

March 9, 2015



## Global Power Reports Fourth Quarter and Full Year 2014 Results

- *Full year revenue of \$538.5 million up 11% from last year*
- *Fourth quarter revenue of \$173.8 million up 23% from last year*
- *Full year earnings per diluted share of \$0.65, compared with \$0.69 from last year*
- *Full year adjusted EBITDA \$30.2 Million up 25% from last year*

IRVING, Texas, March 9, 2015 (GLOBE NEWSWIRE) -- Global Power Equipment Group Inc. (NYSE:GLPW) ("Global Power" or "Company") today reported its financial results for the fourth quarter and full year ended December 31, 2014.

Luis Manuel Ramírez, President and CEO of Global Power, commented, "We are proud we delivered on our strategy in 2014, making significant progress in transforming Global Power into a solutions-based company. We achieved our financial goals with revenue and adjusted EBITDA growth of 11% and 25%, respectively. In addition, we realized the benefits of the acquisitions we made in 2013, and I am pleased with the success we have had in diversifying our business across the energy technology value chain."

*Global Power believes that when used in conjunction with measures prepared in accordance with GAAP, adjusted EBITDA, which is a non-GAAP measure, helps in the understanding of its operating performance. See the attached tables for additional important disclosures regarding Global Power's use of adjusted EBITDA, as well as a reconciliation of GAAP income from continuing operations to adjusted EBITDA from continuing operations.*

### FULL YEAR 2014 HIGHLIGHTS

- Consolidated revenue increased 11.2% to \$538.5 million with all business segments posting year-over-year gains.
- Adjusted EBITDA grew 25.2% to \$30.2 million.
- Adjusted EBITDA margin increased 60 basis points to 5.6%.
- Operating expenses as a percent of sales declined to 13.8% from 15.1% last year.
- Customer base in Energy and Equipment Services markets expanded.

### FULL YEAR 2014 CONSOLIDATED RESULTS

Consolidated revenue in 2014 increased 11.2% to \$538.5 million when compared with the prior-year. Gross profit was \$90.8 million, or 16.9% of sales. Higher gross profit resulted from improved margins in our Energy Services and Nuclear Services segments, partially

offset by lower margins in our Product Solutions segment. Total operating expenses were \$74.2 million, up 1.8% when compared with the prior-year. Operating income was \$16.6 million, or 3.1% of sales, compared to \$12.0 million, or 2.5% in the prior-year period.

Adjusted EBITDA from continuing operations was \$30.2 million in 2014 compared with \$24.1 million in the prior-year period. Adjusted EBITDA margin as a percent of sales improved 60 basis points to 5.6%.

### ***Product Solutions***

Product Solutions posted revenue of \$222.2 million, up 6.8% when compared with the prior-year. We experienced increased demand across the natural gas value chain including infrastructure, utility scale power generation, distributed power and oil and gas. Gross margin was 20.3% for the year, down from 22.7% in 2013. The year-over-year margin decline was primarily driven by a decrease in the Electrical Solutions group gross profit attributable to labor inefficiency at one plant we acquired in 2013. Those inefficiencies were identified and corrective actions are being taken to return gross margin percentages to historical levels.

### ***Energy Services***

Energy Services' revenue was \$69.7 million, up 69.2% when compared with the prior year. The revenue increase was primarily driven by mid-stream oil and gas market project work, our alliance contracts, and Hetsco construction and fabrication projects. Gross margins increased 90 basis points to 16.2% in 2014 from Hetsco's revenue mix, coupled with higher margin project work in the year.

### ***Nuclear Services***

Nuclear Services delivered revenue of \$246.6 million, representing 5.0% growth from 2013. The increase in revenue was primarily attributable to a large fixed price project. Gross margin increased to 14.0% in 2014 from 13.4% last year as we achieved operational efficiencies.

## **FOURTH QUARTER 2014 CONSOLIDATED RESULTS**

Consolidated revenue climbed 23% over last year as both the Nuclear and Energy Services business segments posted solid growth. Gross profit was \$27.4 million, or 15.8% of sales compared with 20.8% last year. Total operating expenses in the quarter were \$19.0 million, down 1.2% when compared with the prior-year period. As a percent of sales, operating expenses declined to 11.0% from 13.6% last year. Operating income was \$8.4 million, or 4.8% of sales, compared to \$10.2 million, or 7.2% of sales in the prior-year quarter. Adjusted EBITDA from continuing operations was \$10.4 million in the fourth quarter compared with \$13.5 million in the prior-year quarter. Adjusted EBITDA margin as a percent of sales declined by 350 basis points to 6.0%. Income from continuing operations decreased 45.8% to \$5.9 million, or \$0.35 per diluted share, compared to \$10.9 million or \$0.64 per diluted share in the prior year.

## **FLEXIBLE BALANCE SHEET**

Cash and equivalents at year end were \$8.8 million. Cash used in operations in 2014 was \$9.8 million and \$99.0 million was borrowed on the revolving credit line, of which \$77.0

million was repaid in 2014. Capital expenditures on an accrual basis were \$8.2 million (or 1.5% of sales) in 2014, half of which was for general maintenance purposes and the remainder for organic growth initiatives and IT systems infrastructure.

## **FULL YEAR 2014 ORDERS AND QUARTER END BACKLOG**

Total backlog at the quarter end was \$389.4 million, down from \$417.0 million at the end of the prior quarter, and flat with the same quarter of the prior year.

Orders for Product Solutions in 2014 were \$195.3 million. Backlog for Product Solutions at the quarter end was \$152.5 million, down 13.7% from the prior-year period, and down 3.5% from the trailing quarter due to the timing of closing new contracts in the quarter. Approximately 89% of Product Solutions' backlog is expected to ship in 2015.

Orders for Energy Services in 2014 were \$85.7 million, and its backlog was \$26.3 million at quarter end. Approximately 100% of this backlog is expected to convert to revenue in 2015. Orders for Nuclear Services in 2014 were \$260.6 million. Backlog was \$210.7 million at quarter end, with approximately 84% expected to convert to revenue in 2015.

## **2015 OUTLOOK**

- Consolidated revenue projection is in the range of \$550 million to \$600 million.
  - Products business – driven by an improvement in market penetration in the power generation and energy markets.
  - Services business – continued growth in our Industrial and Hetsco businesses.
- Gross margin improvement as a percent of revenue (20 to 30 basis points from 16.9% in 2014).
- SG&A as a percent of sales is expected to be flat as compared to 2014.

Mr. Ramírez concluded, "Growth remains a key focus for our team and we are excited by our prospects in 2015 and beyond. We are well positioned to continue expanding our products and services offerings both organically and through acquisitions, while increasing our wallet share with existing customers and expanding into new market opportunities within the energy technology value chain. We see additional opportunity to improve our cost structure and manufacturing performance through efficiency initiatives. Our operations are very well positioned to benefit as key market trends improve around the world including natural gas power generation, and the refining, petrochemical and chemical complex. Our team remains focused on driving profitable growth and creating value for our shareholders."

## **ACQUISITION OF SIEMENS' EHOUSE MANUFACTURING**

Global Power closed its acquisition of Siemens' eHouse manufacturing operations through its subsidiary Koontz-Wagner Custom Controls Holdings, LLC. The acquisition will enhance Global Power's manufacturing footprint and will serve as a platform to provide Global Power's customers with integrated solutions and expand its product and service portfolio.

## **Webcast and Conference Call**

Global Power Equipment Group will host a conference call and live webcast Monday, March 9<sup>th</sup> at 9:00 a.m. Central Time (10:00 a.m. ET). A slide presentation that accompanies the

discussion on the call will also be available on the Company's website at [www.globalpower.com](http://www.globalpower.com). Global Power's conference call can be accessed by dialing (201) 493-6780. Alternatively, the webcast can be monitored at <http://ir.globalpower.com/>.

A telephonic replay will be available from 12:00 p.m. CT (1:00 p.m. ET) the day of the teleconference until Monday, March 23, 2015. To listen to the archived call, dial (858) 384-5517, and enter conference ID number 13602086. Alternatively, an archive of the webcast will be available on the Company's website at <http://ir.globalpower.com/>. A transcript will also be posted to the website, once available.

## **About Global Power**

Texas-based Global Power Equipment Group Inc. is a design, engineering and manufacturing firm providing a broad array of equipment and services to the global power infrastructure, energy and process industries. Product Solutions includes two primary product categories: Auxiliary Products designs, engineers and manufactures a comprehensive portfolio of equipment for utility-scale natural gas turbines while Electrical Solutions provides custom configured electrical houses and generator enclosures for the midstream oil & gas industry, the power generation market to include distributed and backup power as well as other industrial and commercial operations. Energy Services provides lifecycle maintenance, repair, construction and fabrication services for the industrial, chemical/petrochemical process, oil and gas and power generation industries. Nuclear Services provides on-site specialty support, outage management and maintenance services to domestic utilities' nuclear power facilities. The Company routinely provides information at its website: [www.globalpower.com](http://www.globalpower.com).

## **Forward-looking Statement Disclaimer**

This press release contains "forward-looking statements" within the meaning of that term set forth in the Private Securities Litigation Reform Act of 1995. These statements reflect our current views of future events and financial performance and are subject to a number of risks and uncertainties. Our actual results, performance or achievements may differ materially from those expressed or implied in the forward-looking statements. Risks and uncertainties that could cause or contribute to such material differences include, but are not limited to, decreased demand for new gas turbine power plants, reduced demand for, or increased regulation of, nuclear power, loss of any of our major customers, cost increases and project cost overruns, unforeseen schedule delays, poor performance by our subcontractors, cancellation of projects, competition for the sale of our products and services, shortages in, or increases in prices for, energy and materials such as steel that we use to manufacture our products, damage to our reputation, warranty or product liability claims, increased exposure to environmental or other liabilities, failure to comply with various laws and regulations, failure to attract and retain highly-qualified personnel, loss of customer relationships with critical personnel, effective integration of acquisitions, modification of preliminary 2015 outlook, volatility of our stock price, deterioration or uncertainty of credit markets, and changes in the economic, social and political conditions in the United States and other countries in which we operate, including fluctuations in foreign currency exchange rates, the banking environment or monetary policy. Other important factors that may cause actual results to differ materially from those expressed in the forward-looking statements are discussed in our filings with the Securities and Exchange Commission (the "SEC"), including the section of our Annual Report on Form 10-K filed with the SEC on March 9, 2015 titled

"Risk Factors." Except as may be required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, and we caution you not to rely upon them unduly.

## Financial Tables Follow.

GLOBAL POWER EQUIPMENT GROUP INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(\$ in thousands, except share and per share amounts)  
(unaudited)

|  | Three Months Ended December 31, <sup>(1)</sup> |            | Variance |         |
|--|--|------------|----------|---------|
|  | 2014   | 2013       | \$       | %       |
| Products revenue   | \$ 66,138                                      | \$ 78,793  | (12,655) | -16.1%  |
| Services revenue   | 107,658  | 62,752     | 44,906   | 71.6%   |
| Total revenue  | 173,796  | 141,545    | 32,251   | 22.8%   |
| Products cost of revenue                                       | 54,321   | 59,360     | (5,039)  | -8.5%   |
| Services cost of revenue                                       | 92,066   | 52,676     | 39,390   | 74.8%   |
| Total cost of revenue  | 146,387  | 112,036    | 34,351   | 30.7%   |
| Gross profit   | 27,409   | 29,509     | (2,100)  | -7.1%   |
| Gross profit percentage  | 15.8%  | 20.8%      |          |         |
| Selling and marketing expenses                                 | 2,509  | 2,362      | 147      | 6.2%    |
| General and administrative expenses                            | 14,438   | 14,869     | (431)    | -2.9%   |
| Depreciation and amortization expense <sup>(2)</sup>           | 2,087  | 2,031      | 56       | 2.8%    |
| Total operating expenses                                       | 19,034   | 19,262     | (228)    | -1.2%   |
| Operating income   | 8,375  | 10,247     | (1,872)  | -18.3%  |
| Operating margin   | 4.8%   | 7.2%       |          |         |
| Interest expense, net  | 536  | 410        | 126      | 30.7%   |
| Other expense (income), net                                    | 736  | (85)       | 821      | -965.9% |
| Income from continuing operations before income tax            | 7,103  | 9,922      | (2,819)  | -28.4%  |
| Income tax expense (benefit)                                   | 1,173  | (1,014)    | 2,187    | -215.7% |
| Income from continuing operations                              | 5,930  | 10,936     | (5,006)  | -45.8%  |
| Discontinued operations:                                       |  |            |          |         |
| Income from discontinued operations, net of tax                | —  | 47         | (47)     | -100.0% |
| (Loss) gain on disposals, net of tax                           | —  | —          | —        | 0.0%    |
| Income from discontinued operations                            | —  | 47         | (47)     | -100.0% |
| Net income   | \$ 5,930                                       | \$ 10,983  | (5,053)  | -46.0%  |
| Earnings per common share:                                     |  |            |          |         |
| Basic earnings per common share from continuing operations     | \$ 0.35  | \$ 0.64    | (0.29)   | -45.3%  |
| Basic earnings per common share from discontinued operations   | —  | 0.01       | (0.01)   | -100.0% |
| Basic earnings per common share                                | \$ 0.35  | \$ 0.65    | (0.30)   | -46.2%  |
| Weighted average common shares outstanding - basic             | 17,072,655                                     | 16,989,847 | 82,808   | 0.5%    |
| Diluted earnings per common share from continuing operations   | \$ 0.35  | \$ 0.64    | (0.29)   | -45.3%  |
| Diluted earnings per common share from discontinued operations | —  | —          | —        | 0.0%    |
| Diluted earnings per common share                              | \$ 0.35  | \$ 0.64    | (0.29)   | -45.3%  |
| Weighted average common shares outstanding - diluted           | 17,093,987                                     | 17,030,183 | 63,804   | 0.4%    |

(1) The company uses a 4-4-5 close methodology, which changes the accounting periods to month-end dates that could be different from the traditional last day of the month, but labels quarterly information using a calendar convention, that is, first quarter will be labeled as ending on March 31, second quarter as ending on June 30, and third quarter as ending on September 30.

(2) Excludes depreciation and amortization expense for the three months ended December 31, 2014 and 2013 of \$451 and \$387 included in cost of revenue, respectively.

GLOBAL POWER EQUIPMENT GROUP INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(\$ in thousands, except share and per share amounts)

|  | Years Ended December 31, |            | Variance |          |
|--|--------------------------|------------|----------|----------|
|  | 2014                     | 2013       | \$       | %        |
| Products revenue   | \$ 222,250               | \$ 208,194 | 14,056   | 6.8%     |
| Services revenue   | 316,295                  | 276,024    | 40,271   | 14.6%    |
| Total revenue  | 538,545                  | 484,218    | 54,327   | 11.2%    |
| Products cost of revenue                                       | 177,144                  | 160,983    | 16,161   | 10.0%    |
| Services cost of revenue                                       | 270,571                  | 238,231    | 32,340   | 13.6%    |
| Total cost of revenue  | 447,715                  | 399,214    | 48,501   | 12.1%    |
| Gross profit   | 90,830                   | 85,004     | 5,826    | 6.9%     |
| <i>Gross profit percentage</i>                                 | 16.9%                    | 17.6%      |          |          |
| Selling and marketing expenses                                 | 9,814                    | 9,319      | 495      | 5.3%     |
| General and administrative expenses                            | 55,892                   | 57,041     | (1,149)  | -2.0%    |
| Depreciation and amortization expense <sup>(1)</sup>           | 8,535                    | 6,599      | 1,936    | 29.3%    |
| Total operating expenses                                       | 74,241                   | 72,959     | 1,282    | 1.8%     |
| Operating income   | 16,589                   | 12,045     | 4,544    | 37.7%    |
| <i>Operating margin</i>  | 3.1%                     | 2.5%       |          |          |
| Interest expense, net  | 1,710                    | 893        | 817      | 91.5%    |
| Other (income) expense, net                                    | (288)                    | 83         | (371)    | -447.0%  |
| Income from continuing operations before income tax            | 15,167                   | 11,069     | 4,098    | 37.0%    |
| Income tax expense (benefit)                                   | 4,017                    | (437)      | 4,454    | -1019.2% |
| Income from continuing operations                              | 11,150                   | 11,506     | (356)    | -3.1%    |
| Discontinued operations:                                       |                          |            |          |          |
| (Loss) income from discontinued operations, net of tax         | (1)                      | 279        | (280)    | -100.4%  |
| (Loss) gain on disposals, net of tax                           | —                        | —          | —        | 0.0%     |
| (Loss) Income from discontinued operations                     | (1)                      | 279        | (280)    | -100.4%  |
| Net income   | \$ 11,149                | \$ 11,785  | (636)    | -5.4%    |
| Earnings per common share:                                     |                          |            |          |          |
| Basic earnings per common share from continuing operations     | \$ 0.66                  | \$ 0.68    | (0.02)   | -2.9%    |
| Basic earnings per common share from discontinued operations   | —                        | 0.02       | (0.02)   | -100.0%  |
| Basic earnings per common share                                | \$ 0.66                  | \$ 0.70    | (0.04)   | -5.7%    |
| Weighted average common shares outstanding - basic             | 17,005,589               | 16,919,981 | 85,608   | 0.5%     |
| Diluted earnings per common share from continuing operations   | \$ 0.65                  | \$ 0.68    | (0.03)   | -4.4%    |
| Diluted earnings per common share from discontinued operations | —                        | 0.01       | (0.01)   | -100.0%  |
| Diluted earnings per common share                              | 0.65                     | \$ 0.69    | (0.04)   | -5.8%    |
| Weighted average common shares outstanding - diluted           | 17,034,922               | 17,045,095 | (10,173) | -0.1%    |

(1) Excludes depreciation and amortization expense for the years ended December 31, 2014 and 2013 of \$1,736 and \$1,435 included in cost of revenue, respectively.

GLOBAL POWER EQUIPMENT GROUP INC.  
CONSOLIDATED BALANCE SHEETS  
(\$ in thousands, except share and per share amounts)

|   | <b>December 31,</b> |             |
|---|---------------------|-------------|
|   | <b>2014</b>         | <b>2013</b> |
| <b>ASSETS</b>   |                     |             |
| Current assets:   |                     |             |
| Cash and cash equivalents   | \$ 8,810            | \$ 13,942   |
| Restricted cash   | 1                   | 120         |
| Accounts receivable, net of allowance of \$787 and \$557, respectively  | 115,351             | 93,484      |
| Inventories   | 8,279               | 6,476       |
| Costs and estimated earnings in excess of billings  | 57,918              | 41,804      |
| Deferred tax assets   | 5,011               | 3,301       |
| Other current assets  | 6,945               | 8,215       |
| Total current assets  | 202,315             | 167,342     |
| Property, plant and equipment, net  | 22,847              | 20,644      |
| Goodwill  | 106,884             | 109,930     |
| Intangible assets, net  | 59,070              | 60,594      |
| Deferred tax assets   | 2,590               | 7,630       |
| Other long-term assets  | 841                 | 1,258       |
| Total assets  | \$ 394,547          | \$ 367,398  |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>   |                     |             |
| Current liabilities:  |                     |             |
| Accounts payable  | \$ 18,856           | \$ 19,664   |
| Accrued compensation and benefits   | 21,213              | 14,798      |
| Billings in excess of costs and estimated earnings  | 14,459              | 12,757      |
| Accrued warranties  | 1,996               | 3,261       |
| Other current liabilities   | 5,583               | 8,483       |
| Total current liabilities   | 62,107              | 58,963      |
| Long-term debt  | 45,000              | 23,000      |
| Other long-term liabilities   | 6,237               | 5,844       |
| Total liabilities   | 113,344             | 87,807      |
| Commitments and contingencies (Note 15)   |                     |             |
| Stockholders' equity:   |                     |             |
| Common stock, \$0.01 par value, 170,000,000 shares authorized and 18,395,472 and 18,294,998 shares issued, respectively, and 17,129,119 and 17,059,943 shares outstanding, respectively | 184                 | 183         |
| Paid-in capital   | 71,528              | 69,049      |
| Accumulated other comprehensive income  | (2,252)             | 3,473       |
| Retained earnings   | 211,756             | 206,898     |
| Treasury stock, at par (1,266,353 and 1,235,055 common shares, respectively)  | (13)                | (12)        |
| Total stockholders' equity  | 281,203             | 279,591     |
| Total liabilities and stockholders' equity  | \$ 394,547          | \$ 367,398  |

GLOBAL POWER EQUIPMENT GROUP INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(\$ in thousands)

|   | <b>Years Ended December 31,</b> |                 |
|---|---------------------------------|-----------------|
|   | <b>2014</b>                     | <b>2013</b>     |
| <b>Operating activities:</b>  |                                 |                 |
| Net income  | \$ 11,149                       | \$ 11,785       |
| Adjustments to reconcile net income to net cash provided by operating activities:               |                                 |                 |
| Deferred income tax provision (benefit)   | 3,331                           | (2,051)         |
| Depreciation and amortization on plant, property and equipment and intangible assets            | 10,271                          | 8,034           |
| Amortization on deferred financing costs  | 229                             | 184             |
| Loss on disposals of equipment  | 635                             | —               |
| Stock-based compensation  | 3,081                           | 4,145           |
| Changes in operating assets and liabilities, net of businesses acquired and sold                | <u>(38,514)</u>                 | <u>(2,359)</u>  |
| Net cash (used in) provided by operating activities   | (9,818)                         | 19,738          |
| <b>Investing activities:</b>  |                                 |                 |
| Acquisitions, net of cash acquired  | (725)                           | (49,451)        |
| Proceeds from sale of business, net of restricted cash and transaction costs                    | —                               | 306             |
| Net transfers of restricted cash  | 119                             | —               |
| Proceeds from sale of equipment   | 174                             | 71              |
| Purchase of property, plant and equipment   | <u>(7,632)</u>                  | <u>(5,196)</u>  |
| Net cash used in investing activities   | (8,064)                         | (54,270)        |
| <b>Financing activities:</b>  |                                 |                 |
| Repurchase of stock-based awards for payment of statutory taxes due on stock-based compensation | (602)                           | (1,752)         |
| Debt issuance costs   | —                               | (171)           |
| Dividends paid  | (6,140)                         | (6,215)         |
| Proceeds from long-term debt  | 99,000                          | 65,000          |
| Payments of long-term debt  | <u>(77,000)</u>                 | <u>(42,000)</u> |
| Net cash provided by (used in) financing activities   | 15,258                          | 14,862          |
| Effect of exchange rate changes on cash   | <u>(2,508)</u>                  | <u>1,661</u>    |
| Net change in cash and cash equivalents   | (5,132)                         | (18,009)        |
| Cash and cash equivalents, beginning of year  | <u>13,942</u>                   | <u>31,951</u>   |
| Cash and cash equivalents, end of year  | \$ 8,810                        | \$ 13,942       |

GLOBAL POWER EQUIPMENT GROUP INC.

ADJUSTED EBITDA RECONCILIATION

(\$ in thousands)

(unaudited)

| Adjusted EBITDA Reconciliation (\$ in thousands)                   | Three Months Ended December 31, |           | Twelve Months Ended December 31, |           |
|--|---------------------------------|-----------|----------------------------------|-----------|
|  | 2014                            | 2013      | 2014                             | 2013      |
| GAAP Income from continuing operations                             | \$ 5,930                        | \$ 10,936 | \$ 11,150                        | \$ 11,506 |
| Add back:  |                                 |           |                                  |           |
| Income tax expense (benefit)                                       | 1,173                           | (1,014)   | 4,017                            | (437)     |
| Interest expense, net  | 536                             | 410       | 1,710                            | 893       |
| Depreciation and amortization                                      | 2,538                           | 2,418     | 10,271                           | 8,034     |
| Stock based compensation   | 265                             | 716       | 3,081                            | 4,145     |
| Non-GAAP adjusted EBITDA from continuing operations <sup>(1)</sup> | 10,442                          | 13,466    | 30,229                           | 24,141    |

(1) Adjusted EBITDA from continuing operations represents income from continuing operations adjusted for income taxes, interest, depreciation and amortization, and stock based compensation. The Company believes adjusted EBITDA from continuing operations is an important supplemental measure of operating performance and uses it to assess performance and inform operating decisions. However, adjusted EBITDA from continuing operations is not a GAAP financial measure. The Company's calculation of adjusted EBITDA from continuing operations should not be used as a substitute for GAAP measures of performance, including net cash provided by operations, operating income and net income. The Company's method of calculating adjusted EBITDA from continuing operations may vary substantially from the methods used by other companies and investors are cautioned not to rely unduly on it.

GLOBAL POWER EQUIPMENT GROUP INC.  
SEGMENT DATA  
(\$ in thousands)

|                             | Three Months Ended |                    | Twelve Months Ended |                   |
|-----------------------------|--------------------|--------------------|---------------------|-------------------|
|                             | December 31, 2014  | December 31, 2013  | December 31, 2014   | December 31, 2013 |
|                             | <i>(unaudited)</i> | <i>(unaudited)</i> | <i>(audited)</i>    | <i>(audited)</i>  |
| <b>Product Solutions</b>    |                    |                    |                     |                   |
| Revenue                     | \$ 66,138          | \$ 78,793          | \$ 222,250          | \$ 208,194        |
| Gross Profit                | 11,817             | 19,433             | 45,106              | 47,211            |
| <i>Gross Margin</i>         | 17.9%              | 24.7%              | 20.3%               | 22.7%             |
| <br><b>Nuclear Services</b> |                    |                    |                     |                   |
| Revenue                     | 78,944             | 53,550             | 246,624             | 234,852           |
| Gross Profit                | 11,326             | 8,246              | 34,439              | 31,512            |
| <i>Gross Margin</i>         | 14.3%              | 15.4%              | 14.0%               | 13.4%             |
| <br><b>Energy Services</b>  |                    |                    |                     |                   |
| Revenue                     | 28,714             | 9,202              | 69,671              | 41,172            |
| Gross Profit                | 4,266              | 1,830              | 11,285              | 6,281             |
| <i>Gross Margin</i>         | 14.9%              | 19.9%              | 16.2%               | 15.3%             |
| <br><b>Consolidated</b>     |                    |                    |                     |                   |
| Revenue                     | 173,796            | 141,545            | 538,545             | 484,218           |
| Gross Profit                | 27,409             | 29,509             | 90,830              | 85,004            |
| <i>Gross Margin</i>         | 15.8%              | 20.8%              | 16.9%               | 17.6%             |

SHIPPING / SERVICE DAYS BY QUARTER

|             | Q1 | Q2 | Q3 | Q4 | Total |
|-------------|----|----|----|----|-------|
| <b>FY14</b> | 62 | 64 | 63 | 66 | 255   |
| <b>FY13</b> | 58 | 64 | 63 | 65 | 250   |

GLOBAL POWER EQUIPMENT GROUP INC.

BACKLOG BY SEGMENT

(\$ in thousands) (unaudited)

|                   | December 31,  |               |
|-------------------|---------------|---------------|
|                   | 2014          | 2013          |
| <b>Backlog</b>    |               |               |
| Product Solutions | \$ 152,466    | \$ 176,621    |
| Nuclear Services  | 210,689       | 196,674       |
| Energy Services   | <u>26,259</u> | <u>17,028</u> |
| <b>Total</b>      | 389,414       | 390,323       |

PRODUCT SOLUTIONS ORDERS

(\$ in thousands) (unaudited)

|             | Q1     | Q2     | Q3     | Q4     | Total   |
|-------------|--------|--------|--------|--------|---------|
| <b>FY14</b> | 49,776 | 35,588 | 47,433 | 62,521 | 195,318 |
| <b>FY13</b> | 55,899 | 51,039 | 64,277 | 80,506 | 251,721 |

PRODUCT SOLUTIONS REVENUE BY GEOGRAPHIC REGION

(\$ in thousands) (unaudited)

|                     | 2014         |               |              |              |               |              |
|---------------------|--------------|---------------|--------------|--------------|---------------|--------------|
| Products Shipped to | Q1           | Q2            | Q3           | Q4           | Total         | % of total   |
| Middle East         | 366          | 14,021        | 11,249       | 13,849       | 39,485        | 17.8%        |
| North America       | 24,849       | 30,500        | 31,850       | 44,470       | 131,669       | 59.2%        |
| Asia                | 4,193        | 3,062         | 6,980        | 4,097        | 18,332        | 8.2%         |
| South America       | 2,720        | 1,319         | 366          | 314          | 4,719         | 2.1%         |
| Europe & Other      | <u>6,803</u> | <u>10,269</u> | <u>7,565</u> | <u>3,408</u> | <u>28,045</u> | <u>12.6%</u> |
| Total               | 38,931       | 59,171        | 58,010       | 66,138       | 222,250       | 100.0%       |

|                     | 2013         |              |            |              |               |             |
|---------------------|--------------|--------------|------------|--------------|---------------|-------------|
| Products Shipped to | Q1           | Q2           | Q3         | Q4           | Total         | % of total  |
| Middle East         | 9,065        | 14,615       | 10,695     | 6,198        | 40,573        | 19.5%       |
| North America       | 20,919       | 14,676       | 27,375     | 45,740       | 108,710       | 52.2%       |
| Asia                | 4,129        | 1,315        | 7,399      | 10,781       | 23,624        | 11.3%       |
| South America       | 3,668        | 1,325        | 8,544      | 8,244        | 21,781        | 10.5%       |
| Europe & Other      | <u>1,113</u> | <u>3,999</u> | <u>564</u> | <u>7,829</u> | <u>13,505</u> | <u>6.5%</u> |
| Total               | 38,894       | 35,930       | 54,577     | 78,792       | 208,193       | 100.0%      |

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Source: Global Power Equipment Group Inc.