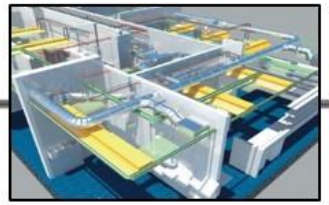
LIMBACH

ENGINEERING CONSTRUCTION SERVICE

Investor Presentation
March 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 17, 2017 and our Form 10-Q filed on November 14, 2017, 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 presentation.

LIMBACH – AT A GLANCE

Share Information[1]

- Recent Price: $13.76
- Market Cap: $103 million
- Common Shares Outstanding: 7.47 million
- Warrants Outstanding: 7.1 million at an average strike price of approximately $11.90; full conversion would equal 4.7 million common shares

Key Points

- Founded in 1901, Limbach is one of the largest mechanical systems solutions firm in the U.S.[2]
- Seasoned, proven leadership and corporate infrastructure well-positioned to maximize value
- Favorable industry dynamics as the current upward leg of the construction cycle supports growth
- Attractive entry opportunity with strong forward visibility
- Focused growth strategies on developing recurring revenue and forging longer-term customer relationships

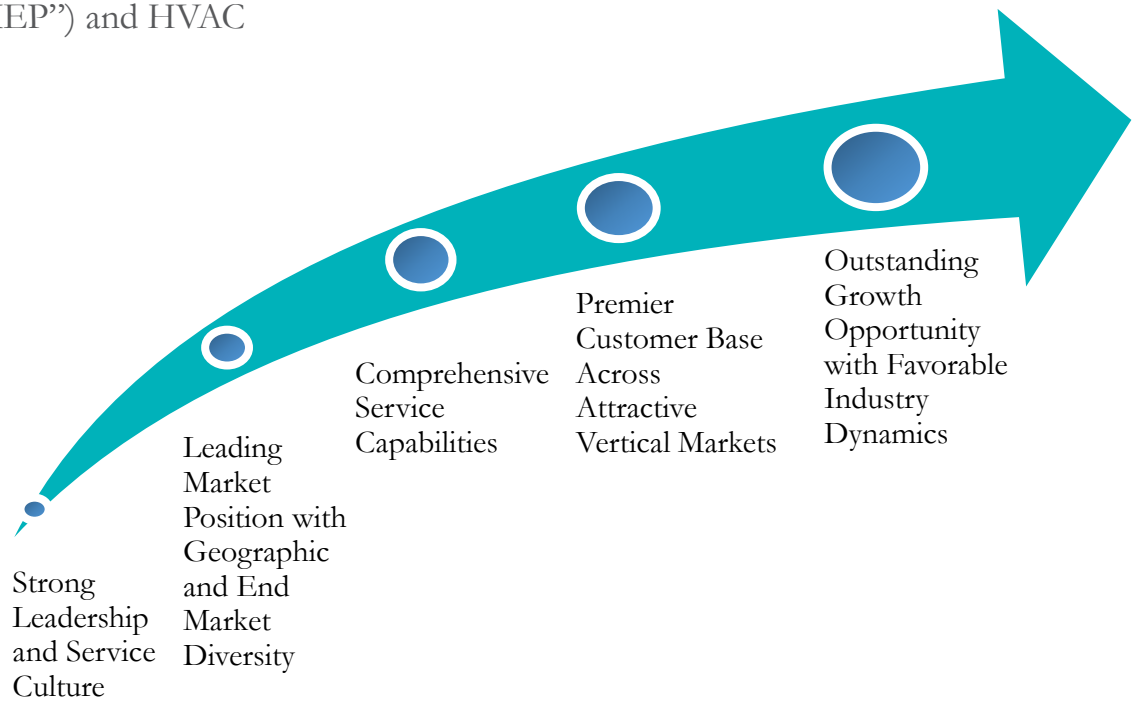
1. Share data as of February 15, 2018.

2. *Source: Engineering News Record.*

WHY LIMBACH?

Limbach is a preeminent national provider of mechanical design, engineering, installation, and maintenance services

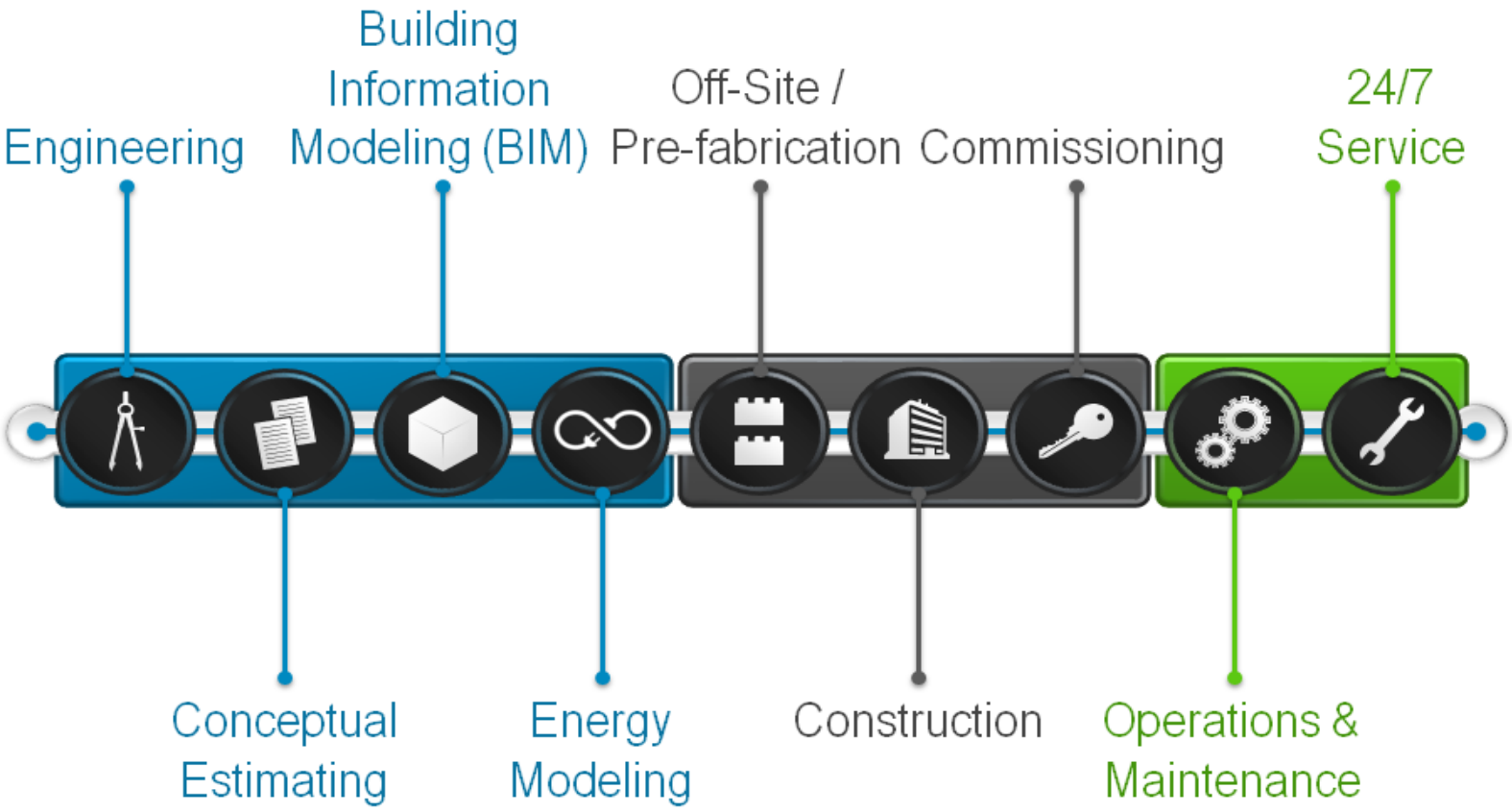
Offering a single-source, innovative and technologically sophisticated solution for the design, installation, service, maintenance, repair, retrofit and energy efficiency optimization of non-residential mechanical, electrical, plumbing ("MEP") and HVAC



"We believe that the timing is right for the Company to leverage the opportunities we see in the marketplace in support of our multi-faceted growth strategy."

Charlie Bacon, CEO
Limbach

FULL HVAC OFFERING CAPABILITIES

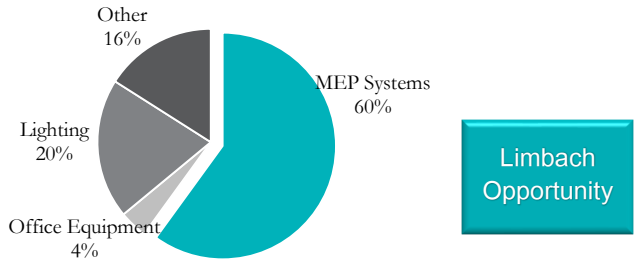


THE ECONOMICS OF BUILDING SYSTEMS

Mechanical, electrical, and plumbing ("MEP") systems are the most critical systems within a facility, and full service providers with scale, technical design, and engineering capabilities are scarce → as the premier MEP provider, Limbach is in a prime position

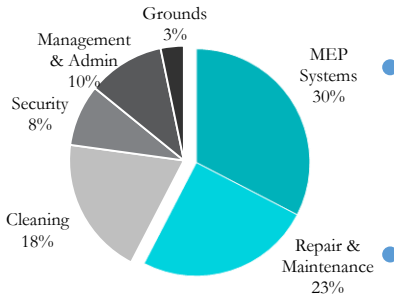
MEP is the largest component of both initial capex and opex over the life of an investment

Initial Investment – CapEx



Limbach Opportunity

Life Cycle Investment - OpEx



Limbach Opportunity

Limbach Value Add: Mechanical Energy Efficiency

- HVAC systems are critical to building function and comprise the largest component of building investment, operating expenses and energy use
- Energy efficiency programs can reduce overall building energy costs by as much as 30%, with proper operations and maintenance accounting for annual operating cost savings of 5% to 20%

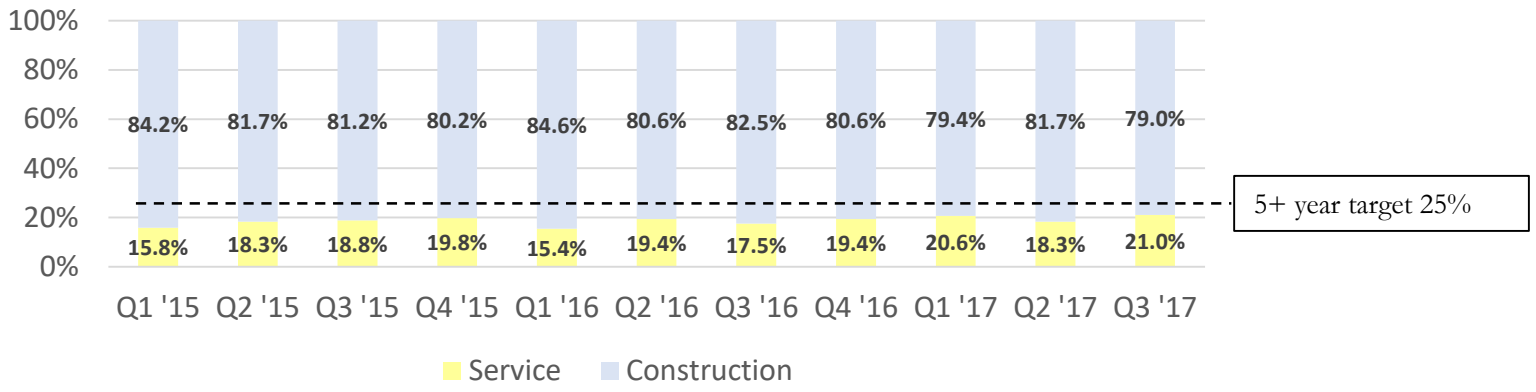
Opportunity for Expansion

- Few national players exist in the MEP space
- Introduction of new "MEP Prime" offering in select markets
- Most of Limbach's competitors are small, regionally-focused, and do not have Limbach's engineering capabilities
  - This allows Limbach to beat out the competition and make strategic, regional acquisitions

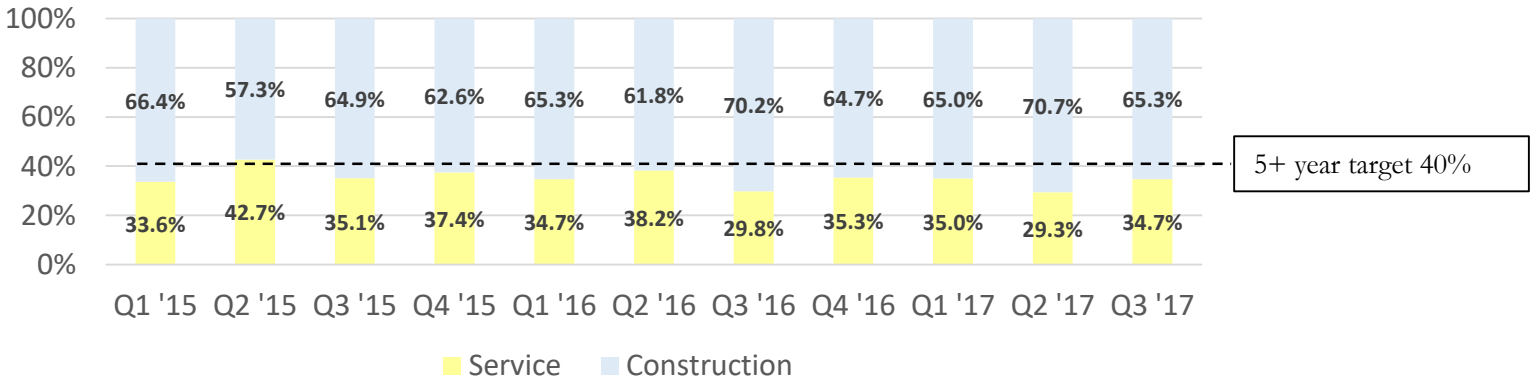
Sources: BOMA, U.S. Energy Information Administration, and ASHRAE.

BALANCED BUSINESS

Segment Revenue Splits



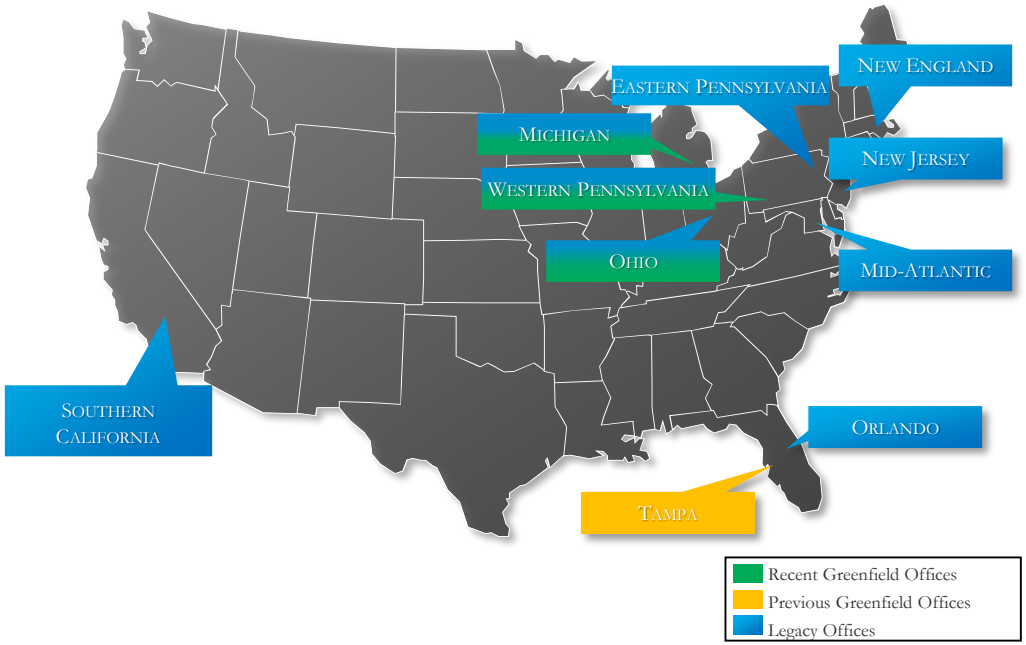
Gross Profit Splits



LIMBACH – WIDE GEOGRAPHIC REACH WITH ROOM TO EXPAND

The Company has a broad geographic footprint operating from 14 offices* in New England, the Mid-Atlantic, the Southeast, the Midwest and California

Employees	1,500+
Size	Top 10 ENR Engineering News-Record
Bonding	$600 million



* Limbach is currently in the process of opening an office in Detroit, MI, expected to be open 1H:18

ATTRACTIVE VERTICAL MARKETS – SPECIALTY NICHE WITH BRAND RECOGNITION

Focus on large and growing markets that require specialized technical capabilities and solutions. Limbach is a desired partner for leading general contractors, construction managers and building owners

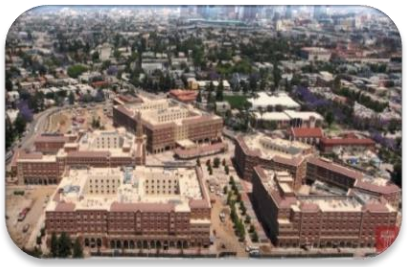
Healthcare

Medical Center of Trinity

Sports

New Red Wings Arena

Higher Education



USC Village

Cultural

Broad Art Museum

Infrastructure

LAX Bradley Terminal

Entertainment

Disney ESPN Wide World of Sports Complex, Orlando FL

Commercial

Liberty Mutual

Hospitality

Marriott in DC

NEW POTENTIAL EMERGING SECTORS/MARKETS

High-Growth Sectors Where Limbach is Well-Equipped to Capture Business

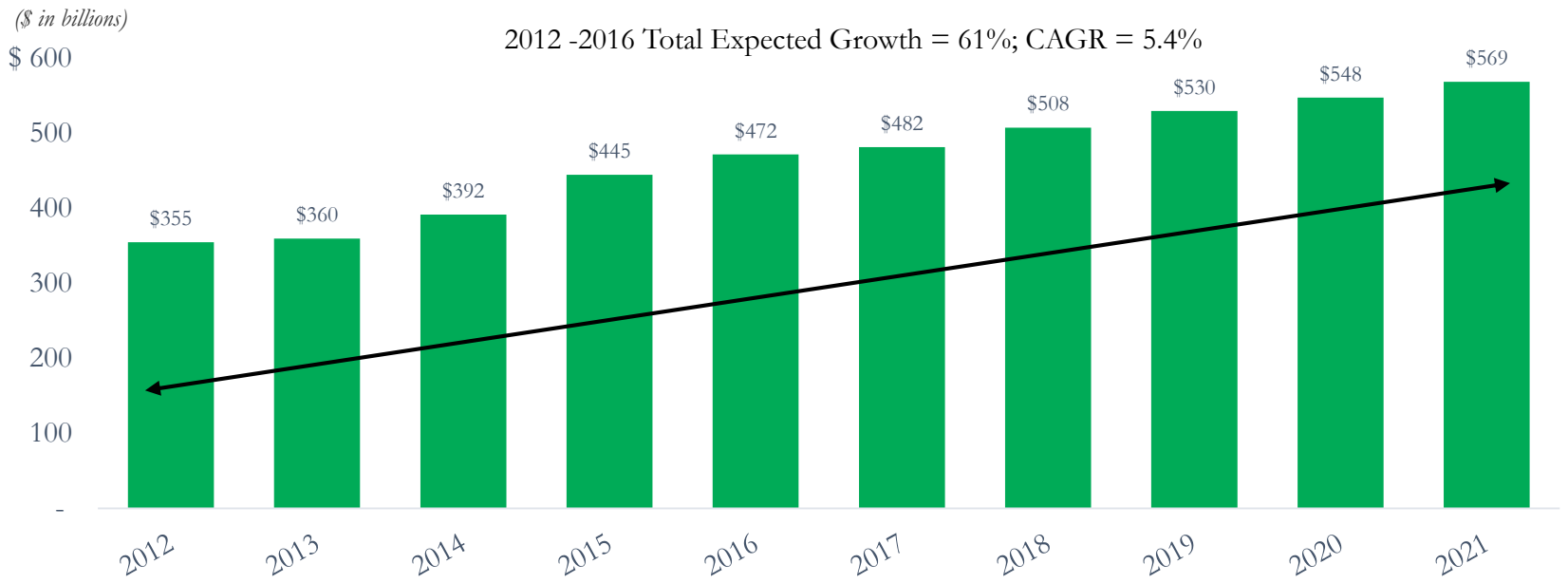
Mission Critical/Large Data Centers

Industrial/Manufacturing

NON-RESIDENTIAL CONSTRUCTION – LARGE MARKET WITH TAILWINDS

Strong signs of market expansion = Ample opportunities to drive growth

Non-Residential Construction (Buildings) Put in Place



Source: Data for 1994-2009 per FMI 2011 U.S. Markets Construction Overview; data for 2010-2021 per FMI 2017 Construction Outlook Third Quarter Report.

FAVORABLE INDUSTRY OUTLOOK

Growth forecasted across multiple markets – LMB core sectors highlighted below

Construction Forecasts

	Change from Prior Year % Change				
	2015 Actual*	2016 Actual*	2016A-2021F CAGR*	% of LMB Revenue[1]	% of Current Backlog
Total Nonresidential Buildings	**13%**	**6%**	**4%**		
Healthcare	**5%**	**2%**	**3%**	**26%**	**34%**
Education	**5%**	**6%**	**3%**	**20%**	**9%**
Office	**18%**	**25%**	**6%**	**10%**	**14%**
Commercial	6%	11%	5%	9%	4%
Transportation	8%	(6%)	3%	8%	13%
Lodging	30%	25%	4%	2%	2%
Emerging Opportunity Sectors for LMB					
Manufacturing	33%	(4%)	3%	4%	3%
Mission Critical (Data Centers)	19%	(3%)	3%	<1%	<1%

Indicators and Outlook

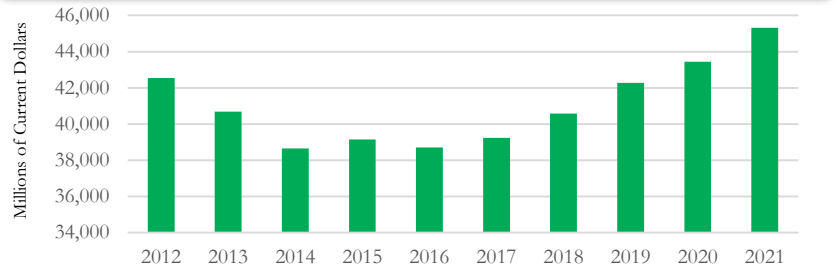
- Architectural Billing Index trending over 50 on a consistent basis which indicates increase in billings and future downstream business for Limbach
- Strong activity in core end-markets along with key customers like Disney (Amusement and Recreation), Los Angeles Airport (Transportation) and HCA (Healthcare)
- FMI Construction Outlook projects total non-residential building construction to grow approximately 5% annually to over $569 billion in 2021 based on construction put in place
- Limbach sees emerging opportunities in the Manufacturing and Mission Critical (Data Centers) over the next several years

* Source: FMI's 2017 Construction Outlook Third Quarter Report.

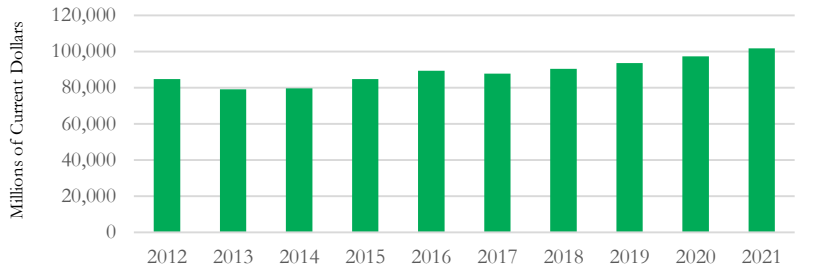
1. Figures represent percentages of project revenue between January 1, 2014 and July 31, 2017.

POST-RECESSION MARKET GROWTH – CONSTRUCTION PUT IN PLACE

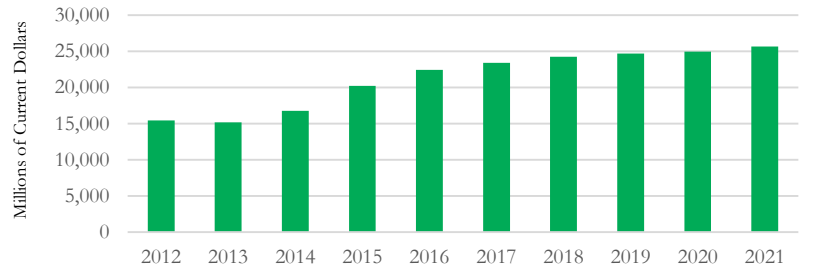
Health Care



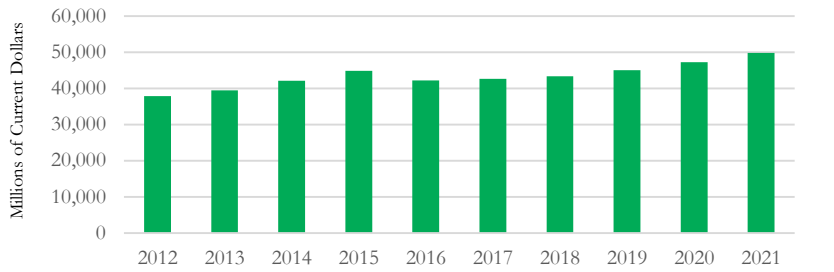
Education



Amusement and Recreation



Transportation



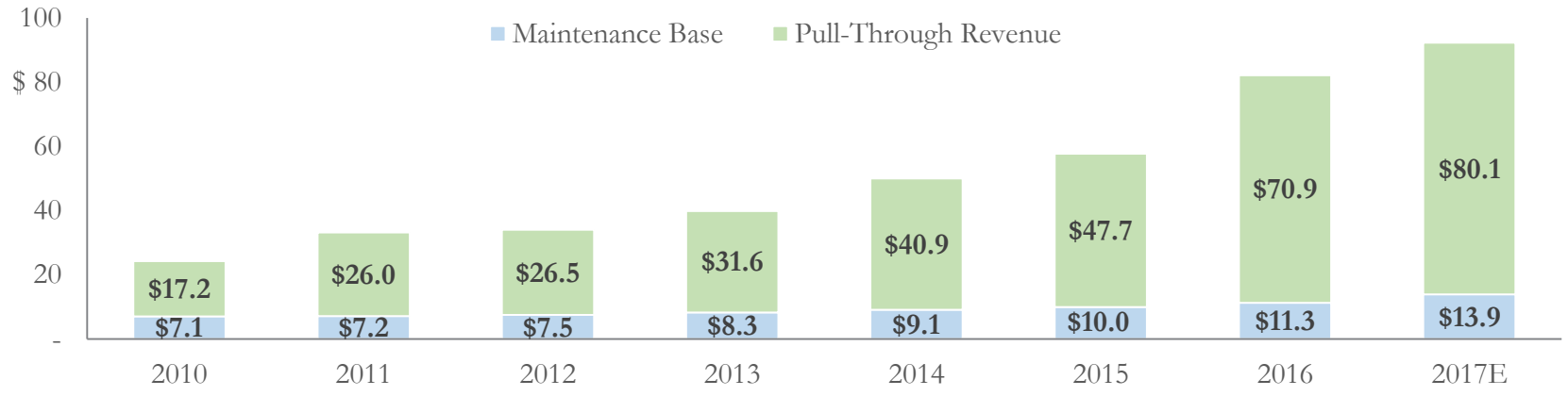
Source: FMI's 2017 Construction Outlook Second Quarter Report.

OUTSTANDING CONSTRUCTION AND SERVICE RELATIONSHIPS

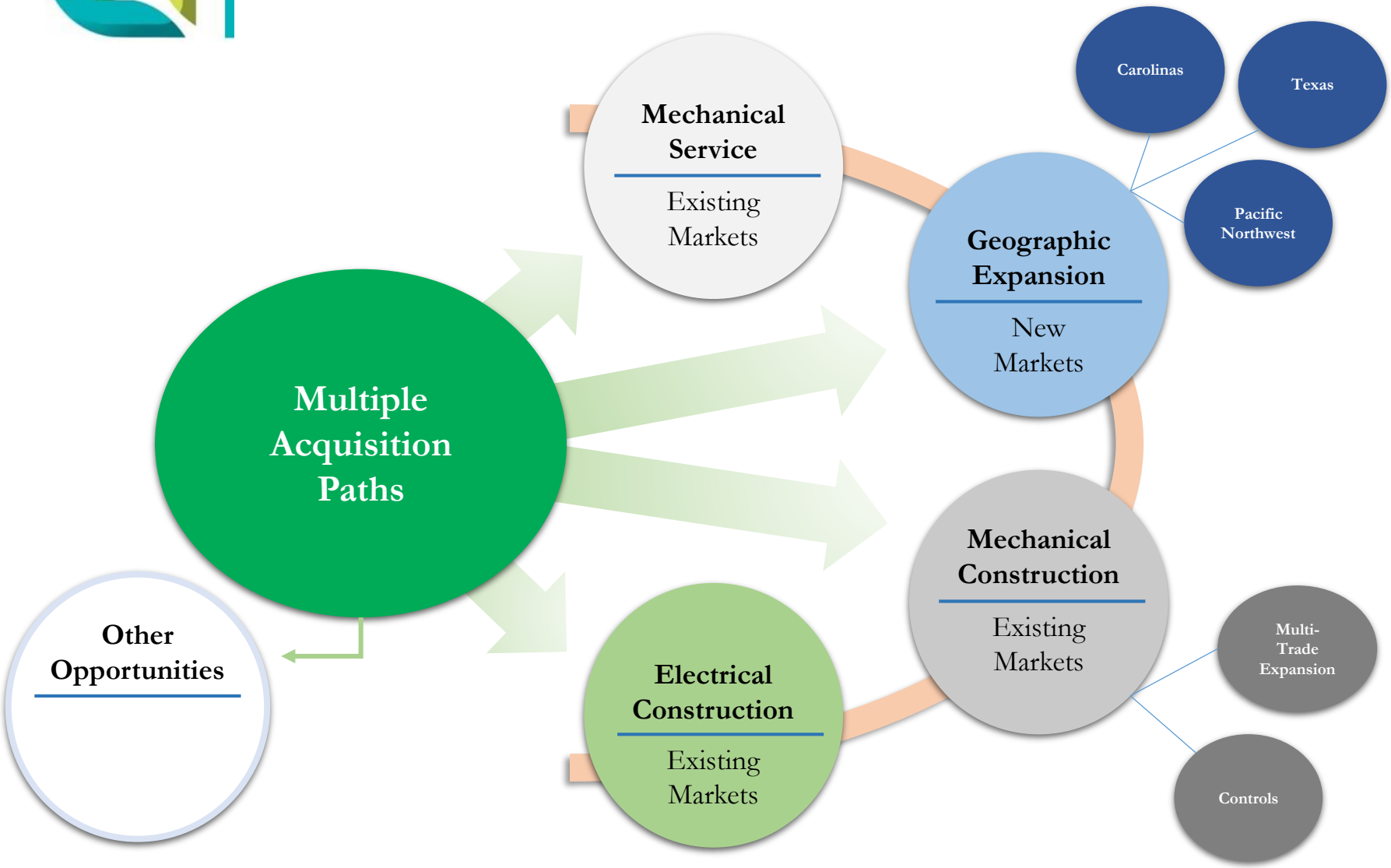
RECURRING REVENUE STREAM: SERVICE

- Service contributed 18% of Limbach's total 2016 revenue – objective is to grow this to 25%
- Limbach's service revenue is broken down into two components: contractual maintenance base and pull-through revenue
  - Contractual maintenance base has increased steadily in response to recent investments in sales people, training, and business development efforts
  - Growth in the maintenance base has driven a greater increase in pull-through special project and construction revenue (~3-4x the maintenance base), which generates comparatively higher gross margins than stand-alone construction projects
- Third quarter 2017 Service segment revenue up 23.0% versus the third quarter of 2016

($ in millions)



TARGET MARKETS AND SECTORS



TARGET COMPANY CRITERIA

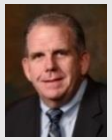
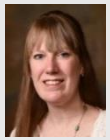
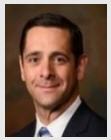
	Revenue Expectation	Investment Thesis	Origination Channel
Mechanical Service ★ Existing Markets	> $10 million	• Accelerate growth rates and gain scale • Increase pull-through and capital project opportunities • Realization of administrative synergies	• Local relationships • Buy-side search • In-house search using recruiter
Mechanical Construction ★ Existing Markets	> $25 million	• Increase market share, acquire new customers • Penetrate new markets (e.g., industrial and fire protection) • Labor and project management resources • Realization of administrative synergies	• Local relationships • JV partners • Sub-contractors
Electrical Construction ★ Existing Markets	> $50 million	• Introduce MEP design/build and design/assist • Capture greater share of project spend • Realization of administrative synergies	• Local relationships • JV partners • Sub-contractors • Buy-side search
Geographic Expansion ★ New Markets	> $150 million	• Geographic expansion via acquisition of preferred providers in attractive new markets • Leverage existing customer relationships and acquisition of new local/regional customers	• Personal relationships • Buy-side search

CAPITAL MARKES – KEY FOCUS AREAS

- Capital Markets encompasses a variety of outward facing, balance sheet and public markets activities that are critical to successfully executing the Company's strategic growth plan

DEPTH OF LIMBACH'S LEADERSHIP TEAM

Experienced Management Team Assembled to Lead Limbach During its Expansion

												
	Charlie Bacon, Chief Executive Officer	**Kris Thorne**, EVP, Chief Operating Officer	**John Jordan**, EVP, Chief Financial Officer	**David Leathers**, EVP, Maintenance & Service	**Matt Katz**, EVP, Mergers & Acquisitions	**Cristine Leifheit**, Vice President – People & Culture	**Marc Hoogstraten**, SVP, Chief Learning Officer	**Tim Ward**, President, Engineering & Design Services	**Scott Wright**, General Counsel	**Bill Greek**, SVP, National Sales & Marketing Officer	**Mike McCann**, President, Harper	**Average**
Years at Limbach	14	30	3	12	1	20	26	20	12	3	8	**15**
Years in Industry	36	30	30	37	16	20	26	36	25	37	14	**29**

FINANCIAL PERFORMANCE – STRONG BACKLOG / EBITDA GROWTH RATE

Historical Results

($ in thousands)	2014	2015	2016
Revenue	$294,436	$331,350	$446,995
Cost of Revenue	255,381	285,938	391,338
Gross Profit	**39,055**	**45,412**	**55,657**
SG&A	33,972	37,767	48,440
Amortization of Intangibles	-	-	3,103
Operating Income	**5,083**	**7,645**	**4,114**
Gain (Loss) on Sale of PP&E	37	(73)	(249)
Interest Expense	(3,134)	(3,200)	(3,694)
Loss From Early Extinguishment of Debt	-	-	(2,172)
Preferred Stock Dividend	-	-	(423)
Income Tax Benefit	-	-	3,871
Net Income	**$1,986**	**$4,372**	**$1,447**
EBITDA Calculation			
Net Income	$1,986	$4,372	$1,447
Depreciation & Amortization	2,594	2,630	7,338
Interest Expense	3,134	3,200	3,694
Other Adjustments	1,362	2,978	4,301
Adjusted EBITDA	**$9,076**	**$13,180**	**$16,780**
Operating Statistics			
Revenue Growth	-10.2%	12.5%	34.9%
Gross Margin	13.3%	13.7%	12.5%
Adjusted EBITDA Margin	3.1%	4.0%	3.8%

* See non-GAAP EBITDA reconciliation on slide 24

2017 Guidance

- 2017E Revenue: $460-470 million
- 2017E Adj. EBITDA: $18-20 million*

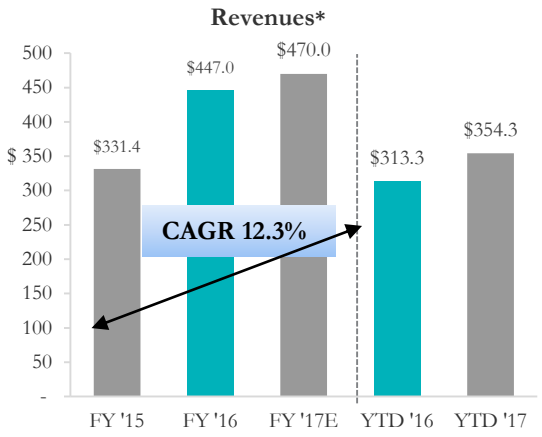
Comments

- Strong forward visibility with large backlog and revenue coverage
- Growth of recurring, higher margin maintenance services provides stability and improved profit mix
- Competing on capabilities versus price as market recovers from cost-based decisions in prior years
- Focus on operational improvements driving sustainable margin enhancements in coming years
- Performance from 2017 through 2019 expected to reflect continued strength in the market and improvements in execution

2017 THIRD QUARTER FINANCIAL RESULTS

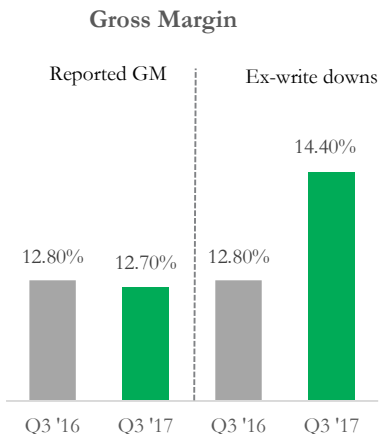
- Revenues were up 2.1% to $121.3million in the third quarter of 2017 from $118.8 million in the prior year period
- Gross margin was 12.7% in the third quarter of 2017 compared with 12.8% in the third quarter of 2016. Excluding gross profit write-downs, gross margin would have been 14.4%.
- Total backlog currently at $492.2 million, up 9.4% from the third quarter of 2016.

Top Line Growth



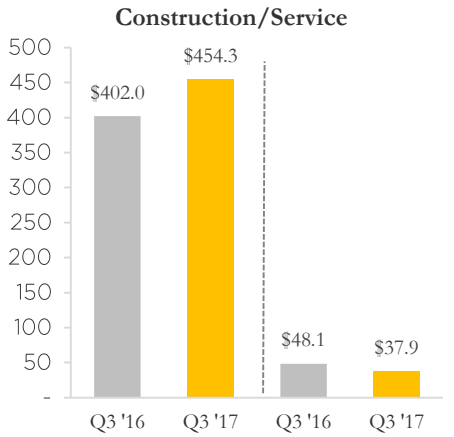
YOY % Increase: ***+13.1%***

Gross Margin Trending Higher



GM % up ex-write downs

Strong Backlog Growth



Aggregate +9.4%

* FY 2017 and FY 2018 Revenue Estimates Use Midpoint of Guidance Ranges

BALANCE SHEET AS OF SEPTEMBER 30, 2017

Heathy balance sheet with ample liquidity; $8.5 million currently available under revolver

(in thousands, except share data)	September 30, 2017	December 31, 2016
	unaudited	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 761	$ 7,406
Restricted cash	113	113
Accounts receivable - trade, net	119,395	113,972
Costs and estimated earnings in excess of billings on uncompleted contracts	29,679	31,959
Other current assets	3,798	1,733
Total current assets	153,746	155,183
Property and equipment, net of accumulated depreciation of $7.0 million and $2.6 million at Sept. 30, 2017 and Dec. 31,2016, respectively	17,483	18,541
Intangible assets, net	14,976	17,807
Goodwill	10,488	10,488
Deferred tax asset	4,617	4,268
Other assets	497	588
Total assets	$ 201,807	$ 206,875
LIABILITIES		
Current liabilities:		
Current portion of long-term debt	$ 5,010	$ 4,476
Accounts payable, including retainage	56,330	57,034
Billing in excess of costs and estimated earnings on uncompleted contracts	33,067	39,190
Accrued expenses and other current liabilities	22,823	26,029
Total current liabilities	117,230	126,729
Long-term debt, net of current portion and debt issuance costs	29,566	21,507
Other long-term liabilities	755	817
Total liabilities	147,551	149,053
Commitments and contingencies		
Redeemable convertible preferred stock, net, par value of $0.0001, 1,000,000 shares authorized, 280,000 and 400,000 issued and outstanding as of Sept. 30, 2017 and Dec. 31, 2016, respectively ($7,698 and $10,365 redemption value at Sept. 30, 2017 and Dec. 31, 2016, respectively)	7,779	10,374
STOCKHOLDERS' EQUITY AND MEMBERS' EQUITY		
Common stock, par value $0.0001, 100,000,000 shares authorized; 7,454,602 issued and outstanding at Sept, 30, 2017 and 7,454,491 at Dec. 31, 2016, respectively	1	1
Additional paid-in capital	54,185	55,162
Accumulated deficit	(7,709)	(7,715)
Total stockholders' equity	46,477	47,448
Total liabilities and stockholders' equity	$ 201,807	$ 206,875

NON-GAAP RECONCILIATION TABLE

*** 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, 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.

Q3 2017			
(in thousands)	**Successor July 1, 2017 through September 30, 2017**	**Successor July 20, 2016 through September 30, 2016**	**Predecessor July 1, 2016 through July 19, 2016**
Net income (loss)	$ 128	$ 1,813	$ (919)
Adjustments:			
Depreciation and amortization	2,025	2,789	149
Interest expense	545	853	178
Income tax expense (benefit)	328	(2,277)	0
Non-cash Stock Based Compensation	924	0	0
Adjusted EBITDA	$ 3,950	$ 3,178	$ (592)

NON-GAAP RECONCILIATION TABLE - CONTINUED

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

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YTD 2017			
(in thousands)	**Successor January 1, 2017 through September 30, 2017**	**Successor July 20, 2016 through September 30, 2016**	**Predecessor January 1, 2016 through July 19, 2016**
Net income (loss)	$ (417)	$ 1,813	$ 2,568
Adjustments:			
Depreciation and amortization	7,383	2,789	1,582
Interest expense	1,562	853	1,898
Income tax (benefit)	(352)	(2,277)	0
Non-cash Stock Based Compensation	924	0	0
Adjusted EBITDA	$ 9,100	$ 3,178	$ 6,048