



**MATRIX SERVICE
COMPANY**

Move to a higher standard™



Building long-term sustainability

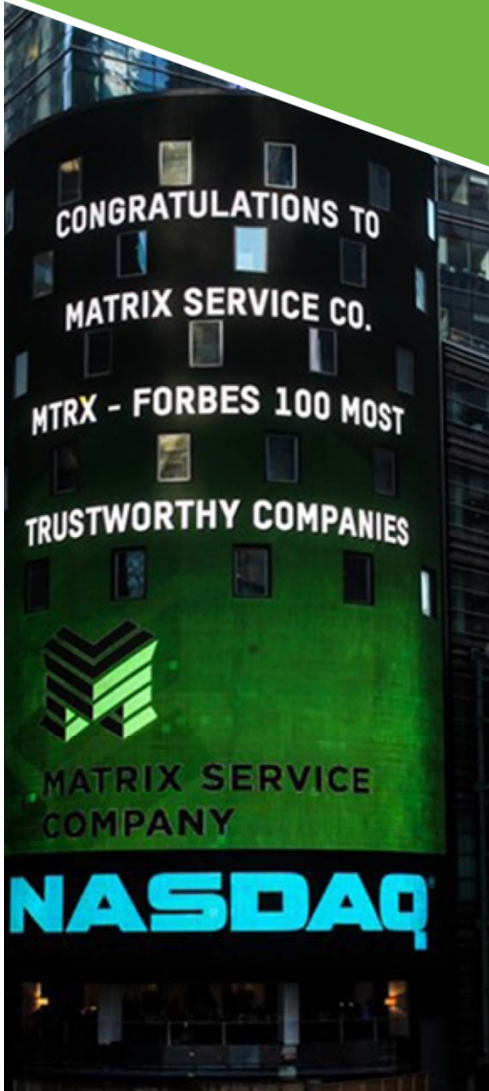
Investor Presentation
December 2014

CELEBRATING



1984 - 2014

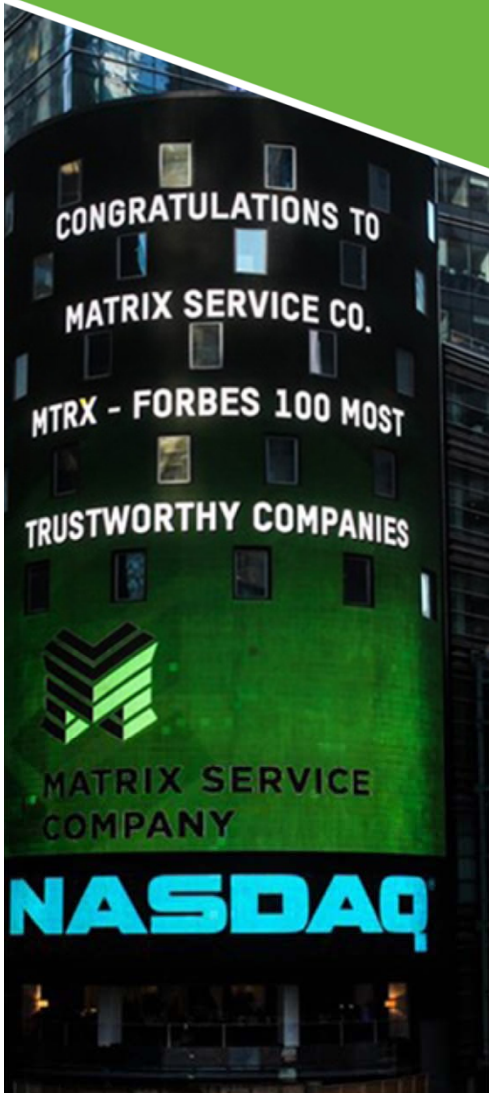
Safe harbor statement



This presentation contains certain forward-looking statements concerning Matrix Service Company's operations, economic performance and management's best judgment as to what may occur in the future. The actual results for the current and future periods and other corporate developments will depend upon a number of economic, competitive and other influences, many of which are beyond the control of the Company, and any one of which, or a combination of which, could materially affect the results of the Company's operations. Such forward-looking statements are subject to a number of risks and uncertainties as identified in the Company's Annual Report on Form 10-K for the year ended June 30, 2014.

Agenda

FY2015 . Q1

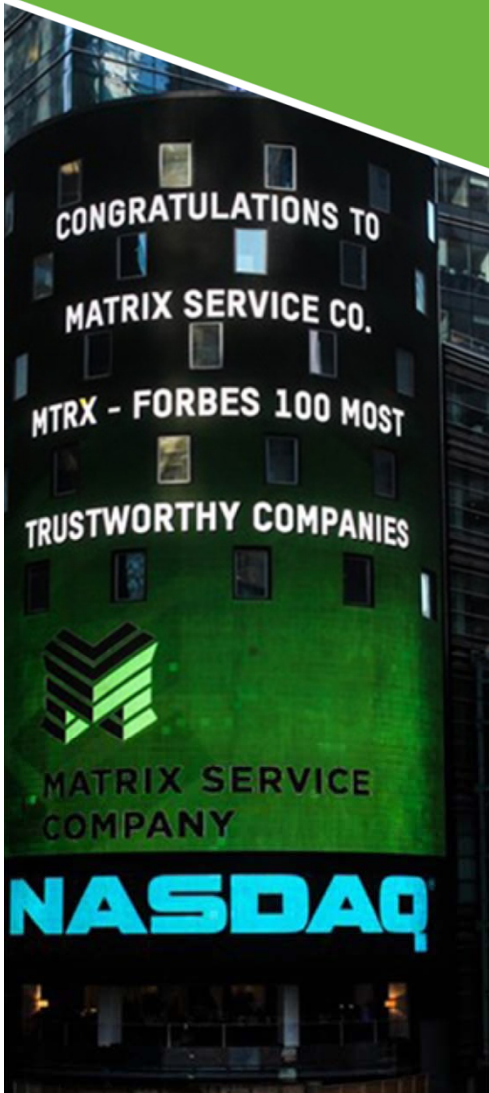


Building long-term sustainability

- Safety moment
- Company overview
- 5-Year Strategic Plan – Overview and Highlights
- Current Market Conditions
- Financial Highlights
- Segment Highlights
 - Overview
 - Representative projects
- Summary

Company Overview

Who we are



A top-tier North American contractor

Through our family of brands, Matrix Service Company provides engineering, construction and maintenance across the Energy, Power and Industrial markets

Our operating segments

ELECTRICAL INFRASTRUCTURE



STORAGE SOLUTIONS



OIL, GAS & CHEMICAL

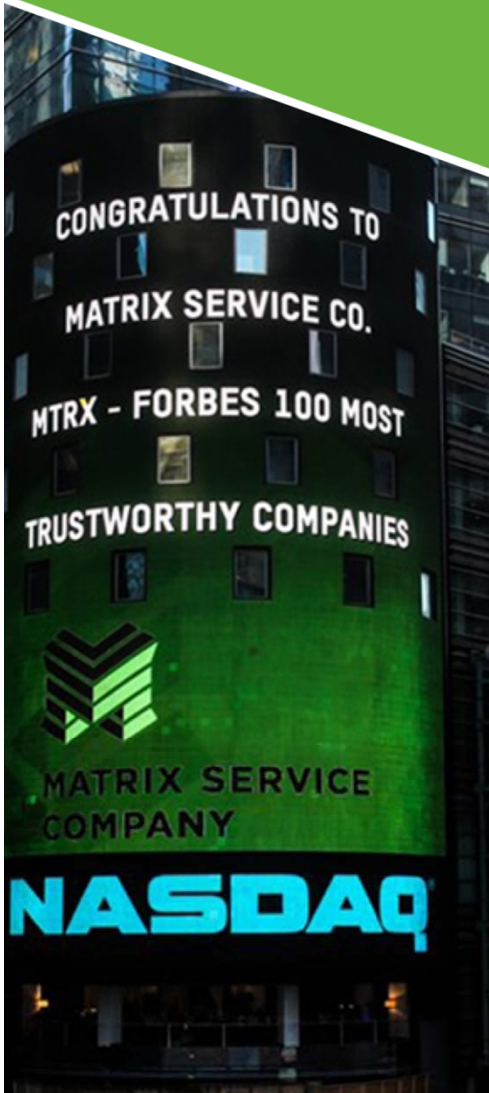


INDUSTRIAL



Company Overview

What we believe



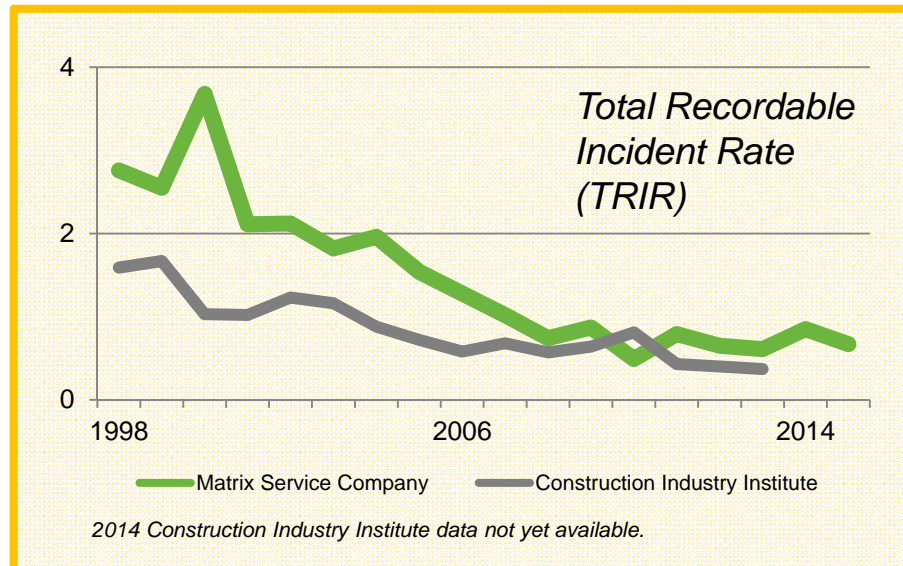
Our core values

1. Commitment to safety
2. Integrity
3. Positive relationships
4. Stewardship
5. Community involvement
6. Deliver the best

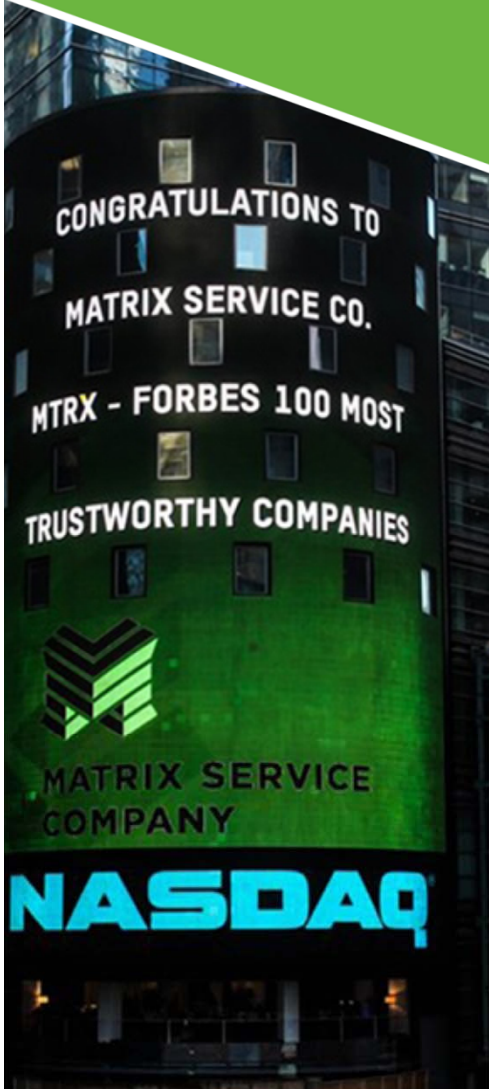
SAFETY IS
our top priority,
OUR #1
CORE VALUE
and a key
differentiator.



At Matrix Service Company, we believe all incidents are preventable and zero-incident culture is achievable.

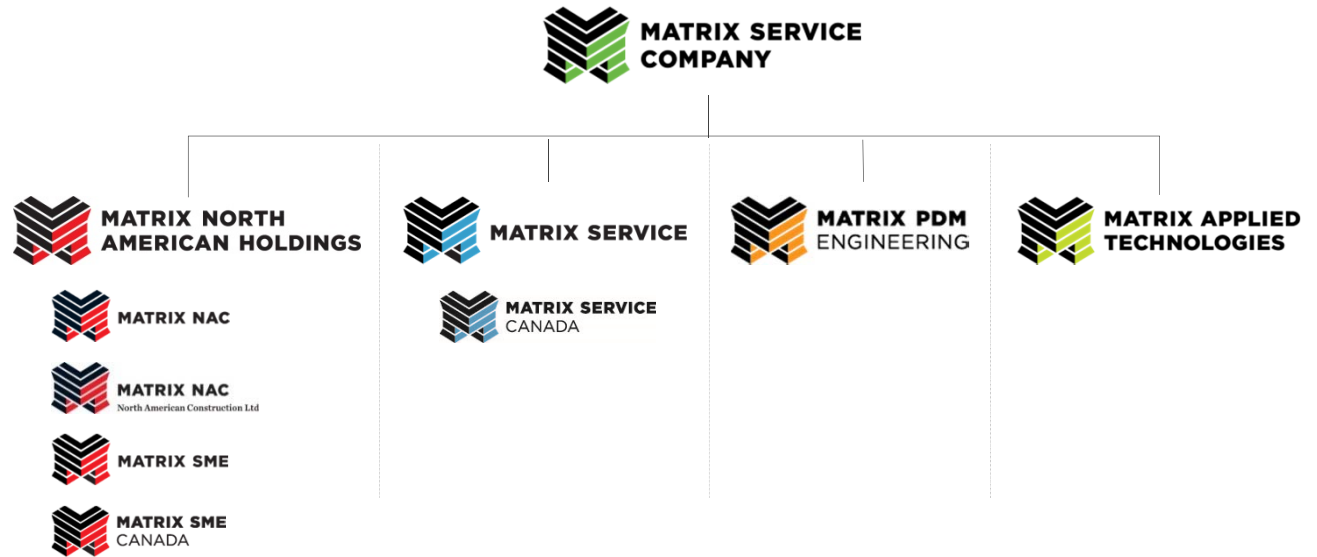


Company Overview
How we're organized



Structured for service across the U.S. and Canada

5,000+ people and regional offices across North America



ASME CERTIFIED FABRICATION FACILITIES

HEAVY STEEL PLATE FABRICATION

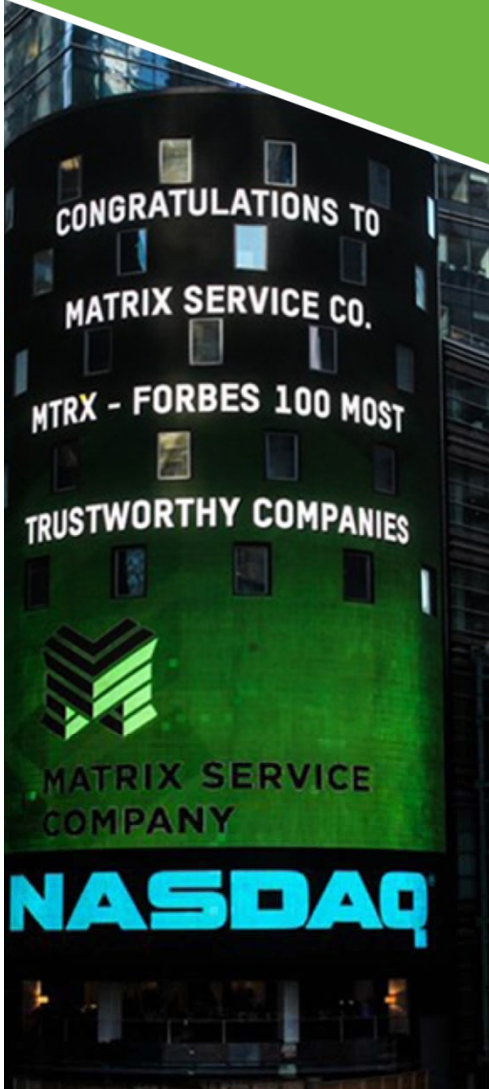
- CATOOSA, OK
- ORANGE, CA

PIPE SPOOLING AND MODULE FABRICATION

- BAKERSFIELD, CA
- BELLINGHAM, WA
- HAMMOND, IN



5-Year Strategic Plan 2013 - 2017



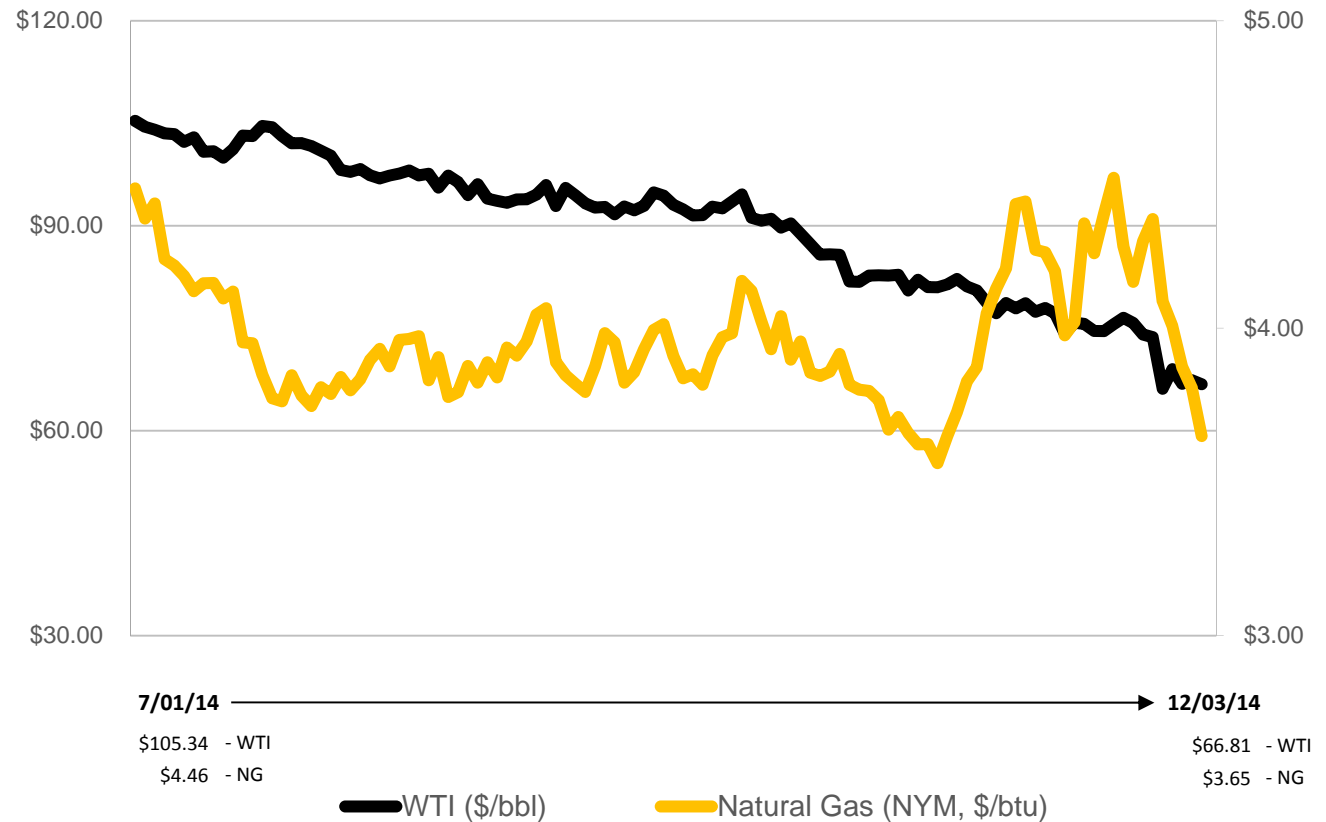
Objectives

- **Continuous improvement** to achieve zero-incident safety performance
- **Leverage our market position, brand strength and service quality** to achieve continued growth and diversification
- **Focus on people and organizational development** with emphasis on structure, leadership development, training, recruiting and retention
- **Business value enhancement** through process and system improvement, goal setting, key strategic acquisitions, earnings consistency and construction cost overhead structure efficiency
- **Employee engagement** to the plan through active communication and change leadership

Current Market Conditions

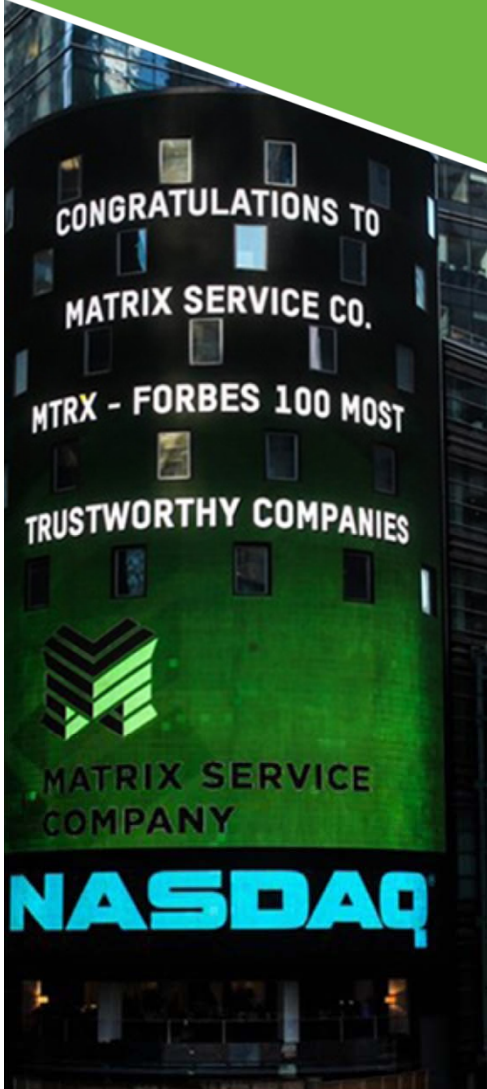
Recent media coverage shows a preponderance of energy executives, industry analysts and energy economists who anticipate a return of oil prices in 2015 to \$70-\$80/barrel

Falling oil and gas prices



The question is: *How will lower oil and gas prices impact our projects and backlog?*

Current Market Conditions



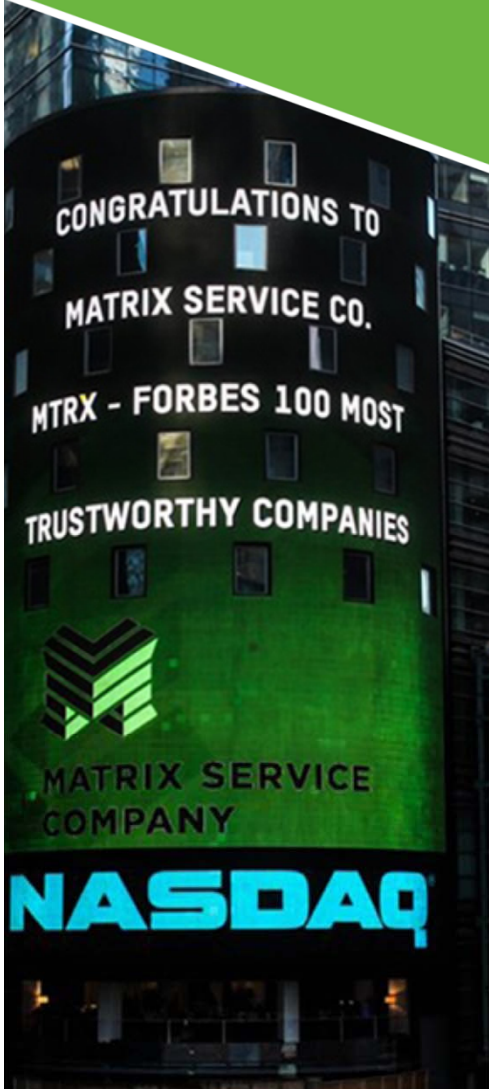
What our customers are telling us

- Across the board, our customers have indicated that material impacts to their long-term strategies are unlikely
- Turnarounds, maintenance and repair, as well as environmental regulatory projects must continue
- Refinery customers have some high-priced inventory they are working through, impacting margins only in the short-term
- Our upstream customers have lifting costs from \$45-\$55/barrel and, while some new exploration projects may be delayed, other approved and planned projects will continue
- Historically low prices for natural gas and other feed stocks create greater opportunity in our electrical infrastructure and industrial segments
- Permitting and Federal regulations are of much greater concern to many of our customers than the current fluctuation of oil and gas prices



Long-term pricing over multiple years is what will determine any significant impact; companies with longer term views are continuing with their projects.

Current Market Conditions



What it means related to the work we do

ELECTRICAL INFRASTRUCTURE



- Power generation facilities
- Substation construction and upgrades
- Transmission & distribution
- Storm restoration

STORAGE SOLUTIONS



- Crude tanks and terminals
- NGL tanks and terminals
- LNG tanks and terminals
- Other specialty vessels

OIL, GAS & CHEMICAL



- Refinery turnarounds and plant maintenance
- Industrial cleaning
- Small cap repair and construction

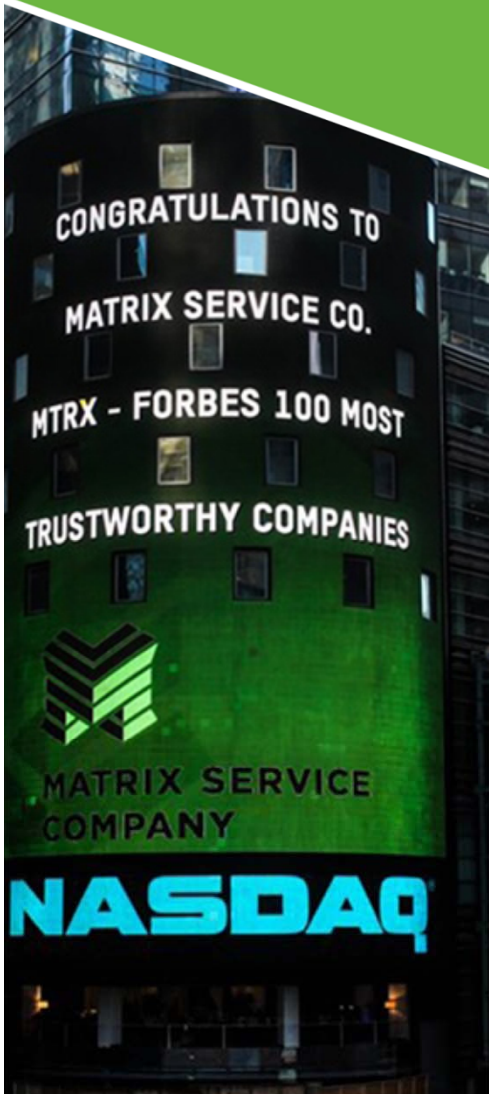
INDUSTRIAL



- Mining and metals
- Iron and steel
- Bulk material handling
- Fertilizer production facilities
- Other industrial

Matrix anticipates its long-term backlog trend to be up and not significantly impacted by the current drop in oil prices due to **strategic diversification** and **current and future market opportunities**.

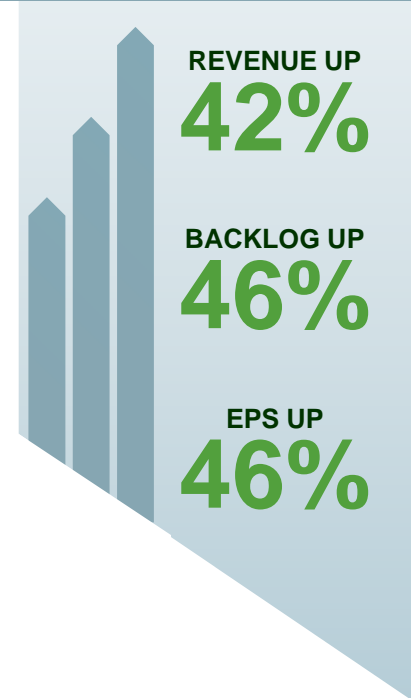
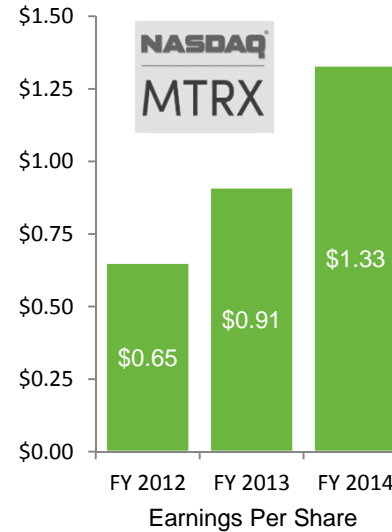
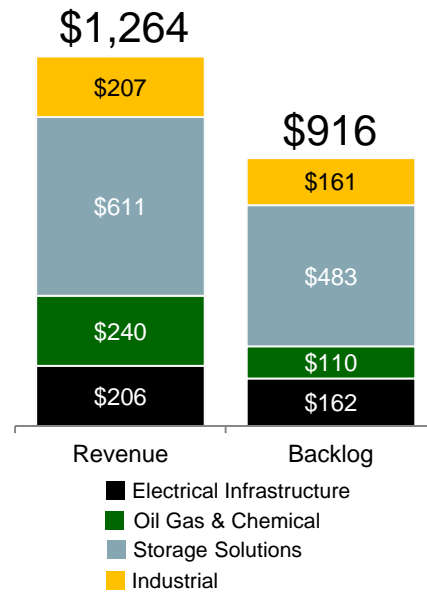
Financial Highlights FY 2014



FY 2014 Overview

A record year in revenue, backlog and earnings per share

(\$ in millions)

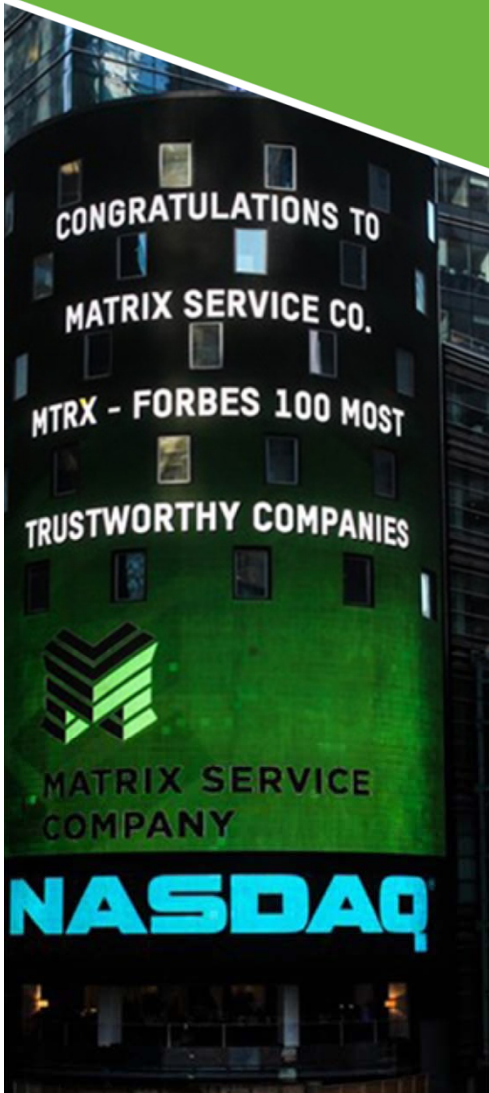


Marketplace recognition



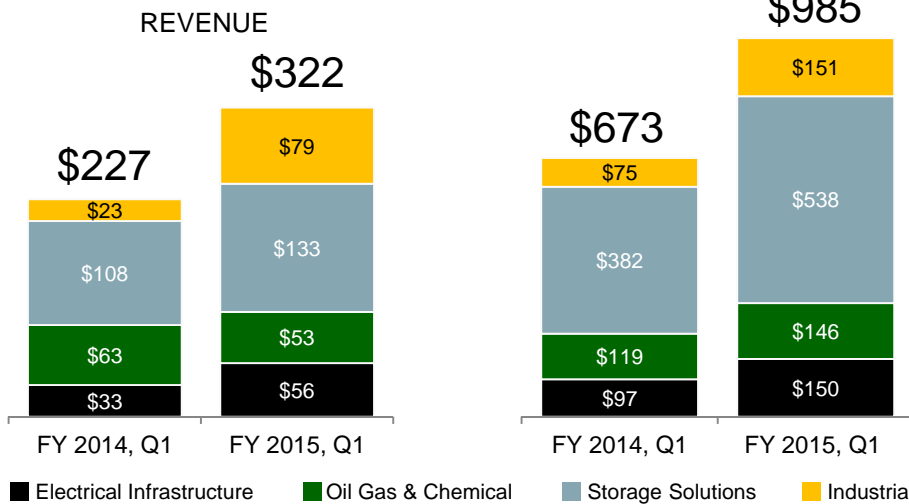
Financial Highlights

Year to Date
FY 2015



FY 2015 first quarter consolidated results

(\$ in millions)

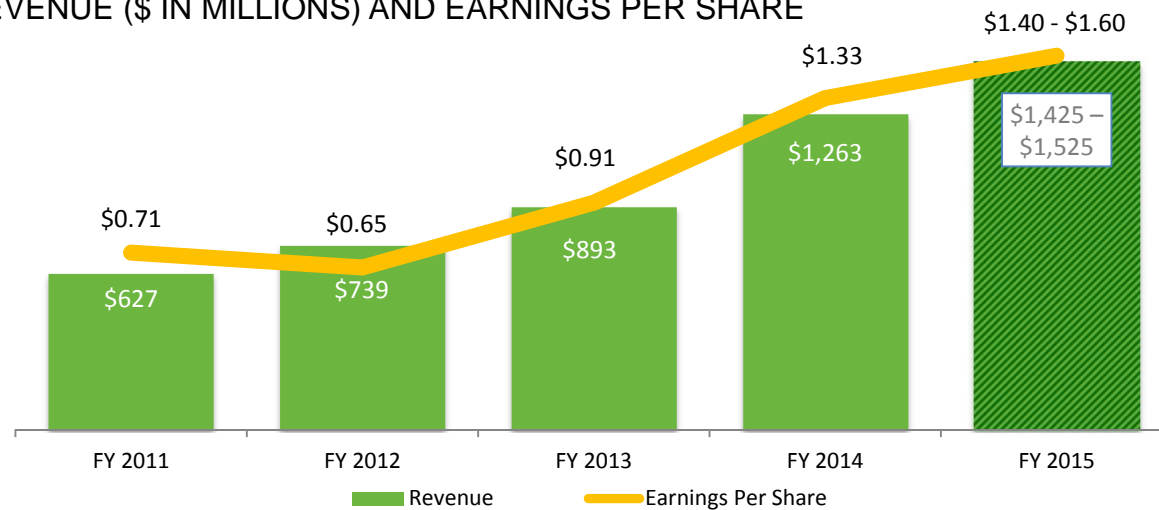


Q1 REVENUE UP
42%

Q1 BACKLOG UP
46%

WE ARE
MAINTAINING
FULL YEAR
GUIDANCE

REVENUE (\$ IN MILLIONS) AND EARNINGS PER SHARE



Financial Highlights

PRIORITIES

Working capital

Capital expenditures

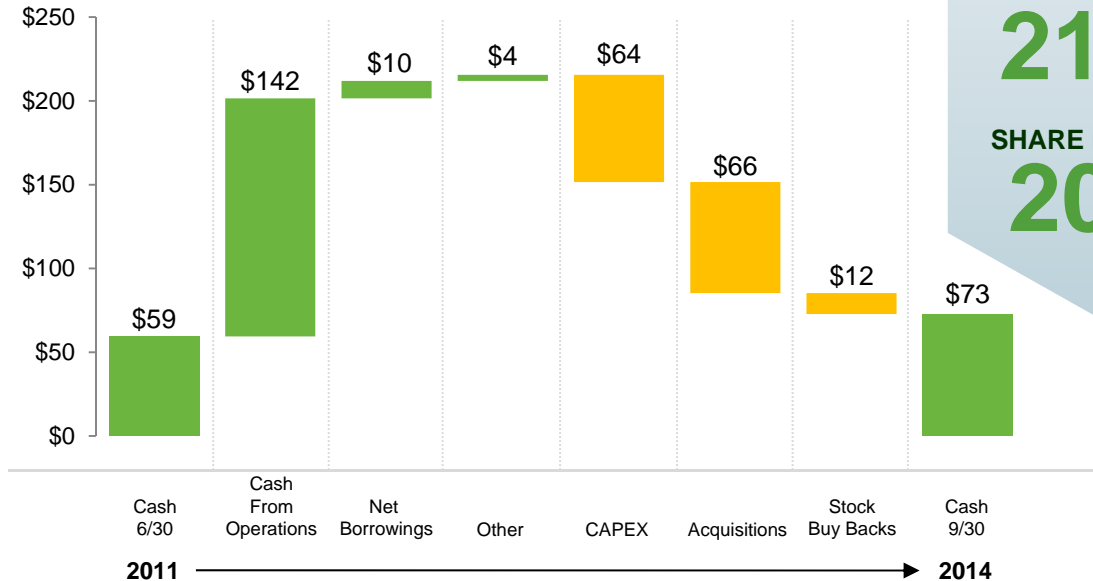
Acquisitions

Stock repurchases

NASDAQ

Our cash priorities

\$ in millions



YEAR OVER YEAR
CAGR

REVENUE UP
27%

EPS UP
21%

SHARE PRICE UP
20%

Revenue (LTM)	\$627.1	\$1,358.6
EPS (LTM)	\$0.71	\$1.30
MTRX Closing Price	\$13.38	\$24.12

Market volatility is an inherent risk to our business. Our conservative approach to managing our balance sheet has grown the business, strengthened the balance sheet and improved earnings – all without leveraging the company.

Segment Highlights

Electrical Infrastructure



Overview

- Bidding activity is robust
- Capital spending plans are substantial, reflecting the need to replace and/or upgrade significant infrastructure
- The funnel for power generation projects is full as we actively track and bid projects
- Opportunities for substation and other power delivery work has also picked up

MARKET OPPORTUNITY

Utilities are expected to invest nearly **\$980 billion** in North American transmission and distribution infrastructure through 2030.

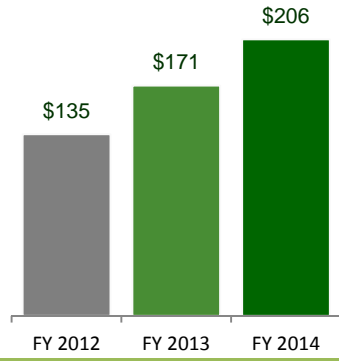
Up to **60 gigawatts** of coal-fired generation will be retired, requiring replacement by cleaner forms of power, such as natural gas fired power generation facilities and renewables.

REPRESENTATIVE CLIENTS

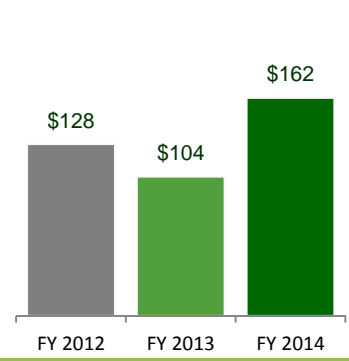


FY 2014

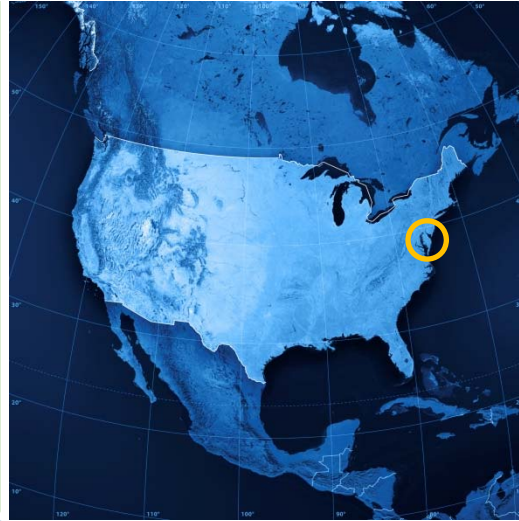
Revenue (\$ in millions)



Backlog (\$ in millions)



Segment
Highlights
*Electrical
Infrastructure*



*Construction of
combined cycle power
plant, Dover, DE*

A joint venture project for the engineering, procurement, construction and commissioning of a combined cycle power plant, planned for completion Summer 2015

- This project demonstrates our substantial expertise in large capital construction and natural gas fired power plants
- With up to **60 gigawatts** of coal-capacity projected to be retired and low natural gas prices, we expect to be a leading contractor of choice for replacement of these assets

REPRESENTATIVE
PROJECTS FOR OTHER
CLIENTS

SUBSTATION AND
SWITCHYARD
CONSTRUCTION

PA, CT, MD, DC, NJ, NY

CONTRACTOR OF
CHOICE WORK

NJ

STATEWIDE
TRANSMISSION LINE AND
POLE REPLACEMENT

PA, NJ

RELAY UPGRADE

RI

STORM RESTORATION

PA, NJ, MD, DC, DE



Segment Highlights

Oil, Gas & Chemical



Overview

- Project execution performance strong
- Turnaround bookings contributed to backlog growth to \$146 million
- Annual volume will increase based on proposal and bidding activity
- Upstream activity in the central valley of CA is robust via the acquisition of HDB

MARKET OPPORTUNITY

Annual upstream capital spending is expected to exceed 2014 industry projections of nearly **\$200 billion**.

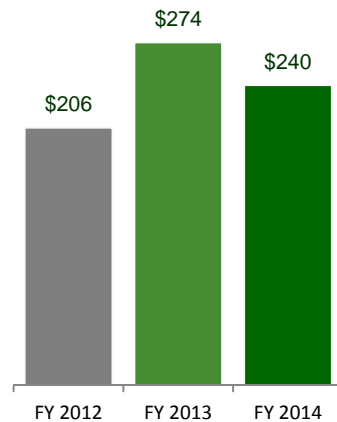
More than **\$80 billion annually** is projected to be invested in U.S. midstream and downstream infrastructure through 2020, with **\$60 billion annually** spent thereafter through 2025.

REPRESENTATIVE CLIENTS

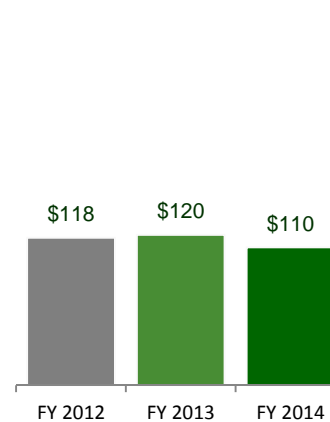


FY 2014

Revenue (\$ in millions)



Backlog (\$ in millions)



Segment Highlights
Oil, Gas & Chemical



HOLLYFRONTIER
Long-standing history providing diversified services

30 year relationship with HollyFrontier and its predecessor companies, providing safe, quality work at its refineries in Oklahoma, Kansas, New Mexico and Wyoming

- Project work includes complex and schedule-critical heavy turnarounds; ongoing turnaround, maintenance and repair services; industrial cleaning; new construction; tank maintenance and repair and new tank construction



REPRESENTATIVE PROJECTS FOR OTHER CLIENTS

HEAVY TURNAROUND AND MAINTENANCE WORK

KS, LA, TX, OK, CA, AK, IA, IN, IL, WA, WY, UT

PROCESSING PLANT RECONSTRUCTION

PA

INDUSTRIAL CLEANING AND SPECIALTY SERVICES

OK, NE, IA, CO, MI, MO, LA, CA

PROCESS SPLITTER AND MANIFOLD FABRICATION

CA

FIXED BASE MAINTENANCE WORK

WA

ELECTRICAL REFINERY WORK

NJ, PA



Segment Highlights

Storage Solutions



Overview

- Record backlog of \$538 million represents new tank work, maintenance and repair, and expanding full terminal project work
- The market provides an opportunity to achieve similar results in the current year
- Specialty vessels, including LNG and other cryogenic applications is also very robust

MARKET OPPORTUNITY

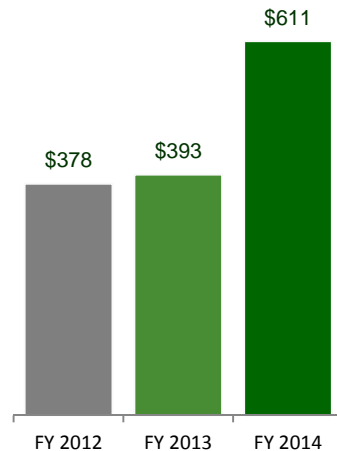
An estimated **\$890 billion** in oil and gas transportation and storage infrastructure is projected to be needed through 2025 to support new sources of crude oil, natural gas and natural gas liquids, of which approximately **\$45 billion** is anticipated for natural gas liquefaction projects.

REPRESENTATIVE CLIENTS

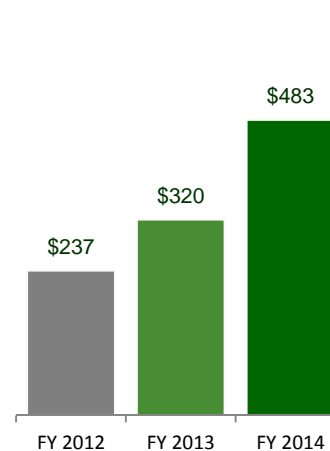


FY 2014

Revenue (\$ in millions)



Backlog (\$ in millions)



Segment Highlights Storage Solutions



*Long-standing
strategic alliance
agreement*

Decade-long alliance agreement providing engineering, fabrication, procurement and construction of critical infrastructure across the United States and Canada

- Project work includes construction of tanks, terminal construction, rail loading/ unloading facilities, and maintenance and repair work
- Our already strong alliance with Enbridge has most recently been extended to its subsidiary, North Dakota Pipeline Company, LLC
- Enbridge currently has \$44 billion in energy infrastructure growth projects through 2018

REPRESENTATIVE PROJECTS FOR OTHER CLIENTS

TERMINAL CONSTRUCTION

OK, TX, IL, MI

MAJOR TANK CONSTRUCTION

OK, TX, IL, WI, ND, MN,
NM, CO, LA, CA, MI, AK
AB

FEED STUDIES

Propane and butane
export terminal - WA

SPECIALTY VESSEL CONSTRUCTION

TX, LA, PA, WA

RAIL LOADING/ UNLOADING FACILITY

PA

Segment Highlights

Industrial



Overview

- Project execution and favorable project completions produced very strong results
- Opportunities continue in new and expanded fertilizer facilities
- Mining and minerals has proven to be viable, with repeat customers viewing Matrix as their go-to choice for construction and maintenance
- Iron and steel has a strong outlook in general facility maintenance, capital projects and critical outages

MARKET OPPORTUNITY

As the U.S. emerges as a manufacturing option, plants contemplate infrastructure upgrades.

Steel plant upgrades are being planned due in part to historically low prices for feedstock used in production.

14 North American ammonia plants are proposed through 2020.

Supply/demand dynamics for copper continue to support domestic mining.

REPRESENTATIVE CLIENTS

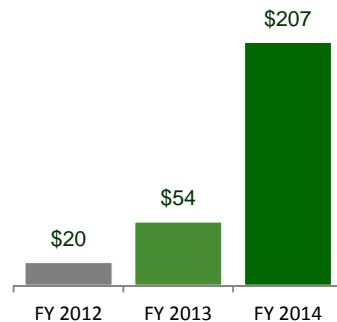


United States Steel

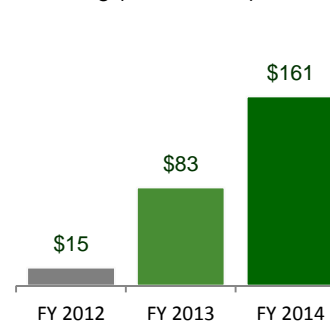


FY 2014

Revenue (\$ in millions)

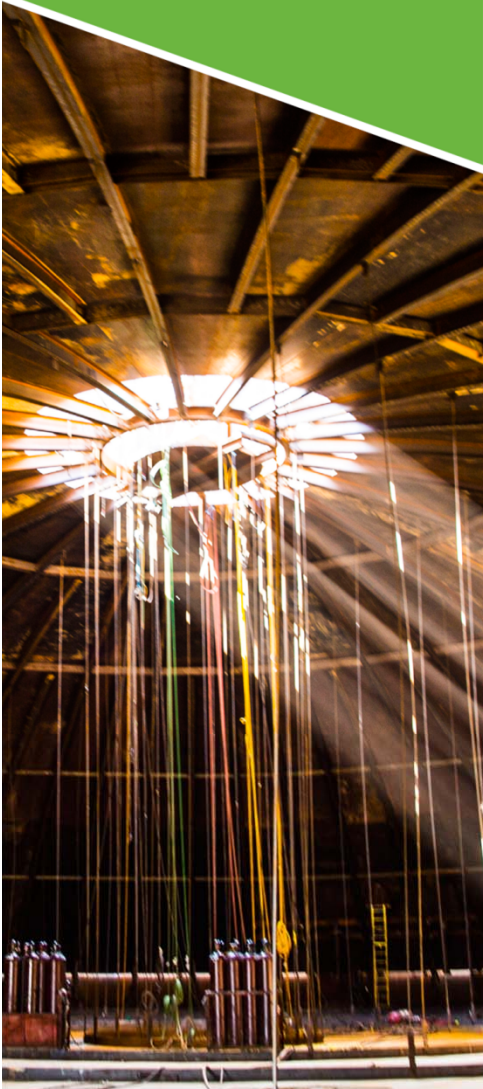


Backlog (\$ in millions)



Segment Highlights

Industrial Project Highlight



Greenfield nitrogen fertilizer complex in Lee County, Iowa

Project value to date:
\$100,000,000

Represents application of core expertise to new markets

- Includes engineering, procurement and construction (EPC) of two 50,000 metric ton Ammonia storage tanks, three 40,000 metric ton UAN storage tanks and six waste water tanks. Included with the tank work are foundation pilings, elevated pile caps, ring wall foundations, hydro-testing, paint and insulation
- Also includes EPC of the refrigeration package including the containment berm and liner, piling, pipe rack foundations, piping, electrical, buildings, compressors and mechanical startup

REPRESENTATIVE PROJECTS FOR OTHER CLIENTS

MINING AND MINERALS

Processing plant expansion, UT

Material handling and mine maintenance, WY, AZ, KS, UT

IRON AND STEEL

Galvanizing steel line mechanical and electrical installation, ON

Steel plant turnaround and maintenance work, IN

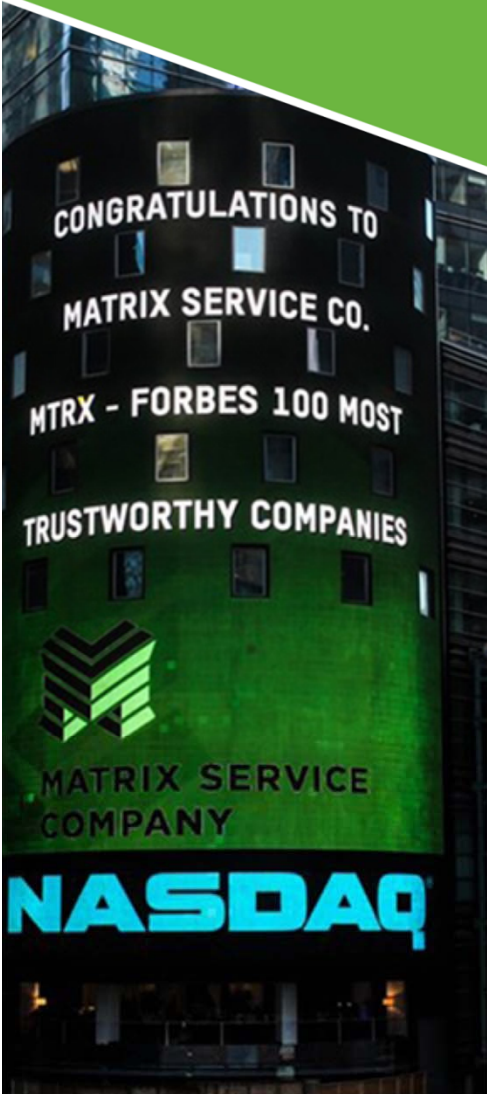
Steel plant burner repair, IN



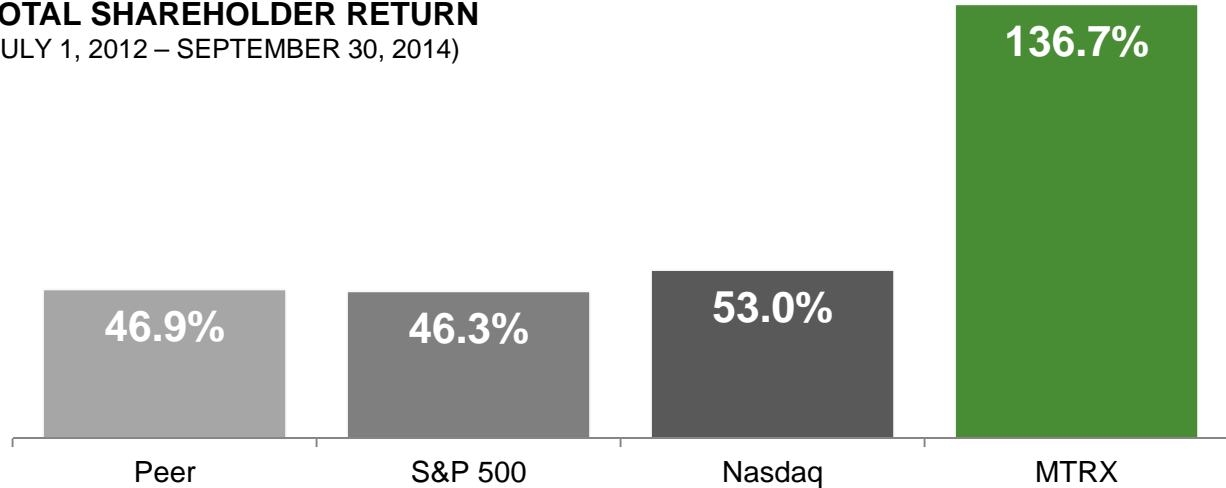
Summary

Long-term investment opportunity

- Well-diversified, operating in strong energy, power and industrial markets
- Strong brand position
- Geographic reach to take advantage of growth opportunities across North America
- Experienced, disciplined management team
- Well-positioned to deliver long-term sustainability and strong shareholder value



TOTAL SHAREHOLDER RETURN
(JULY 1, 2012 – SEPTEMBER 30, 2014)





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