. To support the Company's insurance programs, there were outstanding Letters of Credit of $7,278 as of December 31, 2012 and June 30, 2013.

Aggregate maturities of long-term debt are as follows:

2013	$ 88
2014	265
2015	276
2016	29,146
	$ 29,775

NOTE 6 – FAIR VALUE MEASUREMENTS

Fair Values

Fair value is the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The standard establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

(in thousands, except share amounts)

Assets and Liabilities Measured at Fair Value on a Recurring Basis

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. During the periods presented, there were no transfers between fair value hierarchical levels.

	Balance as of December 31, 2012	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 782	$ —	$ —	$ 782
Redeemable Common Stock	17,246	—	—	17,246
Total items measured at fair value on a recurring basis	$ 18,028	$ —	$ —	$ 18,028

	Balance as of June 30, 2013	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 519	$ —	$ —	$ 519
Redeemable Common Stock	47,620	—	—	47,620
Total items measured at fair value on a recurring basis	$ 48,139	$ —	$ —	$ 48,139

The following is a general description of the valuation methodologies used for liabilities and mezzanine equity (which includes preferred redeemable and common stock) items measured at fair value:

Put option – Series A Preferred Stock – The Company identified a certain embedded feature in the Series A Preferred Stock that was required to be bifurcated and accounted for as a derivative. The identified put option allows Series A Preferred stockholders to put their shares upon a change in control. The estimated fair value of the put option on Series A Preferred Stock is determined using our estimates of the probability of a change in control during each period the option is outstanding in combination with the accreted fair value of the Series A Preferred Stock during the option period. Those resulting probabilities are then calculated at net present value. An increase in the probability of the change in control would increase the fair value of the embedded derivative.

Redeemable Common Stock – The estimated fair value of the redeemable feature of certain shares of our outstanding common stock is determined using a combination of discounted cash flows and market multiple approach modeling. The fair value is estimated using this method to mark the Redeemable Common Stock to market at each period end. The weighted average cost of capital (“WACC”) used was 13% and 18% as of December 31, 2012 and June 30, 2013, respectively, and an increase in the WACC would decrease the fair value of the Redeemable Common Stock.

Changes in the fair value of recurring fair value measurements using significant unobservable inputs (Level 3) for the six months ended June 30, 2012 and 2013 were as follows (in thousands):

Balance as of January 1, 2012	$16,426
Adjustments to fair value measurement impacting the Statement of Stockholders' Equity and Redeemable Instruments	(369)
Adjustments to fair value measurement impacting the Statement of Operations	(97)
Balance as of June 30, 2012	$15,960
Balance as of January 1, 2013	$18,028
Adjustments to fair value measurement impacting the Statement of Stockholders' Equity and Redeemable Instruments	30,374
Adjustments to fair value measurement impacting the Statement of Operations	(263)
Balance as of June 30, 2013	$48,139

The unrealized gain related to the put option liabilities is recorded within other expense (income) on the Consolidated Statements of Operations.

NOTE 7 – STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS

As of December 31, 2012, and June 30, 2013 we had 1,694,916 shares of common stock authorized, 1,129,944 shares of common stock issued and outstanding and 1,000 shares of Series A Preferred Stock, authorized, issued and outstanding, all with par value of $0.01.

Redeemable Instruments

The Series A Preferred Stock carries an optional redemption feature and can be redeemed, at the election of the holder, any time on or after July 31, 2016, but prior to July 31, 2021, at an amount equal to $75,789, three times the original issue price of $25,263, plus accrued dividends, if any (the "Redemption Price"). If the optional redemption is exercised and we are unable to settle the obligation with the holder, then dividends accrue at a rate of 25% on the portion of shares not redeemed. The Company may, at its election prior to the optional redemption date, redeem the shares of Series A Preferred Stock at the Redemption Price. As the redemption of the preferred shares is dependent on the passage of time, the Company has elected to accrete to the Redemption Price the value of the Series A Preferred Stock using the interest method, over the period from the issuance date until the earliest redemption date (July 31, 2016).

One of our stockholders who owns 300,000 shares of Redeemable Common Stock as of November 4, 2011 has put rights that require us to repurchase its shares beginning in April 2019 at fair value determined at the redemption date. As the redemption price is equivalent to the fair value of the instrument, we adjust the carrying value of the Redeemable Common Stock to its fair value with an adjustment to equity. We also have a right to call 50,000 of these shares, at par value, before December 31, 2014 if we redeem all of the Series A Preferred Stock prior to that date. These put and call rights terminate upon an initial public offering of the Company's common stock.

Upon dissolution of the Company and payment of all indebtedness to creditors, preferred stockholders are entitled to receive distributions for their preferred shares up to the Redemption Price prior to common stockholders.

NOTE 8 – EMPLOYEE BENEFITS

We participate in multiple healthcare plans, one of which is held and administered by a trust that is a related party. This plan is partially self-funded with an insurance company paying benefits in excess of stop loss limits per individual. Our healthcare benefit expense (net of employee contributions) was approximately $2,751 and $3,824 for the six months ended June 30, 2012 and 2013, respectively for all plans. An accrual for estimated healthcare claims incurred but not reported is included within accrued compensation on the Consolidated Balance Sheets and was $663 and $830 as of December 31, 2012 and June 30, 2013, respectively.

We participate in multiple workers' compensation plans. Under these plans, we use a high deductible program to cover losses above the deductible amount on a per claim basis. We accrue for the estimated losses occurring from both asserted and un-asserted claims. Workers' compensation liability for premiums is included in other current liabilities on the Consolidated Balance Sheets. Insurance claims and reserves include accruals of estimated settlements for known claims, as well as accruals of actuarial estimates of IBNR. In estimating these reserves, historical loss experience and judgments about the expected levels of costs per claim are considered. These claims are accounted for based on actuarial estimates of the undiscounted claims, including those claims incurred but not reported. We believe the use of actuarial methods to account for these liabilities provides a consistent and effective way to measure these highly judgmental accruals.

Workers' compensation expense totaled $2,007 and $3,093 during the six months ended June 30, 2012 and 2013, respectively. As of December 31, 2012 and June 30, 2013, respectively, workers' compensation reserves for known claims and incurred but not reported claims ("IBNR") totaled $4,570 and $5,091 and are included in other long-term liabilities on the accompanying balance sheets. Other long-term liabilities include $3,430 and $3,473 of accrued insurance reserves as of December 31, 2012 and June 30, 2013, respectively. We also had an insurance receivable for a claim that exceeded the stop loss limit and is in included in other long-term assets on the face of the Consolidated Balance Sheets. That receivable offsets an equal liability included within the reserve amount noted above and totaled $1,777 and $1,765 as of December 31, 2012 and June 30, 2013, respectively.

The Company also participates in various profit-sharing and 401(k) plans. Certain plans provide that eligible employees can defer a portion of their wages into the trust, subject to current Internal Revenue Code rules and limitations. The Company provides a matching contribution of wages deferred by employees and can also make discretionary contributions to each plan. Certain plans allow for discretionary employer contributions only. These plans cover substantially all eligible employees of the Company. During the six months ended June 30, 2012 and 2013, we matched employee contributions under certain plans, resulting in administrative expenses of $236 and $349, respectively.

(in thousands, except share amounts)

NOTE 9 – INCOME TAXES

The provision for income taxes from continuing operations is comprised of:

	Six months ended June 30, 2012	2013
Current:		
Federal	$ 427	$ 1,303
State	58	80
	485	1,383
Deferred:		
Federal	102	(688)
State	2	9
	104	(679)
Total tax expense	$ 589	$ 704

The reconciliation between the Company's effective tax rate on income from continuing operations and the statutory tax rate is as follows:

	Six months ended June 30, 2012		2013	
Income tax at federal statutory rate	$(2,488)	(35.0)%	$664	35.0%
Stock compensation	3,005	42.3		
Fair value adjustment on Series A Preferred Stock Put Option			(92)	(4.9)
Other non-deductible expenses	(11)	(0.2)	(32)	(1.8)
Change in valuation allowance	48	0.7	124	6.5
State income taxes, net of Federal benefit	35	0.5	42	2.2
Total Income Tax Expense	$ 589	8.3%	$704	37.0%

(in thousands, except share amounts)

Components of the net deferred tax liability are as follows:

	As of December 31, 2012	As of June 30, 2013
Deferred Tax Assets		
Current		
Accrued reserves and allowances	$ 705	$ 155
Inventories	46	57
Current deferred tax assets	751	212
Long-term		
Net operating loss carryforwards	688	688
Long-Term deferred tax assets	688	688
Total deferred tax assets	1,439	900
Less: Valuation allowance	(228)	(352)
Net deferred tax assets	1,211	548
Deferred Tax Liabilities		
Long-term		
Property and equipment	(61)	(63)
Intangibles	(529)	(425)
Investment in partnership	(11,932)	(10,715)
Other	(64)	(65)
Total deferred tax liabilities	(12,586)	(11,268)
Net deferred tax liabilities	$ (11,375)	$ (10,720)

As of June 30, 2013, we have federal and state income tax net operating loss (NOL) carryforwards of $688. Due to the IRS Section 382 elimination of NOLs generated prior to the Recapitalization, the earliest expiration date is 2030.

Valuation Allowance

We assess the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets on a jurisdiction and by tax filing entity. A significant piece of objective negative evidence evaluated is cumulative losses incurred over the most recent three year period. Such objective evidence limits the ability to consider other subjective evidence such as our projections for future growth.

Based on this evaluation, a valuation allowance has been recorded as of December 31, 2012 and June 30, 2013 for the net deferred tax assets recorded on certain of our wholly owned subsidiaries. Such deferred tax assets relate primarily to net operating losses which are not more likely than not realizable. However, the amount of the deferred tax asset considered realizable could be adjusted if estimates of future taxable income during the carryforward period change, or if objective negative evidence in the form of cumulative losses is no longer present. Additional weight may be given to subjective evidence such as our projections for growth in this situation.

(in thousands, except share amounts)

After the evaluation of all our tax filing positions, both federal and state, we do not believe we have any uncertain tax positions. If future tax law changes or interpretations should come to light, or additional information should become known, this conclusion may change.

The Company is subject to taxation in the United States and various state jurisdictions. As of June 30, 2013 the Company's tax years for 2009, 2010, and 2011 are subject to examination by the tax authorities.

	Valuation Allowance
January 1, 2012	$ (14)
Charged to costs and expenses	—
June 30, 2012	$ (14)
January 1, 2013	(228)
Charged to costs and expenses	(124)
June 30, 2013	$(352)

Uncertain tax positions

We are subject to taxation in the United States and various state jurisdictions. As of December 30, 2013 our tax years for 2009, 2010, and 2011 are subject to examination by the tax authorities. We have unrecognized tax benefits related to temporary items. A rollforward of the gross unrecognized tax benefits is as follows:

Unrecognized tax benefit, January 1, 2012	$ 924
Increase as a result of tax positions taken during the prior period	19
Decrease as a result of tax positions taken during the prior period	(504)
Unrecognized tax benefit June 30, 2012	$ 439
Unrecognized tax benefit, December 31, 2012	1,365
Increase as a result of tax positions taken during the period	—
Decrease as a result of tax positions taken during the period	(926)
Unrecognized tax benefit, June 30, 2013	$ 439

We do not expect any of our unrecognized tax benefit to reverse in the next twelve months. All of the unrecognized tax benefits, if recognized, would affect the effective tax rate.

Interest expense and penalties accrued related to uncertain tax positions for the year ended December 31, 2012 and June 30, 2013 are not significant.

Determining uncertain tax positions and the related estimated amounts requires judgment and carry estimation risk. If future tax law changes or interpretations should come to light, or additional information should become known, our conclusions regarding unrecognized tax benefits may change.

(in thousands, except share amounts)

NOTE 10 – RELATED PARTY TRANSACTIONS

We sell installation services to other companies related through common or affiliated ownership. We also purchase services and materials and pay rent to companies with common or related ownership.

We lease our headquarters and other facilities from certain related parties. Refer to Note 11, Commitments and Contingencies, for future minimum lease payments to be paid to these related parties.

For the six months ended June 30, 2012 and 2013, the amount of sales to common or related parties as well as the purchases from and rent paid to these common or related parties are as follows:

	Six months ended June 30,	
	2012	2013
Sales	$ 819	$ 584
Purchases	30	6,714
Rent	93	345

Pursuant to an Individual Guaranty Agreement and a Guaranty Agreement, each dated as of October 22, 2012, certain of our investors guaranteed our letter of credit reimbursement obligations to Bank of America, N.A. in connection with letters of credit issued by Bank of America, N.A. to support our workers compensation policies. Such letters of credit are currently issued under our existing credit facility and these guarantees were terminated on July 30, 2013. In addition, one of our investors guaranteed certain reimbursement obligations of ours under certain performance and licensing bonds issued by sureties on behalf of us in the ordinary course of business. These bonds are being replaced as they expire with bonds that do not require any guarantee. These obligations were not direct guarantees of the company.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Leases

We are obligated under capital leases covering vehicles and certain equipment. Total assets relating to capital leases were $39,364 and $48,864 as of December 31, 2012 and June 30, 2013, respectively, and a total of $23,033 and $21,903 were fully depreciated as of December 31, 2012 and June 30, 2013, respectively. The vehicles and equipment leases generally have terms ranging from four to six years. The net book value of assets under capital leases was $12,694 and $21,087 as of December 31, 2012 and June 30, 2013, respectively, net of accumulated depreciation of $26,670 and $27,777, respectively. Amortization of assets held under capital leases is included with depreciation expense on the Consolidated Statements of Operations.

We also have several noncancellable operating leases, primarily for buildings, improvements, equipment and certain vehicles. These leases generally contain renewal options for periods ranging from one to five years and require the Company to pay all executory costs such as property taxes, maintenance and insurance.

(in thousands, except share amounts)

Future minimum lease payments under noncancellable operating leases (with initial or remaining lease terms in excess of one year) and future minimum capital lease payments as of June 30, 2013 are as follows:

	Capital leases	Operating Leases		
		Related party	Other	Total Operating
2013	$ 4,463	$ 255	$ 2,316	$ 2,571
2014	6,920	510	3,852	4,362
2015	5,477	394	2,462	2,856
2016	3,606	248	1,626	1,874
2017	1,765	159	976	1,135
Thereafter	405	34	2,737	2,771
	22,636	$ 1,600	$13,969	$ 15,569
Less: Amounts representing interest	(2,711)			
Total obligation under capital leases	19,925			
Less: Current portion of capital leases	(6,671)			
Long-term capital lease obligation	$ 13,254			

Total rent expense under these operating leases for the six months ended June 30, 2012 and 2013 was $2,935 and $3,554, respectively, which is included in the Consolidated Statements of Operations as follows:

	Six months ended	
	June 30, 2012	June 30, 2013
Cost of sales	$ 173	$ 286
Selling	57	19
Administrative	2,705	3,249
Total	$2,935	$3,554

Supply Contract Commitments

As of December 31, 2012 and June 30, 2013, we had two product supply contracts with minimum purchase requirements at market rates. The terms of the contracts extend through December 31, 2014 and August 31, 2017. The contract commitments are disclosed in the table below. We expect our quantity purchases to exceed the minimum quantity commitments for all years covered by the contracts. Actual purchases made under the contracts for the six months ended June 30, 2012 and June 30, 2013 were $4,056 and $13,894, respectively. Purchase obligations under the contracts as of June 30, 2013 were as follows:

	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Purchase Obligations	$7,161	$ 4,661	$ 2,500	$ —	$ —

Other Commitments and Contingencies

A class action lawsuit was filed on February 11, 2013 and an amended complaint was filed on May 15, 2013 in the Superior Court of King County, Washington, against us, alleging violations of Washington State wage and

(in thousands, except share amounts)

hour laws for failure to pay prevailing and minimum wage and overtime wages. The plaintiffs are former insulation installers for Installed Building Products II, LLC, one of our subsidiaries, in Washington who seek to represent all similarly situated workers. They seek all unpaid wages, along with litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

A lawsuit was filed on July 23, 2013 in federal court in the Middle District of Tennessee against one of our subsidiaries, TCI Contracting, LLC ("TCI") d/b/a Installed Building Products of Nashville, alleging unpaid overtime and failure to pay lawful wages under federal law, Tennessee common law and in unjust enrichment and in breach of an alleged contract. The named plaintiffs are former insulation installers in Nashville. The plaintiffs seek to have this case certified as a collective action under the Federal Fair Labor Standards Act and as a class action under Tennessee law. They seek reimbursement of the overtime wages for all time worked over forty hours each week, as well as liquidated damages and litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

The ultimate liabilities, if any, with respect to the two employment-related cases disclosed above cannot be determined at this time, and we are currently unable to estimate a range of reasonably possible losses associated with the litigation. As such, we have not accrued a liability relating to these matters as of June 30, 2013.

From time to time, various claims and litigation are asserted or commenced against us principally arising from contractual matters and personnel and employment disputes. In determining loss contingencies, management considers the likelihood of loss as well as the ability to reasonably estimate the amount of such loss or liability. An estimated loss is recorded when it is considered probable that such a liability has been incurred and when the amount of loss can be reasonably estimated. It is not certain that we will prevail in these matters. However, we do not believe that the ultimate outcome of any pending matters will have a material adverse effect on our consolidated financial position, results of operations or cash flows.

NOTE 12 – BUSINESS COMBINATIONS

As part of our ongoing strategy to increase market share in certain markets, we acquired Ace Insulation ("Ace") during the six months ended June 30, 2013.

The estimated fair values of the assets acquired and liabilities assumed for the Ace acquisition approximated the following:

	Ace
Accounts receivable	$ 213
Inventory	14
Property and equipment	263
Intangibles	1,106
Accounts payable and accrued expenses	(609)
Total purchase price	$ 987
Seller notes and obligations	300
Cash paid	687
Total purchase price	$ 987

(in thousands, except share amounts)

Estimates of acquired intangible assets related to the acquisition are as follows:

	Ace	
Acquired Intangible Assets	Estimated Fair Value	Weighted Average Estimated Useful Life (yrs)
Customer relationships	$ 826	10
Trademarks and trade names	280	15

Pro Forma Information (unaudited)

The unaudited pro forma information has been prepared as if the acquisition had taken place on January 1, 2012. The unaudited pro forma information is not necessarily indicative of the results that we would have achieved had the transactions actually taken place on January 1, 2012, and the unaudited pro forma information does not purport to be indicative of future financial operating results.

	Pro forma for the six months ended June 30,	
	2012	2013
Net revenue	$131,178	$197,289
Net (loss) income	(7,947)	581
Net loss attributable to common stockholders	(10,630)	(2,438)
Net loss per share attributable to common stockholders (basic and diluted)	(10.63)	(2.16)

Unaudited pro forma net income has been calculated after adjusting the combined results of the Company to reflect additional intangible asset amortization expense of $51 and $17, for the six months ended June 30, 2012 and 2013, respectively.

NOTE 13 – DISCONTINUED OPERATIONS

During the six months ended June 30, 2013, we made the decision to close our branch in Oklahoma City, Oklahoma and our regrind facility in Newark, Ohio. The regrind facility existed to regrind materials to produce loosefill insulation. Substantially all materials subject to regrinding in this operation were provided by a single supplier. The contract under which the materials were obtained was terminated, which resulted in the facility being closed. During the six months ended June 30, 2012, we made the decision to close our branches in Erie, Pennsylvania and Knoxville, Tennessee. We have presented the operations of these closed branches and the regrind facility as discontinued operations in the Consolidated Statements of Operations for the six months ended June 30, 2012 and 2013.

(in thousands, except share amounts)

All closures made during the six months ended June 30, 2012 and 2013 were made in order to optimize capital and resource allocations and enhance our financial position. We have no continuing involvement with or cash flows from the closed branches and regrind facility. Further, the customers associated with closed branches and other operations will not be served by other branches. A summary of operations we discontinued in these markets for the six months ended June 30, 2012 and 2013 is as follows:

	Six months ended June 30,	
	2012	2013
Net revenue	$ 2,163	$ 723
Loss from discontinued operations, before income taxes	(320)	(773)
Income tax benefit	121	276
Loss from discontinued operations, after tax	$ (199)	$ (497)

NOTE 14 – LOSS PER COMMON SHARE

Basic net loss per share is calculated by dividing net loss attributable to common stockholders by the weighted average shares outstanding during the period, without consideration for common stock equivalents.

Diluted net loss per share is calculated by adjusting weighted average shares outstanding for the dilutive effect of common share equivalents outstanding for the period, determined using the treasury stock method. There were no common stock equivalents with a dilutive effect during the six months ended June 30, 2012 and 2013 and therefore, basic and diluted net loss per share were the same for all periods presented.

NOTE 15 – SUBSEQUENT EVENTS

We have evaluated events and transactions occurring subsequent to the balance sheet date of June 30, 2013 through December 9, 2013, the date on which the financial statements were issued, for items that should be recognized or disclosed in these Consolidated Financial Statements.

Effective November 30, 2013, the Employee Puts between Jeffrey Edwards and our other executive officers were terminated.

The Management Services and Fee Agreement, dated as of December 18, 2012, among the Company, Littlejohn Managers, LLC, Jeffrey Edwards, IBP Holding Company and TCI Holdings, LLC was terminated on November 22, 2013.

INSTALLED BUILDING PRODUCTS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except for par value and share amounts)
(unaudited)

	As of December 31, 2012	As of September 30, 2013
ASSETS		
Current assets		
Cash	$ 3,898	$ 5,270
Restricted cash	1,803	1,708
Accounts receivable (less allowance for doubtful accounts of $1,412 and $1,633 as of December 31, 2012 and September 30, 2013, respectively)	46,100	60,673
Accounts receivable, related parties	774	329
Inventories	16,718	19,538
Deferred income taxes	726	138
Prepaid expenses, related parties	396	—
Other current assets	5,353	6,077
Total current assets	75,768	93,733
Property and equipment, net	17,931	29,524
Other non-current assets		
Goodwill	49,146	49,146
Intangibles, net	15,023	13,934
Other non-current assets	2,884	3,350
Total non-current assets	67,053	66,430
Total assets	$ 160,752	$ 189,687
LIABILITIES, REDEEMABLE INSTRUMENTS AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current maturities of long-term debt	$ 186	$ 254
Current maturities of capital lease obligations	3,822	7,606
Accounts payable	34,330	42,142
Accounts payable, related parties	2,133	3,171
Income taxes payable	2,562	106
Accrued compensation	7,562	10,040
Other current liabilities	2,202	3,231
Total current liabilities	52,797	66,550
Long-term debt	17,705	24,259
Capital lease obligations, less current maturities	8,362	14,671
Put option – Series A Preferred Stock	782	505
Deferred income taxes	12,101	10,858
Other long-term liabilities	9,626	9,802
Total liabilities	101,373	126,645
Commitments and contingencies (Note 9)		
Series A Preferred Stock; $0.01 par value: 1,000 authorized, issued and outstanding as of December 31, 2012, and September 30, 2013, respectively	49,615	54,212
Redeemable Common Stock; $0.01 par value: 300,000 authorized, issued and outstanding as of December 31, 2012, and September 30, 2013, respectively	17,246	50,354
Stockholders' equity		
Common Stock; $0.01 par value: 1,394,916 shares authorized and 829,944 shares issued and outstanding as of December 31, 2012 and September 30, 2013, respectively	8	8
Additional paid in capital	3,983	—
Accumulated deficit	(11,473)	(41,532)
Total stockholders' equity	(7,482)	(41,524)
Total liabilities, redeemable instruments and stockholders' equity	$ 160,752	$ 189,687

See accompanying notes to condensed consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)
(unaudited)

	Nine months ended September 30,	
	2012	2013
Net revenue	$ 209,855	$ 312,599
Cost of sales	157,616	234,121
Gross profit	52,239	78,478
Operating expenses		
Selling	14,443	18,454
Administrative	41,274	49,183
Amortization	2,300	2,301
Other	(960)	—
Operating (loss) profit	(4,818)	8,540
Other expense (income)		
Interest expense	1,476	1,657
Other	(135)	(24)
	1,341	1,633
(Loss) income before income taxes	(6,159)	6,907
Income tax provision	510	2,646
Net (loss) income from continuing operations	(6,669)	4,261
Discontinued operations		
Loss from discontinued operations	530	960
Income tax benefit	(200)	(362)
Loss from discontinued operations, net of income taxes	330	598
Net (loss) income	$ (6,999)	$ 3,663
Accretion charges on Series A Redeemable Preferred Stock	(4,085)	(4,597)
Net loss attributable to common stockholders	$ (11,084)	$ (934)
Weighted average shares outstanding (basic and diluted)	1,015,176	1,129,944
Net loss per share (basic and diluted)		
Loss per share from continuing operations attributable to common stockholders (basic and diluted)	$ (10.59)	$ (0.30)
Loss per share from discontinued operations attributable to common stockholders (basic and diluted)	(0.33)	(0.53)
Loss per share attributable to common stockholders (basic and diluted)	$ (10.92)	$ (0.83)

See accompanying notes to condensed consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS
(in thousands, except share amounts)
(unaudited)

	Common Stock		Additional Paid In Capital	Accumulated Deficit	Stockholders' Equity	Pre-Recapitalization Redeemable Preferred Stock		Post-Recapitalization Redeemable Common Stock	
	Shares	Amount				Shares	Amount	Shares	Amount
January 1, 2012	700,000	$ 7	$ —	$ (9,567)	$ (9,560)	1,000	$ 44,086	300,000	$ 15,501
Issuance of common stock	129,944	1	4,099		4,100				
Stock-based compensation			4,647		4,647				
Net loss				(6,999)	(6,999)				
Accretion of Redeemable									
Preferred to Redemption Value			(4,085)		(4,085)		4,085		
Adjustments to Redeemable									
Common Stock fair value measurement			663		663				(663)
September 30, 2012	829,944	$ 8	$ 5,324	$ (16,566)	$ (11,234)	1,000	$ 48,171	300,000	$ 14,838

	Common Stock		Additional Paid In Capital	Accumulated Deficit	Stockholders' Equity	Redeemable Preferred Stock		Redeemable Common Stock	
	Shares	Amount				Shares	Amount	Shares	Amount
BALANCE – January 1, 2013	829,944	$ 8	$ 3,983	$ (11,473)	$ (7,482)	1,000	$49,615	300,000	$17,246
Net income				3,663	3,663				
Accretion of Redeemable Preferred to Redemption Value			(3,983)	(614)	(4,597)		4,597		
Adjustments to Redeemable Common Stock Value				(33,108)	(33,108)				33,108
BALANCE – September 30, 2013	829,944	$ 8	$ —	$ (41,532)	$ (41,524)	1,000	$54,212	300,000	$50,354

See accompanying notes to condensed consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Nine months ended September 30, 2012	2013
Cash flows from operating activities		
Cash provided by operations	$ (2,173)	$ 2,617
Net cash (used in) provided by operating activities	(2,173)	2,617
Cash flows from investing activities		
Restricted cash	—	95
Purchases of property and equipment	(1,381)	(2,072)
Acquisitions of businesses, net of cash acquired of $317 in 2012	317	(687)
Proceeds from sale of property and equipment	125	1,113
Proceeds from insurance	833	—
Net cash used in investing activities	(106)	(1,551)
Cash flows from financing activities		
(Payments) proceeds from revolving lines of credit, net	7,348	6,484
Payments on capital lease obligations	(1,938)	(4,595)
Principal payments on long-term debt	(15)	(473)
Payment for deferred offering costs	—	(1,110)
Net cash provided by financing activities	5,395	306
Net change in cash	3,116	1,372
Cash at beginning of year	2,528	3,898
Cash at end of year	$ 5,644	$ 5,270
Supplemental disclosure of noncash investing and financing activities		
Vehicles capitalized under capital leases and related lease obligations	$ 5,807	$ 15,374
Common stock issued for acquisition of business	4,100	—
Note payable issued in connection with acquisition of business	—	300
Unpaid deferred offering costs	—	899

See accompanying notes to condensed consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share amounts)
(unaudited)

NOTE 1 – ORGANIZATION

Installed Building Products, Inc. ("IBP", formerly CCIB Holdco, Inc.), a Delaware corporation formed on October 28, 2011, and its wholly owned subsidiaries (collectively referred to as the "Company" and "we", "us" and "our"), primarily install insulation, garage doors, rain gutters, shower doors, closet shelving and mirrors for residential and commercial builders located in the continental United States. IBP operates in over 100 locations within the continental United States and its corporate office is located in Columbus, Ohio.

We have one operating segment and a single reportable segment. Substantially all of our sales come from service based installation of various products in the existing and new residential and commercial construction end markets. Our branches has the capacity to serve all of our markets. For the nine months ended September 30, 2012, 85.6% of our net revenue was attributable to new and existing residential construction, whereas 14.4% was attributable to commercial construction. For the nine months ended September 30, 2013, 88.8% of our net revenue was attributable to new and existing residential construction, with the remaining 11.2% attributable to commercial construction. The Company has no international sales. All of the Company's identifiable assets are in the United States.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The Company prepares its condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The accompanying condensed consolidated financial statements include all wholly owned subsidiaries and majority owned subsidiaries. The non-controlling interest relating to majority owned subsidiaries is not significant for presentation. All significant intercompany accounts and transactions have been eliminated. In our opinion, the accompanying unaudited condensed consolidated financial statements contain all adjustments, of a normal recurring nature, necessary to present fairly its financial position as of September 30, 2013 and the results of operations for nine months ended September 30, 2013 and 2012 and cash flows for the nine months ended September 30, 2013 and 2012. The condensed consolidated balance sheet as of December 31, 2012 was derived from audited financial statements. The results of operations for the interim periods are not necessarily indicative of the results for the entire fiscal year. The interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements, including the notes thereto, included elsewhere in this prospectus.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was $1,493 and $1,099 for the nine months ended September 30, 2012 and 2013, respectively, and is included in selling expense on the Condensed Consolidated Statements of Operations.

Recently Issued Accounting Pronouncements Not Yet Adopted

As of September 30, 2013, there are no recently issued accounting standards not yet adopted that would have a material effect on the Company's financial statements.

INSTALLED BUILDING PRODUCTS, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share amounts)
(unaudited)

NOTE 3 – GOODWILL AND INTANGIBLES

The Company's goodwill was tested for impairment as of December 31, 2012. Going forward we have moved our goodwill impairment assessment date to October 1. No impairment was recognized in either period.

Intangibles, net

The following table provides the gross carrying amount and accumulated amortization for each major class of intangibles:

	As of December 31, 2012			As of September 30, 2013		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Amortized intangibles:						
Customer relationships	$20,439	$ 12,425	$ 8,014	$21,268	$ 13,914	$ 7,354
Non-competition agreements	1,021	761	260	1,053	835	218
Trademarks and trade names	11,545	4,796	6,749	11,825	5,463	6,362
	$33,005	$ 17,982	$15,023	$34,144	$ 20,212	$13,934

Amortization expense on intangible assets totalled $2,300 and $2,301 for the nine months ended September 30, 2012 and 2013. Remaining estimated aggregate annual amortization expense is as follows:

2013	754
2014	2,636
2015	2,433
2016	2,090
2017	1,501
Thereafter	4,520

NOTE 4 – LONG-TERM DEBT

Debt consists of the following:

	As of December 31, 2012	As of September 30, 2013
Revolving Lines of Credit	$ 17,231	$ 23,715
Various notes payable, maturing through December 2016; payable in various monthly installments, including interest rates ranging from 1.0% to 8.5%	660	798
	17,891	24,513
Less: current maturities	(186)	(254)
Long-term debt, less current maturities	$ 17,705	$ 24,259

We are a party to a revolving loan and security agreement with a lender (the "Credit Agreement"). The Credit Agreement provides for a Revolving Line of Credit (the "LOC") with a maximum limit of $50,000. The LOC is due May 4, 2016 with interest at either 1) the Eurodollar rate ("LIBOR") or 2) the Alternate Base Rate (which

approximates the Prime Rate), plus a margin based on the type of rate applied. The Company had $16,000 outstanding on the LOC at 1-month LIBOR including margin (2.25%-3.75%) as of December 31, 2012. The Company had $23,000 outstanding on the LOC at 1-month LIBOR including margin (2.25%) as of September 30, 2013. The Company had $1,231 and $715 outstanding on the LOC at the Alternate Base Rate including margin (4.25%) as of December 31, 2012 and September 30, 2013, respectively.

The LOC permits borrowings based on a stated percentage of eligible accounts receivable and inventories. The borrowings on the LOC are also subject to a minimum availability reserve. The Company had available borrowings of $15,492 and $19,008 under its LOC as of December 31, 2012 and September 30, 2013, respectively. In addition, the Company is required to pay a monthly fee of 0.375% per annum on the average unused commitment under the LOC. Amounts outstanding under the Credit Agreement are collateralized by a first lien security position on all assets, including, but not limited to, all real estate, property, equipment, receivables, and inventories.

The Credit Agreement also contains various restrictive non-financial covenants that include more frequent borrowing base reporting if the minimum availability falls below a certain threshold, and several limitations on specific changes that would result in incurring additional debts or pledging the Company's assets, including restrictions on distributions to be made to our stockholders. The Credit Agreement also contains a provision that upon a change in control or an event of default (as defined within the Credit Agreement), amounts outstanding under the LOC would bear interest at the rate as determined above plus 2%.

The Credit Agreement also allows the Company to issue Letters of Credit not to exceed $10,000 in the aggregate. To support the Company's insurance programs, there were outstanding Letters of Credit of $7,278 as of December 31, 2012 and September 30, 2013.

NOTE 5 – FAIR VALUE MEASUREMENTS

Fair Values

Fair value is the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The standard establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

(in thousands, except share amounts)

Assets and Liabilities Measured at Fair Value on a Recurring Basis

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. During the periods presented, there were no transfers between fair value hierarchical levels.

	Balance as of December 31, 2012	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 782	$ —	$ —	$ 782
Redeemable Common Stock	17,246	—	—	17,246
Total items measured at fair value on a recurring basis	$ 18,028	$ —	$ —	$ 18,028

	Balance as of September 30, 2013	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 505	$ —	$ —	$ 505
Redeemable Common Stock	50,354	—	—	50,354
Total items measured at fair value on a recurring basis	$ 50,859	$ —	$ —	$ 50,859

The following is a general description of the valuation methodologies used for liabilities and mezzanine equity (which includes preferred redeemable and common stock) items measured at fair value:

Put option – Series A Preferred Stock – The Company identified a certain embedded feature in the Series A Preferred Stock that was required to be bifurcated and accounted for as a derivative. The identified put option allows Series A Preferred stockholders to put their shares upon a change in control. The estimated fair value of the put option on Series A Preferred Stock is determined using our estimates of the probability of a change in control during each period the option is outstanding in combination with the accreted fair value of the Series A Preferred Stock during the option period. Those resulting probabilities are then calculated at net present value. An increase in the probability of the change in control would increase the fair value of the embedded derivative.

Redeemable Common Stock – The estimated fair value of the redeemable feature of certain shares of our outstanding common stock is determined using a combination of discounted cash flows and market multiple approach modeling. The fair value is estimated using this method to mark the Redeemable Common Stock to market at each period end. The weighted average cost of capital (“WACC”) used was 13% and 16% for the year ended December 31, 2012 and the nine months ended September 30, 2013, respectively, and an increase in the WACC would decrease the fair value of the Redeemable Common Stock.

Changes in the fair value of recurring fair value measurements using significant unobservable inputs (Level 3) for the nine months ended September 30, 2013 were as follows (in thousands):

Balance as of January 1, 2012	$16,426
Adjustments to fair value measurement impacting the Statement of Stockholders' Equity and Redeemable Instruments	(663)
Adjustments to fair value measurement impacting the Statement of Operations	(120)
Balance as of September 30, 2012	$15,643
Balance as of January 1, 2013	$18,028
Adjustments to fair value measurement impacting the Statement of Stockholders' Equity and Redeemable Instruments	$33,108
Adjustments to fair value measurement impacting the Statement of Operations	(277)
Balance as of September 30, 2013	$50,859

The unrealized gain related to the put option liabilities is recorded within other expense (income) on the Condensed Consolidated Statements of Operations.

NOTE 6 – STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS

As of December 31, 2012, and September 30, 2013 we had 1,694,916 shares of common stock authorized, 1,129,944 shares of common stock issued and outstanding and 1,000 shares of Series A Preferred Stock, authorized, issued and outstanding, all with par value of $0.01.

NOTE 7 – INCOME TAXES

Our effective tax rate on income from continuing operations was 38.3% for the nine months ended September 30, 2013. The difference between the statutory rate and the effective tax rate is primarily due to the deduction for domestic production activities and the effect of state and local income taxes.

The effective tax rate on loss from continuing operations was 8.3% for the nine months ended September 30, 2012. The difference between the statutory rate and the effective rate was primarily due to non-deductible stock compensation and the deduction for the domestic production activity.

As of September 30, 2013, we have federal and state income tax net operating loss (NOL) carryforwards of $688.

We assess the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets on a jurisdiction and by tax filing entity. A significant piece of objective negative evidence evaluated was the cumulative loss incurred over the three year period ended December 31, 2012 for the tax filing entities with a deferred tax asset. Such objective evidence limits the ability to consider other subjective evidence such as our projections for future growth.

Based on this evaluation, a valuation allowance of $352 has been recorded as of September 30, 2013 in order to realize only the portion of the deferred tax asset that more likely than not will be realized for certain tax filing entities. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of

(in thousands, except share amounts)

future taxable income during the carryforward period change of if objective negative evidence in the form of cumulative losses is no longer present and additional weight may be given to subjective evidence such as our projections for growth.

After the evaluation of all our tax filing positions, both federal and state, we have recorded a long-term liability of $559 for uncertain tax positions as of September 30, 2013. If future tax law changes or interpretations should come to light, or additional information should become known, this conclusion may change.

The Company is subject to taxation in the United States and various state jurisdictions. As of September 30, 2013 the Company's tax years for 2010, 2011 and 2012 are subject to examination by the tax authorities.

NOTE 8 – RELATED PARTY TRANSACTIONS

We sell installation services to other companies related through common or affiliated ownership. We also purchase services and materials and pay rent to companies with common or related ownership.

We lease our headquarters and other facilities from certain related parties. Refer to Note 9, Commitments and Contingencies, for future minimum lease payments to be paid to these related parties.

For the nine months ended September 30, 2012 and 2013, the amount of sales to common or related parties as well as the purchases from and rent paid to these common or related parties are as follows:

	Nine months ended September 30,	
	2012	2013
Sales	$ 1,347	$ 901
Purchases	661	9,622
Rent	181	518

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Leases

We are obligated under capital leases covering vehicles and certain equipment. Total assets relating to capital leases were $39,364 and $52,697 as of December 31, 2012 and September 30, 2013, respectively, and a total of $23,033 and $21,771 were fully depreciated as of December 31, 2012 and September 30, 2013, respectively. The vehicles and equipment leases generally have terms ranging from four to six years. The net book value of assets under capital leases was $12,694 and $23,707 as of December 31, 2012 and September 30, 2013, respectively, net of accumulated depreciation of $26,670 and $28,990, respectively. Amortization of assets held under capital leases is included within depreciation expense on the Condensed Consolidated Statements of Operations.

We also have several noncancellable operating leases, primarily for buildings, improvements, equipment and certain vehicles. These leases generally contain renewal options for periods ranging from one to five years and require the Company to pay all executory costs such as property taxes, maintenance and insurance.

(in thousands, except share amounts)

Total rent expense under these operating leases for the nine months ended September 30, 2012 and 2013 was $4,538 and $5,320 respectively, which is included in the Condensed Consolidated Statements of Operations as follows:

	Nine Months Ended	
	September 30, 2012	September 30, 2013
Cost of Sales	$ 310	$ 445
Selling	86	24
Administrative	4,142	4,851
Total	$ 4,538	$ 5,320

Supply Contract Commitments

As of December 31, 2012 and September 30, 2013, we had two product supply contracts with minimum purchase requirements at market rates. The terms of the contracts extend through December 31, 2014 and August 31, 2017. The contract commitments are disclosed in the table below. We expect our quantity purchases to exceed the minimum quantity commitments for all years covered by the contracts. Actual purchases made under the contracts for the nine months ended September 30, 2012 and 2013 were $7,445 and $20,393, respectively. Purchase obligations under the contracts as of September 30, 2013 were as follows:

	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Purchase Obligations	$6,033	$ 4,782	$ 1,250	$ —	$ —

Other Commitments and Contingencies

A class action lawsuit was filed on February 11, 2013 and an amended complaint was filed on May 15, 2013 in the Superior Court of King County, Washington, against us, alleging violations of Washington State wage and hour laws for failure to pay prevailing and minimum wage and overtime wages. The plaintiffs are former insulation installers for Installed Building Products II, LLC, one of our subsidiaries, in Washington who seek to represent all similarly situated workers. They seek all unpaid wages, along with litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

A lawsuit was filed on July 23, 2013 in federal court in the Middle District of Tennessee against one of our subsidiaries, TCI Contracting, LLC (“TCI”) d/b/a Installed Building Products of Nashville, alleging unpaid overtime and failure to pay lawful wages under federal law, Tennessee common law and in unjust enrichment and in breach of an alleged contract. The named plaintiffs are former insulation installers in Nashville. The plaintiffs seek to have this case certified as a collective action under the Federal Fair Labor Standards Act and as a class action under Tennessee law. They seek reimbursement of the overtime wages for all time worked over forty hours each week, as well as liquidated damages and litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

The ultimate liabilities, if any, with respect to the two employment-related cases disclosed above cannot be determined at this time, and we are currently unable to estimate a range of reasonably possible losses associated with the litigation. As such, we have not accrued a liability relating to these matters as of September 30, 2013.

(in thousands, except share amounts)

NOTE 10 – BUSINESS COMBINATIONS

As part of our ongoing strategy to increase market share in certain markets, we acquired TCI during the nine months ended September 30, 2012, and we acquired Ace Insulation ("Ace") during the nine months ended September 30, 2013. The revenue and net income of TCI since the date of acquisition included in the Company's Condensed Consolidated Statement of Operations for the nine months ended September 30, 2012 were $3,024 and $148, respectively.

The estimated fair values of the assets acquired and liabilities assumed for both the TCI and Ace acquisitions approximated the following:

	TCI	Ace
Cash	$ 317	$ —
Accounts receivable	3,880	213
Inventory	1,984	14
Other current assets	244	—
Property and equipment	285	263
Intangibles	4,390	1,106
Goodwill	834	—
Accounts payable and accrued expenses	(5,815)	(609)
Deferred tax liability	(1,387)	—
Long-term debt	(61)	—
Total purchase price	4,671	987
Value of common stock issued	4,100	—
Seller notes and obligations	571	300
Cash paid	—	687
Total purchase price	$ 4,671	$ 987

Estimates of acquired intangible assets related to the acquisitions are as follows:

	TCI		Ace	
Acquired Intangible Assets	Estimated fair value	Weighted average estimated useful life (yrs)	Estimated fair value	Weighted average estimated useful life (yrs)
Customer relationships	$ 2,500	10	$ 826	10
Trademarks and trade names	1,820	8	280	15
Non-competition agreements	70	2	—	—

(in thousands, except share amounts)

Pro Forma Information

The unaudited pro forma information has been prepared as if the acquisition had taken place on January 1, 2012. The unaudited pro forma information is not necessarily indicative of the results that we would have achieved had the transactions actually taken place on January 1, 2012, and the unaudited pro forma information does not purport to be indicative of future financial operating results.

	Pro forma for the nine months ended September 30,	
	2012	2013
Net revenue	$ 241,752	$ 313,239
Net (loss) income	(8,495)	3,548
Net loss attributable to common stockholders	(12,580)	(1,049)
Net loss per share attributable to common stockholders (basic and diluted)	(11.13)	(0.93)

Unaudited pro forma net income has been calculated after adjusting the combined results of the Company to reflect additional intangible asset amortization expense of $(494) and $(17) for the nine months ended September 30, 2012 and 2013, respectively.

NOTE 11 – DISCONTINUED OPERATIONS

During the nine months ended September 30, 2013, we made the decision to close our branches in Oklahoma City, Oklahoma, Williston, North Dakota and our regrind facility in Newark, Ohio. The regrind facility existed to regrind materials to produce loosefill insulation. Substantially all materials subject to regrinding in this operation were provided by a single supplier. The contract under which the materials were obtained was terminated, which resulted in the facility being closed. During the nine months ended September 30, 2012, we made the decision to close our branches in Erie, Pennsylvania and Knoxville, Tennessee. We have presented the operations of these closed branches and regrind facility as discontinued operations in the Condensed Consolidated Statements of Operations for the nine months ended September 30, 2012 and 2013.

All branch closures made during the nine months ended September 30, 2012 and 2013 were made in order to optimize capital and resource allocations and enhance our financial position. We have no continuing involvement with or cash flows from the closed branches and regrind facility. Further, the customers associated with closed branches and other operations will not be served by other branches. A summary of operations we discontinued in these markets for the nine months ended September 30, 2012 and 2013 is as follows:

	Nine months ended September 30,	
	2012	2013
Net revenue	$ 3,056	$ 765
Loss from discontinued operations, before income taxes	(530)	(960)
Income tax benefit	200	362
Loss from discontinued operations, after tax	$ (330)	$ (598)

INSTALLED BUILDING PRODUCTS, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share amounts)
(unaudited)

NOTE 12 – LOSS PER COMMON SHARE

Basic net loss per share is calculated by dividing net loss attributable to common stockholders by the weighted average shares outstanding during the period, without consideration for common stock equivalents.

Diluted net loss per share is calculated by adjusting weighted average shares outstanding for the dilutive effect of common share equivalents outstanding for the period, determined using the treasury stock method. There were no common stock equivalents with a dilutive effect during the nine months ended September 30, 2012 and 2013 and therefore, basic and diluted net loss per share were the same for all periods presented.

NOTE 13 – SUBSEQUENT EVENTS

We have evaluated events and transactions occurring subsequent to the balance sheet date of September 30, 2013 through December 9, 2013, the date on which the financial statements were issued, for items that should be recognized or disclosed in these Condensed Consolidated Financial Statements.

Effective November 30, 2013, the Employee Puts between Jeffrey Edwards and our other executive officers were terminated.

The Management Services and Fee Agreement, dated as of December 18, 2012, among the Company, Littlejohn Managers, LLC, Jeffrey Edwards, IBP Holding Company and TCI Holdings, LLC was terminated on November 22, 2013.

Dealer Prospectus Delivery Obligation

Until , 2014 (the 25th day after the date of this prospectus), all dealers that buy, sell, or trade shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligations of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Joint Bookrunning Managers

Deutsche Bank Securities **UBS Investment Bank**

Lead Manager

Zelman Partners LLC

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the costs and expenses, other than the underwriting discount, payable in connection with the sale of common stock being registered. All amounts shown are estimates, except the Securities and Exchange Commission registration fee, the Financial Industry Regulatory Authority filing fee and the New York Stock Exchange listing fee.

Securities and Exchange Commission registration fee	$12,880
Financial Industry Regulatory Authority filing fee	15,500
New York Stock Exchange listing fee	25,000
Legal fees and expenses	*
Accountants' fees and expenses	*
Printing expenses	*
Transfer agent and registrar fees and expenses	10,000
Miscellaneous	*
Total	$ *

* To be provided by amendment.

Item 14. Indemnification of Directors and Officers.

We are incorporated under the laws of the state of Delaware. Section 145 of the Delaware General Corporation Law provides that a Delaware corporation may indemnify any persons who are, or are threatened to be made, parties to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person was an officer, director, employee or agent of such corporation, or is or was serving at the request of such person as an officer, director, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided that such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was illegal. A Delaware corporation may indemnify any persons who are, or are threatened to be made, a party to any threatened, pending or completed action or suit by or in the right of the corporation by reason of the fact that such person was a director, officer, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit provided such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests except that no indemnification is permitted without judicial approval if the officer or director is adjudged to be liable to the corporation. Where an officer or director is successful on the merits or otherwise in the defense of any action referred to above, the corporation must indemnify him or her against the expenses that such officer or director has actually and reasonably incurred. Our charter and amended and restated bylaws provide for the indemnification of our directors and officers to the fullest extent permitted under the Delaware General Corporation Law.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duties as a director, except for liability for:

- any breach of the director's duty of loyalty to us or our stockholders;

- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- any act related to unlawful stock repurchases, redemptions or other distributions or payment of dividends; or
- any transaction from which the director derived an improper personal benefit.

These limitations of liability do not affect the availability of equitable remedies such as injunctive relief or rescission. Our charter also authorizes us to indemnify our officers, directors and other agents to the fullest extent permitted under Delaware law.

As permitted by Section 145 of the Delaware General Corporation Law, our amended and restated bylaws provide that:

- we may indemnify our directors, officers and employees to the fullest extent permitted by the Delaware General Corporation Law, subject to limited exceptions;
- we may advance expenses to our directors, officers and employees in connection with a legal proceeding to the fullest extent permitted by the Delaware General Corporation Law, subject to limited exceptions; and
- the rights provided in our amended and restated bylaws are not exclusive.

Section 174 of the Delaware General Corporation Law provides, among other things, that a director who willfully or negligently approves of an unlawful payment of dividends or an unlawful stock purchase or redemption may be held liable for such actions. A director who was either absent when the unlawful actions were approved, or dissented at the time, may avoid liability by causing his or her dissent to such actions to be entered in the books containing minutes of the meetings of the board of directors at the time such action occurred or immediately after such absent director receives notice of the unlawful acts.

As permitted by the Delaware General Corporation Law, we have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by our board of directors. Under the terms of our indemnification agreements, we are required to indemnify each of our directors and officers, to the fullest extent permitted by the laws of the state of Delaware, if the basis of the indemnitee's involvement was by reason of the fact that the indemnitee is or was a director, or officer, of the Company or any of its subsidiaries or was serving at the Company's request in an official capacity for another entity. We must indemnify our officers and directors against (1) attorneys' fees and (2) all other costs of any type or nature whatsoever, including any and all expenses and obligations paid or incurred in connection with investigating, defending, being a witness in, participating in (including on appeal), or preparing to defend, be a witness or participate in any completed, actual, pending or threatened action, suit, claim or proceeding, whether civil, criminal, administrative or investigative, or establishing or enforcing a right to indemnification under the indemnification agreement. The indemnification agreements also set forth certain procedures that will apply in the event of a claim for indemnification thereunder. These indemnification provisions and the indemnification agreements may be sufficiently broad to permit indemnification of our officers and directors for liabilities, including reimbursement of expenses incurred, arising under the Securities Act of 1933, as amended, or the Securities Act.

In addition, we have purchased a policy of directors' and officers' liability insurance that insures our directors and officers against the cost of defense, settlement or payment of a judgment in some circumstances.

The form of Underwriting Agreement, to be filed as Exhibit 1.1 hereto, provides for indemnification by the underwriters of us and our officers who sign this Registration Statement and directors for specified liabilities, including matters arising under the Securities Act.

Item 15. Recent Sales of Unregistered Securities.

During the three-year period preceding the date of filing of this registration statement, we have issued securities in the transactions described below without registration under the Securities Act.

1. On November 4, 2011 and in connection with our recapitalization, we issued (i) 19,600 shares of our common stock to IBP Management Holdings, LLC; (ii) 300,000 shares of our common stock to Cetus Capital II, LLC; (iii) 680,400 shares of our common stock to IBP Investment Holdings, LLC; and (iv) 1,000 shares of our Series A preferred stock to Cetus Capital II, LLC. Pursuant to the terms of the recapitalization, these securities were issued in exchange for the cancellation of indebtedness of approximately $126.5 million and contributions from stockholders of approximately $12.0 million.

2. On August 31, 2012, we issued an aggregate of 129,944 shares of our common stock to TCI Holdings, LLC in connection with our acquisition of TCI Contracting, LLC. The total purchase price for TCI Contracting, LLC was $4.7 million, consisting of the 129,944 shares of our common stock, valued in the aggregate at $4.1 million, and $0.6 million in cash.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or any public offering, and the Registrant believes each transaction was exempt from the registration requirements of the Securities Act in reliance upon Section 4(2) of the Securities Act or Regulation D promulgated under the Securities Act. Furthermore, the Registrant affixed appropriate legends to the share certificates and instruments issued in each foregoing transaction setting forth that the securities had not been registered and the applicable restrictions on transfer.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits. See the Exhibit Index attached to this Registration Statement, which is incorporated by reference herein.

(b) Financial Statement Schedules. Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or the notes thereto.

Item 17. Undertakings.

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) for purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act of 1933 shall be deemed to be part of this registration statement as of the time it was declared effective; and

(2) for the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this Registration Statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Columbus, in the State of Ohio, on this day of January 27, 2014.

INSTALLED BUILDING PRODUCTS, INC.

By: /s/ Jeffrey W. Edwards
Jeffrey W. Edwards
President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement on Form S-1 has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Jeffrey W. Edwards Jeffrey W. Edwards	President, Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)	January 27, 2014
/s/ Michael T. Miller Michael T. Miller	Executive Vice President, Chief Financial Officer and Director (Principal Financial Officer and Principal Accounting Officer)	January 27, 2014
* Steven G. Raich	Director	January 27, 2014
* J. Michael Nixon	Director	January 27, 2014

*By: /s/ Jeffrey W. Edwards
Name: Jeffrey W. Edwards
Title: Attorney-in-fact

INDEX TO EXHIBITS

Exhibit Number	Description
1.1	Form of Underwriting Agreement.*
3.1	Certificate of Incorporation of Installed Building Products, Inc., as amended, currently in effect.^
3.2	Form of Amended and Restated Certificate of Incorporation of Installed Building Products, Inc., to be in effect immediately prior to the completion of this offering.
3.3	Bylaws of Installed Building Products, Inc., currently in effect.^
3.4	Form of Amended and Restated Bylaws of Installed Building Products, Inc., to be in effect immediately prior to the completion of this offering.
4.1	Form of Common Stock Certificate.
4.2	Rights Agreement, dated as of November 4, 2011, by and among OCM IBP Holdings, Inc., CCIB Holdco, Inc. and Cetus Capital II, LLC.^
4.3	Form of Registration Rights Agreement dated as of November 6, 2013 by and among Installed Building Products, Inc., Cetus Capital II, LLC, IBP Investment Holdings, LLC, IBP Management Holdings, LLC and TCI Holdings, LLC.^
4.4	Stockholders Agreement, dated as of November 4, 2011.^
4.5	Omnibus Agreement to Stockholders' Agreement, dated as of August 31, 2012.^
4.6	Amendment to Stockholders Agreement, dated as of January 27, 2014.
4.7	Recapitalization and Exchange Agreement by and between CCIB Holdco, Inc. and Cetus Capital II, LLC, dated as of November 4, 2011.
4.8	Amendment No. 1 to the Recapitalization and Exchange Agreement, dated as of January 27, 2014.
5.1	Opinion of Proskauer Rose LLP.*
10.1	Form of Indemnification Agreement for directors and officers.
10.2	Loan and Security Agreement with Bank of America, N.A., dated as of November 4, 2011.^
10.3	First Amendment to Loan and Security Agreement with Bank of America, N.A., dated as of April 20, 2012.^
10.4	Second Amendment to Loan and Security Agreement with Bank of America, N.A., dated as of August 31, 2012.^
10.5	Third Amendment to Loan and Security Agreement with Bank of America, N.A., dated as of October 22, 2012.^
10.6	Fourth Amendment to Loan and Security Agreement with Bank of America, N.A., dated as of December 21, 2012.^
10.7	Fifth Amendment to Loan and Security Agreement with Bank of America, N.A., dated as of July 30, 2013.^
10. 8	Second Amended and Restated Management Agreement, dated as of April 30, 2010, among IBP Holding Company, Installed Building Products, LLC, OCM IBP Holdings, Inc., Stonehenge Opportunity Fund LLC, Primus IBP Investment, LLC and Primus Executive Fund V Limited Partnership.^
10. 9	Amendment to Second Amended and Restated Management Agreement, dated as of November 4, 2011, among IBP Holding Company, Installed Building Products, LLC, OCM IBP Holdings, Inc., Stonehenge Opportunity Fund LLC, Primus IBP Investment, LLC and Primus Executive Fund V Limited Partnership and Cetus Capital II LLC as successor in interest to JP Morgan Chase Bank, N.A. as Agent.^

Exhibit Number	Description
10.10	Management Agreement, dated as of October 29, 2007, by and among IBP Holding Company, Installed Building Products II, LLC, Stonehenge Opportunity Fund LLC, Mezzanine Opportunities LLC, Primus IBP Investment, LLC, Primus Executive Fund V Limited Partnership, OCM IBP Holdings II, Inc. and Fifth Third Bank.^
10.11	Amendment to Management Agreement, dated as of November 4, 2011, by and among IBP Holding Company, Installed Building Products II, LLC, Stonehenge Opportunity Fund LLC, Mezzanine Opportunities LLC, Primus IBP Investment, LLC, Primus Executive Fund V Limited Partnership, OCM IBP Holdings II, Inc. and Fifth Third Bank.^
10.12	Contribution and Exchange Agreement, dated as of November 4, 2011, by and among CCIB Holdco, Inc., IBHL A Holding Company, Inc., IBHL B Holding Company, Inc. and IBP Holdings, LLC.^
10.13	Membership Interest Purchase Agreement, dated as of August 31, 2012, by and among Installed Building Products, LLC, CCIB Holdco, Inc., and GNV Holdings, LLC (now known as TCI Holdings, LLC).^
10.14	Management Services and Fee Agreement, dated as of December 18, 2012, among Littlejohn Managers, LLC, Jeff Edwards, IBP Holding Company, GNV Holdings, LLC (now known as TCI Holdings, LLC) and CCIB Holdco, Inc. #^
10.15	Termination of Management Services and Fee Agreement, dated November 22, 2013. #^
10.16	Employment Agreement, dated as of March 7, 2002, by and between Installed Building Products, Inc. and Jay Elliott. #^
10.17	Amendment to Employment Agreement, dated as of February 12, 2009, by and between Installed Building Products, Inc. and Jay Elliott. #^
10.18	Termination Agreement, dated October 1, 2013, by and between Installed Building Products, LLC and Jay Elliott. #^
10.19	Consulting Agreement, dated as of March 2004, by and between Installed Building Products, Inc. and Jeff Edwards. #^
10.20	Employment Agreement, dated as of November 1, 2013, by and between Installed Building Products, Inc. and Jeff Edwards. #^
10.21	Installed Building Products, Inc. 2014 Omnibus Incentive Plan. #
21.1	List of Subsidiaries of Installed Building Products, Inc.
23.1	Consent of independent registered public accounting firm (Deloitte & Touche LLP).
23.2	Consent of independent registered public accounting firm (Crowe Horwath LLP).
23.4	Consent of Proskauer Rose LLP (included in Exhibit 5.1).*
24.1	Power of Attorney. Reference is made to the signature page to the Registration Statement.^
99.1	Consent of Lawrence A. Hilsheimer
99.2	Consent of Michael H. Thomas, Director Nominee

* To be filed by amendment.
^ Previously filed.
Indicates management contract or compensatory plan.

FORM OF AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

INSTALLED BUILDING PRODUCTS, INC.

The undersigned, for the purposes of restating the Certificate of Incorporation of Installed Building Products, Inc., a Delaware corporation (the "**Corporation**"), as heretofore amended, supplemented and restated, does hereby certify that:

I. On October 28, 2011, the Corporation (under the name "**CCIB Holdco, Inc.**") filed its original Certificate of Incorporation with the Secretary of State of the State of Delaware, thereby causing the Corporation to become organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "**DGCL**").

II. On November 10, 2011, the Corporation filed a Certificate of Amendment with the Secretary of State of the State of Delaware changing the definition of "**Series A Preferred Original Issue Price**" from $25,263.251 per share to $25,245.2862 per share (in each case subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization).

III. On April 20, 2012, the Corporation filed a Certificate of Amendment with the Secretary of State of the State of Delaware increasing the aggregate number of shares of capital stock that the Corporation is authorized to issue from 1,001,000 to 1,501,000.

IV. On August 31, 2012, the Corporation filed a Certificate of Amendment with the Secretary of State of the State of Delaware further increasing the aggregate number of shares of capital stock that the Corporation is authorized to issue from 1,501,000 to 1,695,916.

V. On June 21, 2013, the Corporation filed a Certificate of Amendment with the Secretary of State of the State of Delaware changing the name of the Corporation from CCIB Holdco, Inc. to Installed Building Products, Inc.

VI. This Amended and Restated Certificate of Incorporation (this "**Amended and Restated Certificate of Incorporation**") was duly adopted by the Corporation in accordance with Section 245 of the DGCL.

VII. The text of the Certificate of Incorporation of the Corporation, as heretofore amended, supplemented and restated, is hereby restated to read in its entirety as follows:

ARTICLE I

NAME

The name of the Corporation is: Installed Building Products, Inc. (the "**Corporation**").

ARTICLE II

REGISTERED OFFICE AND AGENT

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The name of the Corporation's registered agent at such address is The Corporation Trust Company.

ARTICLE III

PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the "**DGCL**").

ARTICLE IV

CAPITAL STOCK

The aggregate number of shares which the Corporation shall have authority to issue is [ ] shares consisting of:

1. 100,000,000 shares of Common Stock, $0.01 par value per share (the "**Common Stock**"); and

2. 5,001,000 shares of Preferred Stock, $0.01 par value per share (the "**Preferred Stock**"), 1,000 shares of which are designated as "**Series A Preferred Stock**."

Upon filing of this Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware (the "**Effective Time**"), each then-outstanding share of Common Stock ("**Old Common Stock**") shall be automatically converted into [—] validly issued, fully paid and non-assessable shares of Common Stock without any further action by the Corporation or the holder of such shares of Old Common Stock (the "**Common Stock Split**"). Each stock certificate representing shares of Old Common Stock shall thereafter represent a number of shares of Common Stock equal to the same number of shares of Old Common Stock previously represented by such stock certificate, multiplied by [—] and rounded down to the nearest whole number; provided, however, that each person holding of record a stock certificate or certificates that represented shares of Old Common Stock shall receive, upon surrender of such certificate or certificates, a new certificate or certificates evidencing and representing the number of whole shares of Common Stock to which such person is entitled as a result of the

Common Stock Split based on the aggregate number of shares of Old Common Stock held by such person. No fractional interest in a share of Common Stock shall be deliverable upon the Common Stock Split. Stockholders who otherwise would have been entitled to receive any fractional interest in a share of Common Stock, in lieu of receipt of such fractional interest, shall be entitled to receive from the Corporation an amount in cash equal to the fair value of such fractional interest as of the Effective Time. All share numbers, dollar amounts and other provisions set forth herein give effect to the Common Stock Split.

Section 1. Common Stock.

(a) Each share of Common Stock issued and outstanding shall be identical in all respects one with the other and no dividends shall be paid on any shares of Common Stock unless the same dividend is paid on all shares of Common Stock outstanding at the time of such payment.

(b) Except for and subject to those rights expressly granted to the holders of the Preferred Stock, or except as may be provided by the DGCL, the holders of Common Stock shall have exclusively all other rights of stockholders, including, but not by way of limitation, (i) the right to receive dividends, when, as and if declared by the Board of Directors out of assets lawfully available therefor, and (ii) in the event of any distribution of assets upon liquidation, dissolution or winding up of the Corporation or otherwise, the right to receive ratably and equally all the assets and funds of the Corporation remaining after payment of all of the Corporation's debts and other liabilities and payment to the holders of any then outstanding shares of Preferred Stock of the specific amounts that they are entitled to receive upon such liquidation, dissolution or winding up of the Corporation as herein provided.

(c) Each holder of shares of Common Stock shall be entitled to one (1) vote for each share of such Common Stock held by such holder, and voting power with respect to all classes of securities of the Corporation shall be vested solely in the Common Stock, other than as specifically provided in this Amended and Restated Certificate of Incorporation, as it may be amended, with respect to the Preferred Stock.

(d) The Common Stock shall not be convertible into, or exchangeable for, shares of any other class or classes or of any other series of the same class of the Corporation's capital stock.

(e) No holder of Common Stock shall have any preemptive rights with respect to the Common Stock or any other securities of the Corporation or to any obligations convertible (directly or indirectly) into securities of the Corporation whether now or hereafter authorized.

Section 2. Preferred Stock.

Authority is hereby vested in the Board of Directors of the Corporation to provide for the issuance of Preferred Stock in one or more series and in connection therewith to fix by resolution providing for the issue of any such series, the number of shares to be included and such of the preferences and relative participating, optional or other special rights and limitations of such series, including, without limitation, rights of redemption or conversion into Common Stock, to the fullest extent now or hereafter permitted by the DGCL. The authority of the Board of Directors with respect to each series of Preferred Stock shall include, but not be limited to, determination of the following:

(i) the designation of the series, which may be by distinguishing number, letter or title;

(ii) the number of shares of the series, which number the Board of Directors may thereafter increase or decrease (but not below the number of shares thereof then outstanding);

(iii) whether dividends, if any, shall be cumulative or noncumulative and the dividend rate of the series;

(iv) dates at which dividends, if any, shall be payable;

(v) the redemption rights and price or prices, if any, for shares of the series;

(vi) the terms and amount of any sinking fund provided for the purchase or redemption of shares of the series;

(vii) the amounts payable on, and the preferences, if any, of shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation;

(viii) whether the shares of the series shall be convertible into shares of any other class or series, or any other security, of the Corporation or any other entity, and, if so, the specification of such other class or series of such other security, the conversion price or prices or rate or rates, any adjustments thereof, the date or dates at which such shares shall be convertible and all other terms and conditions upon which such conversion may be made;

(ix) restrictions on the issuance of shares of the same series or of any other class or series;

(x) the voting rights, if any, of the holders of shares of the series; and

(xi) such other powers, privileges, preferences and rights, and qualifications, limitations and restrictions thereof, as the Board of Directors shall determine.

Section 3. Series A Preferred Stock.

The holders of shares of Series A Preferred Stock shall have the rights, powers and preferences set forth below:

(a) Dividends. Except as may otherwise be prohibited by law or the terms hereof, the holders of shares of Series A Preferred Stock shall be entitled to receive dividends out of surplus at such times and in such amounts as the Board of Directors may determine in its sole discretion. Notwithstanding the foregoing, in the event that the Corporation does not redeem all of the shares of Series A Preferred Stock on or prior to the Optional Redemption Date, dividends shall accrue on each outstanding share of Series A Preferred Stock that was not redeemed (the "**Accruing Dividends**") from and after the Optional Redemption Date at the rate of 25% of (i) the product of three (3) times the Series A Original Issue Price plus (ii) the amount of declared and unpaid dividends on such share of Series A Preferred Stock, if any. Such Accruing Dividends shall begin to accrue and be cumulative from the Optional Redemption Date and shall compound on each subsequent anniversary thereof.

(b) Liquidation. The shares of Series A Preferred Stock shall also have the following rights:

(i) In connection with a Liquidation Event, after the payment or provision for payment of all debts and liabilities of the Corporation, the holders of shares of Series A Preferred Stock then outstanding shall be entitled to be paid in cash or other consideration, to the extent available, out of the assets available for distribution to the Corporation's stockholders, whether such assets are capital, surplus or earnings, and whether as a liquidating distribution or other payment, before any payment shall be made to the holders of shares of Common Stock or the holders of any other class or series of stock ranking as to liquidation junior to the shares of Series A Preferred Stock with respect to the distribution of assets in connection with a Liquidation Event, an amount per share equal to the Series A Preferred Liquidation Amount. If more than one form of consideration is received in connection with a Liquidation Event, each Series A Preferred Holder shall be entitled to receive such form of consideration with respect to each Series A Preferred Share thereunder as it may elect in its sole discretion.

(ii) If in connection with a Liquidation Event, after the payment or provision for payment of all debts and liabilities of the Corporation, the assets available to be distributed to the holders of shares of Series A Preferred Stock shall be insufficient to permit the payment to such stockholders of the full Series A Preferred Liquidation Amount as set forth above in satisfaction of this Section 3(b), then such assets shall be distributed ratably among the holders of shares of Series A Preferred Stock, based on the Series A Preferred Liquidation Amount for the number of shares of Series A Preferred Stock held by each such holder.

(iii) After the payment to the holders of shares of Series A Preferred Stock of the full Series A Preferred Liquidation Amount specified above, no further payments shall be made to the holders of shares of Series A Preferred Stock by reason thereof, and any remaining assets of the Corporation shall be distributed with equal priority and pro rata among the holders of the shares of Common Stock or any other class or series of stock ranking as to liquidation junior to the shares of Series A Preferred Stock.

(c) Redemption.

(i) Optional Redemption. At anytime on or after July 31, 2016 but prior to July 31, 2021, upon the election of the holders of at least a majority of the shares of Series A Preferred Stock then outstanding, the Corporation shall redeem all, but not less than all,

of the Series A Preferred Stock in accordance with the terms of this Section 3(c). The redemption of the Series A Preferred Stock will occur on a date (the "**Optional Redemption Date**") within ninety (90) days of the date the Corporation receives written notice requesting the redemption of all shares of Series A Preferred Stock then outstanding pursuant hereto. The shares of Series A Preferred Stock shall be redeemed by the Corporation at a price per share equal to the Redemption Price and the Corporation shall apply all of its assets to any such redemption, and to no other corporate purpose, except to the extent (A) prohibited by applicable provisions of the DGCL governing distributions to stockholders or redemptions of stock or (B) the existence of any of the following conditions: (x) the Corporation is prohibited from redeeming any shares of Series A Preferred Stock by any credit agreement, guarantee, financing or security agreement or other agreements or instruments governing indebtedness of the Corporation or any of its affiliates or by applicable law, (y) the redemption of any shares of Series A Preferred Stock would result in the occurrence of an event of default under any financing document referred to in clause (x) above, or (z) the Corporation and its subsidiaries are unable to obtain (after using best efforts to obtain) sufficient assets to consummate the redemption of the Series A Preferred Stock (the remaining assets required to be applied to such redemption is referred to herein as "**Available Assets**"). If on the Optional Redemption Date, the Corporation does not have Available Assets to redeem all shares of Series A Preferred Stock to be redeemed, the Corporation shall ratably redeem the maximum number of shares of Series A Preferred Stock that it may redeem out of its Available Assets, and shall redeem the remaining shares of Series A Preferred Stock as soon as it has Available Assets. The Corporation shall send written notice of such redemption (the "**Optional Redemption Notice**") to each holder of record of Series A Preferred Stock not less than twenty (20) days prior to the Optional Redemption Date. The Optional Redemption Notice shall state:

(A) the number of shares of Series A Preferred Stock held by the holder that the Corporation shall redeem on the Optional Redemption Date;

(B) the Optional Redemption Date and the Redemption Price; and

(C) that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Series A Preferred Stock to be redeemed.

(ii) Redemption at Election of Corporation. The Corporation may, at its election any time and from time to time prior to the Optional Redemption Date, redeem shares of Series A Preferred Stock at the Redemption Price. The Corporation shall send written notice of such redemption (the "**Early Redemption Notice**") to each holder of record of Series A Preferred Stock not less than twenty (20) days prior to the date on which shares of Series A Preferred Stock shall be redeemed (the "**Early Redemption Date**"), as set forth on the Early Redemption Notice. Each Early Redemption Notice shall state:

(A) the number of shares of Series A Preferred Stock held by the holder that the Corporation shall redeem on the Early Redemption Date;

(B) the Early Redemption Date and the Redemption Price; and

(C) that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Series A Preferred Stock to be redeemed.

(iii) Surrender of Certificates. On or before the Optional Redemption Date or Early Redemption Date, as applicable (the "**Redemption Date**"), each holder of shares of Series A Preferred Stock to be redeemed on such Redemption Date, shall surrender the certificate or certificates representing such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation, in the manner and at the place designated in the Optional Redemption Notice or Early Redemption Notice, as applicable (the "**Redemption Notice**"), and thereupon the Redemption Price for such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof. In the event less than all of the shares of Series A Preferred Stock represented by a certificate are redeemed, a new certificate representing the unredeemed shares of Series A Preferred Stock shall promptly be issued to such holder.

(iv) Effect of Tendering Payment. If the Redemption Notice shall have been duly given, and if on the applicable Redemption Date the Redemption Price payable upon redemption of the shares of Series A Preferred Stock to be redeemed on such Redemption Date is paid or tendered for payment or deposited with an independent payment agent so as to be available therefor in a timely manner, then notwithstanding that the certificates evidencing any of the shares of Series A Preferred Stock so called for redemption shall not have been surrendered, Accruing Dividends (if any) with respect to such shares of Series A Preferred Stock shall cease to accrue after such Redemption Date and all rights with respect to such shares of Series A Preferred Stock shall forthwith after the Redemption Date terminate, except only the right of the holders of shares of Series A Preferred Stock to receive the Redemption Price without interest upon surrender of their certificate or certificates therefor.

(v) Cancellation of Redeemed Shares. Any shares of Series A Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Series A Preferred Stock following redemption.

(vi) Waiver. Any of the rights, powers, preferences and other terms of the Series A Preferred Stock set forth herein may be waived on behalf of all holders of Series A Preferred Stock by the affirmative written consent or vote of the holders of at least a majority of the shares of Series A Preferred Stock then outstanding.

(vii) Notice. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Series A Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the DGCL, and shall be deemed sent upon such mailing or electronic transmission.

(d) Voting. The holders of the Series A Preferred Stock are entitled to one vote for each share of Series A Preferred Stock held at all meetings of stockholders (and written actions in lieu of meetings) for the election of one or more directors of the Corporation, and shall vote together with the holders of Common Stock as a single class thereon. Other than as provided by law, including without limitation the DGCL, the Stockholders Agreement or Section 3(b), Section 3(e) or the first sentence of this Section 3(d), the holders of Series A Preferred Stock, as such, shall not have the right to vote on any matter presented to the stockholders of the Corporation generally for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting).

(e) Series A Preferred Stock Protective Provisions. For so long as any shares of Series A Preferred Stock are outstanding, without the affirmative written consent or vote of the holders of at least a majority of the shares of Series A Preferred Stock then outstanding, the Corporation shall not, whether by merger, consolidation or otherwise, and shall not permit or cause any direct or indirect subsidiary to, whether by merger, consolidation or otherwise, and shall not enter into any commitment to (each a "**Reserved Matter**"):

(i) create, or authorize the creation of, or issue shares of, any class or series of capital stock or any rights, warrants, options, bonds, debentures, notes or other obligations directly or indirectly convertible into or exercisable or exchangeable for, any shares of capital stock of the Corporation of any class or series, whether at the time of issuance or upon the passage of time or the occurrence of some future event, or increase the authorized number of shares of a class or series of capital stock;

(ii) reclassify, alter or amend the designations, powers, preferences, rights or qualifications of any class or series of capital stock;

(iii) except for Accruing Dividends, pay or declare any dividend or make any distribution on, any shares of capital stock, or set aside any funds therefor;

(iv) other than (A) redemptions of the Series A Preferred Stock in accordance with this Amended and Restated Certificate of Incorporation or (B) repurchases of shares of Common Stock in connection with the cessation of employment or service of an employee or consultant at the price per share provided for in any agreement by and between the Corporation and such employee or consultant, redeem or repurchase (or permit any subsidiary to redeem or repurchase) any shares of capital stock;

(v) amend, modify or waive any provision of the Amended and Restated Certificate of Incorporation or Bylaws;

(vi) authorize any merger, consolidation, recapitalization, restructuring, exchange, dissolution or liquidation or approve the conveyance, sale, transfer, assignment or disposal of a majority (based on the fair market value) of its assets (excluding sales of inventory and other dispositions of assets in the ordinary course of business), except for mergers of subsidiaries into subsidiaries, mergers of subsidiaries into the Corporation, intercompany sales of assets, and dissolutions of subsidiaries in the ordinary course of business, provided such mergers, intercompany sales and dissolutions do not result in an adverse impact to the Corporation, including negative tax and/or accounting implications;

(vii) enter into any transaction, contract, agreement or other arrangement with any affiliate or related party that requires payments, individually or in the aggregate, in excess of $100,000, except in accordance with the terms in effect on the date hereof of the Management Agreement dated March 29, 2004 by and among IBP Holding Company, Installed Building Products, LLC and certain other parties, as amended and/or restated to date, and of the Management Agreement dated as of October 29, 2007 by and among IBP Holding Company, Installed Building Products II, LLC and certain other parties, as amended and/or restated to date, through and until December 31, 2011, projects involving the installation of building materials, inter-affiliate benefit plans, and the extension and/or renewal of real estate leases in existence as of the date hereof, in each case so long as they are no less favorable to the Corporation than could be obtained on an arm's length basis from an unrelated third party;

(viii) increase or decrease the authorized number of directors constituting the Board of Directors;

(ix) enter into, renew or guarantee any debt instrument that requires or may require payments in excess of $250,000 individually or $1,000,000 in the aggregate, except for insurance premium financing, intercompany debt among the Corporation and its subsidiaries or among subsidiaries of the Corporation, letters of credit, contracts and transactions otherwise excepted in subsection (vii) or any debt instrument the proceeds of which will be used solely to redeem the Series A Preferred Stock as required by Section 5(c)(i);

(x) (A) operate other than in material compliance with the then-effective annual budget, annual financial plan or operating budget of the Corporation; or (B) make any material change to the nature of the Corporation's business, other than as expressly contemplated by the then effective annual budget and except to engage in activities incidental thereto, similar, related or complimentary businesses, or businesses not substantially different from the lines of the Corporation's business as conducted on the date of this Amended and Restated Certificate of Incorporation;

(xi) appoint or remove (with or without cause), enter into or amend any material term of (i) any employment agreement or arrangement with, (ii) the compensation (including salary, bonus, deferred compensation or otherwise) or benefits of, (iii) any stock option, employee stock purchase or similar equity-based award to, (iv) any benefit, severance or other similar plan (except for benefit plans available to employees generally) of, or (v) any bonus payments to, any officer;

(xii) create, authorize, adopt or amend any stock option plan, other equity-based compensation arrangement, equity incentive compensation plan, or any individual non-equity incentive compensation plan or arrangement under which the value of the incentive under the plan or arrangement is expected to exceed $500,000 in any fiscal year, except amendments necessary to comply with law;

(xiii) change the tax status of the Corporation or make any material tax election;

(xiv) appoint or remove the Corporation's auditors or make any changes in the accounting methods or policies of the Corporation (other than as required by United States generally acceptable accounting principles);

(xv) make any loan, advance or capital contribution to any person in excess of $100,000 individually or $500,000 in the aggregate, except for any loan, advance or capital contribution made in the ordinary course of business to a direct or indirect wholly-owned subsidiary of the Corporation or Suburban Insulation, Inc.; or

(xvi) make any investment in any other person in excess of $100,000 individually or $1,000,000 in the aggregate, except for any investment made in the ordinary course of business to a direct or indirect wholly-owned subsidiary of the Corporation or Suburban Insulation, Inc.

(f) Conversion. The shares of Series A Preferred Stock shall not be convertible into shares of Common Stock.

(g) No Impairment. The Corporation will not, by amendment of the Amended and Restated Certificate of Incorporation or through reorganization, consolidation, merger, dissolution, sale of assets or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of the Amended and Restated Certificate of Incorporation, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of the holders of shares of capital stock of the Corporation against impairment.

(h) Definitions.

"**Liquidation Event**" means (i) the Corporation or a third-party consummates a transaction or series of transactions in which more than 50% of the Common Stock voting power (including any securities that vote together with the Common Stock on any matter presented to the stockholders of the Corporation generally for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting)) of the Corporation is disposed of to a single person or group of affiliated persons; (ii) the Corporation consolidates or merges with or into any other corporation or entity in a transaction or series of transactions in which the Corporation is not the surviving person; (iii) the Corporation sells, licenses or otherwise transfers all or substantially all of its assets to a third party; or (iv) a liquidation, dissolution or winding-up of the Corporation occurs.

"**Redemption Price**" means an amount per share equal to the sum of (a) three times the Series A Preferred Original Issue Price, plus (b) any Accruing Dividends that have accrued thereon, plus (c) any other dividends declared but unpaid thereon, payable to each holder of Series A Preferred Stock pursuant to Article Fourth, Section 3(c) on the Redemption Date.

"**Series A Preferred Liquidation Amount**" means an amount per share equal to (a) three (3) times the Series A Preferred Original Issue Price, plus (b) any Accruing Dividends that have accrued thereon, plus (c) any other dividends declared but unpaid thereon, payable to each holder of Series A Preferred Stock, upon the occurrence of a Liquidation Event.

"**Series A Preferred Original Issue Price**" shall mean $25,245.2862 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Number of Directors.

The number of directors that shall constitute the Board of Directors shall be fixed from time to time by resolution adopted by the affirmative vote of a majority of the total number of directors then in office.

Section 2. Classes of Directors.

The Board of Directors shall be and is divided into three (3) classes, as nearly equal in number as possible, designated; Class I, Class II and Class III. In case of any increase or decrease, from time to time, in the number of directors, the number of directors shall be apportioned as nearly equal as possible. No decrease in the number of directors shall shorten the term of any incumbent director.

Section 3. Election and Term of Office.

The directors shall be elected in accordance with the procedures set forth in the Bylaws of the Corporation (the "**Bylaws**"), as permitted by law. Each director shall serve for a term ending on the date of the third annual meeting of stockholders following the annual meeting at which such director was elected; provided, that each director initially appointed to Class I shall serve for an initial term expiring at the Corporation's first annual meeting of stockholders following the effectiveness of this provision; each director initially appointed to Class II shall serve for an initial term expiring at the Corporation's second annual meeting of stockholders following the effectiveness of this provision; and each director initially appointed to Class III shall serve for an initial term expiring at the Corporation's third annual meeting of stockholders following the effectiveness of this provision. The directors shall be elected and shall hold office only in this manner, except as expressly provided in Section 4 and Section 5 of this Article V. Each director shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation, retirement, disqualification or removal. Elections of directors need not be by written ballot unless the Bylaws shall so provide.

Section 4. Newly Created Directorships and Vacancies.

Newly created directorships resulting from any increase in the number of directors or any vacancies in the Board of Directors resulting from expansion of the Board of Directors, death, resignation, retirement, disqualification, removal from office or any other cause may be filled, so long as there is at least one remaining director, only by the Board of Directors, provided that a quorum is then in office and present, or by a majority of the directors then in office, if less than a quorum is then in office, or by the sole remaining director. Directors elected to fill vacancies shall have the same remaining term as that of his or her predecessor.

Section 5. Removal of Directors.

Directors may be removed from office only for cause and, in addition to any vote required by law, the affirmative vote of the holders of at least 66 2/3% of the voting power of all then outstanding shares of capital stock of the Corporation entitled to vote generally in an election of directors, voting together as a single class, shall be required to effect such removal.

Section 6. Rights of Holders of Preferred Stock.

Notwithstanding the provisions of this Article V, whenever the holders of one or more series of Preferred Stock issued by the Corporation shall have the right, voting separately or together by series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorship shall be governed by the rights of such Preferred Stock as set forth in this Amended and Restated Certificate of Incorporation or the certificate of designation governing such series.

ARTICLE VI

ANNUAL MEETING

The annual meeting of stockholders for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such date, time and place, if any, as shall be determined solely by the resolution of the Board of Directors in its sole and absolute discretion, including, without limitation, by remote electronic communication technology.

ARTICLE VII

BYLAWS

The Board of Directors is expressly authorized to adopt, amend or repeal the Bylaws. The affirmative vote of at least a majority of the entire Board of Directors shall be required to adopt, amend or repeal the Bylaws. Notwithstanding the foregoing and anything contained in this Amended and Restated Certificate of Incorporation to the contrary, the Bylaws shall not be amended or repealed by the stockholders, and no provision inconsistent therewith shall be adopted by the stockholders, without the affirmative vote of the holders of at least a majority of the voting power of all outstanding shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE VIII

LIMITATION OF LIABILITY

To the fullest extent permitted by the DGCL as it now exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader director protection rights than permitted prior thereto), no director of the Corporation shall be personally liable to the Corporation or any of its stockholders for monetary damages arising from a breach of fiduciary duty owed to the Corporation or its stockholders. Any repeal or modification of this Article VIII by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification.

ARTICLE IX

CORPORATE OPPORTUNITY

In recognition of the fact that the Corporation, Jeffrey W. Edwards and his affiliates ("**Edwards**") and Littlejohn Management Holdings, LLC and its affiliates ("**Littlejohn**") and directors, officers and employees of Edwards and Littlejohn, acting in their capacities as such, currently engage in, and may in the future engage in, the same or similar activities or lines of business and have an interest in the same areas and types of corporate opportunities, and in recognition of the benefits to be derived by the Corporation through its continued respective corporate and business relations with Mr. Edwards and Littlejohn (including, without limitation, the service of Mr. Edwards and of directors, officers and employees of Edwards and/or Littlejohn as directors, officers and employees of the Corporation), the provisions of this ARTICLE IX are set forth to regulate and define the conduct of certain affairs of the Corporation as they may involve Edwards and Littlejohn and their directors, officers and employees, acting in their capacities as such, and the powers, rights, duties and liabilities of the Corporation and its directors, officers, employees and stockholders in connection therewith. In furtherance of the foregoing, the Corporation renounces any interest or expectancy in, or in being offered the opportunity to participate in, any corporate opportunity not allocated to it pursuant to this ARTICLE IX to the fullest extent permitted by Section 122(17) of the DGCL (or any successor provision).

To the fullest extent permitted by applicable law, no director, officer, employee or stockholder of the Corporation, in such capacity, that may be Mr. Edwards, Littlejohn or a director, officer, or employee of Edwards or Littlejohn, acting in his or her capacity as such, shall have any obligation to the Corporation to refrain from competing with the Corporation, making investments in competing businesses or otherwise engaging in any commercial activity that competes with the Corporation, which in each case is not a Restricted Opportunity. To the fullest extent permitted by applicable law, (i) the Corporation shall not have any right, interest or expectancy with respect to any such investment or activity that is not a Restricted Opportunity undertaken by Mr. Edwards, Littlejohn or any director, officer or employee of Edwards or Littlejohn, acting in his or her capacity as such, (ii) no such investments or activities by Edwards or Littlejohn that are not Restricted Opportunities shall be deemed wrongful or improper and (iii) neither Edwards nor Littlejohn shall not be obligated to communicate, offer or present to the Corporation any potential transaction, matter or opportunity that is not a Restricted Opportunity, even if such potential transaction, matter or opportunity is of a character that, if presented to the Corporation, could be taken by the Corporation. In the event that Mr. Edwards, Littlejohn or any director, officer or employee of Edwards or Littlejohn, acting in his or her capacity as such, acquires knowledge of a potential transaction or matter that may be a corporate opportunity for the Corporation but is not a Restricted Opportunity, Mr. Edwards and Littlejohn and the directors, officers and employees of Edwards or Littlejohn, acting in their capacities as such, shall have no duty to communicate or offer such corporate opportunity to the Corporation and shall not be liable to the Corporation or its stockholders for breach of any fiduciary duty by reason of the fact that Mr. Edwards, Littlejohn or any director, officer or employee of Edwards or Littlejohn, acting in his or her capacity as such, pursues or acquires such corporate opportunity for itself, directs such corporate opportunity to another person or does not communicate information regarding such corporate opportunity to the Corporation, and the Corporation hereby renounces any interest or expectancy in such corporate opportunity.

Nothing in this Article IX shall limit or otherwise prejudice any contractual rights the Corporation may have or obtain against Mr. Edwards, Littlejohn or any director, officer or employee of Edwards or Littlejohn.

Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article IX.

Neither the alteration, amendment or repeal of this Article IX nor the adoption of any provision of this Amended and Restated Certificate of Incorporation inconsistent with this Article IX shall eliminate or reduce the effect of this Article IX in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article IX would accrue or arise, prior to such alteration, amendment, repeal or adoption.

For purposes of this Article IX:

"**Affiliates**" shall mean, with (i) respect to Littlejohn, any Person (other than the Corporation or any Person controlled by the Corporation) (a) controlling, controlled by or under common control with Littlejohn, (b) any general partner, managing member or partner, director, officer or employee of Littlejohn or any Affiliate of Littlejohn, or (c) any private equity fund now or hereafter existing that is controlled by one or more of, or shares the same management company with, Littlejohn, or (ii) with respect to Edwards, any Person (other than the Corporation or any Person controlled by the Corporation) (y) controlling, controlled by or under common control with Edwards, (z) any general partner, managing member or partner, director, officer or employee of Edwards or any Affiliate of Edwards.

"**Person**" shall mean any individual, corporation, partnership, joint venture, limited liability company, association or other business entity and any trust, unincorporated organization or government or any agency or political subdivision thereof.

"**Restricted Opportunity**" shall mean a transaction, matter or opportunity offered in writing to Mr. Edwards or Littlejohn or a director, officer, or employee of Edwards or Littlejohn solely and expressly by virtue of such Person being a member of the Board of Directors or an officer or an employee of the Corporation.

ARTICLE X

INDEMNIFICATION

The Corporation shall indemnify its directors to the fullest extent permitted by the DGCL as it now exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader protection rights than permitted prior thereto), and such right to indemnification shall continue as to a person who has ceased to be a director of the Corporation and shall inure to the benefit of his or her heirs, executors and personal and legal representatives; provided, that, except for proceedings to enforce rights and indemnification, the Corporation shall not be obligated to indemnify any director (or his or her heirs, executors or personal or legal representatives) in connection with a

proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented by the Board of Directors. The right to indemnification conferred by this Article X shall include the right to be paid by the Corporation the expenses incurred in defending or otherwise participating in any proceeding in advance of its final disposition.

The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to officers, employees and agents of the Corporation similar to those conferred in this Article X to the Board of Directors.

The rights to indemnification and to the advancement of expenses in this Article X shall not be exclusive of any other right which nay person may have or hereafter acquire under this Amended and Restated Certificate of Incorporation, as amended from time to time, the Bylaws, any statute, agreement, vote of stockholders or disinterested directors or otherwise.

Any repeal or modification of this Article X by the stockholders of the Corporation shall not adversely affect any rights to indemnification and to the advancement of expenses of a director or officer of the Corporation existing at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

ARTICLE XI

PLACE OF STOCKHOLDER MEETINGS; BOOKS AND RECORDS

Meetings of stockholders may be held within or without the State of Delaware, as the Board of Directors or the Bylaws may provide. The books of the Corporation may be kept (subject to any provision contained in the DGCL) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws.

ARTICLE XII

ACTION BY WRITTEN CONSENT; SPECIAL MEETINGS OF STOCKHOLDERS; ADVANCE NOTICE

Section 1. Action by Written Consent.

Any action required or permitted to be taken by stockholders of the Corporation must be effected at a meeting of the stockholders of the Corporation and may not be effected by written consent in lieu of a meeting.

Section 2. Special Meetings.

Except as otherwise expressly provided by the terms of any series of Preferred Stock permitting the holders of such series of Preferred Stock to call a special meeting of the holders of such series, special meetings of stockholders of the Corporation may be called only by a resolution duly adopted by the Board of Directors, and the ability of the stockholders to call a special meeting is hereby specifically denied. The Board of Directors may cancel, postpone or reschedule any previously scheduled special meeting at any time, before or after the notice for such meeting has been sent to the stockholders. Only such business shall be considered at a special meeting of stockholders as shall have been stated in the notice for such meeting.

Section 3. Advance Notice.

Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the Bylaws.

ARTICLE XIII

SEVERABILITY

If any provision or provisions of this Amended and Restated Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Amended and Restated Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this Amended and Restated Certificate of Incorporation (including, without limitation, each such portion of any paragraph of this Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

ARTICLE XIV

AMENDMENT

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation. Notwithstanding any other provision of this Amended and Restated Certificate of Incorporation or the Bylaws, and notwithstanding the fact that a lesser percentage or separate class vote may be specified by law, this Amended and Restated Certificate of Incorporation, the Bylaws or otherwise, but in addition to any affirmative vote of the holders of any particular class or series of the capital stock required by law, this Amended and Restated Certificate of Incorporation, the Bylaws or otherwise, the affirmative vote of the holders of at least 66 2/3% of the voting power of all outstanding shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to adopt any provision inconsistent with, to amend or repeal any provision of, or to adopt a bylaw inconsistent with, Article VI, Article VIII, Article IX, Article X, Article XII, Article XIII, or Article XIV of this Amended and Restated Certificate of Incorporation.

* * *

IN WITNESS WHEREOF, said Installed Building Products, Inc. has caused this Amended and Restated Certificate of Incorporation to be executed by Shelley A. McBride, its Secretary, this th day of [ ], 2014.

Shelley A. McBride
Secretary

FORM OF AMENDED AND RESTATED

BYLAWS

OF

INSTALLED BUILDING PRODUCTS, INC.

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ARTICLE I

STOCKHOLDERS

Section 1.01 Annual Meetings. An annual meeting of the stockholders of Installed Building Products, Inc. (the "**Corporation**") for the election of directors and for the transaction of such other business as properly may come before such meeting shall be held at such date and time as may be fixed from time to time by resolution of the board of directors of the Corporation (the "**Board of Directors**") and set forth in the notice, or waiver of notice, of such meeting.

Section 1.02 Special Meetings. Special meetings of stockholders of the Corporation may be called only by a resolution duly adopted by the Board of Directors. The Board of Directors may cancel, postpone or reschedule any previously scheduled special meeting at any time, before or after the notice for such meeting has been sent to the stockholders. Only such business shall be considered at a special meeting of stockholders as shall have been stated in the notice for such meeting.

Section 1.03 Notice of Stockholder Business and Nominations.

(a) *Annual Meetings of Stockholders*.

(i) Subject to the provisions of ARTICLE II of these Bylaws, nominations of persons for election to the Board of Directors and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders only (A) pursuant to the Corporation's notice of meeting (or any supplement thereto), (B) by or at the direction of the Board of Directors or any committee thereof or (C) by any stockholder of the Corporation who was a stockholder of record of the Corporation at the time the notice provided for in this Section 1.03 is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 1.03.

(ii) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (C) of paragraph (a)(i) of this Section 1.03, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and any such proposed business other than the nominations of persons for election to the Board of Directors must constitute a proper matter for stockholder action. To be timely, a stockholder's notice shall be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation not later than the close of business on the ninetieth (90th) day, nor earlier than the close of business on the one hundred twentieth (120th) day, prior to the first anniversary of the preceding year's annual meeting; *provided, however*, that in the event that the date of the annual meeting is more than thirty (30) days before or more than seventy (70) days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made by the Corporation. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth: (A) as to each person whom the stockholder proposes to nominate for election as a director: (1) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required,

in each case, pursuant to and in accordance with Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and (2) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws of the Corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (1) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, (2) the class and number of shares of capital stock of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner, (3) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business or nomination and (4) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group that intends (x) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (y) otherwise to solicit proxies from stockholders in support of such proposal or nomination. The foregoing notice requirements of this Section 1.03 shall be deemed satisfied by a stockholder if the stockholder has notified the Corporation of his, her or its intention to present a proposal or nomination at an annual meeting in compliance with applicable rules and regulations promulgated under the Exchange Act and such stockholder's proposal or nomination has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. The Corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation.

(iii) Notwithstanding anything in the second sentence of paragraph (a)(ii) of this Section 1.03 to the contrary, in the event that the number of directors to be elected to the Board of Directors at an annual meeting is increased and there is no public announcement by the Corporation naming the nominees for the additional directorships at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 1.03 shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

(b) *Special Meetings of Stockholders.* Subject to the provisions of ARTICLE II of these Bylaws, nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors or any committee thereof or (ii) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 1.03 is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and upon such election and who complies with the notice procedures set forth in this Section 1.03. Subject to the provisions of ARTICLE II of these

Bylaws, in the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder's notice required by paragraph (a)(ii) of this Section 1.03 shall be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation not earlier than the close of business on the one hundred twentieth (120th) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(c) *General*.

(i) Only such persons who are nominated in accordance with the procedures set forth in this Section 1.03 or ARTICLE II of these Bylaws shall be eligible to be elected at an annual or special meeting of stockholders of the Corporation to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 1.03. Except as otherwise provided by law, the chairman of the meeting shall have the power and duty (A) to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 1.03 or ARTICLE II (including whether the stockholder or beneficial owner, if any, on whose behalf the nomination or proposal is made solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies in support of such stockholder's nominee or proposal in compliance with such stockholder's representation as required by clause (a)(ii)(C)(4) of this Section 1.03) and (b) if any proposed nomination or business was not made or proposed in compliance with this Section 1.03, to declare that such nomination shall be disregarded or that such proposed business shall not be transacted. Notwithstanding the foregoing provisions of this Section 1.03, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposed business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 1.03, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

(ii) For purposes of this Section 1.03, "public announcement" shall include disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(iii) Notwithstanding the foregoing provisions of this Section 1.03, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations

thereunder with respect to the matters set forth in this Section 1.03. Nothing in this Section 1.03 shall be deemed to affect any rights (A) of stockholders to request inclusion of proposals or nominations in the Corporation's proxy statement pursuant to applicable rules and regulations promulgated under the Exchange Act or (B) of the holders of any series of preferred stock of the Corporation to elect directors pursuant to any applicable provisions of the certificate of incorporation of the Corporation, as may be amended from time to time (the "Charter").

Section 1.04 Place of Meetings. Meetings of the stockholders shall be held at such places, within or without the State of Delaware, or, within the sole discretion of the Board of Directors, by remote electronic communication technologies, as shall be specified in the respective notice, or waiver of notice, of such meeting. If no designation is made, the place of meeting shall be the principal executive office of the Corporation.

Section 1.05 Notice of Meetings. Whenever stockholders are required or permitted to take action at a meeting, written notice (which can be electronic) stating the place, if any, date, time and, in the case of special meetings, the purpose or purposes of such meeting shall be given to each stockholder entitled to vote at such meeting. Unless otherwise provided by law, the Charter or these Bylaws, the written notice of any meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears in the records of the Corporation.

Section 1.06 Stockholders List. The officer having charge of the stock ledger of the Corporation shall make, at least ten (10) days before every meeting of the stockholders, a complete list of the stockholders entitled to vote at such meeting arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting, or (ii) during ordinary business hours at the principal place of business of the Corporation. The list of stockholders must also be open to examination at the meeting as required by applicable law. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 1.06 or to vote in person or by proxy at any meeting of stockholders.

Section 1.07 Quorum. Except as otherwise required by law or by the Charter, the presence in person or by proxy of the holders of record representing a majority of the voting power entitled to vote at a meeting of stockholders shall constitute a quorum for the transaction of business at such meeting. If a quorum is not present, the chairman of the meeting may adjourn the meeting to another time and/or place in the manner provided by Section 1.08 until a quorum shall be so present or represented.

Section 1.08 Adjournment. Notice of any adjourned meeting of the stockholders of the Corporation need not be given if the place, if any, date and hour thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, are announced at the meeting at which the adjournment is taken; *provided, however*, that if the adjournment is for more than thirty

(30) days, or if after the adjournment a new record date for the adjourned meeting is fixed, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at such meeting. At any adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted on the original date of the meeting.

Section 1.09 Voting. If, pursuant to Section 5.05 of these Bylaws, a record date has been fixed, every holder of record of shares entitled to vote at a meeting of stockholders shall be entitled that number of votes as set forth in the Charter for each share outstanding in his or her name on the books of the Corporation at the close of business on such record date. If no record date has been fixed, then every holder of record of shares entitled to vote at a meeting of stockholders shall be entitled to that number of votes as set forth in the Charter for each share of stock standing in his or her name on the books of the Corporation at the close of business on the day next preceding the day on which notice of the meeting is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. Except as otherwise required by law or by the Charter or by these Bylaws, the vote of a majority of the shares represented in person or by proxy at any meeting at which a quorum is present shall be sufficient for the transaction of any business at such meeting.

Section 1.10 Voting by Ballot. No vote of the stockholders need be taken by written ballot, or by a ballot submitted by electronic transmission, unless otherwise required by law. Any vote that need not be taken by written ballot, or by a ballot submitted by electronic transmission, may be conducted in any manner approved by the meeting.

Section 1.11 Proxies. Any stockholder entitled to vote at any meeting of the stockholders or to express consent to or dissent from corporate action in writing without a meeting may authorize another person or persons to vote at any such meeting and express such consent or dissent for him or her by proxy. A stockholder may authorize a valid proxy by executing a written instrument signed by such stockholder, or by causing his or her signature to be affixed to such writing by any reasonable means including, but not limited to, by facsimile signature, or by transmitting or authorizing the transmission of a telegram, cablegram or other means of electronic transmission to the person designated as the holder of the proxy, a proxy solicitation firm or a like authorized agent. No such proxy shall be voted or acted upon after the expiration of three years from the date of such proxy, unless such proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or by filing another duly executed proxy bearing a later date with the Secretary. Proxies by telegram, cablegram or other electronic transmission must either set forth or be submitted with information from which it can be determined that the telegram, cablegram or other electronic transmission was authorized by the stockholder. Any copy, facsimile telecommunication or other reliable reproduction of a writing or transmission created pursuant to this section may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

Section 1.12 Action by Written Consent. Any action required or permitted to be taken by stockholders of the Corporation must be effected at a meeting of the stockholders of the Corporation and may not be effected by written consent in lieu of a meeting.

Section 1.13 Organization; Procedure. At every meeting of stockholders, the Chairman (or, in the event of his or her absence or disability, the person whom the Board of Director designates, or, in the event of his or her absence or disability or the inability of the Board of Directors to designate a person, a presiding officer chosen by a majority of the stockholders present in person or by proxy) shall act as chairman of the meeting. The Secretary, or in the event of his or her absence or disability, an appointee of the chairman of the meeting, shall act as Secretary of the meeting. The order of business and all other matters of procedure at every meeting of stockholders may be determined by the chairman of the meeting.

Section 1.14 Inspectors of Election. The Corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the Corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (a) ascertain the number of shares of capital stock of the Corporation outstanding and the voting power of each such share, (b) determine the shares of capital stock of the Corporation represented at the meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors and (e) certify their determination of the number of shares of capital stock of the Corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the Corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election.

Section 1.15 Conduct of Meetings. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the person presiding over any meeting of stockholders shall have the right and authority to convene and to adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such presiding person, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding person of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) the determination of when the polls shall open and close for any given matter to be voted on at the meeting, (c) rules and procedures for maintaining order at the meeting and the safety of those present; (d) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the presiding person of the meeting shall determine; (e) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (f) limitations on the time allotted to questions or comments by participants. The presiding person at any meeting of

stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a matter or business was not properly brought before the meeting and if such presiding person should so determine, such presiding person shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board of Directors or the person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE II

BOARD OF DIRECTORS

Section 2.01 General Powers. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by the General Corporation Law of the State of Delaware (the "DGCL") or the Charter directed or required to be exercised or done by the stockholders. All matters shall be determined by the vote of a majority of the directors present at a duly convened meeting of the Board of Directors, except as otherwise provided by these Bylaws or required by the Charter or the DGCL.

Section 2.02 Number, Election and Term of Office. The number of directors which shall constitute the Board of Directors shall be fixed from time to time by resolution adopted by the affirmative vote of a majority of the total number of directors then in office. The directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote in the election of directors; provided that, whenever the holders of any class or series of capital stock of the Corporation are entitled to elect one or more directors pursuant to the provisions of the Charter (including, but not limited to, any duly authorized certificate of designation), such directors shall be elected by a plurality of the votes of such class or series present in person or represented by proxy at the meeting and entitled to vote in the election of such directors. Directors need not be stockholders to be qualified for election or service as a director of the Corporation.

Section 2.03 Resignations. Any director may resign at any time by submitting an electronic transmission or by delivering a written notice of resignation, signed by such director, to the Chairman or the Secretary. Unless otherwise specified therein, such resignation shall take effect at the time therein specified or, if no time is specified, immediately; and, unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 2.04 Removal of Directors; Vacancies. Directors may be removed from office only for cause and, in addition to any vote required by law, the affirmative vote of the holders of at least 66 2/3% of the voting power of all then outstanding shares of capital stock of the Corporation entitled to vote generally in an election of directors, voting together as a single class, shall be required to effect such removal. Director vacancies may be filled as set forth in the Charter.

Section 2.05 Annual and Regular Meetings. The annual meeting of the Board of Directors for the purpose of electing officers and for the transaction of such other business as may come before the meeting shall be held as soon as possible following adjournment of the annual meeting of the stockholders at the place of such annual meeting of the stockholders. Notice of such annual meeting of the Board of Directors need not be given. The Board of Directors from time to time may by resolution provide for the holding of regular meetings and fix the place (which may be within or without the State of Delaware) and the date and hour of such meetings. Notice of regular meetings need not be given.

Section 2.06 Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board of Directors, any two directors or the Chief Executive Officer of the Corporation, at such place (within or without the State of Delaware), date and hour as may be specified in the respective notices or waivers of notice of such meetings. Special meetings of the Board of Directors may be called on twenty-four (24) hours' notice, if notice is given to each director personally or by telephone, telegram or electronic transmission, or on five (5) days' notice, if notice is mailed to each director, addressed to him or her at his or her usual place of business. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. Notice of any special meeting need not be given to any director who attends such meeting without protesting the lack of notice to him or her, prior to or at the commencement of such meeting, or to any director who submits a signed waiver of notice, whether before or after such meeting, and any business may be transacted thereat.

Section 2.07 Quorum and Manner of Acting. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors and, except as otherwise expressly required by the DGCL or the Charter or these Bylaws, the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn such meeting to another time and place. Notice of the time and place of any such adjourned meeting shall be given to the directors unless such time and place were announced at the meeting at which the adjournment was taken, to the other directors. At any adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted at the meeting as originally called. The directors shall act only as a Board of Directors and the individual directors shall have no power as such.

Section 2.08 Action Without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if a written consent, setting forth the action so taken, is signed by all the members of the Board of Directors or the committee, as the case may be, and such written consent shall have the same force and effect as a unanimous vote at a meeting of the Board of Directors. A telegram, telex, cablegram or other electronic transmission by a director consenting to an action to be taken and transmitted by a director is considered written, signed and dated for the purposes of this article if the transmission sets forth or is delivered with information from which the Corporation can determine that the transmission was transmitted by the director and the date on which the director transmitted the transmission.

Section 2.09 Action by Telephonic Communications. Members of the Board of Directors may participate in a meeting of the Board of Directors by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear one another, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

Section 2.10 Compensation. The amount, if any, which each Director shall be entitled to receive as compensation for his or her services as such shall be fixed from time to time by resolution of the Board of Directors. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary for service as director, payable in cash or securities of the Company. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for service as committee members.

Section 2.11 Interested Directors. No contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association or other organization in which one or more of its directors or officers are directors or officers or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof that authorizes the contract or transaction, or solely because any such director's or officer's vote is counted for such purpose if: (a) the material facts as to the director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; (b) the material facts as to the director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (c) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee thereof or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee that authorizes the contract or transaction.

ARTICLE III

COMMITTEES

Section 3.01 Committees of the Board of Directors. The Board of Directors may designate from among its members one or more committees, each of which shall be composed of one or more of its members, and may designate one or more of its members as alternate members of any committee, who may, subject to any limitations imposed by the Board of Directors, replace absent or disqualified members at any meeting of that committee. Any such committee, to the extent provided in the resolution of the Board of Directors designating the committee or in the Charter or these Bylaws, shall have and may exercise all of the authority of the Board of Directors, except where action of the Board of Directors is required by the DGCL or by the Charter. Any member of a committee of the Board of Directors may be removed, for or without cause, by the affirmative vote of a majority of the whole Board of Directors. If any vacancy or vacancies occur in a committee of the Board of Directors caused by death, resignation, retirement, disqualification, removal from office or otherwise, the vacancy or vacancies shall be

filled by the affirmative vote of a majority of the whole Board of Directors. Such committee or committees shall have such name or names as may be designated by the Board of Directors and shall keep regular minutes of their proceedings and report the same to the Board of Directors when required.

Section 3.02 Conduct of Meetings. Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein or required by the DGCL. Except as otherwise provided by these Bylaws, in the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these Bylaws. Adequate provision shall be made for notice to members of all meetings; one third (1/3) of the members shall constitute a quorum unless the committee shall consist of one (1) or two (2) members, in which event one (1) member shall constitute a quorum; and all matters shall be determined by a majority vote of the members present. Action may be taken by any committee without a meeting if all members thereof consent thereto in writing or by electronic transmission, and the writing or writings or transmission or transmissions are filed with the minutes of the proceedings of the committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 3.03 Audit Committee. The Board of Directors shall have an Audit Committee composed of three or more directors, each of whom shall satisfy any securities exchange independence requirements then in effect and applicable to the Corporation. The responsibilities of the Audit Committee shall be stated in the Audit Committee's charter, as approved by the Board of Directors.

Section 3.04 Compensation Committee. The Board of Directors shall have a Compensation Committee composed of three or more directors, each of whom shall satisfy any securities exchange independence requirements then in effect and applicable to the Corporation. The responsibilities of the Compensation Committee shall be stated in the Compensation Committee's charter, as approved by the Board of Directors.

Section 3.05 Nominating and Corporate Governance Committee. The Board of Directors shall have a Nominating and Corporate Governance Committee composed of three or more directors, each of whom shall satisfy any securities exchange independence requirements then in effect and applicable to the Corporation. The responsibilities of the Nominating/ Corporate Governance Committee shall be stated in the Nominating and Corporate Governance Committee's charter, as approved by the Board of Directors.

ARTICLE IV

OFFICERS

Section 4.01 Number. The officers of the Corporation shall be chosen by the Board of Directors and shall initially be a Chief Executive Officer, a Secretary and a Treasurer. The Board of Directors also may elect a President, one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers in such numbers as the Board of Directors may determine. Any number of offices may be held by the same person. No officer need be a director of the Corporation.

Section 4.02 Appointment of Officers. The Board shall appoint the officers of the Corporation, subject to the rights, if any, of an officer under any contract of employment. The Board of Directors may appoint, or empower the Chief Executive Officer to appoint, such other subordinate officers and agents as the business of the Corporation may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board of Directors may from time to time determine.

Section 4.03 Salaries. The salaries of all officers and agents of the Corporation shall be fixed by the Board of Directors.

Section 4.04 Removal and Resignation; Vacancies. Any officer may be removed for or without cause at any time by the Board of Directors. Any officer may resign at any time by delivering notice of resignation, either in writing signed by such officer or by electronic transmission, to the Board of Directors or the Chief Executive Officer. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise, shall be filled by the Board of Directors in accordance with Section 4.02 hereof.

Section 4.05 Authority and Duties of Officers. All officers of the Corporation shall respectively have such authority and perform such duties in the management of the business of the Corporation as may be designated from time to time by the Board of Directors or the stockholders and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board of Directors.

Section 4.06 Representation of Shares of Other Corporations. The Chairman of the Board of Directors, the Chief Executive Officer, any Vice President, the Treasurer, the Secretary of this Corporation, or any other person authorized by the Board of Directors or the Chief Executive Officer, is authorized to vote, represent and exercise on behalf of this Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this Corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

ARTICLE V

CAPITAL STOCK

Section 5.01 Form of Certificates. The stock of the Corporation may be either certificated, uncertificated or a combination thereof. The Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of the Corporation's stock may be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation (or the Corporation's transfer agent or registrar, as the case may be). Notwithstanding the adoption of such resolution by the Board of Directors, every holder of stock represented by certificates and, upon request to the Corporation or the Corporation's transfer agent or registrar, any holder of uncertificated shares, shall be entitled to have a certificate, in such form as shall be approved by the Board of Directors, certifying the number of shares of the Corporation owned by him, her or it. The certificates representing shares shall be signed in the name of the Corporation by the Chairman or Vice Chairman of the Board of Directors, or the President or a Vice President, and by the

Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, and sealed with the seal of the Corporation (which seal may be a facsimile, engraved or printed); *provided, however*, that where any such certificate is countersigned by a transfer agent, or is registered by a registrar (other than the Corporation or one of its employees), the signatures of the Chairman, Vice Chairman, President, Vice President, Treasurer, Assistant Treasurer, Secretary or Assistant Secretary, as the case may be, upon such certificates may be facsimiles, engraved or printed. In case any officer who shall have signed any such certificate shall have ceased to be such officer before such certificate shall be issued, it may nevertheless be issued by the Corporation with the same effect as if such officer were still in office at the date of their issue. When the Corporation is authorized to issue shares of more than one class, there shall be set forth upon the face or back of the certificate (or the certificate shall have a statement that the Corporation will furnish to any stockholder upon request and without charge) a full statement of the designation, relative rights, preferences and limitations of the shares of each separate class, or of the different shares within each class, authorized to be issued and, if the Corporation is authorized to issue any class of preferred shares in series, the designation, relative rights, preferences and limitations of each such series so far as the same have been fixed and the authority of the Board of Directors to designate and fix the relative rights, preferences and limitations of other series.

Section 5.02 Lost, Destroyed or Mutilated Certificates. The holder of any certificate representing shares of the Corporation shall immediately notify the Corporation of any loss, destruction or mutilation of such certificate, and the Corporation may issue a new certificate (or uncertificated shares if the shares represented by such certificate have been designated as uncertificated shares in accordance with Section 5.01) in the place of any certificate theretofore issued by it which the owner thereof shall allege to have been lost or destroyed or which shall have been mutilated. The Board of Directors may, in its discretion, require such owner or his legal representatives to provide reasonable evidence of such loss, destruction or mutilation and to give to the Corporation a bond in such sum, limited or unlimited, and in such form and with such surety or sureties as the Board of Directors in its absolute discretion shall determine, to indemnify the Corporation and any transfer agent or registrar against any claim that may be made against it on account of the alleged loss or destruction of any such certificate, or the issuance of such new certificate (or uncertificated shares).

Section 5.03 Books of Account and Record of Stockholders. There shall be kept correct and complete books and records of account of all the business and transactions of the Corporation. There shall also be kept, at the office of the Corporation, or at the office of its transfer agent, a record containing the names and addresses of all stockholders of the Corporation, the number of shares held by each, and the dates when they became the holders of record thereof.

Section 5.04 Transfer of Stock. Except as otherwise established by rules and regulations adopted by the Board of Directors, and subject to applicable law, transfers of shares of the Corporation shall be made on the records of the Corporation: (a) in the case of shares represented by a certificate, by the surrender to the Corporation or its transfer agent of the certificate representing such shares properly endorsed or accompanied by a written assignment or power of attorney properly executed, and with such proof of authority or authenticity of signature as the Corporation or its transfer agent may reasonably require; and (b) in the case of uncertificated shares, upon the receipt of proper transfer instructions from the registered owner thereof and, in each case, after payment of all taxes thereon. The person in whose name shares

shall stand on the record of stockholders of the Corporation shall be deemed the owner thereof for all purposes as regards the Corporation. Whenever any transfer of shares shall be made for collateral security and not absolutely and written notice thereof shall be given to the Secretary or to a transfer agent, such fact shall be noted on the records of the Corporation.

Section 5.05 Record Date.

(a) The Board of Directors may fix, in advance, a date not more than sixty (60) nor less than ten (10) days before the date when fixed for the holding of any meeting of the stockholders or before the last day on which the consent or dissent of the stockholders may be effectively expressed for any purpose without a meeting, as the time as of which the stockholders entitled to notice of and to vote at such meeting or whose consent or dissent is required or may be expressed for any purpose, as the case may be, shall be determined, and all persons who were stockholders of record of voting shares at such time, and no others, shall be entitled to notice of and to vote at such meeting or to express their consent or dissent, as the case may be.

(b) The Board of Directors may fix, in advance, a date not more than sixty (60) nor less than ten (10) days preceding the date fixed for the payment of any dividend or the making of any distribution or the allotment of rights to subscribe for securities of the Corporation, or for the delivery of evidences of rights or evidences of interests arising out of any change, conversion or exchange of shares or other securities, as the record date for the determination of the stockholders entitled to receive any such dividend, distribution, allotment, rights or interests, and in such case only the stockholders of record at the time so fixed shall be entitled to receive such dividend, distribution, allotment, rights or interests. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the applicable resolution.

(c) Unless otherwise prohibited by the Charter, in order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of the stockholders are recorded. Delivery made to the Corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

Section 5.06 Transfer Agent and Registrar. The Board of Directors may appoint one or more transfer agents and one or more registrars, and may require all certificates representing shares to bear the signature of any such transfer agents or registrars.

Section 5.07 Regulations. The Board of Directors may make such additional rules and regulations, not inconsistent with these Bylaws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of the Corporation.

ARTICLE VI

INDEMNIFICATION

Section 6.01 Indemnification of Directors and Officers. In the event a person (a "Covered Person") was, is or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or officer of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, the Corporation shall indemnify such person to the fullest extent permitted by law against any and all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such Covered Person in connection with such action, suit or proceeding. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Covered Person did not act in good faith and in a manner which such Covered Person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful. Notwithstanding the preceding sentence, except as otherwise provided in Section 6.02, the Corporation shall be required to indemnify a Covered Person in connection with a proceeding (or part thereof) commenced by such Covered Person only if the commencement of such proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board of Directors.

Section 6.02 Procedure for Indemnification of Directors. Any indemnification of a Covered Person of the Corporation under Section 6.01 or advancement of expenses under Section 6.03 shall be made promptly, and in any event within thirty (30) days, upon the written request of the Covered Person. If a determination by the Corporation that the Covered Person is entitled to indemnification or advancement pursuant to this Article VI is required, and the Corporation fails to respond within sixty (60) days to a written request for indemnity or advancement, the Corporation shall be deemed to have approved the request. If the Corporation denies a written request for indemnification or advancing of expenses, in whole or in part, or if payment in full pursuant to such request is not made within thirty (30) days, the right to indemnification or advances as granted by this Article VI shall be enforceable by the Covered Person in any court of competent jurisdiction. Such Covered Person's costs and expenses incurred in connection with successfully establishing his or her right to indemnification or advancement of expenses, in whole or in part, in any such action shall also be indemnified by the Corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the DGCL for the Corporation to indemnify the claimant for the amount claimed, but the burden of such defense shall be on the

Corporation. Neither the failure of the Corporation (including the Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including the Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 6.03 Expenses Payable in Advance. Expenses (including attorneys' fees) incurred by a Covered Person in defending any civil, criminal, administrative or investigative action, suit or proceeding shall, to the extent permitted by law, be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such Covered Person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized in this Article VI. Such expenses (including attorneys' fees) incurred by Covered Persons who are former directors or officers may be so paid upon such terms and conditions, if any, as the Corporation deems appropriate.

Section 6.04 Nonexclusivity of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Charter, these Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such Covered Person's official capacity and as to action in another capacity while holding such office, it being the policy of the Corporation that indemnification of Covered Persons shall be made to the fullest extent permitted by law. The provisions of this Article VI shall not be deemed to preclude the indemnification of any person who is not specified in Section 6.01 but whom the Corporation has the power or obligation to indemnify under the provisions of the DGCL, or otherwise.

Section 6.05 Insurance. The Corporation may purchase or maintain insurance on behalf of any Covered Person against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as a Covered Person, whether or not the Corporation would have the power to indemnify him or her against the liability under the DGCL or these Bylaws; *provided, however*, that if the insurance or other arrangement is with a person or entity that is not regularly engaged in the business of providing insurance coverage, the insurance or arrangement may provide for payment of a liability with respect to which the Corporation would not have the power to indemnify the person only if including coverage for the additional liability has been approved by the stockholders of the Corporation. Without limiting the power of the Corporation to procure or maintain any kind of insurance or arrangement, the Corporation may, for the benefit of persons indemnified by the Corporation, (a) create a trust fund, (b) establish any form of self-insurance, (c) secure its indemnification obligation by grant of any security interest or other lien on the assets of the Corporation or (d) establish a letter of credit, guaranty or surety arrangement. Any such insurance or other arrangement may be procured, maintained or established within the Corporation or its affiliates or with any insurer or other person deemed appropriate by the Board of Directors regardless of whether all or part of the stock or other securities thereof are owned in whole or in part by the Corporation. In the

absence of fraud, the judgment of the Board of Directors as to the terms and conditions of such insurance or other arrangement and the identity of the insurer or other person participating in an arrangement shall be conclusive, and the insurance or arrangement shall not be voidable and shall not subject the directors approving the insurance or arrangement to liability, on any ground, regardless of whether directors participating in approving such insurance or other arrangement shall be beneficiaries thereof.

Section 6.06 Certain Definitions. For purposes of this Article VI, references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors and officers, so that any person who is or was a director or officer of such constituent corporation, or is or was a director or officer of such constituent corporation serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article VI with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article VI, references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article VI.

Section 6.07 Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VI shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 6.08 Other Indemnification and Advancement of Expenses. The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Corporation similar to those conferred in this Article VI to Covered Persons. This Article VI shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and advance expenses to persons other than Covered Persons and employees and agents of the Corporation when and as authorized by appropriate corporate action.

Section 6.09 Amendment or Repeal. Any right to indemnification or to advancement of expenses of any Covered Person arising hereunder shall not be eliminated or impaired by an amendment to or repeal of these Bylaws after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative, action, suit or proceeding for which indemnification or advancement of expenses is sought.

Section 6.10 Contract Rights. The provisions of this Article VI shall be deemed to be a contract right between the Corporation and each Covered Person who serves in any such capacity at any time while this Article VI and the relevant provisions of the DGCL or other applicable law

are in effect, and any repeal or modification of this Article VI or any such law shall not affect any rights or obligations then existing with respect to any state of facts or proceeding then existing.

Section 6.11 Other Sources. The Corporation's obligation, if any, to indemnify or advance expenses to any Covered Person, or any officer, employee or agent of the Corporation pursuant to Section 6.08 who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any such amount such Covered Person or such officer, employee or agent of the Corporation may collect as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, enterprise or nonprofit enterprise.

ARTICLE VII

OFFICES

Section 7.01 Registered Office. The registered office of the Corporation in the State of Delaware shall be located at the Corporation Trust Company, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.

Section 7.02 Other Offices. The Corporation may maintain offices or places of business at such other locations within or without the State of Delaware as the Board of Directors may from time to time determine or as the business of the Corporation may require.

ARTICLE VIII

NOTICES

Section 8.01 Notices. Whenever written notice is required by the DGCL, the Charter or these Bylaws, to be given to any director, member of a committee or stockholder, such notice may be given by mail, addressed to such director, member of a committee or stockholder, at such person's address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Without limiting the manner by which notice otherwise may be given effectively to stockholders, and except as prohibited by applicable law, any notice to stockholders given by the Corporation under any provision of applicable law, the Charter or these Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the Corporation. Any stockholder who fails to object in writing to the Corporation, within sixty (60) days of having been given written notice by the Corporation of its intention to send the single notice permitted under this Section 8.01, shall be deemed to have consented to receiving such single written notice. Subject to the requirements of applicable law, written notice may also be given personally or by e-mail, facsimile, telegram or other means of electronic transmission.

Section 8.02 Waivers of Notice. Whenever any notice is required by applicable law, the Charter or these Bylaws, to be given to any director, member of a committee or stockholder, a waiver thereof in writing, signed by the person or persons entitled to notice, or a waiver by

electronic transmission by the person or persons entitled to notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance of a person at a meeting, present in person or represented by proxy, shall constitute a waiver of notice of such meeting, except where the person attends the meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of stockholders or any regular or special meeting of the directors or members of a committee of directors need be specified in any written waiver of notice unless so required by the DGCL, the Charter or these Bylaws.

ARTICLE IX

GENERAL PROVISIONS

Section 9.01 Dividends. Subject to the DGCL and the Charter, dividends upon the shares of the Corporation may be declared by the Board of Directors at any regular or special meeting. Dividends may be paid in cash, in property or in shares of the Corporation's capital stock, unless otherwise provided by the DGCL or the Charter.

Section 9.02 Reserves. There may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its absolute discretion, thinks proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors shall think conducive to the interest of the Corporation, and the Board of Directors may similarly modify or abolish any such reserve.

Section 9.03 Execution of Instruments. The Chief Executive Officer, any Vice President, the Secretary or the Treasurer may enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. The Board of Directors may authorize any other officer or agent to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Any such authorization must be in writing or by electronic transmission and may be general or limited to specific contracts or instruments.

Section 9.04 Corporate Indebtedness. No loan shall be contracted on behalf of the Corporation, and no evidence of indebtedness shall be issued in its name, unless authorized by the Board of Directors or such officers as may be authorized by the Board of Directors. Such authorization may be general or confined to specific instances. Loans so authorized may be effected at any time for the Corporation from any bank, trust company or other institution, or from any firm, corporation or individual. All bonds, debentures, notes and other obligations or evidences of indebtedness of the Corporation issued for such loans shall be made, executed and delivered as the Board of Directors or the Chief Executive Officer shall authorize. When so authorized by the Board of Directors or the Chief Executive Officer, any part of or all the properties, including contract rights, assets, business or good will of the Corporation, whether then owned or thereafter acquired, may be mortgaged, pledged, hypothecated or conveyed or assigned in trust as security for the payment of such bonds, debentures, notes and other obligations or evidences of indebtedness of the Corporation, and of the interest thereon, by instruments executed and delivered in the name of the Corporation.

Section 9.05 Deposits. Any funds of the Corporation may be deposited from time to time in such banks, trust companies or other depositaries as may be determined by the Board of Directors or the Chief Executive Officer, or by such officers or agents as may be authorized by the Board of Directors or the Chief Executive Officer to make such determination.

Section 9.06 Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such agent or agents of the Corporation, and in such manner, as the Board of Directors or the Chief Executive Officer from time to time may determine.

Section 9.07 Sale, Transfer, etc. of Securities. To the extent authorized by the Board of Directors or by the Chief Executive Officer, any Vice President, the Secretary or the Treasurer or any other officers designated by the Board of Directors or the Chief Executive Officer may sell, transfer, endorse, and assign any shares of stock, bonds or other securities owned by or held in the name of the Corporation, and may make, execute and deliver in the name of the Corporation, under its corporate seal, any instruments that may be appropriate to effect any such sale, transfer, endorsement or assignment.

Section 9.08 Voting as Stockholder. Unless otherwise determined by resolution of the Board of Directors, the Chairman, the Chief Executive Officer or any Vice President shall have full power and authority on behalf of the Corporation to attend any meeting of stockholders of any corporation in which the Corporation may hold stock, and to act, vote (or execute proxies to vote) and exercise in person or by proxy all other rights, powers and privileges incident to the ownership of such stock. Such officers acting on behalf of the Corporation shall have full power and authority to execute any instrument expressing consent to or dissent from any action of any such corporation without a meeting. The Board of Directors may by resolution from time to time confer such power and authority upon any other person or persons.

Section 9.09 Fiscal Year. The fiscal year of the Corporation shall be fixed, and once fixed, may thereafter be changed, by resolution of the Board of Directors.

Section 9.10 Seal. The seal of the Corporation shall be circular in form and shall contain the name of the Corporation, the year of its incorporation and the words “Corporate Seal” and “Delaware”. The form of such seal shall be subject to alteration by the Board of Directors. The seal may be used by causing it or a facsimile thereof to be impressed, affixed or reproduced, or may be used in any other lawful manner.

Section 9.11 Books and Records; Inspection. Except to the extent otherwise required by law, the books and records of the Corporation shall be kept at such place or places within or without the State of Delaware as may be determined from time to time by the Board of Directors.

ARTICLE X

FORCE AND EFFECT OF BYLAWS

These Bylaws are subject to the provisions of the DGCL and the Charter. If any provision in these Bylaws is inconsistent with a provision in the DGCL or the Charter, the provision of the DGCL or the Charter shall govern.

ARTICLE XI

AMENDMENTS

These Bylaws may be amended, altered or repealed and new Bylaws adopted by resolution of the Board of Directors. The affirmative vote of at least a majority of the entire Board of Directors shall be required to adopt, amend or repeal the Bylaws. The fact that the power to adopt, amend, alter or repeal these Bylaws has been conferred upon the Board of Directors shall not divest the stockholders of the same powers. Notwithstanding any other provision of the Charter or these Bylaws, and notwithstanding the fact that a lesser percentage or separate class vote may be specified by law, the Charter, these Bylaws or otherwise, but in addition to any affirmative vote of the holders of any particular class or series of the capital stock required by law, the Charter, these Bylaws or otherwise, the affirmative vote of the holders of at least a majority of the voting power of all outstanding shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to adopt, amend or repeal these Bylaws.

* * *

Adopted: [ ], 2014

Exhibit 4.1

[INSTALLED BUILDING PRODUCTS, INC. LOGO]

COMMON STOCK

Number

Shares

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

CUSIP

This Certifies That

Is the Owner of

FULLY PAID AND NON-ASSESSABLE COMMON SHARES, PAR VALUE $0.01 PER SHARE, OF

INSTALLED BUILDING PRODUCTS, INC.

transferable on the books of the Corporation in person or by duly authorized attorney, on surrender of this certificate properly endorsed. This certificate and the shares represented hereby are issued and shall be held subject to all the provisions of the Certificate of Incorporation of the Corporation and the Bylaws of the Corporation, as now or hereafter amended, to all of which the holder hereof by the acceptance hereof assents. This certificate is not valid unless countersigned and registered by the Transfer Agent and Registrar.

Witness the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

Dated:

[CORPORATE SEAL]

CHIEF EXECUTIVE OFFICER

SECRETARY

COUNTERSIGNED AND REGISTERED:
[—]

TRANSFER AGENT AND REGISTRAR

BY: _____
AUTHORIZED SIGNATURE

INSTALLED BUILDING PRODUCTS, INC.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT	- _____ Custodian _____ (Cust) (Minor) under Uniform Gifts to Minors Act _____ (State)
TEN ENT	- as tenants by the entireties		
JT TEN	- as joint tenants with right of survivorship and not as tenants in common	UNIF TRF MIN ACT	- _____ Custodian (until age___) (Cust) _____ under Uniform Transfers (Minor) to Minors Act _____ (State)

Additional abbreviations may also be used though not in the above list.

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto

(Please Insert Social Security Number or Other Identifying Number of Assignee)

_____

(Please Print or Typewrite Name and Address, Including Zip Code of Assignee)

_____

_____

Shares of the capital stock represented by the within Certificate, and do(es) hereby irrevocably

constitute and appoint _____

Attorney to transfer the said shares on the books of the within named Corporation with full power of substitution in the premises.

Dated _____ _____

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATEVER.

Signature(s) Guaranteed

By: _____

THE SIGNATURE(S) MUST BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM) PURSUANT TO S.E.C. RULE 17AD-15.

The within named Corporation will furnish without charge to each stockholder who so requests a statement of the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof of the Corporation and the qualifications, limitations or restrictions of such preferences and/or rights. Such requests may be made to the Corporation's Secretary at the principal office of the Corporation.

Exhibit 4.6

AMENDMENT

TO

STOCKHOLDERS' AGREEMENT

This Amendment to the Stockholders Agreement (this "**Amendment**") is entered and effective as of January 27, 2014 (the "**Effective Date**"), by and among Installed Building Products, Inc., a Delaware corporation (the "**Company**"), Cetus Capital II, LLC, a Delaware limited liability company ("**Cetus**"), IBP Investment Holdings, LLC, a Delaware limited liability company ("**IIH**"), IBP Management Holdings, LLC, a Delaware limited liability company ("**Management Holdings**"), and TCI Holdings, LLC, a Georgia limited liability company ("**TCI**" and together with Cetus, IIH and Management Holdings, the "**Stockholders**").

RECITALS

WHEREAS, the Company and the Stockholders are parties to the Stockholders Agreement, dated as of November 4, 2011, as amended by the Omnibus Agreement to the Stockholders Agreement, dated as of August 31, 2012 (the "**Stockholders Agreement**") of the Company;

WHEREAS, the Company has filed a registration statement on Form S-1 (Registration No. 333-193427) (the "**Registration Statement**") for its initial public offering (the "**IPO**");

WHEREAS, the Stockholders desire to amend certain terms and provisions of the Stockholders Agreement to clarify the Stockholders' understanding of the effect of termination of the Stockholders' Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and the Stockholders hereby agree as follows:

1. Amendment to Section 8.2. Section 8.2 is hereby amended and restated in its entirety to read as follows:

Section 8.2 Effect of Termination. The termination of this Agreement shall terminate all further rights and obligations of the Stockholders under this Agreement, except that such termination shall not affect the obligation of any Party to pay any amounts arising on or prior to the date of termination, or as a result of or in connection with such termination.

2. Effect of Amendment. This Amendment is limited as specified and shall not constitute a modification, acceptance or waiver of any other provision of the Stockholders Agreement. Except as specifically amended by this Amendment, all other provisions of the Stockholders Agreement are hereby ratified and remain in full force and effect.

3. Single Document. From and after the Effective Date all references to the Stockholders Agreement (whether in the Stockholders Agreement or any other document or agreement prepared in connection with the transactions contemplated by the Stockholders Agreement) shall be deemed to be references to the Stockholders Agreement as amended by this Amendment.

4. Defined Terms. Terms used but not otherwise defined in this Amendment have the meanings given to them in the Stockholders Agreement.

5. Counterparts. This Amendment may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by each party hereto in separate counterparts, each of which when executed and delivered will be deemed to be an original but all of which taken together will constitute one and the same agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the parties to this Amendment has executed and delivered this Amendment, or caused this Amendment to be executed and delivered by its duly authorized representative(s), as of the date first written above.

COMPANY:

INSTALLED BUILDING PRODUCTS, INC.

By /s/ Michael T. Miller
Name: Michael T. Miller
Title: EVP - Finance

STOCKHOLDERS:

CETUS CAPITAL II, LLC

By /s/ Robert E. Davis
Name: Robert E. Davis
Title: Managing Director

IBP INVESTMENT HOLDINGS, LLC
By: PJAM IBP Holdings, Inc.

By /s/ Jeffrey W. Edwards
Name: Jeffrey W. Edwards
Title: President

IBP MANAGEMENT HOLDINGS, LLC

By /s/ Jeffrey W. Edwards
Name: Jeffrey W. Edwards
Title: Manager

TCI HOLDINGS, LLC

By /s/ J. Michael Nixon
Name: J. Michael Nixon
Title: Manager

Exhibit 4.7

RECAPITALIZATION AND EXCHANGE AGREEMENT

BY AND BETWEEN

CCIB HOLDCO, INC.

AND

CETUS CAPITAL II, LLC DATED

AS OF NOVEMBER 4, 2011

RECAPITALIZATION AND EXCHANGE AGREEMENT

This Recapitalization and Exchange Agreement (as amended, restated or supplemented from time to time, this "Agreement") is made and entered into as of November 4, 2011 by and between CCIB Holdco, Inc., a Delaware corporation (the "Company"), and Cetus Capital II, LLC, a Delaware limited liability company ("Cetus").

RECITALS

WHEREAS, Cetus has previously acquired all existing indebtedness and the accrued interest thereon under that certain Credit Agreement dated June 25, 2005, as amended to date (the "Credit Agreement"), among Installed Building Products, LLC, a Delaware limited liability company ("IBP"), the lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, GE Business Financial Services, as Syndication Agent, and The Huntington National Bank as Documentary Agent (such indebtedness and the accrued interest thereon (other than the Subordinate Loans, as defined in the Credit Agreement, and $7,466,000 of LIFO Loans, as defined in the Credit Agreement), the "First Lien Debt");

WHEREAS, pursuant to that certain Subscription Agreement dated as of November 2, 2011 by and between Cetus and the Company, Cetus has previously acquired all of the currently issued and outstanding capital stock of the Company, consisting of one (1) share (such share, the "Original Stock") of common stock, $0.01 par value per share (the "Common Stock") in exchange for a contribution of cash to the capital of the Company in the amount of $10.00

WHEREAS, pursuant to those certain Subscription Agreements, each dated as of October 28, 2011 by and between the Company and each of Sub I-A, Sub I-B, Sub II-A and Sub li-B, the Company has previously acquired all the currently issued and outstanding capital stock of each of Sub I-A, Sub I-B, Sub II-A and Sub li-B in exchange for a contribution of cash by the Company to the capital of each of Sub I-A, Sub I-B, Sub II-A and Sub II-B in the amount of $100.00;

WHEREAS, pursuant to that certain Second Lien Debt Cancellation Agreement dated as of November 3, 2011 among Primstone Funding Company, LLC, IBP Funding Company, LLC and IBP (the "Second Lien Debt Cancellation Agreement"), all holders of Second Lien Debt have agreed to cancel tl1e Second Lien Debt and as such, the Second Lien Debt is no longer outstanding (the "Second Lien Debt Cancellation").

WHEREAS, immediately after the Second Lien Debt Cancellation and pursuant to that certain Contribution and Exchange Agreement dated as of the date of the Second Lien Debt Cancellation among IBP Investment Holdings, LLC, a Delaware limited liability company ("SPE"), certain members of IBP Holdings, LLC and all the members of IBP Holdings II, LLC ("SPE Contribution Agreement"), all the members of IBP Holdings, LLC (other than IBP Management Holdings, LLC, a Delaware limited liability company ("IBP Management Holdings")), and all the members of IBP Holdings II, LLC have contributed all their membership interests in IBP Holdings, LLC and IBP Holdings II, LLC, respectively, to the capital of SPE solely in exchange for membership interests in SPE (the "SPE Acquisition") issued in accordance with the Operating Agreement of SPE (the "SPE Operating Agreement");

WHEREAS, on a day no earlier or later than the day after the date of the Second Lien Debt Cancellation and SPE Acquisition, which shall be the Closing Date, and subject to the condition subsequent that all other Restructuring Transactions shall be timely completed thereafter, (i) pursuant to this Agreement, Cetus desires to contribute the First Lien Debt to the capital of the Company in exchange for (A) newly issued shares of Common Stock, and (B) newly issued shares of Series A Preferred Stock, $0.01 par value per share (the "Preferred Stock"), of the Company in accordance with the terms and subject to the conditions set forth in this Agreement, and (ii) pursuant to that certain Contribution and Exchange Agreement dated as of the date hereof by and among the Company, Sub 1-A and Sub 1-B (the "First Lien Debt Contribution Agreement"), immediately after such contribution to the capital of the Company, Cetus desires to (A) cause the Company to contribute the First Lien Debt in equal undivided interests to the capital of Sub I-A and Sub I-B, and (B) immediately after such contributions to the capital of Sub I-A and Sub I-B, pursuant to the Contribution Agreement, cause Sub I-A and Sub I-B to contribute the First Lien Debt to the capital of IBP Holdings, LLC, in exchange for a membership interest in accordance with that certain Fourth Amended and Restated Operating Agreement of IBP Holdings, LLC to be entered into on the Closing Date (the "Restated LLC Agreement"), whereupon the First Lien Debt will be cancelled (such last-mentioned exchange and cancellation, the "First Lien Debt Exchange");

WHEREAS, immediately after the First Lien Debt Exchange and on the Closing Date, Cetus and the Company desire to cause (i) Sub I-A and Sub I-B to acquire the remaining membership interests in IBP Holdings pursuant to the IBP Holdings Merger, and (ii) Sub II-A and Sub li-B to acquire all the membership interests in IBP Holdings II, LLC pursuant to the IBP Holdings II Merger; and

WHEREAS, immediately after the consummation of the IBP Holdings Merger and IBP Holdings II Merger, Cetus and the Company desire IBP to enter into a new credit agreement and related transactions with Bank of America, N.A., and other parties (the "BofA Refinancing").

NOW, THEREFORE, in consideration of the covenants, promises and representations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE I
DEFINITIONS.

For purposes of this Agreement, the following terms shall have the meanings given to them in this Article I:

"Affiliate" means, with respect to any specified Person, any other Person that, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer or director of such Person or any investment fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person. The terms "controls," "controlled" and "common control with" mean the ability, by ownership of voting securities, contract, agreement or otherwise, directly or indirectly, to direct the managerial and operating policies of a Person.

"Agreement" is defined in the Preamble.

"agreement" means any written, oral, implied or other legally binding agreement, contract, mortgage, indenture, lease, license, understanding, arrangement, instrument, note, guaranty, indenmity, representation, warranty, deed, assignment, power of attorney, certificate, purchase order, work order, insurance policy, benefit plan, commitment, covenant, assurance or undertaking of any nature, and each and every amendment, extension, exhibit, attachment, schedule, addendum, appendix, statement of work, change order, and any other similar instrument or document relating thereto.

"Balance Sheet Date" is defined in Section 3.7(a).

"BofA Refinancing" is defined in the Recitals.

"Business Day" means any day of the year on which national banking institutions in the State of New York are open to the public for conducting business and are not required to close.

"Call Right" is defined in Section 8.1.

"CERCLA" means the Comprehensive Environmental Response and Liability Act.

"Cetus" is defined in the Preamble.

"Cetus LIFO Loans" means $7,466,000 of LIFO Loans under the Credit Agreement made by Cetus thereunder and all accrued and unpaid interest thereon.

"Change in Control Agreement" is defined in Section 3.17.

"Closing" is defined in Section 2.2.

"Closing Date" is defined in Section 2.2.

"Code" means the United States Internal Revenue Code of 1986, as amended.

"Common Stock" is defined in the Preamble.

"Company" is defined in the Preamble.

"Company Approval" means the approval of the Company Board and the holders of Company Capital Stock as required pursuant to the terms of the Company's Organizational Documents and any applicable Law, in each case as in effect as of the date hereof.

"Company Authorizations" is defined in Section 3.28.

"Company Balance Sheet" is defined in Section 3.7(a).

"Company Board" means the board of directors of the Company.

"Company Capital Stock" means the Common Stock and the Preferred Stock, collectively.

"Company Disclosure Schedule" is defined in Article III.

"Company Employee Plan" means any plan, program, policy, practice, contract, agreement or other arrangement (whether written or oral) providing for deferred compensation, profit sharing, bonus, severance, termination pay, performance awards, stock or stock-related awards, fringe benefits, group or individual health, dental, medical, retiree medical, life insurance, short or long term disability insurance, accidental death and dismemberment insurance, survivor benefits, welfare, pension or other employee benefits or remuneration of any kind, whether formal or informal, funded or unfunded, including each "employee benefit plan" within the meaning of Section 3(3) of ERISA, which is or has within the prior six (6) years been maintained, contributed to, or required to be contributed to, by the Company or any of the Subsidiaries for the benefit of any Employee, or pursuant to which the Company or any of the Subsidiaries has or may have any material liability, contingent or otherwise.

"Company Financial Statements" is defined in Section 3.7(a).

"Company Intellectual Property" means (other than off-the-shelf software purchased by the Company or a Subsidiary and used in the ordinary course of business) any trademark, service mark, trade name, logo, copyright, patent, invention (whether or not patentable), know-how, technology, industrial design, web address, web site or domain name that is used, or is held for use in the business of the Company or any of the Subsidiaries, as currently conducted or as currently proposed to be conducted, and all good will associated with the business of the Company and the Subsidiaries.

"Company Option Plan" is defined in Section 3.6(b)(i).

"Company Products" means each product developed, manufactured, sold, licensed, leased or delivered by the Company or any of the Subsidiaries.

"Company Securities" means the Company's Capital Stock and all other classes or series of capital stock of the Company, if any.

"Contamination" means the presence, Release, threat of Release of or exposure to Hazardous Materials at, on, under, emanating from or migrating onto any real property, including in soil or other subsurface media, groundwater, or surface water in amounts, concentrations or levels at or above which notification, remediation or other response actions are required by any Governmental Entity, including the EPA or pursuant to applicable Environmental Laws.

"Credit Agreement" is defined in the Recitals.

"Disclosable Contract" is defined in Section 3.16(b).

"Distribution" means a declaration, setting aside or payment by the Company or any of the Subsidiaries of any dividend or other distribution (whether in cash, equity or property) on or with respect to, or redemption, purchase or other acquisition by the Company or any of the Subsidiaries of, any Company Security, any Subsidiary Security or any Security Right with respect thereto.

"DOL" means the United States Department of Labor.

"Employee" means any current employee, officer, manager or director of the Company or any of the Subsidiaries.

"Employment Agreement" means each management, employment, severance, consulting, relocation, repatriation, expatriation, visa, work permit or similar agreement currently in effect between the Company, any of the Subsidiaries or IDH and any Key Executive Employee or Key Employee.

"Environmental Law" means any common law or federal, state, county, regional, district, local or foreign statute, treaty, ordinance, rule, regulation, policy, guidelines, standards, Permit or order, and all amendments thereto, relating to the protection of human health, safety, wildlife or the environment, including all requirements pertaining to: (i) the manufacture, processing, distribution, use, presence, production, handling, treatment, transportation, storage and disposal of Hazardous Materials; (ii) the reporting, investigation and remediation of Releases of Hazardous Materials into any media, including soil, subsurface strata, groundwater, surface water and air; (iii) the health and safety of employees in the workplace or of any member of the public; (iv) natural resources; (v) wetlands; and (vi) endangered or threatened species or habitats, including the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), RCRA, Safe Drinking Water Act (42 U.S.C.§3000(£) et seq.), Toxic Substances Control Act (15 U.S.C. §2601 et seq.), Clean Air Act (42 U.S.C. §7401 et seq.), CERCLA, and other similar state, local and foreign statutes, and any regulations promulgated thereto.

"Environmental Liabilities" means all past, present and future claims, of any kind or nature, contingent or otherwise, foreseeable or unforeseeable, suits, causes of actions, demands, losses, damages (including foreseeable and unforeseeable consequential damages, lost profits, lost rents, punitive damages, natural resource damages and diminution of property value), liabilities, fines, penalties, costs, taxes, charges, liens, judicial proceedings, orders, judgments, settlements, administrative proceedings (including notices of non-compliance or violation, charges, directives, demands, requests for information, compliance orders and consent decrees), remedial actions and compliat1ce requirements (including reporting, investigation, monitoring, response, abatement, restoration and cleanup), third party claims (including tort, personal injury, economic and property claims) and expenses (including reasonable attorney's fees and expenses, costs of defense, and costs of expe1is and consultants) related to or arising out of, indirectly or directly, in whole or in part, Environmental Laws, or any Releases of Hazardous Materials.

"Environmental Permits" is defined in Section 3.22(d).

"EPA" means the Environmental Protection Agency.

"Equipment" means all machinery, installations, equipment, trucks, trailers, other vehicles, furniture, tools, spare parts, supplies, materials and other tangible personal property.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means any Person that, together with the Company or any of the Subsidiaries, would be treated as a single employer under Section 414 of the Code or Section 4001 of ERISA and the regulations thereunder.

"Exchange" is defined in Section 2.1.

"First Lien COD" is defined in Section 7.2(b).

"First Lien Debt" is defined in the Recitals.

"First Lien Debt Cancellation Agreement" is defined in Section 7.3.

"First Lien Debt Contribution Agreement" is defined in the Recitals.

"Fundamental Representations" is defined in Section 6.1.

"GAAP" is defined in Section 3.7(a).

"Governmental Entity" means any (i) federal, state, local, foreign or other government authority, including any nation, state, commonwealth, province, territory, county, municipality, district or other juridical or political body; (ii) public primary, secondary or higher educational institution; or (iii) other governmental, self-regulatory or quasi-governmental authority of any nature (including any governmental division, department, agency, commission, instrumentality, official, organization, unit, body or entity and any court or other tribunal).

"Hazardous Material" means any chemical or substance that is listed, regulated or defined as a hazardous substance, hazardous material, toxic substance, hazardous waste, hazardous chemical, carcinogen, mutagen, reproductive toxicant, explosive substance, corrosive substance, flammable or ignitable substance, or pollutant or contaminant under any Environmental Laws, including (i) radioactive substances; (ii) asbestos; (iii) radon gas; (iv) polychlorinated biphenyls (PCBs); (v) petrochemicals, petroleum (including crude oil and any fractions thereof) and petroleum products, and any additives thereto (including MTBE); (vi) natural or synthetic gas or any mixture thereof, (vii) medical or infectious waste; (viii) lead-based paint; (ix) urea foam insulation; (x) perchlorate; (xi) mercury or any of the other RCRA metals; (xi) fungi, bacterial or viral matter, whether or not living; and (xii) any other chemical, material or substance the discharge, emission or Release of which is prohibited, limited or regulated by applicable Environmental Law.

"IBH" means IBP Holding Company.

"IBP" has the meaning given in the Recitals.

"IBP Holdings, LLC" means IBP Holdings, LLC, a Delaware limited liability company.

"lBP Holdings II, LLC" means IBP Holdings II, LLC, a Delaware limited liability company.

"IBP Holdings Merger" means the merger of Merger Sub I-A and Merger Sub I-B with and into IBP Holdings, LLC in accordance with the IBP Holdings Merger Agreement.

"lBP Holdings Merger Agreement" means the Restructuring Documentation relating to the IBP Holdings Merger.

"IBP Holdings II Merger" means the merger of Merger Sub II-A and Merger Sub li-B with and into IBP Holdings II, LLC.

"IBP Holdings II Merger Agreement" means the Restructuring Documentation relating to the IBP Holdings II Merger.

"IBP Management Holdings, LLC" means IBP Management Holdings, LLC, a Delaware limited liability company.

"Improvements" means all plants, buildings, structures, fixtures and improvements of all kinds.

"Indebtedness" means, without duplication, with respect to any Person (i) all obligations for borrowed money or extensions of credit (including bank overdrafts and advances); (ii) all obligations evidenced by bonds, debentures, notes or other similar instruments; (iii) all obligations to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business; (iv) ail obligations as lessee capitalized in accordance with GAAP; (v) all obligations of others secured by a Lien on any asset, whether or not such obligations are assumed; (vi) all obligations, contingent or otherwise, directly or indirectly guaranteeing any obligations of any other Person, all obligations to reimburse the issuer in respect of letters of credit or under performance or surety bonds, or other similar obligations; (vii) all obligations in respect of bankers' acceptances and under reverse repurchase agreements; and (viii) all obligations in respect of futures contracts, swaps, other financial contracts and other similar obligations (determined on a net basis as if such contract or obligation was being terminated early on such date).

"Indemnified Parties" is defined in Section 6.2.

"IRS" means the United States Internal Revenue Service.

"Key Employee" means the ten (10) most highly compensated employees of the Company, any of the Subsidiaries or JBH, other than any Key Executive Employee.

"Key Executive Employee" means each of Jeffrey Edwards, William W. Jenkins, Michael Miller, Randall Williamson, Scott Jenkins, Warren Pearce and Matt Momper.

"knowledge" (including any derivation thereof such as "known") means the actual knowledge, after due inquiry of those individuals who would have knowledge of the matter in question, of any of (i) the officers and directors of the Company or any of the Subsidiaries and (ii) the Key Executive Employees.

"Law" means any federal, state, foreign, or local law, statute, ordinance, rule, wage, order, regulation, writ, injunction, directive, order, judgment, administrative interpretation, treaty, decree, administrative or judicial decision and any other executive, legislative, regulatory or administrative proclamation.

"Leased Real Property" is defined in Section 3.13(b).

"Liens" means any lien, pledge, mortgage, deed of trust, security interest, retention of title or lease for security purposes, claim, license, charge, option, right of first refusal, easement, right of way, covenant, condition, restriction, reservation, servitude, proxy, voting trust or agreement, transfer restriction under any stockholder or similar agreement, or encumbrance of any nature whatsoever of any kind.

"Losses" means claims, liabilities, costs, penalties, damages (including solely with respect to Third-Party Claims and not with respect to any other claims, punitive, special, exemplary or similar

damages claimed by such third party), deficiencies, losses, Taxes, reduction in net operating losses, diminution in value, interest and penalties and expenses (including reasonable attorneys' fees and expenses and expenses of other out-of-pocket expenses incurred in investigating and defense).

"Material Adverse Effect" means a material adverse effect on (a) the business, assets, liabilities, condition (financial or other), operations or results of operations of the Company and the Subsidiaries taken as a whole or (h) the ability of the Company to perform its obligations pursuant to this Agreement and the Related Agreements and to consummate the Transactions in a timely manner.

"Merger Sub I-A" means IBHL Acquisition A, LLC, a Delaware limited liability company.

"Merger Sub I-B" means IBHL Acquisition B, LLC, a Delaware limited liability company.

"Merger Sub II-A" means IBHL Acquisition IT-A, LLC, a Delaware limited liability company.

"Merger Sub II-B" means IBHL Acquisition II-B, LLC, a Delaware limited liability company.

"Organizational Documents" means, with respect to any Person (other than an individual), (i) the certificate or articles of incorporation or organization or limited partnership or limited liability company, and any joint venture, limited liability company, operating or partnership agreement and other similar documents adopted or filed in connection with the creation, formation or organization of such Person and (ii) all by-laws, regulations, voting agreements and similar documents, instruments or agreements relating to the organization or governance of such Person, in each case, as amended or supplemented.

"Original Stock" has the meaning given in the Recitals.

"Owned Real Property" is defined in Section 3.13(a).

"Permits" means all permits, licenses, franchises, concessions, consents, authorizations, approvals, registrations, filings and other similar acts of or made with any Governmental Entity held by the company that may lawfully be assigned, transferred, modified or amended to reflect a change in ownership or operational control.

"Permitted Lien" means any Lien that: (i) arises out of Taxes not in default and payable without penalty or interest or the validity of which is being contested in good faith by appropriate proceedings; (ii) represents the rights of customers, suppliers and subcontractors in the ordinary course of business, consistent with past practice, under the terms of the Disclosable Contracts or under general principles of commercial or government contract law; (iii) in the case of any Disclosable Contract, contains restrictions against the transfer or assignment thereof that are included in the terms of such Disclosable Contract; (iv) are carriers', warehousemen's, mechanics', materialmen's, repairmen's, landlord's and other like Liens imposed by law, arising in the ordinary course of business; (v) are pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations; (vi) are deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in

each case in the ordinary course of business; (vii) arise in connection with easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Company or any Subsidiary; (viii) secure Indebtedness in connection with the Credit Agreement, and (ix) individually or in the aggregate would not reasonably be expected to interfere in any material respect with the normal operations of the Company; provided, that Permitted Liens shall not include voluntary mortgages, deeds of trust, security instruments or other liens securing Indebtedness.

"Person" means any individual, corporation, partnership, limited liability company, firrn, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Entity or other entity.

"Preferred Stock" is defined in the Preamble.

"Related Agreements" is defined in Section 3.2.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, migration, leaching, placing, discarding, dumping or disposing of any Hazardous Material into the environment (including the abandonment of barrels, containers or other closed receptacles containing any Hazardous Materials).

"Representatives" means with respect to each party hereto, such party's directors, trustees, managers, partners, stockholders, officers, employees, representatives {including financial advisors, attorneys, accountants and consultants) and Affiliates, including such Affiliate's Representatives.

"Restated LLC Agreement" is defined in the Recitals.

"Restructuring Documentation" means those certain documents, agreements and certificates listed on Schedule 1 hereto.

"Restructuring Transactions" means those certain transactions listed on Schedule 2 hereto.

"Second Lien COD" is defined in Section 7.2(d).

"Second Lien Debt" means those certain indebtedness of the Company classified as Subordinate Loans under the Credit Agreement.

"Second Lien Debt Cancellation" is defined in the Recitals.

"Second Lien Debt Cancellation Agreement" is defined in the Recitals.

"Security Right" means, with respect to any Company Security or any Subsidiary Security, any option, warrant, subscription right, preemptive right, other right, proxy, put, call, demand, plan, commitment, agreement, understanding or arrangement of any kind relating to such security, whether issued or unissued, or any other security convertible into or exchangeable for any such security. "Security Right" includes any right relating to issuance, sale, assignment, transfer, purchase, redemption, conversion, exchange, registration or voting, and includes rights conferred by any Law, the Company's or any of the Subsidiaries' Organizational Documents or by agreement.

"Shares" is defined in Section 2.1.

"SPE" means IBP Investment Holdings, LLC, a Delaware limited liability company.

"SPE Acquisition" is defined in the Recitals.

"SPE Contribution Agreement" is defined in the Recitals.

"SPE Operating Agreement" is defined in the Recitals.

"Stockholders Agreement" means the Stockholders Agreement by and among the Company, Cetus and the other parties thereto, dated as of the Closing Date.

"Sub I-A" means IBHL A Holding Company, Inc., a Delaware corporation.

"Sub I-B" means IBHL B Holding Company, Inc., a Delaware corporation.

"Sub II-A" means IBHL II-A Holding Company, Inc., a Delaware corporation.

"Sub lI-B" means IBHL II-B Holding Company, Inc., a Delaware corporation.

"Subsidiary" is defined in Section 3.5(a).

"Subsidiary Securities" is defined in Section 3.5(b).

"Tax" means any federal, state, local and foreign net income, alternative or add-on minimum, estimated, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, capital profits, lease, service, fringe benefits, license, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property, environmental or windfall profit tax, registration, capital stock, social security (or similar), unemployment, disability, customs duty or other tax, governmental fee or other like assessment or charge of any kind whatsoever (including any Tax imposed under Section 1374, and any liability incurred or borne by virtue of the application of Treasury Regulation Section 1.1502-6 (or any similar or corresponding provision of state, local or foreign Law)), as a transferee or successor, by contract or otherwise, together with all interest, penalties, additions to tax and additional amounts with respect thereto.

"Tax Authority" means any Governmental Entity responsible for the imposition or collection of any Tax.

"Tax Returns" means all returns, declarations, reports, claims for refund, information statements, reports, accounts, computations, assessments, registrations and other documents relating to Taxes, including all schedules and attachments thereto, and including all amendments thereof.

"Third Party Claim" means the assertion by any third party of any claim against the Company, any Subsidy or any Indemnified Party that, in the judgment of Cetus, may result in the occurrence of Losses for which an indemnified Party would be entitled to indemnification pursuant to this Agreement.

"Transactions" is defined in Section 2.2.

ARTICLE II
EXCHANGE

Section 2.1 Exchange. Upon the terms and subject to the conditions set forth herein, at the Closing the Company shall sell, assign, convey, transfer and deliver to Cetus 299,999 newly issued shares of Common Stock and 1,000 newly issued shares of Preferred Stock free and clear of all Liens (collectively, the "Shares"), and in exchange therefor Cetus shall contribute the First Lien Debt to the capital of the Company, free and clear of all Liens (the "Exchange"). The Original Stock shall remain issued and outstanding in the hands of Cetus immediately after the Exchange. Immediately after the Exchange, pursuant to the First Lien Debt Exchange Agreement, (i) the Company shall contribute to the capital of each of Sub I-A and Sub I-B a one-half undivided interest in the First Lien Debt (so that upon such contribution Sub I-A and Sub I-B together hold all the First Lien Debt), and (ii) immediately after such contribution Sub I-A and Sub I-B shall contribute the First Lien Debt to the capital of IBP Holdings, LLC in exchange for a membership interest in accordance with the Restated LLC Agreement

Section 2.2 Closing. The consummation (the "Closing") of the Exchange and the other transactions contemplated by this Agreement, the Restructuring Documentation and the Related Agreements (collectively the "Transactions") will take place in the sequence described on Schedule 2 hereto, at the offices of Sheppard, Mullin, Richter & Hampton LLP, 30 Rockefeller Plaza, New York, NY I 0112 unless another sequence or place is agreed to by the Company and Cetus. The date upon which the Closing occurs is herein referred to as the "Closing Date".

Section 2.3 Exchange Procedures. On the Closing Date, (a) Cetus shall deliver or cause to be delivered to the Company assignments for the First Lien Debt to be exchanged hereunder, and (b) the Company shall deliver or cause to be delivered to the Company one or more certificates evidencing the Shares.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Subject to such exceptions as are disclosed in the disclosure schedule, dated as of the date hereof, and delivered herewith by the Company to Cetus (the "Company Disclosure Schedule") corresponding to the applicable section and subsection or clause of this Article III, the Company hereby represents and warrants to Cetus as of the Closing, assuming the consummation of all of the Restructuring Transactions (including the Exchange), other than as specifically set forth in any particular representation and warranty, as follows. Notwithstanding the location of any information disclosed in the Company Disclosure Schedule, any information disclosed in one such Schedule shall be deemed to be disclosed in such other Schedules and applicable to such other representations and warranties to the extent that the disclosure is reasonably apparent from its face to be applicable to such other Schedules and such other representations and warranties.

Section 3.1 Organization of the Company. The Company is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. The Company has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as currently conducted. Except as set forth on Schedule 3.1, the

Company is duly qualified or licensed to do business and is in good standing as a foreign corporation in each jurisdiction listed on Schedule 3.1. The Company is or will be duly licensed or qualified in all of the jurisdictions in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or licensed or in good standing would not reasonably be expected to have a Material Adverse Effect. The Company has delivered to Cetus an accurate and complete copy of the Company's Organizational Documents, each as amended to date and in full force and effect on the date hereof. The Company has not violated its Organizational Documents in any material respect. Schedule 3.1 also lists every state or foreign jurisdiction in which the Company has facilities, maintains an office or has a current Employee, consultant or contractor. The Company has not conducted any business under or otherwise used for any purpose in any jurisdiction any fictitious name, assumed name, "d/b/a", trade name or other name.

Section 3.2 Authority. The Company has all requisite corporate power and authority to enter into this Agreement and each of the other agreements, certificates or documents contemplated hereby, including the Restructuring Documentation (collectively, the "Related Agreements") to which it is or will be a party, to perform its obligations hereunder and thereunder, and to consummate the Transactions. The Company Approval has been obtained, and constitutes all of the necessary action or authorization on the part of the Company, the Company Board or the stockholders of the Company for the authorization, execution, delivery and performance of this Agreement and the Related Agreements by the Company and the consummation by the Company of the Transactions. This Agreement has been, and each of the Related Agreements to which the Company is a party will be at the Closing or thereafter, duly executed and delivered by the Company and, assuming due authorization, execution and delivery by Cetus, this Agreement constitutes, and in the case of the Related Agreements, assuming due authorization, execution and delivery by the other parties thereto, they will at Closing or thereafter constitute, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except as such enforceability may be subject to applicable bankruptcy, reorganization, insolvency, moratorium and similar Laws affecting the enforcement of creditors' rights generally and by general principles of equity.

Section 3.3 No Conflict; Compliance with Laws. Assuming the consents, waivers and approvals set forth on Schedule 3.4(b) are obtained, the execution, delivery and performance by the Company of this Agreement and by the Company or any Subsidiary of the Related Agreements to which the Company or such Subsidiary is a party, and the consummation of the Transactions, do not and will not conflict with or result in any violation of or default under (with or without notice or lapse of time, or both) or give rise to a right of termination, cancellation, modification or acceleration of any obligation or loss of any benefit under, or result in the imposition or creation of any Lien upon the Shares or any Lien upon any of the Company's or any of the Subsidiaries' properties or assets (tangible or intangible), or cause the Company or any of the Subsidiaries to become subject to, or liable for, the payment of any Tax under: (a) any provision of the Organizational Documents of the Company or any of the Subsidiaries; (b) any agreement to which the Company or any of the Subsidiaries is a party or by which they or any of their respective properties or assets is bound, including any Disclosable Contract; (c) any Company Authorization; or (d) any Law applicable to the Company or any of the Subsidiaries or any of their respective properties or assets (whether tangible or intangible), in each case that would reasonably be expected to have a Material Adverse Effect. Except as set forth on Schedule 3.3, the Company and each Subsidiary has complied, and is now complying, with all Laws applicable to it and its business, properties and assets, except where the failure to comply would not reasonably be expected to have a Material Adverse Effect.

Section 3.4 Consents.

(a) No consent, waiver, approval, order or authorization of, or registration, declaration or filing with, or notice to any Governmental Entity is required by, or with respect to, the Company or any of the Subsidiaries in connection with the execution, delivery and performance by the Company or any of the Subsidiaries of this Agreement and the Related Agreements to which the Company or any of the Subsidiaries is a party or the consummation by the Company and the Subsidiaries of the Transactions.

(b) Schedule 3.4(b) sets forth all notices to, and all consents, waivers and approvals of, parties to any material agreement (including any Disclosable Contract) to which the Company or any of the Subsidiaries is a party or by which they or their properties are bound that are required thereunder in connection with the Transactions, or for any such material agreement to remain in full force and effect without limitation, modification or alteration (including payment of any additional amounts or consideration other than ongoing fees, royalties or payments which the Company or any of the Subsidiaries, as the case may be, would otherwise be required to pay pursuant to the terms of such material agreement had the Transactions not occurred) after the Closing Date so as to preserve all rights of, and benefits to, the Company and the Subsidiaries, as the case may be, under such material agreement from and after the Closing Date.

Section 3.5 Subsidiaries.

(a) Except for the Persons set forth on Schedule 3.5(a) (each a "Subsidiary"), the Company does not, own directly or indirectly, any capital stock of or any other equity or ownership interest in, or control, directly or indirectly, any other Person, and the Company is not directly or indirectly, a party to, member of or participant in any partnership, joint venture or similar business entity. Each Subsidiary is duly organized, validly existing and in good standing (to the extent applicable) under the Laws of its jurisdiction of formation. Each Subsidiary has all requisite power and authority to own, lease and operate its properties and to carry on its business as currently conducted. Each Subsidiary is duly qualified or licensed to do business and is in good standing (to the extent applicable) as a foreign organization in each jurisdiction listed on Schedule 3.5(a), which constitute all of the jurisdictions in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except as set forth on Schedule 3.5(a) and except such other jurisdictions where the failure to be so qualified or licensed or in good standing would not reasonably be expected to have a Material Adverse Effect. The Company has made available to Cetus an accurate and complete copy of each Subsidiary's Organizational Documents, each as amended to date and in full force and effect on the date hereof. None of the Subsidiaries has violated its Organizational Documents in any material respect. Schedule 3.5(a) lists, with respect to each Subsidiary, every jurisdiction in which such Subsidiary has facilities, maintains an office or has a current Employee, consultant or contractor. Except as set forth on Schedule 3.5(a), none of the Subsidiaries conduct any business under or otherwise use for any purpose in any jurisdiction any fictitious name, assumed name, "d/b/a", trade name or other name.

(b) The authorized capitalization of each Subsidiary, including the identity of each holder of any outstanding equity interest therein, is set forth on Schedule 3.5(b). Except as set forth on Schedule 3.5(b), all of the outstanding capital stock of, or other equity or ownership interests in, each Subsidiary is owned by the Company, directly or indirectly, free and clear of any Lien (except pledges of capital stock or other equity or ownership interests in certain Subsidiaries made in connection with the Credit Agreement) and free of any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock or other equity or ownership interests). There are no outstanding (i) Company Securities or securities of any of the Subsidiaries convertible into or exercisable or exchangeable for shares of capital stock or other voting securities or equity or ownership interests in any Subsidiary ("Subsidiary Securities") or (ii) except as set forth on Schedule 3.5(b), Security Rights for any Subsidiary Securities. Except as set forth on Schedule 3.5(b). There are no outstanding obligations of the Company or any of the Subsidiaries to repurchase, redeem or otherwise acquire any outstanding Subsidiary Securities. All of the outstanding Subsidiary Securities have been duly authorized and are validly issued, fully paid and non-assessable;

Section 3.6 Company Capital Structure.

(a) The authorized capital stock of the Company consists of(i) 1,000,000 shares of Common Stock, of which the Original Stock is issued and outstanding, and (ii) 1,000 shares of Preferred Stock, consisting of 1,000 shares of Series A Preferred Stock, of which no shares are issued and outstanding. The holders of all of the issued and outstanding shares of capital stock of the Company are set forth on Schedule 3.6(a). Except as set forth on Schedule 3.6(a), the Company does not have any shares of preferred stock or any other shares of capital stock or any other equity or ownership interests of any kind authorized, designated, issued or outstanding. Upon issuance to Cetus, all of the Shares will be (i) duly authorized, validly issued, fully paid, non-assessable and not subject to preemptive rights or similar rights created by statute, the Company's Organizational Documents or any agreement to which the Company is a party, and (ii) offered, sold, issued and delivered by the Company in all material respects in compliance with the terms of any applicable agreement or other understanding to which the Company is a party, the Organizational Documents of the Company and all applicable Laws. There are no restrictions of any kind on the transfer of the Shares except those imposed by foreign, federal and state securities Laws or by agreement to which Cetus is a signatory. There are no declared or accrued but unpaid dividends with respect to any shares of Company Capital Stock.

(b) (i) Except for the Company's 2011 Stock Option Plan (the "Company Option Plan"), neither the Company nor any of the Subsidiaries has any stock option plan or any other plan or agreement providing for equity or equity based compensation to any Person. The Company Option Plan has been or will be duly authorized, approved and adopted by the Company Board and the Company's stockholders and is or will be in full force and effect. The Company has reserved for issuance to Employees of and consultants to the Company and the Subsidiaries no shares of Common Stock under the Company Option Plan, of which no options to purchase shares of Common Stock have been granted and are outstanding.

(ii) There are no outstanding Security Rights for or related to any Company Security (except as provided herein, in the Certificate of Incorporation of the Company and the Stockholders Agreement), whether or not currently exercisable. Except as set forth on Schedule 3.6(b)(ii), none of the Company or any of the Subsidiaries has or is bound by any

(A) commitment to issue, deliver, sell, repurchase or redeem, or cause to be issued, delivered, sold, repurchased or redeemed, any Company Security or any Subsidiary Security or (B) obligation to grant, extend, accelerate the vesting of, change the price of, otherwise amend or enter into any Security Right for or related to any Company Security or Subsidiary Securities. Except as set forth on Schedule 3.6(b)(ii), there are no outstanding or authorized stock appreciation, phantom stock, profit participation or other similar rights with respect to the Company or any of the Subsidiaries.

(c) Except for the Stockholders Agreement and except as set forth on Schedule 3.6(c), there are no (i) voting trusts, proxies or other agreements or understandings with respect to the Shares, any Company Securities or any Subsidiary Securities to which the Company or any of the Subsidiaries is a party, by which the Company or any of the Subsidiaries is bound, or of which the Company has knowledge, or (ii) agreements or understandings to which the Company or any of the Subsidiaries is a party, by which the Company or any of the Subsidiaries is bound, or of which the Company has knowledge relating to the registration, sale or transfer (including agreements relating to rights of first refusal, "co-sale" rights or "drag-along" rights) of any Shares, any Company Securities or any Subsidiary Securities. The execution, delivery and performance of this Agreement and the Related Agreements and the consummation of the Transactions by the Company does not implicate any rights or obligations under any agreements with investors that have not been extinguished in connection with the Transactions, complied with or waived. The holders of shares of Company Capital Stock and any other Company Security and any Subsidiary Security and any Security Right with respect to any of the forgoing have been properly given notice or shall have properly waived any required notice prior to the Closing.

Section 3.7 Company Financial Statements and Internal Controls.

(a) Schedule 3.7(a) sets forth (i) the audited consolidated balance sheets and the related audited consolidated statements of operations, changes in members' equity and cash flows of IBP Holdings, LLC and IBP Holdings II, LLC and their respective Subsidiaries for the fiscal year ended December 31, 2009 and the opinion of Crowe Horwath, LLP, the Company's independent auditor, thereon, (ii) the draft unaudited consolidated balance sheets and the related unaudited . consolidated statements of operations, changes in members' equity and cash flows of IBP Holdings, LLC and its Subsidiaries for the fiscal year ended December 31, 2010, (iii) the reviewed consolidated balance sheets and the related reviewed consolidated statements of operations, changes in members' equity and cash flows of IBP Holdings II, LLC and its Subsidiaries for the fiscal year ended December 31, 2010 and (iv) the unaudited consolidated balance sheets (the "Company Balance Sheet'') of IBP Holdings, LLC and IBP Holdings II, LLC and their respective Subsidiaries as of September 30, 2011 (the "Balance Sheet Date") and the related unaudited consolidated statements of operations and cash flows of such entities for the nine (9)-month period then ended (the financial statements referred to in items (i) through (iv), collectively, the "Company Financial Statements"). The Company Financial Statements are accurate and complete in all material respects and have been prepared from the books and records of the Company and in accordance with accounting principles generally accepted in the United States ("GAAP") applied on a consistent basis throughout the periods indicated and consistent with each other, except for the absence of footnotes in the case of the unaudited Company Financial Statements. The Company Financial Statements fairly present, in all material respects, the consolidated financial position, results of operations and cash flows of IBP Holdings, LLC and IBP Holdings II, LLC and their respective Subsidiaries as of the dates and for the periods indicated therein, subject, in the case of the unaudited interim Company Financial Statements, to normal year-end adjustments, which were not material in amount or significance. The revenue recognition policy of IBP Holdings, LLC and IBP Holdings II, LLC and their respective Subsidiaries is consistent with GAAP.

(b) The Company has in place systems and processes that are customary for a company at the same stage of development as the Company and that are designed to (i) provide reasonable assurances regarding the reliability of the Company Financial Statements and (ii) in a timely manner accumulate and communicate to the Company's principal executive officer and principal financial officer the type of information that is required to be disclosed in the Company Financial Statements. Neither the Company nor any of the Subsidiaries nor, to the Company's knowledge, any Employee, auditor, accountant or representative of the Company or any of the Subsidiaries has received or otherwise had or obtained knowledge of any complaint, allegation, assertion or claim, whether written or oral, regarding the adequacy of such systems and processes or the accuracy or integrity of the Company Financial Statements. To the Company's knowledge, there have been no instances of fraud on the part of the Company or any of the Subsidiaries, whether or not material, that occurred during any period covered by the Company Financial Statements.

(c) To the Company's knowledge, no Employee has provided or threatened to provide information to any Governmental Entity regarding the commission of any crime or the violation of any Law applicable to the Company, any of the Subsidiaries or any part of their respective operations.

(d) During the periods covered by the Company Financial Statements, the Company's external auditor was independent of the Company and its management. Schedule 3.7(d) lists each written report by the Company's external auditors to the boards of directors of IBP Holdings, LLC and IBL Holdings II, LLC, or any committee thereof, or the management of such companies concerning any period covered by the Company Financial Statements.

Section 3.8 Liabilities.

(a) Except liabilities: (i) recorded or reserved against on the Company Balance Sheet; (ii) incurred since the Balance Sheet Date in the ordinary course of business, consistent with past practice; or (iii) as set forth on Schedule 3.8(a), the Company and the Subsidiaries do not have any material debts, liabilities, demands or obligations of any nature (whether known or unknown, accrued or fixed, absolute or contingent, matured or unmatured, determined or determinable, or as a guarantor or otherwise). Neither the Company nor any of the Subsidiaries has any "off-balance sheet arrangements" (as such term is defined in Item 303(a)(4) of Regulation S-K promulgated under the Securities Exchange Act of 1934, as amended).

(b) Schedule 3.8(b) lists: all notes payable and other Indebtedness of the Company and the Subsidiaries as of the date hereof (excluding trade payables). All material accounts payable of the Company and the Subsidiaries that arose after the Balance Sheet Date have been recorded on the accounting books and records of the Company. All outstanding accounts payable of the Company and the Subsidiaries represent valid obligations arising from bona fide purchases of assets or services, which assets or services have been or will be delivered to the Company or the Subsidiaries.

(c) Neither the Company nor any of the Subsidiaries has, at any time: (i) made a general assignment for the benefit of creditors; (ii) filed, or had filed against it, any bankruptcy petition or similar filing; (iii) suffered the attachment or other judicial seizure of all or a substantial portion of its assets; (iv) admitted in writing its inability to pay its debts as they become due; or (v) been convicted of, or pleaded guilty or no contest to, any felony. The Company and the Subsidiaries, taken as a whole, will not be insolvent immediately following the consummation of the Transactions. To the knowledge of the Company, none of the Key Employees or Key Executive Employees has been convicted of, or pleaded guilty or no contest to, any felony during the prior five (5) years.

Section 3.9 Absence of Certain Changes. Except as set forth on Schedule 3.9 or as specifically contemplated by this Agreement (including Schedules I and 2), since the Balance Sheet Date through the date hereof there has not been, occurred or arisen any:

(a) transaction by the Company or any of the Subsidiaries, except in the ordinary course of business and consistent with past practices;

(b) amendments or changes to the Organizational Documents of the Company or of any of the Subsidiaries;

(c) capital expenditure or capital commitment by the Company or any of the Subsidiaries, except in the ordinary course of business and consistent with past practices;

(d) payment, discharge or satisfaction of any claim, liability or obligation (absolute, accrued, asserted or unasserted, contingent or otherwise of the Company or any of the Subsidiaries), other than payments, discharges or satisfactions in the ordinary course of business and consistent with past practices;

(e) (i) request by the Company or any of the Subsidiaries to accelerate the payment of any accounts receivable; or (ii) change to the Company's or any of the Subsidiaries' cash management practices, in each case except in the ordinary course of business and consistent with past practice;

(f) destruction of, damage to or loss of any material assets of the Company or any of the Subsidiaries (whether or not covered by insurance), or loss of any material business or customer of the Company or any of the Subsidiaries which would reasonably be expected to have a Material Adverse Effect;

(g) work stoppage, labor strike or other labor trouble, or any material action, suit, claim, demand, labor dispute or grievance relating to any labor, employment and/or safety matter involving the Company or any of the Subsidiaries, including charges of wrongful discharge, discrimination, wage and hour violations, or other unlawful labor and/or employment practices or actions;

(h) change in accounting methods or practices (including any change m depreciation or amortization policies or rates) by the Company or any of the Subsidiaries;

(i) revaluation by the Company or any of the Subsidiaries of any of its material assets, including the writing down of the value of any material inventory or writing off of material notes or accounts receivable, except in the ordinary course of business consistent with past practices;

(j) (i) Distribution; (ii) split, combination or reclassification of any Company Security or any Subsidiary Security; (iii) issuance or authorization of the issuance of any Company Security, any Subsidiary Securities (other than the issuance of Common Stock upon the exercise of Company Options outstanding on the date hereof pursuant to their terms) or any Security Rights in respect of, in lieu of or in substitution for, any of the forgoing; or (iv) any transfer of any shares of Company Capital Stock or any Subsidiary Securities (other than pursuant to the Restructuring Documentation);

(k) increase in the salary or other compensation payable or to become payable by the Company, any of the Subsidiaries or IBH to any of the Key Employees or Key Executive Employees, including the modification of any existing compensation, severance or equity arrangements with such individuals (including any repricing of any right to acquire Company Securities or Subsidiary Securities or any amendment or acceleration of any vesting terms related to any award of, or award with respect to, any Company Securities or Subsidiary Securities held by such individuals), or the declaration, payment or commitment or obligation of any kind for the payment by the Company, any of the Subsidiaries or IBH of a bonus or other additional salary, compensation or employee benefits to any such Person, in each case other than in the ordinary course of business consistent with past practices;

(l) Employee terminations and/or layoffs, excluding termination of Employees with poor performance ratings or for cause, other than in the ordinary course of business consistent with past practices;

(m) (i) grant of severance or termination or other pay or benefits to any Employee, consultant or contractor, other than in the ordinary course of business consistent with past practices; (ii) adoption or amendment of any employee benefit plan, Change in Control Agreement or severance plan; or (iii) entering into any employment agreement, extension of any employment offer, payment or agreement to pay any material bonus or special remuneration to any Employee, other than in the ordinary course of business consistent with past practices;

(n) entering into of any material agreement by the Company or any of the Subsidiaries (including any strategic alliance, joint development or joint marketing agreement or any loan agreement or instrument), any termination, extension, amendment or modification of the material terms of any material agreement by the Company or any of the Subsidiaries or any waiver, release or assignment of any material rights or claims thereunder, in each case except in the ordinary course of business and consistent with past practices;

(o) sale, lease, license, transfer or other disposition of any of the material assets or properties of the Company and the Subsidiaries, taken as a whole, or creation of any Lien in such assets or properties (except for Permitted Liens), except sales or non-exclusive licenses of Company Products in the ordinary course of business consistent with past practice;

(p) loan of any material amount by the Company or any of the Subsidiaries to any Person, incurrence by the Company or any of the Subsidiaries of any material Indebtedness (except for trade payables in the ordinary course of business and in connection with the Credit

Agreement), guarantee by the Company or any of the Subsidiaries of any Indebtedness, issuance or sale of any debt securities of the Company or any of the Subsidiaries or purchase of or guaranteeing of any debt securities of others, except for advances to Employees for travel and business expenses in the ordinary course of business and consistent with past practice;

(q) waiver or release of any material right or claim of the Company or any of the Subsidiaries, including any write-off or other compromise of any material account receivable of the Company or any of the Subsidiaries, except in the ordinary course of business and consistent with past practices;

(r) commencement or notice or, to the Company's knowledge, threat of commencement, of any lawsuit or proceeding against or investigation of the Company or any of the Subsidiaries or their affairs, or commencement of any litigation by the Company or any of the Subsidiaries, or settlement of any lawsuit, proceeding or investigation (regardless of the party initiating the same), except in the ordinary course of business and in each case that would reasonably be expected to have a Material Adverse Effect;

(s) event, occurrence, change, effect or condition of any character that, individually or in the aggregate, has had or reasonably would be expected to have a Material Adverse Effect; or

(t) agreement by the Company or any of the Subsidiaries to do any of the things described in the preceding clauses (a) through (s) (except in connection with the credit facility under negotiation with Bank of America, NA).

Section 3.10 Accounts Receivable; Bank Accounts. All of the accounts receivable of tl1e Company and the Subsidiaries (a) represent bona fide transactions that arose in the ordinary course of business; (b) are subject to no material setoffs or counterclaims; and (c) to the Company's knowledge are collectible in the ordinary course of business consistent with past practices, net of reserves on the Company Financial Statements. Except in connection with the Credit Agreement, no Person has any Lien on any account receivable, and no request or agreement for material deduction or material discount has been made with respect to any account receivable. Set forth on Schedule 3.10 is a description of each account maintained by or for the benefit of the Company or any of the Subsidiaries at any bank or other financial institution including the authorized signatories of each account.

Section 3.11 Restrictions on Business Activities. Except as set forth on Schedule 3.11, there is no agreement or judgment, injunction, order or decree, in either case to which the Company or any of the Subsidiaries is a party, subject or otherwise bound, that would reasonably be expected to materially prohibit, impair or otherwise limit: (a) any business practice of the Company, or of the Subsidiaries; (b) any acquisition of property (tangible or intangible) by the Company or any of the Subsidiaries; (c) the conduct of business by the Company or any of the Subsidiaries; or (d) the freedom of the Company or any of the Subsidiaries to engage in any line of business or to compete or do business with any Person, in each case whether arising as a result of a change in control of the Company, any of the Subsidiaries or otherwise. Without limiting the generality of the foregoing, except in the ordinary course of business, neither the Company nor any of the Subsidiaries has (x) entered into any agreement under which the Company or any of the Subsidiaries is restricted from selling, licensing, manufacturing or otherwise distributing any of its products or from

providing services to customers or potential customers or any class of customers, in any geographic area, during any period of time, or in any segment of the market or (y) granted any Person exclusive rights to sell, license, manufacture or otherwise distribute any of the Company's or any of the Subsidiaries' products in any geographic area or with respect to any customers or potential customers or any class of customers during any period of time or in any segment of the market

Section 3.12 Properties and Assets.

(a) Schedule 3.12(a) sets forth, as of the date hereof, all Equipment and materials, tangible prototypes, Improvements and other tangible assets of the Company with an individual net book value of greater than $50,000.

(b) Except as set forth on Schedule 3.12(b), all of the material personal property assets used to generate the revenues reflected in the Company Financial Statements at all relevant times were owned by the Company or leased to the Company pursuant to a written lease with an unaffiliated third Person. The Company owns or leases such or comparable assets to conduct the business of the Company and the Subsidiaries as currently conducted and the material assets are in good operating condition, subject to normal wear and tear, and reasonably fit and usable for the purposes for which they are being used. To the Company's knowledge, no material item of Equipment is in need of material repair or replacement other than as part of routine maintenance in the ordinary course of business consistent with the Company's past practices. All Equipment used in the conduct of business is under the control of the Company and the Subsidiaries. The Company and the Subsidiaries have good and valid title to all of the material assets which they own, including all those reflected in the Company Balance Sheet (except for assets sold, consumed, or otherwise disposed of in the ordinary course of business, consistent with past practice, since the date of the Company Balance Sheet), all free and clear of Liens other than Permitted Liens.

Section 3.13 Real Property; Leases.

(a) Schedule 3.13(a) contains a correct legal description and street address of all tracts, parcels and subdivided lots in which the Company or any Subsidiary has an ownership interest (the "Owned Real Property").

(b) Schedule 3.13(b) contains a correct street address of all tracts, parcels and subdivided lots in which the Company or any Subsidiary has a leasehold interest and an accurate description (by location, name of lessor and term expiry date) of all related real property leases (the "Leased Real Property").

(c) Except as provided in Schedule 3.13(c), to the Company's knowledge, use of the Owned Real Property and the Leased Real Property for the various purposes for which it is presently being used is permitted as of right under all applicable zoning legal requirements and is not subject to "permitted nonconforming" or "legally nonconforming" use or structure classifications. To the Company's knowledge, all Improvements are in compliance, in all material respects, with all applicable Laws, including those pertaining to zoning, subdivision, building and the disabled, and are in good repair and in good condition, ordinary wear and tear excepted, and are free from latent and patent defects. To the Company's knowledge, no part of any Improvement encroaches on any real property not included in the Owned Real Property or the Leased Real Property, and to the Company's knowledge there are no Improvements primarily situated on

adjoining property that encroach on any part of the Owned Real Property or the Leased Real Property that would materially impair the operation of the Company's business at such location. To the Company's knowledge, each parcel of the Owned Real Property and the Leased Real Property abuts on and has direct vehicular access to a public road or has access to a public road via a permanent, irrevocable, appurtenant easement benefiting such real property and comprising a part of the Owned Real Property and the. Leased Real Property, is supplied with public or quasi-public utilities and other services appropriate for the operation of the Improvements located thereon and is not located within any flood plain or area subject to wetlands regulation or any similar restriction, in each case that would materially impair the operation of the Company's business at such location. To the Company's knowledge, there is no existing or proposed plan to modify or realign any street or highway or any existing or proposed eminent domain proceeding that would result in the taking of all or any part of any Owned Real Property or Leased Real Property or that would prevent or hinder the continued use of any improvements as used by the Company or any Subsidiary in the conduct of the business in such a way as would reasonably be expected to have a Material Adverse Effect To the Company's knowledge, there is no (x) proposed change in zoning that would be reasonably likely to affect the use, operation or enjoyment of any Owned Real Property or Leased Real Property or (y) boundary dispute with respect to any Owned Real Property or Leased Real Property in either case which would reasonably be expected to have a Material Adverse Effect.

Section 3.14 Intellectual Property.

(a) Schedule 3.14(a) lists all material Company Intellectual Property. Except as set forth in Schedule 3.14(a), the Company or a Subsidiary owns, or is licensed or authorized or otherwise has the full right to use, without the payment of royalties or other consideration, all material Company Intellectual Property, and no other material intellectual property rights, privileges, licenses, agreements, instruments, or evidences of interests are necessary to or used in the conduct of the business of the Company and the Subsidiaries.

(b) Schedule 3.14(b) lists all instances in which the Company's and the Subsidiaries' rights to material Company Intellectual Property arise under a license or similar agreement and lists the licenses or other contracts pursuant to which the Company has the right to use such Company Intellectual Property. Except for Company Intellectual Property indicated as owned by a third Person and used by the Company or the Subsidiaries under a license or similar agreement and except as set forth on Schedule 3.14(a), to the Company's knowledge no other Person has an interest in or right or license to use any of the Company Intellectual Property. To the Company's knowledge, none of the Company Intellectual Property is being infringed by others, or is subject to any outstanding order, decree, judgment, or stipulation. No litigation (or other proceeding in or before any Governmental Entity) relating to the Company Intellectual Property is pending, or to the best of the Company's knowledge, threatened, nor, to the best of the Company's knowledge, is there any basis for any such litigation or proceeding. The Company maintains reasonable security measures for the preservation of the secrecy and proprietary nature of its trade secrets or other confidential information included in the Company Intellectual Property.

(c) To the Company's knowledge, (i) the Company has not infringed or made unlawful use of, and is not infringing or making unlawful use of, any intellectual property or other proprietary or confidential information of any other Person; and (ii) the activities of the current Employees and consultants of the Company and the Subsidiaries in connection with the conduct of the business of the Company and the Subsidiaries do not violate any agreements that any such

Employees or consultants have with any former employer or any other Person. Except as set forth on Schedule 3.14(c), no litigation (or other proceeding in or before any Governmental Entity) charging the Company with infringement or unauthorized or unlawful use of any patent, trademark, service mark, trade name, logo, copyright, trade secret, or other proprietary right is pending, or to the best of the Company's knowledge, threatened; nor to the Company's knowledge is there any basis for any such litigation or proceeding.

Section 3.15 Product Warranties; Defects; Liabilities. Except as set forth on Schedule 3.15, neither the Company nor any of the Subsidiaries has any liability or obligation (and to the Company's knowledge, there is no basis for any present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand against the Company or any of the Subsidiaries giving rise to any liability or obligation) for replacement or repair of any Company Products or other damages in connection therewith except liabilities or obligations for replacement or repair incurred in the ordinary course of business consistent with past practice and which would not reasonably be expected to have a Material Adverse Effect. The Company and the Subsidiaries do not have standard terms and conditions of sale, license, or lease for each of the Company Products. No Company Product is subject to any guaranty, warranty, or other indemnity beyond that set forth under contracts with customers entered into in the ordinary course of business consistent with past practice (generally one (1) year) or implied or imposed by applicable Law (generally six (6) to ten (10) years).

Section3.16 Company Contracts.

(a) Schedule 3.16 sets forth a complete and accurate list, as of the date hereof, of all agreements in each of the following categories, (x) to which the Company, any of the Subsidiaries or IBH is a party or (y) by which they or their properties or assets are bound:

(i) any collective bargaining agreement;

(ii) any Employment Agreement;

(iii) any bonus or any other incentive compensation, deferred compensation, severance, salary continuation, pension, profit sharing or retirement plan, or any other employee benefit plan or arrangement with Key Executive Employees or Key Employees that is not listed on Schedule 3.23(a) or Schedule 3.24;

(iv) any commission and/or sales agreement with any current Employee, individual consultant, contractor or salesperson, or under which a firm or other organization provides commission or sales-based services to the Company or any of the Subsidiaries, that is not in the ordinary course of business consistent with past practices;

(v) except for the Company Option Plan, any equity incentive plan (including any stock option plan, stock appreciation rights plan or stock purchase plan) under which any Company Security or Subsidiary Security or any Security Right with respect thereto has been or may be granted or issued, and any agreement or plan any of the benefits of which will be increased, or the vesting of benefits of which will be accelerated, or the payment or timing of payment will be triggered in whole or in part, by the consummation of the Transactions or the value of any of the benefits of which will be calculated on the basis of the Transactions;

(vi) any material fidelity or surety bond not obtained in the ordinary course of business consistent with past practices;

(vii) any lease of personal property having a value individually in excess of $50,000;

(viii) any agreement whereby the Company or any of the Subsidiaries has guaranteed or otherwise agreed to cause, insure or become liable for, or pledged any of its assets to secure, the performance or payment of, any obligation or other liability of any Person;

(ix) any agreement containing any covenant materially limiting the freedom of the Company or any of the Subsidiaries to (except in connection with the Credit Agreement or guarantees issued by the parent of a Subsidiary in the ordinary course of business consistent with past practices) engage in any line of business or in any geographic territory or to compete with any Person, or which grants to any Person any exclusivity with respect to any geographic territory, any customer, or any product or service;

(x) any agreement relating to capital expenditures and involving future payments in excess of $50,000 in any individual case or $250,000 in the aggregate;

(xi) any agreement relating to the acquisition or disposition of assets or any interest in any business enterprise outside the ordinary course of the Company's or any of the Subsidiaries' business which has not been consummated prior to the date hereof;

(xii) any agreement of the Company or any of the Subsidiaries relating to the borrowing of money or the extension of credit;

(xiii) reserved;

(xiv) any joint venture agreement, partnership, strategic alliance agreement or similar agreement involving the sharing of profits, losses, costs or liabilities with any other Person or any development, data-sharing, marketing, resale, distribution or similar arrangement relating to any product or service;

(xv) reserved;

(xvi) any currently outstanding bid, offer, proposal, term sheet or similar document that has been submitted by the Company or any of the Subsidiaries that, if accepted by the receiving party, would obligate the Company or any of the Subsidiaries thereunder, except in the ordinary course of business consistent with past practices; or

(xvii) any material agreement pursuant to which the Company or any of the Subsidiaries has agreed to provide "most favored nation" pricing or other similar terms and conditions to any Person with respect to the Company's or any of the Subsidiaries' sale, distribution, license or support of any Company Products, except in the ordinary course of business consistent with past practices.

(b) Each agreement set forth or required to be set forth on Schedule 3.14, Schedule 3.15, Schedule 3.16 or on a Schedule cross-referenced within either of such Schedules

(each a "Disclosable Contract") is in full force and effect and is a valid, binding and enforceable obligation of the Company, a Subsidiary or IBH and, to the Company's knowledge the other parties thereto in accordance with its terms. Except as set forth on Schedule 3.16, the Company and each of the Subsidiaries are in compliance in all material respects with and have not breached, violated or defaulted under, or received notice that they have breached, violated or defaulted under any of the terms or conditions of any Disclosable Contract, nor does the Company have knowledge of any event or occurrence that would constitute such a breach, violation or default (with or without the lapse of time, giving of notice or both) or knowledge of any default by any third Person which in each case would reasonably be expected to have a Material Adverse Effect. Except as set forth on Schedule 3.16, the Company and each of the Subsidiaries is in compliance with all delivery requirements, time lines, schedules, time of performance requirements and other milestones under all Disclosable Contracts and the Company has no reasonable basis to believe that it and each of the Subsidiaries will not continue to remain in compliance with all such requirements in each case except where the failure to do so would reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of the Subsidiaries has incurred any material cost over-runs on any Disclosable Contract and the Company has no reasonable basis to believe that it or any of the Subsidiaries will incur any such material cost over-runs.

Section 3.17 Change of Control Agreements. Schedule 3.17 sets forth (a) each plan, agreement or Company Employee Plan of the Company or any of the Subsidiaries (each a "Change in Control Agreement") (i) pursuant to which any amounts may become payable (whether currently or in the future) to any Person (including any Employee) as a result of or in connection with the Transactions or (ii) which provides for the acceleration or early vesting of any right or benefit or lapse of any restriction as a result of or in connection with the Transactions and (b) a summary of the nature and amounts that may become payable pursuant to each such Change in Control Agreement.

Section 3.18 Interested Party Transactions.

(a) To the Company's knowledge, no officer, director or Affiliate of the Company or any of the Subsidiaries has or has had, directly or indirectly, (i) an economic interest in any Person which furnished or sold, or furnishes or sells, services or products that the Company or any of the Subsidiaries furnishes or sells, or proposes to furnish or sell; (ii) except as set forth on Schedule 3.18, an economic interest in any Person that purchases from or sells or furnishes to, the Company or any of the Subsidiaries, any goods or services; or (iii) a beneficial interest in any agreement to which the Company or any Subsidiary is a party or by which they or their properties or assets are bound; provided, however, that ownership of no more than one percent (1%) of the outstanding votiog stock of a publicly traded corporation shall not be deemed an "economic interest in any Person" for purposes of this Section 3.18.

(b) Except as set forth on Schedule 3.18, there are no material receivables of the Company or any of the Subsidiaries owed by any Employee, consultant or contractor to the Company or any of the Subsidiaries, other than advances in the ordinary and usual course of business for reimbursable business expenses (as determined in accordance with the Company's established employee reimbursement policies and consistent with past practice).

Section 3.19 Litigation. Except as set forth on Schedule 3.19, there is no material action, suit, proceeding or investigation of any nature pending or, to the Company's knowledge, threatened

against the Company or any of the Subsidiaries, any of their respective properties or assets, nor, to the knowledge of the Company, is there any reasonable basis therefor. None of the Company, the Subsidiaries or their respective properties is subject to any order that materially impairs the Company's or any of the Subsidiaries' ability to operate.

Section 3.20 Insurance. Schedule 3.20 sets forth all insurance policies and fidelity bonds covering the assets, business, Equipment, properties, operations and Employees of the Company, and the Subsidiaries, including the type of coverage, the carrier, the amount of coverage, the term and the annual premiums of such policies. Except as set forth on Schedule 3.20, to the Company's knowledge, there is no claim by the Company or any of the Subsidiaries pending under any of such policies or bonds as to which coverage has been questioned, denied or disputed or that the Company has a reason to believe will be denied or disputed by the underwriters of such policies or bonds. Except as set forth on Schedule 3.20, there is no pending claim that would reasonably be expected to exceed the policy limits. All premiums due and payable under all such policies and bonds have been paid (or if installment payments are due, will be paid if incurred prior to the Closing) and the Company and the Subsidiaries are otherwise in material compliance with the terms of such policies and bonds. The Company has no knowledge of a threatened termination of, or premium increase with respect to, any of such policies other than potential increases relating to annual policy renewals. Except as set forth on Schedule 3.20, none of the Company or any of the Subsidiaries maintains, sponsors, participates in or contributes to any self-insurance plan or program.

Section 3.21 Suppliers and Customers. Schedule 3.21 lists (x) the 10 largest suppliers by volume and (y) the 10 largest customers of the Company and the Subsidiaries during the twelve (12)-month period ended June 30, 2011 and identifies the amount incurred to such suppliers or by such customers, respectively, during such period. All direct and indirect payments made by the Company and the Subsidiaries to its suppliers or received by the Company and the Subsidiaries from its customers reflected in the books and records of the Company as payments for or in respect of inventory and services purchased or sold, as the case may be, are accurate in all material respects. No supplier or customer listed on Schedule 3.21 has canceled or otherwise terminated, or threatened in writing to cancel or terminate, its relationship with the Company or has during the last twelve (12) months decreased materially, or to the Company's knowledge, threatened to decrease or limit materially, its services, supplies, or materials to the Company and its Subsidiaries or its usage or purchase of the Company Products, except for customary competitive situations in the ordinary course of business, normal cyclical changes related to customers' businesses, as a result of general economic and industry conditions or as a result of failure to pay trade payables in a timely manner.

Section 3.22 Environmental Matters.

(a) Hazardous Material. Except as set forth on Schedule 3.22(a), neither the Company nor any Subsidiary has received any written or to the Company's knowledge, other notice from any Person, including any Governmental Entity, that (i) the Company, any Subsidiary, or any of its respective predecessors-in-interest has been identified by the EPA as a potentially responsible party under CERCLA with respect to a site listed on the National Priorities List, 40 C.F.R. Part 300 Appendix B (1986); (ii) any Hazardous Materials which the Company, any Subsidiary or any of their respective predecessors-in-interest has generated, transported or disposed of has been found at any site at which a Governmental Entity or other third party has conducted or has ordered that the Company, any Subsidiary or any of their respective predecessors-in-interest conduct a remedial investigation, removal or other response action pursuant to any Environmental Law; (iii) the

Company, any Subsidiary or any of its respective predecessors-in-interest is or shall be a named party to any claim, action, cause of action, complaint, (contingent or otherwise) legal or administrative proceeding arising out of any third party's incurrence of costs, expenses, losses or damages of any kind whatsoever in connection with the presence or Release of Hazardous Materials; (iv) alleges any past or present violations of any Environmental Laws by the Company, any Subsidiary or any of their respective predecessors-in-interest; (v) alleges any event, condition, circumstance, activity, practice, incident, action or plan which is reasonably likely to interfere with or prevent continued compliance with or which would give rise to any common law or statutory liability, or otherwise form the basis of any claim, action, suit or proceeding, against the Company or any Subsidiary based on or resulting from the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling, emission, discharge or Release of any Hazardous Material; or (vi) alleges any Environmental Liabilities.

(b) Except as set forth on Schedule 3.22(b). to the Company's knowledge: (i) no portion of any of the Owned Real Property or the Leased Real Property has been used by the Company or the Subsidiaries for the handling, manufacturing, processing, storage or disposal of Hazardous Materials, except as is customary for the operation of the business and in material compliance with applicable Environmental Laws, and no underground tank or other underground storage receptacle for Hazardous Materials is located on such properties; (ii) the Owned Real Property and the Leased Real Property are free from Contamination; (iii) the Owned Real Property and the Leased Real Property (and the buildings and Equipment thereon) do not contain any Hazardous Materials, other than Hazardous Materials customarily present for the operation of the business of the Company and the Subsidiaries, the presence and condition of which comply in all material respects with applicable Environmental Laws; (iv) there have been no Releases or threats of Releases of Hazardous Materials on, upon, into or from any of the Owned Real Property or the Leased Real Property by the Company, any Subsidiary or any of their respective agents or representatives, or to the knowledge of the Company, by any other Person or on, upon, into or from any real property owned, leased or operated by the Company or any Subsidiary, except as is customary for the operation of the business and in material compliance with applicable Environmental Laws; (v) there have been no Releases on, upon, from or into any real property in the vicinity of the Owned Real Property or the Leased Real Property which, through soil or groundwater contamination, may have come to be located on any portion of such Owned Real Property or Leased Real Property; and (vi) any Hazardous Materials that have been generated on any real property presently or formerly owned, leased or operated by the Company or any Subsidiary have been transported offsite only by carriers having identification numbers issued by the EPA and have been treated or disposed of only by treatment or disposal facilities maintaining valid Permits as required under applicable Environmental Laws.

(c) Neither the Owned Real Property nor the Leased Real Property is or shall be subject to any applicable environmental cleanup responsibility law or environmental restrictive transfer law or regulation, by virtue of the Restructuring Transactions.

(d) The Company has and maintains, in full force and effect, all material Permits as are required under applicable Environmental Laws or are otherwise necessary for the conduct of the Company's business operations and ownership and operation of the Owned Real Property and the Leased Real Property (the "Environmental Permits") and the Company is in material compliance with such Environmental Permits. There are no proceedings pending or, to the knowledge of the Company, threatened that (i) seek to revoke, cancel, modify, non-renew or

suspend any of the Environmental Permits; (ii) question or contest the validity of any Environmental Permit; or (iii) seek to impose any condition, administrative sanction, fine, modification or amendment with respect to any Environmental Permits in each case, that would reasonably be expected to have a Material Adverse Effect. Schedule 3.22(d) contains a complete list of the Environmental Permits.

Section 3.23 Employee Benefit Plans.

(a) Schedule. Schedule 3.23(a) sets forth each material Company Employee Plan currently in effect. Neither the Company nor any of the Subsidiaries has any stated plan, intention or commitment to establish any new Company Employee Plan, to modify any Company Employee Plan (except to the extent required by Law or to conform any such Company Employee Plan to the requirements of any applicable Law, in each case as previously disclosed to Cetus in writing, or as required by this Agreement), or to enter into any Company Employee Plan.

(b) Employee Plan Compliance. The Company and each of the Subsidiaries has performed all material obligations required to be performed by it under each Company Employee Plan, and each Company Employee Plan has been maintained in all material respects in accordance with its terms and in all material respects in compliance with all applicable Laws, including ERISA and the Code. Each Company Employee Plan intended to qualify under Section 40l(a) of the Code and each trust intended to qualify under Section 501(a) of the Code is so qualified and has either received a favorable determination letter or opinion letter from the IRS with respect to such Company Employee Plan as to its qualified status under the Code or has a period of time remaining under applicable Treasury regulations or IRS pronouncements in which to apply for and obtain such a letter, and nothing has occurred as to any such Company Employee Plan which has resulted or is likely to result in the revocation of such qualification, in each case in all material respects. No Company Employee Plan and no party in interest with respect thereto has engaged in a "prohibited transaction," which could subject the Company or any of the Subsidiaries directly or indirectly to liability under Section 4975 of the Code or Sections 409 or 502(i) of ERISA. There are no actions, suits, claims or proceedings pending or, to the knowledge of the Company, threatened (other than routine claims for benefits) against any Company Employee Plan or fiduciary thereto (in his or her capacity as such) or against the assets of any Company Employee Plan nor, to the knowledge of the Company, is there any reasonable basis therefor. Each Company Employee Plan can be amended, terminated or otherwise discontinued on or after the Closing Date in accordance with its terms, without liability to the Company, any of the Subsidiaries, Cetus or any of its ERISA Affiliates (other than payment of accrued benefits and ordinary administration expenses typically incurred in a termination event). There are no audits, inquiries or proceedings pending or, to the knowledge of the Company, threatened by the IRS, DOL or any other Governmental Entity having jurisdiction over the Company or any of the Subsidiaries with respect to any Company Employee Plan. All annual reports and other filings required by the IRS, DOL or any other similar Governmental Entity having jurisdiction over the Company or any of the Subsidiaries have been timely made. Neither the Company nor any of the Subsidiaries nor any ERISA Affiliate is subject to any penalty or Tax with respect to any Company Employee Plan under Section501(i) of ERISA or Section 4975 through 4980D of the Code or any similar Laws of other jurisdictions applicable to the Company or any of the Subsidiaries and no Company Employee Plan is sponsored or maintained by any Person that is or was considered to be a co-employer with the Company or any of the Subsidiaries.

(c) Plan Status. None of the Company, any of the Subsidiaries or any ERISA Affiliate now, or has ever, maintained, established, sponsored, participated in or contributed to any plan that is subject to Title IV of ERISA or Section 412 of the Code. None of the Company, any of the Subsidiaries or any ERISA Affiliate has incurred, nor do they reasonably expect to incur, any liability with respect to any transaction described in Section 4069 of ERISA. No Company Employee Plan is a multiple employer plan as defined in Section 210 of ERISA.

(d) Multiemployer Plans. At no time has the Company, any of the Subsidiaries or any ERISA Affiliate contributed to or been requested to contribute to any "multiemployer plan", as defined in Section 3(37) of ERISA.

(e) No Post-Employment Obligations. No Company Employee Plan provides, or has any liability to provide, life insurance, medical or other employee welfare benefits to any Employee upon or after his or her retirement or termination of employment for any reason, except as may be required by Law (including Section 4980B of the Code).

(f) Funding of Plans. With respect to each Company Employee Plan for which a separate fund of assets is or is required by Law or pursuant to such Company Employee Plan to be maintained, full and timely payment has been made of all amounts required of the Company and the Subsidiaries, under the terms of each such Company Employee Plan or applicable Law, as applied through the Closing Date, in each case in all material respects. The current value of the assets of each such Company Employee Plan, as of the end of the most recently ended plan year of that Company Employee Plan, equals or exceeds the current value of all benefits liabilities under that Company Employee Plan, in each case in all material respects.

(g) Effect of Transactions. The execution, delivery and performance by the Company of this Agreement and any Related Agreement to which the Company or any Subsidiary is a party, and the consummation of the Transactions, will not conflict with or result in any violation of or default under (with or without notice or lapse of time, or both), or give rise to a right of termination, cancellation, modification or acceleration of any obligation or loss of any benefit under any Company Employee Plan, trust or loan that would reasonably be expected to result in any payment (whether of severance pay or otherwise), acceleration, forgiveness of indebtedness, vesting, distribution, increase in benefits or obligation to fund benefits with respect to any Employee (disregarding any termination of employment which occurs in connection with the Transactions).

(h) No Liability. None of the Company or any of the Subsidiaries has any liability, including under any Company Employee Plan, arising out of the treatment of any service provider as a consultant or independent contractor and not as an employee.

(i) Foreign Jurisdictions. No Company Employee Plan subject to the Laws of any jurisdiction outside of the United States.

Section 3.24 Employment Matters.

(a) Schedule 3.24(a) sets forth, (i) with respect to each Key Executive Employee and Key Employee: (A) the name of such Employee and the date as of which such Employee was originally hired by the Company or any of the Subsidiaries, and whether the Employee is on an

active or inactive status; (B) such Employee's title and job function; (C) such Employee's annualized compensation as of the date of this Agreement, including base salary and bonus and/or commission paid in 2010 and 2011, severance pay accrual and potential, and any other forms of compensation whether accrued or potential; (D) whether such Employee is not fully available to perform the essential functions of his or her job with reasonable accommodation because of a qualified disability, or because of other leave and, if applicable, the type of leave *(e.g.,* disability, workers compensation, family or other leave protected by applicable Law) and the anticipated dale of return to full service; (E) whether such Employee is employed by the Company or one of the Subsidiaries, and if by a Subsidiary, the name of the Subsidiary; (F) the Company or Subsidiary facility at which such Employee is deemed to be located; (G) each current benefit plan in which such Employee participates or is eligible to participate; and (H) any governmental authorization, permit or license that is held by such Employee and that is used in connection with the Company's or any of the Subsidiaries' business, and (ii) with respect to each Key Executive Employee and Key Employee, whether such Employee has executed a nondisclosure and noncompetition agreement.

(b) Schedule 3.24(b) contains a list of individuals who (i) are currently performing services for the Company or any of the Subsidiaries, (ii) are classified as "consultants" or "contract labor" or "independent contractors," the respective compensation of each such "consultant" or "contract laborer" or "independent contractor" and whether the Company or any Subsidiary is party to a consulting or contract labor or independent contractor agreement with the individual, (iii) on average during the six-month period ending as of the end of the last full calendar month rendered more than twenty (20) hours of service per week to the Company and the Subsidiaries, (iv) are not rendering such services as a partner, member or employee of a third party service provider that is properly treated as an independent contractor under Treasury Regulations § 1.409A-l(f)(2), and (v) who was paid in calendar year 2010 or is reasonably expected to be paid in calendar year 2011 more than $50,000. Any such agreements are set forth on Schedule 3.24(b). For clarification purposes, Schedule 3.24(b) does not list individuals (or agreements for individuals) that are employees of the Company or any of the Subsidiaries.

(c) Each Employment Agreement is set forth on Schedule 3.16(a)(ii). Except as set forth on Schedule 3.24(c), the employment of each of the current Key Executive Employees and Key Employees is terminable by the Company at will (except for non-United States Employees of the Company or any of the Subsidiaries located in a jurisdiction that does not recognize the "at-will" employment concept, provided that each such jurisdiction and the affected Employees are set forth on Schedule 3.24(c)(i)), and neither the Company nor any of the Subsidiaries has any obligation to provide any particular form or period of notice prior to terminating the employment of any of its current Employees.

(d) Except as set forth on Schedule 3.24(d), neither the Company nor any of the Subsidiaries is presently a party to or bound by any union contract or agreement, collective bargaining agreement or similar agreement. To the Company's knowledge, there are no activities or proceedings of any labor union to organize any Employees.

(e) Neither the Company nor any of the Subsidiaries is engaged in any unfair labor practice of any nature, that, if adversely determined, would reasonably be expected to have a Material Adverse Effect. There is not now pending and, to the Company's knowledge, no Person has threatened to commence, any slowdown, work stoppage, labor dispute, union organizing activity or any similar activity or dispute.

(f) To the Company's knowledge, the Employees are properly classified under the Fair Labor Standards Act of 1938, as amended, and under any similar Law of any state or other jurisdiction applicable to such Employees. To the Company's knowledge, any Persons engaged by the Company or any of the Subsidiaries as consultants or contract laborers or independent contractors, rather than Employees, have been properly classified as such, are not entitled to any compensation or benefits to which regular, full-time Employees are entitled, have been engaged in accordance with all applicable Laws, and have been treated accordingly and appropriately for all Tax purposes. To the Company's knowledge, neither the Company nor any of the Subsidiaries is delinquent to, or has failed to pay, any of its Employees, consultants or contractors for any wages (including overtime, meal breaks or waiting time penalties), salaries, commissions, accrued and unused vacation to which they would be entitled under applicable Law, if any, bonuses, benefits or other compensation for any services performed by them or amounts required to be reimbursed to such individuals. To the Company's knowledge, neither the Company nor any of the Subsidiaries is liable for any payment to any trust or other fund or to any Governmental Entity, with respect to unemployment compensation benefits, social security or other benefits or obligations for Employees (other than routine payments to be made in the normal course of business and consistent with past practice). To the Company's knowledge, none of the Company or any of the Subsidiaries has any material liability, including under any Company Employee Plan, arising out of the treatment of any service provider as a consultant or independent contractor and not as an employee.

(g) Neither the Company nor any of the Subsidiaries has a written severance pay practice or policy. Except as set forth on Schedule 3.24(g) and except in the ordinary course of business consistent with past practices, (i) neither the Company nor any of the Subsidiaries is liable for any severance pay, bonus compensation, acceleration of payment or vesting of any equity interest, or other payments (other than accrued salary, vacation, or other paid time off in accordance with the Company's and the Subsidiaries' policies) to any Employee arising from the termination of employment under any benefit or severance policy, practice, agreement, plan, program of the Company or any of the Subsidiaries, applicable Law or otherwise; and (ii) as a result of or in connection with the Transactions or as a result of the termination by the Company or any of the Subsidiaries of any Persons employed by the Company or any of the Subsidiaries on or prior to the Closing Date, the Company will not have (A) any liability that exists or arises under any of the Company's or any of the Subsidiaries' benefit or severance policy, practice, agreement, plan, program, Law applicable thereto, including severance pay, bonus compensation or similar payment, or (B) to accelerate the time of payment or vesting, or increase the amount of or otherwise enhance any benefit due any Employee.

(h) The Company and each of the Subsidiaries is in compliance, in all material respects, with all applicable Laws and agreements respecting employment, employment practices, employee benefits, terms and conditions of employment, immigration matters, labor matters, and wages and hours, in each case, with respect to its Employees and to the Company's knowledge there are no allegations to the contrary.

(i) There are no material demands or claims pending or, to the Company's knowledge, threatened, before any Governmental Entity by any Employees for compensation, pending severance benefits, vacation time, unpaid meal or rest breaks, vacation pay or pension benefits, or any other claim threatened or pending before any Governmental Entity (or any state "referral agency") from any Employee or any other Person arising out of the Company's or any of the Subsidiaries' status as employer or joint employer, whether in the form of claims for

employment discrimination, harassment, retaliation, unfair labor practices, grievances, wrongful discharge, wage and hour violations, breach of contract, unfair business practice, tort, unfair competition or otherwise, in each case that would reasonably be expected to have a Material Adverse Effect. Except as set forth on Schedule 324(i), there are no pending or, to the Company's knowledge, threatened claims or actions against the Company or any of the Subsidiaries under any workers compensation policy or long-term disability policy, nor to the knowledge of the Company is there any reasonable basis therefor. The Company and each of the Subsidiaries is in compliance with all applicable workers compensation Laws in all material respects.

(j) The Company and each of the Subsidiaries is in material compliance with Form I-9 employment eligibility verification requirements.

(k) Neither the Company nor any of the Subsidiaries has implemented any plant or office closing, transfer of employees or layoff of Employees that would reasonably be expected to be in violation of any applicable WARN or similar Laws.

Section 3.25 Tax Matters.

(a) The Company and each of the Subsidiaries have timely filed all Tax Returns required to be filed (determined without regard to extensions). The Company and each of the Subsidiaries have timely paid all Taxes owed (whether or not shown, or required to be shown, on any Tax Returns). The Company and each of the Subsidiaries have timely withheld and paid all Taxes required to have been withheld and paid. All Tax Returns filed by the Company and the Subsidiaries were complete and correct in all material respects, and such Tax Returns correctly reflected the facts regarding the income, business, assets, operations, activities, status and other matters of the Company and the Subsidiaries and any other information required to be shown thereon. Neither the Company nor any of the Subsidiaries has engaged in any transaction that could give rise to (i) a reporting obligation under Section 6111 of the Code or the regulations thereunder; (ii) a list maintenance obligation under Section 6112 of the Code or the regulations thereunder; (iii) a disclosure obligation of a "reportable transaction" under Section 6011 of the Code and the regulations thereunder; or (iv) any similar obligation under any predecessor or successor Law or regulation or comparable provision of state or local Law. Neither the Company nor any of the Subsidiaries has taken a position on any Tax Return that could give rise to a substantial understatement of Tax within the meaning of Section 6662 of the Code (or any similar provision of state, local or foreign Tax Law). There are no Liens for Taxes upon any of the Company's or any of the Subsidiaries' assets, other than (i) a Lien for Taxes that arises out of Taxes not in default and payable without penalty or interest or (ii) a Lien for Taxes the validity of which Taxes is being contested in good faith by appropriate proceedings and which contest is disclosed on Schedule 3.25(a).

(b) Except as set forth on Schedule 3.25(b), none of the Tax Returns filed by the Company or any of the Subsidiaries nor Taxes payable by the Company or any of the Subsidiaries have been the subject of an audit, action, suit, proceeding, claim, examination, investigation, deficiency or assessment by any Governmental Entity that has not been resolved or fully paid, and no such audit, action, suit, proceeding, claim, examination, investigation, deficiency or assessment is currently pending or, to the Company's knowledge, threatened.

(c) Except as set forth on Schedule 3.25(c), neither the Company nor any of the Subsidiaries is currently the beneficiary of any extension of time within which to file any Tax Return, and neither the Company nor any of the Subsidiaries has waived any statute of limitation with respect to any Tax or agreed to any extension of time with respect to a Tax assessment or deficiency. All material elections with respect to Taxes affecting the Company or any of the Subsidiaries are set forth in the Company Financial Statements or on Schedule 3.25(c).

(d) Neither the Company nor any of the Subsidiaries is a party to any agreement or plan (including the Company Option Plan, any Company Employee Plan and the payments described in Section 3.17) that has resulted or would result, separately or in the aggregate, in the payment of (i) any "excess parachute payments" within the meaning of Section 280G of the Code (without regard to the exceptions set forth in Sections 280G(b)(4) and 280G(b)(5) of the Code) or (ii) any amount for which a deduction would be disallowed or deferred under Section 162 or Section 404 of the Code. None of the shares of outstanding capital stock of the Company or any of the Subsidiaries is subject to a "substantial risk of forfeiture" within the meaning of Section 83 of the Code. The Restructuring Transactions will not result in any requirement to withhold any Tax pursuant to any provision of federal, state, local or foreign Law.

(e) Except for Subsidiaries that have filed Tax Returns as partnerships for federal income Tax purposes, neither the Company nor any of the Subsidiaries is a party to or member of any joint venture, partnership, limited liability company or other arrangement or agreement which could be treated as a partnership for federal income Tax purposes. Neither the Company nor any of the Subsidiaries is, or has been, a U.S. real property holding company (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code. Neither the Company nor any of the Subsidiaries owns an interest in real property in any jurisdiction in which a Tax is imposed, or the value of the interest reassessed, on the transfer of an interest in real property and which treats the transfer of an interest in an entity that owns an interest in real property as a transfer of the interest in real property. Neither the Company nor any of the Subsidiaries has ever been either a "controlled corporation" or a "distributing corporation" (within the meaning of Section 355(a)(l)(A) of the Code) with respect to a transaction that was described in, or intended to qualify as a Tax-free transaction pursuant to Section 355 of the Code. Neither the Company nor any of the Subsidiaries has net operating losses or other Tax attributes presently subject to limitation under Sections 382, 383 or 384 of the Code, or the federal consolidated return regulations. Except as set forth on Schedule 3.25(e), neither the Company nor any of the Subsidiaries has made or agreed to make any adjustment under Section 481(a) of the Code (or any corresponding provision of state, local or foreign Tax Law) by reason of a change in accounting method or otherwise, and will not be required to make such an adjustment as a result of the Transactions. Neither the Company nor any of the Subsidiaries has participated in an international boycott as defined in Section 999 of the Code. Neither the Company nor any Subsidiary will be required to include any amount in income for taxable periods (or portions thereof) after the Closing Date as a result of (i) entering into any "closing agreement" within the meaning of Section 7121 of the Code (or any similar provision of applicable state, local or foreign Law) on or prior to the Closing Date; (ii) any intercompany transaction or excess loss account described in the Treasury Regulations promulgated pursuant to Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign Law); (iii) any installment sale or open transaction disposition made on or prior to the Closing Date; and (iv) any prepaid amount received on or prior to the Closing Date. Neither the Company nor any Subsidiary has any current (i) election under Section 1362 of the Code to be treated as an S corporation for federal income Tax purposes or

(ii) made a similar election under any comparable provision of any state, local or foreign Tax Law. Neither the Company nor any of the Subsidiaries owns, directly or indirectly, any interests in an entity that is or has been a "passive foreign investment company" within the meaning of Section 1297 of the Code. None of the Company's non-United States Subsidiaries has recognized a material amount of Subpart F income as defined in Section 952 of the Code during a Taxable year of such Subsidiary that includes but does not end on the Closing Date.

(f) Except as set forth on Schedule 3.25(f), neither the Company nor any of the Subsidiaries is a party to any Tax sharing agreement or similar arrangement (including an indemnification agreement or arrangement). Neither the Company nor any of the Subsidiaries has ever been a member of a group filing a consolidated federal income Tax Return or a combined, consolidated, unitary or other affiliated group Tax Return for state, local or foreign Tax purposes (other than a group the common parent of which is the Company), and neither the Company nor any of the Subsidiaries has any liability for the Taxes of any Person (other than the Company) under Treasury Regulation Section 1.1502-6 (or any corresponding provision of state, local or foreign Tax Law), or as a transferee or successor, or by contract, or otherwise.

(g) The unpaid Taxes of the Company and the Subsidiaries did not, as of the Balance Sheet Date, materially exceed the reserve for actual Taxes (without regard to any reserve for deferred Taxes established to reflect timing differences between book and Tax income) which has been separately disclosed on the Company Balance Sheet, and will not materially exceed such reserve as adjusted for the passage of time through the Closing Date as measured in accordance with the reasonable past custom and practice of the Company and the Subsidiaries in filing Tax Returns. Neither the Company nor any of the Subsidiaries will incur any material liability for Taxes from the Balance Sheet Date through the Closing Date other than in the ordinary course of business and consistent with reasonable past practice or as a result of the Transactions.

(h) Schedule 3.25(h) lists all jurisdictions (whether foreign or domestic) to which any Tax is properly payable by the Company or any of the Subsidiaries. No claim has ever been made by a Tax Authority in a jurisdiction where the Company or any of the Subsidiaries does not file Tax Returns that the Company or any of the Subsidiaries is or may be subject to Tax in that jurisdiction nor is there a reasonable basis for any such claim. Neither the Company nor any of the Subsidiaries has, or has ever had, a permanent establishment or other taxable presence in any foreign country, as determined pursuant to applicable foreign Law and any applicable Tax treaty or convention between the United States and such foreign country.

(i) The Company has made available to Cetus correct and complete copies of all Tax Returns, examination reports, and statements of deficiencies assessed against or agreed to by the Company or any of the Subsidiaries with respect to Taxable periods for which the statute of limitations has not expired as of the date hereof.

(j) Since the Balance Sheet Date, neither the Company nor any Subsidiary has made or changed any material election in respect of Taxes, adopted or changed any accounting method in respect of Taxes, entered into any closing agreement, settled any claim or assessment in respect of Taxes, or consented to any extension or waiver of the limitation period applicable to any claim or assessment in respect of Taxes.

(k) The Company and each of the Subsidiaries has timely withheld all amounts required by Law or agreement to be withheld from the wages, salaries or other payments to Employees of or consultants or contractors to the Company or any of the Subsidiaries, has filed returns and deposits with the relevant Governmental Entity where applicable, and is not liable for any arrears of wages, compensation, Taxes, penalties or other sums for failure to comply with any of the foregoing.

(l) Each plan, program, arrangement or agreement that constitutes in any part a nonqualified deferred compensation plan within the meaning of Section 409A of the Code is identified as such on Schedule 3.25(f). Since December 31, 2004 and through December 31, 2008, each plan, program, arrangement or agreement identified or required to be identified on Schedule 3.25(1) has been operated and maintained in accordance with a good faith, reasonable interpretation of Section 409A of the Code with respect to amounts deferred (within the meaning of Section 409A of the Code). By December 31, 2008, each plan, program, arrangement or agreement identified or required to be identified on Schedule 3.25(l) has been amended to the extent necessary or appropriate to comply with Section 409A of the Code and the final regulations promulgated thereunder in all material respects. From and after January 1, 2009, each plan, program, arrangement or agreement identified or required to be identified on Schedule 3.25(l) has been operated and maintained in all material respects in accordance with Section 409A of the Code and applicable guidance thereunder, including the final regulations promulgated with respect thereto.

(m) All intercompany transactions between the Company and the Subsidiaries have met the requirements of Section 482 of the Code and the regulations thereunder.

(n) At all times until immediately prior to consummation of the IBP Holdings Merger, (i) IBP Holdings, LLC and IBP Holdings II, LLC have been properly treated as partnerships for all relevant income tax purposes; (ii) Installed Building Products, LLC has been properly treated as a single member business entity disregarded as a separate entity from its sole owner (IBP Holdings, LLC) for all relevant income tax purposes; (iii) Installed Building Products II, LLC has been properly treated as a single member business entity disregarded as a separate entity from its sole owner (IBP Holdings II, LLC) for all relevant income tax purposes; and (iv) all indebtedness incurred pursuant to the Credit Agreement is and has been debt obligations of (A) Installed Building Products, LLC in legal form and (B) properly treated for all relevant income tax purposes as debt obligations of IBP Holdings, LLC only and not of any other Person.

(o) At all times SPE has been properly treated for all relevant income tax purposes as either a disregarded entity or partnership. The SPE Acquisition will be reported as a contribution of property to a partnership solely in exchange for interests in such partnership within the meaning of Section 721(a) of the Code. As of the time of the SPE Acquisition, there will have been no material difference between the (x) aggregate amount of the adjusted bases of the property of IBP Holdings, LLC and (y) the aggregate amount of the adjusted bases of the membership interests in IBP Holdings, LLC contributed to SPE by members of IBP Holdings, LLC.

Section 3.26 Books and Records. The minute books and other similar records of the Company and each of the Subsidiaries contain materially complete and accurate records of all material actions taken at any meetings of their respective stockholders, members, boards of directors or any committees thereof and of all written consents executed in lieu of the holding of any such meeting. The books and records of the Company and the Subsidiaries accurately reflect in all material respects the assets, liabilities, business, financial condition and results of operations of the Company and the Subsidiaries.

Section 3.27 Brokers' and Finders' Fees. Except as set forth on Schedule 3.27, none of the Company or any of the Subsidiaries has incurred, or will incur, directly or indirectly, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with this Agreement or any of the Transactions.

Section 3.28 Governmental Authorization. Schedule 3.28 lists each material consent, license, Permit, grant or other authorization issued to the Company, any of the Subsidiaries or any Employee by a Governmental Entity (a) pursuant to which the Company or any of the Subsidiaries currently operates or holds any interest in any of its properties or (b) that is required for the operation of its business as currently conducted or as currently proposed to be conducted or the holding of any such interest (collectively, the "Company Authorizations"). The Company Authorizations are in full force and effect and constitute all Company Authorizations required to permit the Company and each of the Subsidiaries to operate or conduct its business as currently conducted or as currently proposed to be conducted or to hold any interest in its properties or assets, except where the failure to be in full force and effect or the failure to obtain such Company Authorization would reasonably be expected to have a Material Adverse Effect. To the Company's knowledge, none of the Company or any of the Subsidiaries is in violation of any Company Authorization in any material respect.

Section 3.29 Foreign Corrupt Practices Act. The Company and each of the Subsidiaries and, to the Company's knowledge, each Employee and agent of the Company and the Subsidiaries, has complied with and is in compliance with, and none of them has taken any action that has violated or would reasonably be expected to result in a failure to comply with or a violation of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder, the OECD Convention on Combating Bribery of Foreign Public Officials in International Transactions, dated November 21, 1977, any other Laws that prohibit commercial bribery, domestic corruption or money laundering, and the standards established by the Financial Action Task Force on Money Laundering.

Section 3.30 Representations Complete. None of the representations or warranties made by the Company in this Agreement or any Related Agreement, nor any statement made in the Company Disclosure Schedule or any certificate furnished by the Company pursuant to this Agreement or any Related Agreement, when taken together, contains any untrue statement of a material fact, or omits to state any material fact necessary in order to make the statements contained herein or therein, in the light of the circumstances under which they were made, not misleading.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF CETUS

Cetus represents and warrants to the Company as of the date hereof as follows:

Section 4.1 Organization of Cetus. Cetus is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Delaware. Cetus has all requisite limited liability company power and authority to own, lease and operate its properties and to carry on its business and is duly qualified or licensed to do business and is in good standing as a

foreign limited liability company in each jurisdiction in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or licensed or in good standing would not reasonably be expected to have a material adverse effect on the ability of Cetus to consummate the Transactions.

Section 4.2 Authority. Cetus has all requisite corporate power and authority to enter into this Agreement and the Related Agreements to which it is a party, to perform its obligations hereunder and thereunder and to consummate the Transactions. The execution, delivery and performance of this Agreement and the Related Agreements to which Cetus is a party and the consummation of the Transactions by Cetus has been duly authorized by all necessary limited liability company action on the part of Cetus. This Agreement has been, and each of the Related Agreements to which Cetus is a party will be at the Closing, duly executed and delivered by Cetus and, assuming the due authorization, execution and delivery by the other parties hereto and thereto (other than Cetus), this Agreement constitutes, and in the case of the Related Agreements they will at Closing constitute, valid and binding obligations of Cetus, enforceable against Cetus in accordance with their respective terms, except as such enforceability may be subject to applicable bankruptcy, reorganization, insolvency, moratorium and similar Laws affecting the enforcement of creditors' rights generally and by general principles of equity.

Section 4.3 Consents. No consent, waiver, approval, order or authorization of, or registration, declaration or filing with, or notice to, any Governmental Entity, is required by or with respect to Cetus in connection with the execution, delivery and performance of this Agreement and the Related Agreements by Cetus or the consummation by Cetus of the Transactions except for (a) such consents, approvals, orders, authorizations, registrations, declarations, filings and notices as may be required under applicable securities Laws and (b) such other filings, authorizations, consents and approvals that if not obtained or made would not reasonably be expected to have a material adverse effect on the ability of Cetus to consummate the Transactions in a timely manner.

Section 4.4 No Conflict. The execution, delivery and performance by Cetus of this Agreement and the Related Agreements to which it is a party, and the consummation of the Transactions, do not and will not conflict with or result in any violation of or default under (with or without notice or lapse of time, or both) or give rise to a right of termination, cancellation, modification or acceleration of any obligation or loss of any benefit under (a) any provision of the Organizational Documents of Cetus; (b) any material agreement to which Cetus is a party or to which it or any of its properties or assets (whether tangible or intangible) is subject or bound; or (c) any Law applicable to Cetus or any of its properties (whether tangible or intangible) or assets, except, in the case of clauses (a), (b) or (c), for such conflicts, violations or defaults as would not individually or in the aggregate reasonably be expected to have a material and adverse effect on the ability of Cetus to consummate the Transactions in a timely manner.

Section 4.5 Experience. Cetus has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its investment in the Company and has confirmed to its satisfaction that an investment in the Company meets its needs. Cetus is not relying on representations of the Company or any agent of the Company for tax or other economic considerations relating to its investment in the Shares.

Section 4.6 Information. During the course of the Transactions and at a reasonable time prior to the Exchange, Cetus has had the opportunity to ask questions of, and receive answers from, management of the Company concerning the terms and conditions of its investment and to obtain any additional information of the same kind that is specified in Rule 502 of Regulation D promulgated under the Securities Act of 1933, as amended (the "Act"), or that is necessary to verify the accuracy of the other information obtained by Cetus in connection herewith. Cetus acknowledges having received such information as it deems necessary to enable it to make its investment decision. All questions raised by Cetus have been answered to its full satisfaction.

Section 4.7 Representations. Other than as set forth in this Agreement, no representations have been made to Cetus or its Representative concerning the Shares, the Transactions, or the Company.

Section 4.8 Investment Representations. Cetus is acquiring the Shares for its own account for investment only and not with a view to the distribution, resale or transfer thereof and as the sole record and beneficial holder thereof. Cetus has not received, nor is it aware of, any general solicitation or general advertising for the offer or sale of the Shares, including, without limitation, any advertisement, article, notice or other communication published in any newspaper or magazine or similar media, or broadcast over television or radio, or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising. Cetus: (i) has adequate means of providing for its current and future anticipated financial needs and contingencies; (ii) has no need for liquidity in its investment in the Shares; and (iii) is able to bear the economic risk of said investment, including the risk of loss of the entire investment, for an indefinite period of time. Cetus understands and acknowledges that: (i) the Shares are being offered and sold in reliance upon an exemption from registration under the Act; (ii) the reliance of the Company upon that exemption is predicated, in part, on the representations and warranties made by Cetus in this Agreement; and (iii) such exemption may not be available if any of those representations or warranties is not true and accurate.

Section 4.9 Accredited Investor. Cetus is an accredited investor within the meaning of rule 501(a) of Regulation D promulgated under the Securities Act.

Section 4. I 0 Transferability. Cetus understands and acknowledge that the Shares have not been registered under the Act or under any applicable state securities laws and are being offered and sold in reliance upon exemptions from such registration requirements under the Act and such state securities laws for transactions not involving any public offering and, therefore, the Shares may not be resold or transferred unless they are subsequently registered under the Act and such applicable state securities laws or unless an exemption from such registration is available. Cetus also understands that the Company does not have any obligation or intention to register any Shares (except as may be contemplated by the Stockholders Agreement) for sale under the Act or any state securities Jaws or to supply the information which may be necessary to enable Cetus to sell any Shares, and that Cetus has no right to require the registration of any of the Shares under the Act, any state securities laws or other applicable securities regulations (except as may be contemplated by the Stockholders Agreement). Cetus also understands that sales or transfers of the Shares are further restricted by the provisions of the Stockholders Agreement.

ARTICLE V
CONDITIONS TO CLOSING

Section 5.1 Conditions to the Obligations of the Parties. The obligation of each party to the Exchange and the other Transactions shall be subject to the satisfaction at or prior to the Closing of the following conditions (except for the IBP Holdings Merger, IBP Holdings II Merger and BofA Refinancing, each of which shall be consummated the first business day after Closing and shall be a condition subsequent to the obligations of each party to the Exchange and the other Transactions), which may be waived, in writing, by both parties to this Agreement:

(a) Restructuring Transactions. Each of the Restructuring Transactions described on Schedule 2 hereto shall be consummated in a manner acceptable to each of the Company and Cetus, in its sole, individual discretion, and all Restructuring Documentation necessary to consummate the IBP Holdings Merger and IBP Holdings II Merger shall have been executed and delivered in form and content acceptable to Cetus and the Company and such that those mergers can be consummated the day after Closing without the need for any further consent or the execution and delivery of any further documentation other than filing of certificates of merger.

(b) Stockholders Agreement. Each of the parties to the Stockholders Agreement shall have executed and delivered such agreement.

(c) Qualifications. All authorizations, approvals or permits, if any, of any Governmental Entity that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall be obtained and effective as of the Closing.

Section 5.2 Conditions to the Obligation of the Company. The obligation of the Company to consummate the Exchange and the other Transactions shall be subject to the satisfaction at or prior to the Closing of each of the following conditions, any of which may be waived, in writing, exclusively by the Company:

(a) Legal Action. No temporary = restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal or regulatory restraint or prohibition preventing the consummation of the Transactions shall be in effect, and there shall be no pending action, proceeding or other application before any Governmental Entity seeking any such order, restraint or prohibition.

(b) Performance. Cetus shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement and the Related Documents that are required to be performed or complied with by it on or before the Closing.

(c) Certificate of Incorporation. The Certificate of Incorporation of the Company, in substantially the form attached hereto as Exhibit A shall have been filed with the Secretary of State of the State of Delaware.

(d) Delivery of Share Certificates. Cetus shall have delivered to the Company certificate(s) representing the Original Shares.

(e) Indemnification Agreement. The Company and each of Jeffrey Edwards, Michael Miller, and Douglas Hill shall have entered into Indemnification Agreements acceptable to such individuals in their sole, individual discretion.

(f) Consents. Each of the consents required by Cetus to consummate the Transactions shall have been obtained.

Section 5.3 Conditions to the Obligations of Cetus. The obligations of Cetus to consummate the Exchange and to consummate the other Transactions shall be subject to the satisfaction at or prior to the Closing of each of the following conditions, or the first business day after Closing of the conditions described below in subsections (j), (k) and (I) of this Section 5.3, which shall be conditions subsequent to the obligations of Cetus to the Exchange and the other Transactions, any of which may be waived, in writing, exclusively by Cetus:

(a) Secretary's Certificate. The Company shall have delivered to Cetus a certificate of the Company executed by the Secretary of the Company, dated as of the Closing Date, certifying: (i) the Company Approval; (ii) the Organizational Documents of the Company and each of the Subsidiaries; and (iii) the name, title, incumbency and signatures of the officers authorized to execute this Agreement and the Related Agreements to which the Company is a party.

(b) Company Board. As of the Closing, the size of the Company Board shall be set at seven (7), and the Board shall be comprised of Robert Davis, Steven Raich, Jeffrey Edwards, Michael Miller, and Douglas Hill and shall have two vacancies.

(c) Legal Action. There shall not be any threatened or pending action, proceeding or other application, or any facts, threats, claims or allegations that would reasonably be expected to result in any such threatened or pending action, proceeding or other application, before any court or Governmental Entity brought by any Person or Governmental Entity: (i) against the Company or any of the Subsidiaries seeking damages or other relief that would reasonably be expected to have a Material Adverse Effect; (ii) challenging or seeking to restrain or prohibit the consummation of the Transactions, or seeking to obtain any material damages from Cetus, the Company or any of the Subsidiaries as a result of the Transactions; or (iii) seeking to prohibit or impose any limitations on Cetus' or any of its Affiliates' ownership of the Company or to compel Cetus or any of its Affiliates to dispose of or hold separate all or any portion of its or the Company's or any of the Subsidiaries' business or assets as a result of the Transactions that if successful would have an adverse effect on Cetus' ability to receive the anticipated benefits of the Transactions.

(d) No Injunctions or Restraints; Illegality. No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal or regulatory restraint or prohibition preventing the consummation of the Transactions shall be in effect, and there shall be no pending or threatened action, proceeding or other application before any Governmental Entity seeking any such order, restraint or prohibition.

(e) Delivery of Shares. The Company shall have delivered to Cetus certificate(s) representing the Shares.

(f) Indemnification Agreement. The Company and each of Robert Davis and Steven Raich shall have entered into Indemnification Agreements acceptable to Cetus in its sole, individual discretion.

(g) Consents. Each of the consents set forth on Schedule 3.4(b) shall have been obtained.

(h) Performance. The Company shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or before the Closing.

(i) Proceedings and Documents. All corporate and other proceedings in connection with the Transactions and all documents incident thereto shall be acceptable to Cetus in its sole, individual discretion.

G) Cetus LIFO Loans. Installed Building Products, LLC shall repay in full the Cetus LIFO Loans.

(k) Closing Fee. The Company shall pay to Cetus a closing fee of$510,000.

(1) Expense Reimbursement. The Company shall reimburse Cetus for the legal fees and expenses and the due diligence fees and expenses incurred in respect of the Exchange and the other Restructuring Transactions.

(m) Termination of Agreements. That certain (i) Management Agreement dated as of October 29, 2007 by and among IBH, Installed Building Products II, LLC, the Investors (as defined therein) and Fifth Third Bank, as amended to date, and (ii) Management Agreement dated as of March 29, 2004 by and among IBH and Installed Building Products, LLC, as amended to date, shall have been irrevocably terminated by the parties thereto effective as of December 31, 2011.

ARTICLE VI
INDEMNIFICATION

Section 6.1 Survival. The representations and warranties of the parties contained in this Agreement shall survive the Closing for a period of eighteen (18) months; provided, that the representations and warranties set forth in Sections 3.1 (Organization), 3.2 (Authority), 3.3 (Non Conflict; Compliance with Laws), 3.6 (Company Capital Structure), 3.22 (Environmental Matters) and 3.25 (Tax Matters) (collectively, the "Fundamental Representations") shall survive the Closing until the expiration of the applicable statute of limitations (giving effect to any waiver, mitigation or extension thereof) plus 60 days. Each of the covenants contained in this Agreement shall survive in accordance with its respective terms. Notwithstanding the foregoing, any claims asserted in good faith by any Indemnified Party against the Company prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation, warranty or covenant and such claims shall survive until resolved.

Section 6.2 Indemnification. Subject to the terms of this Article VI, the Company shall indemnify, defend and hold harmless Cetus and its Representatives (collectively, the "Indemnified Parties") from and against any and all Losses imposed on, incurred or suffered by or asserted against any Indemnified Party, as a result of, arising out of or in connection with: (a) any untruth or

Agreement; (b) any treatment of the Exchange or the Restructuring Transactions other than in accordance with Section 7.1 or Section 7.2, or (c) any failure by the Company to perform or comply with any covenant or agreement on its part contained in this Agreement.

Section 6.3 Effect of Investigation. The representations, warranties and covenants of the Company, and the Indemnified Parties' right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of such Indemnified Party or by reason of the fact that such Indemnified Party knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Parties' waiver of any condition set forth in Sections 5.1 or 5.3, as the case maybe.

ARTICLE VII
CERTAIN TAX MATTERS

Section 7.1 First Lien Debt Contribution Transactions. The First Lien Debt Contribution Agreement shall survive the execution and delivery of this Agreement and the Company, Sub I-A and Sub I-B shall remain subject to and comply with all terms and conditions of the First Lien Debt Contribution Agreement.

Section 7.2 Restructuring Transactions. Except with the prior written consent of Cetus, the Company and its current and future subsidiaries (including the Subsidiaries) shall prepare and file all Tax Returns consistent with (and, other than as required pursuant to a final determination within the meaning of Section l313(a) of the Code or corresponding provisions of state, local or foreign Law, shall not take a position inconsistent with) the First Lien Debt Contribution Agreement and the following:

(a) The Exchange shall be treated as a taxable transfer of property consisting of the First Lien Debt to the Company solely in exchange for stock in the Company having an aggregate fuir market value as of the date of the Exchange equal to the amounts paid by Cetus for the First Lien Debt in the recent acquisitions thereof by Cetus pursuant to purchase from unrelated third parties for cash. The First Lien Debt and any stock of Sub I-A and Sub I-B actually or constructively issued in exchange therefor shall be treated as having the same aggregate fair market value for all purposes of the Contribution Agreement.

(b) As a result of the Second Lien Debt Cancellation, IBP Holdings, LLC shall be treated as having recognized debt cancellation income ("Second Lien COD") in an amount equal to the amount of Second Lien Debt less $11,987,498, which was recognized in 2010, all of which Second Lien COD shall be allocated entirely to the members of IBP Holdings, LLC as of immediately before the Second Lien Debt Cancellation.

(c) As a result of the First Lien Debt Exchange, IBP Holdings, LLC shall be treated as having recognized debt cancellation income pursuant to Section 108(e)(8) of the Code with respect to the First Lien Debt (the "First Lien COD") in an amount equal in the aggregate to the amount by which the adjusted issue price of the First Lien Debt at the time of the First Lien Debt Exchange exceeded the aggregate of all amounts paid by Cetus for the First Lien Debt, which the parties acknowledge and agree is the fair market value of the membership interests in IBP Holdings, LLC issued to Sub I-A and Sub I-B pursuant to the First Lien Debt Exchange. Pursuant

to the second sentence of Section 108(e)(8) of the Code and the Restated LLC Agreement, the First Lien Debt COD will be allocated entirely to the members of IBP Holdings, LLC other than Sub I-A and Sub I-B.

(d) The "closing of the books" method will be utilized to allocate tax items of IBP Holdings, LLC and IBP Holdings II to periods before and after the Closing.

Section 7.3 First Lien Debt and Second Lien Debt. Except in connection with the Exchange, pursuant to the First Lien Debt Cancellation Agreement dated as of November 4, 2011 between Cetus and the Company (the "First Lien Debt Cancellation Agreement") and the Second Lien Debt Cancellation Agreement, or with the prior written consent of Cetus, neither the First Lien Debt nor the Second Lien Debt shall be sold, exchanged, modified, retired or otherwise disposed of.

ARTICLE VIII
COMPANY CALL RIGHT

Section 8.1 Company Call Right. Solely in the event the Company redeems all of the shares of Preferred Stock sold, assigned, conveyed, transferred and delivered to Cetus hereunder on or prior to November 4, 2014 pursuant to, and in accordance with, Article Fourth, Section 5(c)(ii) of the Certificate of Incorporation of the Company, as the same may be amended from time to time, the Company may, at its election any time and from time to time prior to December 31, 2014, purchase up to 50,000 shares of Common Stock from Cetus at a purchase price of $0.01 per share (the "Call Right''). The Company shall send written notice of its exercise of the Call Right to Cetus not less than twenty (20) days prior to the date on which shares of Common Stock shall be purchased by the Company. Upon exercise of the Call Right, Cetus shall surrender the certificate or certificates representing such shares (or, if Cetus alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Company to indemnify the Company against any claim that may be made against the Company on account of the alleged loss, theft or destruction of such certificate) to the Company, in the manner and at the place designated in the aforementioned written notice. In the event less than all of the shares of Common Stock represented by a certificate are purchased by the Company, a new certificate representing the unpurchased shares of Common Stock shall promptly be issued to Cetus.

ARTICLE IX
GENERAL PROVISIONS

Section 9.1 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given and received if properly addressed: (a) if delivered personally, by commercial delivery service or by facsimile (with acknowledgment of a complete transmission), on the day of delivery; (b) if delivered by internationally recognized courier (appropriately marked for next day delivery), one (1) Business Day after sending; or (c) if delivered by first class, registered or certified mail (return receipt requested), three (3) Business Days after mailing. Notices shall be deemed to be properly addressed to any party hereto if addressed to the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Cetus, to:

Cetus Capital II, LLC

8 Sound Shore Drive, Suite 303
Greenwich, CT 06830
Attention: Robert Davis
Telephone: (203) 552-3586
Facsimile: (203) 552-3550

with a copy (which shall not constitute notice) to:

Sheppard Mullin Richter & Hampton, LLP
30 Rockefeller Plaza
New York, NY 10112
Attention: Shon E. Glusky, Esq.
Telephone: (212) 634-3060
Facsimile: (212) 655-1717

(b) if to the Company, to:

CCIB Holdco, Inc.
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Michael T. Miller
Telephone: (614) 221-3224
Telecopy: (614) 221-3214

with a copy (which shall not constitute notice) to:

Calfee, Halter & Griswold, LLP
1100 Fifth Third Center
21 East State Street
Columbus, OH 43215-4243
Attention: Steven C. Karzmer, Esq.
Telephone: (614) 621-7013
Facsimile: (614) 621-0010

Section 9.2 Entire Agreement. This Agreement, the Related Agreements, the schedules and exhibits hereto and thereto, and the documents and instruments and other agreements among the parties hereto referenced herein constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

Section 9.3 Severability. In the event that any provision of this Agreement or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other Persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the greatest extent possible, the economic, business and other purposes of such void or unenforceable provision.

Section 9.4 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state or foreign jurisdiction having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

Section 9.5 Successors and Assigns; Parties in Interest.

(a) This Agreement shall be binding upon the Company and Cetus and its successors and assigns, if any. This Agreement shall inure to the benefit of the parties hereto and the Indemnified Parties and the respective successors and assigns (if any) of the foregoing.

(b) No party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Cetus, except that Cetus may assign its rights and delegate its obligations hereunder to any Affiliate without the consent of the Company.

(c) Except as provided in the following sentence, nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any rights, interests, benefits or other remedies of any nature under or by reason of this Agreement. This Agreement is intended to benefit the Indemnified Parties, and each Indemnified Party shall be deemed a third-party beneficiary of this Agreement and this Agreement shall be enforceable thereby. Except as set forth in this Section 9.5(c), none of the provisions of this Agreement is intended to provide any rights or remedies to any Person other than the parties and their respective successors and assigns, if any.

Section 9.6 Amendments; Waiver. This Agreement may be amended at any time by execution of an instrument in writing signed by Cetus and the Company, No failure on the part of any Person to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Person in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

Section 9.7 Governing Law; Consent to Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York. Each party irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the courts of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each party irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding shall be heard and determined only in such New York State court or, to the fullest extent permitted by applicable law, in such Federal court. Each party agrees that a final judgment in any such action or proceeding shall be conclusive

and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each party waives in all disputes any objection that it may have to the location of jurisdiction of the court designated to consider such dispute in accordance with the first sentence of this Section 9.7. Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any action, proceeding or investigation in any court or before any governmental authority arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 9.8 Construction.

(a) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders.

(b) Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

(c) The words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.”

(d) The headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(e) Whenever this Agreement requires the disclosure of an agreement on the Company Disclosure Schedule or the delivery to Cetus of an agreement, that disclosure requirement or delivery requirement, as applicable, shall also require the disclosure or delivery of each and every amendment, extension, exhibit, attachment, schedule, addendum, appendix, change order, and any other similar instrument or document relating to that agreement.

(f) References to “dollars” and “$” mean dollars in lawful currency of the United States of America.

Section 9.9 Certain Waivers.

(a) EXCEPT WITH RESPECT TO THIRD PARTY CLAIMS, EACH PARTY, TO THE FULLEST EXTENT PERMITTED BY LAW, IRREVOCABLY WANES ANY RIGHTS THAT IT MAY HAVE TO PUNITIVE, SPECIAL, EXEMPLARY OR SIMILAR DAMAGES BASED UPON, OR ARISING OUT OF, THIS AGREEMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS OR ACTIONS OF ANY OF THEM RELATING THERETO.

(b) EACH OF THE COMPANY AND CETUS (i) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTIES HAS REPRESENTED, EXPRESSLY OR OTHERWISE THAT SUCH OTHER PARTY WOULD NOT IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS AND (ii)ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.9.

Section 9.10 Other Remedies. Except as otherwise expressly provided herein, any and all remedies herein expressly conferred upon a party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such party, and the exercise by a party of any one remedy will not preclude the exercise of any other remedy.

Section 9.11 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument Any signature page delivered by facsimile or electronic image transmission (including in the form of a PDF file) shall be binding to the same extent as an original signature page. Any party that delivers a signature page by facsimile or electronic image transmission shall deliver an original counterpart to any other party that requests such original counterpart.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, each of the parties to this Agreement has executed and delivered this Agreement, or caused this Agreement to be executed and delivered by its duly authorized representative(s), as of the date first written above.

CCIB HOLDCO, INC.

By: /s/ Robert E. Davis
Name: Robert E. Davis
Title: President

CETUS CAPITAL II, LLC

By: /s/ Robert E. Davis
Name: Robert E. Davis
Title: Managing Director

SCHEDULE 1

RESTRUCTURING DOCUMENTATION

Set forth below is a list of the Restructuring Documentation; *provided,* no document shall be considered Restructuring Documentation unless and until it has been completed, executed and delivered in a form approved in writing by Cetus.

- Second Lien Debt Cancellation Agreement
- SPE Contribution Agreement
- This Agreement
- First Lien Debt Cancellation Agreement
- Restated LLC Agreement
- Such documents and instruments as Cetus determines in its discretion to be necessary or advisable in connection with the formation and organization of Merger Sub I-A, Merger Sub 1-B, Merger Sub TI-A and Merger Sub II-B.
- The IBP Holdings Merger Agreement, which shall include a certificate of merger and merger agreement and such other documents and instruments as Cetus determines in its discretion to be necessary or advisable.
- The IBP Holdings II Merger Agreement, which shall include a certificate of merger and merger agreement and such other documents and instruments as Cetus determines in its discretion to be necessary or advisable.
- SPE Operating Agreement
- Certificate of incorporation and Stockholders Agreement of CCIB Holdco, Inc.
- All agreements and other documentation to be executed and delivered in connection with the BofA Refinancing.

SCHEDULE 2

RESTRUCTURING TRANSACTIONS

Set forth below are the Restructuring Transactions:

- Second Lien Debt Cancellation.
- SPE Acquisition.
- Exchange.
- Contribution of First Lien Debt to the capital of Sub I-A and Sub I-B.
- First Lien Debt Exchange and execution and delivery of Restated LLC Agreement.
- Formation by Sub I-A of Merger Sub I-A as a transitory entity organized and existing solely for purposes of implementing the IBP Holdings Merger.
- Formation by Sub I-B of Merger Sub I-B as a transitory entity organized and existing solely for purposes of implementing the IBP Holdings Merger.
- Formation by Sub II-A of Merger Sub II-A as a transitory entity organized and existing solely for purposes of implementing the IBP Holdings II Merger.
- Formation by Sub II-B of Merger Sub II-B as a transitory entity organized and existing solely for purposes of implementing the IBP Holdings II Merger.
- The IBP Holdings Merger.
- The IBP Holdings II Merger.
- The BofA Refinancing.

EXHIBIT A

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

Exhibit 4.8

AMENDMENT NO. 1

TO

RECAPITALIZATION AND EXCHANGE AGREEMENT

Amendment No. 1, dated as of the day of , 2014 (the "Amendment"), by and between Installed Building Products, Inc., f/k/a CCIB Holdco, Inc., a Delaware corporation ("IBP"), and Cetus Capital II, LLC, a Delaware limited liability company ("Cetus"), to the Recapitalization and Exchange Agreement, dated as of November 4, 2011, by and between IBP and Cetus (the "Original Agreement" and together with the Amendment, the "Agreement").

RECITALS

WHEREAS, in connection with the anticipated initial public offering of shares of Common Stock of IBP, IBP and Cetus wish to modify the terms of Section 8.1 of the Original Agreement for the benefit of the other stockholders of IBP.

NOW, THEREFORE, in consideration of the mutual covenants and premises contained herein, the parties hereby agree as follows:

1. Defined Terms. All capitalized terms not otherwise defined herein shall have the meaning given to them in the Original Agreement.

2. Amendment to Original Agreement. The Original Agreement is hereby amended by deleting Section 8.1 and replacing in its entirety with the following:

"Section 8.1 Call Right. At any time after the date hereof, IBP Investment Holdings, LLC, a Delaware limited liability company ("Investment Holdings"), TCI Holdings, LLC, f/k/a GNV Holdings, LLC, a Georgia corporation ("TCI"), and IBP Management Holdings, LLC, a Delaware limited liability company ("Management Holdings"), may at their individual election prior to December 31, 2014, purchase up to 36,080, 6,820 and 1,100 shares of Common Stock (as such numbers may be adjusted for stock splits, reverse splits or stock dividends from and after the date hereof) from Cetus, respectively, at a purchase price of $0.01 per share (the "Call Right") pursuant to the terms of an Agreement for Purchase and Sale substantially in the form of Exhibit B hereto (the "Purchase Agreement"). Each of Investment Holdings, TCI and Management Holdings is sometimes referred to herein as an "Option Holder". If an Option Holder elects to exercise its Call Right, it shall send a written notice to such effect, specifying the number of shares of Common Stock to be purchased (the "Option Shares"), to Cetus not less than two (2) days prior to the date on which such purchase and sale shall occur. At the closing of such purchase and sale at the place designated in such written notice, (i) such Option Holder shall deliver (a) the aggregate applicable purchase price to Cetus and (b) an executed counterpart of the Purchase Agreement and (ii) Cetus shall deliver to such Option Holder (a) a certificate or certificates representing the Option Shares, which shall be duly endorsed (or accompanied by an

irrevocable stock power or other instrument of assignment and transfer, duly executed) and otherwise in proper form for transfer (b) Cetus's written representation and warranty to such Option Holder to the effect that Cetus owns such Option Shares free and clear of any and all liens, claims, charges or encumbrances of any nature, other than restrictions imposed by applicable federal or state securities laws and (c) an executed counterpart of the Purchase Agreement. Each of the Option Holders is an intended third- party beneficiary of the terms of this Section 8.1. Any exercise of the Call Right in accordance with this Agreement and the Purchase Agreement shall be subject to rescission pursuant to Section 3 of the Purchase Agreement."

3. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware exclusive of the conflict of law principles thereof.

4. Ratification. Except as provided specifically herein, the Original Agreement is ratified, confirmed and approved in all respects. If there is any conflict between the terms of the Original Agreement and this Amendment, the terms of this Amendment shall control.

5. Entire Agreement. This Agreement contains the entire understanding among the parties hereto with respect to the subject matter hereof and supersedes any prior understandings and agreements among them respecting the subject matter of this Amendment.

6. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or electronic image transmission (including in the form of a PDF file) shall be binding to the same extent as an original signature page.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have duly executed this Amendment as of the date first set forth above

Installed Building Products, Inc.

By: _____
Name: _____
Title: _____

Cetus Capital II, LLC

By: _____
Name: _____
Title: _____

INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "**Agreement**") is made as of , 20 by and between Installed Building Products, Inc., a Delaware corporation (the "**Company**"), and ("**Indemnitee**"). This Agreement supersedes and replaces any and all previous agreements between the Company and Indemnitee covering the subject matter of this Agreement. Certain capitalized terms used herein are defined in Section 2 hereof.

RECITALS

WHEREAS, highly competent persons have become more reluctant to serve publicly held corporations as directors, officers or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of such corporations;

WHEREAS, the Board of Directors of the Company (the "**Board**") has determined that, in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions. At the same time, directors, officers and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the corporation or business enterprise itself;

WHEREAS, the uncertainties relating to such insurance and to indemnification have increased the difficulty of attracting and retaining such persons;

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company and its stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, the Amended and Restated Bylaws of the Company (the "**Bylaws**") require indemnification of the officers and directors of the Company and the Amended and Restated Certificate of Incorporation of the Company (the "**Certificate of Incorporation**") requires indemnification of the directors of the Company, Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware (the "**DGCL**"). The Bylaws, the Certificate of Incorporation and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the Board, officers and other persons with respect to indemnification;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the Bylaws, the Certificate of Incorporation and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder; and

WHEREAS, Indemnitee does not regard the protection available under the Bylaws, the Certificate of Incorporation and insurance as adequate in the present circumstances, and may not be willing to serve as a director or officer without adequate protection, and the Company desires Indemnitee to serve in such capacity. Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that he or she be so indemnified.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Services to the Company. Indemnitee agrees to serve as a director or officer of the Company, as the case may be. Indemnitee may at any time and for any reason resign from such position (subject to any other contractual obligation or any obligation imposed by operation of law), in which event the Company shall have no obligation under this Agreement to continue Indemnitee in such position. This Agreement shall not be deemed an employment contract between the Company (or any of its subsidiaries or any Enterprise) and Indemnitee. Indemnitee specifically acknowledges that Indemnitee's employment with the Company (or any of its subsidiaries or any Enterprise), if any, is at will, and Indemnitee may be discharged at any time for any reason, with or without cause, except as may be otherwise provided in any written employment contract between Indemnitee and the Company (or any of its subsidiaries or any Enterprise), other applicable formal severance policies duly adopted by the Board or, with respect to service as a director or officer of the Company, by the Certificate of Incorporation, the Bylaws or the DGCL. The foregoing notwithstanding, this Agreement shall continue in force after Indemnitee has ceased to serve as a director or officer of the Company, as provided in Section 16 hereof.

Section 2. Definitions. As used in this Agreement:

(a) References to "**agent**" shall mean any person who is or was a director, officer or employee of the Company or a subsidiary of the Company or other person authorized by the Company to act for the Company, to include such person serving in such capacity as a director, officer, employee, fiduciary or other official of another corporation, partnership, limited liability company, joint venture, trust or other enterprise at the request of, for the convenience of or to represent the interests of the Company or a subsidiary of the Company.

(b) A "**Change in Control**" shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

i. any Person is or becomes the Beneficial Owner (as defined below), directly or indirectly, of securities of the Company representing 15% or more of the combined voting power

of the Company's then outstanding securities unless the change in relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors;

ii. during any period of two consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in Sections 2(b)(i), 2(b)(iii) or 2(b)(iv)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

iii. the effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 51% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving entity;

iv. the approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; and

v. there occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act, whether or not the Company is then subject to such reporting requirement.

For purposes of this Section 2(b), the following terms shall have the following meanings:

(A) "**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended from time to time.

(B) "**Person**" shall have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person shall exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company and (iii) any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(C) "**Beneficial Owner**" shall have the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner shall exclude any Person otherwise becoming a Beneficial Owner by reason of the stockholders of the Company approving a merger of the Company with another entity.

(c) "**Corporate Status**" describes the status of a person who is or was a director, trustee, partner, managing member, officer, employee, agent or fiduciary of the Company or of any other corporation, limited liability company, partnership or joint venture, trust or other enterprise which such person is or was serving at the request of the Company.

(d) "**Disinterested Director**" shall mean a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(e) "**Enterprise**" shall mean the Company and any other corporation, limited liability company, partnership, joint venture, trust or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, officer, trustee, partner, managing member, employee, agent or fiduciary.

(f) "**Expenses**" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts and other professionals, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, fax transmission charges, secretarial services, any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, ERISA excise taxes and penalties, and all other disbursements, obligations or expenses of the types customarily incurred in connection with, or as a result of, prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a deponent or witness in or otherwise participating in a Proceeding. Expenses also shall include (i) Expenses incurred in connection with any appeal resulting from any Proceeding, including, without limitation, the premium, security for and other costs relating to any cost bond, supersedeas bond or other appeal bond or its equivalent, (ii) expenses incurred in connection with recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee is ultimately determined to be entitled to such indemnification, advancement or Expenses or insurance recovery, as the case may be, and (iii) for purposes of Section 14(d) only, Expenses incurred by or on behalf of Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement, by litigation or otherwise. Expenses shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(g) "**Independent Counsel**" shall mean a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above.

(h) The term "**Proceeding**" shall include any threatened, pending or completed action, suit, claim, counterclaim, cross claim, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of

a civil, criminal, administrative, regulatory, legislative or investigative (formal or informal) nature, including any appeal therefrom, in which Indemnitee was, is or will be involved as a party, potential party, non-party witness or otherwise by reason of the fact that Indemnitee is or was a director or officer of the Company, by reason of any action taken by him or her (or a failure to take action by him) or of any action (or failure to act) on his or her part while acting pursuant to his or her Corporate Status, in each case whether or not serving in such capacity at the time any liability or Expense is incurred for which indemnification, reimbursement or advancement of Expenses can be provided under this Agreement. If Indemnitee believes in good faith that a given situation may lead to or culminate in the institution of a Proceeding, this shall be considered a Proceeding under this paragraph.

(i) Reference to "**other enterprise**" shall include employee benefit plans; references to "**fines**" shall include any excise tax assessed with respect to any employee benefit plan; references to "**serving at the request of the Company**" shall include any service as a director, officer, employee or agent of the Company that imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "**not opposed to the best interests of the Company**" as referred to in this Agreement.

Section 3. Indemnity in Third-Party Proceedings. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 3 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnitee shall be indemnified to the fullest extent permitted by applicable law against all Expenses, judgments, liabilities, fines, penalties and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, liabilities, fines, penalties and amounts paid in settlement) actually and reasonably incurred by Indemnitee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal Proceeding, had no reasonable cause to believe that his or her conduct was unlawful. The parties hereto intend that this Agreement, to the fullest extent permitted by law, shall provide for indemnification in excess of that expressly permitted by statute, including, without limitation, any indemnification provided by the Certificate of Incorporation, the Bylaws, vote of its stockholders or Disinterested Directors or applicable law.

Section 4. Indemnity in Proceedings by or in the Right of the Company. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 4 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 4, Indemnitee shall be indemnified to the fullest extent permitted by applicable law against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company. If applicable law so provides, no indemnification for Expenses shall be made under this Section 4 in respect of

any claim, issue or matter as to which Indemnitee shall have been finally adjudged by a court to be liable to the Company, unless and only to the extent that the Delaware Court of Chancery or any court in which the Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification.

Section 5. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is a party to (or a participant in) and is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection with or related to each successfully resolved claim, issue or matter to the fullest extent permitted by law. For purposes of this Section 5 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 6. Indemnification For Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of his or her Corporate Status, a witness or otherwise asked to participate in any aspect of a Proceeding to which Indemnitee is not a party, he or she shall be indemnified against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith.

Section 7. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of Expenses, but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

Section 8. Additional Indemnification.

(a) Notwithstanding any limitation in Sections 3, 4 or 5, the Company shall indemnify Indemnitee to the fullest extent permitted by applicable law if Indemnitee is a party to or threatened to be made a party to or a participant in any Proceeding (including a Proceeding by or in the right of the Company to procure a judgment in its favor) against all Expenses, judgments, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines and amounts paid in settlement) actually and reasonably incurred by or on behalf of Indemnitee in connection with the Proceeding.

(b) For purposes of Section 8(a), the meaning of the phrase "**to the fullest extent permitted by applicable law**" shall include, but not be limited to:

i. to the fullest extent permitted by the provision of the DGCL that authorizes or contemplates additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the DGCL; and

ii. to the fullest extent authorized or permitted by any amendments to or replacements of the DGCL adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its officers and directors.

Section 9. Exclusions. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnification payment in connection with any claim made against Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except to the extent such payment is insufficient to satisfy the Indemnitee's right to indemnification hereunder; or

(b) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law, or (ii) any reimbursement of the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act); or

(c) except as provided in Section 14(d) of this Agreement, in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) such payment arises in connection with any mandatory counterclaim or cross-claim or affirmative defense brought or raised by Indemnitee in any Proceeding (or any part of any Proceeding), or (iii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

Section 10. Advances of Expenses. Notwithstanding any provision of this Agreement to the contrary (other than Section 14(d)), the Company shall advance, to the extent not prohibited by law, the Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding (or any part of any Proceeding) not initiated by Indemnitee, and such advancement shall be made within 30 days after the receipt by the Company of a statement or statements requesting such advances from time to time (which shall include invoices received by Indemnitee in connection with such Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditures made that would cause Indemnitee to waive any privilege accorded by applicable law shall not be so included), whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest-free. Advances shall be

made without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. In accordance with Section 14(d), advances shall include any and all reasonable Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed. Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement, which shall constitute an undertaking providing that Indemnitee undertakes to repay the amounts advanced (without interest) to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company. No other form of undertaking shall be required other than the execution of this Agreement. This Section 10 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 9.

Section 11. Procedure for Notification and Defense of Claim.

(a) Indemnitee shall notify the Company in writing of any matter with respect to which Indemnitee intends to seek indemnification or advancement of Expenses hereunder as soon as reasonably practicable following the receipt by Indemnitee of written notice thereof or Indemnitee's becoming aware thereof. The written notification to the Company shall include a description of the nature of the Proceeding and the facts underlying the Proceeding, in each case, to the extent known to Indemnitee. To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification following the final disposition of such Proceeding. The failure by Indemnitee to notify the Company hereunder will not relieve the Company from any liability that it may have to Indemnitee hereunder or otherwise than under this Agreement, and any delay in so notifying the Company shall not constitute a waiver by Indemnitee of any rights under this Agreement, except to the extent (solely with respect to the indemnity hereunder) that such failure or delay materially prejudices the Company. The Chief Financial Officer of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification.

(b) The Company will be entitled to participate in the Proceeding at its own expense.

(c) The Company shall not settle any Proceeding (in whole or in part) if such settlement would impose any Expense, judgment, liability, fine, penalty or limitation on Indemnitee for which Indemnitee is not entitled to be indemnified hereunder without Indemnitee's prior written consent.

Section 12. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to Section 11(a), a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in the specific case: (i) if a Change in Control shall have occurred, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; or (ii) if a Change in Control shall not have occurred, (A) by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, (B) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a

quorum of the Board, (C) if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee or (D) if so directed by the Board, by the stockholders of the Company; and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within 10 days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information that is not privileged or otherwise protected from disclosure and that is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or Expenses (including attorneys' fees and disbursements) incurred by or on behalf of Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom. The Company promptly will advise Indemnitee in writing with respect to any determination that Indemnitee is or is not entitled to indemnification, including a description of any reason or basis for which indemnification has been denied.

(b) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 12(a) hereof, the Independent Counsel shall be selected as provided in this Section 12(b). If a Change in Control shall not have occurred, the Independent Counsel shall be selected by the Board, and the Company shall give written notice to Indemnitee advising him or her of the identity of the Independent Counsel so selected. If a Change in Control shall have occurred, the Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Board, in which event the preceding sentence shall apply), and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within 10 days after such written notice of selection shall have been given, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or the Delaware Court has determined that such objection is without merit. If, within 20 days after the later of submission by Indemnitee of a written request for indemnification pursuant to Section 11(a) hereof and the final disposition of the Proceeding, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition the Delaware Court for resolution of any objection that shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by such court or by such other person as such court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 12(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 14(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) If the Company disputes a portion of the amounts for which indemnification is requested, the undisputed portion shall be paid and only the disputed portion withheld pending resolution of any such dispute.

Section 13. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall, to the fullest extent not prohibited by law, presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 11(a) of this Agreement, and the Company shall, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. Neither the failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) Subject to Section 14(e), if the person, persons or entity empowered or selected under Section 12 of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within 60 days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional 30 days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 13(b) shall not apply (i) if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 12(a) of this Agreement and if (A) within 15 days after receipt by the Company of the request for such determination the Board has resolved to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within 75 days after such receipt and such determination is made thereat, or (B) a special meeting of stockholders is called within 15 days after such receipt for the purpose of making such determination, such meeting is held for such purpose within 60 days after having been so called and such determination is made thereat, or (ii) if the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 12(a) of this Agreement.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

(d) For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the directors or officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with the reasonable care by the Enterprise. The provisions of this Section 13(d) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement. Whether or not the foregoing provisions of this Section 13(d) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company.

(e) The knowledge and/or actions, or failure to act, of any director, officer, trustee, partner, managing member, fiduciary, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

Section 14. Remedies of Indemnitee.

(a) Subject to Section 14(e), in the event that (i) a determination is made pursuant to Section 12 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 10 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 12(a) of this Agreement within 90 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 5, 6 or 7 or the last sentence of Section 12(a) of this Agreement within 10 days after receipt by the Company of a written request therefor, (v) payment of indemnification pursuant to Section 3, 4 or 8 of this Agreement is not made within 10 days after a determination has been made that Indemnitee is entitled to indemnification, or (vi) the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or Proceeding designed to deny, or to recover from, Indemnitee the benefits provided or intended to be provided to Indemnitee hereunder, Indemnitee shall be entitled to an adjudication by a court of his or her entitlement to such indemnification or advancement of Expenses. Alternatively, Indemnitee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 14(a); provided, however, that the foregoing clause shall not apply in respect of a proceeding brought by Indemnitee to enforce his or her rights under Section 5 of this Agreement. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 12(a) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 14 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 14 the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be.

(c) If a determination shall have been made pursuant to Section 12(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 14, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 14 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement. It is the intent of the Company that, to the fullest extent permitted by law, Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to Indemnitee hereunder. The Company shall, to the fullest extent permitted by law, indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within 10 days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Expenses to Indemnitee, which are incurred by or on behalf of Indemnitee in connection with any action brought by Indemnitee for indemnification or advancement of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company if, in the case of indemnification, Indemnitee is wholly successful on the underlying claims; if Indemnitee is not wholly successful on the underlying claims, then such indemnification shall be only to the extent Indemnitee is successful on such underlying claims or otherwise as permitted by law, whichever is greater.

(e) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement of Indemnitee to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

Section 15. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement (i) shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation, the Bylaws, any

agreement, a vote of stockholders or a resolution of the Board, or otherwise and (ii) shall be interpreted independently of, and without reference to, any other such rights to which Indemnitee may at any time be entitled. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Bylaws, Certificate of Incorporation and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such claim or of the commencement of a Proceeding, as the case may be, to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

(c) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(d) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (or for which advancement of Expenses is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(e) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, trustee, partner, managing member, fiduciary, employee or agent of any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise.

Section 16. Duration of Agreement. This Agreement shall continue until and terminate upon the later of (a) 10 years after the date that Indemnitee shall have ceased to serve as a director or officer, as applicable, of the Company or (b) one year after the final termination of any Proceeding then pending in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding (including any appeal) commenced by Indemnitee pursuant to Section 14 of this Agreement relating thereto. The indemnification and advancement of Expenses rights provided by or granted pursuant to this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or of any other Enterprise, and shall inure to the benefit of Indemnitee and his or her spouse, assigns, heirs, devisees, executors and administrators and other legal representatives. The Company shall require and shall cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to, by written agreement, expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section 17. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever, then: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 18. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director or officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director or officer of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Certificate of Incorporation, the Bylaws, any directors' and officers' insurance maintained by the Company and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 19. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver.

Section 20. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder. The failure of Indemnitee to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise, except to the extent that such failure materially prejudices the Company.

Section 21. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (d) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

(a) If to Indemnitee, at the address indicated on the signature page of this Agreement, or such other address as Indemnitee shall provide to the Company.

(b) If to the Company to:

Installed Building Products, Inc.
495 South High Street, Suite 50
Columbus, OH 43215
Facsimile: (614) 221-3399
Attention: Chief Financial Officer

or to any other address as may have been furnished to Indemnitee by the Company.

Section 22. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by or on behalf of Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

Section 23. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with,

the laws of the State of Delaware, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 14(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the "**Delaware Court**"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 24. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 25. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate. The headings of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

INSTALLED BUILDING PRODUCTS, INC.

By: _____
Name:
Title:

INDEMNITEE

By: _____
Name:
Address: _____
_____
_____

INSTALLED BUILDING PRODUCTS, INC.

2014 OMNIBUS INCENTIVE PLAN

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INSTALLED BUILDING PRODUCTS, INC.

2014 OMNIBUS INCENTIVE PLAN

ARTICLE I

PURPOSE

The purpose of this Installed Building Products, Inc. 2014 Omnibus Incentive Plan is to enhance the profitability and value of the Company for the benefit of its stockholders by enabling the Company to offer Eligible Employees, Consultants and Non-Employee Directors incentive awards to attract, retain and reward such individuals and strengthen the mutuality of interests between such individuals and the Company's stockholders. The Plan, as set forth herein, is effective as of the Effective Date (as defined in Article XIV).

ARTICLE II

DEFINITIONS

For purposes of the Plan, the following terms shall have the following meanings:

2.1 "Acquisition Event" means a merger or consolidation in which the Company is not the surviving entity, any transaction that results in the acquisition of all or substantially all of the Company's outstanding Common Stock by a single person or entity or by a group of persons or entities acting in concert, or the sale or transfer of all or substantially all of the Company's assets.

2.2 "Affiliate" means each of the following: (a) any Subsidiary; (b) any Parent; (c) any corporation, trade or business (including a partnership or limited liability company) that is directly or indirectly controlled 50% or more (whether by ownership of stock, assets or an equivalent ownership interest or voting interest) by the Company or any Affiliate; (d) any corporation, trade or business (including a partnership or limited liability company) that directly or indirectly controls 50% or more (whether by ownership of stock, assets or an equivalent ownership interest or voting interest) of the Company; and (e) any other entity in which the Company or any Affiliate has a material equity interest and that is designated as an "Affiliate" by resolution of the Committee.

2.3 "Appreciation Award" means any Stock Option or any Other Stock-Based Award that is based on the appreciation in value of a share of Common Stock in excess of an amount at least equal to the Fair Market Value on the date such Other Stock-Based Award is granted.

2.4 "Award" means any award granted or made under the Plan of any Stock Option, Restricted Stock, Other Stock-Based Award or Performance-Based Cash Award.

2.5 "Board" means the Board of Directors of the Company.

2.6 "Cause" means, with respect to a Participant's Termination of Employment or Termination of Consultancy: unless otherwise determined by the Committee at the time of the grant of the Award, (a) termination due to (i) the Participant's conviction of, or plea of guilty or *nolo contendere* to, a felony; (ii) perpetration by the Participant of an illegal act, dishonesty or fraud that could have a significant adverse effect on the Company or its assets or reputation; or (iii) the Participant's willful misconduct with regard to the Company, as determined by the Committee. With respect to a Participant's Termination of Directorship, "cause" means an act or failure to act that constitutes cause for removal of a director under Delaware law.

2.7 "Change in Control" unless otherwise defined in the applicable Award agreement or other written agreement approved by the Committee and subject to Section 13.14(b), means the occurrence of any of the following:

(a) the acquisition (including through purchase, reorganization, merger, consolidation or similar transaction), directly or indirectly, in one or more transactions by a Person (other than any Edwards Investors) of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities representing 45% or more of the combined voting power of the securities of the Company entitled to vote generally in the election of directors of the Board (the "**Company Voting Securities**"), calculated on a fully diluted basis after giving effect to such acquisition;

(b) an election of Persons to the Board that causes two-thirds of the Board to consist of Persons other than (i) members of the Board on the Effective Date and (ii) Persons who were nominated for election as members of the Board at a time when two-thirds of the Board consisted of Persons who were members of the Board on the Effective Date; provided that any Person nominated for election by a Board at least two-thirds of which consisted of Persons described in clauses (i) or (ii) or by Persons who were themselves nominated by such Board shall be deemed to have been nominated by a Board consisting of Persons described in clause (i);

(c) the sale or other disposition, directly or indirectly, of all or substantially all of the assets of the Company and its subsidiaries, taken as a whole, to any Person (other than any Edwards Investors).

2.8 "Change in Control Price" has the meaning set forth in Section 10.1.

2.9 "Code" means the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall also be a reference to any successor provision and any Treasury Regulation promulgated thereunder.

2.10 "Committee" means: (a) with respect to the application of the Plan to Eligible Employees and Consultants, a committee or subcommittee of the Board consisting of two or more non-employee directors, each of whom is intended to be (i) to the extent required by Rule 16b-3, a "nonemployee director" as defined in Rule 16b-3; (ii) to the extent required by Section 162(m), an "outside director" as defined under Section 162(m); and (iii) as applicable, an "independent director" as defined under the Nasdaq Listing Rules, the NYSE Listed Company Manual or other applicable stock exchange rules; and (b) with respect to the application of the Plan to Non-Employee Directors, the Board. To the extent that no Committee exists that has the authority to administer the Plan, the functions of the Committee shall be exercised by the Board and all references herein to the Committee shall be deemed references to the Board. If for any reason the appointed Committee does not meet the requirements of Rule 16b-3 or Section 162(m), such noncompliance shall not affect the validity of Awards, grants, interpretations or other actions of the Committee.

2.11 "Common Stock" means the common stock of the Company, par value $0.01 per share.

2.12 "Company" means Installed Building Products, Inc., a Delaware corporation, and its successors by operation of law.

2.13 "Competitor" means any Person that is, directly or indirectly, in competition with the business or activities of the Company and its Affiliates.

2.14 "Consultant" means any natural person who provides bona fide consulting or advisory services to the Company or its Affiliates, provided that such services are not in connection with the offer or sale of securities in a capital-raising transaction, and do not, directly or indirectly, promote or maintain a market for the Company's or its Affiliates' securities.

2.15 "Detrimental Activity" means:

(a) without written authorization from the Company, disclosure to any Person outside the Company and its Affiliates, except as necessary in the furtherance of Participant's responsibilities to the Company or any of its Affiliates, at any time, of any confidential or proprietary information of the Company or any of its Affiliates acquired by the Participant at any time prior to the Participant's Termination;

(b) any activity while employed or performing services that results, or if known could have reasonably been expected to result, in the Participant's Termination for Cause;

(c) without written authorization from the Company, directly or indirectly, in any capacity whatsoever, (i) own, manage, operate, control, be employed by (whether as an employee, consultant, independent contractor or otherwise, and whether or not for compensation) or render services to any Competitor; (ii) solicit, aid or induce any customer of the Company or any Subsidiary to curtail, reduce or terminate its business relationship with the Company or any Subsidiary, or in any other way interfere with any such business relationships with the Company or any Subsidiary; (iii) solicit, aid or induce any employee, representative or agent of the Company or any Subsidiary to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or hire or retain any such employee, representative or agent or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent; or (iv) interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company, its Subsidiaries and any of their respective vendors, joint venturers or licensors;

(d) a material breach of any restrictive covenant contained in any agreement between the Participant and the Company or an Affiliate.

Only the Chief Executive Officer or the Chief Financial Officer of the Company (or his or her designee, as evidenced in writing) shall have the authority to provide the Participant with written authorization to engage in the activities contemplated in subsections (a) and (c).

2.16 "Disability" means with respect to a Participant's Termination, a permanent and total disability as defined in Section 22(e)(3) of the Code. A Disability shall only be deemed to occur at the time of the determination by the Committee of the Disability. Notwithstanding the foregoing, for an Award that provides for payment or settlement triggered upon a Disability and that constitutes a Section 409A Covered Award, the foregoing definition shall apply for purposes

of vesting of such Award, provided that for purposes of payment or settlement of such Award, such Award shall not be paid (or otherwise settled) until the earliest of: (A) the Participant's "disability" within the meaning of Section 409A(a)(2)(C)(i) or (ii) of the Code, (B) the Participant's "separation from service" within the meaning of Section 409A of the Code and (C) the date such Award would otherwise be settled pursuant to the terms of the Award agreement.

2.17 "Edwards Investors" means Jeffrey Edwards, Peter Edwards, Anne Edwards and Michael Edwards, and the investment entities through which any of them directly and indirectly beneficially owns or acquires shares of the Common Stock.

2.18 "Effective Date" means the effective date of the Plan as defined in Article XIV.

2.19 "Eligible Employee" means an employee of the Company or an Affiliate.

2.20 "Exchange Act" means the Securities Exchange Act of 1934, as amended, and all rules and regulations promulgated thereunder. Any references to any section of the Exchange Act shall also be a reference to any successor provision.

2.21 "Exercisable Awards" has the meaning set forth in Section 4.2(d).

2.22 "Fair Market Value" unless otherwise required by any applicable provision of the Code, means as of any date and except as provided below, (a) the closing price reported for the Common Stock on such date: (i) as reported on the principal national securities exchange in the United States on which it is then traded; or (ii) if not traded on any such national securities exchange, as quoted on an automated quotation system sponsored by the Financial Industry Regulatory Authority or (b) if the Common Stock shall not have been reported or quoted on such date, on the first day prior thereto on which the Common Stock was reported or quoted. If the Common Stock is not traded, listed or otherwise reported or quoted, then Fair Market Value means the fair market value of the Common Stock as determined by the Committee in good faith in whatever manner it considers appropriate taking into account the requirements of Section 409A or Section 422 of the Code, as applicable. Notwithstanding anything herein to the contrary, for purposes of any Stock Options that are granted effective on the Registration Date, the Fair Market Value shall equal the initial public offering price of the Common Stock.

2.23 "Family Member" means "family member" as defined in Section A.1.(5) of the general instructions of Form S-8, as may be amended from time to time.

2.24 "Incentive Stock Option" means any Stock Option awarded to an Eligible Employee of the Company, its Subsidiaries or its Parent intended to be and designated as an "Incentive Stock Option" within the meaning of Section 422 of the Code.

2.25 "Individual Target Award" has the meaning in Section 9.1.

2.26 "Non-Employee Director" means a director of the Company who is not an active employee of the Company or an Affiliate.

2.27 "Non-Qualified Stock Option" means any Stock Option that is not an Incentive Stock Option.

2.28 "Other Extraordinary Event" has the meaning in Section 4.2(b).

2.29 "Other Stock-Based Award" means an Award under Article VIII that is valued in whole or in part by reference to, or is payable in or otherwise based on, Common Stock.

2.30 "Parent" means any parent corporation of the Company within the meaning of Section 424(e) of the Code.

2.31 "Participant" means an Eligible Employee, Non-Employee Director or Consultant to whom an Award has been granted pursuant to the Plan.

2.32 "Performance-Based Cash Award" means a cash Award under Article IX that is payable or otherwise based on the attainment of certain pre-established performance goals during a Performance Period.

2.33 "Performance Criteria" has the meaning set forth in Exhibit A.

2.34 "Performance Period" means each fiscal year of the Company or such other period (as specified by the Committee) over which the attainment of performance goals is measured.

2.35 "Performance Share" means an Other Stock-Based Award of the right to receive a number of shares of Common Stock or cash of an equivalent value at the end of a specified Performance Period.

2.36 "Performance Unit" means an Other Stock-Based Award of the right to receive a fixed dollar amount, payable in cash or Common Stock or a combination of both, at the end of a specified Performance Period.

2.37 "Person" means any individual, entity (including any employee benefit plan or any trust for an employee benefit plan) or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision).

2.38 "Plan" means this Installed Building Products, Inc. 2014 Omnibus Incentive Plan, as amended from time to time.

2.39 "Registration Date" means the first date on or after the Effective Date (a) on which the Company sells its Common Stock in a bona fide, firm commitment underwriting pursuant to a registration statement under the Securities Act or (b) any class of common equity securities of the Company is required to be registered under Section 12 of the Exchange Act.

2.40 "Restricted Stock" means an Award of shares of Common Stock that is subject to restrictions pursuant to Article VII.

2.41 "Restriction Period" has the meaning set forth in Section 7.3(a).

2.42 "Rule 16b-3" means Rule 16b-3 under Section 16(b) of the Exchange Act as then in effect or any successor provision.

2.43 "Section 162(m)" means the exception for performance-based compensation under Section 162(m) of the Code.

2.44 "Section 4.2 Event" has the meaning set forth in Section 4.2(b).

2.45 "Section 409A Covered Award" has the meaning set forth in Section 13.14.

2.46 "Section 409A" means the nonqualified deferred compensation rules under Section 409A of the Code.

2.47 "Securities Act" means the Securities Act of 1933, as amended and all rules and regulations promulgated thereunder. Any reference to any section of the Securities Act shall also be a reference to any successor provision.

2.48 "Stock Option" or **"Option"** means any option to purchase shares of Common Stock granted to Eligible Employees, Non-Employee Directors or Consultants pursuant to Article VI.

2.49 "Subsidiary" means any subsidiary corporation of the Company within the meaning of Section 424(f) of the Code.

2.50 "Ten Percent Stockholder" means a person owning stock possessing more than 10% of the total combined voting power of all classes of stock of the Company, its Subsidiaries or its Parent.

2.51 "Termination" means a Termination of Consultancy, Termination of Directorship or Termination of Employment, as applicable.

2.52 "Termination of Consultancy" means: (a) that the Consultant is no longer acting as a consultant to the Company or an Affiliate; or (b) when an entity that is retaining a Participant as a Consultant ceases to be an Affiliate unless the Participant otherwise is, or thereupon becomes, a Consultant to the Company or another Affiliate at the time the entity ceases to be an Affiliate. In the event that a Consultant becomes an Eligible Employee or a Non-Employee Director upon the termination of his or her consultancy, unless otherwise determined by the Committee no Termination of Consultancy shall be deemed to occur until such time as such Consultant is no longer a Consultant, an Eligible Employee or a Non-Employee Director. Notwithstanding the foregoing, the Committee may otherwise define Termination of Consultancy in the Award agreement or, if no rights of a Participant are reduced, may otherwise define Termination of Consultancy thereafter.

2.53 "Termination of Directorship" means that the Non-Employee Director has ceased to be a director of the Company; except that if a Non-Employee Director becomes an Eligible Employee or a Consultant upon the termination of his or her directorship, his or her ceasing to be a director of the Company shall not be treated as a Termination of Directorship unless and until the Participant has a Termination of Employment or Termination of Consultancy, as the case may be.

2.54 "Termination of Employment" means: (a) a termination of employment (for reasons other than a military or approved personal leave of absence) of a Participant from the Company and its Affiliates; or (b) when an entity that is employing a Participant ceases to be an Affiliate, unless the Participant otherwise is, or thereupon becomes, employed by the Company or another Affiliate at the time the entity ceases to be an Affiliate. In the event that an Eligible Employee becomes a Consultant or a Non-Employee Director upon the termination of his or her employment, unless otherwise determined by the Committee no Termination of Employment shall be deemed to occur until such time as such Eligible Employee is no longer an Eligible Employee, a Consultant or a Non-Employee Director. Notwithstanding the foregoing, the Committee may otherwise define Termination of Employment in the Award agreement or, if no rights of a Participant are reduced, may otherwise define Termination of Employment thereafter.

2.55 "Transfer" means: (a) when used as a noun, any direct or indirect transfer, sale, assignment, pledge, hypothecation, encumbrance or other disposition (including the issuance of equity in a Person), whether for value or no value and whether voluntary or involuntary (including by operation of law), and (b) when used as a verb, to directly or indirectly transfer, sell, assign, pledge, encumber, charge, hypothecate or otherwise dispose of (including the issuance of equity in a Person) whether for value or for no value and whether voluntarily or involuntarily (including by operation of law). "Transferred" and "Transferable" shall have a correlative meaning.

2.56 "Transition Period" means the "reliance period" under Treasury Regulation Section 1.162-27(f)(2), which ends on the earliest to occur of the following: (i) the date of the first annual meeting of stockholders of the Company at which directors are to be elected that occurs after December 31, 2017 or, if the Registration Date does not occur in 2014, the date of the first annual meeting of stockholders at which directors are to be elected that occurs after the close of the third calendar year following the calendar year in which the Registration Date occurs; (ii) the date the Plan is materially amended for purposes of Treasury Regulation Section 1.162-27(h)(1)(iii); or (iii) the date all shares of Common Stock available for issuance under the Plan have been allocated.

ARTICLE III

ADMINISTRATION

3.1 The Committee. The Plan shall be administered and interpreted by the Committee.

3.2 Grant and Administration of Awards. The Committee shall have full authority and discretion, as provided in Section 3.7, to grant and administer Awards including the authority to:

(a) select the Eligible Employees, Consultants and Non-Employee Directors to whom Awards may from time to time be granted;

(b) determine the number of shares of Common Stock to be covered by each Award;

(c) determine the type and the terms and conditions, not inconsistent with the terms of the Plan, of each Award (including, but not limited to, the exercise or purchase price (if any), any restriction or limitation or any vesting schedule or acceleration thereof);

(d) determine whether a Stock Option is an Incentive Stock Option or Non-Qualified Stock Option;

(e) determine whether to require a Participant, as a condition of the granting of any Award, to refrain from selling or otherwise disposing of Common Stock acquired pursuant to such Award for a period of time as determined by the Committee;

(f) condition the grant, vesting or payment of any Award on the attainment of performance goals (including goals based on the Performance Criteria) over a Performance Period, set such goals and such period, and certify the attainment of such goals;

(g) amend, after the date of grant, the terms that apply to an Award upon a Participant's Termination, provided that such amendment does not reduce the Participant's rights under the Award;

(h) determine the circumstances under which Common Stock and other amounts payable with respect to an Award may be deferred automatically or at the election of the Participant, in each case in a manner intended to comply with or be exempt from Section 409A;

(i) generally, exercise such powers and perform such acts as the Committee deems necessary or advisable to promote the best interests of the Company in connection with the Plan that are not inconsistent with the provisions of the Plan;

(j) construe and interpret the terms and provisions of the Plan and any Award (and any agreements relating thereto); and

(k) correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any agreement relating thereto.

3.3 Award Agreements. All Awards shall be evidenced by, and subject to the terms and conditions of, a written notice provided by the Company to the Participant or a written agreement executed by the Company and the Participant.

3.4 Guidelines. The Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall, from time to time, deem necessary or advisable. The Committee may adopt special guidelines and provisions for persons who are residing in or employed in, or subject to, the taxes of, any domestic or foreign jurisdiction to comply with applicable tax and securities laws and may impose such limitations and restrictions that it deems necessary or advisable to comply with the applicable tax and securities laws of such domestic or foreign jurisdiction.

3.5 Section 162(m). Notwithstanding the foregoing, with regard to any provision of the Plan or any agreement relating thereto that is intended to comply with Section 162(m) following the Transition Period, any action or determination by the Committee shall be permitted only to the extent such action or determination would be permitted under Section 162(m). The Plan is intended to rely on the Transition Period and, following the Transition Period with respect to Awards intended to be "performance-based," to comply with the applicable provisions of Section 162(m), and the Plan shall be limited, construed and interpreted in a manner so as to comply therewith.

3.6 Delegation; Advisors. The Committee may, as it from time to time as it deems advisable, to the extent permitted by applicable law and stock exchange rules:

(a) delegate its responsibilities to officers or employees of the Company and its Affiliates, including delegating authority to officers to grant Awards or execute agreements or other documents on behalf of the Committee; and

(b) engage legal counsel, consultants, professional advisors and agents to assist in the administration of the Plan and rely upon any opinion or computation received from any such Person. Expenses incurred by the Committee or the Board in the engagement of any such person shall be paid by the Company.

3.7 Decisions Final. All determinations, evaluations, elections, approvals, authorizations, consents, decisions, interpretations and other actions made or taken by or at the direction of the Company, the Board or the Committee (or any of its members) arising out of or in connection with the Plan shall be within the sole and absolute discretion of all and each of them, and shall be final, binding and conclusive on all employees and Participants and their respective beneficiaries, heirs, executors, administrators, successors and assigns.

3.8 Procedures. If the Committee is appointed, the Committee shall hold meetings, subject to the By-Laws of the Company, at such times and places as it shall deem advisable, including by telephone conference or by written consent. The Committee shall keep minutes of its meetings and shall make such rules and regulations for the conduct of its business as it shall deem advisable.

3.9 Liability; Indemnification.

(a) The Committee, its members and any delegate or Person engaged pursuant to Section 3.6 shall not be liable for any action or determination made in good faith with respect to the Plan. To the maximum extent permitted by applicable law, no officer or employee of the Company or any Affiliate or member or former member of the Committee or of the Board shall be liable for any action or determination made in good faith with respect to the Plan or any Award granted under it.

(b) To the maximum extent permitted by applicable law and the Certificate of Incorporation and By-Laws of the Company and to the extent not covered by insurance directly insuring such person, each current or former officer or employee of the Company or any Affiliate and member of the Committee or the Board shall be indemnified and held harmless by the Company against any cost or expense (including reasonable fees of counsel reasonably acceptable to the Committee) or liability (including any sum paid in settlement of a claim with the approval of the Committee), and advanced amounts necessary to pay the foregoing at the earliest time and to the fullest extent permitted, arising out of any act or omission to act in connection with the administration of the Plan, except to the extent arising out of such person's own fraud or bad faith. Such indemnification shall be in addition to any rights of indemnification provided for under applicable law or under the Certificate of Incorporation or By-Laws of the Company or any Affiliate. Notwithstanding anything else herein, this indemnification will not apply to the actions or determinations made by an individual with regard to Awards granted to him or her.

ARTICLE IV

SHARE LIMITATIONS

4.1 Shares.

(a) General Limitations.

(i) The aggregate number of shares of Common Stock that may be issued or used for reference purposes or with respect to which Awards may be granted over the term of the Plan shall not exceed 3,000,000 shares (subject to any increase or decrease pursuant to Section 4.2).

(ii) If any Appreciation Award expires, terminates or is canceled for any reason without having been exercised in full, the number of shares of Common Stock underlying any unexercised portion shall again be available under the Plan. If shares of Restricted Stock or Other Stock-Based Awards that are not Appreciation Awards are forfeited for any reason, the number of forfeited shares comprising or underlying the Award shall again be available under the Plan.

(iii) The number of shares available under the Plan shall be reduced by (A) the total number of Appreciation Awards that have been exercised, regardless of whether any shares of Common Stock underlying such Awards are not actually issued to the Participant as the result of a net exercise or settlement, and (B) all shares of Common Stock used to pay any exercise price or tax withholding obligation with respect to any Award. In addition, the Company may not use the cash proceeds it receives from Stock Option exercises to repurchase shares of Common Stock on the open market for reuse under the Plan. Notwithstanding anything to the contrary herein, Awards that may be settled solely in cash shall not be deemed to use any shares under the Plan.

(iv) Shares issued under the Plan may be either authorized and unissued Common Stock or Common Stock held in or acquired for the treasury of the Company, or both.

(b) Individual Participant Limitations. Except as otherwise provided herein, at all times after the end of the Transition Period:

(i) the maximum number of shares of Common Stock that may be made subject to Stock Options, Restricted Stock or Other Stock-Based Awards denominated in shares of Common Stock granted to each Eligible Employee or Consultant during any fiscal year of the Company is 500,000 shares per type of Award (subject to increase or decrease pursuant to Section 4.2); provided that the maximum number of shares of Common Stock for all types of Awards during any fiscal year of the Company that may be granted to each Eligible Employee or Consultant is 500,000 shares (subject to increase or decrease pursuant to Section 4.2); and

(ii) the maximum value at grant of Other Stock-Based Awards denominated in dollars and Performance-Based Cash Awards that may be granted during any fiscal year of the Company to each Eligible Employee or Consultant is $3,000,000; provided, however, that the foregoing limit shall be adjusted on a proportionate basis for any Performance Period that is not based on one fiscal year of the Company;

provided, however, that the foregoing individual Participant limits shall be cumulative; that is, to the extent that shares of Common Stock for which Awards are permitted to be granted during a fiscal year to an individual Participant are not actually made subject to an Award in a fiscal year, the number of shares of Common Stock available for Awards to such Participant automatically shall increase in the subsequent fiscal years during the term of the Plan until used; and

provided further, however, that the foregoing individual Participant limits shall not apply to (A) Options or Other Stock-Based Awards that are stock appreciation rights and (B) Restricted Stock or Other Stock-Based Awards that constitute "restricted property" under Code Section 83 to the extent granted during the Transition Period, even if such Restricted Stock or Other Stock-Based Awards that constitute "restricted property" under Code Section 83 vest or are settled after the Transition Period.

4.2 Changes.

(a) The existence of the Plan and the Awards shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, (ii) any merger or consolidation of the Company or any Affiliate, (iii) any issuance of bonds, debentures, preferred or prior preference stock ahead of or affecting the Common Stock, (iv) the dissolution or liquidation of the Company or any Affiliate, (v) any sale or transfer of all or part of the assets or business of the Company or any Affiliate, (vi) any Section 4.2 Event or (vii) any other corporate act or proceeding.

(b) Subject to the provisions of Section 4.2(d), in the event of any change in the capital structure or business of the Company by reason of any stock split, reverse stock split, stock dividend, combination or reclassification of shares, recapitalization, merger, consolidation, spin off, split off, reorganization or partial or complete liquidation, issuance of rights or warrants to purchase Common Stock or securities convertible into Common Stock, sale or transfer of all or part of the Company's assets or business, or other corporate transaction or event that would be considered an "equity restructuring" within the meaning of FASB ASC Topic 718 (each, a "**Section 4.2 Event**"), then (i) the aggregate number or kind of shares that thereafter may be issued under the Plan, (ii) the number or kind of shares or other property (including cash) subject to an Award, (iii) the purchase or exercise price of Awards, or (iv) the individual Participant limits set forth in Section 4.1(b) (other than cash limitations) shall be adjusted by the Committee as the Committee determines, in good faith, to be necessary or advisable to prevent substantial dilution or enlargement of the rights of Participants under the Plan. In connection with any Section 4.2 Event, the Committee may provide for the cancellation of outstanding Awards and payment in cash or other property in exchange therefor. In addition, subject to Section 4.2(d), in the event of any change in the capital structure of the Company that is not a Section 4.2 Event (an "**Other Extraordinary Event**"), then the Committee may make the adjustments described in clauses (i) through (iv) above as it determines, in good faith, to be necessary or advisable to prevent substantial dilution or enlargement of the rights of Participants under the Plan. Notice of any such adjustment shall be given by the Committee to each Participant whose Award has been adjusted and such adjustment (whether or not such notice is given) shall be binding for all purposes of the Plan. Except as expressly provided in this Section 4.2(b) or in the applicable Award agreement, a Participant shall have no rights by reason of any Section 4.2 Event or any Other Extraordinary Event. Notwithstanding the foregoing, (x) any adjustments made pursuant to Section 4.2(b) to Awards that are considered "non-qualified deferred compensation" within the meaning of Section 409A shall be made in a manner intended to comply with the requirements of Section 409A; and (y) any adjustments made pursuant to Section 4.2(b) to Awards that are not considered "non-qualified deferred compensation" subject to Section 409A shall be made in a manner intended to ensure that after such adjustment, the Awards either (A) continue not to be subject to Section 409A or (B) comply with the requirements of Section 409A.

(c) Fractional shares of Common Stock resulting from any adjustment in Awards pursuant to Section 4.2(a) or (b) shall be aggregated until, and eliminated at, the time of exercise by rounding-down for fractions less than one-half and rounding-up for fractions equal to or greater than one-half. No cash settlements shall be made with respect to fractional shares eliminated by rounding.

(d) Upon the occurrence of an Acquisition Event, the Committee may terminate all outstanding and unexercised Stock Options or any Other Stock-Based Award that provides for a Participant-elected exercise (collectively, "**Exercisable Awards**"), effective as of the date of the Acquisition Event, by delivering notice of termination to each Participant at least

20 days prior to the date of consummation of the Acquisition Event, in which case during the period from the date on which such notice of termination is delivered to the consummation of the Acquisition Event, each such Participant shall have the right to exercise in full all of such Exercisable Awards that are then outstanding to the extent vested on the date such notice of termination is given (or, at the discretion of the Committee, without regard to any limitations on exercisability otherwise contained in the Award agreements), but any such exercise shall be contingent on the occurrence of the Acquisition Event, and, provided that, if the Acquisition Event does not take place within a specified period after giving such notice for any reason whatsoever, the notice and exercise pursuant thereto shall be null and void and the applicable provisions of Section 4.2(b) and Article X shall apply. For the avoidance of doubt, in the event of an Acquisition Event, the Committee may terminate any Exercisable Award for which the exercise price is equal to or exceeds the Fair Market Value on the date of the Acquisition Event without payment of consideration therefor. If an Acquisition Event occurs but the Committee does not terminate the outstanding Awards pursuant to this Section 4.2(d), then the provisions of Section 4.2(b) and Article X shall apply.

4.3 Minimum Purchase Price. Notwithstanding any provision of the Plan to the contrary, if authorized but previously unissued shares of Common Stock are issued under the Plan, such shares shall not be issued for a consideration that is less than permitted under applicable law.

ARTICLE V

ELIGIBILITY

5.1 General Eligibility. All current and prospective Eligible Employees and Consultants, and current Non-Employee Directors, are eligible to be granted Awards. Eligibility for the grant of Awards and actual participation in the Plan shall be determined by the Committee. Notwithstanding anything herein to the contrary, no Award under which a Participant may receive shares of Common Stock may be granted to an Eligible Employee, Consultant or Non-Employee Director of any Affiliate if such shares of Common Stock do not constitute "service recipient stock" for purposes of Section 409A of the Code with respect to such Eligible Employee, Consultant or Non-Employee Director if such shares are required to constitute "service recipient stock" for such Award to comply with, or be exempt from, Section 409A of the Code.

5.2 Incentive Stock Options. Notwithstanding anything herein to the contrary, only Eligible Employees of the Company, its Subsidiaries and its Parent (if any) are eligible to be granted Incentive Stock Options under the Plan. Eligibility for the grant of an Incentive Stock Option and actual participation in the Plan shall be determined by the Committee.

5.3 General Requirement. The grant of Awards to a prospective Eligible Employee or Consultant and the vesting and exercise of such Awards shall be conditioned upon such Person actually becoming an Eligible Employee or Consultant; provided, however, that no Award may be granted to a prospective Eligible Employee or Consultant unless the Company determines that the Award will comply with applicable laws, including the securities laws of all relevant jurisdictions (and, in the case of an Award to an Eligible Employee or Consultant pursuant to which Common Stock would be issued prior to such Person performing services for the Company, the Company may require payment of not less than the par value of the Common Stock by cash or check in order to ensure proper issuance of the shares in compliance with applicable law). Awards may be awarded in consideration for past services actually rendered to the Company or an Affiliate.

ARTICLE VI

STOCK OPTIONS

6.1 Stock Options. Each Stock Option shall be one of two types: (a) an Incentive Stock Option or (b) a Non-Qualified Stock Option. The Committee shall have the authority to grant to any Eligible Employee Incentive Stock Options, Non-Qualified Stock Options, or both types of Stock Options. The Committee shall have the authority to grant any Consultant or Non-Employee Director Non-Qualified Stock Options. To the extent that any Stock Option does not qualify as an Incentive Stock Option (whether because of its provisions or the time or manner of its exercise or otherwise), such Stock Option or the portion thereof that does not qualify shall constitute a separate Non-Qualified Stock Option.

6.2 Incentive Stock Options. Notwithstanding anything in the Plan to the contrary, no term of the Plan relating to Incentive Stock Options shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code, or, without the consent of the Participants affected, to disqualify any Incentive Stock Option under Section 422 of the Code.

6.3 Terms of Stock Options. Stock Options shall be subject to the following terms and conditions and such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) Exercise Price. The exercise price per share of Common Stock subject to a Stock Option shall be determined by the Committee on or before the date of grant, provided that the per share exercise price of a Stock Option shall not be less than 100% (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, 110%) of the Fair Market Value on the date of grant.

(b) Stock Option Term. The term of each Stock Option shall be fixed by the Committee, provided that no Stock Option shall be exercisable more than ten years after the date such Stock Option is granted (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, five years).

(c) Exercisability.

(i) Stock Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at grant. Notwithstanding any other provision of the Plan to the contrary, the vesting period applicable to Stock Options shall be no less than (A) one year, if vesting is based (in whole or in part) on the attainment of one or more performance goals, and (B) three years (with no more than one-third of the shares subject thereto vesting on each of the first three anniversaries of the date of grant), if the vesting is based solely on the continued performance of services by the Participant; provided, that the Committee shall be authorized (at the time of grant or thereafter) to provide for earlier vesting in the event of a Change in Control or a Participant's retirement, death or Disability; and provided further, that Stock Options with respect to up to 10% of the total number of shares of Common Stock available under the Plan may be exempt from the foregoing limitations. Subject to the immediately preceding sentence, the Committee may waive any limitations on exercisability at any time at or after grant in whole or in part, in its discretion.

(ii) Unless otherwise determined by the Committee at grant, the Option agreement shall provide that (A) in the event the Participant engages in Detrimental Activity prior to any exercise of the Stock Option, all Stock Options held by the Participant shall thereupon terminate and expire, (B) as a condition of the exercise of a Stock Option, the Participant shall be required to certify in a manner acceptable to the Company (or shall be deemed to have certified) that the Participant is in compliance with the terms and conditions of the Plan and that the Participant has not engaged in, and does not intend to engage in, any Detrimental Activity, and (C) in the event the Participant engages in Detrimental Activity during the one-year period commencing on the earlier of the date the Stock Option is exercised or the date of the Participant's Termination, the Company shall be entitled to recover from the Participant at any time within one year after such date, and the Participant shall pay over to the Company, an amount equal to any gain realized (whether at the time of exercise or thereafter) as a result of the exercise. Unless otherwise determined by the Committee at grant, this Section 6.3(c)(ii) shall cease to apply upon a Change in Control.

(d) Method of Exercise. To the extent vested, a Stock Option may be exercised in whole or in part at any time during the Option term, by giving written notice of exercise to the Committee (or its designee) specifying the number of shares of Common Stock to be purchased. Such notice shall be in a form acceptable to the Committee and shall be accompanied by payment in full of the purchase price as follows: (i) in cash or by check, bank draft or money order payable to the order of the Company; (ii) solely to the extent permitted by applicable law and authorized by the Committee, if the Common Stock is traded on a national securities exchange or quoted on a national quotation system sponsored by the Financial Industry Regulatory Authority, through a procedure whereby the Participant delivers irrevocable instructions to a broker reasonably acceptable to the Committee to deliver promptly to the Company an amount equal to the purchase price; or (iii) on such other terms and conditions as may be acceptable to the Committee (including the relinquishment of Stock Options or by payment in full or in part in the form of Common Stock owned by the Participant (for which the Participant has good title free and clear of any liens and encumbrances)). No shares of Common Stock shall be issued until payment therefor, as provided herein, has been made or provided for.

(e) Non-Transferability of Options. No Stock Option shall be Transferable by the Participant other than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the Participant's lifetime, only by the Participant. Notwithstanding the foregoing, the Committee may determine that a Non-Qualified Stock Option that otherwise is not Transferable pursuant to this section is Transferable to a Family Member in whole or in part, and in such circumstances, and under such conditions as specified by the Committee. A Non-Qualified Stock Option that is Transferred to a Family Member pursuant to the preceding sentence (i) may not be Transferred subsequently other than by will or by the laws of descent and distribution and (ii) remains subject to the terms of the Plan and the applicable Award agreement.

(f) Termination by Death or Disability. Unless otherwise determined by the Committee at grant (or, if no rights of the Participant (or, in the case of his death, his estate) are reduced, thereafter), if a Participant's Termination is by reason of death or Disability, all Stock Options that are held by such Participant that are vested and exercisable on the date of the

Participant's Termination may be exercised by the Participant (or, in the case of death, by the legal representative of the Participant's estate) at any time within a period of one year after the date of such Termination, but in no event beyond the expiration of the stated term of such Stock Options.

(g) Involuntary Termination Without Cause. Unless otherwise determined by the Committee at grant (or, if no rights of the Participant (or, in the case of his death, his estate) are reduced, thereafter), if a Participant's Termination is by involuntary termination without Cause, all Stock Options that are held by such Participant that are vested and exercisable on the date of the Participant's Termination may be exercised by the Participant at any time within a period of 90 days after the date of such Termination, but in no event beyond the expiration of the stated term of such Stock Options.

(h) Voluntary Termination. Unless otherwise determined by the Committee at grant (or, if no rights of the Participant (or, in the case of his death, his estate) are reduced, thereafter), if a Participant's Termination is voluntary (other than a voluntary Termination described in subsection (i)(ii) below), all Stock Options that are held by such Participant that are vested and exercisable on the date of the Participant's Termination may be exercised by the Participant at any time within a period of 30 days after the date of such Termination, but in no event beyond the expiration of the stated term of such Stock Options.

(i) Termination for Cause. Unless otherwise determined by the Committee at grant (or, if no rights of the Participant (or, in the case of his death, his estate) are reduced, thereafter), if a Participant's Termination (i) is for Cause or (ii) is a voluntary Termination after the occurrence of an event that would be grounds for a Termination for Cause, all Stock Options, whether vested or not vested, that are held by such Participant shall terminate and expire on the date of such Termination.

(j) Unvested Stock Options. Unless otherwise determined by the Committee, Stock Options that are not vested as of the date of a Participant's Termination for any reason shall terminate and expire on the date of such Termination.

(k) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined as of the date of grant) with respect to which Incentive Stock Options are exercisable for the first time by an Eligible Employee during any calendar year under the Plan and any other stock option plan of the Company, any Subsidiary or any Parent exceeds $100,000, such Options shall be treated as Non-Qualified Stock Options. In addition, if an Eligible Employee does not remain employed by the Company, any Subsidiary or any Parent at all times from the date an Incentive Stock Option is granted until three months prior to the date of exercise thereof (or such other period as required by applicable law), such Stock Option shall be treated as a Non-Qualified Stock Option. Should any provision of the Plan not be necessary in order for the Stock Options to qualify as Incentive Stock Options, or should any additional provisions be required, the Committee may amend the Plan accordingly, without the necessity of obtaining the approval of the stockholders of the Company.

(l) Form, Modification, Extension and Renewal of Stock Options. Stock Options may be evidenced by such form of agreement as is approved by the Committee. The Committee may (i) modify, extend or renew outstanding Stock Options (provided that (A) the rights of a Participant are not reduced without his or her consent and (B) such action does not subject the Stock Options to Section 409A or otherwise extend the Stock Options beyond their

stated term), and (ii) accept the surrender of outstanding Stock Options and authorize the granting of new Stock Options in substitution therefor. Notwithstanding anything herein to the contrary, an outstanding Option may not be modified to reduce the exercise price thereof nor may a new Option at a lower price be substituted for a surrendered Option (other than adjustments or substitutions in accordance with Section 4.2), unless such action is approved by the stockholders of the Company.

(m) No Reload Options. Options shall not provide for the grant of the same number of Options as the number of shares used to pay for the exercise price of Options or shares used to pay withholding taxes (i.e., "reloads").

ARTICLE VII

RESTRICTED STOCK

7.1 Awards of Restricted Stock. The Committee shall determine the Participants, to whom, and the time or times at which, grants of Restricted Stock shall be made, the number of shares to be awarded, the purchase price (if any) to be paid by the Participant (subject to Section 7.2), the time or times at which such Awards may be subject to forfeiture or to restrictions on transfer, and all other terms and conditions of the Awards.

Unless otherwise determined by the Committee at grant, each Award of Restricted Stock shall provide that (A) in the event the Participant engages in Detrimental Activity prior to any vesting of Restricted Stock, all unvested Restricted Stock shall be immediately forfeited, and (B) in the event the Participant engages in Detrimental Activity during the one year period after any vesting of such Restricted Stock, the Committee shall be entitled to recover from the Participant (at any time within one year after such engagement in Detrimental Activity) an amount equal to the Fair Market Value as of the vesting date(s) of any Restricted Stock that had vested in the period referred to above. Unless otherwise determined by the Committee at grant, this paragraph shall cease to apply upon a Change in Control.

The Committee may condition the grant or vesting of Restricted Stock upon the attainment of specified performance goals (including goals based on the Performance Criteria) or such other factors as the Committee may determine.

7.2 Awards and Certificates. The Committee may require, as a condition to the effectiveness of an Award of Restricted Stock, that the Participant execute and deliver to the Company an Award agreement or other documentation and comply with the terms of such Award agreement or other documentation. Further, Restricted Stock shall be subject to the following conditions:

(a) Purchase Price. The purchase price of Restricted Stock, if any, shall be fixed by the Committee. In accordance with Section 4.3, the purchase price for shares of Restricted Stock may be zero to the extent permitted by applicable law, and, to the extent not so permitted, such purchase price may not be less than par value.

(b) Legend. Each Participant receiving Restricted Stock shall be issued a stock certificate in respect of such shares of Restricted Stock, unless the Committee elects to use another system, such as book entries by the transfer agent, as evidencing ownership of shares of

Restricted Stock. Such certificate shall be registered in the name of such Participant, and shall, in addition to such legends required by applicable securities laws, bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award, substantially in the following form:

> "The anticipation, alienation, attachment, sale, transfer, assignment, pledge, encumbrance or charge of the shares of stock represented hereby are subject to the terms and conditions (including forfeiture) of the Installed Building Products, Inc. (the "**Company**") 2014 Omnibus Incentive Plan (as amended from time to time, the "**Plan**"), and an Award Agreement entered into between the registered owner and the Company dated . Copies of such Plan and Agreement are on file at the principal office of the Company."

(c) Custody. If stock certificates are issued in respect of shares of Restricted Stock, the Committee may require that such stock certificates be held in custody by the Company until the restrictions on the shares have lapsed, and that, as a condition of any grant of Restricted Stock, the Participant shall have delivered a duly signed stock power, endorsed in blank, relating to the Common Stock covered by such Award.

7.3 Restrictions and Conditions. Restricted Stock shall be subject to the following restrictions and conditions:

(a) Restriction Period.

(i) The Participant shall not be permitted to Transfer shares of Restricted Stock, and the Restricted Stock shall be subject to a risk of forfeiture (collectively, "restrictions") during the period or periods set by the Committee (the "**Restriction Periods**"), as set forth in the Restricted Stock Award agreement. The Committee may provide for the lapse of the restrictions in whole or in part (including in installments) based on service, attainment of performance goals or such other factors or criteria as the Committee may determine, and may waive all or any part of the restrictions at any time subject to Section 7.3(a)(iii).

(ii) If the grant of Restricted Stock or the lapse of restrictions is based on the attainment of performance goals, such performance goals shall be established by the Committee in writing on or before the date the grant of Restricted Stock is made and while the outcome of the performance goals is substantially uncertain and, following the Transition Period, that is permitted under Section 162(m) with regard to an Award of Restricted Stock that is intended to comply with Section 162(m). Such performance goals may incorporate provisions for disregarding (or adjusting for) changes in accounting methods, corporate transactions (including dispositions and acquisitions) and other similar events or circumstances. Following the Transition Period, with regard to an Award of Restricted Stock that is intended to comply with Section 162(m), (A) to the extent that any such provision set forth in the prior sentence would create impermissible discretion under Section 162(m) or otherwise violate Section 162(m), such provision shall be of no force or effect and (B) the applicable performance goals shall be based on one or more of the Performance Criteria. For the avoidance of doubt, during the Transition Period, the Committee may establish such performance goals as it determines.

(iii) Notwithstanding any other provision of the Plan to the contrary, the Restriction Period with respect to any Restricted Stock Award shall be no less than (A) one year, if the lapsing of restrictions is based (in whole or in part) on the attainment of one or more performance goals, and (B) three years (with restrictions as to no more than one-third of the shares subject thereto lapsing on each of the first three anniversaries of the date of grant), if the lapsing of restrictions is based solely on the continued performance of services by the Participant; provided, that the Committee shall be authorized (at the time of grant or thereafter) to provide for the earlier lapsing of restrictions in the event of a Change in Control or a Participant's retirement, death or Disability; and provided further, that Restricted Stock Awards with respect to up to 10% of the total number of shares of Common Stock reserved for Awards may be exempt from the foregoing limitations.

(b) Rights as a Stockholder. Except as otherwise determined by the Committee, the Participant shall have all the rights of a holder of shares of Common Stock of the Company with respect to Restricted Stock, subject to the following provisions of this Section 7.3(b). Except as otherwise determined by the Committee, (i) the Participant shall have no right to tender shares of Restricted Stock, (ii) dividends or other distributions (collectively, "dividends") on shares of Restricted Stock shall be withheld, in each case, while the Restricted Stock is subject to restrictions, and (iii) in no event shall dividends or other distributions payable thereunder be paid unless and until the shares of Restricted Stock to which they relate no longer are subject to a risk of forfeiture. Dividends that are not paid currently shall be credited to bookkeeping accounts on the Company's records for purposes of the Plan and, except as otherwise determined by the Committee, shall not accrue interest. Such dividends shall be paid to the Participant in the same form as paid on the Common Stock upon the lapse of the restrictions.

(c) Termination. Upon a Participant's Termination for any reason during the Restriction Period, all Restricted Stock still subject to restriction will vest or be forfeited in accordance with the terms and conditions established by the Committee at grant, or, if no rights of a Participant are reduced, thereafter.

(d) Lapse of Restrictions. If and when the Restriction Period expires without a prior forfeiture of the Restricted Stock, the certificates for such shares shall be delivered to the Participant, and any and all unpaid distributions or dividends payable thereunder shall be paid. All legends shall be removed from said certificates at the time of delivery to the Participant, except as otherwise required by applicable law or other limitations imposed by the Committee.

ARTICLE VIII

OTHER STOCK-BASED AWARDS

8.1 Other Awards. The Committee is authorized to grant Other Stock-Based Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to shares of Common Stock, including but not limited to, shares of Common Stock awarded purely as a bonus and not subject to any restrictions or conditions, shares of Common Stock in payment of the amounts due under an incentive or performance plan sponsored or maintained by the Company or an Affiliate, stock appreciation rights, stock equivalent units, restricted stock units, Performance Shares, Performance Units and Awards valued by reference to book value of shares of Common Stock.

The Committee shall have authority to determine the Participants, to whom, and the time or times at which, Other Stock-Based Awards shall be made, the number of shares of Common Stock to be awarded pursuant to such Awards, and all other terms and conditions of the Awards.

The Committee may condition the grant or vesting of Other Stock-Based Awards upon the attainment of performance goals (including, performance goals based on the Performance Criteria) or such other factors as the Committee may determine. If the grant or vesting of an Other Stock-Based Award is based on the attainment of performance goals, such performance goals shall be established by the Committee in writing on or before the date the grant of Other Stock-Based Award is made and while the outcome of the performance goals is substantially uncertain and, following the Transition Period, that is permitted under Section 162(m) with regard to an Other Stock-Based Award that is intended to comply with Section 162(m). Such performance goals may incorporate provisions for disregarding (or adjusting for) changes in accounting methods, corporate transactions (including dispositions and acquisitions) and other similar events or circumstances). Following the Transition Period, with regard to an Other Stock-Based Award that is intended to comply with Section 162(m), (a) to the extent any such provision set forth in the prior sentence would create impermissible discretion under Section 162(m) or otherwise violate Section 162(m), such provision shall be of no force or effect and (b) the applicable performance goals shall be based on one or more of the Performance Criteria. For the avoidance of doubt, during the Transition Period, the Committee may establish such performance goals as it determines.

8.2 Terms and Conditions. Other Stock-Based Awards made pursuant to this Article VIII shall be subject to the following terms and conditions:

(a) Non-Transferability. The Participant may not Transfer Other Stock-Based Awards or the Common Stock underlying such Awards prior to the date on which the underlying Common Stock is issued, or, if later, the date on which any restriction, performance or deferral period applicable to such Common Stock lapses.

(b) Dividends. The Committee shall determine to what extent, and under what conditions, the Participant shall have the right to receive dividends, dividend equivalents or other distributions (collectively, "dividends") with respect to shares of Common Stock covered by Other Stock-Based Awards. Except as otherwise determined by the Committee, dividends with respect to unvested Other Stock-Based Awards shall be withheld until such Other Stock-Based Awards vest. Dividends that are not paid currently shall be credited to bookkeeping accounts on the Company's records for purposes of the Plan and, except as otherwise determined by the Committee, shall not accrue interest. Such dividends shall be paid to the Participant in the same form as paid on the Common Stock or such other form as is determined by the Committee upon the lapse of the restrictions.

(c) Vesting. Other Stock Based Awards and any underlying Common Stock shall vest or be forfeited to the extent set forth in the applicable Award agreement or as otherwise determined by the Committee. At the expiration of any applicable Performance Period, the Committee shall determine the extent to which the relevant performance goals are achieved and the portion of each Other Stock-Based Award that has been earned. The Committee may, at or after grant, accelerate the vesting of all or any part of any Other Stock-Based Award. Notwithstanding any other provision of the Plan to the contrary, the minimum vesting period with respect to any Other Stock-Based Awards shall be no less than (i) one year, if

the vesting is based (in whole or in part) on the attainment of one or more performance goals, and (ii) three years (with restrictions as to no more than one-third of the shares subject thereto lapsing on each of the first three anniversaries of the date of grant), if the vesting is based solely on the continued performance of services by the Participant; provided, that, the Committee shall be authorized (at the time of grant or thereafter) to provide for the earlier vesting in the event of a Change in Control or a Participant's retirement, death or Disability; and provided further, that, subject to the limitations set forth in Section 4.1, Other Stock-Based Awards with respect to up to 10% of the total number of shares of Common Stock reserved for Awards may be exempt from the foregoing limitations.

(d) Payment. Following the Committee's determination in accordance with subsection (c) above, shares of Common Stock or, as determined by the Committee, the cash equivalent of such shares shall be delivered to the Eligible Employee, Consultant or Non-Employee Director, or his legal representative, in an amount equal to such individual's earned Other Stock-Based Award. Notwithstanding the foregoing, the Committee may exercise negative discretion by providing in an Other Stock-Based Award the discretion to pay an amount less than otherwise would be provided under the applicable level of attainment of the performance goals or subject the payment of all or part of any Other Stock-Based Award to additional vesting, forfeiture and deferral conditions as it deems appropriate.

(e) Detrimental Activity. Unless otherwise determined by the Committee at grant, each Other Stock-Based Award shall provide that (A) in the event the Participant engages in Detrimental Activity prior to any vesting of such Other Stock-Based Award, all unvested Other Stock-Based Award shall be immediately forfeited, and (B) in the event the Participant engages in Detrimental Activity during the one year period after any vesting of such Other Stock-Based Award, the Committee shall be entitled to recover from the Participant (at any time within the one-year period after such engagement in Detrimental Activity) an amount equal to any gain the Participant realized from any Other Stock-Based Award that had vested in the period referred to above. Unless otherwise determined by the Committee at grant, this Section 8.2(e) shall cease to apply upon a Change in Control.

(f) Price. Common Stock issued on a bonus basis under this Article VIII may be issued for no cash consideration; Common Stock purchased pursuant to a purchase right awarded under this Article VIII shall be priced as determined by the Committee.

(g) Termination. Upon a Participant's Termination for any reason during the Performance Period, the Other Stock-Based Awards will vest or be forfeited in accordance with the terms and conditions established by the Committee at grant or, if no rights of the Participant are reduced, thereafter.

ARTICLE IX

PERFORMANCE-BASED CASH AWARDS

9.1 Performance-Based Cash Awards. The Committee shall have authority to determine the Eligible Employees and Consultants to whom, and the time or times at which, Performance-Based Cash Awards shall be made, the dollar amount to be awarded pursuant to such Performance-Based Cash Award, and all other conditions for the payment of the Performance-Based Cash Award.

Except as otherwise provided herein, the Committee shall condition the right to payment of any Performance-Based Cash Award upon the attainment of specified performance goals (including performance goals based on the Performance Criteria) established pursuant to Section 9.2(c) and such other factors as the Committee may determine, including to comply with the requirements of Section 162(m). The Committee may establish different performance goals for different Participants.

Subject to Section 9.2(c), for any Participant the Committee may specify a targeted Performance-Based Cash Award for a Performance Period (each an "Individual Target Award"). An Individual Target Award may be expressed, at the Committee's discretion, as a fixed dollar amount, a percentage of the Participant's base pay, as a percentage of a bonus pool funded by a formula based on achievement of performance goals, or an amount determined pursuant to an objective formula or standard. The Committee's establishment of an Individual Target Award for a Participant for a Performance Period shall not imply or require that the same level or any Individual Target Award be established for the Participant for any subsequent Performance Period or for any other Participant for that Performance Period or any subsequent Performance Period. At the time the performance goals are established (as provided in Section 9.2(c)), the Committee shall prescribe a formula to determine the maximum and minimum percentages (which may be greater or less than 100% of an Individual Target Award) that may be earned or payable based upon the degree of attainment of the performance goals during the Performance Period. Notwithstanding anything else herein, the Committee may exercise negative discretion by providing in an Individual Target Award the discretion to pay a Participant an amount that is less than the Participant's Individual Target Award (or attained percentages thereof) regardless of the degree of attainment of the performance goals; provided that, except as otherwise specified by the Committee with respect to an Individual Target Award, no discretion to reduce a Performance-Based Cash Award earned based on achievement of the applicable performance goals shall be permitted for any Performance Period in which a Change in Control occurs, or during such Performance Period with regard to the prior Performance Periods if the Performance-Based Cash Awards for the prior Performance Periods have not been paid by the time of the Change in Control, with regard to individuals who were Participants at the time of the Change in Control.

9.2 Terms and Conditions. Performance-Based Cash Awards shall be subject to the following terms and conditions:

(a) Committee Certification. At the expiration of the applicable Performance Period, the Committee shall determine and certify in writing the extent to which the performance goals established pursuant to Section 9.2(c) are achieved and, if applicable, the percentage of the Performance-Based Cash Award that has been vested and earned.

(b) Waiver of Limitation. In the event of the Participant's Disability or death, or in cases of special circumstances (to the extent permitted under Section 162(m) with regard to a Performance-Based Cash Award that is intended to comply with Section 162(m)), the Committee may waive in whole or in part any or all of the limitations imposed thereunder with respect to any or all of a Performance-Based Cash Award.

(c) Performance Goals, Formulae or Standards. The performance goals for the earning of Performance-Based Cash Awards shall be established by the Committee in writing on or before the date the grant of Performance-Based Cash Award is made and while the

outcome of the performance goals is substantially uncertain and, following the Transition Period, that is permitted under Section 162(m) with regard to a Performance-Based Cash Award that is intended to comply with Section 162(m). Such performance goals may incorporate provisions for disregarding (or adjusting for) changes in accounting methods, corporate transactions (including dispositions and acquisitions) and other similar type events or circumstances. Following the Transition Period, with regard to a Performance-Based Cash Award that is intended to comply with Section 162(m), (i) to the extent any such provision set forth in the prior sentence would create impermissible discretion under Section 162(m) or otherwise violate Section 162(m), such provision shall be of no force or effect and (ii) the applicable performance goals shall be based on one or more of the Performance Criteria. For the avoidance of doubt, during the Transition Period, the Committee may establish such performance goals as it determines.

(d) Payment. Following the Committee's determination and certification in accordance with subsection (a) above, the earned Performance-Based Cash Award amount shall be paid to the Participant or his legal representative, in accordance with the terms and conditions set forth in Performance-Based Cash Award agreement, but in no event, except as provided in the next sentence, shall such amount be paid later than the later of: (i) March 15 of the year following the year in which the applicable Performance Period ends (or, if later, the year in which the Award is earned); or (ii) two and one-half months after the expiration of the fiscal year of the Company in which the applicable Performance Period ends. Notwithstanding the foregoing, the Committee may place such conditions on the payment of all or any portion of any Performance-Based Cash Award as the Committee may determine and prior to the beginning of a Performance Period the Committee may (A) provide that the payment of all or any portion of any Performance-Based Cash Award shall be deferred and (B) permit a Participant to elect to defer receipt of all or a portion of any Performance-Based Cash Award. Any Performance-Based Cash Award deferred by a Participant in accordance with the terms and conditions established by the Committee shall not increase (between the date on which the Performance-Based Cash Award is credited to any deferred compensation program applicable to such Participant and the payment date) by an amount that would result in such deferral being deemed as an "increase in the amount of compensation" under Section 162(m). To the extent applicable, any deferral under this Section 9.2(d) shall be made in a manner intended to comply with or be exempt from the applicable requirements of Section 409A. Notwithstanding the foregoing, the Committee may exercise negative discretion by providing in a Performance-Based Cash Award the discretion to pay an amount less than otherwise would be provided under the applicable level of attainment of the performance goals.

(e) Termination. Unless otherwise determined by the Committee at the time of grant (or, if no rights of the Participant (or, in the case of his death, his estate) are reduced, thereafter), no Performance-Based Cash Award or pro rata portion thereof shall be payable to any Participant who incurs a Termination prior to the date such Performance-Based Cash Award is paid and the performance-Based Cash Awards only shall be deemed to be earned when actually paid.

ARTICLE X

CHANGE IN CONTROL PROVISIONS

10.1 In the event of a Change in Control of the Company, except as otherwise provided by the Committee in an Award agreement or otherwise in writing, a Participant's unvested Award shall not vest and a Participant's Award shall be treated in accordance with one of the following methods as determined by the Committee:

(a) Awards, whether or not then vested, may be continued, assumed, have new rights substituted therefor or be treated in accordance with Section 4.2(d), and Restricted Stock or other Awards may, where appropriate in the discretion of the Committee, receive the same distribution as other Common Stock on such terms as determined by the Committee; provided that, the Committee may decide to award additional Restricted Stock or any other Award in lieu of any cash distribution. Notwithstanding anything to the contrary herein, any assumption or substitution of Incentive Stock Options shall be structured in a manner intended to comply with the requirements of Treasury Regulation §1.424-1 (and any amendments thereto).

(b) Awards may be canceled in exchange for an amount of cash equal to the Change in Control Price (as defined below) per share of Common Stock covered by such Awards), less, in the case of an Appreciation Award, the exercise price per share of Common Stock covered by such Award. The "**Change in Control Price**" means the price per share of Common Stock paid in the Change in Control transaction.

(c) Appreciation Awards may be cancelled without payment, if the Change in Control Price is less than the exercise price per share of such Appreciation Awards.

Notwithstanding anything else herein, the Committee may provide for accelerated vesting or lapse of restrictions, of an Award at any time.

ARTICLE XI

TERMINATION OR AMENDMENT OF PLAN

Notwithstanding any other provision of the Plan, the Board, or the Committee (to the extent permitted by law), may at any time, and from time to time, amend, in whole or in part, any or all of the provisions of the Plan (including any amendment deemed necessary or advisable to ensure that the Company may comply with any regulatory requirement referred to in Article XIII or Section 409A), or suspend or terminate it entirely, retroactively or otherwise; provided, however, that, unless otherwise required by law or specifically provided herein, the rights of a Participant with respect to Awards granted prior to such amendment, suspension or termination, may not be reduced without the consent of such Participant and, provided further, without the approval of the holders of the Company's Common Stock entitled to vote in accordance with applicable law, no amendment may be made that would (a) increase the aggregate number of shares of Common Stock that may be issued under the Plan (except by operation of Section 4.2); (b) increase the maximum individual Participant limits under Section 4.1(b) (except by operation of Section 4.2); (c) change the classification of individuals eligible to receive Awards under the Plan; (d) extend the maximum term of Options; (e) alter the Performance Criteria; (f) other than adjustments or substitutions in accordance with Section 4.2, amend the terms of outstanding Awards to reduce the exercise price of outstanding Stock Options or Appreciation Awards, or

cancel outstanding Stock Options or Appreciation Awards (where, prior to the reduction or cancellation, the exercise price exceeds the Fair Market Value on the date of cancellation) in exchange for cash, other Awards or Stock Options or Appreciation Awards with an exercise price that is less than the exercise price of the original Stock Options or Appreciation Awards; (g) require stockholder approval in order for the Plan to continue to comply with the applicable provisions of Section 162(m) or, to the extent applicable to Incentive Stock Options, Section 422 of the Code or (h) require stockholder approval under the rules of any exchange or system on which the Company's securities are listed or traded at the request of the Company.

The Committee may amend the terms of any Award theretofore granted, prospectively or retroactively; provided that no such amendment reduces the rights of any Participant without the Participant's consent. Actions taken by the Committee in accordance with Article IV shall not be deemed to reduce the rights of any Participant.

Notwithstanding anything herein to the contrary, the Board or the Committee may amend the Plan or any Award at any time without a Participant's consent to comply with Section 409A or any other applicable law.

ARTICLE XII

UNFUNDED PLAN

The Plan is an "unfunded" plan for incentive and deferred compensation. With respect to any payments as to which a Participant has a fixed and vested interest but which are not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any rights that are greater than those of a general unsecured creditor of the Company.

ARTICLE XIII

GENERAL PROVISIONS

13.1 Legend. The Committee may require each person receiving shares of Common Stock pursuant to an Award to represent to and agree with the Company in writing that the Participant is acquiring the shares without a view to distribution thereof and such other securities law related representations as the Committee shall request. In addition to any legend required by the Plan, the certificates or book entry accounts for such shares may include any legend that the Committee deems appropriate to reflect any restrictions on Transfer.

All certificates or book entry accounts for shares of Common Stock delivered under the Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed or any national automated quotation system on which the Common Stock is then quoted, any applicable Federal or state securities law, and any applicable corporate law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions. If necessary or advisable in order to prevent a violation of applicable securities laws or to avoid the imposition of public company reporting requirements, then, notwithstanding anything herein to the contrary, any stock-settled Awards shall be paid in cash in an amount equal to the Fair Market Value on the date of settlement of such Awards.

13.2 Other Plans. Nothing contained in the Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases.

13.3 No Right to Employment/Consultancy/Directorship. Neither the Plan nor the grant of any Award thereunder shall give any Participant or other person any right to employment, consultancy or directorship by the Company or any Affiliate, or limit in any way the right of the Company or any Affiliate by which an employee is employed or a Consultant or Non-Employee Director is retained to terminate his or her employment, consultancy or directorship at any time.

13.4 Withholding of Taxes. The Company shall have the right to deduct from any payment to be made pursuant to the Plan, or to otherwise require, prior to the issuance or delivery of any shares of Common Stock or the payment of any cash thereunder, payment by the Participant of, any Federal, state or local taxes required by law to be withheld. Upon the vesting of Restricted Stock (or other Award that is taxable upon vesting), or upon making an election under Section 83(b) of the Code, a Participant shall pay all required withholding to the Company. Any statutorily required withholding obligation with regard to any Participant may be satisfied, subject to the consent of the Committee, by reducing the number of shares of Common Stock otherwise deliverable or by delivering shares of Common Stock already owned. Any fraction of a share of Common Stock required to satisfy such tax obligations shall be disregarded and the amount due shall be paid instead in cash by the Participant.

13.5 No Assignment of Benefits. No Award or other benefit payable under the Plan shall, except as otherwise specifically provided in the Plan or permitted by the Committee, be Transferable in any manner, and any attempt to Transfer any such benefit shall be void, and any such benefit shall not in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of any person who shall be entitled to such benefit, nor shall it be subject to attachment or legal process for or against such person.

13.6 Listing and Other Conditions. If at any time counsel to the Company shall be of the opinion that any offer or sale of Common Stock pursuant to an Award is or may be unlawful or prohibited, or will or may result in the imposition of excise taxes on the Company, under the statutes, rules or regulations of any applicable jurisdiction or under the rules of the national securities exchange on which the Common Stock then is listed, the Company shall have no obligation to make such offer or sale, or to make any application or to effect or to maintain any qualification or registration under the Securities Act or otherwise, with respect to the Common Stock or Awards, and the right to exercise any Option or Exercisable Award shall be suspended until, in the opinion of said counsel, such offer or sale shall be lawful, permitted or will not result in the imposition of excise taxes on the Company.

13.7 Governing Law. The Plan and matters arising under or related to it shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to its principles of conflicts of laws.

13.8 Construction. Wherever any words are used in the Plan in the masculine gender they shall be construed as though they were also used in the feminine gender in all cases where they would so apply. As used herein, (a) “or” shall mean “and/or” and (b) “including” or “include” shall mean “including, without limitation.” Any reference herein to an agreement in writing shall be deemed to include an electronic writing to the extent permitted by applicable law.

13.9 Other Benefits. No Award, whether at grant or payment, shall be deemed compensation for purposes of computing benefits under any retirement plan of the Company or its Affiliates or shall affect any benefits under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation, unless expressly provided to the contrary in such benefit plan.

13.10 Costs. The Company shall bear all expenses associated with administering the Plan, including expenses of issuing Common Stock pursuant to any Awards.

13.11 No Right to Same Benefits. The provisions of Awards need not be the same with respect to each Participant, and each Award to an individual Participant need not be the same.

13.12 Death/Disability. The Committee may require the transferee of a Participant to supply it with written notice of the Participant's death or Disability and to supply it with a copy of the will (in the case of the Participant's death) or such other evidence as the Committee deems necessary or advisable to establish the validity of the transfer of an Award. The Committee also may require that the transferee agree to be bound by all of the terms and conditions of the Plan.

13.13 Section 16(b) of the Exchange Act. All elections and transactions under the Plan by persons subject to Section 16 of the Exchange Act involving shares of Common Stock are intended to comply with any applicable exemptive condition under Rule 16b-3. The Committee may establish and adopt written administrative guidelines, designed to facilitate compliance with Section 16(b) of the Exchange Act, as it may deem necessary or advisable for the administration and operation of the Plan and the transaction of business thereunder.

13.14 Section 409A. Although the Company does not guarantee to a Participant the particular tax treatment of any Award, all Awards are intended to comply with, or be exempt from, the requirements of Section 409A and the Plan and any Award agreement shall be limited, construed and interpreted in accordance with such intent. To the extent that any Award constitutes "non-qualified deferred compensation" pursuant to Section 409A (a "**Section 409A Covered Award**"), it is intended to be paid in a manner that will comply with Section 409A. In no event shall the Company be liable for any additional tax, interest or penalties that may be imposed on a Participant by Section 409A or for any damages for failing to comply with Section 409A. Notwithstanding anything in the Plan or in an Award to the contrary, the following provisions shall apply to Section 409A Covered Awards:

(a) A termination of employment shall not be deemed to have occurred for purposes of any provision of a Section 409A Covered Award providing for payment upon or following a termination of the Participant's employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of a Section 409A Covered Award, references to a "termination," "termination of employment" or like terms shall mean separation from service. Notwithstanding any provision to the contrary in the Plan or the Award, if the Participant is deemed on the date of the Participant's Termination to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code and using the identification methodology selected by the Company from time to time, or if none, the default methodology set forth in Section 409A, then

with regard to any such payment under a Section 409A Covered Award, to the extent required to be delayed in compliance with Section 409A(a)(2)(B) of the Code, such payment shall not be made prior to the earlier of (i) the expiration of the six-month period measured from the date of the Participant's separation from service, and (ii) the date of the Participant's death. All payments delayed pursuant to this Section 13.14(a) shall be paid to the Participant on the first day of the seventh month following the date of the Participant's separation from service or, if earlier, on the date of the Participant's death.

(b) With respect to any payment pursuant to a Section 409A Covered Award that is triggered upon a Change in Control, the settlement of such Award shall not occur until the earliest of (i) the Change in Control if such Change in Control constitutes a "change in the ownership of the corporation," a "change in effective control of the corporation" or a "change in the ownership of a substantial portion of the assets of the corporation," within the meaning of Section 409A(a)(2)(A)(v) of the Code, (ii) the date such Award otherwise would be settled pursuant to the terms of the applicable Award agreement and (iii) the Participant's "separation from service" within the meaning of Section 409A, subject to Section 13.14(a).

(c) For purposes of Code Section 409A, a Participant's right to receive any installment payments under the Plan or pursuant to an Award shall be treated as a right to receive a series of separate and distinct payments.

(d) Whenever a payment under the Plan or pursuant to an Award specifies a payment period with reference to a number of days (e.g., "payment shall be made within 30 days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

13.15 Successor and Assigns. The Plan shall be binding on all successors and permitted assigns of a Participant, including the estate of such Participant and the executor, administrator or trustee of such estate.

13.16 Severability of Provisions. If any provision of the Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and the Plan shall be construed and enforced as if such provisions had not been included.

13.17 Payments to Minors, Etc. Any benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of receipt thereof shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Committee, the Board, the Company, its Affiliates and their employees, agents and representatives with respect thereto.

13.18 Headings and Captions. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

13.19 Recoupment. All Awards granted or other compensation paid by the Company under the Plan, including any shares of Common Stock issued under any Award thereunder, will be subject to: (i) any compensation recapture policies established by the Board or the Committee from time to time and in effect at the time of grant of the Award, and (ii) any compensation recapture policies to the extent required pursuant to any applicable law (including, without limitation, the Dodd-Frank Act) or the rules and regulations of any national securities exchange on which the shares of Common Stock are then traded.

13.20 Reformation. If any provision regarding Detrimental Activity or any other provision set forth in the Plan or an Award agreement is found by any court of competent jurisdiction or arbitrator to be invalid, void or unenforceable or to be excessively broad as to duration, activity, geographic application or subject, such provision or provisions shall be construed, by limiting or reducing them to the extent legally permitted, so as to be enforceable to the maximum extent compatible with then applicable law.

13.21 Electronic Communications. Notwithstanding anything else herein to the contrary, any Award agreement, notice of exercise of an Exercisable Award, or other document or notice required or permitted by the Plan or an Award that is required to be delivered in writing may, to the extent determined by the Committee, be delivered and accepted electronically. Signatures also may be electronic if permitted by the Committee. The term "written agreement" as used in the Plan shall include any document that is delivered and/or accepted electronically.

13.22 Agreement. As a condition to the grant of an Award, if requested by the Company and the lead underwriter of any public offering of the Common Stock (the "**Lead Underwriter**"), a Participant shall irrevocably agree not to sell, contract to sell, grant any option to purchase, transfer the economic risk of ownership in, make any short sale of, pledge or otherwise transfer or dispose of, any interest in any Common Stock or any securities convertible into, derivative of, or exchangeable or exercisable for Common Stock, or any other rights to purchase or acquire Common Stock (except Common Stock included in such public offering or acquired on the public market after such offering) during such period of time following the effective date of a registration statement of the Company filed under the Securities Act that the Lead Underwriter shall specify (the "**Lock-up Period**"). The Participant shall further agree to sign such documents as may be requested by the Lead Underwriter to effect the foregoing and agree that the Company may impose stop-transfer instructions with respect to Common Stock acquired pursuant to an Award until the end of such Lock-up Period.

13.23 Transition Period. The Plan has been adopted by the Board prior to the occurrence of a Registration Date. The Plan is intended to constitute a plan described in Treasury Regulation Section 1.162-27(f)(1).

ARTICLE XIV

EFFECTIVE DATE OF PLAN

The Plan was adopted by the Board on , 2014, effective on such date (the "**Effective Date**"). The Plan was approved by the stockholders of the Company on , 2014.

ARTICLE XV

TERM OF PLAN

No Award shall be granted on or after the tenth anniversary of the earlier of (a) the date the Plan is adopted or (b) the date of stockholder approval of the Plan, provided that Awards granted prior to such tenth anniversary may extend beyond that date in accordance with the terms of the Plan. Following the Transition Period, the Company may seek stockholder reapproval of the Performance Criteria and to the extent that such stockholder approval is obtained no later than the first shareholder meeting that occurs in the fifth year following the year in which such stockholders previously approved the Performance Criteria. Awards (other than Stock Options or stock appreciation rights) may be based on such Performance Criteria in order to qualify for the "performance-based compensation" exception under Section 162(m) of the Code.

EXHIBIT A

PERFORMANCE CRITERIA

Performance goals established for purposes of the grant or vesting of performance-based Awards of Restricted Stock, Other Stock-Based Awards or Performance-Based Cash Awards that are intended to be "performance-based" under Section 162(m) shall be based on one or more of the following performance criteria ("**Performance Criteria**"):

(1) enterprise value or value creation targets;

(2) income or net income; operating income; net operating income or net operating income after tax; operating profit or net operating profit;

(3) cash flow including, but not limited to, from operations or free cash flow;

(4) specified objectives with regard to limiting the level of increase in all or a portion of bank debt or other long-term or short-term public or private debt or other similar financial obligations, or other capital structure improvements, which may be calculated net of cash balances or other offsets and adjustments as may be established by the Committee;

(5) net sales, revenues, net income or earnings before income tax or other exclusions;

(6) operating margin; return on operating revenue or return on operating profit;

(7) return measures (after tax or pre-tax), including return on capital employed, return on invested capital; return on equity, return on assets, return on net assets;

(8) market capitalization, fair market value of the shares of the Company's Common Stock, franchise value (net of debt), economic value added;

(9) total stockholder return or growth in total stockholder return (with or without dividend reinvestment);

(10) proprietary investment results;

(11) estimated market share;

(12) expense management/control or reduction (including without limitation, compensation and benefits expense);

(13) customer satisfaction;

(14) technological improvements/implementation, new product innovation;

(15) collections and recoveries;

(16) property/asset purchases;

(17) litigation and regulatory resolution/implementation goals;

(18) leases, contracts or financings (including renewals, overhead, savings, G&A and other expense control goals);

(19) risk management/implementation;

(20) development and implementation of strategic plans or organizational restructuring goals;

(21) development and implementation of risk and crisis management programs; compliance requirements and compliance relief; productivity goals; workforce management and succession planning goals;

(22) employee satisfaction or staff development;

(23) formations of joint ventures or partnerships or the completion of other similar transactions intended to enhance revenue or profitability or to enhance its customer base; or

(24) completion of a merger, acquisition or any transaction that results in the sale of all or substantially all of the stock or assets.

All Performance Criteria may be based upon the attainment of specified levels of the Company (or Affiliate, division, other operational unit, business segment or administrative department of the Company or any Affiliate) performance under one or more of the measures described above and may be measured relative to the performance of other corporations (or an affiliate, subsidiary, division, other operational unit, business segment or administrative department of another corporation or its affiliates). Any goal may be expressed as a dollar figure, on a percentage basis (if applicable) or on a per share basis, and goals may be either absolute, relative to a selected peer group or index, or a combination of both. To the extent permitted under Section 162(m), (including compliance with any requirements for shareholder approval), the Committee may: (i) designate additional business criteria on which the Performance Criteria may be based or (ii) adjust, modify or amend the aforementioned business criteria.

Except as otherwise determined by the Committee at grant, the measures used in Performance Criteria set under the Plan shall be determined in accordance with generally accepted accounting principles ("**GAAP**") and in a manner consistent with the methods used in the Company's regular reports on Forms 10-K and 10-Q, without regard to any of the following unless otherwise determined by the Committee consistent with the requirements of Code Section 162(m)(4)(C) of the Code and the regulations thereunder:

(a) all items of gain, loss or expense for the fiscal year or other applicable performance period that are related to special, unusual or non-recurring items, events or circumstances affecting the Company (or Affiliate, division, other operational unit, business segment or administrative department of the Company or any Affiliate) or the financial statements of the Company (or Affiliate, division, other operational unit, business segment or administrative department of the Company or any Affiliate);

(b) all items of gain, loss or expense for the fiscal year or other applicable performance period that are related to (i) the disposal of a business or discontinued operations or (ii) the operations of any business acquired by the Company (or Affiliate, division, other operational unit, business segment or administrative department of the Company or any Affiliate) during the fiscal year or other applicable performance period; and

(c) all items of gain, loss or expense for the fiscal year or other applicable performance period that are related to changes in accounting principles or to changes in applicable law or regulations.

To the extent any Performance Criteria are expressed using any measures that require deviations from GAAP, such deviations shall be at the discretion of the Committee as exercised at the time the Performance Criteria are set and, following the Transition Period, to the extent permitted under Section 162(m).

Exhibit 21.1

Subsidiaries of Installed Building Products, Inc.

Name	Jurisdiction of Organization
Accurate Insulation LLC	Maryland
American Insulation & Energy Services, LLC	Alabama
Baytherm Insulation, LLC	Delaware
Building Materials Finance, Inc.	Delaware
Cornhusker Insulation, LLC	Delaware
Garage Door Systems, LLC	Delaware
Gold Insulation, Inc.	Delaware
Gold Star Insulation, L.P.	Delaware
G-T-G, LLC	South Carolina
Hinkle Insulation & Drywall Company, Incorporated	Texas
IBHL A Holding Company, Inc.	Delaware
IBHL B Holding Company, Inc.	Delaware
IBHL II-A Holding Company, Inc.	Delaware
IBHL II-B Holding Company, Inc.	Delaware
IBP Asset, LLC	Delaware
IBP Exteriors, Inc.	New Jersey
IBP Holdings, LLC	Delaware
IBP Holdings II, LLC	Delaware
IBP Texas Assets I, LLC	Delaware
IBP Texas Assets II, LLC	Delaware
Installed Building Products, LLC	Delaware
Installed Building Products II, LLC	Delaware
Installed Building Products – Portland, LLC	Oregon
InsulVail, LLC	Colorado
Lakeside Insulation, LLC	Delaware
LKS Transportation, LLC	Delaware
Metro Home Insulation, LLC	Delaware
Mid South Construction and Building Products, Inc.	Georgia
Northwest Insulation, LLC	Delaware
OJ Insulation, L.P.	Delaware
OJ Insulation Holdings, Inc.	Delaware
Spec 7 Insulation Co., LLC	Colorado
Suburban Insulation, Inc.	Pennsylvania
TCI Contracting, LLC	Georgia
Thermal Control Insulation, LLC	Ohio
Wilson Insulation Company, LLC	Georgia

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Amendment No. 1 to Registration Statement No. 333-193247 of our report dated December 9, 2013 relating to the consolidated financial statements of Installed Building Products, Inc. and subsidiaries (formerly known as CCIB Holdco, Inc.) as of June 30, 2013 and December 31, 2012 and for the six month period ended June 30, 2013 and the year ended December 31, 2012 appearing in the Prospectus, which is part of this Registration Statement, and to the reference to us under the headings "Experts" in the prospectus.

/s/ Deloitte & Touche LLP

Columbus, OH
January 27, 2014

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement of Installed Building Products, Inc. on Amendment No. 1 to Form S-1 of our report dated December 9, 2013 on the 2011 consolidated financial statements of Installed Building Products, Inc. and to the reference to us under the heading “Experts” in the prospectus.

/s/ Crowe Horwath LLP

Columbus, Ohio
January 27, 2014

Exhibit 99.1

CONSENT OF DIRECTOR NOMINEE

Pursuant to Rule 438 promulgated under the Securities Act of 1933, as amended, I hereby consent to be named in the Registration Statement on Form S-1 of Installed Building Products, Inc., and any amendments or supplements thereto, including the prospectus contained therein, as an individual to become a director of Installed Building Products, Inc. upon consummation of the initial public offering of Installed Building Products, Inc.'s common stock, to all references to me in connection therewith, and to the filing or attachment of this consent as an exhibit to such Registration Statement and any amendment or supplement thereto.

/s/ Lawrence A. Hilsheimer

Name: Lawrence A. Hilsheimer
Date: January 23, 2014

Exhibit 99.2

CONSENT OF DIRECTOR NOMINEE

Pursuant to Rule 438 promulgated under the Securities Act of 1933, as amended, I hereby consent to be named in the Registration Statement on Form S-1 of Installed Building Products, Inc., and any amendments or supplements thereto, including the prospectus contained therein, as an individual to become a director of Installed Building Products, Inc. upon consummation of the initial public offering of Installed Building Products, Inc.'s common stock, to all references to me in connection therewith, and to the filing or attachment of this consent as an exhibit to such Registration Statement and any amendment or supplement thereto.

/s/ Michael H. Thomas

Name: Michael H. Thomas
Date: January 27, 2014

Julie M. Allen
Partner
d 212.969.3155
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jallen@proskauer.com
www.proskauer.com

January 27, 2014

VIA EDGAR AND HAND DELIVERY

U.S. Securities and Exchange Commission
Division of Corporation Finance
100 F Street, N.E.
Washington, D.C. 20549-3628
Attention: Ms. Pamela A. Long

Re: Installed Building Products, Inc.
Registration Statement on Form S-1
Filed January 9, 2014
File No. 333-193247

Dear Ms. Long:

On behalf of Installed Building Products, Inc. (the "**Company**"), we submit this letter in response to comments from the staff (the "**Staff**") of the Securities and Exchange Commission (the "**Commission**") received by letter dated January 23, 2014 relating to the above-referenced registration statement of the Company filed with the Commission on Form S-1 (File No. 333-193247) on January 9, 2014 (the "**Registration Statement**").

The Company is concurrently filing via EDGAR Amendment No. 1 to the Registration Statement ("**Amendment No. 1**"). For the convenience of the Staff, we are supplementally providing blacklined copies, complete with exhibits, of Amendment No. 1, marked to show changes from the Registration Statement.

In this letter, we have recited the comments from the Staff in italicized type and have followed each comment with the Company's response. Capitalized terms used but not defined in this letter shall have the meanings ascribed to such terms in Amendment No. 1. Except as otherwise specifically indicated, page references in the Company's responses to the Staff's comments correspond to the pagination of Amendment No. 1.

Prospectus Summary, page 1

1. *We note your response to comment 11 in our letter dated January 3, 2014. Please include in the filing the chart summarizing your company's organization and ownership structure following the offering, which was provided in Appendix A of your correspondence.*

Response: The Company has included the chart summarizing the Company's organization and ownership structure following the offering on page 7 of Amendment No. 1.

Our Company, page 1

2. *Please provide supplemental support for your statement that you are "the second largest new residential insulation installer in the United States based on total U.S. housing completions," or otherwise tell us where this information is included in the supplemental documents you have provided to us in response to comment ten in our letter dated January 3, 2014.*

Response: The statement that the Company is the second largest new residential insulation installer in the United States based on total U.S. housing completions is supported by the Company's internal estimates and the views of industry participants, including the Company's suppliers and customers. There are only three large national installers in the industry, including the Company, which the Company estimates have an aggregate of approximately 50% of the total market. The other market participants are regional and local businesses.

The Company estimates that its market share for the nine months ended September 30, 2013 was approximately 16% of the U.S. residential new construction insulation installation market. The Company's estimates are calculated by dividing the total number of housing units insulated by the Company for the nine months ended September 30, 2013 (85,076) by the total number of U.S. housing completions during the same period according to U.S. Census Bureau data (546,100). Census Bureau data for U.S. housing completions is available at http://www.census.gov/construction/nrc/historical_data/.

There is no industry-wide data available to determine precise market share for the U.S. new residential insulation installation market. In addition, market share information is not available for the two other large national installers in the U.S. new residential insulation installation market. Based on its knowledge of the industry, the Company places Masco Corporation as the largest new residential insulation installer in the United States and United Subcontractors, Inc. as the third largest, both by market share based on total U.S. housing completions.

The Company estimates its competitors' completions based on the number of installers they employ relative to those employed by the Company. In the Company's experience, the number of installers employed by a contractor is directly correlated to the number of jobs such contractor has completed over a specified period. This is also a commonly accepted proxy in the industry. The Company currently employs approximately 2,200 installers. According to publicly available information, Masco Corporation currently employs 4,000 installers and United Subcontractors, Inc. currently has 1,300 employees, of whom the Company estimates 910 to be installers. The Company's estimate for United Subcontractors, Inc. is based on its own percentage of installers to total employees (70%), which it believes is typical for the industry. Based on these estimates and using the Company's ratio of completed job per installer employed (approximately 38.7:1), for the nine month period ended September 30, 2013:

- Masco Corporation's 4,000 installers would generate approximately 155,000 housing completions and 28% market share based on total U.S. housing completions; and
- United Subcontractor, Inc.'s 910 installers would generate approximately 35,000 housing completions and 6% market share based on total U.S. housing completions.

Our Competitive Strengths, page 3

Proven ability to gain market share, page 4

3. *We note your revised disclosure in response to comment 13 in our letter dated January 3, 2014. However, the additional disclosure does not appear to represent a comparable statistic to your*

180% revenue growth divided by total U.S. housing completions, since the 66% decrease of the U.S. residential new construction insulation installation market appears to be calculated based upon total U.S. housing completions only. Please advise, or otherwise revise your disclosure to provide an appropriate measure of your revenue growth as compared to the total U.S. market.

Response: The Company has revised the disclosure on pages 4 and 65 of Amendment No. 1 in order to avoid an inappropriate comparison of its revenue growth as compared to the total U.S. market. To the Company's knowledge, revenue statistics are unavailable for the total U.S. market.

Summary Consolidated Financial Data, page 10

4. *We note you had compensation expense for Jeff Edwards $2.7 million in 2012, no compensation expense for him during the period ending September 30, 2013, and began paying him again in November 2013. Please revise footnote 2 to state more clearly and prominently that, as a result of the arrangements discussed, your results of operations for the nine months ended September 30, 2013, includes no compensation for Jeff Edwards, and as such the performance during this interim period is not comparable in this respect to operations from prior periods and may not be indicative of future results. Also revise your discussion of the results for the nine months ended September 30, 2013, beginning on page 47 to clearly and prominently disclose this and to quantify the resulting difference and the expected change in future periods.*

Response: The Company has added disclosure on pages 12 and 40 of Amendment No. 1 to clearly and prominently state that its results of operations for the nine months ended September 30, 2013, includes no compensation for Jeff Edwards, and as such the performance during this interim period is not comparable in this respect to operations from prior periods and may not be indicative of future results. The Company has also added disclosure in "Management's Discussion and Analysis of Financial Condition" on pages 44, 46-47 and 49 of Amendment No. 1.

5. *Please tell us your consideration of the need to record compensation expense for contributed services by Jeff Edwards during the first ten months of 2013 for his services as a "consultant and non-employee officer." Provide us with a detailed description of the services he performed during this period, as compared to the services he performed in prior and subsequent periods.*

Response: The Company considered whether to record compensation expense for Mr. Edwards during the first ten months of 2013 for his services as a consultant and non-employee officer. The Company's analysis included an assessment of all existing compensation arrangements that the Company had and currently has with Mr. Edwards. Prior to November 2013, the Company had a consulting agreement with Mr. Edwards pursuant to which Mr. Edwards agreed to serve as the Company's Chief Executive Officer ("**CEO**") in a consultant and non-employee capacity. Pursuant to the consulting agreement, Mr. Edwards did not receive any base salary compensation as a consultant and non-employee officer during 2012 and through November 1, 2013 from the Company. As outlined in the response to the Staff's prior comment 15, the $2.7 million paid to Mr. Edwards for prior services in December 2012 was paid pursuant to a Management Services and Fee Agreement entered into in December 2012. This management fee was paid to Mr. Edwards at the discretion of the Board of Directors for his past service in managing the Company through a significant recession and extremely difficult industry conditions. The Company credits Mr. Edwards' active management for its growth and improved competitive position, in spite of these challenging conditions. No such discretionary payment or fee was granted by the Board of Directors or paid to Mr. Edwards during 2013. In November 2013, in anticipation of this offering, the Management Services and Fee Agreement and Mr. Edwards'

consulting agreement were terminated and the Company entered into an employment agreement with Mr. Edwards. In accordance with Mr. Edwards' employment agreement, the terms of Mr. Edwards' compensation are set with a minimum annual base salary and an opportunity to participate in the Company's annual incentive and benefit programs. Any future bonus granted and paid to Mr. Edwards after our initial public offering will be paid pursuant to Mr. Edwards' employment agreement and will be subject to approval by our Compensation Committee.

The Company notes that it has included all amounts paid to Mr. Edwards for his service as a consultant and non-employee officer pursuant to the Management Services and Fee Agreement in the line item "management fee, related parties." The Company will reflect amounts paid to Mr. Edwards pursuant to his employment agreement in the line item "administrative expenses."

The Company gave additional consideration to FRM 7210.2 and *Staff Accounting Bulletin 5T, Accounting for Expenses or Liabilities Paid by Principal Stockholders*, which both provide guidance that costs incurred by a principal stockholder on behalf of a company should be reflected as an expense in the company's financial statements. The Company respectfully informs the Staff that there was no compensation paid to Mr. Edwards by any parent or principal stockholder of the Company during 2013 and thus no amounts required to be reflected in the Company's financial statements.

The Company also considered the guidance in FRM 7220.1 item (a), which states:

> *Financial statements might not include compensation at fair market levels where charges were not made or were relatively low, or if amounts owed for services were forgiven and accounted for as a contribution to capital. If so, the notes to the historical financial statements should provide quantified disclosure of the significant compensation arrangements with related parties that resulted in below-market compensation expense.*

The Company respectfully advises the Staff that, for the periods presented in the financial statements included in the Registration Statement, there has been no instances where amounts owed to an employee or officer were forgiven. Further, as outlined in the Company's response to the Staff's comment 4, the Company has added disclosures throughout the Registration Statement (including detailed quantification) to provide investors with the information necessary to understand the differences in the amount of compensation expense recorded in the periods presented. In addition, the Company believes it has appropriately addressed FRM 7220.1 item (b) by prominently disclosing its compensation arrangements with Mr. Edwards throughout the Registration Statement, including disclosures in "Management's Discussion and Analysis of Financial Condition," "Compensation of our Executive Officers and Directors" and "Certain Relationships and Related-Party Transactions."

The Company also gave consideration to FRM 7220.2, which states "[o]ther forms of compensation provided by a related party or other holder of an economic interest in the entity to an employee for services should also be reflected in the registrant's financial statements." The Company informs the Staff that Mr. Edwards does receive cash compensation from an entity that is deemed to be a sister organization to the Company, and therefore is considered to be a related party. However, that compensation is for services provided by Mr. Edwards to the sister company as its President. As a result, compensation paid by such sister company is not required to be reflected in the Company's financial statements. Mr. Edwards was paid approximately $400,000 and $430,000 for the years ended 2012 and 2013, respectively, by such sister company.

As noted above, all compensation paid to Mr. Edwards has been reflected in the Company's financial statements and the Company concluded, after consideration of the accounting guidance discussed above, that there are no additional amounts required to be reflected as compensation. In addition, the Company submits that, with the additional disclosure that has been added to Amendment No. 1 in response to the Staff's comment 4, it has clearly disclosed the compensation paid to Mr. Edwards and the impact of such payments on period-to-period comparability.

With respect to the Staff's request for a detailed description of the services provided by Mr. Edwards during the first ten months of 2013 as compared to the services he performed in prior and subsequent periods, the Company notes that the services performed by Mr. Edwards have been substantially similar over such periods. Mr. Edwards' services to the Company during these periods included overall senior management of the Company, directing corporate strategy and leading acquisition efforts. Since becoming CEO of the Company in 2004, the specific activities he has performed as CEO have shifted in response to external factors, such as the general economic conditions, the state of the housing market and the level of competition the Company faces, and internal factors, such as the financial condition, size and stockholder base of the Company. Additionally, Mr. Edwards' responsibilities are expected to shift as the Company transitions to operating as a public company. While the Company recognizes that Mr. Edwards' compensation has varied over the periods presented in the Registration Statement and may not be comparable period-over-period, the Company respectfully submits that the services provided by and compensation arrangements with Mr. Edwards were negotiated by the Board of Directors and Mr. Edwards.

Compensation of Our Directors and Executive Officers, page 83

Summary Compensation Table for the year ended December 31, 2013, page 83

6. *We note your response to comment 33 in our letter dated January 3, 2014. Please note that in response to Question 7 in the Jumpstart our Business Startup Act Frequently Asked Questions, the Commission noted that "[it] expect[s] draft registration statements to be substantially complete at the time of initial submission." In addition, Instruction 1 to Item 402(n) of Regulation S-K states that you are required to provide executive compensation disclosure for both the last completed fiscal year and any other information required when your filing was made. At the time you submitted your draft registration statement you were required to provide Item 402 of Regulation S-K disclosure for fiscal year 2012. Please revise your filing to include executive compensation disclosure for fiscal years 2012 and 2013. Please address our prior comment 33 in full.*

   Response: The Company has revised the disclosure on pages 84 and 85 of Amendment No. 1 to include executive compensation disclosure for fiscal year 2012. The Company has included the amount paid to Mr. Edwards pursuant to the Management Services and Fee Agreement as "All Other Compensation" in the summary compensation table on page 84 of Amendment No. 1.

7. *With respect to Mr. Elliott's 2012 discretionary bonus, please include footnote disclosure in the summary compensation table which summarizes your response to comment 34 in our letter dated January 3, 2014.*

   Response: The Company has added the requested summary as footnote disclosure in the summary compensation table on page 85 of Amendment No. 1.

* * * *

We hope that the foregoing has been responsive to the Staff's comments and look forward to resolving any outstanding issues as quickly as possible. Please do not hesitate to contact me at (212) 969-3155 with any questions or comments regarding this filing or if you wish to discuss the above.

Sincerely,

/s/ Julie M. Allen
Julie M. Allen

cc: Michael T. Miller, Installed Building Products, Inc.
Shelley A. McBride, Installed Building Products, Inc.
Robin M. Feiner, Proskauer Rose LLP
Michael J. Zeidel, Skadden, Arps, Slate, Meagher & Flom LLP