



Matrix Service Announces Results for the First Quarter Ended September 30, 2010

TULSA, OK – November 5, 2010 – Matrix Service Co. (Nasdaq: MTRX) today reported its financial results for the first quarter of fiscal 2011 ended September 30, 2010.

Revenues for the first quarter were \$151.8 million, an increase of \$14.1 million, or 10.2%, from consolidated revenues of \$137.7 million in fiscal 2010. Net income for the first quarter of fiscal 2011 was \$3.1 million, or \$0.12 per fully diluted share. Net income was \$4.5 million, or \$0.17 per fully diluted share, in the comparable period a year earlier.

Consolidated gross profit was \$15.7 million in fiscal 2011 compared to \$17.4 million in fiscal 2010. The decrease of \$1.7 million was due to lower gross margins which decreased to 10.3% in fiscal 2011 compared to 12.7% a year earlier. Fiscal 2011 selling, general and administrative expenses were \$10.6 million compared to \$10.1 million in fiscal 2010.

“We are pleased with the improvements we are seeing in our core markets which are reflected in our revenue and backlog growth,” said Michael J. Bradley, President and CEO of Matrix Service Company. “As fiscal 2011 progresses, we remain encouraged that business activity will continue to improve and are reaffirming our previously announced earnings guidance range of \$0.60 to \$0.80 per fully diluted share.”

Backlog

Consolidated backlog increased \$42.0 million, or 11.9%, to \$395.2 million as of September 30, 2010 compared to \$353.2 million as of June 30, 2010.

Financial Position

At September 30, 2010, Matrix Service’s cash balance was \$43.3 million. The Company did not borrow under its revolving credit facility during the three months ended September 30, 2010.

Investigation Update

The Company recorded a charge, which is included in selling, general and administrative expenses, of \$0.5 million in the first quarter of fiscal 2011 for the cost of the investigation. Since the internal investigation is complete and all significant costs have been identified, the Company does not believe this matter will significantly affect earnings in future periods.

Conference Call Details

In conjunction with the press release, Matrix Service will host a conference call with Michael J. Bradley, president and CEO, and Thomas E. Long, vice president and CFO. The call will take place at 11:00 a.m. (Eastern) / 10:00 a.m. (Central) today and will be simultaneously broadcast live over the Internet at www.matrixservice.com or www.vcall.com. 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 online archive of the broadcast will be available within one hour of completion of the live call.

About Matrix Service Company

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

The Company is headquartered in Tulsa, Oklahoma, with regional operating facilities located in California, Illinois, Michigan, New Jersey, Oklahoma, Pennsylvania, Texas, and Washington in the U.S. and in 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:

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