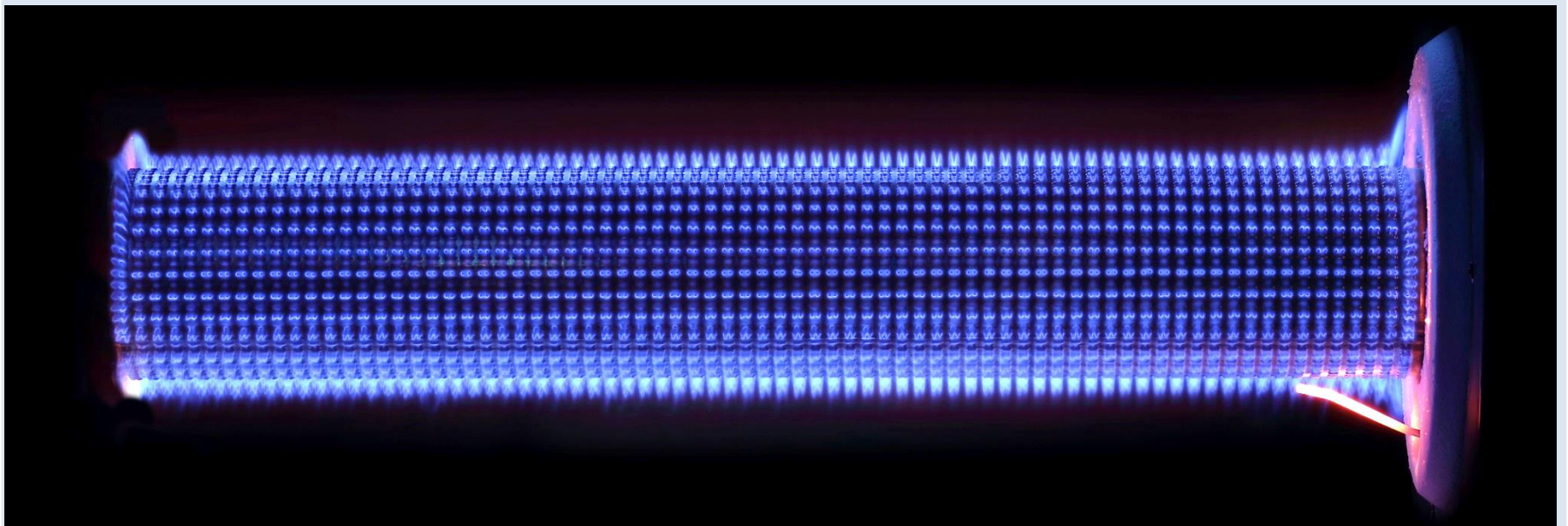


**BURNHAM HOLDINGS**

PERFORMANCE PROVEN • TECHNOLOGY FORWARD

**WELCOME**  
**2014**  
**Stockholders Meeting**  
**April 28, 2014**



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## **2013 REVIEW**

**Doug Brossman**

**President & CEO**

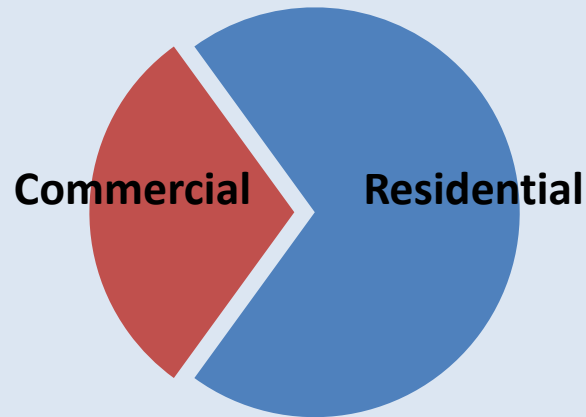
**April 28, 2014**

Statements in this presentation that are not historical are “forward-looking statements” and are subject to change. 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. Certain non-GAAP financial measures may also be used. For further information on risk factors affecting the Company’s business, or reconciliation to appropriate GAAP measures, please refer to our most recent annual and quarterly reports available on our website at [www.burnhamholdings.com](http://www.burnhamholdings.com). 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.

Burnham Holdings, Inc. (“BHI”) is a holding company owning multiple, separate subsidiaries that each do business in the HVAC industry. All products, services and related activities referred to herein are the products, services and related activities of the applicable subsidiary, and not of BHI.



***“...Leaders in Providing Thermal Solutions to Residential,  
Commercial, and Industrial Applications...”***

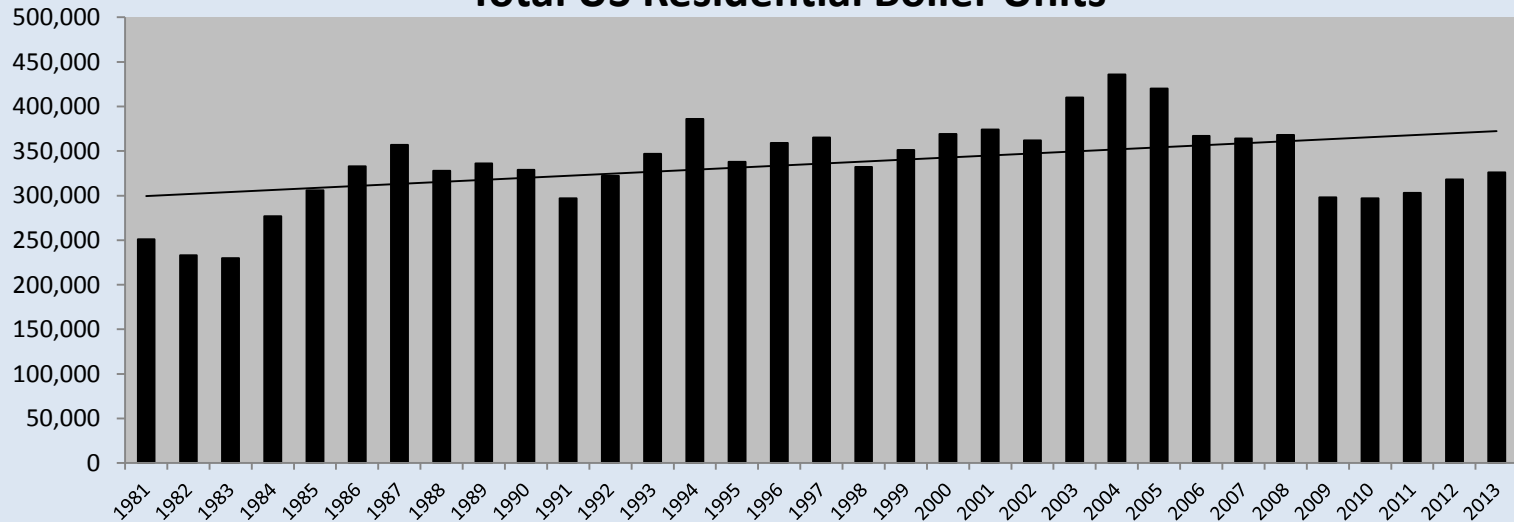


## 2013 Financial Highlights:

- **Net Sales of \$190.2mm**
- **Continued Strong Gross Profit Margin of 24%**
- **EPS of \$1.69 (Ex. Pension Charge & RE Gain)**
- **Dividends of \$0.80, 11% increase over 2012**
- **Year End Debt of \$6.9mm, lowest in over 15 years**



## Total US Residential Boiler Units



### Residential Market Statistics

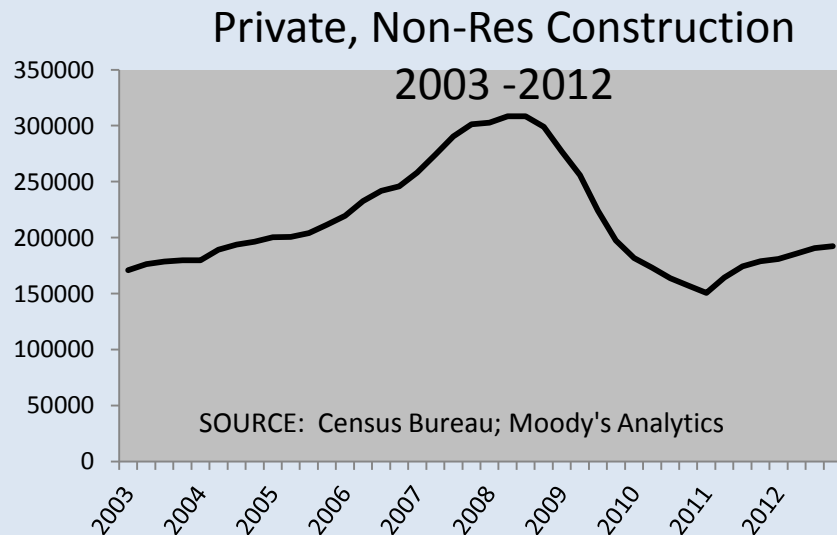
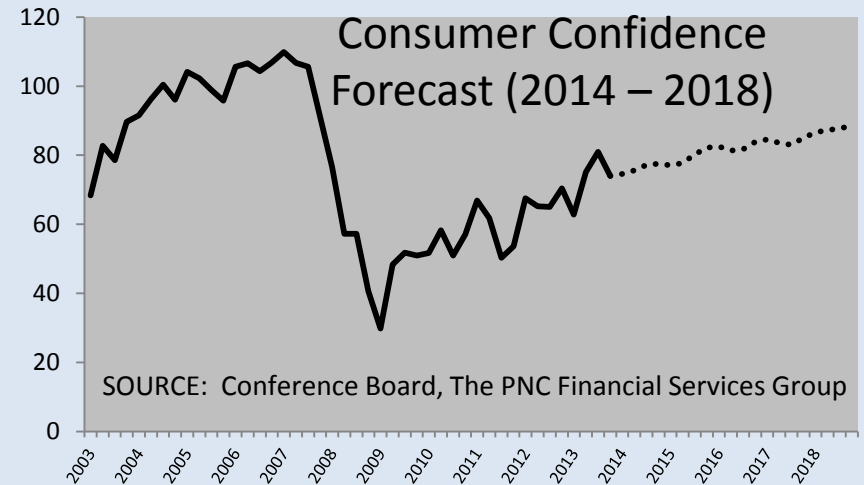
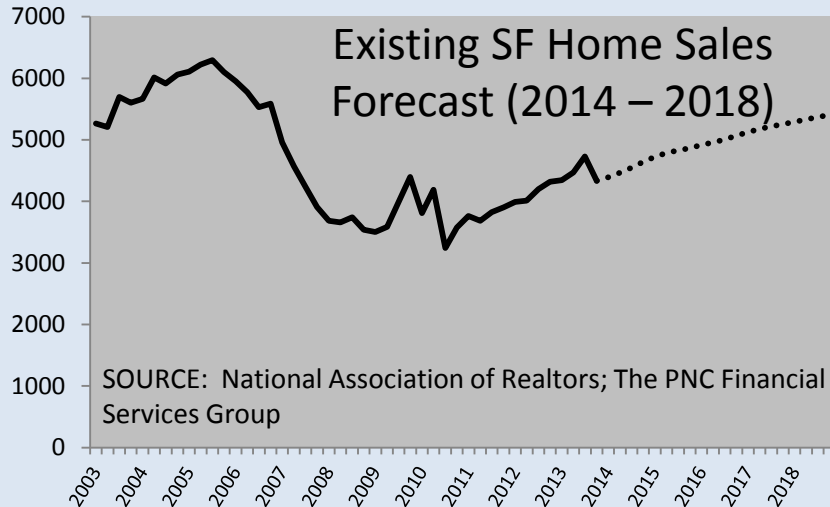
- Installed Boiler Base approx. 10mm Units
- 2013 Annual Volume was 315,000 Units

### Market Drivers

- Rebates on High Efficiency Equipment
- Oil to Gas Conversions
- Consumer Confidence
- Existing home sales in NE
- Remodeling Activity
- Weather

**Significant Market Share of Cyclical Market  
with Large Installed Base**

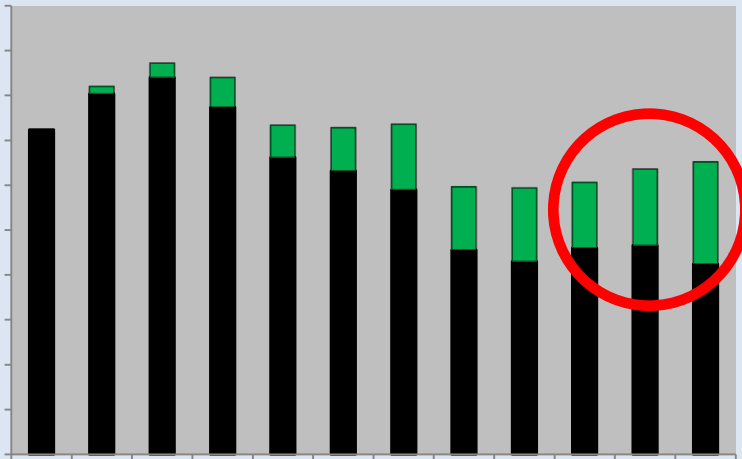
## Indications of Positive Macro-Economic Trends...



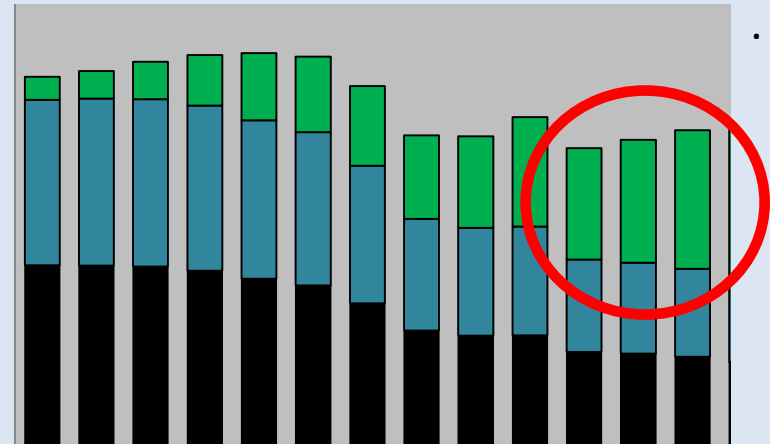
**Realization of Expected Improvement  
would Benefit our Residential and  
Commercial Markets**

**US Market shift to high efficiency, higher priced condensing units...**

**US Residential Boiler Units  
2002 - 2013**



**US Commercial Boiler Units  
2002-2013**



**Opportunity to Capture High Value Product Segment Through New Product Development**



## 2014 High Efficiency Commercial Product Launches:



### Arctic

**Stainless Steel, Condensing,  
Gas-Fired Commercial Boiler**

*The Watertube with Firetube Pressure Drops*

- 95% Thermal Efficiency
- 850—3000 MBH
- Stainless One-Piece Design
- Full or Variable Flow Piping
- 100°F Delta T with 0.8 PSI Pressure Drop
- L.I.F.T.™ Technology— Reduces Resistance to Flow
- Field Repairable
- No Welds, No Leaks, No Issues
- 5:1 Turndown
- Designed & Made in U.S.



### APEX™

**Stainless Steel, Condensing,  
Gas-Fired Commercial Boiler**

- 95% Thermal efficiency
- 425, 525, 625, 725, 825 Models
- Advanced stainless steel heat exchanger
- Lowest waterside pressure drop in class
- Minimized electrical consumption
- 5-to-1 modulation
- Less than 20ppm NOx
- Stackable; space savings with no stands
- EMS compatible



## 2014 High Efficiency Residential Product Launches:



**PHANTOM**  
BY CROWN BOILER

HIGH EFFICIENCY,  
STAINLESS STEEL, ISOTHERMIC  
CONDENSING GAS-FIRED BOILER

- ♦ Gianonni isothermic water tube heat exchanger
- ♦ Five sizes - 80, 100, 120, 150, and 180 MBH input
- ♦ Wall mount installation
- ♦ Outdoor reset standard
- ♦ Honeywell SOLA control with Panasonic touch screen user interface
- ♦ CPVC/PVC and single wall polypropylene options
- ♦ Natural gas standard, field conversion for LP gas

See back side for piping configurations

**Smart Boiler Capabilities**

With a 5-to-1 turndown ratio and intelligent control, the Phantom can recognize your home's heating needs and adjust to meet them through modulation. The Phantom's outdoor reset function gives it the intelligence to adapt to conditions outside. Together, they make the Phantom a low energy consumption boiler.

www.crownboiler.com | Philadelphia PA



**Seeking Continuous Improvement  
to Safety, Quality and Productivity**



## Stevens College of Technology Corporate Partnership Award



## Fulton Theater Corporate Sponsor



**Investing in Our Communities for the Benefit  
of Our Employees, Now and in the Future**

## AHRI presents the Richard C. Schulze Award to Crown Boiler's Paul Sohler



*Congratulations Douglas Springer*  
2014 Financial Executive of the Year  
Finalist



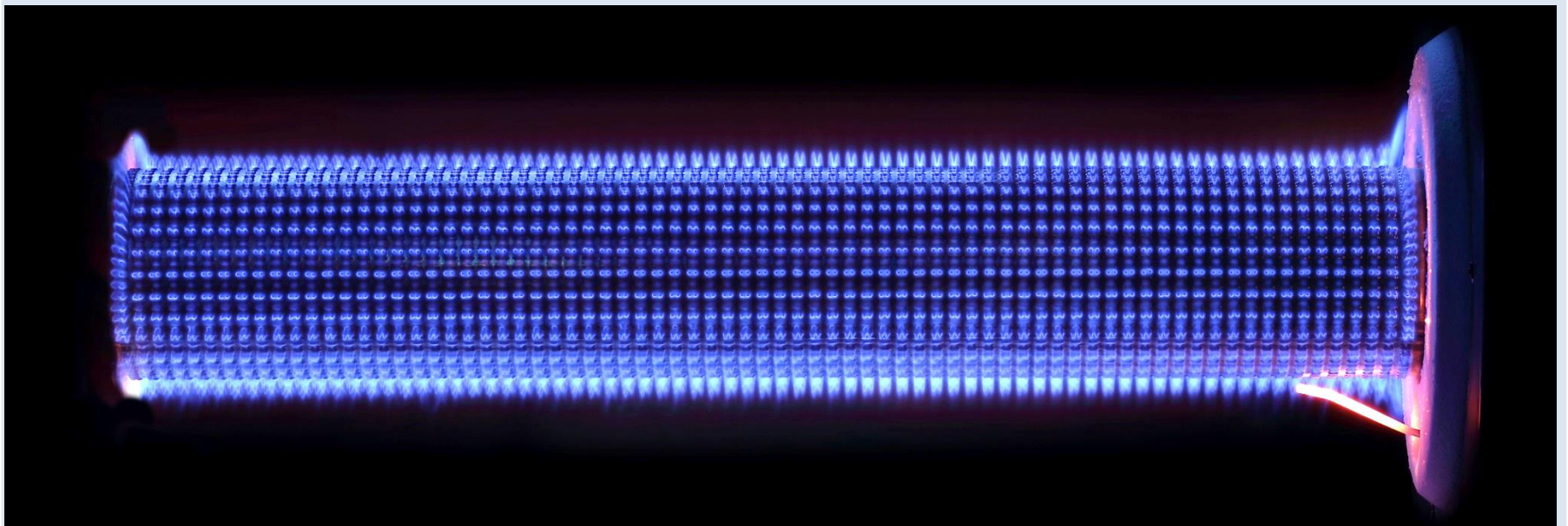
*Burnham Holdings, Inc.  
Wishing you the best of luck and  
we thank you for all that you do!*



## Q1 2014

	2012	2013	2014
<b>Net Sales (\$mm)</b>	\$36.6	\$41.1	\$35.7
<b>Net Income (\$000)</b>	-\$947	\$623	-\$786
<b>EPS</b>	-\$0.21	\$0.14	-\$0.17
<b>Dividend/Share</b>	\$0.18	\$0.20	\$0.21

- Q1 2013 Results Influenced By Sandy Backlog
- Considerations for Balance of Year:
  - Impact of 2013/14 Winter
    - Short Term Negative
    - Longer Term Positive
  - Gas v Oil Prices driving conversions
  - Non-Residential Construction Spending Levels
  - Housing Recovery
  - Consumer Confidence



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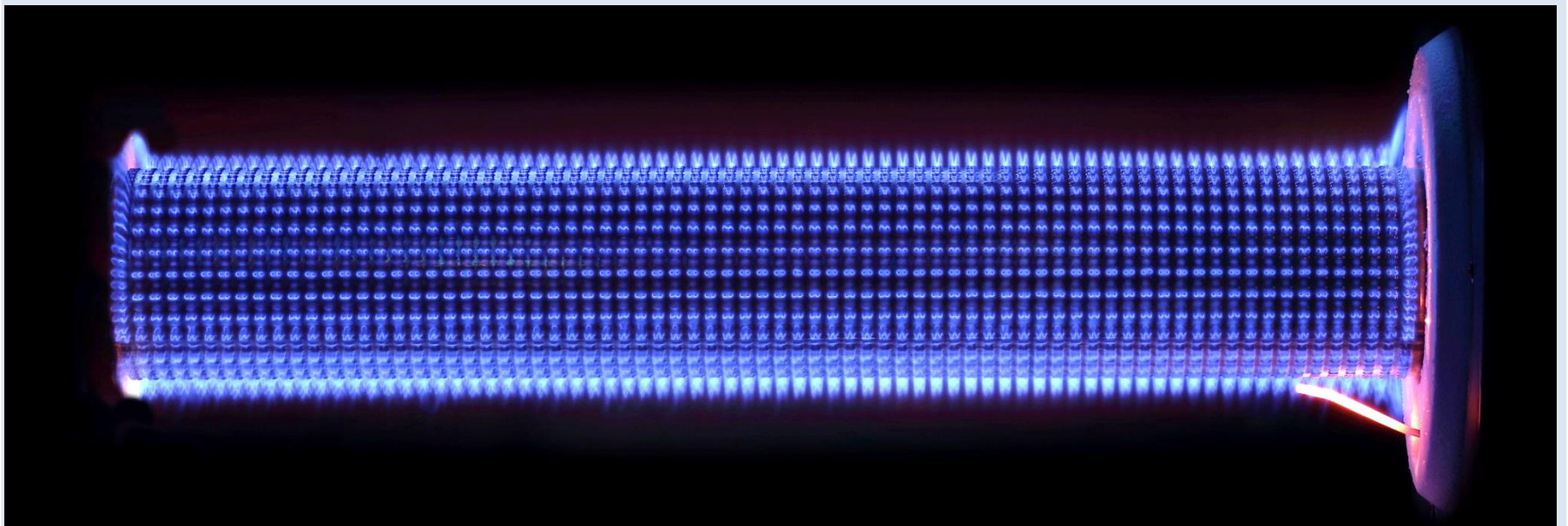
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**Q & A**

**2014**

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