Second Quarter 2019 Earnings Call

August 15, 2019

Forward Looking Statements

We make forward-looking statements in this press release 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, backlog, capital expenditures or other future financial or business performance or strategies, results of operations or financial condition, and in particular statements regarding the ability of the Company to successfully remedy the issues that have led to write-downs in its Mid-Atlantic branch and the benefits expected by the Company's new senior secured credit facility and revolving credit facility. 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 most recent annual report on Form 10-K, as well as our subsequent filings on Form 10-Q and Form 8-K, which are 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 press release.

Operating Review

Margins Expanding; Continued Focus on Diversification

- Construction segment performance reflects continuing strength in multiple regions, particularly Florida
- Continuing growth in Service segment accompanied by margin expansion; 40% of total gross profit in Q2
- Mid-Atlantic region performing consistent with expectations; excluding Mid-Atlantic, YTD revenues increased 11.5% year-over-year
- 2Q'19 gross margin of 13.1% increased 180 bps over the prior year period; Mid-Atlantic delivered another profitable quarter as the recovery plan remains on track

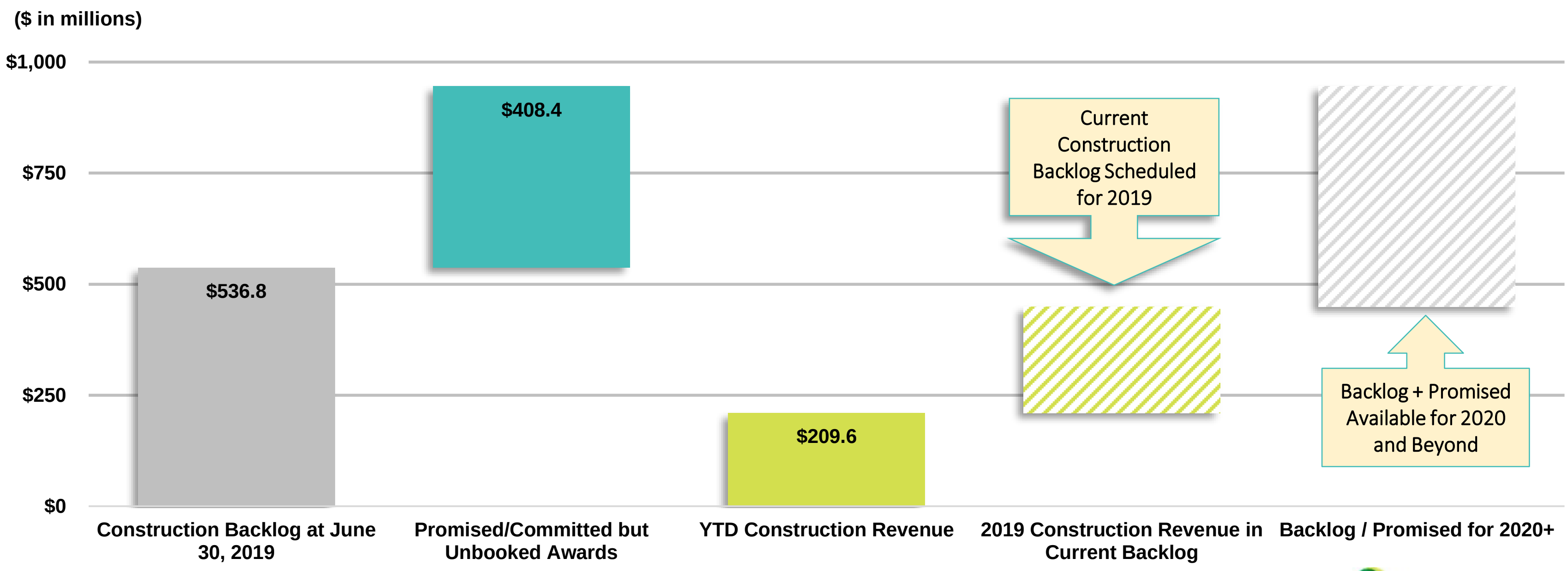
($ in millions)	YTD 2019	YTD 2018	Difference	Q2 2019	Q2 2018	Difference
Revenues	$266.7	$260.1	+$6.6	$132.8	$139.5	($6.7)
Gross Profit	$37.4	$29.1	+$8.3	$17.4	$15.8	+$1.6
Gross Margin	14.0%	11.2%	+280 bps	13.1%	11.3%	+180 bps

Operating Review

Sales Remain Strong; Backlog Provides Excellent Coverage

- Key wins in multiple end-market verticals led by the Healthcare and Transportation sectors; three additional hospital projects awarded in the Florida region and a third in Ohio in recent weeks
- Construction backlog of $536.8 million excludes an additional $408.4 million of unbooked promised work
- Approximately $239.5 million of current backlog scheduled for conversion to revenue in 2019 provides >90% coverage of FY 2019 revenue guidance along with solid visibility into 2020 and 2021

Construction Segment Backlog Breakout

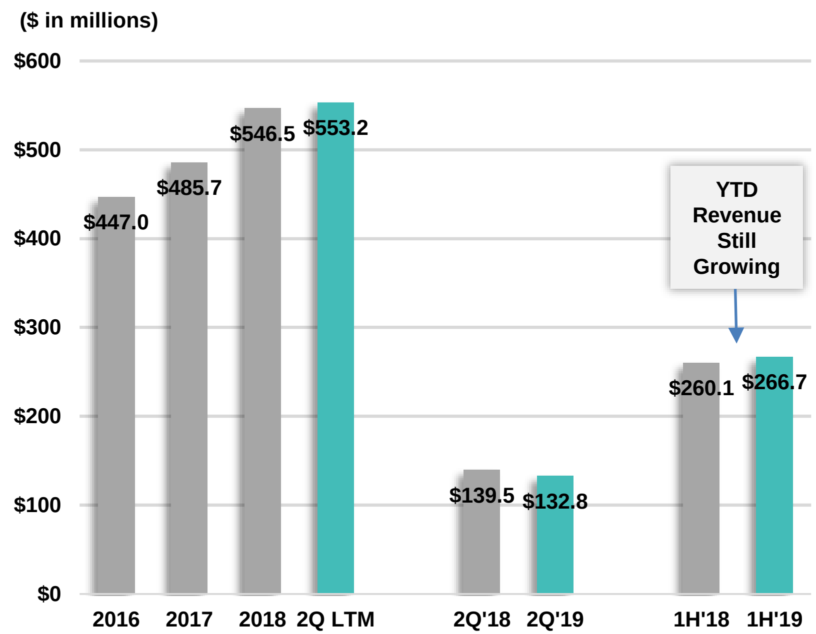


Consolidated Financial Review

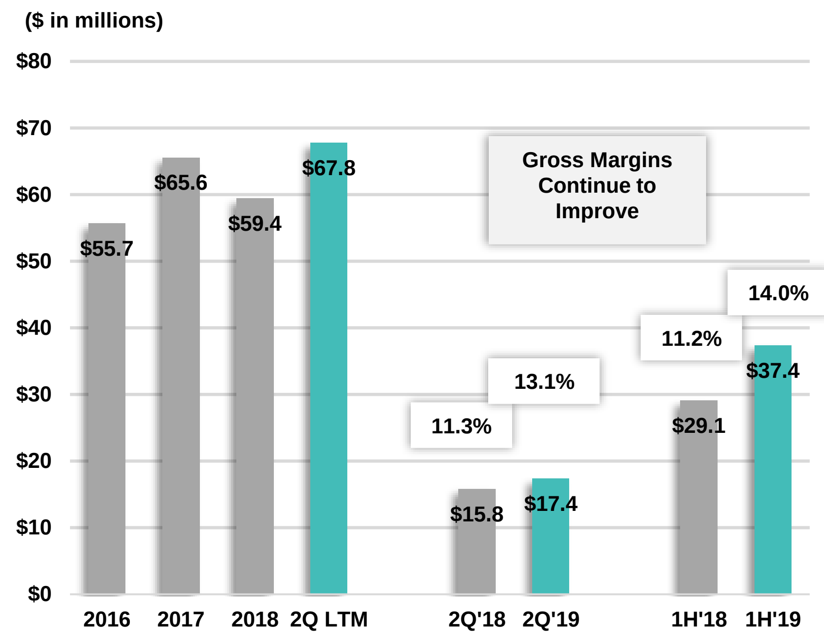
Gross Margins Expanding; Mid-Atlantic Progressing

- Year-to-date, consolidated revenues increased 2.5% as strength in several markets more than offset the planned decline in the Mid-Atlantic run-rate which negatively impacted the 2Q'19 comparison
- Excluding the Mid-Atlantic region, consolidated revenues YTD increased 11.5%
- Gross margins expanded 180 bps for the quarter and 280 bps YTD, with the Mid-Atlantic region again generating a profit in the quarter
- 2Q'19 SG&A expense driven by compensation expense and one-time charges

Earned Revenue



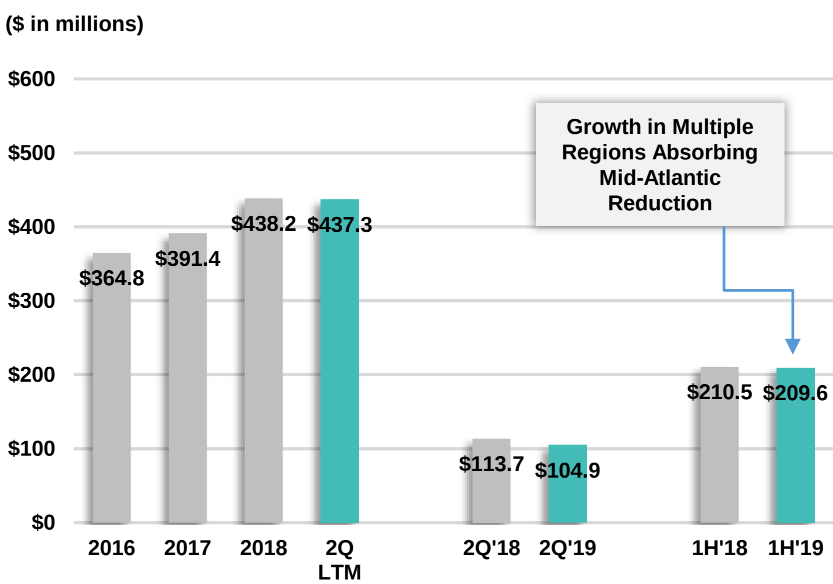
Gross Profit



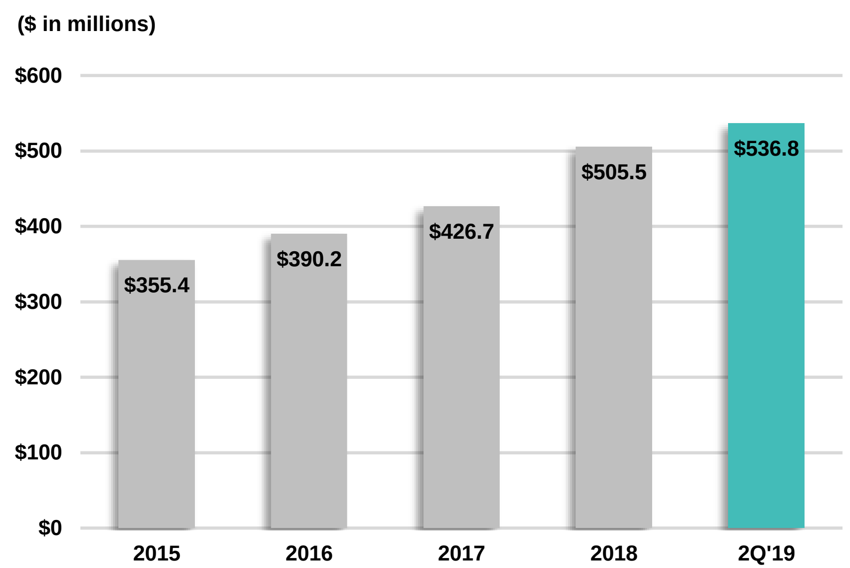
Construction Financial Review
Multiple Regions Reported Solid Growth

- Year-to-date Construction division revenue was relatively flat as an anticipated reduction in Mid-Atlantic activity was offset by growth in other regions; 2Q’19 Construction revenues slipped 7.7%
- Segment backlog continues to build, increasing 6.2% since year-end 2018 and 21% year-over-year
- Segment gross margin of 9.9% in 2Q’19 increased 150 bps from 8.4% in last year’s second quarter
- Florida region leading growth, driven by healthcare and entertainment industry work

Construction Segment Revenues



Construction Backlog

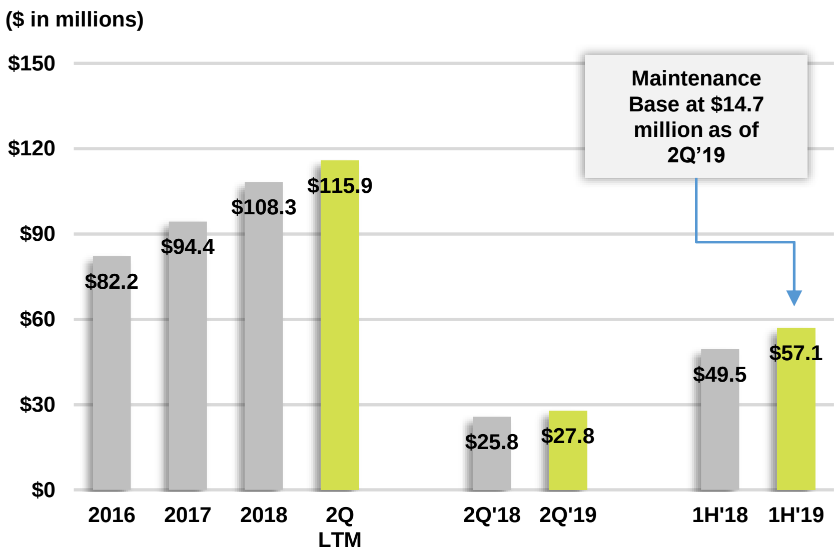


Service Financial Review

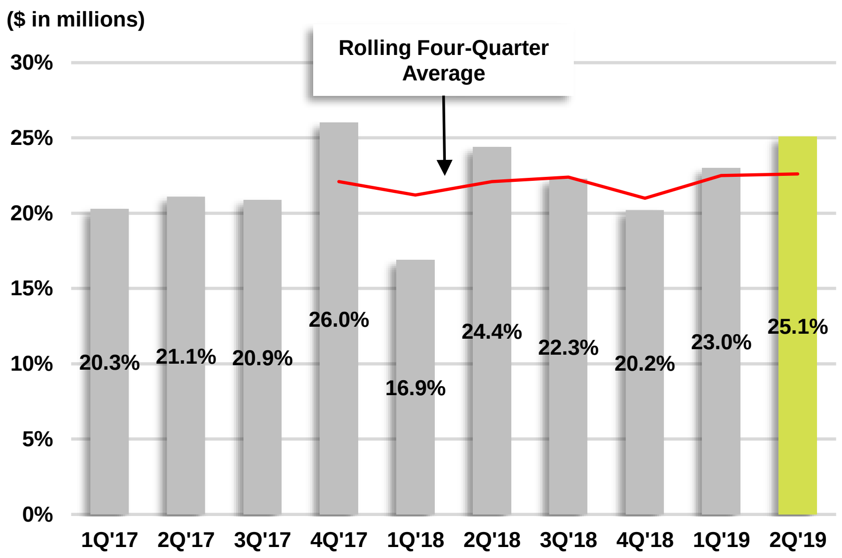
Revenue Growth Coupled With Margin Expansion

- 2Q’19 Service segment revenue increased 7.9%, and year-to-date revenue increased 15.3%
- Volume, revenue mix and pricing trending positively, driving gross margin expansion
- Quarter to quarter segment margins exhibit some variance with the rolling, four-quarter average at 22.6% as of 2Q’19
- Sales of quick-turn projects have been robust since the end of Q2’19, providing confidence that 2H’19 segment revenues will improve relative to both 1H’19 and 2H’18

Service Segment Revenues



Service Segment Gross Margin



Summary Financial Items

- Significant year-over-year improvement in Operating Income, Net Income, and Diluted EPS
- Working capital position up from 1Q'19 and 4Q'18 levels; current ratio at 1.29x
- Net over-billing position remains favorable
- $15 million revolver remains undrawn at June 30, 2019; available to provide working capital and support organic growth

Income Statement Highlights

($ in millions)	YTD 2019	YTD 2018	Difference
Operating Income	$3.9	$(0.9)	+$4.8
Net Income	$0.6	$(1.7)	+$2.3
Diluted EPS	$0.08	$(0.51)	+$0.59

Balance Sheet Highlights

($ in millions)	June 30, 2019	December 31, 2018
Current Assets	$184.6	$205.0
Current Liabilities	$143.0	$182.1
Working Capital	$41.6	$22.8
Net Under/(Over) Billings	$(10.5)	$(18.1)
Bank Debt	$40.0	$22.0
Vehicle Leases	$5.6	$5.1
Equity	$47.9	$46.4

Summary / Reaffirming Guidance

- On-track to meet operating goals and financial guidance for the year
- Continued focus on diversification, both geographically and by market vertical, helping overcome planned year-over-year reduction in Mid-Atlantic revenue run-rate
- Service segment continues to exhibit revenue growth while also experiencing margin expansion; summer cooling season expected to drive pull-through, spot work in 3Q'19

Management is reaffirming its previously issued financial guidance as summarized below:

- Revenue of approximately $560 million
- Adjusted EBITDA[1] of approximately $22.5 million

Consistent with past practice, management anticipates providing updated guidance together with the delivery of results for the third quarter of 2019.

1 Historical reconciliation of Adjusted EBITDA provided on p. 12.

Q&A

Appendix

Non-GAAP Reconciliation Table

For the Three and Six Months Ended June 30, 2018 and 2019

Reconciliation of Adjusted EBITDA to Net Income (Loss)

	Three months ended June 30,		Six months ended June 30,	
(in thousands)	**2019**	**2018**	**2019**	**2018**
Net income (loss)	$ (1,504)	$ 709	$ 642	$ (1,715)
Adjustments:				
Depreciation and amortization	1,460	1,427	2,873	2,798
Interest expense	1,597	799	2,430	1,568
Non-cash Stock-based compensation expense	515	654	882	1,121
Loss on debt extinguishment	513	--	513	--
Income tax provision (benefit)	(553)	293	293	(750)
Adjusted EBITDA	$ 2,028	$ 3,882	$ 7,633	$ 3,022

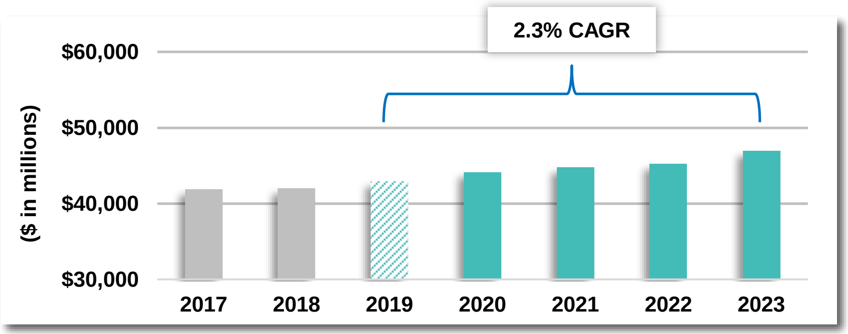
*** Use of Non-GAAP Financial Measures**

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, and taxes, as further adjusted to eliminate the impact of, when applicable, other non-cash items or expenses that are unusual or non-recurring or that we believe do not reflect our core operating results. 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.

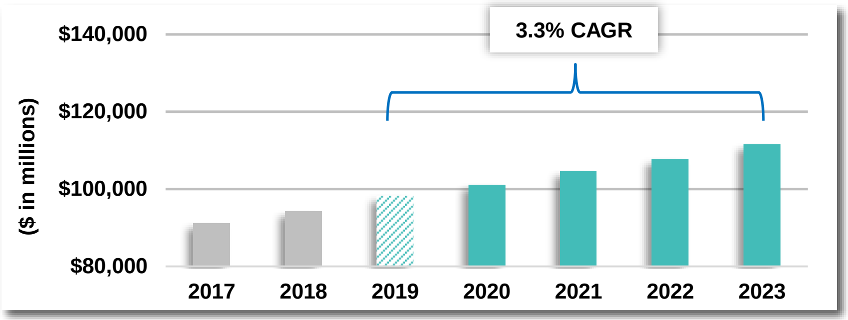
Favorable Industry Outlook

Construction Put-in-Place: Core Markets

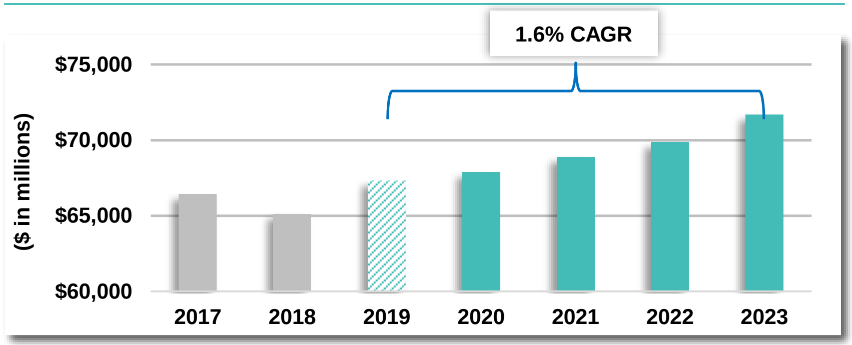
Healthcare



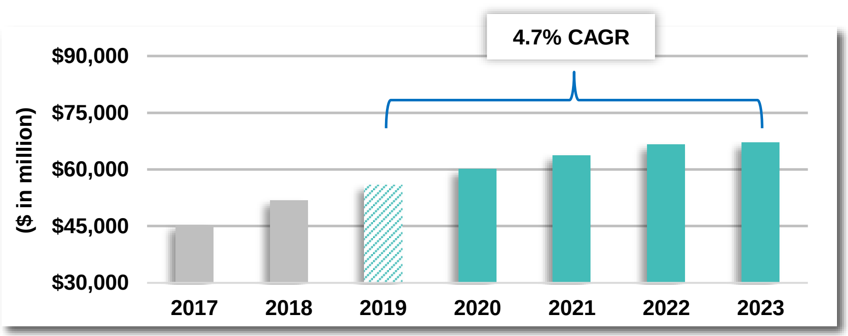
Education



Manufacturing



Transportation



Source: *FMI's North American Construction Outlook Second Quarter 2019 Report.*