



## Matrix Service Announces Results for the Fourth Quarter and Fiscal Year Ended June 30, 2011

TULSA, OK – September 7, 2011 – Matrix Service Company (Nasdaq: MTRX) today reported its financial results for the fourth quarter and fiscal year ended June 30, 2011.

### Fourth Quarter of Fiscal 2011 Results

Revenues for the fourth quarter ended June 30, 2011 were \$163.6 million compared to \$140.7 million in the same period a year earlier. Net income for the fourth quarter of fiscal 2011 was \$5.7 million, or \$0.21 per fully diluted share. The Company recognized a net loss in the fourth quarter of fiscal 2010 of \$4.2 million, or (\$0.16) per fully diluted share. The fiscal 2010 fourth quarter results included non-routine charges totaling \$3.5 million, or (\$0.08) per fully diluted share and a loss on a series of projects at a customer site totaling \$4.6 million, or (\$0.11) per fully diluted share.

John R. Hewitt, President and CEO of Matrix Service Company, said “We are very pleased with the overall performance this year. Even with a struggling national economy our employees have done a great job winning and executing projects in our core businesses. Matrix Service is well positioned to take advantage of continued opportunities in the energy market.”

Consolidated gross profit was \$20.9 million in the fourth quarter of fiscal 2011 compared to \$3.8 million in the same period a year earlier. The prior year gross profit included a non-routine charge of \$3.1 million and a loss on a series of projects at a customer site totaling \$4.6 million. Gross margins were 12.8% in the fourth quarter of fiscal 2011 compared to 2.7% in the same period a year earlier. The improvement in the fourth quarter of fiscal 2011 was due to better project execution, the favorable effect of improved recovery of construction overhead costs in the fourth quarter of fiscal 2011 and the effect of the charges mentioned above on the fourth quarter of fiscal 2010 results. Selling, general and administrative expenses were \$11.4 million, or 6.9% of revenue, in fiscal 2011 compared to \$10.5 million, or 7.4% of revenue, in the same period a year earlier. The increase in selling, general and administrative expenses is primarily attributable to higher incentive compensation costs due to improved operating results compared to the same period a year earlier.

### Fiscal 2011 Results

Fiscal year 2011 revenues were \$627.1 million compared to \$550.8 million in fiscal 2010. Net income for fiscal 2011 was \$19.0 million, or \$0.71 per fully diluted share. Net income for fiscal 2010 was \$4.9 million, or \$0.18 per fully diluted share. The fiscal 2010 results included non-routine charges totaling \$10.0 million, or (\$0.23) per fully diluted share and a loss on a series of projects at a customer site totaling \$5.4 million, or (\$0.13) per fully diluted share.

Consolidated gross profit was \$74.9 million in fiscal 2011 compared to \$52.9 million in the same period a year earlier. The prior year gross profit included a non-routine charge of \$5.1 million and a loss on a series of projects at a customer site totaling \$5.4 million. Gross margins were 11.9% in fiscal 2011 compared to 9.6% in fiscal 2010. The improvement in fiscal 2011 was due to the favorable effect of improved recovery of construction overhead costs in fiscal 2011 as well as the effect of the charges mentioned above on fiscal 2010 results. Selling, general and administrative expenses were \$44.0 million, or 7.0% of revenues, in fiscal 2011 compared to \$45.2 million, or 8.2% of revenue, in the same period a year earlier. Fiscal 2010 selling, general and administrative expenses included non-routine charges totaling \$4.8 million. The decrease in selling, general and administrative expenses was due to the effect of the charges mentioned above on fiscal 2010 results largely offset by higher legal and facility costs in fiscal 2011 as well as higher incentive compensation expense due to improved operating results.

### Backlog

Consolidated backlog at June 30, 2011 totaled \$405.1 million, an increase of \$21.2 million, or 5.5%, compared to the backlog at March 31, 2011, and an increase of \$51.9 million, or 14.7%, compared to the backlog at June 30, 2010.

### Financial Position

At June 30, 2011, Matrix Service's cash balance was \$59.4 million. The Company did not borrow under its revolving credit facility during the twelve months ended June 30, 2011.

### Earnings Guidance

The Company expects that fiscal 2012 revenues will be between \$650 million and \$725 million and earnings to be between \$0.75 and \$0.95 per fully diluted share.

### Conference Call Details

In conjunction with the press release, Matrix Service will host a conference call with John R. Hewitt, President and CEO, and Kevin S. Cavanah, Vice President and CFO. The call will take place at 11:00 a.m. (Eastern) / 10:00 a.m. (Central) on Thursday,

September 8, 2011 and will be simultaneously broadcast live over the Internet which can be accessed at the Company's website at [www.matrixservice.com](http://www.matrixservice.com) on the Investors' page under Conference Calls/Events. Please allow extra time prior to the call to visit the site and download the streaming media software required to listen to the Internet broadcast. The conference call will be recorded and will be available for replay within one hour of completion of the live call and can be accessed following the same link as the live call.

#### About Matrix Service Company

Matrix Service Company provides engineering, construction and repair and maintenance services principally to the petroleum, power, bulk storage terminal, pipeline and industrial gas industries.

The Company is headquartered in Tulsa, Oklahoma, with regional operating facilities throughout the United States and Canada.

This release contains forward-looking statements that are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are generally accompanied by words such as "anticipate," "continues," "expect," "forecast," "outlook," "believe," "estimate," "should" and "will" and words of similar effect that convey future meaning, concerning the Company's operations, economic performance and management's best judgment as to what may occur in the future. Future events involve risks and uncertainties that may cause actual results to differ materially from those we currently anticipate. The actual results for the current and future periods and other corporate developments will depend upon a number of economic, competitive and other influences, including those factors discussed in the "Risk Factors" and "Forward Looking Statements" sections and elsewhere in the Company's reports and filings made from time to time with the Securities and Exchange Commission. Many of these risks and uncertainties are beyond the control of the Company, and any one of which, or a combination of which, could materially and adversely affect the results of the Company's operations and its financial condition. We undertake no obligation to update information contained in this release.

For more information, please contact:

Matrix Service Company  
Kevin S. Cavanah  
Vice President and CFO  
T: 918-838-8822  
E: [kcavanah@matrixservice.com](mailto:kcavanah@matrixservice.com)