LIMBACH

First Quarter 2018 Earnings Call

May 16, 2018

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to expectations or forecasts for future events, including, without limitation, our earnings, Adjusted EBITDA, revenues, expenses, capital expenditures or other future financial or business performance or strategies, results of operations or financial condition. These statements may be preceded by, followed by or include the words “may,” “might,” “will,” “will likely result,” “should,” “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “seek,” “continue,” “target” or similar expressions. These forward-looking statements are based on information available to us as of the date they were made, and involve a number of risks and uncertainties which may cause them to turn out to be wrong. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. As a result of a number of known and unknown risks and uncertainties, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements. Please refer to our Form 10-K filed on April 2, 2018, which is available on the SEC’s website (www.sec.gov), for a full discussion of the risks and other factors that may impact any forward-looking statements in this presentation.

1Q’18 Operating Highlights

1

Continuing Financial and Operating Momentum

- Consolidated revenue in 1Q increased 4.7% year-over-year led by Construction revenue growth of 5.8%
- Consolidated gross margin of 11.0% was down 93 basis points year-over-year, but absent certain write-downs in the Mid-Atlantic market, consolidated gross margin would have been 15.9%
- Increasing 2018 revenue guidance to $520 – $540 million while maintaining Adjusted EBITDA guidance

2

Strong Sales Activity and Pipeline Develpment

- Total construction sales of $88.3 million, an increase of 11.2% year-over-year, with another $143.8 million in revenue from committed but not yet booked opportunities
- Design/build work represented 34% of sales in 1Q’18, with 18% of sales being full MEP offering
- Pipeline increased to $3.4 billion at March 31, up from $3.3 billion at December 31, 2017

3

Construction Operations

- Comparable period revenue growth was strong but adversely impacted by a difficult quarterly comparison for the Michigan operation which benefited in 1Q’17 from the Red Wings project (since completed)
- Gross margin of 9.6% was roughly flat to 1Q’17 but with expectation of further improvement given market dynamics shifting leverage to specialty contractors

4

Service Operations

- Service revenue of $23.7 million was flat year-over-year, but first quarter sales grew 17.9% to $23.6 million
- Recurring revenue maintenance contract sales exceeded expectations by 53.7%
- Service backlog of $38.6 million represented an increase of 11.2% sequentially

5

Income Statement and Balance Sheet Highlights

- Total debt increased by $15.6 million from December 31, 2017 of which $10 million was attributable to the repurchase of Preferred Stock on January 12; higher revolver balance of $12.1 at March 31 due to quarter-end timing of ordinary course receipts and disbursements
- Working capital increased $1.6 million from December 31, 2017 to $32.4 million at March 31, 2018

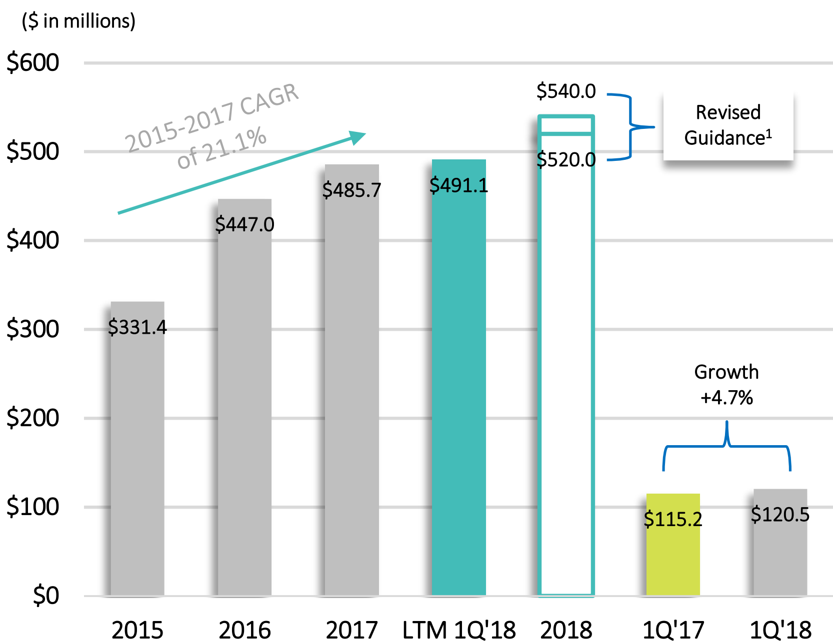
1Q'18 Operating Highlights

Continuing Financial and Operating Momentum

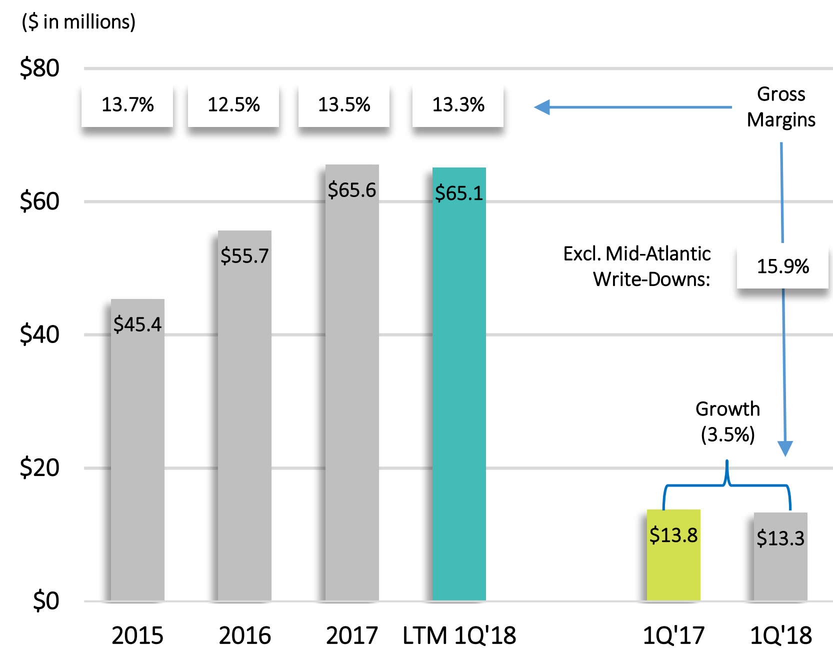
1

- 1Q characterized by steady growth in revenue on a consolidated basis, with multiple pockets of strength and good sales momentum
- Strong performances in the Eastern Pennsylvania, Michigan, New England, Ohio and Harper (Florida) business units as compared to plan, notwithstanding a traditionally weaker 1Q with fewer opportunities to outperform

Earned Revenue



Gross Profit and Gross Margins



1 Revised revenue guidance of $520 - $540 million, an increase from previous revenue guidance of $510 - $530 million.

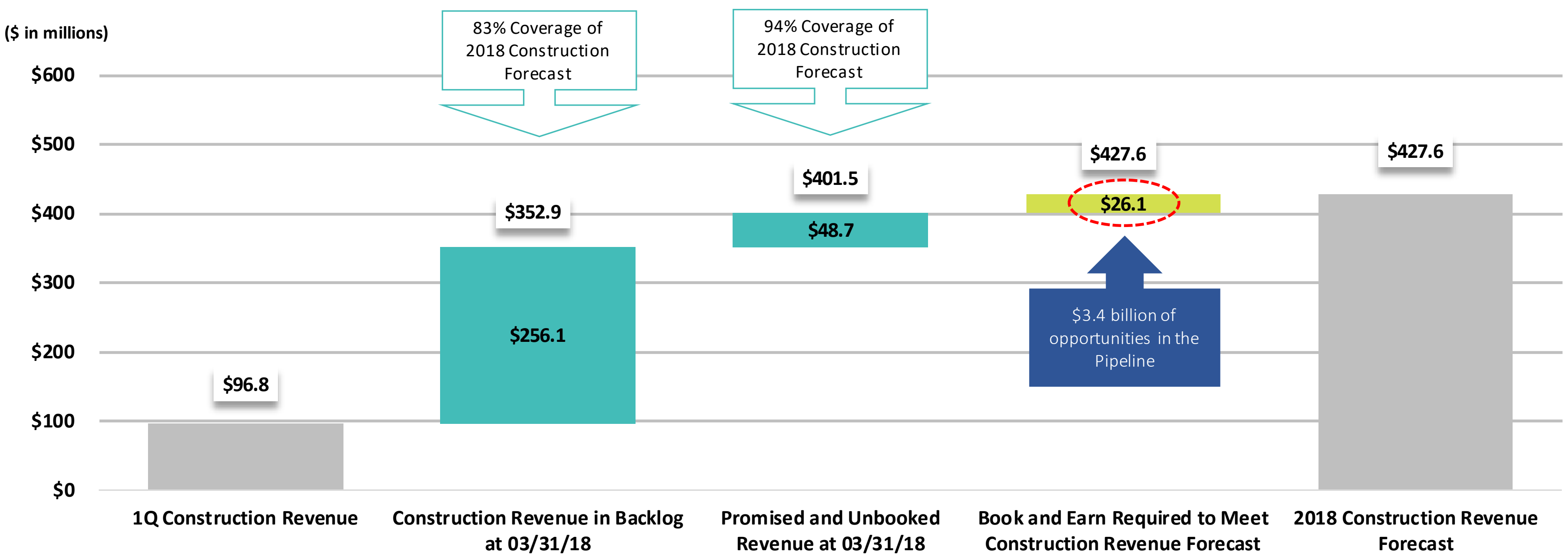
1Q’18 Operating Highlights

Sales Momentum and Considerable Backlog Coverage

2

- With significant backlog and promised/committed but unbooked work, Limbach has 94% coverage of its 2018 Construction revenue forecast as of March 31
- Pipeline increased to $3.4 billion at March 31, up 9.7% from $3.3 billion at December 31, 2017
- Overall supply/demand balance increasingly favoring specialty contractors which supports margin improvement

Construction Segment 2018 Revenue Bridge



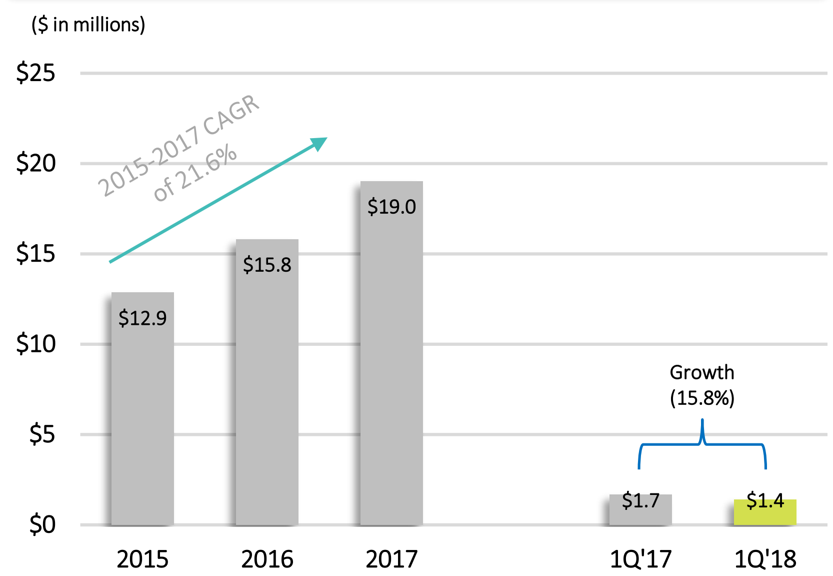
1Q’18 Operating Highlights

Construction Operations

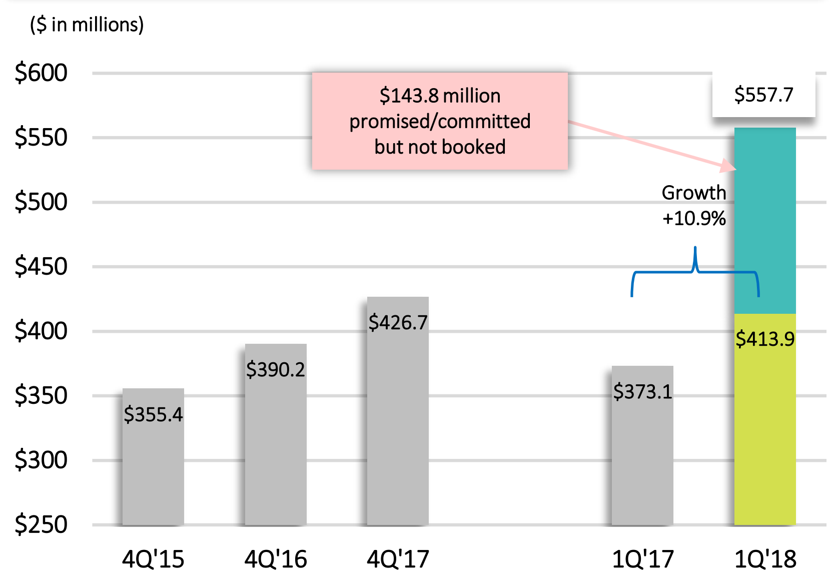
3

- Just three business units experienced year-over-year declines in Construction revenue, including Michigan which was adversely impacted by a difficult comp against a very strong 1Q’17 (due to the Red Wings project)
- Gross margin of 9.6% was 20 basis lower than 1Q’17; impacted by Mid-Atlantic write-downs
- Construction backlog of $413.9 million up 10.9% year-over-year with $143.8 million committed but not booked

Construction Segment EBIT Performance



Construction Backlog



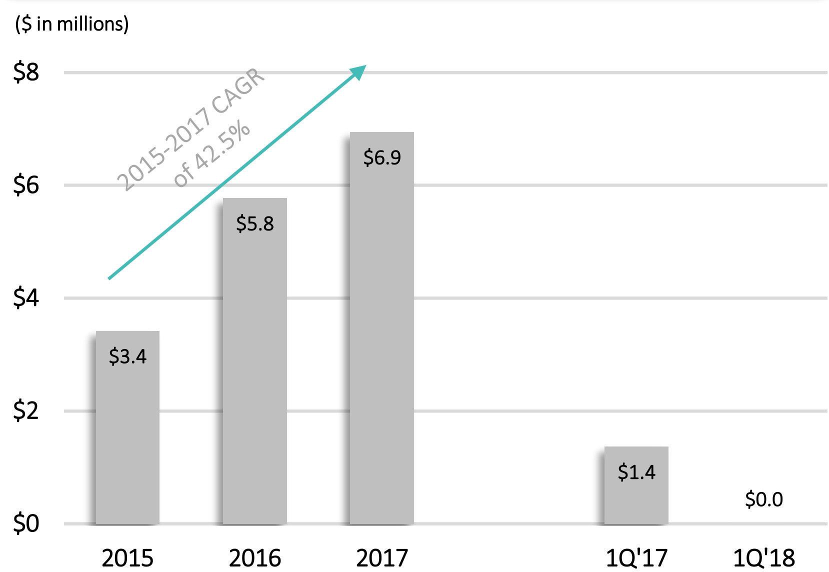
1Q'18 Operating Highlights

Service Operations

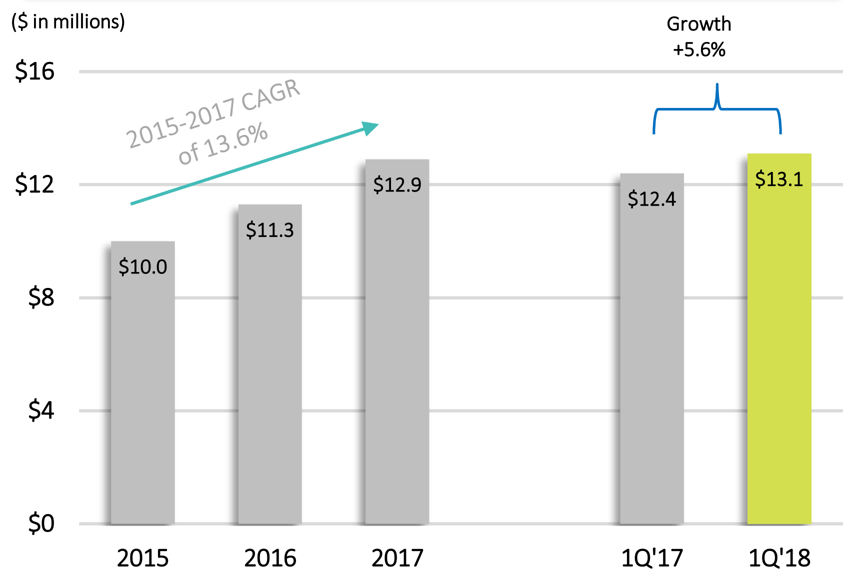
4

- Consolidated Service sales increased 17.9% year-over-year to $23.6 million with sales in all three Service categories (maintenance, project and spot) exceeding internal forecasts by 15.2%
- Year-over-year, sales of maintenance contracts increased 17.3% while project sales increased 15.3%
- Service backlog of $38.6 million grew $3.9 million sequentially, an increase of 11.2%

Service Segment EBIT Performance



Maintenance Base



1Q'18 Operating Highlights

Income Statements

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- Total revenue increased 4.7% year-over-year to $120.5 million, and exceeded internal forecasts
- Construction operations accounted for 80.3% of revenue while Service operations accounted for 19.7%
- Gross margins generally stronger across the branch portfolio outside of specific project challenges in the Mid-Atlantic business unit

($ in millions)	Three Months Ended			
		March 31, 2018		March 31, 2017
Revenue	$	**120.5**	$	**115.2**
Cost of revenue		107.3		101.4
Gross profit		**13.3**		**13.8**
SG&A expense		15.7		14.6
Amortization of intangibles		0.3		1.0
Operating income/(loss)		**(2.7)**		**(1.8)**
Interest (expense), net		(0.8)		(0.5)
Gain (loss) on sale of assets		0.0		(0.0)
Income tax benefit		(1.0)		(1.1)
Net Loss	$	**(2.4)**	$	**(1.2)**
Dividends on cumulative redeemable convertible preferred stock		(0.1)		0.2
Premium paid on cumulative redeemable convertible preferred stock		2.2		—
Net income /(loss) to common shareholders	$	**(4.5)**	$	**(1.5)**
Basic EPS[1]	$	(0.60)	$	(0.19)
Diluted EPS[1]	$	(0.60)	$	(0.19)

1 Based on 7,541,422 weighted average number of shares outstanding for the three months ended March 31, 2018 and 7,454,491 weighted average number of shares outstanding for the three months ended March 31, 2017.

1Q'18 Operating Highlights

Balance Sheet Highlights

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- Increase in total debt of $15.6 million from December 31, 2017 driven by term debt incurred to repurchase the balance of the Preferred Stock in January ($10 million)
- Revolver balance driven higher by $9 million of payments delayed by customers at quarter-end
- Working capital of $32.4 million, an increase of $1.6 million from December 31, 2017

($ in millions)	As of		
	March 31, 2018	**December 31, 2017**	**March 31, 2017**
Cash	$0.5	$0.7	$6.4
Working Capital	$32.4	$30.8	$33.1
Intangible Assets, Net	$13.9	$14.3	$16.8
Net Under/(Over) Billings	($1.2)	$4.5	($4.4)
Total Debt	$42.5	$26.9	$32.8
Equity	$44.1	$48.2	$46.0

Favorable Industry Outlook

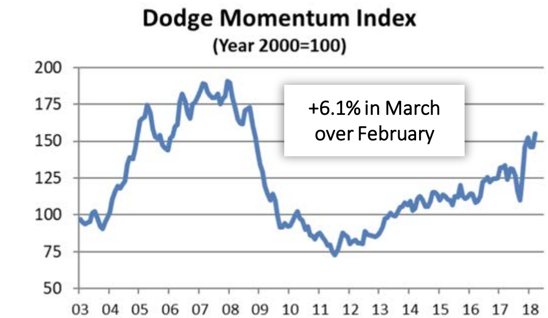
FMI Data Continue to Suggest Strength

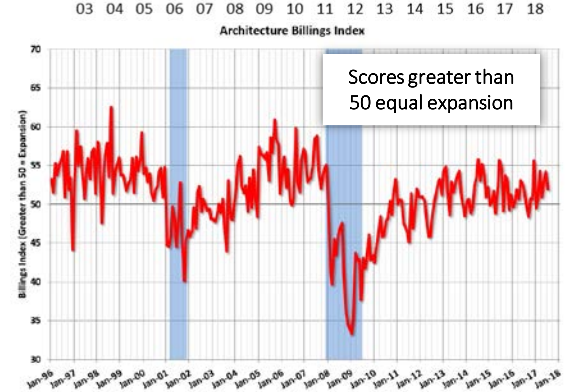
Growth forecast across multiple markets – LMB Core Sectors highlighted below

Construction Forecasts

	2017 Actual (Change from Prior Year % Change)	2018 Forecast (Change from Prior Year % Change)	2017A-2022F CAGR	% of LMB Revenue[1]	% of Current Backlog[2]
Total Nonresidential Buildings	2%	6%	4.3%		
Healthcare	4%	6%	3.8%	27.4%	32.6%
Education	2%	5%	4.2%	16.4%	7.2%
Amusement & Recreation	5%	5%	3.3%	11.8%	6.9%
Office[3]	2%	9%	5.1%	9.7%	20.8%
Transportation	4%	7%	5.5%	7.5%	10.7%
Commercial	14%	7%	4.1%	5.8%	4.1%
Lodging	6%	4%	3.9%	2.2%	0.5%
Emerging Opportunity Sectors for LMB					
Manufacturing	-12%	4%	4.7%	3.4%	2.1%

Indicators and Outlook[4]





Source: FMI *2018 FMI Overview Featuring FMI's Fourth Quarter 2017 Construction Outlook.*
Totals may not foot due to rounding.

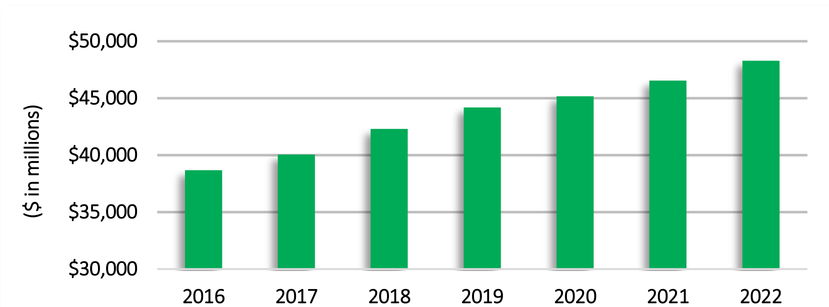
1 Figures represent percentages of project revenue between January 1, 2015 and March 31, 2018. Other key end markets include Central Utility Plants (3.4%), Multi-Family Residential (3.3%) and Other (8.9%).
2 As of March 31, 2018. Other key end markets include Central Utility Plants (1.4%), Multi-Family Residential (7.4%) and Other (6.3%).
3 Incudes data center activity.
4 Source: *Dodge Momentum Index* per Dodge Data & Analytics and *Architecture Billings Index* per The American Institute of Architects.

Favorable Industry Outlook

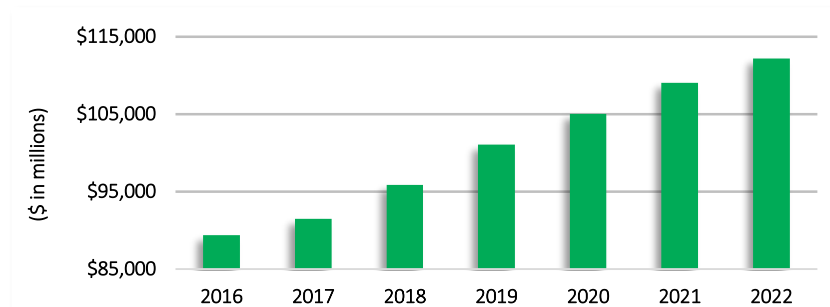
Estimates Continue to be Positive for Key Markets

Construction Put-in-Place

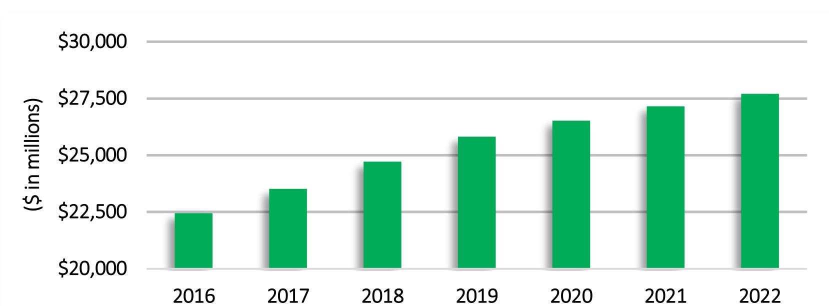
Health Care



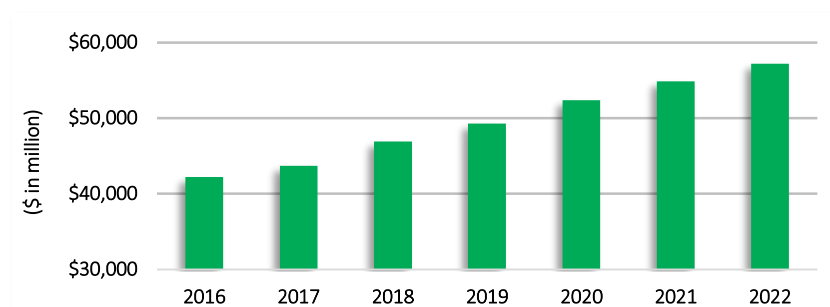
Education



Amusement



Transportation



Source: FMI *2018 FMI Overview Featuring FMI's Fourth Quarter 2017 Construction Outlook.*

2018 Guidance Update and Conclusions

Update on 2018 Financial Guidance

- Adjusting previously provided guidance:
  - Previous revenue guidance of $510 - $530 million increasing to $520 – $540 million
  - Adjusted EBITDA[1] guidance remains at $20 – $24 million
  - Sales remain strong, with several branches approaching 100% of the backlog required to meet their 2018 earned revenue forecasts
  - Developing upside to carrying value of project gross profit in multiple cases, including in Mid-Atlantic

Other Items

- Upcoming investor events:
  - B. Riley FBR 19th Annual Institutional Investor Conference // May 23-24 // Santa Monica, CA
  - Craig-Hallum Capital Group 15th Annual Institutional Investor Conference // May 29-30 // Minneapolis, MN

1 See pp. 15 for GAAP Reconciliation to Adjusted EBITDA.

Q&A

Appendix

Non-GAAP Reconciliation Table

For the Quarter Ended March 31, 2018

<u>* Use of Non-GAAP Financial Measures</u>

In assessing the performance of our business, management utilizes a variety of financial and performance measures. The key measure is Adjusted EBITDA. Adjusted EBITDA is a non-GAAP financial measure. We define adjusted EBITDA as net income (loss) plus depreciation and amortization expense, interest expense, taxes as further adjusted to eliminate the impact of, when applicable, other non-cash expenses or expenses that are unusual or non-recurring. We believe that Adjusted EBITDA is meaningful to our investors to enhance their understanding of our financial performance for the current period and our ability to generate cash flows from operations that are available for taxes, capital expenditures and debt service. We understand that Adjusted EBITDA is frequently used by securities analysts, investors and other interested parties as a measure of financial performance and to compare our performance with the performance of other companies that report Adjusted EBITDA. Our calculation of Adjusted EBITDA, however, may not be comparable to similarly titled measures reported by other companies. When assessing our operating performance, investors and others should not consider this data in isolation or as a substitute for net income (loss) calculated in accordance with GAAP. Further, the results presented by Adjusted EBITDA cannot be achieved without incurring the costs that the measure excludes. A reconciliation of Adjusted EBITDA to net income (loss), the most comparable GAAP measure, is provided below.

1Q'18 Quarterly Results Adjusted EBITDA Reconciliation

		For the Quarter Ended				
($ in thousands)		**March 31, 2018**		**March 31, 2017**		**Variance**
Net income (loss)	**$**	**(2,424)**	**$**	**(1,214)**	**$**	**(1,210)**
Adjustments:						
Depreciation and amortization		1,371		2,646		(1,275)
Interest expense		769		454		315
Income tax expense (benefit)		(1,043)		(1,083)		40
EBITDA		**(1,327)**		**803**		**(2,130)**
Non-cash Stock Based Compensation		467		—		467
Adjusted EBITDA	**$**	**(860)**	**$**	**803**	**$**	**(1,663)**