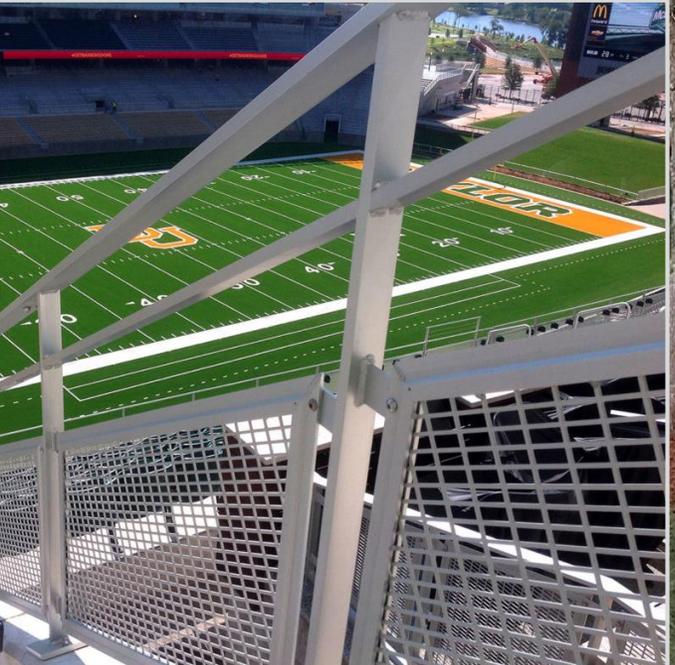


Investor Presentation

November 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



- ✓ World's leading and best known brand in outdoor living; market share leader in high-performance composite decking and railing
- ✓ Organic growth has significantly outpaced category growth with 13% CAGR in revenue and 25% CAGR in Adjusted EBITDA over the last five years
- ✓ Consistent strong cash generation providing
 - \$186M in return of capital to shareholders since 2013 (5.5M remaining share repurchases authorized)
- ✓ Future organic growth will be driven by continued market share gains from composite and wood competitors, engineering improvements, and operating efficiencies
- ✓ New decking products launched in late 2018 to further accelerate wood to Trex conversion opportunity

Consolidated 2018 Q3 *

Sales	\$172M	+23% Y/Y
Gross Margin	42.5%	+300bps
Residential Gross Margin	44.6%	+400bps
EBITDA	\$49M	+40%
EBITDA Margin	28.3%	
Diluted EPS	\$0.57	+69% **

Consolidated TTM 2018 Q3 *

Sales	\$672M	+25% Y/Y
Gross Margin	43.4%	+60bps
Residential Gross Margin	46.0%	+320bps
EBITDA	\$194M	+27%
EBITDA Margin	28.8%	
Diluted EPS	\$2.20	+46% **

* Q3'18 results exclude \$6M non-recurring Sales charge

** Prior periods adjusted for 2-for-1 stock split.



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
- Manufacturing throughput increase

Capital Allocation

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

Sustainability; “greenest” manufacturer in the industry

TREX: BRAND LEADERSHIP SETS US APART



- ✓ “Engineering What’s Next in Outdoor Living”[®]
 - Reinforces Trex 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
- ✓ Recent Awards
 - “Best of Houzz” design award – 4th year in a row
 - Readers’ Choice award *Green Builder* magazine – 8th year in a row (April 2018)
 - “Brand most used” *Builder* magazine award – 11th year in a row (April 2018)

Customer Engagement @ trex.com

Makes it easy for homeowners to select and build with Trex

Tools driving growth in all Trex.com purchase indicators

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

TREX RESIDENTIAL: THE MARKET SHARE LEADER



+1% Market Share increase for Composites
Substantial Future Growth Opportunity

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

Trex expects next independent report covering 2017/18 market share data will be available in mid-2019



Trex Enhance[®] Basics

- ✓ Trex quality, new lower price point
 - \$1.75/LF (2x price of wood)
- ✓ Designed and priced to accelerate conversion from wood

Trex Enhance[®] Naturals

- ✓ Tropical looks, monochromatic price
 - \$2.50/LF
- ✓ Trade-up opportunity from “Basic” wood buyers

Do-It-Yourself Consumer Segment

- ✓ Incremental focus for Trex
- ✓ 59% of deck market
- ✓ Practical, thrifty
- ✓ Decisions driven by price and maintenance
- ✓ Products available in Pro and Retail Channels
- ✓ Lightweight boards for easy installation

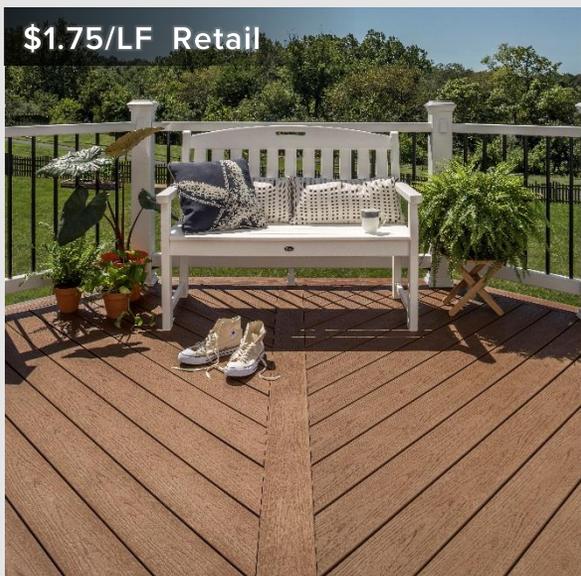
We've engineered cost out of the equation

2019 DECKING PRODUCT PLATFORM



NEW for 2019

Trex Enhance[®]
Basics



Priced to take share from treated lumber

Low-cost tier

Trex Enhance[®]
Naturals

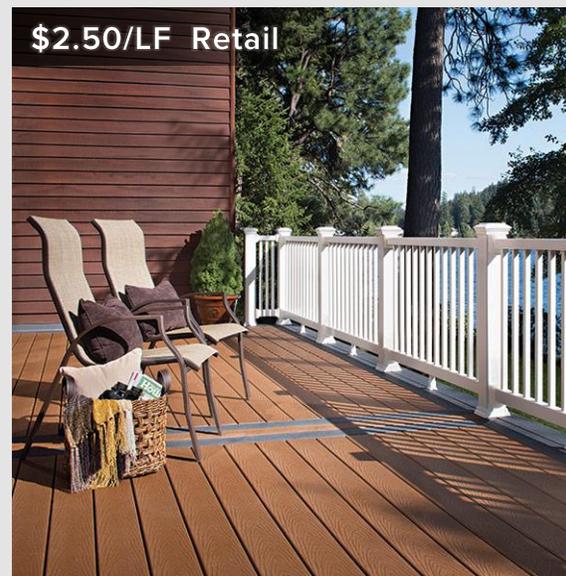


The beauty of wood with the ease of composite

Middle tier

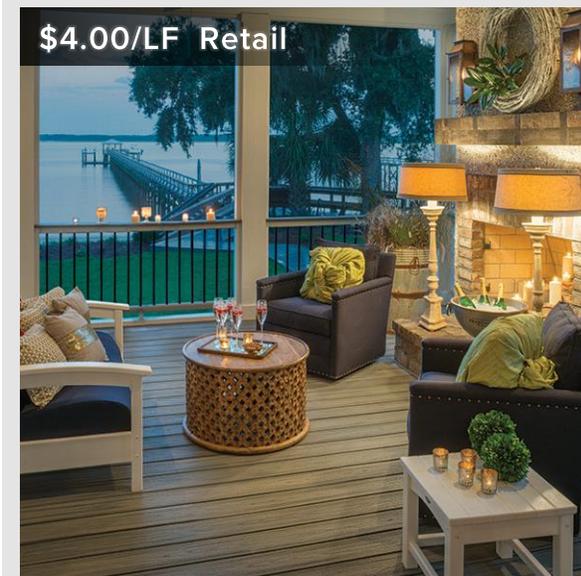
(wood trade-up opportunity)

Trex Select[®]



The perfect pairing of price and minimal maintenance

Trex Transcend[®]



Elevated aesthetics paired with the highest level of performance

Premium tier

Trex Decking vs. Wood

Cost per Linear Foot

\$0.85 \$1.75 \$2.50 \$4.00

Premium to Wood

1x 2x 3x 5x



Estimated Decking Cost for a 16' x 20 deck. Installation costs for 16' x 20' deck estimated at \$10,200. Based on Company findings.

Attractive Lifetime Economics



Estimated Decking Costs and Maintenance Material Costs for a 16' x 20' deck over 25 years.

FULL SUITE OF OUTDOOR LIVING PRODUCTS

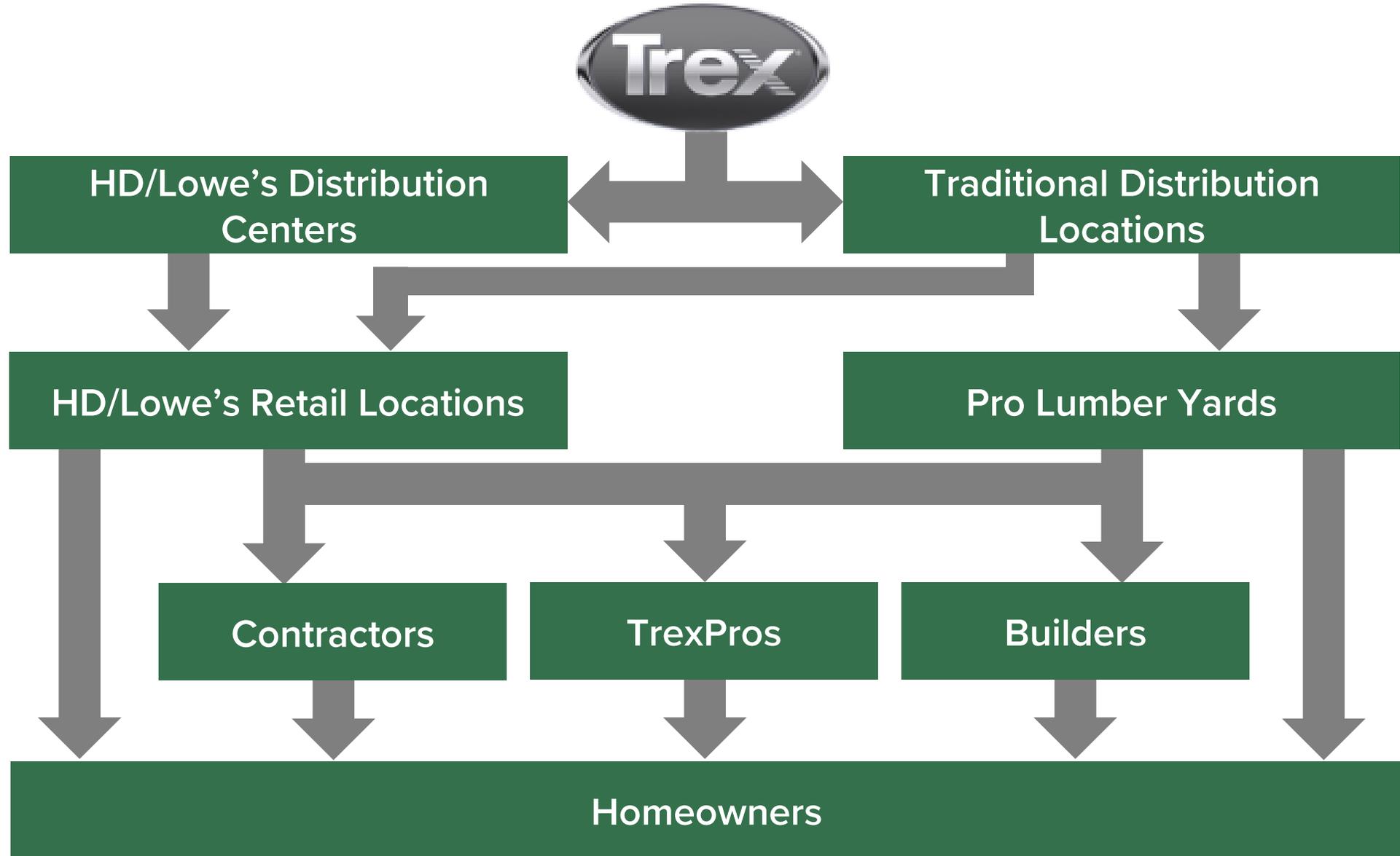


Railing



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





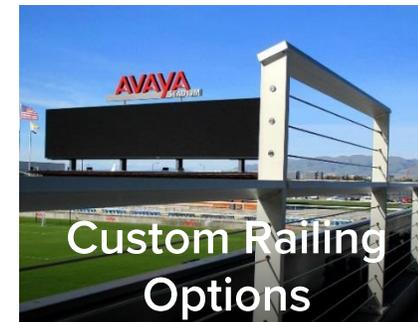
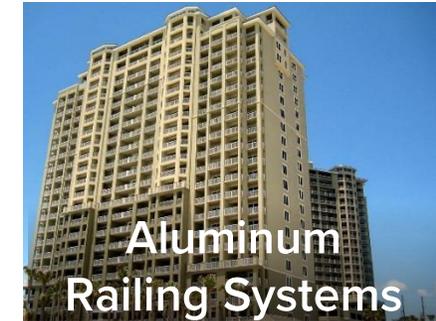
Targeted approach to new market entry

- ✓ Establish distributors in key potential markets
- ✓ Initial roll-outs in markets with higher GDP, personal income and desire for outdoor living solutions
- ✓ Apply Trex marketing capabilities to key target market opportunities
 - TV advertising, online ads, and paid search
 - Develop TrexPro network

TREX COMMERCIAL PRODUCTS



- ✓ Trex Commercial Products subsidiary formed by the acquisition of SC Company for \$71.8 million on July 31, 2017
- ✓ Enhances Trex presence in the Commercial Railing Market
- ✓ Market Leader in Stadium Railing
 - All six projects nominated for 2018 “Sports Facility of the Year” featured TCP Railing
- ✓ Recently Completed Projects



STRATEGIC FIT & INTEGRATION



- ✓ Diversifies Trex into growing commercial and multi-family markets
- ✓ Provides access to the specifier, architect and construction contract markets
- ✓ 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; reduces “time to market”
 - Trex Rod Rail line introduced in 2018 and represents the first launch of a multi-product pipeline
 - Cross-selling product opportunities

Major Projects



Architects and GC Relationships

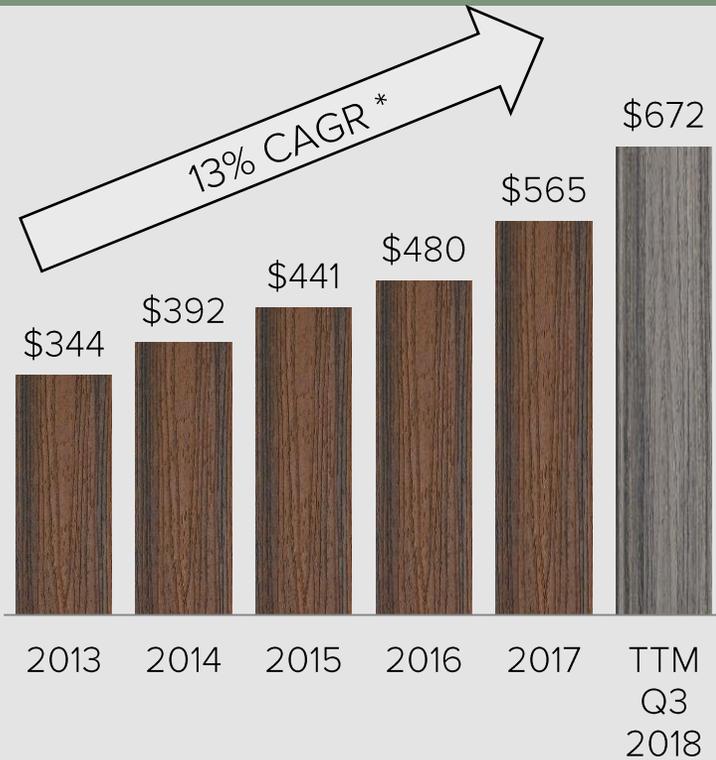




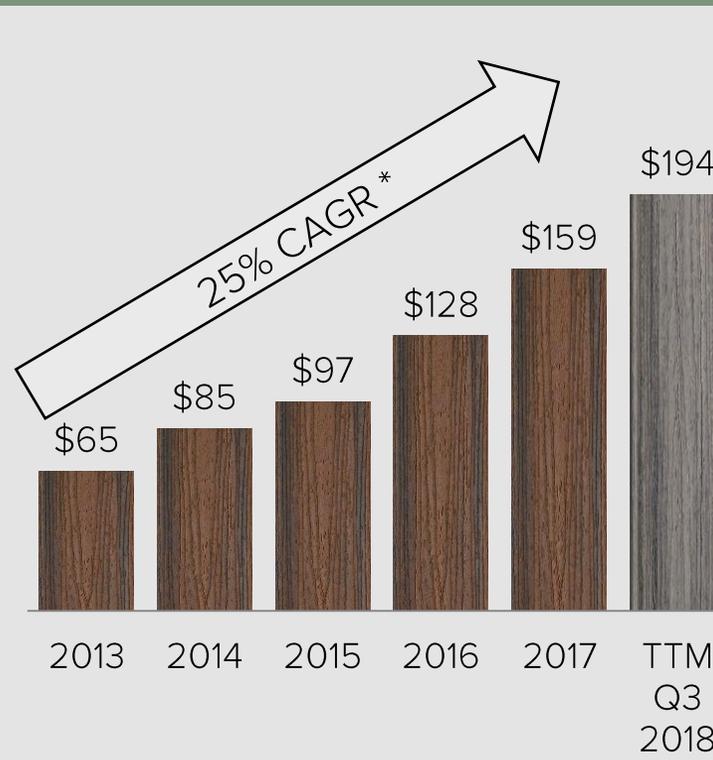


Solid financial profile with strong free cash flow and a focus on continuous improvement to drive margin expansion

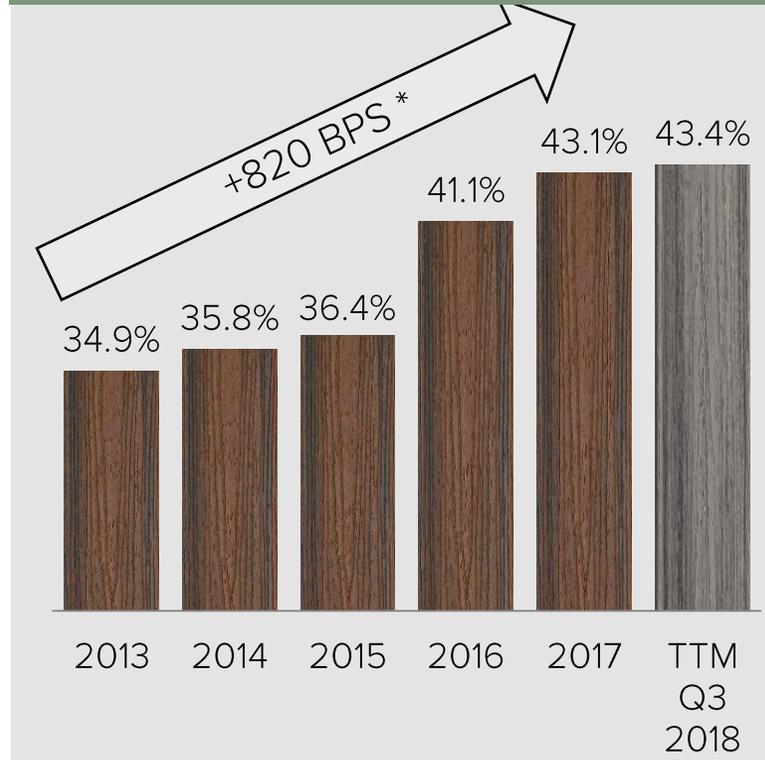
Consolidated Adjusted Sales (\$Ms)



Consolidated Adjusted EBITDA (\$Ms)



Consolidated Adjusted Gross Margin

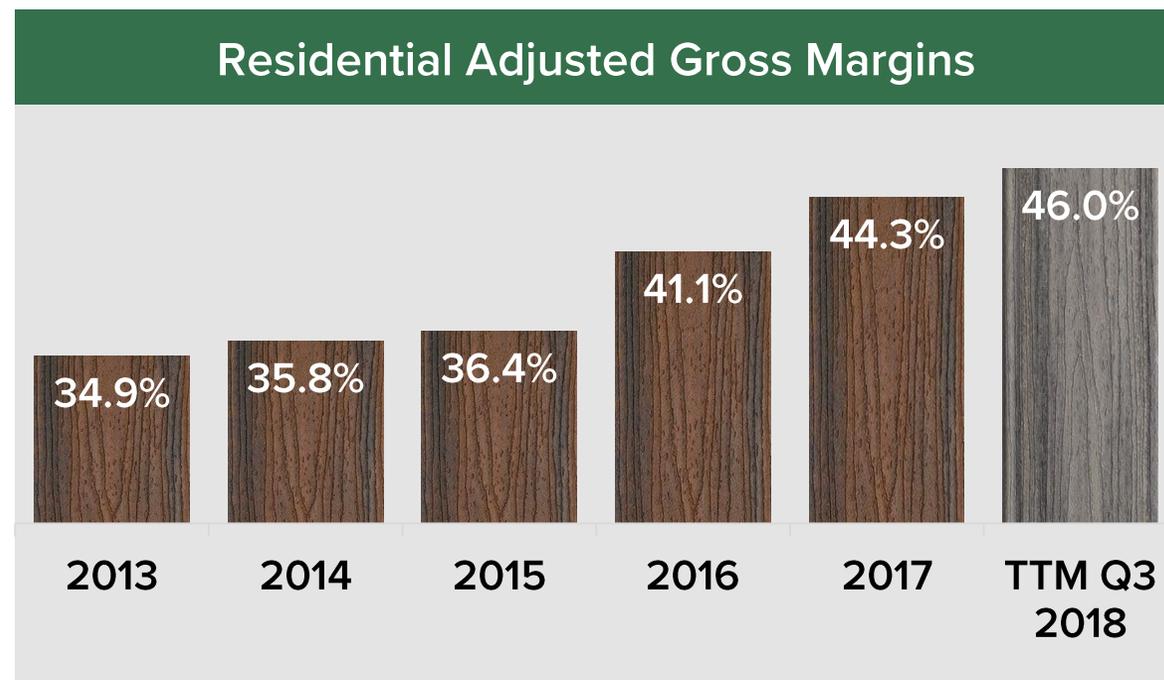


* Calculations based on full year results through 2017

TRACK RECORD OF MARGIN EXPANSION

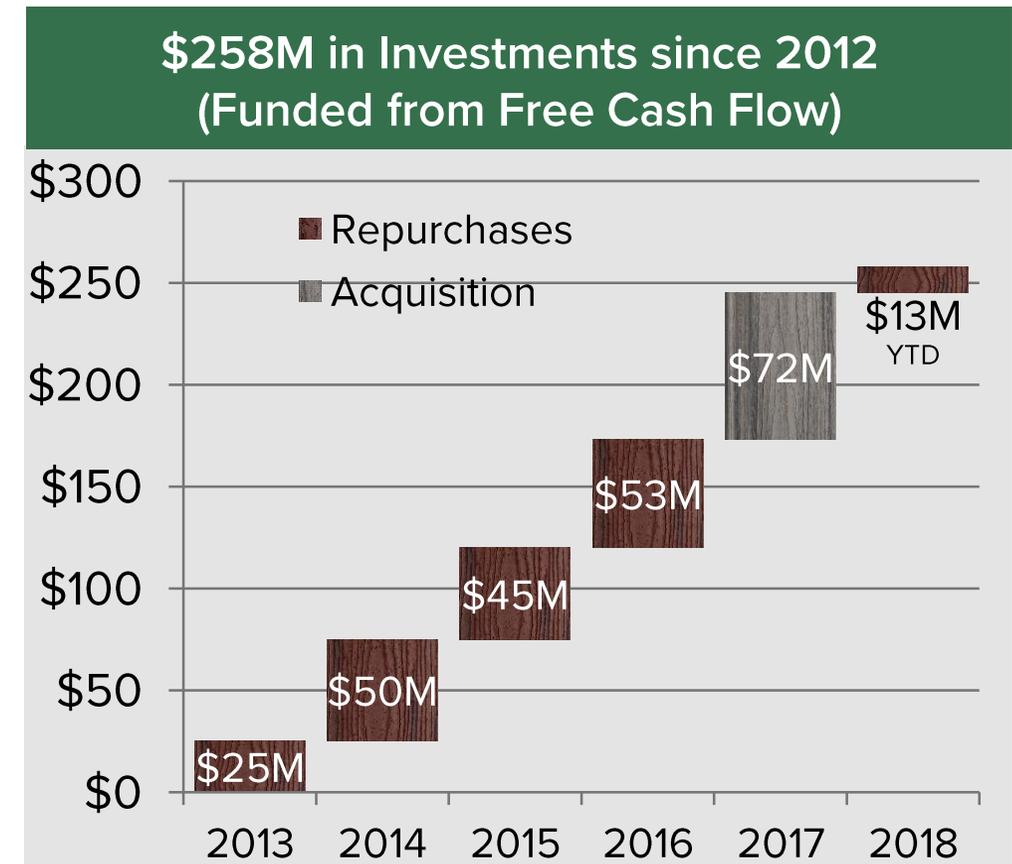


- ✓ History of expanding gross margins
 - Productivity enhancements
 - Cost reduction initiatives
 - Lean/Six sigma programs
 - Recycling – strategic advantage
 - Improving capacity utilization
- ✓ Made from 95% recycled content; Expansive recycling network
 - Cost advantage from recycled raw materials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



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

- ✓ \$76M capital expenditures since 2013 *
- ✓ 890 bps consolidated gross margin expansion since 2013 *
- ✓ \$186M in return of capital to shareholders since 2013 *
- ✓ Acquisition of SC Company providing brand and product extension into commercial railing market
- ✓ 5.5M remaining share repurchases authorized







- ✓ 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 7.7% through Q4 2018⁽²⁾
 - Strong correlation between Trex Sales, Remodeling Spending and Consumer Confidence

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



(1) Principia report on wood and competitive decking

(2) Joint Center for Housing Studies

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

- ✓ 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
 - New products tailored to reach new consumer segments
- ✓ Strong Balance Sheet and Cash Generation
 - Invest in internal growth opportunities
 - Fund future acquisitions
 - Return capital to shareholders

APPENDIX

SUMMARY FINANCIALS



\$ Millions	2012	2013	2014	2015	2016	2017	TTM Q3 2018
Adjusted Sales	\$307	\$344	\$392	\$441	\$480	\$565	\$672
Adjusted Gross Profit	\$106	\$120	\$140	\$160	\$197	\$243	\$292
<i>Adjusted Gross Margin %</i>	34.5%	34.9%	35.8%	36.4%	41.1%	43.1%	43.4%
Adjusted SG&A	\$70	\$71	\$70	\$77	\$83	\$101	\$116
<i>% of Net Sales</i>	23%	21%	18%	18%	17%	18%	17%
Adjusted Oper Income	\$36	\$49	\$70	\$83	\$114	\$142	\$176
<i>% of Net Sales</i>	12%	14%	18%	19%	24%	25%	26%
Depreciation	\$17	\$16	\$15	\$14	\$14	\$17	\$18
Adjusted EBITDA	\$53	\$65	\$85	\$97	\$128	\$159	\$194
<i>% of Net Sales</i>	17%	19%	22%	22%	27%	28%	29%
Free Cash Flow	\$53	\$33	\$46	\$39	\$75	\$87	\$106
Net Debt	\$3	-\$4	-\$10	\$1	-\$19	-\$31	-\$107
Inventory Turns	8.7	11.2	10.9	12.0	10.9	10.2	n/c
Adjusted ROIC	19.5%	36.9%	50.7%	56.1%	73.3%	67.5%	n/c

NON-GAAP RECONCILIATIONS

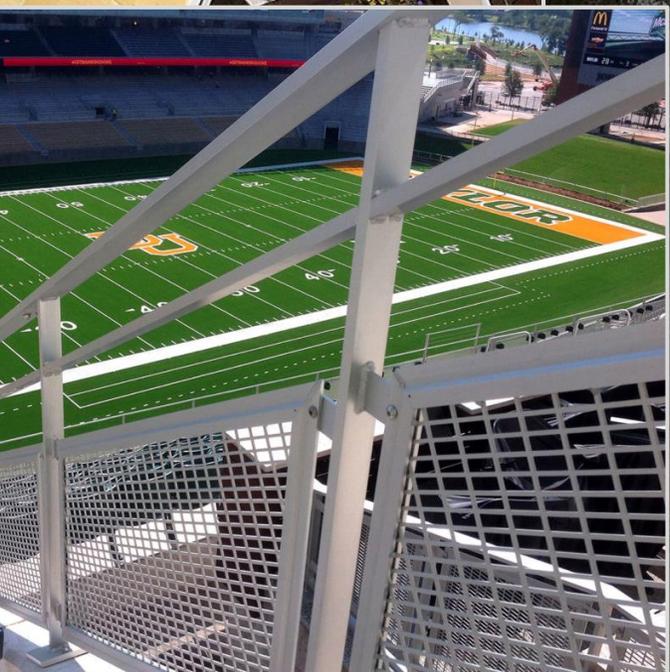


\$ Millions	2012	2013	2014	2015	2016	2017	Q3 2017	Q3 2018	TTM Q3 2017	TTM Q3 2018
GAAP Sales	\$307	\$343	\$392	\$441	\$480	\$565	\$140	\$166	\$538	\$666
Non-Recurring Sales Charge *								\$6		\$6
Adjusted Sales	\$307	\$344	\$392	\$441	\$480	\$565	\$140	\$172	\$538	\$672
GAAP Gross Profit	\$85	\$99	\$140	\$155	\$187	\$243	\$55	\$67	\$231	\$286
Legacy Product Warranty Reserve **	\$21	\$21		\$5	\$10					
Non-Recurring Sales Charge *								\$6		\$6
Adjusted Gross Profit	\$106	\$120	\$140	\$160	\$197	\$243	\$55	\$73	\$231	\$292
<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>39.4%</i>	<i>42.5%</i>	<i>42.8%</i>	<i>43.4%</i>
GAAP Operating Income	\$13	\$25	\$68	\$77	\$104	\$142	\$30	\$39	\$137	\$170
Legacy Product Warranty Reserve **	\$21	\$21		\$5	\$10	\$0			\$0	
Non-Recurring Sales Charge *								\$6		\$6
Non-recurring S&GA charges	\$2	\$3	\$2							
Adjusted Operating Income	\$36	\$49	\$70	\$83	\$114	\$142	\$30	\$45	\$137	\$176
GAAP Net Income	\$3	\$35	\$42	\$48	\$68	\$95	\$20	\$29	\$89	\$128
GAAP Income Tax	\$1	-\$11	\$25	\$29	\$35	\$47	\$10	\$10	\$47	\$42
GAAP Net Interest	\$9	\$1	\$1	\$1	\$1	\$0	\$0	-\$0	\$1	\$0
GAAP Depreciation/Amortization	\$17	\$16	\$15	\$14	\$14	\$17	\$5	\$4	\$16	\$18
Legacy Product Warranty Reserve **	\$21	\$21		\$5	\$10				\$0	
Non-Recurring Sales Charge *								\$6		\$6
Non-recurring S&GA charges	\$2	\$3	\$2							
Adjusted EBITDA	\$53	\$65	\$85	\$97	\$128	\$159	\$35	\$49	\$152	\$194
GAAP Operating Cash Flows	\$60	\$45	\$59	\$63	\$85	\$102	\$93	\$117	\$95	\$124
GAAP Investing Cash Flows	-\$7	-\$13	-\$13	-\$23	-\$10	-\$87	-\$76	-\$4	-\$89	-\$25
Add back Acquisitions	\$0	\$0	-\$0	-\$0	-\$0	\$72	\$72	\$0	\$72	\$7
Free Cash Flow	\$53	\$33	\$46	\$39	\$75	\$87	\$89	\$113	\$77	\$106
GAAP Debt	\$5	\$0	\$0	\$7	\$0	\$0	\$0	\$0	\$0	\$0
Less: GAAP Cash	-\$2	-\$4	-\$10	-\$6	-\$19	-\$31	-\$26	-\$107	-\$26	-\$107
Net Debt	\$3	-\$4	-\$10	\$1	-\$19	-\$31	-\$26	-\$107	-\$26	-\$107
GAAP EPS ***	\$0.04	\$0.50	\$0.63	\$0.76	\$1.14	\$1.61	\$0.34	\$0.50	\$1.51	\$2.12
Impact of Adjustments to OI (net of tax)	\$0.73	\$0.90	\$0.67	\$0.87	\$0.12	\$0.00	\$0.00	\$0.07	\$0.00	\$0.08
Adjusted EPS ***	\$0.77	\$1.41	\$1.31	\$1.63	\$1.26	\$1.61	\$0.34	\$0.57	\$1.51	\$2.20

* Q3'18 results exclude \$6M non-recurring Net Sales charge

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

*** Prior Period EPS and Adjusted EPS restated for impact of June 18, 2018 2-for-1 stock split.



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NYSE: TREX

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