

Q3 Fiscal Year 2018 Investor Review

Gerard A. Gallagher III
President and CEO

Peter F. Sorci
Acting Chief Financial Officer



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This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts are statements that could be deemed forward-looking statements. These statements are based on current expectations, estimates, forecasts, and projections about the industries in which we operate and the beliefs and assumptions of our management. Variations of such words as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "continues," "may," and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions that are difficult to predict. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update any forward-looking statements for any reason. Further, information on risks and uncertainties is available in our filings with the Securities and Exchange Commission, which are incorporated by reference.

Financial Results

(In thousands, except per share data)

	Quarter Ending April 28, 2018	Quarter Ending April 29, 2017
Revenue	\$ 23,728	\$ 24,052
Revenue less subcontract costs	\$ 20,143	\$ 20,794
Operating Income (Loss)	\$ 359	\$ 1,130
Net Income (Loss)	\$ 164	\$ 252
EPS	\$ 0.04	\$ 0.06

Financial Results

(In thousands, except per share data)

	Nine Months Ended April 28, 2018	Nine Months Ended April 29, 2017
Revenue	\$ 75,892	\$ 74,094 ⁽²⁾
Revenue less subcontract costs	\$ 60,810	\$ 61,478 ⁽²⁾
Operating Income	\$ 1,193	\$ 2,788 ⁽²⁾
Net Income (Loss)	\$ (71) ⁽¹⁾	\$ 822
EPS	\$ (0.02) ⁽¹⁾	\$ 0.19

(1) On December 22, 2017, the U.S. government enacted comprehensive tax legislation referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act significantly revised U.S. corporate income tax regulations including, among other things, lowering U.S. corporate income tax rates and implementing a territorial tax system. Enactment of the Tax Act resulted in net adjustments that increased our income tax provision by approximately \$ 0.4 million, and effectively reduced year-to-date earnings by \$0.10 per share.

(2) Favorable resolution of long-standing contract settlement liabilities allowed the Company to record \$1.1 million of additional revenue during the first half of fiscal year 2017. No similar adjustments were recorded during the current fiscal year.

Financial Results by Region

<i>(In thousands)</i>	<u>U.S.</u>		<u>South America</u>		<u>Consolidated</u>	
	Quarter Ending April, 2018	Quarter Ending April 29, 2017	Quarter Ending April 28, 2018	Quarter Ending April 29, 2017	Quarter Ending April 28, 2018	Quarter Ending April 29, 2017
Revenue less subcontract costs	\$ 14,736	\$ 16,190	\$ 5,407	\$ 4,604	\$ 20,143	\$ 20,794
Net Income (Loss)	\$ (272)	\$ 260	\$ 436	\$ (8)	\$ 164	\$ 252

Financial Results by Region

<i>(In thousands)</i>	<u>U.S.</u>		<u>South America</u>		<u>Consolidated</u>	
	Nine Months Ending April 28, 2018	Nine Months Ending April 29, 2017	Nine Months Ending April 28, 2018	Nine Months Ending April 29, 2017	Nine Months Ending April 28, 2018	Nine Months Ending April 29, 2017
Revenue less subcontract costs	\$ 44,502	\$ 49,107 ⁽²⁾	\$ 16,308	\$ 12,371	\$ 60,810	\$ 61,478 ⁽²⁾
Net Income (Loss)	\$ (990) ⁽¹⁾	\$ 1,359	\$ 919	\$ (537)	\$ (71) ⁽¹⁾	\$ 822

(1) On December 22, 2017, the U.S. government enacted comprehensive tax legislation referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act significantly revised U.S. corporate income tax regulations including, among other things, lowering U.S. corporate income tax rates and implementing a territorial tax system. Enactment of the Tax Act resulted in net adjustments that increased our income tax provision by approximately \$ 0.4 million, and effectively reduced year-to-date earnings by \$0.10 per share.

(2) Favorable resolution of long-standing contract settlement liabilities allowed the Company to record \$1.1 million of additional revenue during the first half of fiscal year 2017. No similar adjustments were recorded during the current fiscal year.

Operating Cash Flows

<i>(In millions)</i>	Nine Months Ending April 28, 2018	Nine Months Ending April 29, 2017
Cash provided by operating activities	\$ 5.7	\$ 2.7
Cash used in investing and financing activities ⁽¹⁾	(3.7)	(1.2)
Net increase in cash	\$ 2.0	\$ 1.5
Cash and cash equivalents at period end	\$ 15.4	\$ 11.7

(1) Includes approximately \$1.7 million of dividends paid to shareholders during the first nine months of fiscal year 2018 and 2017.

Market Outlook

- Funding of government environmental programs shifting from federal to state and local.
- Expected increase in civil infrastructure-related opportunities. We're pursuing a number of transportation projects. Focus on environment, economic development, resiliency, community engagement.
- Federal funding for programs is becoming clearer and we're looking at increasing opportunities with DoD for installation facilities planning.
- Federal and state cleanup of legacy pollution ongoing and funding expected to continue.
- Federal regulatory rollback continues; uncertainty in planning/permitting of large development projects, effects on our work in energy sector remains unclear.
- Energy infrastructure: Investment in liquefied natural gas (LNG) ports, renewables, and electric transmission continuing, but with funding delays and more spend-gate decisions.
- South American economies continue to slowly recover and we are seeing increasing opportunities for new business. We're encouraged that our backlog in South America includes work in a diversity of sectors.

Contract Backlog

<i>(In Millions)</i>	April 28, 2018	July 31, 2017	April 29, 2017
Total firm backlog of uncompleted contracts	\$ 80.5	\$ 92.4	\$ 86.0
Anticipated completion of firm backlog in next twelve months	\$ 53.0	\$ 53.5	\$ 49.9

Strategic Initiatives

Continuing to work toward our objectives:

- Alignment with marketplace opportunities
 - e.g., energy and civil infrastructure, resiliency/sustainability, water, coastal restoration, and technology applications
 - Mid-Atlantic, California, other areas
- Organic growth and growth by acquisition
- Recruiting new talent
 - Sector and services leadership

Financial Results Summary

- Continued challenges in our U.S. markets
- Stabilized South American operations and cautious optimism regarding economies in Peru, Brazil and Chile
- Sound liquidity position
- 61 consecutive semi-annual dividends since 1987
- Yield of approximately 3.5% for dividend paid in February 2018