



**MATRIX SERVICE
COMPANY**

Move to a higher standardSM



Building long-term sustainability

D.A. Davidson Engineering & Construction Conference
September 2015

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 most recent Annual Report on Form 10-K.

CELEBRATING
25 years
ON
NASDAQ

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



- 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
- Products

OIL, GAS & CHEMICAL



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

INDUSTRIAL



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

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Segment Highlights

Electrical Infrastructure



Construction of the 900 megawatt gas-fired combined cycle Napanee Generating Station in Napanee, ON



MARKET OPPORTUNITY

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

EPA's "Clean Power Plan," announced in August 2015, accelerates transition to clean sources of power generation – including natural gas fired generation facilities and renewables – displacing up to 60 gigawatts of coal-fired generation by 2020.

Currently tracking 18 power generation projects with total construction value for Matrix of \$5.4 billion and estimated award dates through 2017.

Opportunities for substation and other power delivery work has also picked up.

OTHER REPRESENTATIVE CUSTOMERS



Segment Highlights

Oil, Gas & Chemical



- Primary onsite contractor for BP Cherry Point Refinery for 20+ years
 - Nearly 300 employees onsite providing maintenance, repair and capital construction services with 900+ onsite during major turnarounds
 - Recently recognized for two years, 1.7 million hours with zero OSHA recordable incidents
- Ongoing work at BP sites across the country

OTHER REPRESENTATIVE CUSTOMERS



FY 2016 TURNAROUND AND MAINTENANCE ACTIVITY

PROJECTED REVENUE FLOW



Project execution performance is strong.

Revenue in FY 2015 was up 27%, despite refinery strikes and refinery decisions to delay turnaround work to take advantage of low crude prices.

Annual volume is expected to increase in FY 2016 based on proposal and bidding activity.

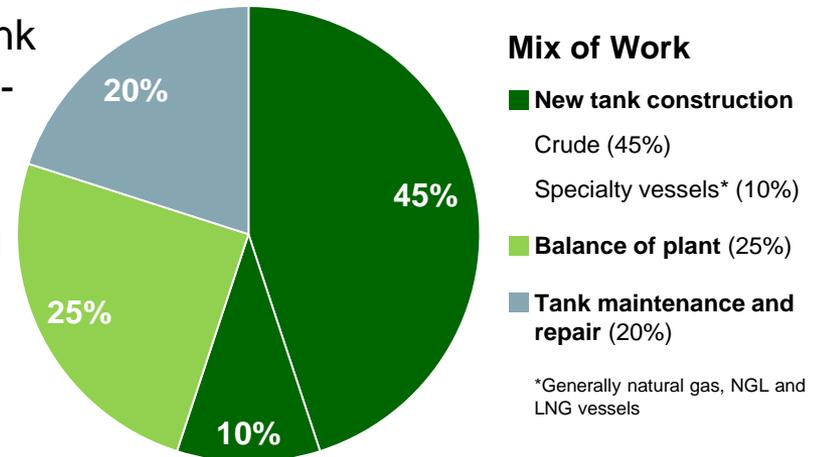
Segment Highlights

Storage Solutions

Storage Solutions

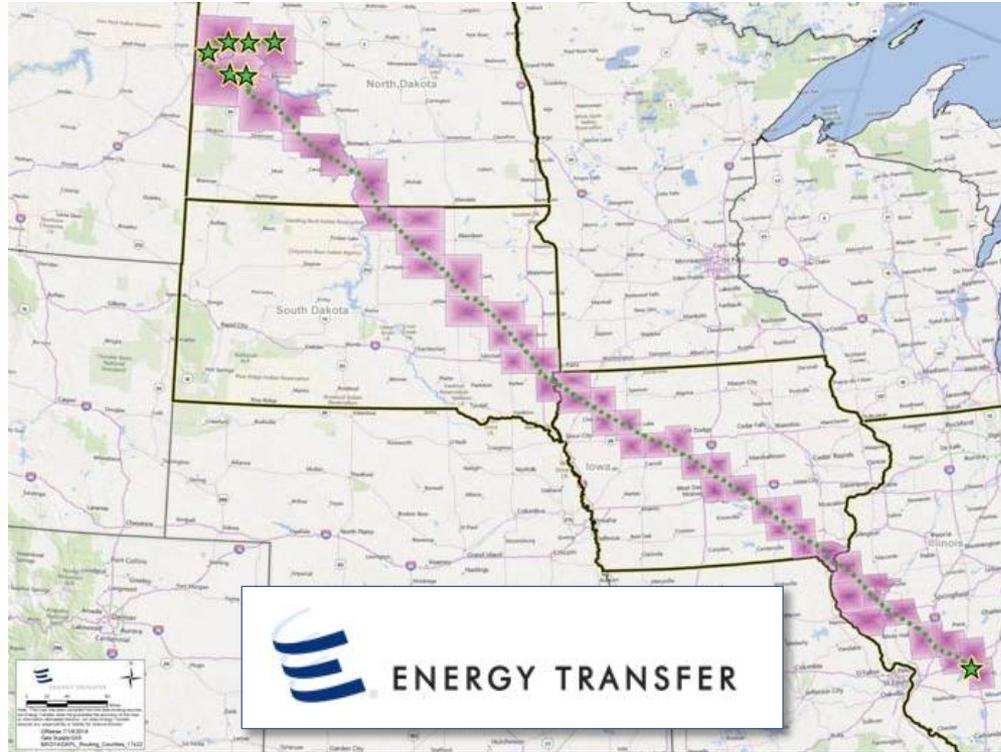


- Storage Solutions has transformed from crude tank construction to full EPC and fabrication on crude, Natural Gas Liquid (NGL), Liquid Natural Gas (LNG) and other pressure vessels
- Advanced chemical and tank cleaning, as well as maintenance, repair and after-market products create inter-segment cross-selling opportunities outside of the Storage Solutions segment



Segment Highlights

Storage Solutions



MARKET OPPORTUNITY

Currently working on six FEED studies for LNG related projects with start dates through 2020

Actively tracking an additional 7 LNG proposals, including in various stages of proposal, from conceptual design to bid stage

Total construction value for Matrix of projects being tracked in the natural gas value chain, including LNG, NGL and specialty vessels is \$4.5 billion

Over the past five years we have built approximately 14 million barrels of storage annually. We currently have approximately 23 million barrels of new tank construction work in backlog.

EPC of all six gathering terminals for the Dakota Access Pipeline

- The pipeline will connect the Bakken and Three Forks production areas in North Dakota to Patoka, Illinois
- Each terminal will have a working capacity ranging from 200,000 to 600,000 barrels

OTHER REPRESENTATIVE CUSTOMERS



Segment Highlights

Industrial



Greenfield nitrogen fertilizer complex in Lee County, Iowa

- EPC of two 50,000 metric ton Ammonia storage tanks, three 40,000 metric ton UAN storage tanks and six waste water tanks, along with foundation pilings, elevated pile caps, ring wall foundations, hydro-testing, paint and insulation
- EPC of the refrigeration package including the containment berm and liner, piling, pipe rack foundations, piping, electrical, buildings, compressors and mechanical startup

OTHER REPRESENTATIVE CUSTOMERS



United States Steel



MARKET OPPORTUNITY

IRON AND STEEL:

- Domestic integrated steel makers are struggling in the face of foreign pricing pressure and a strong U.S. dollar.
- Despite market pressure, we maintain a preferred position in general facility maintenance, capital projects and critical outages.

MINING AND MINERALS:

- Slowing growth in emerging markets has pressured global copper prices as demand has fallen, forcing producers to cut capital spending in some mines.
- We continue to receive our fair share of construction and maintenance work, despite demand challenges.

FERTILIZER: Total construction value for Matrix of ammonia projects being tracked is \$750 million.

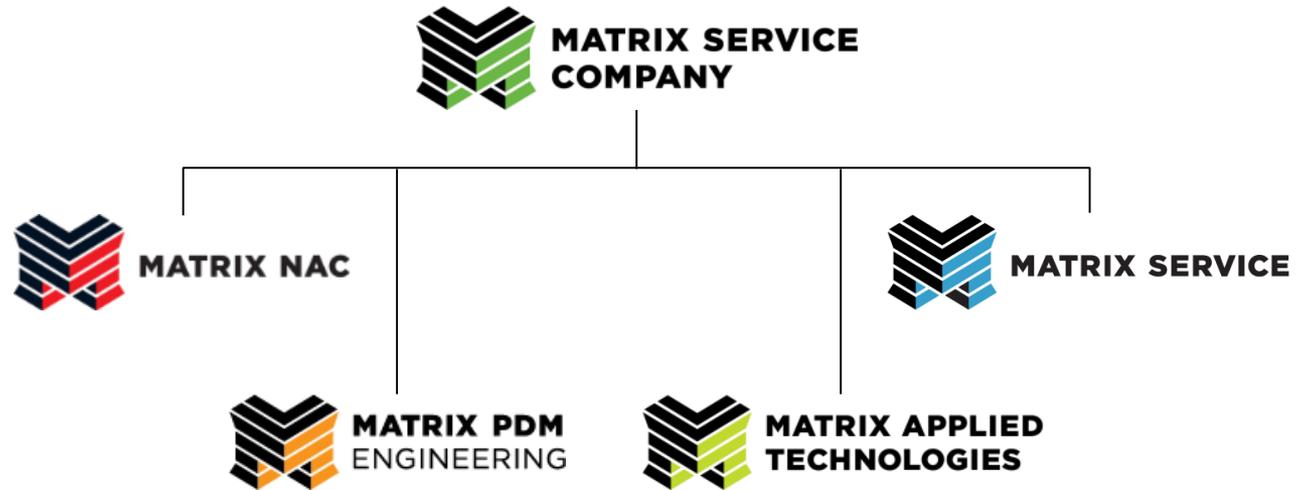


Company Overview

How we're organized

Structured for service across the U.S. and Canada

5,800+ people and multiple 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



Company Overview

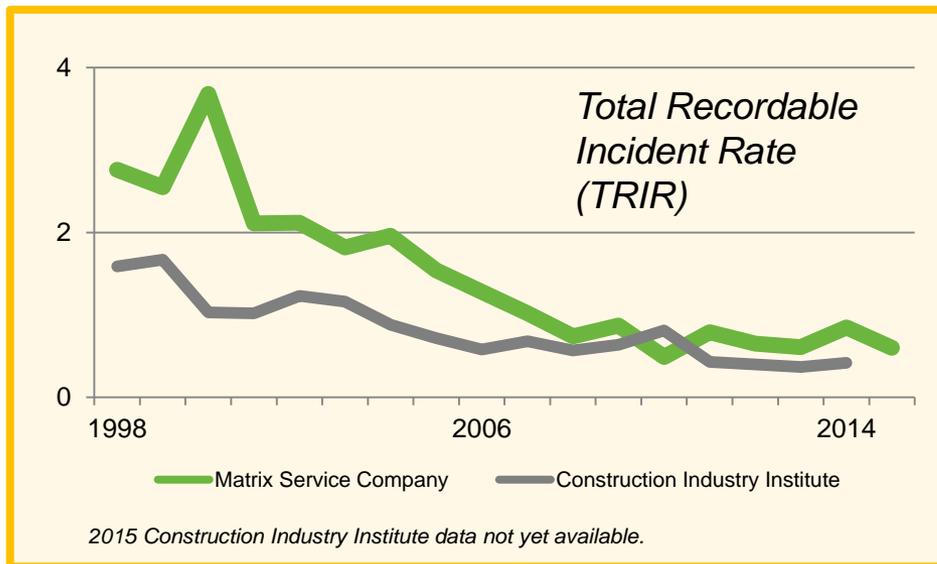
What we believe



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

Strategic Objectives

KEY MEASUREMENT GOALS

- **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

TRIR / Safety	0
Net working capital	0%*
Operating margin	6.5%*
ROIC	> 20%
Voluntary employee turnover (excluding Craft)	< 5%
SG&A	< 5.5%*
CAPEX	< 1.5%*

*As a percentage of consolidated revenue

CAPITAL ALLOCATION PRIORITIES

Working capital

Capital expenditures

Acquisitions

Stock repurchases

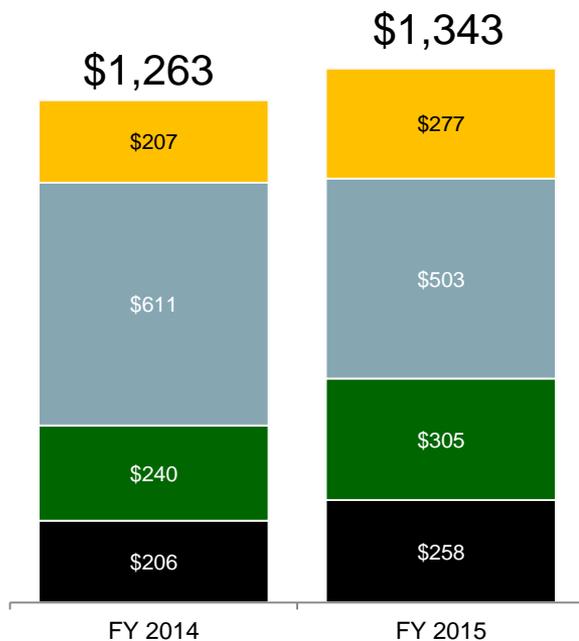
Our strategy and conservative approach has grown the business, strengthened our balance sheet and improved earnings – all without leveraging the company.

Financial Highlights

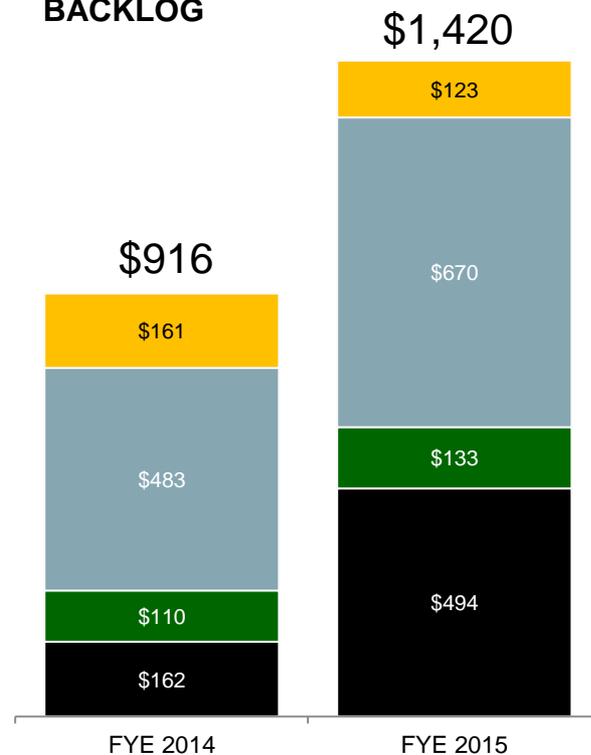
Fiscal year ended June 30, 2015

(\$ in millions)

REVENUE



BACKLOG

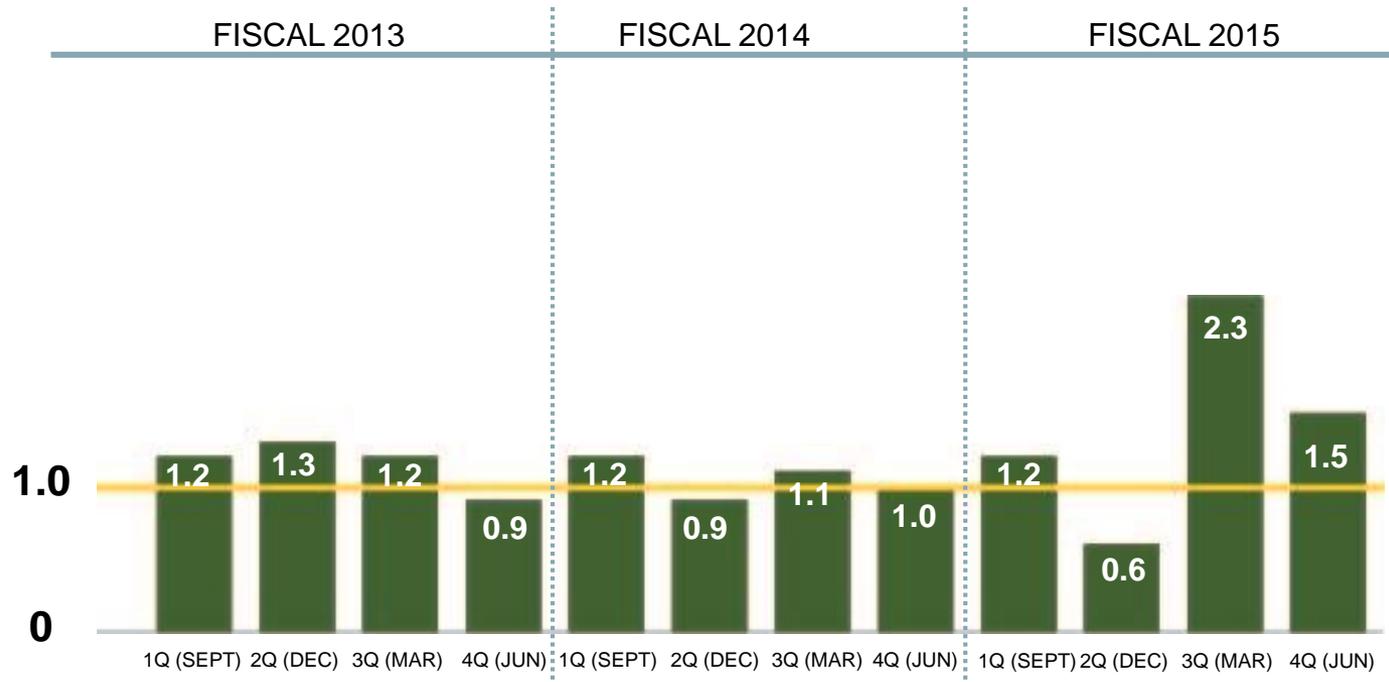


■ Electrical Infrastructure ■ Oil Gas & Chemical ■ Storage Solutions ■ Industrial

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2015 record project awards: \$1.8 Billion
Revenue in excess of 60% booked for FY 2016

Quarterly book-to-bill

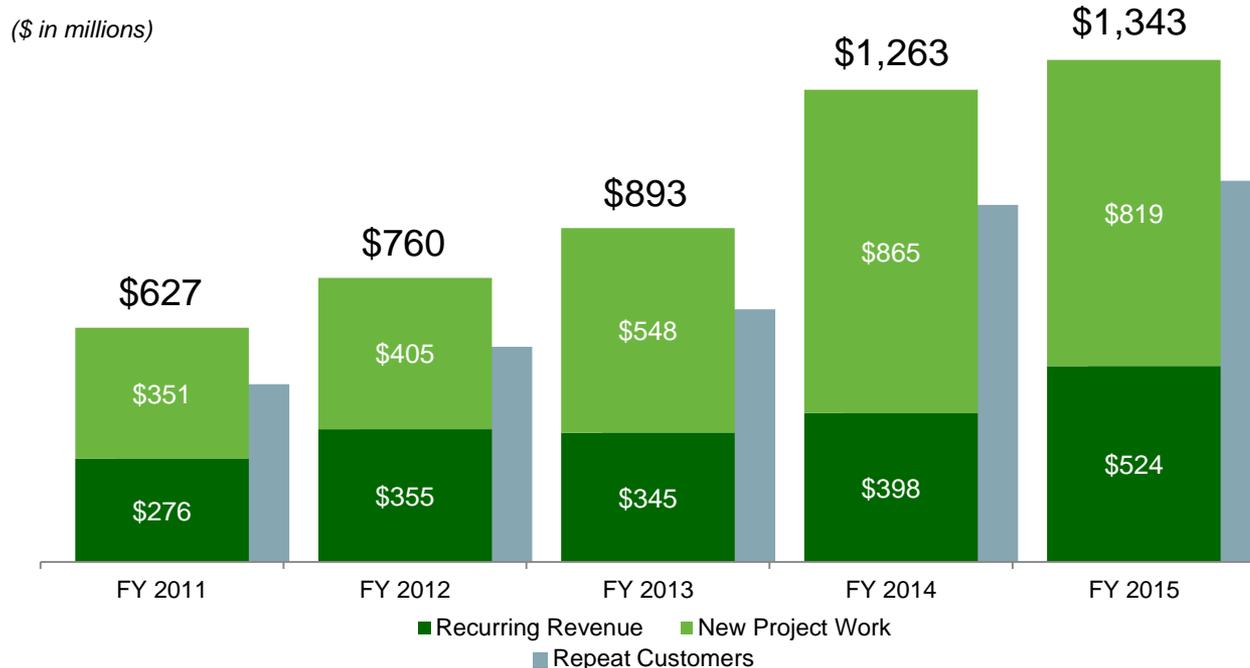


Strong book-to-bill profile as larger engineering, procurement and construction jobs transition to backlog.

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Financial Highlights

Recurring revenue and new project work



Average annual recurring revenue is 40% and over 75 % of our work comes from repeat customers.

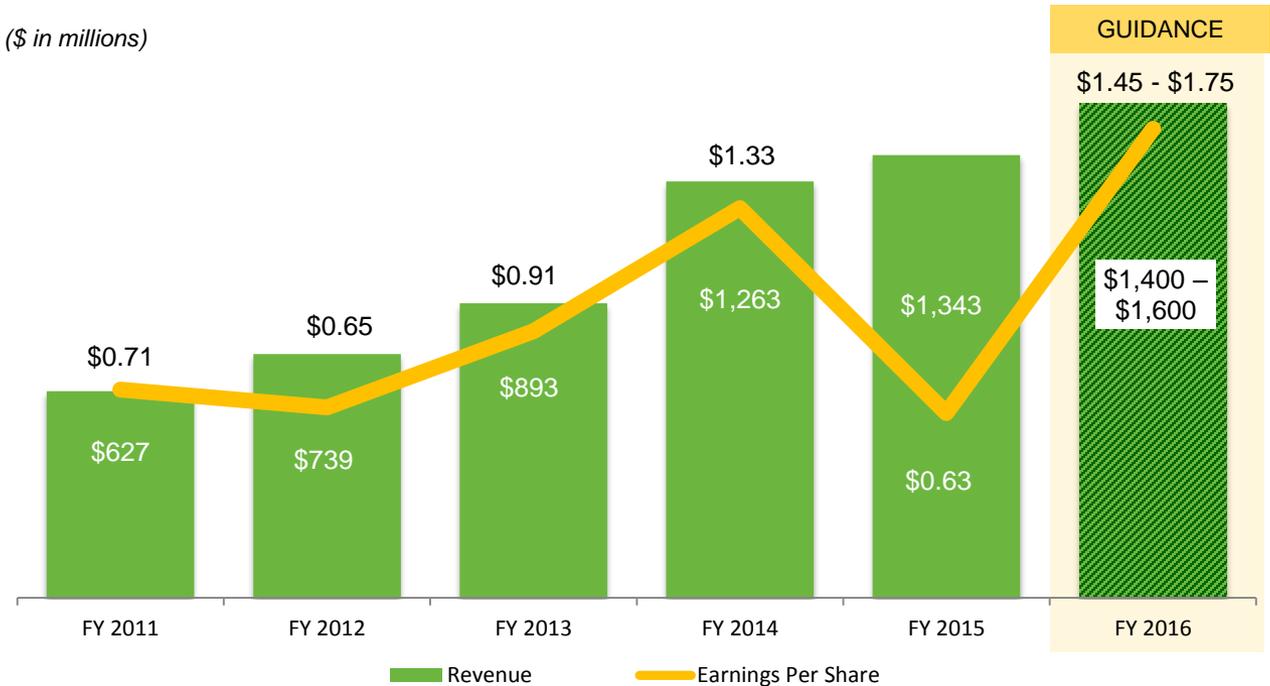
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Financial Highlights

Year over year revenue and EPS

(\$ in millions)



- FY 2015 results were impacted by:
 - A project charge on an acquired Joint Venture electrical power project, which was completed in the fiscal year
 - Slow project starts as a result of permitting delays, refinery strikes, high refinery utilization, weather disruptions and contract finalization
- FY 2016 guidance is underpinned by two projects already underway—TransCanada’s Napanee Generating Station and the gathering terminals for Energy Transfer Partner’s Dakota Access Pipeline

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Summary

Long-term investment opportunity

- Well-diversified, operating in strong energy, power and industrial markets
- Strong brand position with over 75% of revenue historically derived from existing customers
- Geographic reach to take advantage of growth opportunities across North America
- Experienced, disciplined management team and talented, dedicated employees
- Well-positioned to deliver long-term sustainability and strong shareholder value



TOTAL SHAREHOLDER RETURN
(JULY 1, 2012 – AUGUST 31, 2015)

