MATRIX SERVICE COMPANY

Move to a higher standard[SM]

Fourth Quarter and Fiscal Year Ended June 30, 2020

SAFE HARBOR

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 most recent Annual Report on Form 10-K and in subsequent filings made by the Company with the SEC. To the extent the Company utilizes non-GAAP measures, reconciliations will be provided in various press releases and on the Company's website.

MATRIX SERVICE COMPANY

ABOUT MATRIX SERVICE COMPANY

Matrix is a top tier North American industrial engineering and construction contractor committed to delivering the highest quality work – safely, on time and on budget.

OUR PURPOSE

We build a brighter future, improve quality of life, and create long-term value for our people, business partners, shareholders, and communities.

OUR VISION FULFILLS THIS PURPOSE

To be the company of choice for engineering, constructing, and maintaining the energy and industrial infrastructure that people rely on around the world.

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OUR CORE VALUES ARE THE FOUNDATION OF OUR SUCCESS

Our commitment has led to consistent recognition for excellence by our clients, our industry, the business world, and our employees

Commitment to safety
Put safety first for yourself and others. Create a zero-incident environment through leadership.

Integrity
Do the right thing every time, ethically and honestly.

Positive relationships
Be respectful, promote collaboration and build lasting relationships.

Stewardship
Safeguard all that is entrusted to us.

Community involvement
Make a difference in the communities where we live and work.

Deliver the best
Strive for excellence in all we do.

Lehigh Hanson HEIDELBERGCEMENTGroup · CITGO · LOCKHEED MARTIN · ENLINK MIDSTREAM · Enterprise Products Partners L.P.

ENERGY TRANSFER · VALERO · MARATHON · USD Group · SOUTHWEST GAS

Chevron · nationalgrid · ConocoPhillips · Shell · RioTinto · HOLLYFRONTIER

Exelon. · EAGLE LNG PARTNERS · GOLDEN QUEEN · DUKE ENERGY. · PHILLIPS 66

JAX LNG · ppl · KEYERA · MODA midstream · PSEG · AMERICAN ELECTRIC POWER

SUNOCO · ExxonMobil · bp · EVERSOURCE · Monroe Energy · FREEPORT-McMoRAN

2020 ENR TOP 400

Consistently ranked among the Top 100 Contractors by Engineering-News Record

Forbes AMERICA'S MOST TRUSTWORTHY COMPANIES

Twice recognized as one of only 100 based on independent review of more than 2,500 publicly-traded non-financial American companies with market caps of $250 million

Great Place To Work® Certified AUG 2020–AUG 2021 USA

Consistently certified as a Great Place to Work®

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Review of Fiscal 2020

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FISCAL 2020 RETROSPECTIVE

Strong execution across most of the business

- Strong direct margin performance across most operating segments
- Market share growth in LNG peak shaving facilities and bunkering terminals, natural gas processing, and renewable energy
- Continued strength in crude-related storage and terminal brand

Operationally repositioned the company

- Restructured our power delivery business, improved execution in fourth quarter
- Streamlined engineering business to support EPC projects for our construction subsidiaries, as well as third party contracts across various markets
- Exited the iron and steel business, removing highly cyclical, low margin, capital intensive business
- Reduced cost structure by $45 million or 18% on an annualized basis

Safety, people, and governance

- TRIR of 0.50, while also implementing and adhering to increased health and safety protocols
- Moved 1,000+ employees to remote work status in less than one week with no loss of productivity
- Comprehensive approach to health-related mandates and guidelines allowed us to return to site
- Heighted approach to Diversity, Equity, and Inclusion across the Company
- Commenced formalization of our ESG reporting framework

COVID-19 materially impacted the business

- Delayed project awards / starts due to significant reductions in near-term capital and maintenance spending as well as logistical issues resulting from new health and safety protocols
- Bidding activity slowed considerably as clients navigated the turbulent energy market and focused on pandemic-related effects and overall economic restrictions
- Matrix implemented a robust COVID-19 mitigation plan and worked collaboratively with our clients to ensure continuation of work where possible

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FISCAL 2020 RETROSPECTIVE (Cont'd)

NOTABLE PROJECT ACCOMPLISHMENTS






Projects

- EPC execution of the Piedmont LNG facility for Duke Energy
- Construction of the first-ever alkylation unit in the U.S. at the Chevron Salt Lake City refinery
- Condition assessment and management of design and upgrading of a storage and terminal following storm damage
- Turnkey EPC work on the Keyera Wildhorse marketing terminal
- Completion of EPC work on expansion of the Moda Midstream Ingleside Export Terminal
- Lockheed Thermal Vacuum Chamber near completion

Awards

- EPC contract on another LNG peak shaving facility in the western U.S.
- Selected for FEED work on other LNG related infrastructure projects
- Awarded storage projects in the growing renewable energy space such as hydrogen and biofuels

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FY2020 YEAR END RESULTS

REVENUE
$1.1B
down 22% from the prior year

LIQUIDITY
$193M
includes cash of $100 million

EPS
($1.24)
includes non-cash charges

Adj. EPS
$0.40
excludes non-cash charges

Adj. EBITDA
3.3%
excludes non-cash charges

BACKLOG
$758M
on project awards of $860M

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FISCAL YEAR RESULTS

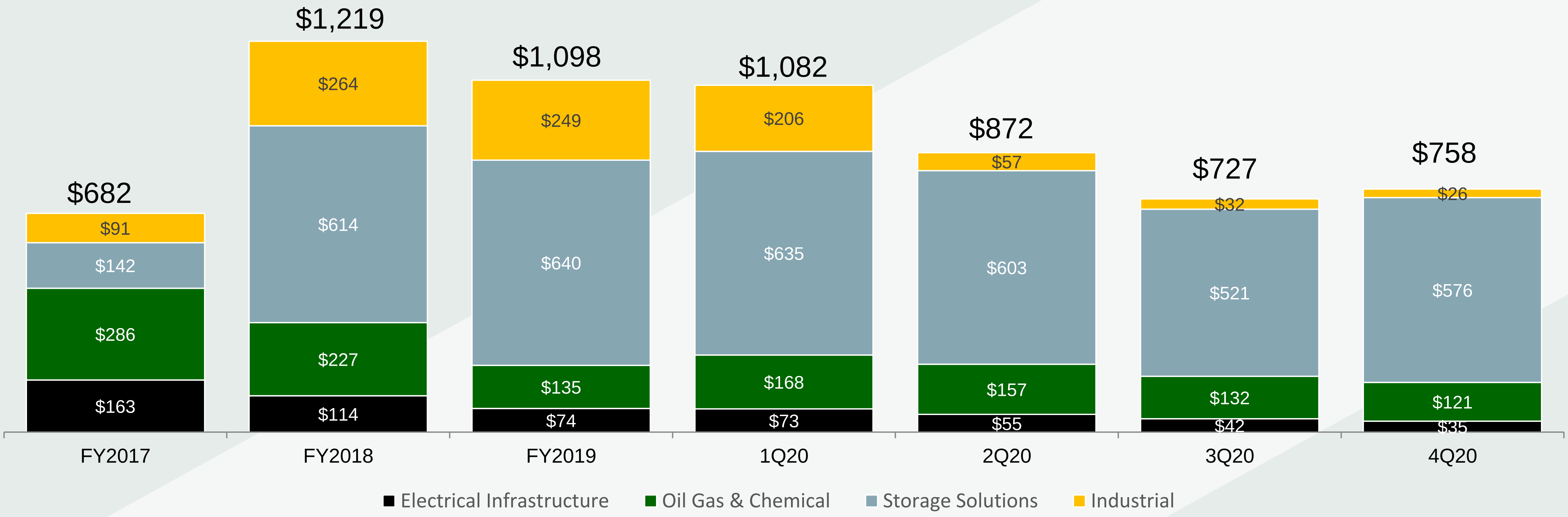
- Consolidated gross margin of 9.3%
- Comprehensive cost structure review reduced planned overhead costs by $45M, or 18%
- Repurchased $17M in stock during the fiscal year
- Exited the domestic iron and steel business due to a downturn in the outlook; reported impairment of $13.6M
- Power delivery improvement plan is yielding positive results, however lower revenue volumes resulted in under-recovered construction overhead costs and impacted margins; reported impairment of $24.9M in the Electrical Infrastructure segment
- Incurred $14M in restructuring costs

Q4 RESULTS

- Adjusted loss per share was $0.01 on revenue of $196M
- Consolidated gross margin of 9.8%
- Strong execution across all segments; under-recovered construction overhead costs impacted gross margins due to lower revenue volumes
- $227M in awards resulting in a book-to-bill of 1.2
- 1.5 book-to-bill in Storage Solutions
- Storage Solutions reported $122.6M in revenue and 10.7% in gross margins
- Oil Gas & Chemical reported $35.1M in revenue and 14.4% in gross margins

BACKLOG AT JUNE 30, 2020

($ in millions)



Despite project award disruptions due to COVID-19, resulting backlog has not materially declined with exception of our decision to exit the iron and steel business. Booked significant natural gas peak shaving project in 4Q20.

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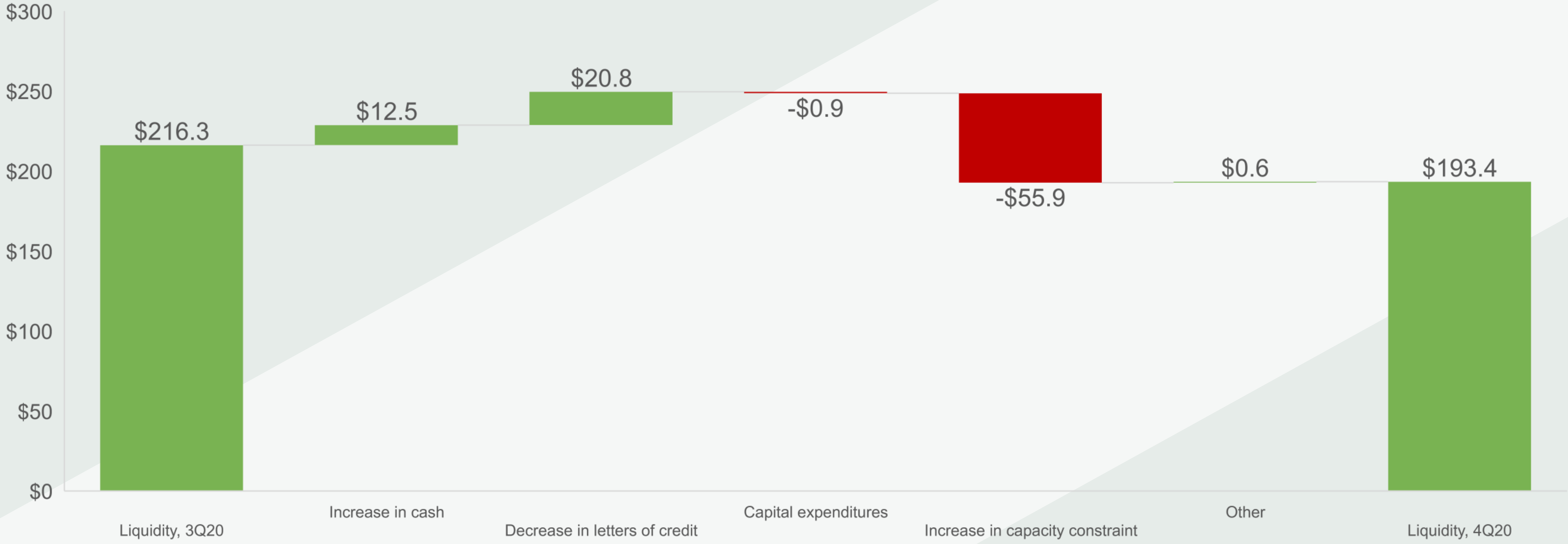
LIQUIDITY BRIDGE | 4Q FISCAL YEAR 2020

($ in millions)



Liquidity of $193.4 million consists of cash of $100.0 million and availability under the credit facility of $93.4 million

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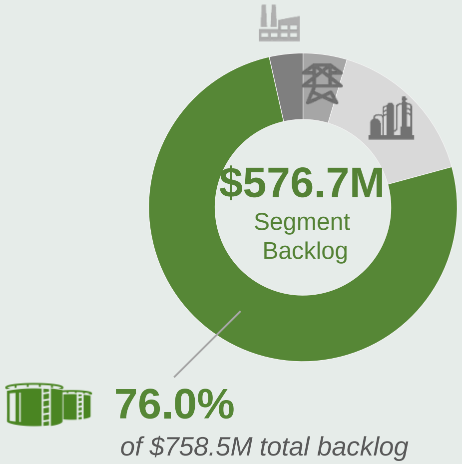
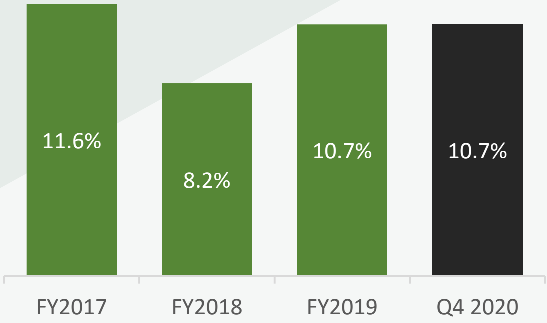
STORAGE SOLUTIONS

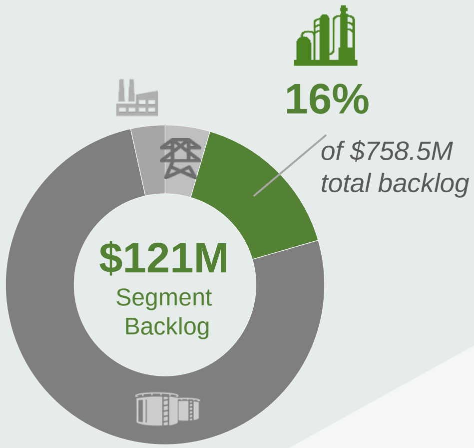


1.5x
Book-to-bill ratio in FY20 Q4

11-13% Target margin range

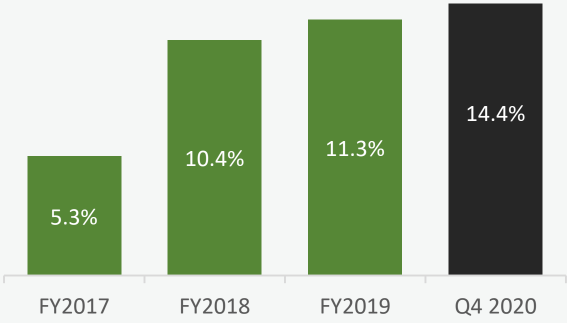


OIL, GAS & CHEMICAL

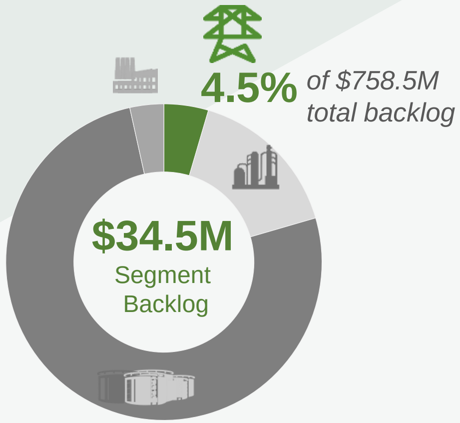


0.7x
Book-to-bill ratio in FY20 Q4

10-12% Target margin range

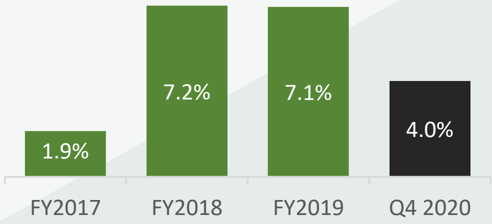


ELECTRICAL INFRASTRUCTURE

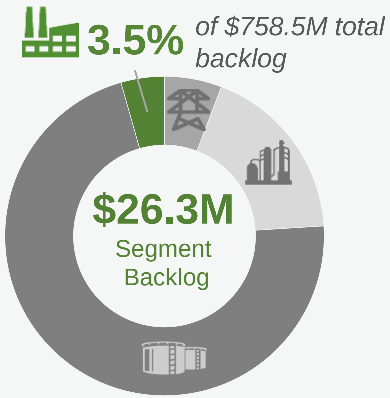


0.7x
Book-to-bill ratio in FY20 Q4

9-12% Target margin range

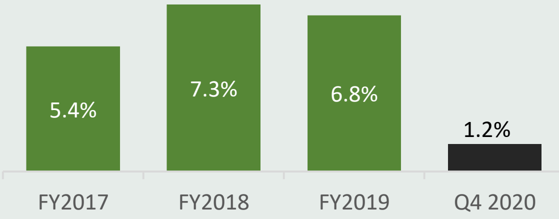


INDUSTRIAL



0.6x
Book-to-bill ratio in FY20 Q4

7-10% Target gross margin range



Despite strong performance, lower volumes resulted in under-recovery and impacted gross margins in both the Electrical Infrastructure and Industrial Segments

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Looking forward

CURRENT ENVIRONMENT

New cost structure and streamlined operations

- Costs better aligned with near-term expectations
- Impact of current business environment lessened
- Prepared for growth opportunities in new and existing markets
- Expect better margin profile for the long run
- New cost structure is reflected in our fourth quarter adjusted results
- New reporting structure to add transparency

Near-term environment remains challenged

- Some improvements with maintenance volume, turnaround planning and smaller capital project bidding activity picking up
- Larger capital project bidding, starts and awards still slow to develop
- Opportunity pipeline and market position remains strong; awards timing is uncertain
- Expected revenue in H1 FY 2021 to be relatively flat, but we expect improvements in revenue and margins in the second half of the year

While the near-term environment remains challenged, opportunities for growth and the demand for cleaner energy sources are significant and will be a growth area for the Company

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NEW REPORTING SEGMENTS



UTILITY & POWER INFRASTRUCTURE	PROCESS & INDUSTRIAL FACILITIES	STORAGE AND TERMINAL SOLUTIONS
TARGET GROSS MARGINS: 10 – 12%	TARGET GROSS MARGINS: 9 – 11%	TARGET GROSS MARGINS: 10 – 12%
Power generation Grid upgrades and expansion Renewable connectivity LNG peak shaving Power delivery Battery storage Renewable power	Midstream natural gas Renewables/biofuels Mining and minerals Chemical / petrochemical Industrial facilities Refineries Fertilizer Sulfur Aerospace	Crude tanks & terminals LNG tanks & terminals NGL tanks & terminals Tank products Tank repair & maintenance LNG bunkering Specialty vessels Renewable energy

Note: Corporate SG&A costs will be presented separately from the operating results of these three segments, each of which contain business unit-specific construction and SG&A overhead costs

We will continue to support existing critical infrastructure needs of our clients as we increase resources to grow our market share in non-crude and renewable energy infrastructure

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MEASURING OUR SUCCESS

KEY PERFORMANCE LONG-TERM TARGETS

OUR EMPLOYEES COME FIRST	KEY FINANCIAL TARGETS	
0 TRIR / Safety	**< 6%** Net Working Capital	**< 6%** SG&A target
> 40 Average annual training hours per employee	**> 4.5%** Operating Margin target	**> 12%** ROIC target
> 90% Staff employee retention	**> 6.5%** EBITDA target	**< 1.5%** CAPEX target

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LOOKING FORWARD

Big Picture

- New segment reporting provides better insight into strategic decision making
- Cost reductions are mostly permanent and are expected to lead to improved performance

In the Short Term

- H1 FY 2021 gross margins will likely be below expected target ranges due to lower revenue projections
- Expectations for improved overhead recovery as we move through fiscal 2021 based on normalizing market conditions

Financial Expectations

**While formal guidance has been suspended, the following can be used for modeling purposes.*

<u>Target Gross Margins</u>	
Utility & Power Infrastructure	10% - 12%
Process & Industrial Facilities	9% - 11%
Storage & Terminal Solutions	10% - 12%
<u>Quarterly Consolidated SG&A</u>	
Run Rate	$20 million
<u>Effective Tax Rate</u>	27%
<u>Capital Expenditures</u> *(as % of revenue)*	
Fiscal 2021	1.0%
Long-term	1.5%

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Q & A

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RECONCILIATION OF NON-GAAP MEASURES

($ in thousands, except EPS)

			Three Months Ended June 30, 2020		Fiscal Year Ended June 30, 2020	
	Amount of Charge	Income Tax Effect of Charge	Net Income (Loss)	Earnings (Loss) Per Diluted Share	Net Income (Loss)	Earnings (Loss) Per Diluted Share
Net loss per common share, as reported			$ (5,722)	$ (0.22)	$ (33,074)	$ (1.24)
Restructuring costs incurred	$14,010	$ (3,369)	5,544	0.21	10,641	0.39
Electrical Infrastructure segment goodwill impairment	24,900	(4,889)	—	—	20,011	0.74
Industrial segment goodwill and other intangible asset impairment	13,615	(2,803)	—	—	10,812	0.40
Valuation allowance placed on a deferred tax asset	2,417	—	—	—	2,417	0.09
Adjustment for dilutive effect of using basic shares for net loss			—	—	—	0.02
Adjusted net income (loss) and diluted earnings (loss) per common share			$ (178)	$ (0.01)	$ 10,807	$0.40

Weighted average common shares outstanding - diluted:		
As reported	26,140	26,621
Previously anti-dilutive common shares	—	490
Adjusted weighted average common shares outstanding - diluted	26,140	27,111

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FISCAL 2020 | FOURTH QUARTER RESULTS

($ in thousands, except EPS)

	4Q20		4Q19	
GAAP Based Measures				
Revenue	$ 195,837		$ 398,714	
Gross profit	19,233	9.8%	43,738	11.0%
SG&A	19,702	10.1%	26,349	6.6%
Operating income (loss)	(7,920)	-4.0%	17,389	4.4%
Net income (loss)	(5,722)	-2.9%	12,812	3.2%
Earnings (loss) per share	(0.22)		0.47	
Non GAAP Measures				
Adjusted net loss	(178)			
Adjusted loss per share	(0.01)			
Adjusted EBITDA	4,966	0.4%	22,323	2.3%
Backlog	758,465		1,098,349	
Awards	227,246		350,923	
Book-to-bill ratio	1.2		0.9	

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SEGMENT RESULTS

($ in thousands)

4Q20	Electrical Infrastructure	Oil Gas & Chemical	Storage Solutions	Industrial	TOTAL
Revenue	$ 22,917	$ 35,115	$ 122,617	$ 15,188	$ 195,837
Gross Profit	$ 919	$ 5,044	$ 13,094	$ 176	$ 19,233
Gross Margin	4.0%	14.4%	10.7%	1.2%	9.8%
Backlog	$ 34,537	$ 120,955	$ 576,704	$ 26,269	$ 758,465
Awards	$ 15,355	$ 23,792	$ 178,838	$ 9,261	$ 227,246
Book-to-bill ratio	0.7	0.7	1.5	0.6	1.2

4Q19	Electrical Infrastructure	Oil Gas & Chemical	Storage Solutions	Industrial	TOTAL
Revenue	$ 53,874	$ 75,545	$ 149,056	$ 120,239	$ 398,714
Gross Profit	$ 2,315	$ 10,469	$ 20,736	$ 10,218	$ 43,738
Gross Margin	4.3%	13.9%	13.9%	8.5%	11.0%
Backlog	$ 73,883	$ 134,563	$ 641,295	$ 248,608	$ 1,098,349
Awards	$ 26,537	$ 42,357	$ 137,534	$ 144,195	$ 350,623
Book-to-bill ratio	0.5	0.6	0.9	1.2	0.9

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FISCAL 2020 | YEAR END RESULTS

($ in thousands, except EPS)

	FISCAL 20 YTD		FISCAL 19 YTD	
GAAP Based Measures				
Revenue	$ 1,100,938		$ 1,416,680	
Gross profit	102,176	9.3%	131,951	9.3%
SG&A	86,276	7.8%	94,021	6.6%
Operating income (loss)	(36,625)	-3.3%	37,930	2.7%
Net income (loss)	(33,074)	-3.0%	27,982	2.0%
Earnings (loss) per share	(1.24)		1.01	
Non GAAP Measures				
Adjusted net income	10,807			
Adjusted earnings per share	0.40			
Adjusted EBITDA	36,602	3.3%	57,932	4.1%
Backlog	$ 758,465		$ 1,098,349	
Awards	859,529		1,296,433	
Book-to-bill ratio	0.8		0.9	

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ADJUSTED EBITDA

($ in thousands)

	Three Months Ended		Twelve Months Ended	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Net income (loss)	$ (5,722)	$ 12,812	$ (33,074)	$ 27,982
Goodwill and other intangible asset impairment	—	—	38,515	—
Restructuring costs	7,451	—	14,010	—
Interest expense	366	342	1,597	1,296
Provision (benefit) for income taxes	(1,865)	4,568	(3,570)	10,430
Depreciation and amortization	4,736	4,601	19,124	18,224
Adjusted EBITDA	$ 4,966	$ 22,323	$ 36,602	$ 57,932

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