Forward-Looking Statements

This presentation contains “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words such as “believe,” “anticipate,” “expect,” “estimate,” “intend,” “project,” “plan,” or words or phrases with similar meaning. Forward-looking statements contained in this presentation relate to, among other things, the Company's projected financial performance and operating results, including projected net sales, gross margin, capital expenditures, adjusted EBITDA, net debt leverage, free cash flow, adjusted EBITDA margin and adjusted earnings per share, as well as statements regarding the Company's business and its strategic objectives, including the performance of current greenfield branches, the opening of additional greenfield branches, the Company's acquisition pipeline and the successful integration and performance of the Company's acquisitions. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on current expectations, forecasts and assumptions that involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of our control, that may cause our business, strategy or actual results to differ materially from the forward-looking statements. We do not intend, and undertake no obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law. Investors are referred to the Company's filings with the Securities and Exchange Commission, including its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, for additional information regarding the risks and uncertainties that may cause actual results to differ materially from those expressed in any forward-looking statement.

Non-GAAP Financial Measures

In addition to presenting financial results prepared in accordance with generally accepted accounting principles (“GAAP”), this presentation contains certain non-GAAP financial measures, including adjusted net income (loss), adjusted earnings per share, adjusted net loss per share, net debt leverage and adjusted EBITDA, which are provided as supplemental measures of financial performance. These measures are presented because they are important metrics used by management as one of the means by which it assesses financial performance. These measures are also frequently used by analysts, investors and other interested parties to evaluate companies in our industry. These measures, when used in conjunction with the most directly comparable GAAP financial measures, provide investors with an additional financial analytical framework that may be useful in assessing our company and its results of operations. Adjusted net income (loss), adjusted earnings per share, net debt leverage and adjusted EBITDA have certain limitations, which are discussed in greater detail in the Company's filings with the Securities and Exchange Commission and its earnings releases, and should not be considered as alternatives to measures of financial performance prepared in accordance with GAAP. Other companies, including other companies in our industry, may not use such measures or may calculate one or more of the measures differently than we do, limiting their usefulness as a comparative measure. A reconciliation of these non-GAAP measures to the most directly comparable GAAP measures is set forth in the appendix to this presentation.
<table>
<thead>
<tr>
<th><strong>Issuer</strong></th>
<th>Foundation Building Materials, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ticker / Exchange</strong></td>
<td>FBM / NYSE</td>
</tr>
<tr>
<td><strong>Offering Size</strong></td>
<td>4,750,000 shares</td>
</tr>
<tr>
<td><strong>Offering Composition</strong></td>
<td>100% Secondary</td>
</tr>
<tr>
<td><strong>Selling Stockholder</strong></td>
<td>LSF9 Cypress Parent 2 LLC (&quot;Lone Star Funds&quot;)</td>
</tr>
<tr>
<td><strong>Greenshoe</strong></td>
<td>15% (100% Secondary); 712,500 shares</td>
</tr>
<tr>
<td><strong>Expected Pricing Date</strong></td>
<td>September 19, 2019</td>
</tr>
<tr>
<td><strong>Lock-up</strong></td>
<td>90 days</td>
</tr>
<tr>
<td><strong>Active Bookrunners</strong></td>
<td>Bank of America Merrill Lynch, RBC Capital Markets</td>
</tr>
<tr>
<td><strong>Passive Bookrunners</strong></td>
<td>Barclays</td>
</tr>
<tr>
<td>Name</td>
<td>Position</td>
</tr>
<tr>
<td>--------------------</td>
<td>---------------------------------------------</td>
</tr>
</tbody>
</table>
| Ruben Mendoza*     | President & Chief Executive Officer         | - Founded FBM in 2011  
                             - Over 25 years of experience in specialty building products distribution  
                             - Served as CEO of Acoustical Material Services (“AMS”), which was sold to Allied Building Products in 2007 |
| John Gorey*        | Chief Financial Officer                     | - Founded FBM in 2011  
                             - Over 30 years of experience in specialty building products distribution  
                             - Joined AMS in 1986 and assumed the CFO role in 2001 |
| Pete Welly         | Chief Operating Officer                     | - Joined FBM in 2013  
                             - Over 35 years of experience in specialty building products distribution  
                             - Served as Head of U.S. Operations for 12 years at Winroc |
| Kirby Thompson     | Senior Vice President – Sales & Marketing  | - Joined FBM in 2013  
                             - Over 35 years of experience in specialty building products distribution  
                             - Served as Vice President of Sales for Home Acres Building Supply |
| John Moten*        | Vice President – Investor Relations          | - Joined FBM in 2017  
                             - Over 30 years of finance and capital markets experience  
                             - Served as President and Chief Investment Officer of BYW Investment Advisors |

**MANAGEMENT’S EXTENSIVE EXPERIENCE IN SPECIALTY BUILDING PRODUCTS DISTRIBUTION**

* Today’s presenters
Introduction
**FBM AT A GLANCE (NYSE: FBM)**

<table>
<thead>
<tr>
<th>FOUNDED</th>
<th>HOME OFFICE</th>
<th>LTM 2Q19 SALES</th>
<th>MARKET CAP(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>Santa Ana, CA</td>
<td>$2.1B</td>
<td>$812M</td>
</tr>
</tbody>
</table>

**Net Sales(2) ($M)**

- 2016: $1,393 (5.7% CAGR)
- 2017: $1,790 (7.6%)
- 2018: $2,044 (7.6%)
- LTM 2Q19: $2,133 (8.1%)

**CAGR: 21.1%(3)**

**LTM 2Q19 Product Mix**

- Wallboard: 18%
- Complementary and Other Products: 38%
- Metal Framing: 25%
- Suspended Ceilings: 19%

**FY2018 Business Mix(4)**

- New Non-Residential: 43%
- Repair and Remodel: 36%
- New Residential: 21%
- New Non-Residential: 43%

**A LEADING SPECIALTY BUILDING PRODUCTS DISTRIBUTOR**

---

(1) Market capitalization as of September 17, 2019 at closing price of $18.89 and 42,990 mm basic shares outstanding.
(2) Financials for 2016 are as reported including Mechanical Insulation and Specialty Building Products. Financials for 2017 and beyond are as reported including only Specialty Building Products.
(3) FY2016 financial information was compared to FY2018 net sales for calculation of the CAGR.
(4) Business mix is a management estimate.
(5) Adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures. Adjusted EBITDA margin represents adjusted EBITDA divided by net sales. For a reconciliation of net income (loss) to adjusted EBITDA, see the Appendix.
## FULL SOLUTIONS PROVIDER FOR COMMERCIAL AND RESIDENTIAL CONTRACTORS

<table>
<thead>
<tr>
<th>Current Position in the U.S. and Canada(^{(1)})</th>
<th>Wallboard</th>
<th>Suspended Ceilings</th>
<th>Metal Framing</th>
<th>Complementary and Other Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>#2</td>
<td>#2</td>
<td>#3</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LTM 2Q19 Product Mix</th>
<th>Wallboard</th>
<th>Suspended Ceilings</th>
<th>Metal Framing</th>
<th>Complementary and Other Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>38%</td>
<td>18%</td>
<td>19%</td>
<td>25%</td>
<td></td>
</tr>
</tbody>
</table>

**Applications**

- **Interior walls and ceilings**
- **Suspended ceiling systems**
- **Wallboard structural support, typically sold as part of a package with wallboard, insulation, or suspended ceiling systems**
- **Stucco/exterior insulation and finishing systems, building insulation, tools, safety accessories, and fasteners**

**Selected Products**

1. Wallboard
2. Suspended ceiling systems
3. Metal framing

\(^{(1)}\) Management estimates based on supplier-provided data and publicly available information.
As of September 17, 2019

FBM HAS OPPORTUNITIES TO EXPAND IN UNDERSERVED AND ADJACENT MARKETS

178 Branches Total
28 US States
5 Canadian Provinces
## SIGNIFICANT PROGRESS SINCE OUR IPO

### Net Sales Growth
- Grew Specialty Building Products net sales by $840M since IPO<sup>(1)</sup>
- Achieved 21.1%<sup>(2)</sup> CAGR in net sales from FY2016 to FY2018

### Accretive Acquisitions
- 15 acquisitions completed since IPO
- Solid integration track record with acquisitions integrated within 90 days
- Active pipeline of attractive targets at accretive multiples

### Greenfield Expansion
- Eleven greenfield expansions since IPO
- Partnered with major suppliers to identify attractive markets for greenfield expansion

### Margin Expansion
- Expect FY2019 gross margin in the range of 29.7% - 30.2%<sup>(3)</sup>, which is 80 - 130 bps improvement over FY2018
- Expect FY2019 adjusted EBITDA margin in the range of 7.8% - 8.2% compared to FY2018 adjusted EBITDA margin of 7.6%<sup>(4)</sup>

### Improved Balance Sheet
- Generated significant free cash flow and EBITDA growth resulting in net debt leverage reduction from over 5.0x to 3.3x<sup>(4)</sup>
- Committed to strengthening the balance sheet with net debt leverage target of 2.5x - 2.8x by the end of 2020

### Experienced Leadership
- Filled key roles including Vice President of Investor Relations, Chief Accounting Officer and Chief Information Officer
- Added three independent Board members with significant industry experience

---

<sup>(1)</sup> For net sales growth calculation, FY2016 net sales, excluding Mechanical Insulation, was compared against LTM 2Q19 net sales.

<sup>(2)</sup> FY2016 net sales was compared to FY2018 net sales for calculation of the CAGR.

<sup>(3)</sup> Guidance for 2019 includes anticipated contributions from acquisitions and planned greenfield branches.

<sup>(4)</sup> Adjusted EBITDA, adjusted EBITDA margin and net debt leverage are non-GAAP financial measures. Adjusted EBITDA margin represents adjusted EBITDA divided by net sales. For a reconciliation of net income (loss) to adjusted EBITDA see the Appendix.
OUR FOUNDATION VALUES

Safety Comes First
There is nothing more important than operating safely.

Be Customer Driven
Listen to and work diligently for our customers.

We Value Our People
The most important asset we have is our employees.

Integrity is Honesty
Do what is right and tell the truth regardless of the outcome.

Pursue Excellence
Strive to be the company of choice in the markets we serve.
Investment Highlights
KEY INVESTMENT HIGHLIGHTS

One of the fastest growing specialty building products distributors led by an experienced management team

- Founder-led management team with strong track record of growth
- Market leader with significant size and scale advantages
- Proven multi-faceted growth model
- Proven operating model focused on local market excellence
- Leading industry consolidator with an active acquisition pipeline
- Critical link between suppliers and customers
MARKET LEADER WITH SIGNIFICANT SIZE AND SCALE ADVANTAGES

Competitive advantages from size and scale:

- Purchasing efficiencies (products, equipment, supplies, other)
- Leveraging fixed costs
- Suppliers proactively partner with FBM to expand into new markets
- Diversified customer base and product offering
- Ability to serve customers across multiple markets
- Scalable, coordinated IT systems

FY2016 Net Sales(1): $1,393M
FY2016 Adjusted EBITDA Margin(2): 5.7%

LTM 2Q19 Net Sales(1): $2,133M
LTM 2Q19 Adjusted EBITDA Margin(2): 8.1%

(1) Financials for 2016 are as reported including Mechanical Insulation and Specialty Building Products. LTM 2Q19 financials include Specialty Building Products only.
(2) Adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures. Adjusted EBITDA margin represents adjusted EBITDA divided by net sales. For a reconciliation of net income (loss) to adjusted EBITDA see the Appendix.
PROVEN OPERATING MODEL FOCUSED ON LOCAL MARKET EXCELLENCE

**National Infrastructure**
- Centralized purchasing and supplier relationships
- Key national/regional customer relationships
- Centralized ERP system and back office support
- Ongoing talent development and training
- Ability to reposition talent based on need
- Acquisition and integration expertise
- “One Company” brand

**Autonomy at the Local Level**
- Timely decision making
- Profitability-based compensation
- Tailored service offerings based on customer needs
- FBM app drives better productivity
- FBM University: supports safety and local training initiatives
- Local market expertise
- Retain top talent from acquisitions

PROVEN OPERATING MODEL HAS ESTABLISHED FBM AS A DISTRIBUTOR OF CHOICE
CRITICAL LINK BETWEEN SUPPLIERS AND CUSTOMERS

- 30,000 SKUs
- 22,000 Customers
- 3,000 Suppliers
- 2,500 Fleet of Vehicles
- 175+ Branches

* As of September 17, 2019
**LEADING INDUSTRY CONSOLIDATOR**

<table>
<thead>
<tr>
<th>Year</th>
<th>Acquisitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3</td>
</tr>
<tr>
<td>2014</td>
<td>5</td>
</tr>
<tr>
<td>2015</td>
<td>5</td>
</tr>
<tr>
<td>2016</td>
<td>5</td>
</tr>
<tr>
<td>2017</td>
<td>9</td>
</tr>
<tr>
<td>2018</td>
<td>4</td>
</tr>
<tr>
<td>2019</td>
<td>2</td>
</tr>
</tbody>
</table>

An “Acquiror of Choice”

- Strong acquisition track record
- Experienced management
- Entrepreneurial culture

High Quality Targets

- Local market leaders
- Proven management teams
- Strong due diligence

Seamless Integration

- Dedicated team focused on all aspects of acquisition execution
- Typical integration within 90 days of acquisition closing

**MAINTAINS A PROPRIETARY PIPELINE OF A SIGNIFICANT NUMBER OF POTENTIAL ACQUISITION TARGETS**

(1) As of September 17, 2019; includes only Specialty Building Products acquisitions.
PROVEN MULTI-FACETED GROWTH MODEL

Multi-Faceted Growth Model

Organic Growth

Platform Expansion

Cost Efficiencies

Continuous Improvement

Operational Efficiencies and Integrating Best Practices

Greenfield Expansion

Continued Track Record of Successful Acquisitions

Continued Market Recovery

Market Share Growth / Product Expansion

SIGNIFICANT GROWTH OPPORTUNITIES FROM ACQUISITIONS, GREENFIELDS, AND STRATEGIC INITIATIVES
Strategic Priorities and Growth Strategy
## Long-Term Strategic Priorities

### 1. Strengthen Balance Sheet
- Reduce net debt leverage
- Drive working capital efficiency
- Disciplined capital spending

### 2. Drive Organic Growth
- Greenfield expansion opportunities in underserved markets
- Expand the products we offer our customers
- Optimize the pricing of the products we sell to our customers
- Grow market share

### 3. Expand Profit Margins
- Drive procurement savings
- Leverage our economies of scale
- Execute our cost-out initiatives
- Grow wallboard net sales

### 4. Platform Expansion
- Grow asset base through strategic acquisitions
- Scalable infrastructure facilitates efficient integration of acquisitions
- Grow complementary and other products net sales
STRATEGIC PRIORITIES AND GROWTH STRATEGY

**Organic Growth**

- **Market Share Growth / Product Expansion**
- **Continued Market Recovery**

- **Organic growth opportunities:**
  - Increase share with existing customers
  - Target new customers and new markets
  - Expand mobile app usage
  - Grow complementary products
  - Leverage key supplier relationships

- **Proven, successful acquisition strategy**
  - Large pipeline of identified actionable opportunities
  - Scalable business platform

- **Greenfield expansion opportunities in underserved and adjacent markets**

**Platform Expansion**

- **Continued Track Record of Successful Acquisitions**
- **Greenfield Expansion**

- **Key operational initiatives:**
  - CRM technology upgrade
  - Investment in fleet and workforce
  - Leverage purchasing power

**Cost Efficiencies**

- **Operational Efficiencies and Integrating Best Practices**
- **Continuous Improvement**

- **Focus on culture and continuous improvement**
- **Invest in technology**
2019 M&A AND GREENFIELD TIMELINE

Greenfields

Jan-19
Builders' Supplies Limited
Lewisville, TX
Select Acoustic Supply
Corpus Christi, TX
Bakersfield, CA
Sep-19

M&A

Builders' Supplies Limited

Scalable Infrastructure Promotes Growth
The Company believes it is well positioned to withstand market changes. Maintaining profitability during challenging marketplace conditions would be based on the following factors:

- **Management** - successful management through market cycles
- **End-market mix** - end-market mix of over 70% non-residential exposure
- **Accounts receivable** - consistent accounts receivable days outstanding
- **Inventory** - high turnover, particularly in wallboard
- **Credit availability** - adequate availability under our $375M ABL credit facility
- **Variable costs vs. fixed costs** - scalable, well-balanced cost structure
- **Fleet** - ownership of approximately 90% of the fleet
Financial Performance
Key Metrics Are Growing

Total Net Sales\(^{(1)}\)

($M)$

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>LTM 2Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\text{\textit{Total Net Sales}}$</td>
<td>$1,393$</td>
<td>$1,790$</td>
<td>$2,044$</td>
<td>$2,133$</td>
</tr>
</tbody>
</table>

CAGR: 21.1\(^{\%}\)\(^{(3)}\)

Adjusted EBITDA and Adjusted EBITDA Margin\(^{(1)(2)}\)

($M)$

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>LTM 2Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\text{\textit{Adjusted EBITDA}}$</td>
<td>$80$</td>
<td>$135$</td>
<td>$155$</td>
<td>$173$</td>
</tr>
<tr>
<td>$\text{\textit{Adjusted EBITDA Margin}}$</td>
<td>5.7%</td>
<td>7.6%</td>
<td>7.6%</td>
<td>8.1%</td>
</tr>
</tbody>
</table>

CAGR: 39.5\(^{\%}\)\(^{(4)}\)

---

(1) Financials for 2016 are as reported including Mechanical Insulation and Specialty Building Products. Financials for 2017 and beyond are as reported including only Specialty Building Products.

(2) Adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures. Adjusted EBITDA margin represents adjusted EBITDA divided by net sales. For a reconciliation of net income (loss) to adjusted EBITDA see the Appendix.

(3) For net sales CAGR calculation, FY2016 net sales was compared against FY2018 net sales.

(4) For adjusted EBITDA CAGR calculation, FY2016 adjusted EBITDA was compared against FY2018 adjusted EBITDA.
Q2 2019 HIGHLIGHTS

DELIVERING SALES GROWTH
- Total net sales increased 7.2% YoY
- Total base business net sales increased 3.4% YoY
  - Wallboard base business increase of 1.9%; primarily due to price/mix
  - Suspended ceilings base business increase of 3.1%
  - Metal framing base business increase of 5.3%
  - Complementary and other products base business increase of 4.6%

DRIVING MARGIN EXPANSION
- Gross profit of $171.5M, up 17.3% YoY
- Gross margin of 30.6% compared to 28.0% YoY
- Net income from continuing operations of $14.7M
- Adjusted EBITDA\(^1\) of $50.3M up 29.8% YoY; adjusted EBITDA margin\(^{(1)}\) of 9.0% compared to 7.4% YoY

M&A AND GREENFIELD EXPANSION
- On May 1, 2019, the Company acquired Select Acoustic Supply Inc.
  - A leading distributor of suspended ceilings
  - Expected to contribute $10M - $12M to 2019 net sales
  - Further expands footprint throughout the commercial downtown Toronto, Ontario market
- Opened two greenfield branches:
  - Lewisville, Texas
  - Corpus Christi, Texas

INCREASING 2019 GUIDANCE
- Increasing 2019 Guidance
  - Net sales $2.10B - $2.25B\(^{(2)}\)
  - Gross margin range from 29.1% - 29.3% to 29.7% - 30.2%
  - Adjusted EBITDA\(^{(1)}\) range from $160M - $180M to $165M - $185M
  - Adjusted EPS\(^{(1)}\) from $0.70 - $0.90 to $0.80 - $1.00
  - Net debt leverage\(^{(1)}\)(3) from 3.2x - 3.5x to 2.9x – 3.2x

---

\(^{(1)}\) Adjusted EBITDA, adjusted EBITDA margin, adjusted EPS, and net debt leverage are non-GAAP financial measures. Adjusted EBITDA margin represents adjusted EBITDA divided by net sales. For a reconciliation of net income (loss) to adjusted EBITDA, see the Appendix.

\(^{(2)}\) Net sales guidance remained unchanged.

\(^{(3)}\) For a calculation of net debt leverage, see Item 2, Management’s Discussion and Analysis of Financial Condition and Results of Operations, in our Quarterly Report on Form 10-Q for the three months ended June 30, 2019.
2019 capital expenditures expected to be approximately 1.4%-1.5% of net sales

Continued investment in greenfield branch locations with plans to open four to six locations in 2019

Strong acquisition pipeline targeting market leaders in a highly fragmented industry

Completed the acquisitions of Builders’ Supplies Limited and Select Acoustic Supply Inc. in 2019.

Expect to generate $60M to $80M of free cash flow in 2019 to be used primarily for debt reduction and strategic acquisitions

Expect to reduce net debt leverage ratio from 3.3x to between 2.5x and 2.8x by the end of 2020
Shift in product mix reflects strong commercial activity

Net sales growth of 7.2% YoY driven by base business growth of 3.4%

Gross margin increased 260bps YoY
Q2 NET SALES BY PRODUCT

Wallboard Net Sales

2Q18: $199
2Q19: $214
1.9% YoY Base Business Growth

Suspended Ceilings Net Sales

2Q18: $98
2Q19: $106
3.1% YoY Base Business Change

Metal Framing Net Sales

2Q18: $91
2Q19: $102
5.3% YoY Base Business Growth

Complementary & Other Net Sales

2Q18: $134
2Q19: $137
4.6% YoY Base Business Growth
Gross margin increased primarily due to improved profitability across product lines driven by ongoing pricing and purchasing initiatives.

SG&A leverage\(^{(1)}\) increased YoY primarily due to continued investment in various company-wide initiatives and higher operating costs as a result of adverse weather conditions.

Adjusted EBITDA\(^{(2)}\) of $50.3M or 9.0% margin\(^{(2)}\).

---

\(^{(1)}\) SG&A leverage is calculated as SG&A expenses divided by net sales.
\(^{(2)}\) Adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures. Adjusted EBITDA margin represents adjusted EBITDA divided by net sales. For a reconciliation of net income (loss) to adjusted EBITDA, see the Appendix.
KEY TAKEAWAYS

- Optimize Cash Flow Through Debt Reduction
- Drive Organic Growth with Greenfield Branches
- Profit Margin Expansion Through Gross Margin Improvement & Cost Reduction Initiatives
- Pursue Acquisitions That Drive Economies of Scale

SIGNIFICANT RUNWAY FOR FURTHER VALUE CREATION
<table>
<thead>
<tr>
<th>(in thousands)</th>
<th>LTM 2Q19&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>2018&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>2017&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>2016&lt;sup&gt;(1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net (loss) income</td>
<td>$(16,076)</td>
<td>$(36,419)</td>
<td>$77,906</td>
<td>$(28,370)</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>39,775</td>
<td>53,201</td>
<td>60,924</td>
<td>52,487</td>
</tr>
<tr>
<td>Loss on extinguishment of debt</td>
<td>58,475</td>
<td>58,475</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income tax expense (benefit)</td>
<td>2,630</td>
<td>(5,628)</td>
<td>(5,965)</td>
<td>(14,733)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>80,961</td>
<td>77,419</td>
<td>70,861</td>
<td>51,378</td>
</tr>
<tr>
<td>Unrealized (gain) loss on derivative financial instruments</td>
<td>(131)</td>
<td>(265)</td>
<td>(13,059)</td>
<td>7,123</td>
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<tr>
<td>IPO and public company readiness expenses</td>
<td>-</td>
<td>89</td>
<td>5,085</td>
<td>-</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>3,359</td>
<td>2,299</td>
<td>1,901</td>
<td>-</td>
</tr>
<tr>
<td>Non-cash purchase accounting effects&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>6</td>
<td>413</td>
<td>703</td>
<td>6,469</td>
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<tr>
<td>Loss on disposal of property and equipment</td>
<td>210</td>
<td>552</td>
<td>199</td>
<td>1,791</td>
</tr>
<tr>
<td>Hurricane-related costs&lt;sup&gt;(3)&lt;/sup&gt;</td>
<td>(241)</td>
<td>(83)</td>
<td>376</td>
<td>-</td>
</tr>
<tr>
<td>Transaction costs&lt;sup&gt;(4)&lt;/sup&gt;</td>
<td>4,988</td>
<td>6,306</td>
<td>4,047</td>
<td>-</td>
</tr>
<tr>
<td>Management fees&lt;sup&gt;(5)&lt;/sup&gt;</td>
<td>-</td>
<td>-</td>
<td>353</td>
<td>3,622</td>
</tr>
<tr>
<td>Decrease in TRA liability&lt;sup&gt;(6)&lt;/sup&gt;</td>
<td>(1,189)</td>
<td>(1,189)</td>
<td>(68,033)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$172,767</td>
<td>$155,170</td>
<td>$135,298</td>
<td>$79,767</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA margin</strong>&lt;sup&gt;(7)&lt;/sup&gt;</td>
<td>8.1%</td>
<td>7.6%</td>
<td>7.6%</td>
<td>5.7%</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> LTM 2Q19, FY2018 and FY2017 include amounts from our Specialty Building Products segment. FY2016 includes amounts from both our Mechanical Insulation and Specialty Building Products segments.

<sup>(2)</sup> Adjusts for the effect of the purchase accounting step-up in the value of inventory to fair value recognized as a result of acquisitions.

<sup>(3)</sup> Represents costs incurred and insurance proceeds resulting from Hurricanes Harvey and Irma.

<sup>(4)</sup> Represents costs related to our transactions, including fees to financial advisors, accountants, attorneys, other professionals and certain internal corporate development costs.

<sup>(5)</sup> Represents fees paid to our former private equity sponsor for services provided pursuant to past management agreements. These fees are no longer being incurred.

<sup>(6)</sup> Adjustment in liability related to federal tax legislation enacted in December 2017.

<sup>(7)</sup> Adjusted EBITDA margin represents adjusted EBITDA divided by net sales.