1Q 2018 Presentation

May 8, 2018

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2018 OFF TO A GOOD START

- Acquired three companies expected to generate over $400 million of annual revenue
- Successfully completed $400 million bond offering
- Outpaced 90-day lagged housing starts
- Continued to improve labor and sales productivity
- Awarded 2018 ENERGY STAR Partner of the year award

“WE ARE CONFIDENT AS WE LOOK TO THE BALANCE OF 2018 AND BEYOND.”

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1Q 2018 FINANCIAL HIGHLIGHTS

- 11.3% revenue growth, 6.7% organic
- 58.7% increase in adjusted EPS to $0.73 per diluted share
- 9.4% adjusted EBITDA margin, up 170 bps
- 24.2% incremental EBITDA margin
- Total liquidity of $340.3 million

"WE HAVE DEMONSTRATED THE EXECUTION REQUIRED TO DRIVE PROFITABLE GROWTH."

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2018 ACQUISITIONS

- Santa Rosa Insulation and Fireproofing
  - $6.0M 2017 annual revenue
  - Residential and commercial insulation installer
  - Customer base focused in greater Miami area
- ADO Products
  - $27.6M 2017 annual revenue
  - Distributor of insulation accessories
  - Customers across the U.S.
- USI
  - $375.0M 2017 annual revenue
  - Residential and commercial insulation installer and distributor
  - 38 locations in 13 states, with concentration in high growth regions: Pacific NW, Mountain West, Southwest, Southeast

"WE ACQUIRE COMPANIES WITH SOLID CUSTOMER BASES THAT EXPAND OUR MARKET SHARE AND REVENUE QUALITY IN HIGH GROWTH REGIONS AND ARE ACCRETIVE TO EARNINGS."

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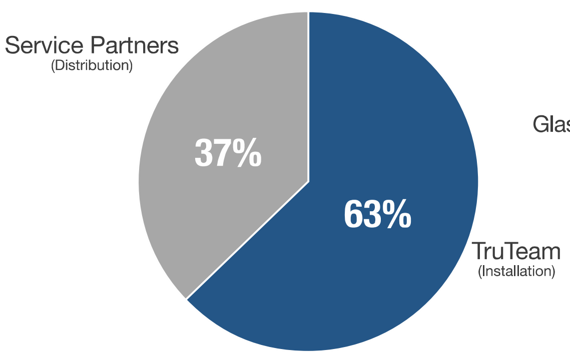
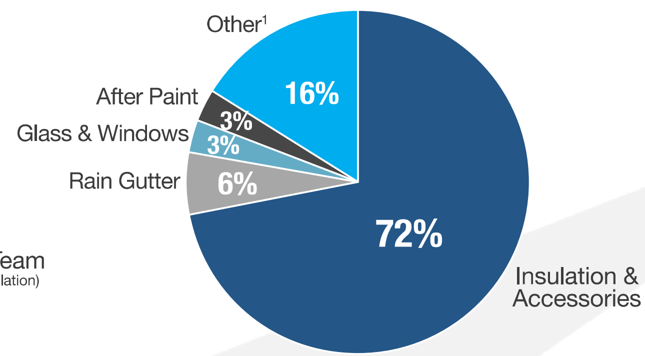
TopBuild at a Glance (pro forma with USI)

SPIN-DATE (From Masco)	HEADQUARTERS	LOCATIONS	U.S. EMPLOYEES
June 30, 2015	Daytona Beach, FL	Close to 300	~10,000+

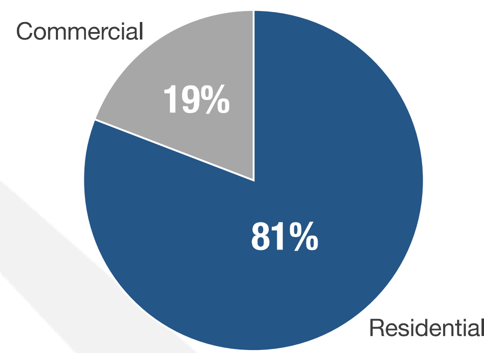
2017 Revenue $2.3B



Product Mix



Business Mix



[1]Primarily includes garage doors, fireplaces and fireproofing; [2] Includes repair and remodel.

Largest Purchaser, Installer and Distributor of Insulation in the U.S.

"OUR COMBINED COMPANY WILL BETTER SERVE OUR CUSTOMER BASE THROUGH ENHANCED PRODUCT OFFERINGS, SERVICES AND CAPABILITIES ACROSS OUR NATIONAL FOOTPRINT."

LONG TERM STRATEGY

- Maximize opportunities related to favorable macro drivers – residential and commercial
- Leverage TruTeam, USI and Service Partners to create scale advantage and coverage across fragmented builder community
- Continue to focus on operational efficiency and cost control
- Strengthen partnerships with broad base of suppliers
- Seek accretive acquisitions that fit our criteria
- Allocate capital to share buybacks when appropriate

"OUR STRATEGY AND UNIQUE BUSINESS MODEL REMAIN THE SAME. WE LEVERAGE TRUTEAM AND SERVICE PARTNERS TO CREATE BOTH SCALE ADVANTAGE AND COVERAGE ACROSS A VERY FRAGMENTED BUILDER AND CONTRACTOR COMMUNITY."

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FINANCIAL OVERVIEW

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($ in 000s)	Three Months Ended March 31, 2018
Sales *Y-O-Y Change*	$491,444 11.3%
Adjusted Operating Profit * *Y-O-Y Change*	$38,172 33.6%
Adjusted Operating Margin * *Y-O-Y Change*	7.8% 130 bps
Adjusted EBITDA * *Y-O-Y Change*	$46,016 35.8%

** See slides 18 & 19 for adjusted EBITDA reconciliation and GAAP to non-GAAP reconciliation*

First Quarter Highlights

- 36.9% same branch incremental EBITDA margin
- 9.4% adjusted EBITDA margin, up 170 bps YOY

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ADJUSTED EPS

($ in 000s)

	Three Months Ended March 31,			
		2018		2017
Income (loss) before income taxes, as reported	$	31,603	$	(4,726)
Significant legal settlement		—		30,000
Rationalization charges		797		1,738
Acquisition costs		3,482		292
Income before income taxes, as adjusted		**35,882**		**27,304**
Tax rate at 27% and 38% for 2018 and 2017, respectively		(9,688)		(10,376)
Income, as adjusted	**$**	**26,194**	**$**	**16,928**
Income per common share, as adjusted	**$**	**0.73**	**$**	**0.46**
Average diluted common shares outstanding		35,819,242		37,123,245

First Quarter Highlights

- 58.7% increase in adjusted net income per share

CASH FLOW/WORKING CAPITAL & CAPEX

($ in 000s)	Three Months ended March 31, 2018
CAPEX	$11,266
Working Capital % to sales (using LTM sales)	10.0%
Operating Cash Flow	$17,565
Cash Balance	$37,334
Net Leverage	1.0x

Highlights

- CAPEX @ 2.3% of sales. Implemented vehicle purchasing program in Q4
- Working capital as a % of LTM sales increased by 120 bps vs. prior year due to higher commercial sales mix as well as build-up of inventory related to strategic inventory purchases

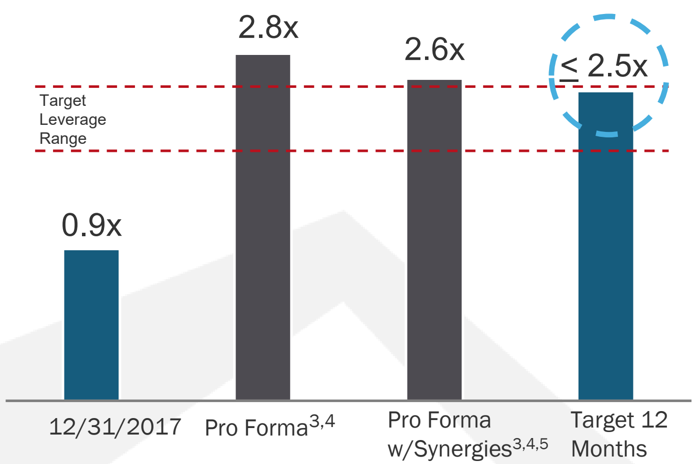
USI TRANSACTION

- Acquired for $475 million in all cash transaction on May 1, 2018
- Funding
  - $400 million Senior Notes (closed April 25, 2018)
    - 5.625%
    - Matures 2026
  - $100 million term loan (delayed draw on current credit facility)
- Expected to be accretive to GAAP EPS in the 12-month period after close
- Enhances scale and expands footprint in high growth regions
- Improves pro forma EBITDA margin and free cash flow profile
- Anticipate at least $15 million of run-rate cost synergies by May 2020

FINANCIAL PROFILE

Long-term Debt	$750.7
Less Cash [1]	37.3
Net Debt [2]	**$713.4**
Adj. TTM EBITDA	$256.5

LEVERAGE



- Ability to deleverage quickly; pro forma leverage expected to return to within targeted leverage range within 12 months

1. As of 5/1/18 2. As of 3/31/18 3. BLD LTM Adj. EBITDA as of 3/31/18 plus USI pro forma LTM Adj. EBITDA as of 12/31/17
4.Uses cash as of 3/31/18, debt as of 5/1/18 5. Includes $15M in run-rate synergies

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LONG-TERM TARGETS AND 2018 ANNUAL GUIDANCE

3-YEAR TARGETS

$75M
of Residential Revenue for Every 50K Increase in Starts
(previously $60M for every 50K increase in starts)

10%
Commercial Annual Growth

11% to 16%[1]
Incremental EBITDA % (M&A)

8.5% to 9.5%
Working Capital (% of Sales)

22% to 27%
Incremental EBITDA % (Organic)

2.0% to 2.5%
Capex (% of Sales)

27%
Normalized Tax Rate

[1] *Acquisitions in year one*

2018 OUTLOOK[1,2] ($M)

	REVENUE	ADJUSTED EBITDA
TOPBUILD	$2,065 to $2,115	$226 to $242
USI (8 months)	$273 to $283	$37 to $42[3]
CONSOLIDATED	$2,338 to $2,398	$263 to $284

[1] *See Slide 20 for GAAP to non-GAAP reconciliation*
[2] *Assumes housing starts between 1.250K and 1.280K*
[3] *Includes $2M to $4M of cost savings synergies*

($ in 000s)	Three Months ended March 31, 2018
Sales *Y-O-Y Change*	$187,766 10.3%
Adjusted Operating Profit * *Y-O-Y Change*	$17,927 15.8%
Adjusted Operating Margin * *Y-O-Y Change*	9.5% 40 bps

** See slide 19 for GAAP to non-GAAP reconciliation*

First Quarter Highlights

- Sales driven by volume growth and higher selling prices
- 5.6% selling price improvement

($ in 000s)	Three Months ended March 31, 2018
Sales *Y-O-Y Change*	$329,394 13.2%
Adjusted Operating Profit * *Y-O-Y Change*	$29,547 37.8%
Adjusted Operating Margin * *Y-O-Y Change*	9.0% 160 bps

** See slide 19 for GAAP to non-GAAP reconciliation*

First Quarter Highlights

- Sales growth driven by volume and price improvement
- 2.3% selling price improvement
- Strong margin improvement due to volume leverage, improved price, and strong cost control

USI INTEGRATION ON TRACK

- Integrations teams established
- Best practices across both organizations being reviewed
- 2018 action plan
  - Move every USI branch onto our supply chain
  - Consolidate the St. Paul office to Daytona Beach BSC
  - Eliminate redundant corporate positions
  - Streamline back office operations
  - Optimize branch operations
  - Identify cross-selling opportunities

"CULTURALLY WE ARE A GOOD FIT AND EVERYBODY IS EXCITED AND MOTIVATED TO SUCCESSFULLY INTEGRATE OUR TWO ORGANIZATIONS."

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TopBuild
Construction strong and proud.
BLD
NYSE
SERVICE
partners
TruTeam
BLD
NYSE


APPENDIX

Adjusted EBITDA Reconciliation

($ in 000s)

	Three Months Ended March 31,	
	2018	2017
Net income (loss), as reported	**$ 26,388**	**$ (1,710)**
Adjustments to arrive at EBITDA, as adjusted:		
Other expense, net	2,290	1,263
Income tax expense (benefit)	5,215	(3,016)
Depreciation and amortization	5,442	3,231
Share-based compensation	2,402	2,084
Rationalization charges	797	1,738
Acquisition related costs	3,482	292
Significant legal settlement	—	30,000
EBITDA, as adjusted	**$ 46,016**	**$ 33,882**

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Segment GAAP to Non-GAAP Reconciliation

($ in 000s)

	Three Months Ended March 31, 2018	Three Months Ended March 31, 2017	Change
Installation			
Sales	$ 329,394	$ 290,887	*13.2 %*
Operating profit (loss), as reported	$ 29,330	$ (8,964)	
Operating margin, as reported	*8.9 %*	*(3.1) %*	
Significant legal settlement	—	30,000	
Rationalization charges	217	411	
Operating profit, as adjusted	$ 29,547	$ 21,447	
Operating margin, as adjusted	*9.0 %*	*7.4 %*	
Distribution			
Sales	$ 187,766	$ 170,244	*10.3 %*
Operating profit, as reported	$ 17,902	$ 15,484	
Operating margin, as reported	*9.5 %*	*9.1 %*	
Rationalization charges	25	—	
Operating profit, as adjusted	$ 17,927	$ 15,484	
Operating margin, as adjusted	*9.5 %*	*9.1 %*	

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Reconciliation table

($ in 000,000s)

	Twelve Months Ending December 31, 2018	
	Low	High
Estimated net income	**$ 120.9**	**$ 142.8**
Adjustments to arrive at estimated EBITDA, as adjusted:		
Interest expense and other, net	29.7	28.1
Income tax expense	44.7	52.8
Depreciation and amortization	39.5	36.3
Share-based compensation	13.9	11.7
Rationalization charges	0.8	0.8
Acquisition related costs	3.5	3.5
Estimated costs to realize synergies	10.0	8.0
Estimated EBITDA, as adjusted	**$ 263.0**	**$ 284.0**