

2019 Stockholders Meeting

WELCOME

April 29, 2019
OTC: BURCA





BURNHAM HOLDINGS

PERFORMANCE PROVEN • TECHNOLOGY FORWARD

2019 Stockholders Meeting

Doug Brossman

April 29, 2019

OTC: BURCA



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. 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.

2018 Financial Highlights:

- **Net Sales were \$198mm, up \$22 mm or 12.5%**
 - Residential sales were up 15%
 - Commercial sales were up 5%
- **Gross Profit was \$41.6 mm, up \$5.8mm or 16%**
 - Margin flat at 21% of Sales
- **Reported Net income was a loss \$0.5 mm, or \$0.12/sh**
 - Includes one time \$6.8 mm after tax Goodwill Impairment charge
 - Net Income excluding one time items was \$1.37/sh v \$1.06/sh in 2017
- **Dividends of \$0.88 per share**

**Solid Performance On Improved
Sales and Operational Performance**

First Quarter Results

	2015	2016	2017	2018	2019
Net Sales (\$mm)	\$38.5	\$33.2	\$35.6	\$40.8	\$45.5
Net Income (\$mm)	(\$0.6)	(\$1.1)	(\$0.9)	(\$0.2)	\$0.9
EPS	(\$0.13)	(\$0.25)	(\$0.19)	(\$0.05)	\$0.19
Dividend/SH (Mar 2019)	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22

- **First Quarter Net sales of \$45.5mm, up \$4.7mm, or 12%, representing highest Q1 in last 10 years.**
- **Net income for the quarter of \$0.9, an improvement of \$1.1 million compared to first quarter of 2018.**

Strong First Quarter Across all Product Categories



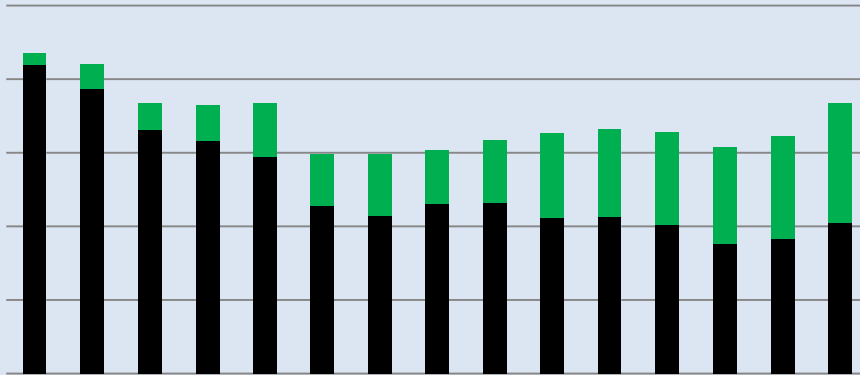
Our Vision

- To be leaders in providing thermal solutions for residential, commercial, and industrial applications, through highly efficient, dependable products and services.

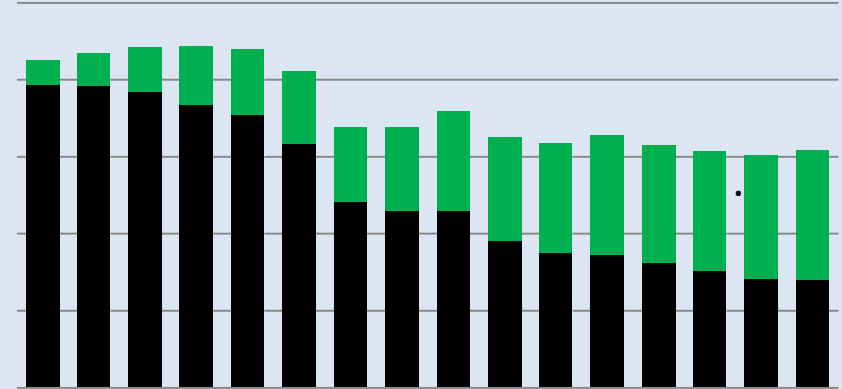
Growth Opportunities & Challenges

Shift to Condensing Products in Both Residential and Commercial Markets

US Residential Boiler Units (2002-2018)



US Commercial Boiler Market, 2003-2018



Residential



Commercial

2006

2008

2010

2012

2014

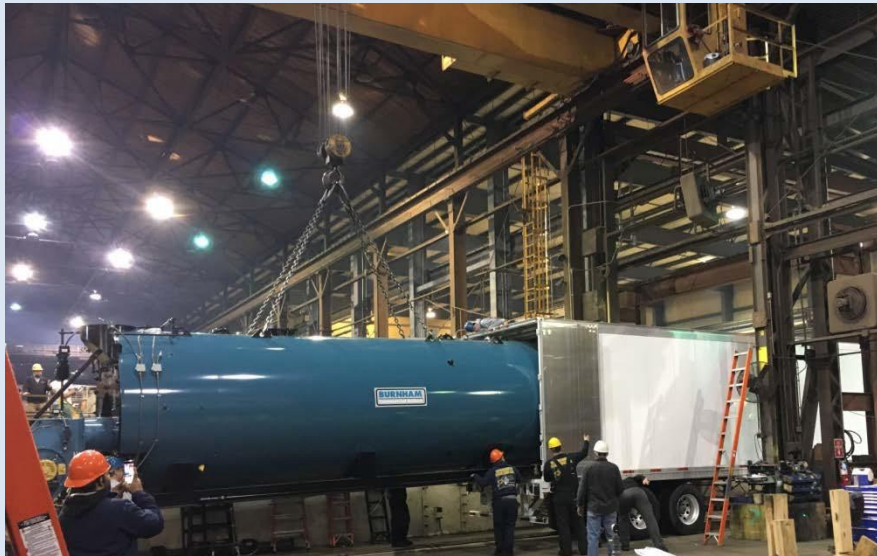
2016

2018



Strength in Core and Condensing Products

- **Aggressive Sales and Marketing to Exploit Product Line and Distribution Strength**
- **New and Enhanced Product Introductions**
- **Increased Capital Investment to Support New Products and Improve Productivity**
- **Explore New Applications and Opportunities**



Transforming our capabilities to support future growth

Thaddeus Stevens College of Technology Greiner Center Campus



Contributing to the Industry and the Community

Burnham Holdings HVAC Center

**Thaddeus Stevens College of Technology
Greiner Center Campus**





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Questions

