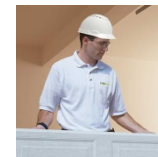


Third Quarter 2016 Earnings Presentation



Safe Harbor

Statements contained in this presentation that are not historical and reflect our views about future periods and events, including our future performance, constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "will," "would," "anticipate," "expect," "believe," "plan," "hope," "estimates," "suggests," "has the potential to," "should" or "intend," and other words and phrases of similar meanings, the negative of these terms, and similar references to future periods. Forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed in our forward-looking statements. Our future performance may be affected by our reliance on residential new construction, residential repair/remodel, and commercial construction; our reliance on third-party suppliers and manufacturers; our ability to attract, develop and retain talented personnel and our sales and labor force; our ability to maintain consistent practices across our locations; our ability to maintain our competitive position; and our ability to realize the expected benefits of the Separation. We discuss the material risks we face under the caption entitled "Risk Factors" in our most recent Annual Report on Form 10-K filed with the SEC and under similar headings in our subsequently filed Quarterly Reports on Forms 10-Q. Our forward-looking statements in this presentation speak only as of the date of this presentation. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Unless required by law, we undertake no obligation to update publicly any forward-looking statements as a result of new information, future events, or otherwise.

The Company believes that the non-GAAP performance measures and ratios that are contained herein, which management uses to manage our business, provide users of this financial information with additional meaningful comparisons between current results and results in our prior periods. Non-GAAP performance measures and ratios should be viewed in addition to, and not as an alternative for, the Company's reported results under accounting principles generally accepted in the United States. Additional information about the Company is contained in the Company's filings with the SEC and is available on TopBuild's website at www.topbuild.com.

Q3 Overview

(\$ in 000s)	Third Quarter 2016
Sales	\$453,102
Y-O-Y Change	5.9%
Lagged Housing Starts	0.7%
Gross Profit Margin	23.9%
Y-O-Y Change	190 bps
Adjusted Operating Profit Margin *	8.7%
Y-O-Y Change	140 bps
Adjusted Net Income per Share *	\$0.63
Y-O-Y Change	26.0%

* See Slides 15 & 16 for adjusted EBITDA reconciliation and GAAP to non-GAAP reconciliation

Sales Exceeding Lagged Starts, Margins Improving

Capital Allocation

- Accretive/Strategic Acquisitions
 - Installation and distribution targets
 - Expand market penetration
 - Focus on regions with outsized growth prospects
 - Commercial Installation
 - Fragmented industry
 - Growth opportunity
- \$50M Share Repurchase Program
 - \$11.4M purchased through 9/30/16
 - \$33.32 per share average price

Demonstrated Commitment to Enhancing Shareholder Value

Income Statement

(\$ in 000s)	Third Quarter 2016	Nine Months 2016
Sales Y-O-Y Change	\$453,102 5.9%	\$1,298,715 9.1%
Adjusted Operating Profit * Y-O-Y Change	\$39,591 26.7%	\$87,804 53.4%
Adjusted Operating Margin * Y-O-Y Change	8.7% 140 bps	6.8% 200 bps
Adjusted EBITDA * Y-O-Y Change	\$44,643 25.2%	\$102,470 47.4%

** See Slides 15 & 16 for adjusted EBITDA reconciliation and GAAP to non-GAAP reconciliation*

3Q Highlights

- Sales up 5.9%, driven by volume growth in both segments
- Adjusted operating profit margin improves 140bps, positively impacted by higher sales, increased selling prices and labor productivity
- Adjusted EBITDA improves \$9.0M....35.6% pull through on sales change



(\$ in 000s)	Third Quarter 2016	Nine Months 2016
Sales <i>Y-O-Y Change</i>	\$300,005 7.2%	\$860,924 10.6%
Adjusted Operating Profit * <i>Y-O-Y Change</i>	\$32,311 48.7%	\$69,508 100.6%
Adjusted Operating Margin * <i>Y-O-Y Change</i>	10.8% 300 bps	8.1% 360 bps

* See slide 16 for GAAP to non-GAAP reconciliation

Highlights

- Sales growth driven by higher level activity in both residential and commercial and higher selling prices
- Margin improvement due to volume leverage, improved price, reduced material cost and improved labor productivity



(\$ in 000s)	Third Quarter 2016	Nine Months 2016
Sales Y-O-Y Change	\$174,123 1.9%	\$499,268 4.8%
Adjusted Operating Profit * Y-O-Y Change	\$15,536 -8.1%	\$43,499 6.9%
Adjusted Operating Margin * Y-O-Y Change	8.9% -100 bps	8.7% 20 bps

* See slide 16 for GAAP to non-GAAP reconciliation

Highlights

- 3Q sales up 1.9% for improved residential and commercial volume
- YTD sales up 4.8%
- Selling prices down 2.3% and 2.1% for 3Q and YTD respectively, primarily due to additional capacity that came on line 2H 2015

Adjusted EPS

(dollars in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Income from continuing operations before income taxes, as reported	\$ 37,895	\$ 28,625	\$ 81,545	\$ 32,655
Rationalization charges [†]	435	23	2,090	4,365
Acquisition costs	55	—	55	—
Legal adjustments, net	—	1,030	—	2,400
Fixed asset disposal (truck mounted device)	—	—	—	1,690
Masco general corporate expense, net	—	—	—	13,627
Masco direct corporate expense	—	—	—	5,604
Expected standalone corporate expense	—	—	—	(11,000)
Income from continuing operations before income taxes, as adjusted	38,385	29,678	83,690	49,341
Tax rate at 38% and 36% for 2016 and 2015, respectively	(14,586)	(10,684)	(31,802)	(17,763)
Income from continuing operations, as adjusted	\$ 23,799	\$ 18,994	\$ 51,888	\$ 31,578
Income per common share, as adjusted	\$ 0.63	\$ 0.50	\$ 1.37	\$ 0.84
Average diluted common shares outstanding	37,952,333	37,907,784	37,942,540	37,748,756

[†] 2015 Rationalization charges included spin-off charges.

Cash Flow/Working Capital/CAPEX

(\$ in 000s)	Nine Months ended September 30, 2016	Nine Months ended September 30, 2015
CAPEX As % of sales	\$10,083 0.8%	\$10,589 0.9%
Working Capital % to sales (using LTM sales)	8.9%	7.0%
Operating Cash Flow	\$27,934	\$43,146
Cash Balance	\$104,497	\$108,342

Highlights

- CAPEX @ 0.8% of sales
- Working capital % to sales impacted by temporary changes in timing and mix of supplier payments and the timing of purchases in the quarter
- Overall liquidity of \$180 million between cash and accessible credit facility

Driving Performance

- Builder sentiment optimistic
- TruTeam
 - Gaining market share
 - Achieving strong operational improvements
 - Growing commercial revenue...light & heavy
 - Realizing improved pricing
- Service Partners
 - Growing volume
 - Seeing some selling price compression
 - Focus on sales and operational execution

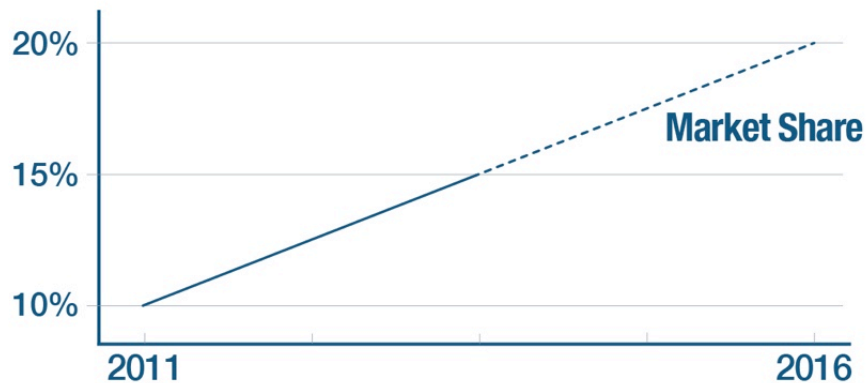


Our strategy of driving performance through
LOCAL EMPOWERMENT, OPERATIONAL EXCELLENCE
and the **SIMPLIFICATION OF BUSINESS PROCESSES**
is yielding solid results.

Spray Foam

Gaining increasing acceptance:

- Product innovations
- Greater yield per pound
- Higher consumer awareness
- Price gap narrowing between fiberglass and foam



Take per unit
DOUBLE THAT OF FIBERGLASS



- Acquired August 2016
- \$4.5M trailing 12-month revenue
- Expands and strengthens Central Virginia presence
- Strong leadership team



**STRONG CUSTOMER BASE
OF CUSTOM AND REGIONAL BUILDERS
STRONG SPRAY FOAM INSTALLATION BUSINESS**

Driving Value

- Diverse business model
- Experienced, cycle tested leadership team
 - Successful track record
 - Cultural fit
- Focused Strategy
 - Local empowerment
 - Simplification
- Operational excellence
- Commercial expansion
- M&A initiative

IMPROVING
Business Performance



Appendix

Adjusted EBITDA Reconciliation

(dollars in thousands)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2016	2015	Change	2016	2015	Change
Net sales after eliminations	\$ 453,102	\$ 427,888	5.9 %	\$ 1,298,715	\$ 1,190,109	9.1 %
Operating profit, as reported - segment	\$ 47,732	\$ 37,587		\$ 111,915	\$ 66,896	
General corporate expense, net	(4,966)	(4,395)		(15,716)	(18,022)	
Intercompany eliminations and other adjustments	(3,665)	(3,001)		(10,540)	(8,340)	
Operating profit, as reported	\$ 39,101	\$ 30,191		\$ 85,659	\$ 40,534	
Operating margin, as reported	8.6 %	7.1 %		6.6 %	3.4 %	
Rationalization charges	435	23		2,090	4,365	
Legal adjustments, net	—	1,030		—	2,400	
Acquisition costs	55	—		55	—	
Fixed asset disposal (truck mounted devices)	—	—		—	1,690	
Masco general corporate expense, net	—	—		—	13,627	
Masco direct corporate expense	—	—		—	5,604	
Expected standalone corporate expense	—	—		—	(11,000)	
Operating profit, as adjusted	\$ 39,591	\$ 31,244		\$ 87,804	\$ 57,220	
Operating margin, as adjusted	8.7 %	7.3 %		6.8 %	4.8 %	
Share-based compensation	2,037	1,485		5,743	3,151	
Depreciation and amortization	3,015	2,930		8,923	9,156	
EBITDA, as adjusted	\$ 44,643	\$ 35,659		\$ 102,470	\$ 69,527	
Sales change period over period	25,214			108,606		
EBITDA, as adjusted change period over period	8,984			32,943		
EBITDA, as adjusted as percentage of sales change	35.6 %			30.3 %		

Segment GAAP to Non-GAAP Reconciliation

(dollars in thousands)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2016	2015	Change	2016	2015	Change
Installation						
Sales	\$ 300,005	\$ 279,809	7.2 %	\$ 860,924	\$ 778,469	10.6 %
Operating profit, as reported	\$ 32,196	\$ 20,678		\$ 68,499	\$ 26,713	
Operating margin, as reported	10.7 %	7.4 %		8.0 %	3.4 %	
Rationalization charges [†]	115	23		1,009	3,853	
Legal adjustments, net	—	1,030		—	2,400	
Fixed asset disposal (truck mounted devices)	—	—		—	1,690	
Operating profit, as adjusted	\$ 32,311	\$ 21,731		\$ 69,508	\$ 34,656	
Operating margin, as adjusted	10.8 %	7.8 %		8.1 %	4.5 %	
Distribution						
Sales	\$ 174,123	\$ 170,881	1.9 %	\$ 499,268	\$ 476,333	4.8 %
Operating profit, as reported	\$ 15,536	\$ 16,909		\$ 43,416	\$ 40,183	
Operating margin, as reported	8.9 %	9.9 %		8.7 %	8.4 %	
Rationalization charges	—	—		83	512	
Operating profit, as adjusted	\$ 15,536	\$ 16,909		\$ 43,499	\$ 40,695	
Operating margin, as adjusted	8.9 %	9.9 %		8.7 %	8.5 %	

† 2015 Rationalization charges included spin-off charges.