Investor Presentation

May 2018

Griffon CORPORATION

Forward-Looking Statements

Cautionary Note Regarding Forward-Looking Statements

All statements other than statements of historical fact included in this presentation, including without limitation statements regarding the Company's financial position, business strategy and the plans and objectives of the Company's management for future operations, are forward-looking statements. When used in this presentation, words such as "anticipate", "believe", "estimate", "expect", "intend", and similar expressions, as they relate to the Company or its management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of the Company's management, as well as assumptions made by and information currently available to the Company's management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of various business, financial market and economic conditions, including, but not limited to, the credit market, the housing market, results of integrating acquired businesses into existing operations, the results of the Company's restructuring and disposal efforts, competitive factors and pricing pressures for resin, wood and steel, capacity and supply constraints, reduced spending by the government on projects for which Telephonics supplies products (including as a result of defense budget cuts or other government actions), the ability of the Federal Government to fund and conduct its operations and seasonal weather patterns. Such statements reflect the views of the Company with respect to future events and are subject to risks, uncertainties and assumptions relating to the operations, results of operations, growth strategy and liquidity of the Company, as well as other risks and uncertainties as previously disclosed in the company's SEC filings. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company does not undertake to release publicly any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

Use of Non-GAAP Financial Measures

The Company provides financial measures and terms not calculated in accordance with accounting principles generally accepted in the United States (GAAP). Presentation of non-GAAP measures such as, but not limited to, "free cash flow" and "adjusted EBITDA" provide investors with an alternative method for assessing our operating results in a manner that enables them to more thoroughly evaluate our performance. The non-GAAP measures included in this presentation are provided to give investors access to the types of measures that we use in analyzing our results.

The Company's calculation of non-GAAP financial measures is not necessarily comparable to similarly titled measures reported by other companies. These non-GAAP measures may be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results.

A copy of this presentation, including the reconciliation of GAAP to non-GAPP measures included as Appendix A, is available on our website www.griffon.com.

Business Overview

Home & Building Products	Defense Electronics
Clopay · AMES EST. 1774 · CLOSETMAID	TELEPHONICS A Griffon Company

Description	Leading North American manufacturer and marketer of residential and commercial garage doors	Leading U.S. manufacturer & global provider of long-handled tools and landscaping products for homeowners & professionals	Leading North American manufacturer and distributor of wood and wire home storage and organization products (closed on 10/2/17)	Leading global provider of highly sophisticated intelligence, surveillance and communication solutions for defense, aerospace and commercial customers
TTM March 2018 Revenue (% of Total)	$1.2 billion (76%)		$300 million (FYE 9/30/2018 projected)	$374 million (24%)
TTM March 2018 Segment Adj. EBITDA (% of total)	$136 million (80%)		$25 million (FYE 9/30/2018 projected)	$34 million (20%)

Investment Highlights

- Reshaped portfolio to enhance long-term shareholder value
  - Acquired 7 complementary companies since beginning of FY17 in Home & Building Products (6 AMES tuck-in).
- History of successfully integrating and expanding margins through efficiency programs
  - Identifying synergy opportunities through ClosetMaid, other tuck-in acquisitions in Home &Building Products.
- Strong free cash flow generation provides flexibility to invest in the business while maintaining a solid balance sheet
- Consistent and demonstrated history of execution on Total Shareholder Return (TSR) through a blend of capital allocation activities
  - Strategic deployment of M&A capital, return of cash to shareholders, robust share repurchase program, and deleveraging balance sheet.

SEGMENT STRENGTHS

HOME AND BUILDING PRODUCTS

- Diversified and leading product offerings attached to growing markets. Expecting top line growth of GDP+
- Significant opportunity to improve margins and demonstrated ability to execute
- Underlying strength in U.S. housing market is slow but steady and is a primary growth driver

TELEPHONICS

- Highly sophisticated and leading intelligence, surveillance and communications solutions designed to meet U.S. and Foreign armed forces specifications
- Competitively priced products well positioned to benefit from increased defense spending upon congressional approval
- 10 year average backlog of $415.4 million

Timeline of Recent Changes

9/5/17 – Announcement of ClosetMaid Acquisition & Exploration of Strategic Alternatives for Clopay Plastics

10/2/17 – Closing of ClosetMaid Acquisition ($185 Million); Financed by $275 Million of Senior Notes

11/16/17 – 4Q17 Earnings Release and Announcement of Definitive Agreement to Sell Clopay Plastics to Berry Global for $475 Million

1Q18 – 1Q18 Earnings Release & Clopay Plastics Sale to Berry Global – February 6, 2018

2Q18 – Board of Directors declared a special dividend of $1.00 per share & 2Q18 Earnings Release

2Q18 – Announcement of CornellCookson Acquisition

Future – Reshaped Portfolio Delivering Shareholder Value Through Increased Free Cash Flow and Improved Operating Margin

Transforming Portfolio – Recent Highlights

Divestiture of Clopay Plastics segment

- Sold Clopay Plastics to Berry Global for $475 million; closed February 6, 2018
- Increases Griffon shareholder value, strengthens Clopay Plastics and benefits Clopay Plastics customers
- 2017 Revenue $461 million; Segment Adjusted EBITDA $53 million; Capital Expenditures $45 million

Acquired ClosetMaid

- North American leader in closet organization and home storage systems
- Complementary customer and product portfolio
- Attractively-priced strategic asset, excluding synergies
- Effective purchase price of $165 million, net of estimated tax benefits
- Closed on October 2, 2017

Definitive agreement to purchase CornellCookson

- A leading Manufacturer and Marketer of rolling steel door and grille products
- Complementary business to Clopay Building Products
- Effective purchase price of $170 million, net of estimated tax benefits
- Anticipated to close in June 2018

Q2 Highlights

Q2 2018 results

- Revenue increased 25% to $479 million from the prior year quarter.
- Segment adjusted EBITDA increased 11% to $44 million from prior year quarter.

Share repurchases

- Repurchased 1.4 million shares for approximately $28.4 million in Q2 2018; no Q1 repurchases.
- Since August 2011, repurchased 21.9 million shares for $290.0 million.
- Remaining Board-approved repurchase authorization of $21.0 million as of March 31, 2018.

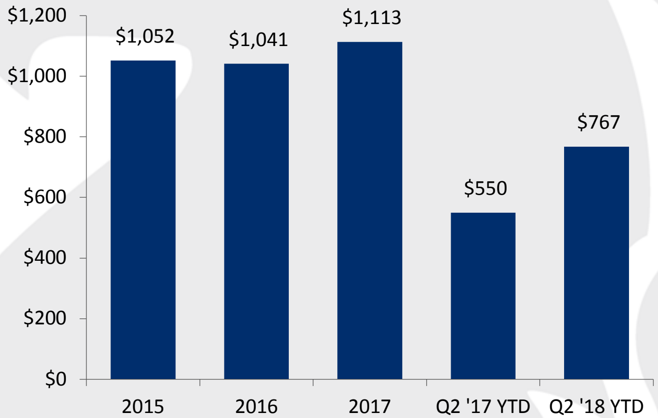
Dividends

- Board of Directors declared a special cash dividend of $1.00 per share (paid April 16, 2018).
- Quarterly dividend of $0.07 increased 17% over prior year.
- Since initiation in November 2011, we have grown dividends at a 19% CAGR.

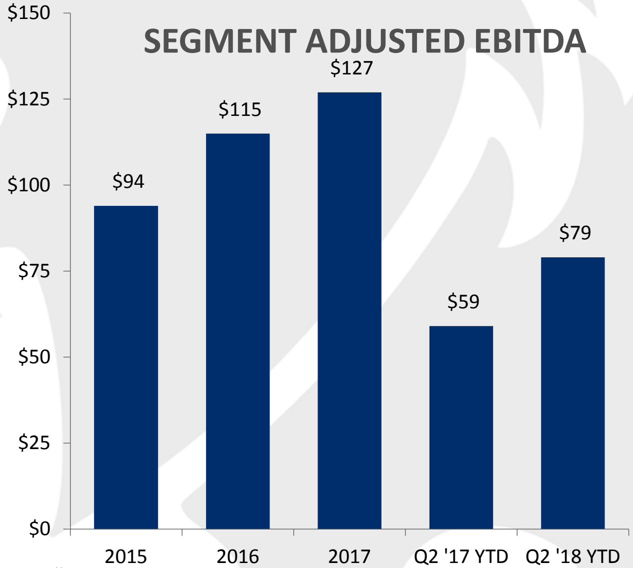
Home and Building Products

Leading North American manufacturer and marketer of residential and commercial garage doors.
Leading U.S. manufacturer and global provider of long-handled tools and landscaping products.
Leading North American manufacturer and distributor of storage and organizational solutions.

REVENUE



SEGMENT ADJUSTED EBITDA



Dollar values in millions.

STRENGTHS

Clopay

- Principal supplier throughout U.S. and Canada to The Home Depot and Menards.
- Network of 2,000 independent professional dealers; 51 distribution centers to support industry-leading fulfillment.
- Entered into agreement to purchase **CornellCookson** (see subsequent slides); expected to close June 2018.

AMES EST. 1774

- Widely recognized and respected quality brands with strategic position in U.S., Canada, Australia and Europe
- Long-standing relationships with key home centers and retail partners including The Home Depot, Lowe's, Bunnings, Walmart, Ace Hardware, Canadian Tire and Costco.

CLOSETMAID

- Acquired October 2, 2017 (see subsequent slides)

OUTLOOK

- Continued strengthening in repair and remodel activity and improving single-family housing starts.
- Manufacturing efficiencies on a sustained, multi-year improvement trend.
- Innovative product portfolio driving favorable product mix and continued market share gains.
- International expansion in Australia and Europe driving top- and bottom-line growth for lawn and garden products.

FACTS AND FIGURES

Cornell Founded in 1828
Cookson Founded in 1938

Cornell acquired Cookson in 2008

Core Products: Rolling service doors, fire doors, counter doors, security grilles and side folding closures

Sold through a network of North American professional installing dealers and Cornell Storefronts

Two U.S. manufacturing facilities comprising ~350 thousand sq. ft. in Mountain Top, PA (HQ) and Goodyear, AZ

Approximately 750 employees

Strengthens Clopay's footprint in the commercial channel with market-leading brands and product lines

Transaction Summary

CORNELLCOOKSON The door to building excellence.®

Purchase Price	• $180 million cash purchase price • $170 million effective purchase price including present value of cash tax benefits
Financial	• Projected FYE 9/30/2019 revenue $200 million • Projected Year 1 accretion of $0.15 • Strong free cash flow generation
Timing and Closing Conditions	• Customary regulatory approvals and closing conditions • Expect to close during June 2018

ClosetMaid® Overview

Key Facts and Figures

Founded in 1965
Acquired on October 2, 2017

Presence in over
20,000 retail stores worldwide

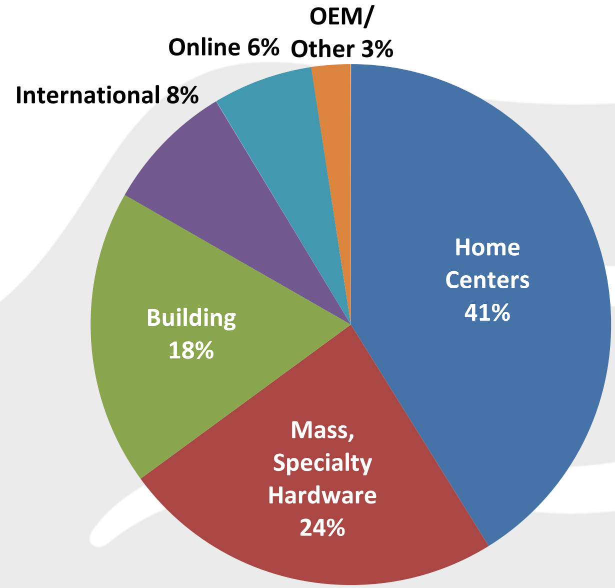
Top customers and markets:
The Home Depot, Lowe's, Target, and Menards, new home construction channel

92% of FYE 9/30/2017 sales in United States
Balance of sales primarily in Canada

Seven global manufacturing and U.S. distribution facilities comprising ~1.5 million sq.ft.

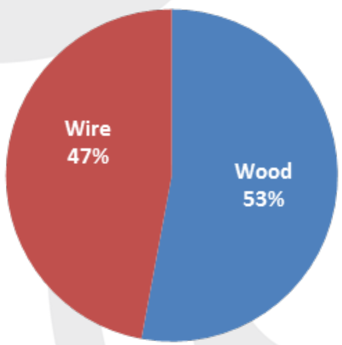
Headquartered in Ocala, Florida
Approximately 1,500 employees worldwide

Sales FYE 9/30/2017



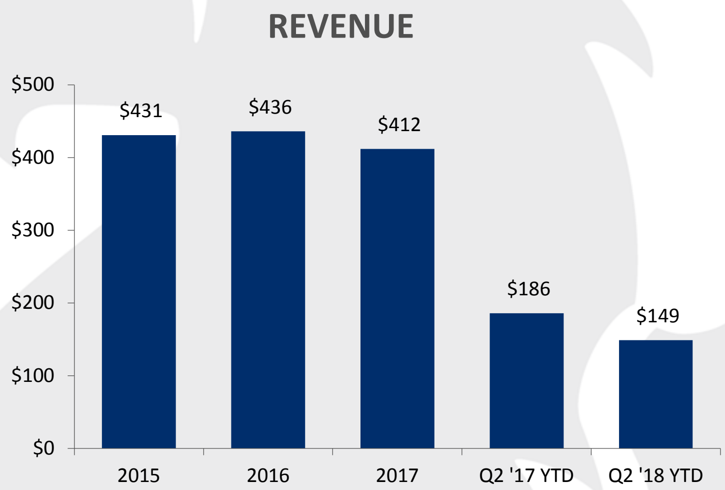
By Channel

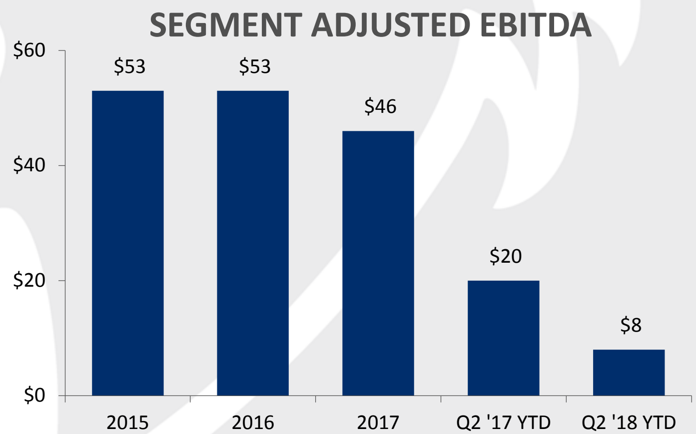
By Material



Telephonics

Leading global provider of highly sophisticated intelligence, surveillance and communication solutions for defense, aerospace and commercial customers.





STRENGTHS

- Incumbent position on high-profile U.S. and international, military and paramilitary, air, ground and sea-based platforms with intelligence, surveillance and reconnaissance (ISR) products.
- Established credentials in international markets with significant installed base and logistics support.
- Excellent reputation with customers and end users driven by consistent product and program performance.
- Diverse set of customers, programs and industry-leading technologies.

OUTLOOK

- Positioned to benefit from the expected increase in defense spending in the next few years.
- Core U.S. maritime surveillance programs stable.
- Large and relevant addressable international markets for radar, communications and border security.
- R&D investment in Active Electronic Scan Array (AESA) radar and situational awareness capabilities.
- Solid pipeline of new business opportunities in manned and unmanned aircraft, as well as ground vehicles.

Dollar values in millions.

Balance Sheet and Free Cash Flow

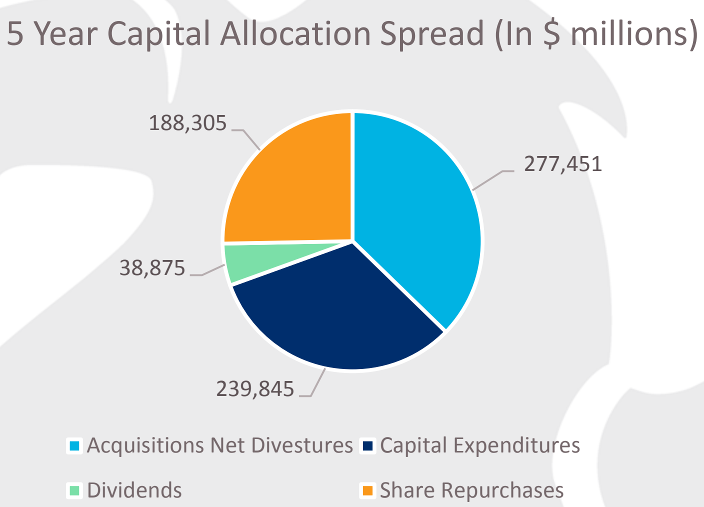
- $236 million of cash as of 3/31/2018
- Received $475 million on February 6, 2018 from the sale of Clopay Plastics
- $320 million available under $350 million revolving credit facility as of 3/31/2018, subject to certain covenants
- Capital structure designed for additional strategic acquisitions
- Excess free cash available for deleveraging and/or dividends
- Expect increasing free cash flow over the next several years driven by improved margin performance from efficiency initiatives and recent acquisition integration, and the completion of portfolio reshaping

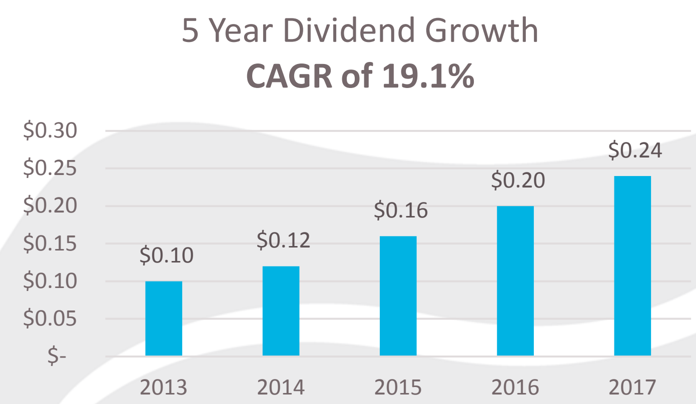
Long-Term Investment Themes

Focus on EPS growth through operational excellence.

	Revenue CAGR (%)	EBITDA Margin (%)	Drivers
Home & Building Products: AMES EST. 1774 Clopay CLOSETMAID	5%+	12%+	• Housing and economic recovery • Normalized seasonal weather • Operational performance
Defense Electronics: TELEPHONICS A Griffon Company	2-3%+	12%+	• Global demand for ISR products driven by geopolitical landscape • Margins expected to remain strong
TOTAL	***~5%***	***12%+***	

Capital Allocation Strategy



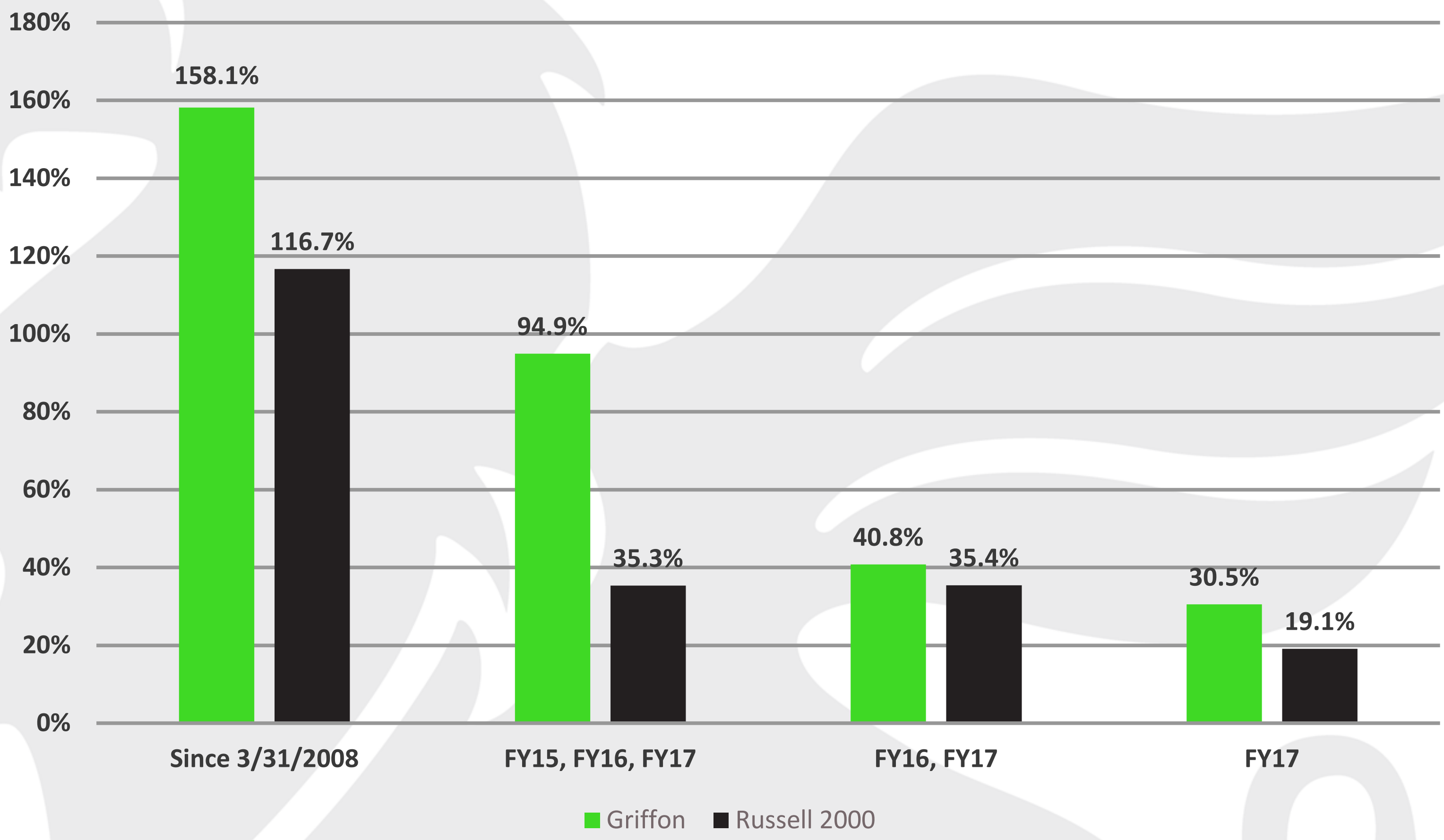


- $236 million in cash as of 3/31/2018; proceeds of $475 million in cash were received on February 6, 2018 for Clopay Plastics transaction
- Priority use of cash
  - Diversifying product offerings through inorganic growth via disciplined M&A
    - Close on CornellCookson for $180 million (expected June 2018)
  - Return of cash to shareholders via dividend and share repurchase authorizations
    - $21 million remains on August 2016 Board authorized repurchase
    - Repurchased 1.4 million shares for approximately $28.4 million at a price of $19.76 per share in Q2 2017.
    - Since August 2011, repurchased 21.9 million shares at a price of $13.26 per share
  - Deleveraging balance sheet
- Expecting FCF to increase throughout the coming years as Griffon capitalizes on synergy opportunities

Focus on Shareholder Value

- The portfolio reshaping is part of our continuing strategy to increase shareholder value
- The acquisitions of ClosetMaid and CornellCookson (expected to close June 2018) enhances our Home & Building Products segment
  - Diversifies global manufacturing, distribution, and sourcing capabilities
  - Strengthens the brand and product portfolio
- Proceeds from Plastics sale
  - Invest in opportunities that diversify Griffon's portfolio of companies
    - Acquisition of CornellCookson for $180 million (expected to close June 2018)
    - February 13, 2018 acquisition of Kelkay for $56 million (UK landscaping products)
  - Deleverage balance sheet and/or
  - Return capital to shareholders
- Griffon will continue to be a diversified management and holding company, focused on expanding our core home and building products, and defense electronics segments, while continuing to assess further diversification opportunities

Griffon Stock Performance



GFF stock price change shown compared to Russell 2000 index value change over the same period.
Since 3/31/2008 is the period 3/31/2008 through 9/29/2017.
FY15, FY16, FY17 is the period 9/30/2014 through 9/29/2017.
FY16, FY17 is the period 9/30/2015 through 9/29/2017.
FY17 is the period 9/30/2016 through 9/29/2017.

Griffon
CORPORATION

APPENDIX A
GAAP to Non-GAAP Reconciliation

GRIFFON CORPORATION AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES
SEGMENT ADJUSTED EBITDA - BY REPORTABLE SEGMENT
(Unaudited)

(in thousands)	Year Ended September 30,			Three Months Ended March 31,		Six Months Ended March 31,	
	2015	2016	2017	2018	2017	2018	2017
Home & Building Products							
Segment operating profit	$ 58,883	$ 79,682	$ 89,495	$ 28,478	$ 18,314	$ 56,229	$ 40,954
Depreciation and amortization	35,343	35,267	36,547	10,504	9,251	20,637	18,418
Acquisition costs	-	-	724	807	-	2,380	-
Segment adjusted EBITDA	94,226	114,949	126,766	39,789	27,565	79,246	59,372
Telephonics							
Segment operating profit	43,006	42,801	29,943	1,302	9,015	2,782	14,406
Depreciation and amortization	10,022	10,584	10,851	2,695	2,771	5,414	5,488
Contract settlement charges	-	-	5,137	-	-	-	-
Segment adjusted EBITDA	53,028	53,385	45,931	3,997	11,786	8,196	19,894
All segments:							
Income from operations - as reported	66,912	82,340	69,027	17,798	16,936	32,835	34,796
Unallocated amounts	35,308	40,393	42,398	10,541	10,455	20,977	20,766
Other, net	(331)	(250)	(880)	1,434	(62)	966	(202)
Corporate acquisition costs	-	-	8,893	7	-	1,619	-
Legacy executive life insurance benefit	-	-	-	-	-	2,614	-
Segment operating profit	101,889	122,483	119,438	29,780	27,329	59,011	55,360
Segment depreciation and amortization	45,365	45,851	47,398	13,199	12,022	26,051	23,906
Acquisition costs	-	-	724	807	-	2,380	-
Contract settlement costs	-	-	5,137	-	-	-	-
Segment adjusted EBITDA	$ 147,254	$ 168,334	$ 172,697	$ 43,786	$ 39,351	$ 87,442	$ 79,266

Unallocated amounts typically include general corporate expenses not attributable to any reportable segment.

APPENDIX B

Reconciliation of Net Income to Adjusted Net Income

GRIFFON CORPORATION AND SUBSIDIARIES
RECONCILIATION OF INCOME FROM CONTINUING OPERATIONS TO ADJUSTED INCOME FROM CONTINUING OPERATIONS
(Unaudited)

	For the Years Ended September 30,			For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2015	**2016**	**2017**	**2018**	**2017**	**2018**	**2017**
Income from continuing operations	$ 12,294	$ 19,781	$ 17,783	$ 1,951	$ 1,950	$ 24,782	$ 8,994
Adjusting items, net of tax:							
Acquisition costs	-	-	6,145	378	-	2,726	-
Contract settlement charges			3,300	-	-	-	-
Cost of life insurance benefit	-	-	-	-	-	248	-
Discrete and certain other tax benefits	(219)	(857)	(8,274)	368	466	(22,650)	(3,955)
Adjusted income from continuing operations	$ 12,075	$ 18,924	$ 18,954	$ 2,697	$ 2,416	$ 5,106	$ 5,039
Diluted income per common share from continuing operations	$ 0.26	$ 0.45	$ 0.41	$ 0.05	$ 0.05	$ 0.58	$ 0.21
Adjusting items, net of tax:							
Acquisition costs	-	-	0.14	0.01	-	0.06	-
Cost of life insurance benefit	-	-	0.08	-	-	0.01	-
Discrete and certain other tax benefits	-	(0.02)	(0.19)	0.01	0.01	(0.53)	(0.09)
Adjusted earnings per common share from continuing operations	$ 0.26	$ 0.43	$ 0.44	$ 0.06	$ 0.06	$ 0.12	$ 0.12