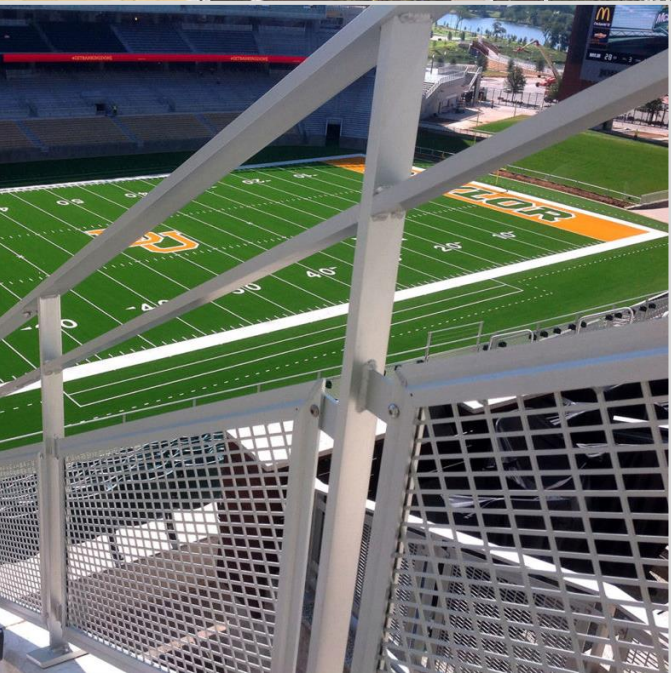




Investor Presentation

June 2018



This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are subject to risks and uncertainties that could cause the Company’s actual operating results to differ materially from those contemplated by the forward-looking statements. For further information on risk factors affecting the Company’s business, please refer to our most recent annual and quarterly reports filed with the U.S. Securities and Exchange Commission. The Company expressly disclaims any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation refers to certain financial measures not prepared in accordance with generally accepted accounting principles (GAAP), including adjusted net sales, adjusted gross margin, adjusted earnings before interest, taxes, depreciation, amortization (EBITDA), adjusted operating income, adjusted diluted earnings per share (EPS), free cash flow, and net debt. We believe that the use of non-GAAP measures helps investors to gain a better understanding of our core operating results and future prospects, consistent with how management measures and forecasts the Company’s performance, especially when comparing such results to previous periods or forecasts. The non-GAAP measures included in this presentation are not meant to be considered superior to or a substitute for our GAAP results. Reconciliations of the non-GAAP measures to the most directly comparable GAAP measures are available in the appendix to this presentation.

THE COMPANY AT A GLANCE



- ✓ Products designed to create unique outdoor living experiences
- ✓ World's leading and best known brand in outdoor living
- ✓ Largest manufacturer of high-performance composite decking and railing
- ✓ 25% CAGR in Adjusted EBITDA over the last five years
- ✓ 2-for-1 stock split to be distributed on June 18, 2018 to shareholders of record on May 23, 2018
- ✓ Consistent strong cash generation providing
 - \$178M in return of capital to shareholders since 2013 (2.9M additional share repurchases authorized)
 - \$72M in M&A activities (July 2017 SC Companies acq)
- ✓ Future organic growth will be driven by continued market share gains from composite and wood competitors, engineering improvements, and operating efficiencies

Consolidated 2018 Q1

Net Sales	\$171M	+18% Y/Y
Gross Margin	44.8%	-20bps
Residential Gross Margin	47.6%	+260bps
EBITDA	\$52M	+15%
EBITDA Margin	30.7%	
Diluted EPS	\$1.25	+32%

Consolidated TTM 2018 Q1

Net Sales	\$592M	+20% Y/Y
Gross Margin	43.1%	+160bps *
Residential Gross Margin	45.0%	+350bps *
EBITDA	\$166M	+25% *
EBITDA Margin	28.1%	
Diluted EPS	\$3.53	+32% *

* Calculations based on adjusted 2016 results.

Disciplined investment strategies driving consistent profitable growth

Extending the Trex Brand

- Digital capabilities
- Wood conversion
- Consumer engagement
- Licensing
- Trex Commercial Products

Expanding Reach

- Contractor focus
- DIY
- Geographic
- Trex Commercial Products
- Strengthening distribution network

Optimizing Operations

- Cost reduction
- Vertical integration
- Unique recycling business model

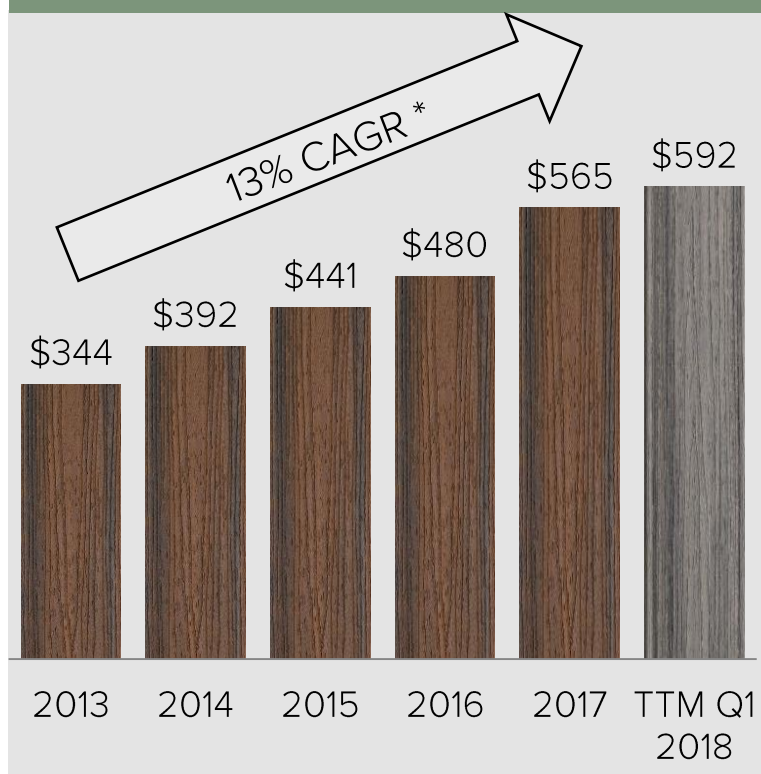
Capital Allocation

- Reinvesting in the business
- M&A opportunities & integration
- Share repurchases

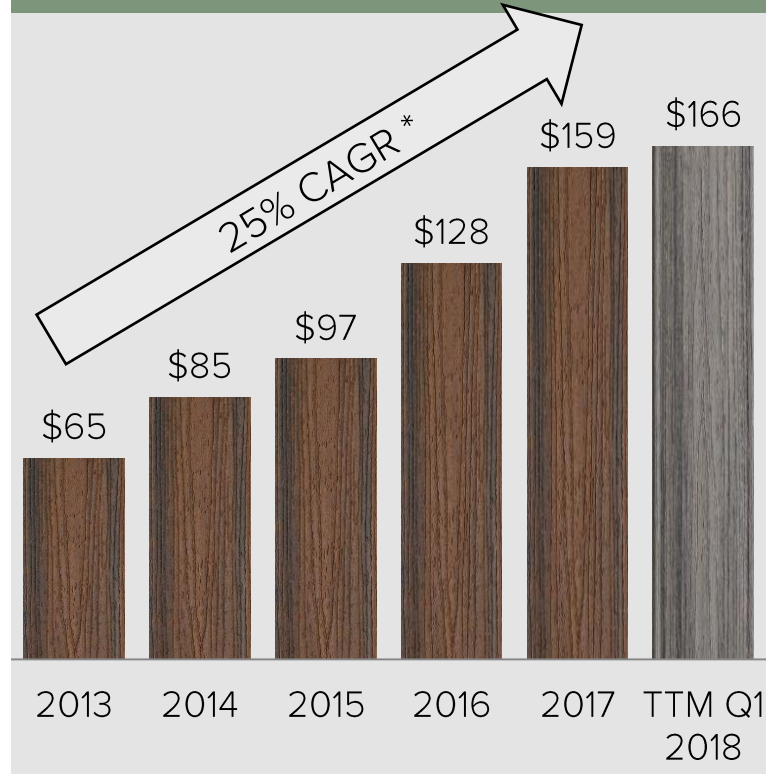
Sustainability; “greenest” manufacturer in the industry

Solid financial profile with strong free cash flow and a focus on continuous improvement to drive margin expansion

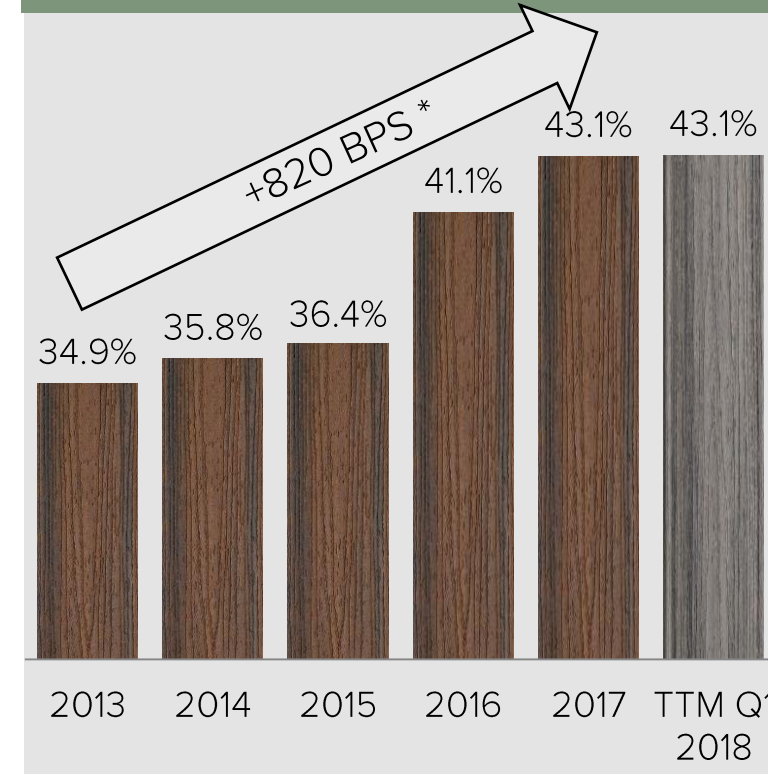
Consolidated Net Sales (\$Ms)



Consolidated Adjusted EBITDA (\$Ms)



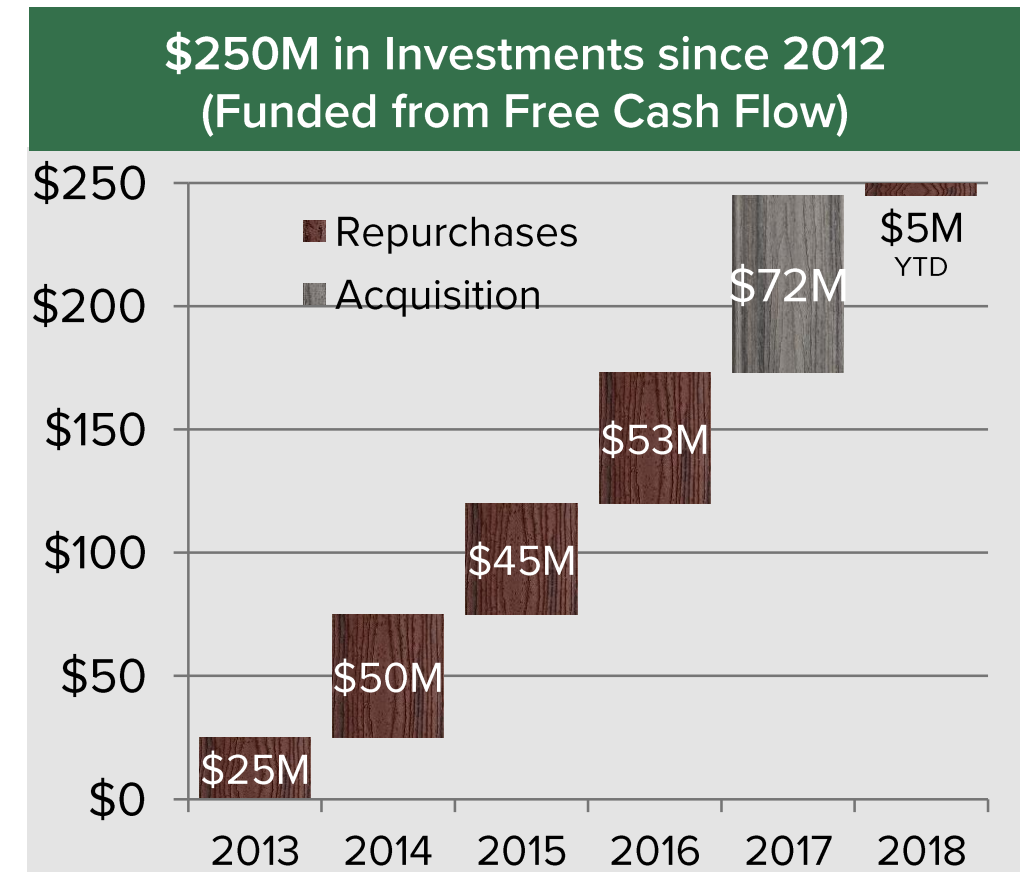
Consolidated Adjusted Gross Margin



* Calculations based on full year results through 2017

Putting Free Cash Flow to work through Investment in Core Business and Strategic Opportunities

- ✓ \$71M capital expenditures since 2013
- ✓ 820bps consolidated gross margin expansion
- ✓ \$178M in return of capital to shareholders since 2013
- ✓ Acquisition of SC Company providing brand and product extension into commercial railing market
- ✓ 2.9M share repurchase program approved February 2018



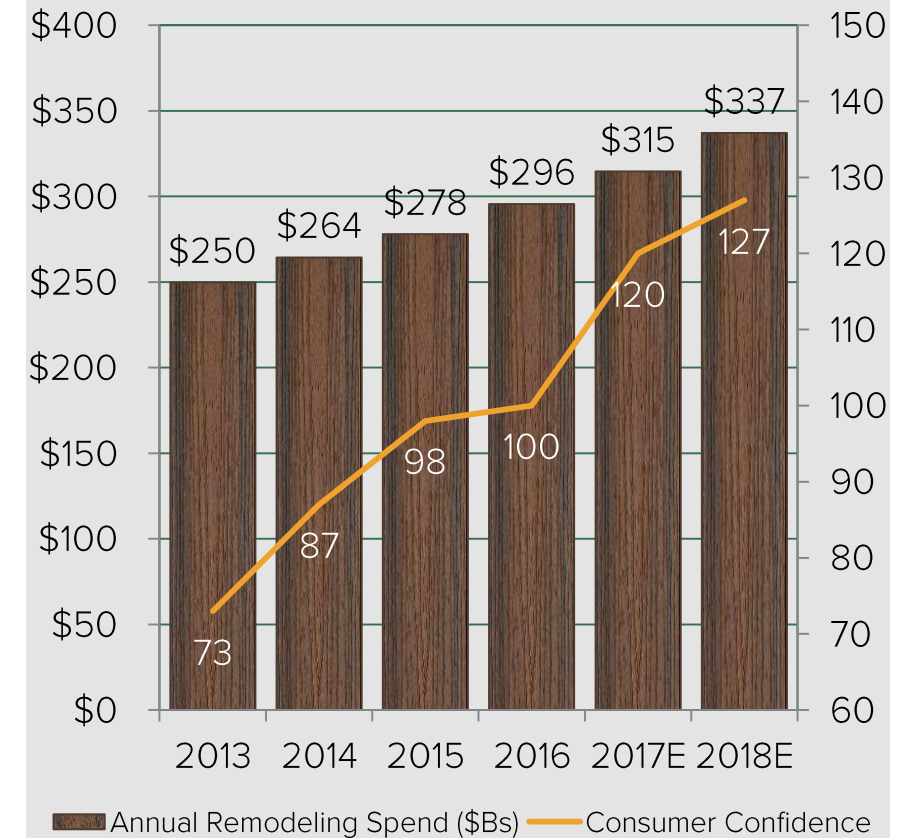
- ✓ Growing desire for unique outdoor living spaces
 - Alternative materials to wood decking are projected to experience above average annual gains in demand through 2020⁽¹⁾
- ✓ Outdoor living remains a leading home improvement market segment
 - Exterior property improvements capture 34% of home improvement spending
- ✓ Core Markets (North America)
 - U.S. Residential⁽²⁾ \$6 Billion
 - U.S. Commercial Railing \$1 Billion
- ✓ Rapid business growth outside of North America
- ✓ Increasing conversion from wood to composites
 - 1% of market share gain from wood = +\$50 million annual composite revenue
- ✓ Repair and remodeling projected to grow by 7.1% through Q4 2018⁽²⁾
 - Strong correlation between Trex Sales, Remodeling Spending and Consumer Confidence

(1) Principia report on wood and competitive decking

(2) Joint Center for Housing Studies

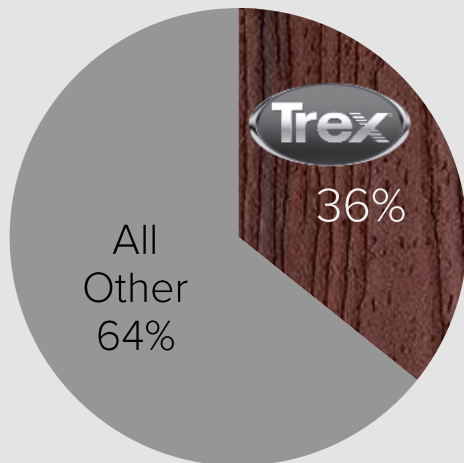
(3) Consumer Confidence (NAR U.S. Economic Outlook: April 2018)

Annual Remodeling Spend⁽²⁾ and Consumer Confidence⁽³⁾ Trends

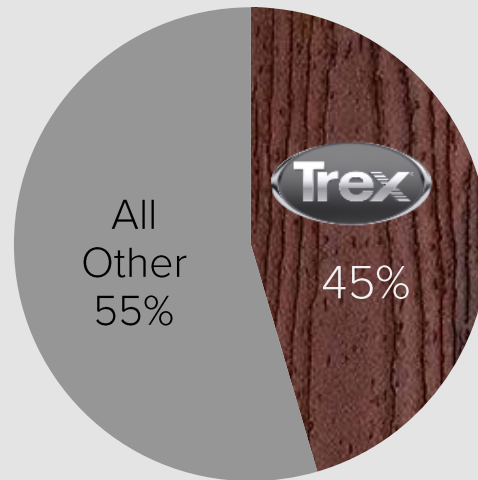


Composite Market Share Trends

2012



2016

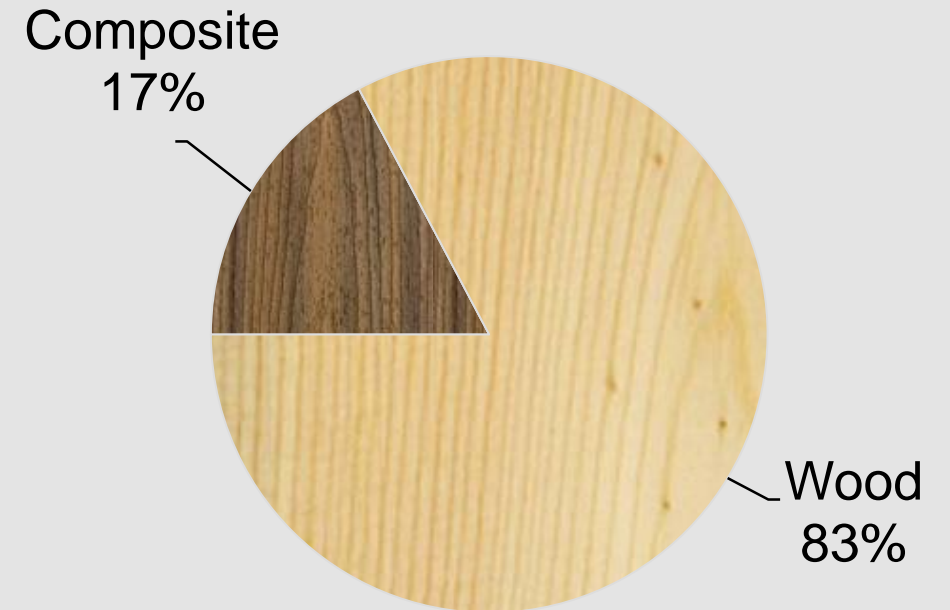


Consistent market share gains in the composite decking industry

(Principia Residential Decking and Railing 2013 & 2018)

Taking Share from Wood

+1% market share increase for
Composites since 2014



Substantial Growth Opportunity

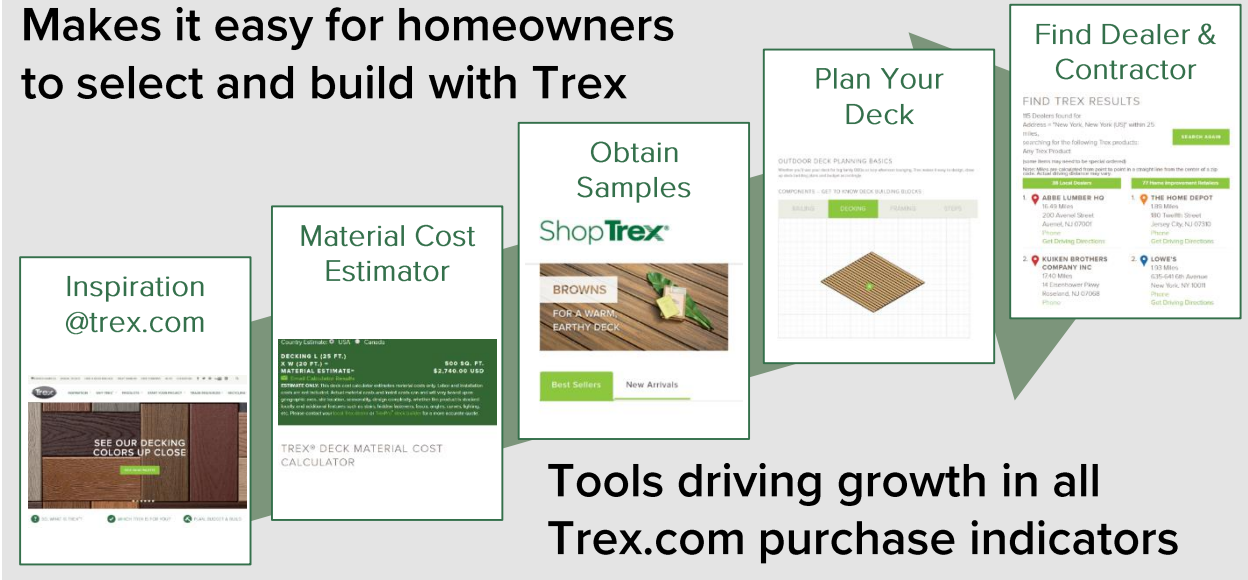
(Principia Partners 2016 vs 2014; based on decking LF sold)

- ✓ “Engineering What’s Next in Outdoor Living”[®]
 - Reinforces Trex’s leading presence in the premium decking market
- ✓ Award-winning campaign – Multi-faceted strategy
 - Targeting multiple endpoints: dealers, contractors, and consumers
- ✓ Multi-year consumer campaign to drive conversion from wood
 - Leading the “What’s Next” for the next phase of industry growth
- ✓ “Brand most used” award – for 11th consecutive year⁽¹⁾

⁽¹⁾ 2018 Builder Brand Use Study for composite PVC decking

Customer Engagement @ trex.com

Makes it easy for homeowners to select and build with Trex



The collage displays five key website tools:

- Inspiration @trex.com:** A page titled "SEE OUR DECKING COLORS UP CLOSE" showing various wood-grain decking samples.
- Material Cost Estimator:** A "TREX® DECK MATERIAL COST CALCULATOR" with input fields for deck dimensions and a "CALCULATE" button.
- Obtain Samples ShopTrex:** A section titled "BROWNS FOR A WARM, EARTHY DECK" featuring a "Best Sellers" and "New Arrivals" carousel.
- Plan Your Deck:** A "DECK PLANNING BASICS" guide with a grid for visualizing deck layout and a "PLAN YOUR DECK" button.
- Find Dealer & Contractor:** A "FIND TREX RESULTS" page listing nearby dealers like "ABBE LUMBER INC." and "THE HOME DEPOT" with their addresses and phone numbers.

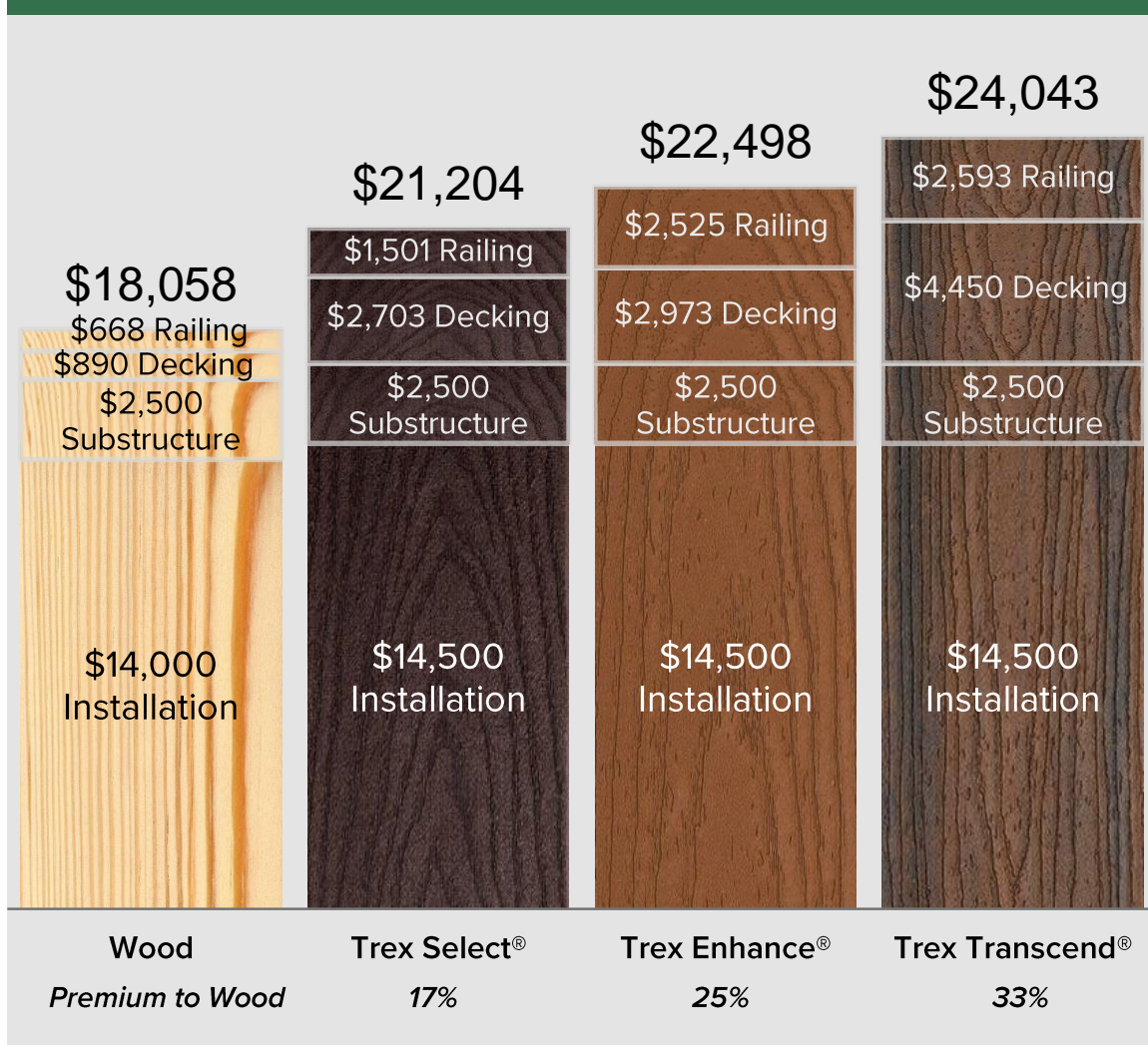
Tools driving growth in all Trex.com purchase indicators

#1 Consumer Awareness
Consumer Search
Website Traffic
Social Media
Sales
Market Share

TREX: A SUPERIOR VALUE

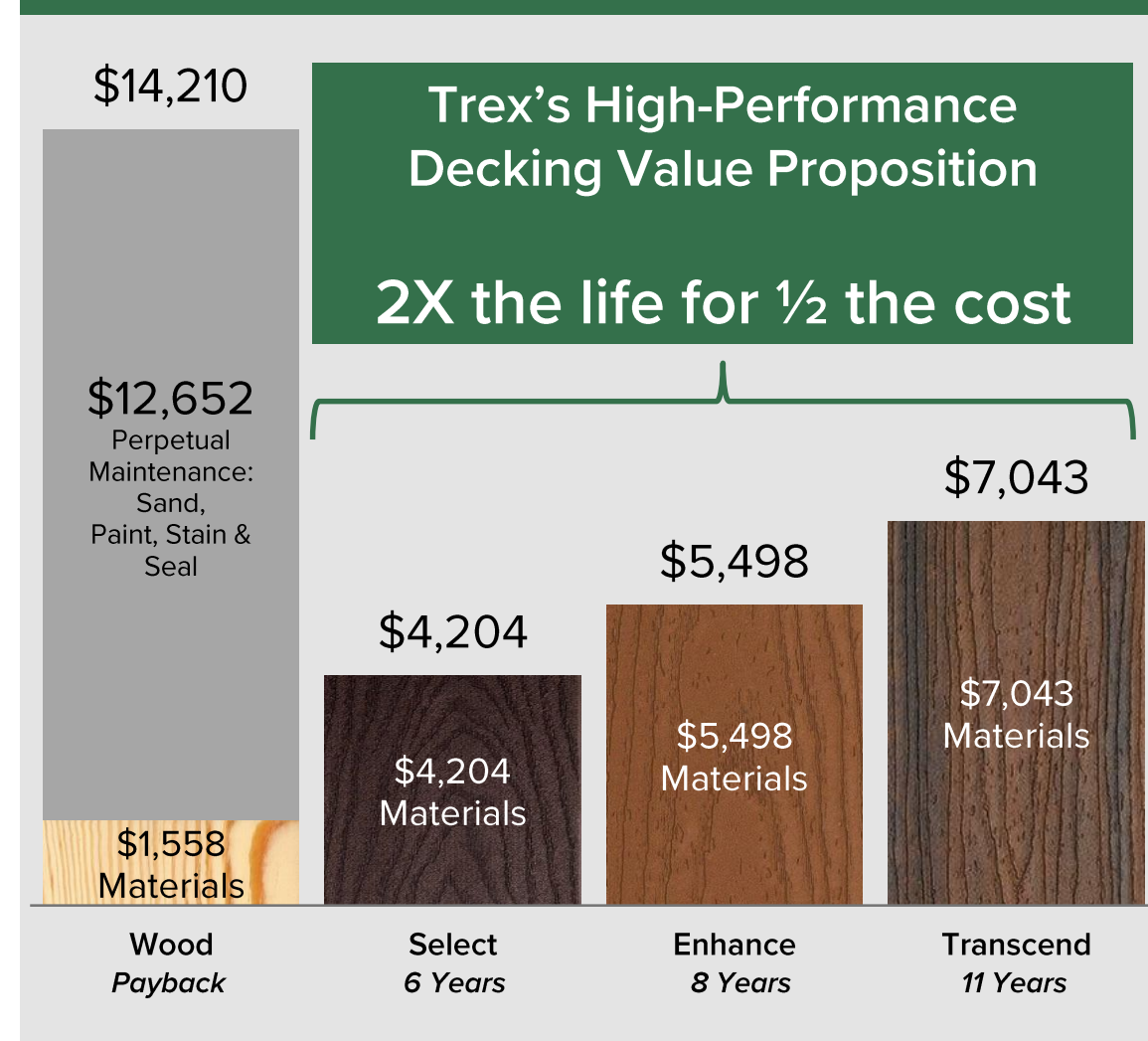


Installed Cost vs. Wood



Estimated Professionally Installed Cost for a 20' x 25' deck. Based on Company findings.

Attractive Lifetime Economics

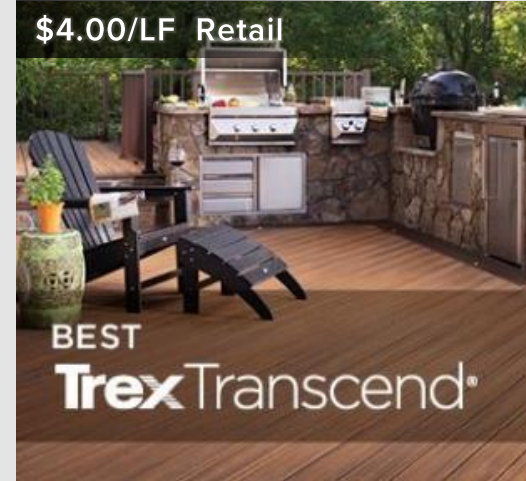


Estimated Installed Decking Costs and Maintenance Material Costs for a 20' x 25' deck over 25 years.

SUPERIOR PRODUCT PLATFORM



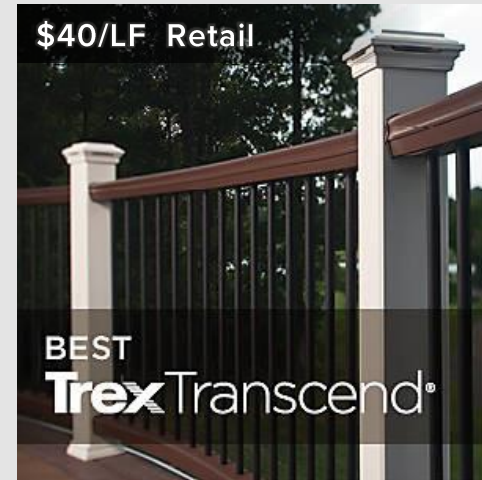
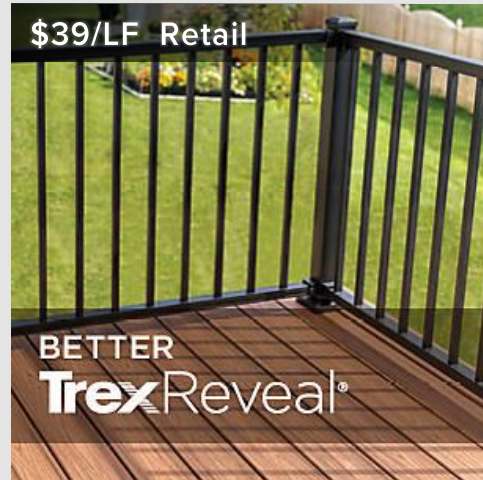
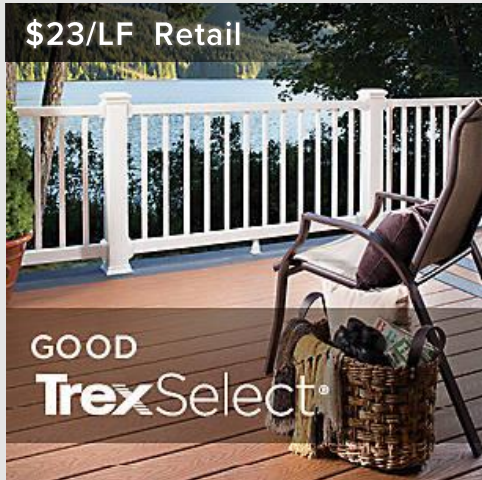
Decking



Other Trex Products

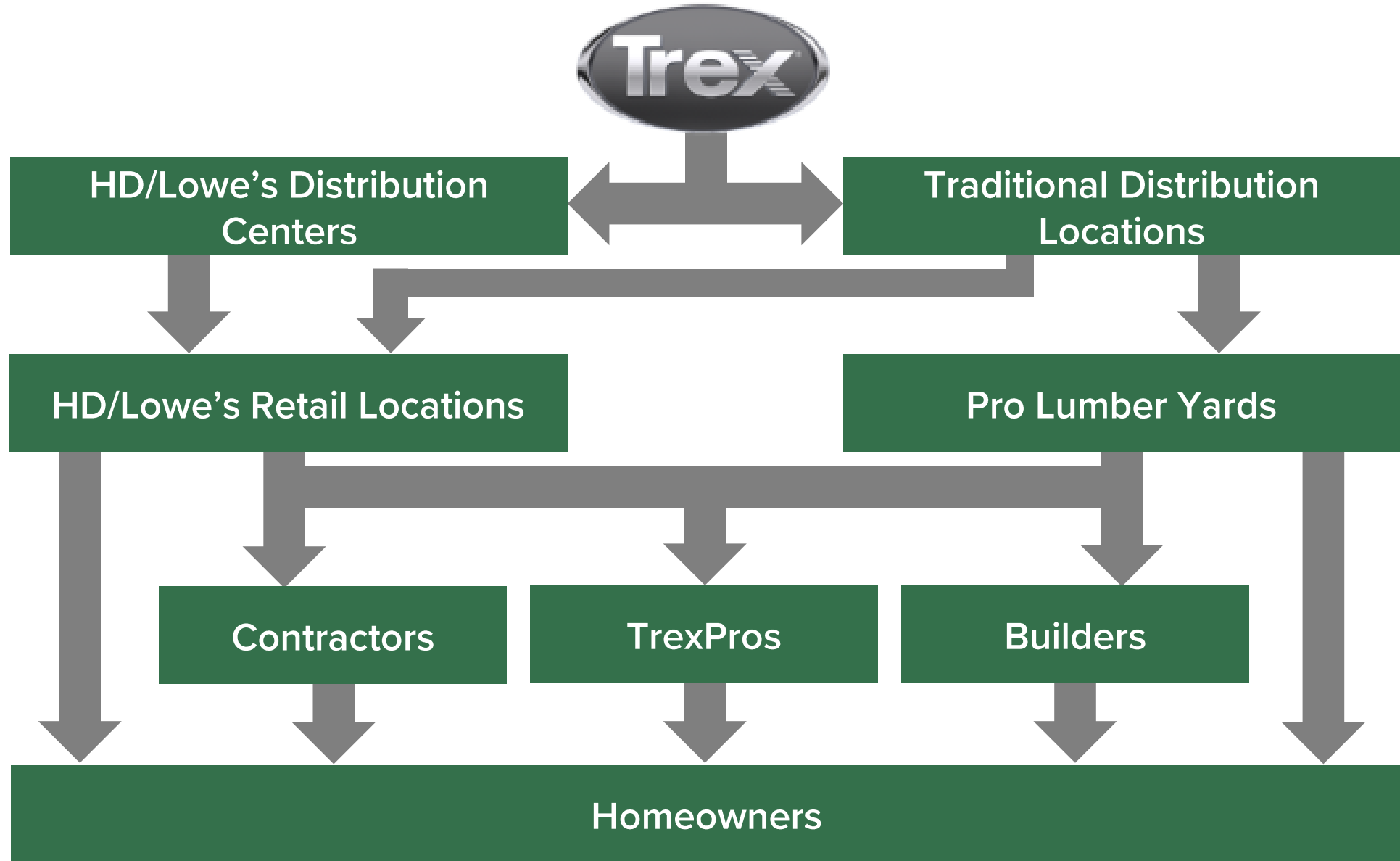
- ✓ Elevations®
 - Steel Substructure
- ✓ Hidden Fasteners
- ✓ Outdoor Lighting

Railing



Licensed Products

- ✓ Outdoor furniture
- ✓ Outdoor storage/kitchen
- ✓ Pergolas
- ✓ RainEscape®
- ✓ Saw Blades
- ✓ Spiral stairs



EXPANSIVE NATIONAL FOOTPRINT



Pro Lumber Yards



Over
6,700
stocking
locations

Distribution Partner Locations



Major Retailers

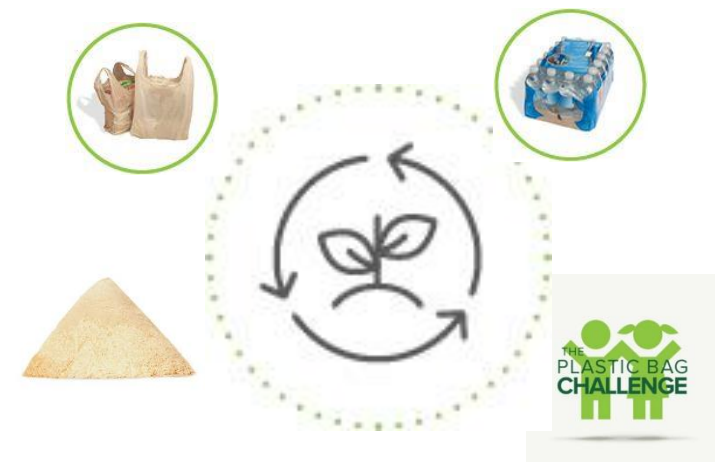
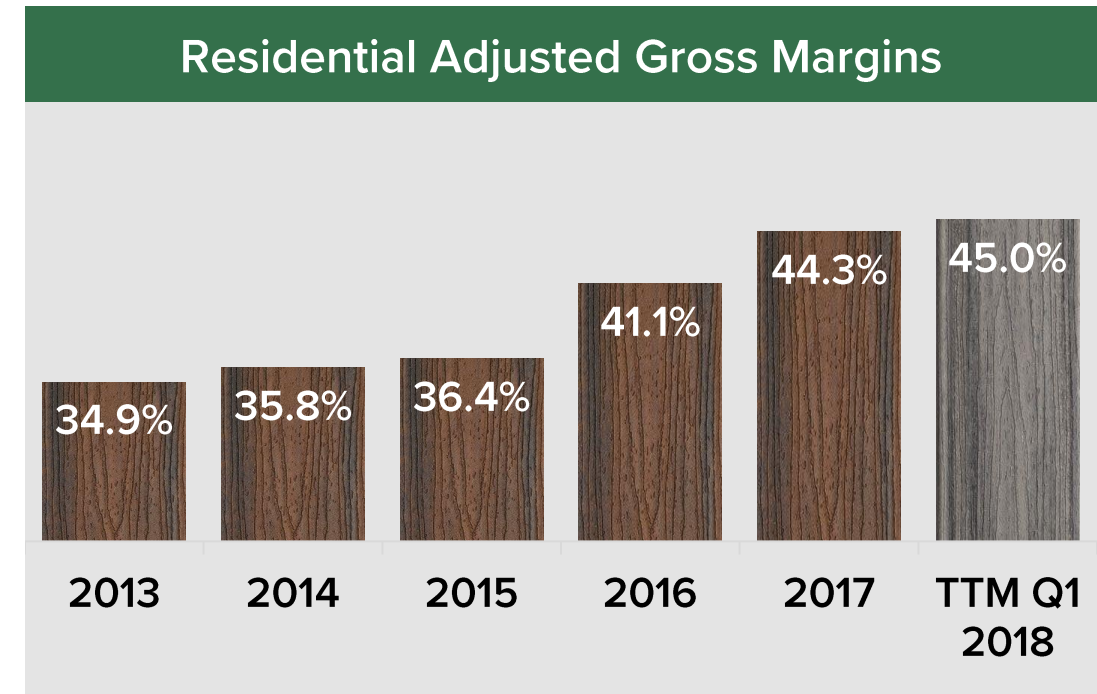




Targeted approach to new market entry

- ✓ Focus on markets with higher GDP, personal income and desire for outdoor living solutions
- ✓ Applying Trex marketing capabilities to new market opportunities
 - TV advertising, online ads, and paid search
 - Development of TrexPro network

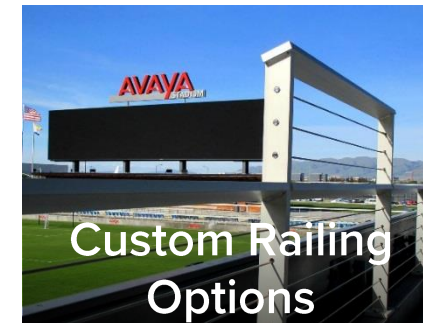
- ✓ History of expanding gross margins
 - Productivity enhancements
 - Cost reduction initiatives
 - Lean/Six sigma programs
 - Recycling – strategic advantage
 - Improving capacity utilization
- ✓ Made from 95% recycled content; Expansive recycling network
 - Cost advantage from recycled raw materials
- ✓ Established culture of safety & quality
- ✓ Focused on improving inventory/cash position



TREX COMMERCIAL PRODUCTS



- ✓ Trex Commercial Products subsidiary formed by the acquisition of SC Company for \$71.5 million on July 31, 2017
- ✓ Enhances Trex presence in the Commercial Railing Market
- ✓ Market Leader in Stadium Railing
- ✓ Offers premium custom railing solutions, standardized architectural and aluminum railing systems, and custom staging equipment



STRATEGIC FIT & INTEGRATION



- ✓ Diversifies Trex into growing commercial and multi-family markets
- ✓ Provides access to the specifier, architect and construction contract markets
- ✓ Cultivates innovation and increases internal capabilities
- ✓ Offers custom design and engineering
- ✓ Adds competencies in welding and fabrication
- ✓ Targeted EBITDA margin expansion to 20%+
- ✓ Offers Trex synergy and growth opportunities
 - Extends Trex brand reach
 - Enables Trex residential product line extension into additional categories
 - Trex Rod Rail line introduced in 2018 and represents the first launch of a multi-product pipeline
 - Cross-selling product opportunities
 - Accelerates timeline from concept to introduction

Major Projects



Architects and GC Relationships



- ✓ Addresses one of the fastest growing markets for attractively-designed, customized outdoor living spaces
 - Brand Leader in the Industry
 - Consistent Market Share Gains
 - National Footprint in Commercial Railing Market
- ✓ Continuous engineering and manufacturing improvements drive significant operating leverage
 - Low-cost Manufacturer; Capacity to Increase Utilization
 - Cost Reduction Initiatives are driving significant savings
 - Sustainability built into the Business; “Greenest” decking manufacturer
 - Recycling – a strategic advantage
- ✓ Focus on new product development
 - Sales expansion of legacy Trex products into commercial segment, development of commercial products for the consumer market, and cost savings from other synergies
- ✓ Strong Balance Sheet and Cash Generation
 - Invest in internal growth opportunities
 - Fund future acquisitions
 - Return capital to shareholders

SUMMARY FINANCIALS



\$ Millions	2012	2013	2014	2015	2016	2017	TTM Q1 2018
Net Sales	\$307	\$344	\$392	\$441	\$480	\$565	\$592
Adjusted Gross Profit	\$106	\$120	\$140	\$160	\$197	\$243	\$255
<i>Adjusted Gross Margin %</i>	34.5%	34.9%	35.8%	36.4%	41.1%	43.1%	43.1%
Adjusted SG&A	\$70	\$71	\$70	\$77	\$83	\$101	\$107
<i>% of Net Sales</i>	23%	21%	18%	18%	17%	18%	18%
Adjusted Oper Income	\$36	\$49	\$70	\$83	\$114	\$142	\$148
<i>% of Net Sales</i>	12%	14%	18%	19%	24%	25%	25%
Depreciation	\$17	\$16	\$15	\$14	\$14	\$17	\$18
Adjusted EBITDA	\$53	\$65	\$85	\$97	\$128	\$159	\$166
<i>% of Net Sales</i>	17%	19%	22%	22%	27%	28%	28%
Free Cash Flow	\$53	\$33	\$46	\$39	\$75	\$87	\$74
Net Debt	\$3	-\$4	-\$10	\$1	-\$19	-\$31	\$82
Inventory Turns	8.7	11.2	10.9	12.0	10.9	9.0	n/c
Adjusted ROIC	19.5%	36.9%	50.7%	56.1%	73.3%	87.0%	n/c

n/c not comparable

APPENDIX

NON-GAAP RECONCILIATIONS



\$ Millions	2012	2013	2014	2015	2016	2017	Q1 2017	Q1 2018	TTM Q1 2017	TTM Q1 2018
GAAP Gross Profit	\$85	\$99	\$140	\$155	\$187	\$243	\$65	\$77	\$195	\$255
Legacy Product Warranty Reserve *	\$21	\$21		\$5	\$10				\$10	
Adjusted Gross Profit	\$106	\$120	\$140	\$160	\$197	\$243	\$65	\$77	\$204	\$255
<i>Adjusted Gross Margin</i>	<i>34.5%</i>	<i>34.9%</i>	<i>35.8%</i>	<i>36.4%</i>	<i>41.1%</i>	<i>43.1%</i>	<i>45.0%</i>	<i>44.8%</i>	<i>41.5%</i>	<i>43.1%</i>
GAAP Operating Income	\$13	\$25	\$68	\$77	\$104	\$142	\$42	\$48	\$109	\$148
Legacy Product Warranty Reserve *	\$21	\$21		\$5	\$10	\$0			\$10	
Non-recurring S&GA charges	\$2	\$3	\$2							
Adjusted Operating Income	\$36	\$49	\$70	\$83	\$114	\$142	\$42	\$48	\$119	\$148
GAAP Net Income	\$3	\$35	\$42	\$48	\$68	\$95	\$28	\$37	\$72	\$104
GAAP Income Tax	\$1	-\$11	\$25	\$29	\$35	\$47	\$14	\$10	\$36	\$43
GAAP Net Interest	\$9	\$1	\$1	\$1	\$1	\$0	\$0	\$0	\$1	\$0
GAAP Depreciation/Amortization	\$17	\$16	\$15	\$14	\$14	\$17	\$4	\$5	\$14	\$17
Legacy Product Warranty Reserve *	\$21	\$21		\$5	\$10				\$10	
Non-recurring S&GA charges	\$2	\$3	\$2							
Adjusted EBITDA	\$53	\$65	\$85	\$97	\$128	\$159	\$46	\$52	\$133	\$166
GAAP Operating Cash Flows	\$60	\$45	\$59	\$63	\$85	\$102	-\$86	-\$97	\$83	\$90
GAAP Investing Cash Flows	-\$7	-\$13	-\$13	-\$23	-\$10	-\$87	-\$4	-\$5	-\$16	-\$88
Remove Business Acquisition	\$0	\$0	-\$0	-\$0	-\$0	\$72	\$0	\$0	\$0	\$72
Free Cash Flow	\$53	\$33	\$46	\$39	\$75	\$87	-\$91	-\$103	\$67	\$74
GAAP Debt	\$5	\$0	\$0	\$7	\$0	\$0	\$77	\$85	\$77	\$85
Less: GAAP Cash	-\$2	-\$4	-\$10	-\$6	-\$19	-\$31	-\$2	-\$3	-\$2	-\$3
Net Debt	\$3	-\$4	-\$10	\$1	-\$19	-\$31	\$75	\$82	\$75	\$82
GAAP EPS	\$0.08	\$1.01	\$1.27	\$1.52	\$2.29	\$3.22	\$0.95	\$1.25	\$2.44	\$3.53
Impact of Adjustments to OI (net of tax)	\$0.69	\$0.40	\$0.04	\$0.11	\$0.22	\$0.00	\$0.00	\$0.00	\$0.22	\$0.00
Adjusted EPS	\$0.77	\$1.41	\$1.31	\$1.63	\$2.51	\$3.22	\$0.95	\$1.25	\$2.67	\$3.53

Certain totals may not foot due to rounding

* Legacy product warranty reserve related to the surface flaking issue that affected a portion of products produced at our Nevada plant before 2007



**Engineering What's Next
in Outdoor Living®**

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or Jim Cline
Phone: 540-542-6300
NYSE: TREX**

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