

NCI BUILDING SYSTEMS INC
Form DEF 14A
January 26, 2006
Table of Contents

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under Rule 14a-12

NCI BUILDING SYSTEMS, INC.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than The Registrant)

Payment of Filing Fee (Check the appropriate box):

- No Fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 112 (set forth the amount on which the filing fee is calculated and state how much it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount Previously Paid:

Edgar Filing: NCI BUILDING SYSTEMS INC - Form DEF 14A

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

January 27, 2006

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of NCI Building Systems, Inc. to be held at 10:00 a.m. on Friday, March 10, 2006, at the NCI Conference Center located at 7313 Fairview, Houston, Texas. At this meeting you will be asked to:

- (1) Elect three directors to serve until the Annual Meeting of Stockholders to be held in 2009;
- (2) Ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal 2006; and
- (3) Transact any other business that may properly come before the Annual Meeting of Stockholders or any reconvened meeting following any adjournment or postponement thereof.

It is important that your shares be represented at the Annual Meeting. Therefore, whether or not you expect to attend in person, please sign and date the enclosed proxy and return it in the enclosed envelope or submit your proxy using the telephone or Internet procedures that may be provided to you at your earliest convenience. Please note that using any of these methods will not prevent you from attending the meeting and voting in person.

Very truly yours,

/s/ A.R. Ginn

A.R. Ginn
Chairman of the Board

Table of Contents

NCI BUILDING SYSTEMS, INC.

10943 North Sam Houston Parkway West

Houston, Texas 77064

NOTICE OF

ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD MARCH 10, 2006

The Annual Meeting of Stockholders of NCI Building Systems, Inc. will be held at the NCI Conference Center located at 7313 Fairview, Houston, Texas, on Friday, March 10, 2006, at 10:00 a.m. The Annual Meeting of Stockholders will be held for the following purposes:

1. The election of three directors to serve until the Annual Meeting of Stockholders to be held in 2009;
2. Ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal 2006; and
3. The transaction of any other business that may properly come before the Annual Meeting of Stockholders or any reconvened meeting following any adjournment or postponement thereof.

Only stockholders of record at the close of business on January 17, 2006 are entitled to notice of, and to vote at, the meeting or any reconvened meeting following any adjournment or postponement thereof.

We believe that it is desirable that as large a proportion as possible of the stockholders' interests be represented at our annual meeting. **Whether or not you plan to attend our annual meeting, we request that you properly date and sign the enclosed form of proxy and promptly return it to us using the enclosed addressed and stamped envelope or submit your proxy using the telephone or Internet procedures that may be provided to you.** If you are present at the meeting and wish to do so, you may revoke the proxy and vote in person. If, however, you hold your shares through a nominee or broker, you must obtain a signed proxy from the broker in order to be able to vote in person.

By order the Board of Directors,

/s/ Todd R. Moore

Todd R. Moore
Vice President, General Counsel and Secretary

Houston, Texas

January 27, 2006

Table of Contents

PROXY STATEMENT
FOR
ANNUAL MEETING OF STOCKHOLDERS

To Be Held March 10, 2006

TABLE OF CONTENTS

<u>ACTION TO BE TAKEN AT ANNUAL MEETING</u>	1
<u>PERSONS MAKING THE SOLICITATION</u>	1
<u>OUTSTANDING CAPITAL STOCK</u>	1
<u>QUORUM AND VOTING</u>	3
<u>ELECTION OF DIRECTORS</u>	4
<u>Nominees For Election As Director</u>	4
<u>Directors Remaining In Office</u>	5
<u>MANAGEMENT</u>	7
<u>EXECUTIVE COMPENSATION</u>	10
<u>Summary Compensation Table</u>	10
<u>Option Grants During 2005 Fiscal Year</u>	12
<u>Option Exercises During 2005 Fiscal Year and Fiscal Year End Option Values</u>	12
<u>Aggregated Option Exercises in Last Fiscal Year and FY-End Option Values</u>	13
<u>Employment and Change-in-Control Agreements</u>	13
<u>Compensation Committee Interlocks and Insider Participation</u>	15
<u>Report of the Compensation Committee</u>	15
<u>STOCK PERFORMANCE CHART</u>	20
<u>SECURITIES RESERVED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS</u>	21
<u>BOARD OF DIRECTORS</u>	22
<u>Independence and Meetings</u>	22
<u>Board Committees</u>	22
<u>Executive Committee</u>	23
<u>Audit Committee</u>	23
<u>Compensation Committee</u>	23
<u>Nominating and Corporate Governance Committee</u>	24
<u>Compensation of Directors</u>	25
<u>CORPORATE GOVERNANCE</u>	26
<u>COMMUNICATIONS WITH OUR BOARD</u>	27
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	27
<u>TRANSACTIONS WITH DIRECTORS, OFFICERS AND AFFILIATES</u>	27
<u>AUDIT COMMITTEE AND AUDITORS</u>	28
<u>Report of the Audit Committee</u>	28
<u>Our Independent Registered Public Accounting Firm and Audit Fees</u>	29
<u>Pre-Approval Policies and Procedures for Audit and Non-Audit Services</u>	29
<u>RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	30
<u>General</u>	30
<u>Required Affirmative Vote</u>	30
<u>ADDITIONAL INFORMATION</u>	31
<u>Stockholder Proposals for 2006 Annual Meeting</u>	31
<u>Stockholder Proposals for Fiscal Year 2006 Proxy Statement</u>	31
<u>Delivery of Proxy Statement</u>	31
<u>MISCELLANEOUS</u>	32

Table of Contents

NCI BUILDING SYSTEMS, INC.

10943 North Sam Houston Parkway West

Houston, Texas 77064

(281) 897-7788

PROXY STATEMENT

FOR

ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD MARCH 10, 2006

This proxy statement is furnished to stockholders of NCI Building Systems, Inc. in connection with the solicitation of proxies to be used at our Annual Meeting of Stockholders to be held Friday, March 10, 2006. Your proxy in the form enclosed will be voted at the meeting if properly executed by you, returned to us and not revoked by you before the annual meeting. If you give a proxy on the enclosed form, or by telephone or the Internet, you may revoke it at any time before it is voted by delivering written notice of revocation to the Secretary of NCI, by delivering a later dated proxy or by attending the annual meeting, withdrawing your proxy and voting your shares personally. Your attendance at the annual meeting will not constitute automatic revocation of your proxy. If you hold your shares through a nominee or broker, you must obtain a signed proxy from the broker in order to be able to vote in person.

We are first sending this proxy statement and the enclosed proxy form to stockholders on or about January 27, 2006.

ACTION TO BE TAKEN AT ANNUAL MEETING

When you have appropriately specified how your proxy should be voted, the proxy will be voted accordingly. Unless you otherwise specify in your proxy, your proxy will be voted (1) **FOR** the election as directors of the nominees listed under Election of Directors ; (2) **FOR** ratification of Ernst & Young LLP as the Company's Independent registered public accountants for fiscal 2006; and (3) at the discretion of the proxy holders, either **FOR** or **AGAINST** any other matter or business that may properly come before the annual meeting. Our board of directors is not currently aware of any other such matter or business.

PERSONS MAKING THE SOLICITATION

Our board of directors is soliciting the accompanying proxy. We will bear the entire cost of soliciting proxies and no other person or persons will bear those costs either directly or indirectly. Our transfer agent, Computershare Investor Services, Inc., will assist in the solicitation of proxies from stockholders at a fee of approximately \$2,500 plus reimbursement of reasonable out-of-pocket expenses. In addition to the use of the mails, proxies may be solicited by personal interview, telephone and email by our directors, officers and employees, none of whom will receive additional compensation. We will also reimburse brokerage houses and other nominees for their reasonable expenses in forwarding proxy

materials to beneficial owners of our common stock.

OUTSTANDING CAPITAL STOCK

The record date for stockholders entitled to notice of, and to vote at, the annual meeting is January 17, 2006. At the close of business on that date we had 20,368,080 shares of common stock issued and outstanding and entitled to be voted at the annual meeting.

The following table sets forth, as of January 17, 2006 (the Ownership Date), the number of shares of common stock beneficially owned by (1) each person or group known by us to own beneficially more than 5% of the outstanding shares of common stock, (2) each director and nominee for director, (3) each of our

Table of Contents

executive officers identified under the caption Executive Compensation and (4) all directors, director nominees and executive officers as a group. Except as otherwise indicated, each of the persons or groups named below has sole voting power and investment power with respect to the common stock.

Name of Beneficial Owner or Group	Beneficial Ownership (1)	
	Number of Shares	Percent
FMR Corp. (2) 82 Devonshire Street Boston, MA 02109	1,923,400	9.44
Dimensional Fund Advisors Inc. (2) 1299 Ocean Avenue, 11th Floor Santa Monica, CA 90401	1,323,498	6.50
Dalton, Greiner, Hartman, Maher & Co. (2) 565 Fifth Ave., Suite 2101 New York, NY 10017	1,221,561	6.00
Lord, Abbett & Co. LLC (2) 90 Hudson Street Jersey City, NJ 07302	1,191,570	5.85
Pzena Investment Management, LLC (2) 120 West 45th Street, 34th Floor New York, NY 10036	985,460	4.84
A. R. Ginn (3)	190,775	*
Norman C. Chambers (3)	163,277	*
Kelly R. Ginn (3)(4)	93,935	*
William D. Breedlove (3)	24,125	*
Gary L. Forbes (3)	23,125	*
Kenneth W. Maddox (3)	18,751	*
John K. Sterling (3)	18,162	*
William M. Young (3)	14,088	*
W. Bernard Pieper (3)	13,405	*
Frances R. Powell (3)	13,759	*
George Martinez (3)	3,138	*
Max L. Lukens (3)	1,930	*
Philip J. Hawk (3)	1,753	*
All directors and executive officers as a group (16 persons) (5)	624,013	3.04

* Less than 1%.

- (1) Includes shares beneficially owned by the listed persons, including shares owned under our 401(k) Profit Sharing Plan. If a person has the right to acquire beneficial ownership of any shares by exercise of options previously granted within 60 days after the Ownership Date, those shares are deemed beneficially owned by that person as of the Ownership Date and are deemed to be outstanding solely for the purpose of determining the percentage of the common stock that he or she owns. Those shares are not included in the computations for any other person.
- (2) This information is based solely on filings made with the SEC on Schedule 13G or 13G/A relating to calendar year 2005.

Table of Contents

- (3) The number of shares of common stock beneficially owned by each person includes options exercisable on the Ownership Date or within 60 days after the Ownership Date and excludes options not exercisable within 60 days after the Ownership Date. The number of shares of common stock beneficially owned by each person also includes unvested shares of restricted stock. Each owner of restricted stock has the right to vote his or her shares but may not transfer them until they have vested.

	<u>Options</u>		<u>Unvested Restricted Stock</u>
	<u>Exercisable</u>	<u>Not Exercisable</u>	
A. R. Ginn	4,387	230,401	83,388
Norman C. Chambers	51,500	151,500	107,184
Kelly R. Ginn	9,442	4,051	58,978
Frances R. Powell	6,250	18,750	5,733
William M. Young	6,231	3,241	4,452
William D. Breedlove	16,811	1,620	1,781
Gary L. Forbes	16,811	1,620	1,781
John K. Sterling			1,787
Kenneth W. Maddox	11,009	4,051	4,452
W. Bernard Pieper	11,091	1,489	1,781
Max. L. Lukens			1,486
George Martinez	3,138	3,717	
Philip J. Hawk	750	2,250	918

- (4) Includes 16,716 shares of common stock held by nine trusts for the benefit of Mr. Kelly Ginn's two children and six nieces and nephews and one brother, of which trusts Mr. Kelly Ginn is the trustee and may be deemed to share voting and investment power. Mr. Kelly Ginn disclaims beneficial ownership of those shares.
- (5) The number of shares of common stock beneficially owned by all directors and officers as a group includes beneficial ownership of the additional officers listed in the table below. As with the officers and directors listed individually, the number of shares of common stock beneficially owned by each person includes options exercisable on the Ownership Date or within 60 days after the Ownership Date and excludes options not exercisable within 60 days after the Ownership Date.

	<u>Options</u>	
	<u>Exercisable</u>	<u>Not Exercisable</u>
Richard F. Klein	23,715	10,362
Todd R. Moore	2,555	6,753
Eric R. Brown	3,256	12,409

QUORUM AND VOTING

The presence in person or by proxy of the holders of a majority of the outstanding shares of the common stock is necessary to constitute a quorum at the annual meeting. Each outstanding share of common stock is entitled to one vote. Those nominees receiving a plurality of all of the votes cast at the annual meeting shall be elected to our board of directors. As such, neither abstentions nor broker non-votes (i.e., shares held by brokers or nominees as to which they have no discretionary power to vote on a particular matter and have received no instructions from the beneficial owners or persons entitled to vote thereon), if any, will have any effect on the election of directors. All other matters, except where other provision is made by law, our certificate of incorporation or our by-laws, shall be decided by the vote of a majority of the votes cast by the stockholders present in person or by proxy and entitled to vote, a quorum being present. Broker non-votes and abstentions are not considered votes cast for this purpose, and will have the effect of a vote against the proposal.

Table of Contents

ELECTION OF DIRECTORS

Our Certificate of Incorporation and By-Laws provide that the number of directors on our board shall be fixed from time to time exclusively pursuant to a resolution adopted by a majority of our board of directors. The number of members constituting our board of directors is currently fixed at nine.

In accordance with our Certificate of Incorporation and By-Laws, our board of directors is divided into three classes, as nearly equal in number as reasonably possible, and members are elected for a term of office expiring at the third succeeding annual stockholders meeting following their election to office or until a successor is duly elected and qualified. Under our by-laws, subject to applicable law and unless our board determines otherwise, newly created directorships resulting from any increase in the authorized number of directors or any vacancies on the board of directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled only by a majority vote of the directors then in office, though less than a quorum, and directors so chosen shall hold office until the annual meeting of stockholders next after their election at which time their continuing directorship is subject to stockholder approval. The terms of office of each of the Class I, Class II and Class III directors expire at the annual meeting in 2006, 2007 and 2008, respectively.

Three Class I directors are to be elected at the annual meeting for a term expiring at the annual meeting to be held in 2009, or until their respective successors are duly elected and qualified. If, at the time of or prior to our annual meeting, any of the nominees should be unable or decline to serve, the discretionary authority provided in the proxy may be used to vote for a substitute or substitutes designated by our board of directors. Our board of directors has no reason to believe that any substitute nominee or nominees will be required. No proxy will be voted for a greater number of persons than the number of nominees named herein.

Set forth below is information concerning the persons nominated for election as directors.

Our board of directors recommends a vote FOR the election of these nominees.

Nominees For Election As Director

Class I Nominees For Election As Directors Who Serve Until The Annual Meeting To Be Held In 2009:

A. R. Ginn

Mr. A.R. Ginn, age 66, has served as our Chairman of the Board since July 2000, as our President and Chief Executive Officer since November 2003 and as one of our directors since May 1998. Mr. A.R. Ginn serves as the Chairman of the Executive Committee of our board of directors. He served as President of the Metal Components Division from May 1998 until October 2000 and has served as its Chief Executive Officer since May 1998. He also has served as Chief Executive Officer of the Metal Coatings Division since May 1998. Mr. A.R. Ginn served as our President and Chief Operating Officer from December 1998 until July 2000. From May 1998 until December 1998, he served as our Executive Vice President. Before joining NCI, Mr. A.R. Ginn served as director, President and Chief Executive Officer of Metal Building Components,

Edgar Filing: NCI BUILDING SYSTEMS INC - Form DEF 14A

Inc., a metal components manufacturer (MBCI), from 1976 until our acquisition of MBCI in May 1998 and was Chief Executive Officer of the Metal Coatings Division of MBCI from 1987 to May 1998. Mr. A.R. Ginn has over 47 years of experience in the metal building and components industry. Mr. A.R. Ginn is the father of Kelly Ginn, one of our executive officers.

W. Bernard Pieper

Mr. Pieper, age 73, has served as one of our directors since December 2000. Mr. Pieper serves on the Compensation Committee and is the Chairman of the Nominating and Corporate Governance Committee of our board of directors. Mr. Pieper, now retired, is a private investor who completed his second term as a member of the Board of Trustees of Rice University in Houston, Texas, in May 2004. Mr. Pieper served as a

Table of Contents

member of the Board of Trustees of Rice University since 1996. Since 2000, he has served on various other boards and committees of Rice University. From 1957 until 1992, Mr. Pieper was employed by Brown & Root. From 1992 until 1996, Mr. Pieper was employed as Vice Chairman of Halliburton Company, a provider of energy services and related engineering and construction services, during the last two years of which he also served as Chief Operating Officer.

John K. Sterling

John K. Sterling, age 61, has served as one of our directors since October 2004. Mr. Sterling serves on the Nominating and Corporate Governance Committee and the Compensation Committee of our board of directors. Since May 2004, Mr. Sterling has been Executive Vice President - Corporate Development of Global 360, Inc., a provider of enterprise-wide, business process management and analytics software solutions. Previously, he practiced corporate law for 36 years with Gardere Wynne Sewell, LLP, where he was a general partner from 1975 through his retirement from the firm in May 2004 and then served in an of-counsel role to Gardere until October 2004.

Directors Remaining In Office

Class II Directors Who Serve Until The Annual Meeting To Be Held In 2007:

Gary L. Forbes

Mr. Forbes, age 61, has served as one of our directors since December 1991. Mr. Forbes serves on the Executive Committee and Compensation Committee and is the Chairman of the Audit Committee of our board of directors. In addition, Mr. Forbes is our designated audit committee financial expert. Mr. Forbes has been a Vice President of Equus II Incorporated, an investment company, since November 1991. Mr. Forbes is also a director of Consolidated Graphics, Inc., a commercial printing company. Mr. Forbes is a certified public accountant.

Max L. Lukens

Mr. Lukens, age 57, has served as one of our directors since May 2003. Mr. Lukens serves on the Audit Committee and the Nominating and Corporate Governance Committee of our board of directors. Mr. Lukens is the Chief Executive Officer and President of Stewart & Stevenson Services, Inc., a corporation primarily engaged in the custom fabrication of engine-driven products. From 1981 to January 2000, Mr. Lukens was employed by Baker Hughes Incorporated, a company engaged in the oilfield and process industry segments and a manufacturer and provider of other products and services to industries that are not related to the oilfield or process industries. During the last two years of that period he served as Chairman of the Board, President and Chief Executive Officer.

George Martinez

Edgar Filing: NCI BUILDING SYSTEMS INC - Form DEF 14A

Mr. Martinez, age 64, has served as one of our directors since March 2003. Mr. Martinez serves on the Audit Committee and the Nominating and Corporate Governance Committee of our board of directors. Mr. Martinez has served as President of Chrysalis Partners, LLC, a performance consulting firm, since 1999. Mr. Martinez is the former Chairman of Sterling Bancshares, Inc., a bank holding company, having served as Chairman of the Board from 2001 to 2004, as Chairman and chief executive officer from 1994 to 2001 and as President and chief executive officer from 1981 to 1994. He also served as chief executive officer of Sterling Bank, the principal banking subsidiary of Sterling Bancshares, from 1980 to 2001.

Table of Contents

Class III Directors Who Serve Until The Annual Meeting To Be Held In 2008:

Norman C. Chambers

Norman C. Chambers, age 56, has served as our President and Chief Operating Officer since April 2004 and as one of our directors since May 2003. Mr. Chambers serves on the Executive Committee of our board of directors. Mr. Chambers was a director and President of Comfort Systems USA, Inc., a provider of heating, ventilation and air conditioning services, from November 2002 until April 2004 and also served as Chief Operating Officer from February 2003 until April 2004. From November 2001 to October 2002, Mr. Chambers was Chief Operating Officer of Capstone Turbine Corporation, a distributive generation technology company. From April 2000 to September 2001, Mr. Chambers served as President and Chief Executive Officer of Petrocosm Corporation, a privately held e-commerce business serving the energy industry which filed for protection under Chapter 7 of the U.S. Bankruptcy Code in September 2001. From June 1985 to April 2000, Mr. Chambers served in various executive positions with Halliburton Company, a provider of energy services and related engineering and construction services, and its subsidiaries. Mr. Chambers has over twenty-five years of experience in the engineering and construction industry.

William D. Breedlove

William D. Breedlove, age 66, has served as one of our directors since March 1992. Mr. Breedlove serves on the Nominating and Corporate Governance Committee and is the Chairman of the Compensation Committee of our board of directors. Mr. Breedlove served as Vice Chairman of Hoak Breedlove Wesneski & Co. (HBW), an investment banking firm, from August 1996 until his retirement in July 2004. Mr. Breedlove held senior management positions in commercial and merchant banking for over 30 years. Prior to HBW's formation in 1996, Mr. Breedlove was chairman, managing director and co-founder of Breedlove Wesneski & Co., a private merchant banking firm. From 1984 to 1989, Mr. Breedlove also served as president and director of Equus Capital Corporation, the corporate general partner of three public and private limited partnerships operating as management leveraged buyout funds. Mr. Breedlove's experience also includes 22 years at First National Bank in Dallas, the last three years of which he served as chairman and chief executive officer of the lead bank and vice chairman of InterFirst Corporation. Mr. Breedlove is also a director of Integrated Security Systems, Inc. and five private companies. He has previously served as director of several other publicly-held companies, including InterFirst Corporation, Texas Oil and Gas Corporation, Dillard's Department Stores, Local Financial Corporation, and Cronus Industries, Inc. Mr. Breedlove received his B.B.A. degree in finance and banking from the University of Texas at Austin.

Philip J. Hawk

Philip J. Hawk, age 51, has served as one of our directors since July 2004. Mr. Hawk serves on the Audit Committee and the Compensation Committee of our board of directors. Mr. Hawk has been the Chairman of the Board of Directors and Chief Executive Officer of Team, Inc., a leading provider of specialty contracting and maintenance services to the process, power and heavy manufacturing industries, since November 1998. From 1993 to 1998, Mr. Hawk held the position of President and Chief Executive Officer of EOTT Energy Partners, L.P., an energy marketing and service company.

Table of Contents**MANAGEMENT**

Our executive officers are as follows:

<u>Name</u>	<u>Position</u>
A.R. Ginn	Chairman of the Board, Chief Executive Officer and Chairman of the Executive Committee of NCI; Chief Executive Officer of all NCI Divisions
Norman C. Chambers	President, Chief Operating Officer and Director
Frances R. Powell	Executive Vice President, Chief Financial Officer and Treasurer of NCI and all NCI Divisions
Kenneth W. Maddox	Executive Vice President, Administration of NCI and all NCI Divisions
Kelly R. Ginn	President and Chief Operating Officer of Metal Components Division
William M. Young	President and Chief Operating Officer of Engineered Building Systems Division
Richard F. Klein	President and Chief Operating Officer of Metal Coil Coating Division
Todd R. Moore	Vice President, General Counsel and Secretary of NCI and all NCI Divisions
Eric J. Brown	Vice President and Chief Information Officer of NCI and all NCI Divisions
<i>Other Key Managers:</i>	
Jimmy Dee Anderson	President and Chief Operating Officer of Doors & Building Components Division
Charles W. Dickinson	Executive Vice President, Sales of Metal Components Division; President of ABC Division
Mark W. Dobbins	Vice President, Operations of Metal Components Division
Keith E. Fischer	Executive Vice President, Marketing of NCILP Buildings Division; President of Metallic Buildings Division
Dennis P. McDeavitt	President and Chief Operating Officer of A&S Building Systems Division
Brad Robeson	Vice President, Operations of the Metal Coil Coating Division.
Stephen C. Theall	Vice President, Manufacturing of NCILP Buildings Division
Kimball D. Wells	President and Chief Operating Officer of Mesco Metal Buildings Division

Executive Officers:

Information concerning the business experience of Mr. A.R. Ginn and Mr. Norman C. Chambers is provided under the section titled Election of Directors.

Frances R. Powell, age 51, has served as Executive Vice President, Chief Financial Officer and Treasurer since February 14, 2005. From 2003 to 2005, she served as a financial advisor to London Merchant Securities PLC, a real estate and investment company, and she has an extensive finance background with publicly held companies, including NYSE-traded Grant Prideco, Inc., a manufacturer of engineered tubular products for the energy industry, and Weatherford International, Inc., an oilfield services company. From 2000 to 2001, she was Chief Financial Officer and Treasurer at Grant Prideco and helped lead that company's 100% public spin-off from Weatherford in 2000. Prior to the spin-off, Ms. Powell was Vice President, Accounting and Controller of Weatherford, having advanced through a number of positions of increasing responsibility at Weatherford since joining the company in 1986. Ms. Powell has also previously been CFO, Controller or in other finance positions for several

privately held companies.

Table of Contents

Kenneth W. Maddox, age 58, has served as Executive Vice President, Administration since December 1998, Executive Vice President, Administration of all NCI divisions since July 2001 and as Vice President and Chief Financial Officer of the Metal Components Division and the Metal Coatings Division from May 1998 until July 2001. Mr. Maddox served as one of our directors from May 1998 until July 2000 and from May 1998 until December 1998, he served as our Vice President. Before joining NCI, Mr. Maddox served as the Chief Financial Officer and Treasurer of MBCI from 1980 until May 1998.

Kelly R. Ginn, age 45, has served as President and Chief Operating Officer of the Metal Components Division since October 2000. Mr. Kelly Ginn served as Vice President, Manufacturing of the Metal Components Division from May 1998 until October 2000. Before joining NCI in 1998, Mr. Kelly Ginn served as Vice President of Manufacturing of MBCI for over seven years. Mr. Kelly Ginn has over 26 years of experience in the metal building and components industry. Mr. Kelly Ginn is the son of A.R. Ginn, our Chairman of the Board and Chief Executive Officer.

William M. Young, age 56, has served as President and Chief Operating Officer of the Engineered Building Systems Division since September 2003 and as President of the A&S Building Systems Division since August 1999. Before joining NCI in 1999, Mr. Young was employed by Butler Manufacturing Company, a metal building manufacturer, for 25 years, during the last five of which he served as the plant manager for Butler Manufacturing's largest plant. Mr. Young has over 28 years of experience in the metal building industry.

Richard F. Klein, age 67, has served as President and Chief Operating Officer of the Metal Coil Coating Division since May 1998. Before joining NCI in 1998, Mr. Klein served as President of Metal Coaters, Inc., a subsidiary of MBCI, for over 10 years. Before joining MBCI in 1987, Mr. Klein spent nine years as Vice President of a large coil coating concern. Mr. Klein has over 25 years of experience in the metal coil coating industry.

Todd R. Moore, age 46, has served as our Vice President and General Counsel since March 2003. Mr. Moore has served as a Vice President and General Counsel of all NCI divisions since January 1999. Before joining NCI in January 1999, Mr. Moore was employed by Gardere Wynne Sewell LLP, a Dallas law firm, for over nine years, during the last two years of which he was a partner.

Eric J. Brown, age 47, has served as our Vice President and Chief Information Officer since June 2004. Before joining NCI, Mr. Brown was Chief Information Officer of the Punahou School in Honolulu, Hawaii from 2002 until he joined NCI. From 2000 to 2002, Mr. Brown was Chief Information Officer of Petrocosm Corporation. From 1992 to 2000, Mr. Brown was a Director at KPMG Consulting LLC.

Other Key Managers:

Jimmy Dee Anderson, age 41, has served as the President and Chief Operating Officer of the Doors & Building Components Division since January 2002. From January 1999 until January 2002, Mr. Anderson served as Division President of A-Lert Building Systems, a division of Centurion Industries, Inc., a metal fabrication and industrial construction company. Prior to January 1999, Mr. Anderson was employed by NCI for over nine years. Mr. Anderson has over 13 years of experience in the metal building industry.

Charles W. Dickinson, age 54, has served as Executive Vice President, Sales of the Metal Components Division and President of ABC Division since October 2000. Mr. Dickinson served as Vice President, Sales of the Metal Components Division from May 1998 until October 2000. Before joining NCI in 1998, Mr. Dickinson served as Vice President of Sales of MBCI for over ten years. Mr. Dickinson has over 26 years of experience in the metal building and components industry.

Mark W. Dobbins, age 48, has served as Vice President, Operations of the Metal Components Division since October 2000. Mr. Dobbins served as President of the American Building Components Division from January 2000 until October 2000. During 1999, he served as the Senior General Manager of Manufacturing of the Metal Components Division. Before joining NCI in 1998, Mr. Dobbins was employed by MBCI for over 10 years. Mr. Dobbins has over 16 years of experience in the metal components industry.

Table of Contents

Keith E. Fischer, age 50, has served as Executive Vice President, Marketing of the NCILP Buildings Division and President of the Metallic Metal Building Division since April 2002. Before joining NCI in April 2002, Mr. Fischer was employed by American Buildings Company, a metal building manufacturer that is now a division of Magnatrx Corporation, for over seven years, during the last two years of which he served as President. Mr. Fischer is a registered professional engineer. Mr. Fischer has over 28 years of experience in the metal building industry.

Dennis P. McDeavitt, age 54, has served as President and Chief Operating Officer of A&S Building Systems since August 2004. From January 2002 until August 2004 he served as Vice-President of Sales and Marketing for A&S Building Systems. Before joining NCI in 2002, Mr. McDeavitt was employed by Butler Manufacturing Company, a metal building manufacturer, for 28 years, during the last seven of which he served as a regional manager. Mr. McDeavitt has over 31 years of experience in the metal building industry.

Bradley D. Robeson, age 43, has served as the Vice President of Operations of the Metal Coaters Division since October 2005. From February 2001 until October 2005, Mr. Robeson served as Vice President and General Manager of Metal Prep, a Metal Coaters Division entity. From March 1996 until February 2001, Mr. Robeson served as Plant Manager for the NCILP Buildings Division. Prior to March 1996, Mr. Robeson served in various managerial positions with component companies ultimately acquired by NCI. Mr. Robeson has over 18 years industry experience.

Stephen C. Theall, age 44, has served as Vice President, Manufacturing of the NCILP Buildings Division since November 2003. From July 2000 until November 2003 he served as General Manager of Manufacturing for the Engineered Building Systems Division. From 1998 to July 2000 he served as General Manager of Manufacturing for the Metal Components Division. Prior to joining NCI in 1998 he was employed by MBCI for over 10 years. He has over 20 years of experience in the metal building and components industry.

Kimball D. Wells, age 49, has served as President of the Mesco Metal Buildings Division since April 2001. From February 2001 until April 2001 he served as Executive Vice President of the Mesco Buildings Solutions and from December 1999 until April 2001, he served as Vice President, Engineering of the Mesco Buildings Solutions. Before joining NCI in 1999, Mr. Wells was employed by Butler Manufacturing Company, a metal building manufacturer, for over 11 years, during the last three of which he served as a regional manager. Mr. Wells has over 27 years of experience in the metal building industry.

Table of Contents**EXECUTIVE COMPENSATION****Summary Compensation Table**

The following table shows information regarding compensation paid to A.R. Ginn, our Chief Executive Officer during our 2005 fiscal year, and the next five most highly paid persons who were executive officers at the end of our 2005 fiscal year (collectively, the Named Executive Officers), with respect to each of our last three fiscal years based on salary and bonus earned during each fiscal year.

Name and Principal Position	Year	Long-Term Compensation					
		Annual Compensation		Awards		Payouts	All Other Compensation
		Salary (\$)	Bonus (\$)	Restricted Stock Awards (\$)(a)	Securities Underlying Options (#)(b)	LTIP Payouts (\$)(c)	
A. R. Ginn	2005	615,000	522,750	149,964			