

Q1 Fiscal Year 2018 Investor Review

Gerard A. Gallagher III
President and CEO

H. John Mye III
Chief Financial Officer



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This presentation contains forward-looking statements regarding future events and our future results that are subject to the safe harbors created under the Securities Act of 1933 (the "Securities Act") and the Securities Exchange Act of 1934 (the "Exchange Act"). 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)

		Q1 2018		Q1 2017
Revenue	\$	27,082	\$	25,315*
Revenue less subcontract costs	\$	21,353	\$	21,304*
Operating Income	\$	1,092	\$	1,413*
Net Income	\$	533	\$	888
EPS	\$	0.12	\$	0.21

* Favorable resolution of long-standing contract settlement liabilities allowed the Company to record \$0.6 million of additional revenue during the first quarter of fiscal year 2017. No similar adjustments were recorded during the current quarter ended October 28, 2017.

Financial Results by Region

	<u>U.S.</u>		<u>South America</u>		<u>Total Consolidated</u>	
<i>(In thousands)</i>	Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017
Revenue less subcontract costs	\$ 16,131	\$ 17,677*	\$ 5,222	\$ 3,627	\$ 21,353	\$ 21,304*
Net Income	\$ 233	\$ 1,104	\$ 300	\$ (216)	\$ 533	\$ 888

* Favorable resolution of long-standing contract settlement liabilities allowed the Company to record \$0.6 million of additional revenue during the first quarter of fiscal year 2017. No similar adjustments were recorded during the current quarter ended October 28, 2017.

Operating Cash Flows

<i>(In millions)</i>	Q1 2018	Q1 2017
Cash generated from operating activities	\$ 4.5	\$ 1.8
Cash used for investing and financing activities *	(1.6)	(1.0)
Net cash provided from operations	\$ 2.9	\$ 0.8
Cash and cash equivalents at period end	\$ 16.2	\$ 11.0

*Includes approximately \$0.8 million of dividends paid to shareholders during Q1 2018 and Q1 2017.

Market Outlook

- Funding of government environmental programs shifting from Federal to state and local
 - E&E has offices in states with strong environmental requirements and programs
- Federal Regulatory rollback in process; effects on our business remain unclear
- Federal and state cleanup of legacy pollution ongoing and funding expected to continue
- Energy infrastructure: Investment in liquefied natural gas (LNG) ports, renewables, and electric transmission continuing, but with funding delays and more spend-gate decisions.
- Hurricanes expected to lead to more resilience planning and restoration opportunities similar to what we saw after Sandy
- Expected increase in civil infrastructure-related opportunities, but these will continue to be highly competitive

Contract Backlog

<i>(In Millions)</i>	Oct 28, 2017	July 31, 2017	Oct 29, 2016
Total firm backlog of uncompleted contracts	\$ 92.0	\$ 92.4	\$ 88.1
Anticipated completion of firm backlog in next twelve months	\$ 53.2	\$ 53.5	\$ 49.1

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
- Organic growth and growth by acquisition
- Recruiting new talent
 - Corporate development leadership
 - Sector and services leadership

Fundamentals

- Modest improvement in backlog
- Increasing liquidity
- Growing cash balance - \$ 16.2 million (at Oct. 28, 2017)
- Total lines of credit - \$ 39.5 million (\$37.5 available)
- 60 consecutive dividends since 1987
- Dividend yield approximately 3.8%