



## NCI BUILDING SYSTEMS ANNOUNCES SETTLEMENT OF LAWSUITS

**HOUSTON (Jan. 22, 2004)** – NCI Building Systems, Inc. (NYSE: NCS), today announced the proposed settlement of class action lawsuits that had been filed in 2001 in connection with the restatement of the Company's financial statements for the last half of fiscal 1999, all of fiscal 2000 and the first quarter of fiscal 2001.

The Company reached a proposed settlement of the lawsuits, without admitting any of the allegations against the Company or its officers, by agreeing to pay \$7 million for the dismissal of all claims. This amount is within the Company's insurance coverage limits and has been agreed to by its insurance carriers. The Company has executed a definitive settlement agreement, which is subject to notice and the approval by the court and other procedural matters. NCI expects to complete the settlement before the end of its third fiscal quarter.

Mr. Ginn commented, "We are pleased to announce the proposed settlement of these lawsuits, with no material impact on our financial results, and to be able again to focus all our attention on achieving profitable growth for our Company. This situation has reinforced our commitment to maintaining a strong ethical climate at NCI, supported by an effective internal control system designed to provide assurance as to the integrity and accuracy of the Company's consolidated financial statements."

NCI Building Systems, Inc. is one of North America's largest integrated manufacturers of metal products for the nonresidential building industry. The Company operates manufacturing and distribution facilities located in 16 states and Mexico.

*Some statements contained in this release are "forward-looking" statements, as defined in the Private Securities Litigation Reform Act of 1995. Actual performance of the Company may differ from that projected in such statements as a result of factors such as industry cyclicality and seasonality, adverse weather conditions, fluctuations in customer demand and order patterns, raw material pricing, competitive activity and pricing pressure and general economic conditions affecting the construction industry. Investors should refer to statements regularly filed by the Company in its annual report to the Securities and Exchange Commission on Form 10-K, its quarterly reports to the SEC on Form 10-Q and its current reports to the SEC on Form 8-K and other filings with the SEC for a discussion of factors which could affect the Company's operations and forward-looking statements made in this communication. The Company expressly disclaims any obligation to release publicly any updates or revisions to these forward-looking statements to reflect any changes in expectations.*