



**MATRIX SERVICE
COMPANY**

Move to a higher standardSM



Building long-term sustainability

Investor Presentation
Second Quarter, Fiscal 2015

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.

CELEBRATING
25 years
ON
NASDAQ

Company Overview

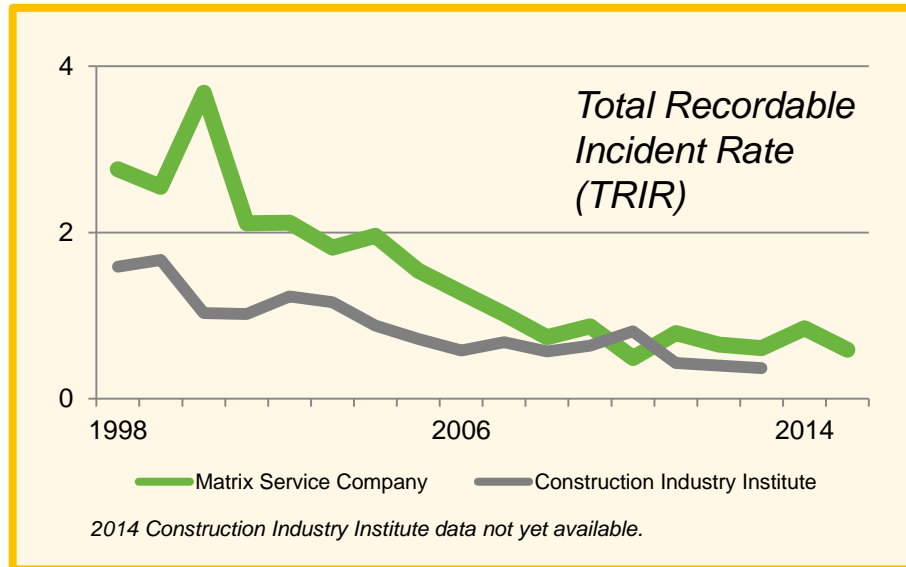
What we believe



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

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

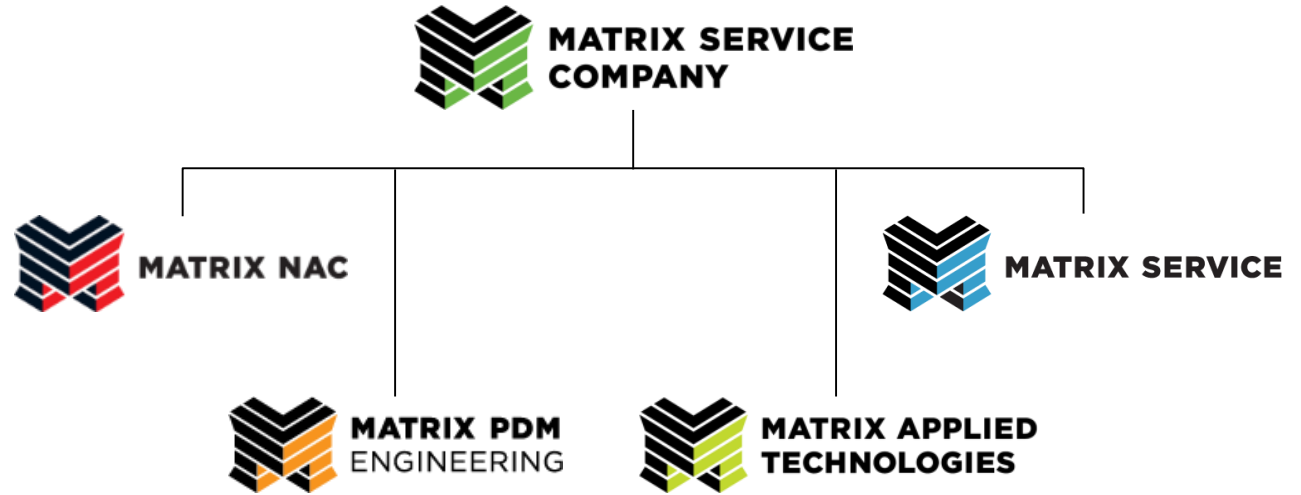
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Company Overview

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



Recent News

Consolidation of union operations



MATRIX NAC



MATRIX SERVICE COMPANY

Move to a higher standard™

MATRIX SERVICE COMPANY COMPLETES CONSOLIDATION OF ITS UNION OPERATIONS

TULSA, OK – Feb. 17, 2015 (GLOBE NEWSWIRE) –Matrix Service Company (Nasdaq: MTRX) announced today that it has consolidated its union subsidiaries, Matrix North American Construction and Matrix SME into one company. The new entity will operate as Matrix North American Construction (Matrix NAC).

"The merger of these two entities extends the geographic footprint of our union platform, which will provide coast-to-coast delivery solutions for our clients while generating operational efficiencies that will benefit our shareholders and our employees," said John R. Hewitt, President and Chief Executive Officer of Matrix Service Company.

The combined organization brings together substantial expertise in large capital construction as well as maintenance and repair services in power generation, power delivery, storage solutions, oil and gas and chemical, as well as a position as a premier contractor in the iron and steel industry.

"The strength of the consolidated operations provides a solid foundation for future growth across the industries we serve. By providing a singular union solution, our customers benefit from our expanded services and our employees gain greater opportunities for advancement," said Hewitt.

The new organization will be managed under a unified leadership team that will report directly to Jason W. Turner, who serves as President.

"I am extremely optimistic about our future based on the strength of our dedicated employees and the outlook in our core markets," said Turner. "As a team, we look forward providing even greater service and support to our customers."

About Matrix Service Company

Matrix Service Company provides engineering, fabrication, construction and repair and maintenance services to the Electrical Infrastructure, Oil Gas & Chemical, Storage Solutions and Industrial markets. The Company is headquartered in Tulsa, Oklahoma, with regional operating facilities throughout the United States and Canada. Matrix NAC is the direct hire union division of Matrix Service Company.

Matrix Service Company is ranked #56 in Engineering-News Record's annual Top 400 Contractors, is recognized as one of Forbes 100 Most Trustworthy Companies and has been named one of Fortune's Top 100 Fastest Growing Companies.

For more information, please contact:

Matrix Service Company
Kevin Cavanah
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One union solution, effective January 1, 2015:

- Provides coast-to-coast delivery solutions while generating operational efficiencies that benefit our shareholders and our employees
- Brings together substantial expertise in large capital construction, maintenance and repair in power generation, power delivery, storage solutions, oil and gas and chemical iron and steel



MATRIX NORTH AMERICAN HOLDINGS



MATRIX SME

5-Year Strategic Plan 2013 - 2017



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Strategic 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

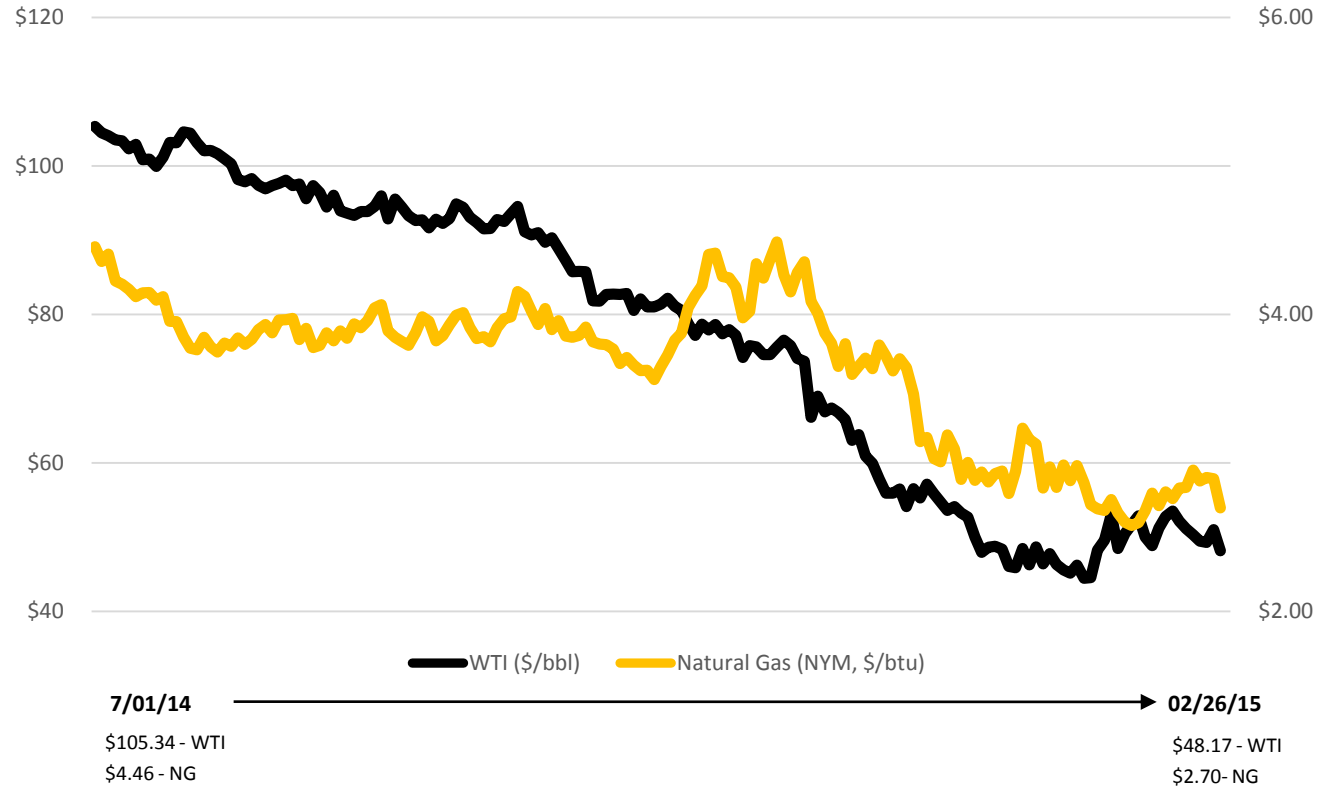
KEY MEASUREMENT GOALS

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

*As a percentage of consolidated revenue

Current Market Conditions

Falling oil and gas prices



Recent media coverage shows a preponderance of energy executives, industry analysts and energy economists who anticipate a return of oil prices in late 2015 to \$65-\$75 per barrel

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

Market Impact

What it means to us



ELECTRICAL INFRASTRUCTURE



- Strong U.S. economy a plus for this segment
- Delivery and generation opportunities are strong
- Growth could be limited by continued underinvestment, labor availability and risk tolerance
- Fuel switching opportunities are arising

OIL, GAS & CHEMICAL



- Refined product demand growth positive
- Cautious on long-term impact to low oil pricing
- Refinery T/A, maintenance will continue as planned
- Other than environmental or regulatory projects, capital spending likely to decline
- Upstream market will be pressured – minimal exposure
- Competition concern as upstream contractors enter downstream space
- Chemical projects may accelerate

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Market Impact

What it means to us

STORAGE SOLUTIONS



- Project RFP flow remains steady
- Key clients thinking long-term as logistics systems are still under built
- Contango market may create rush to build more storage and M&R
- NGL opportunities strong, but timing is a concern
- LNG market is in flux for new opportunities but RFPs continue
- Long-term project visibility provided by strategic alliances

INDUSTRIAL



- Strong U.S. economy, low feed stocks and energy prices providing tail winds
- Mining and minerals riding commodity bottom but maintenance activities exist
- Metal market appears strong for balance of FY15 but economic growth and import tariffs critical to future
- Fertilizer opportunities shrinking but still have active bidding
- Material handling opportunities gaining traction

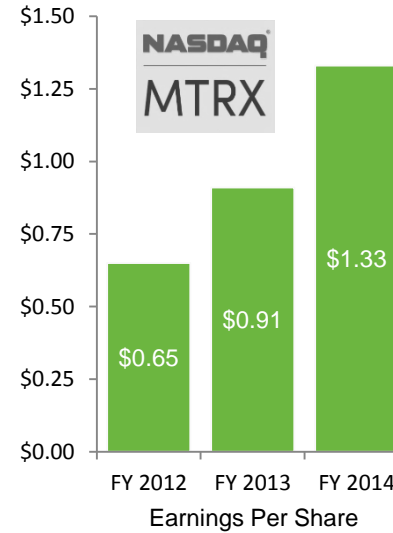
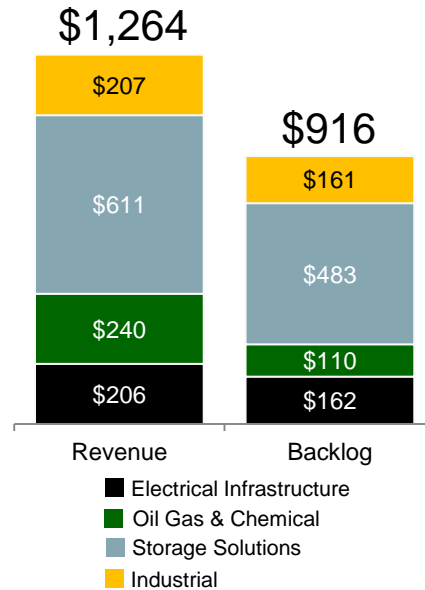
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Financial Highlights FY 2014

FY 2014 Overview

A record year in revenue, backlog and earnings per share

(\$ in millions)



REVENUE UP
42%

BACKLOG UP
46%

EPS UP
46%

Marketplace recognition



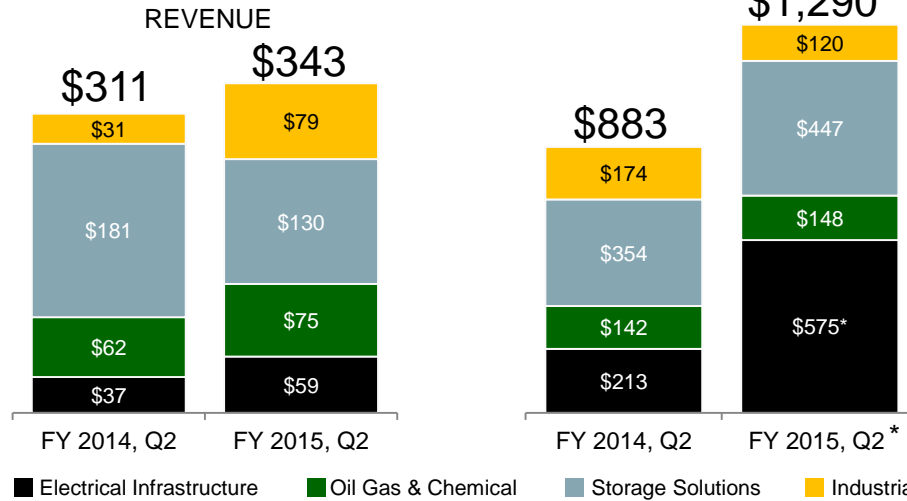
Financial Highlights

Year to Date
FY 2015



FY 2015 second quarter consolidated results

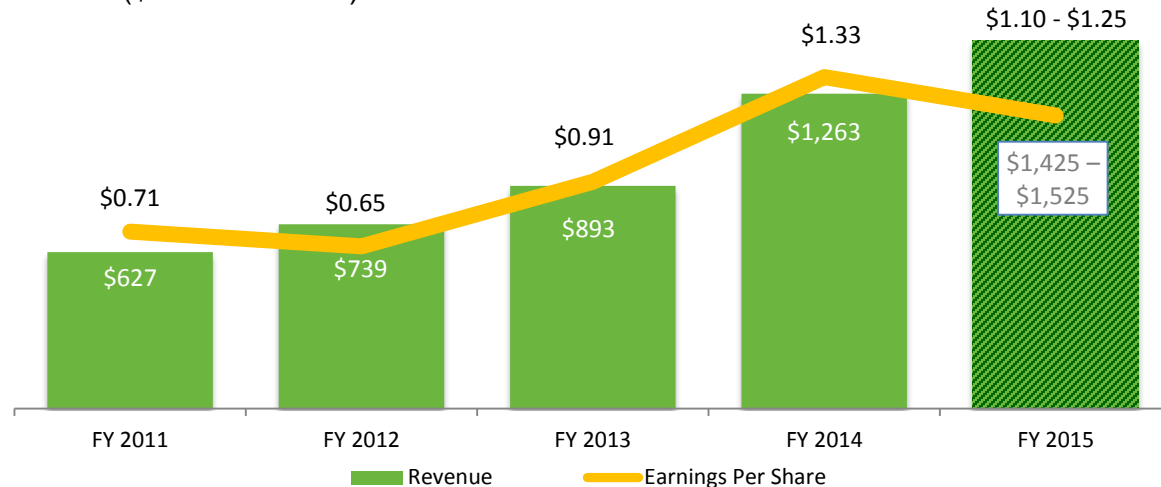
(\$ in millions)



* FY 2015 Q2 BACKLOG

Adjusted to include a **\$450 million** project award for TransCanada's Napanee Generating Station received after close of the quarter

REVENUE (\$ IN MILLIONS) AND EARNINGS PER SHARE



Financial Highlights

PRIORITIES

Working capital

Capital expenditures

Acquisitions

Stock repurchases

Our cash priorities

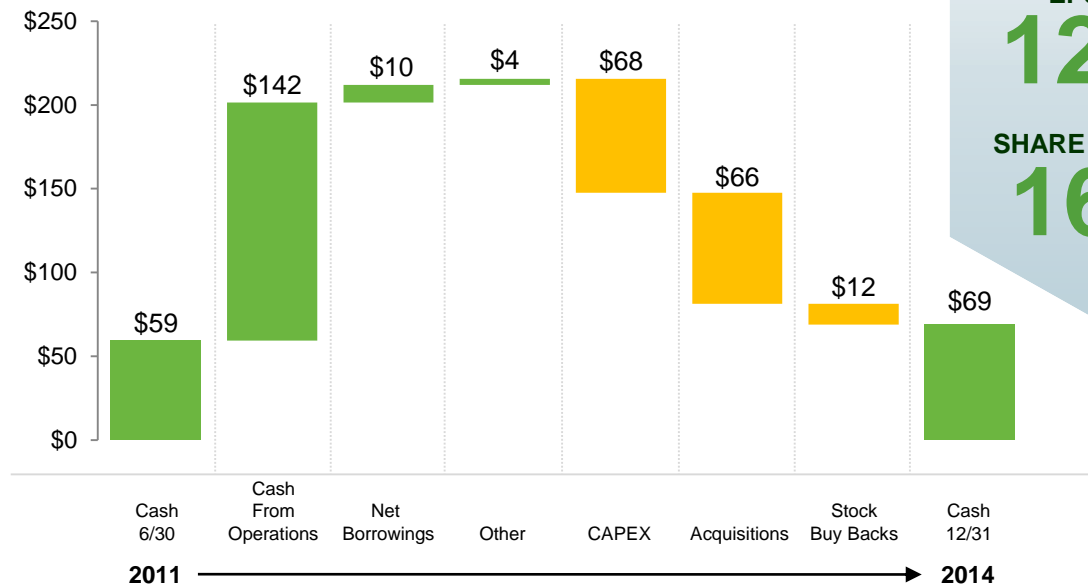
YEAR OVER YEAR
CAGR

REVENUE UP
26%

EPS UP
12%

SHARE PRICE UP
16%

\$ in millions



Revenue (LTM)	\$627.1	\$1,390.4
EPS (LTM)	\$0.71	\$1.04
MTRX Closing Price	\$13.38	\$22.32

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

MARKET OPPORTUNITY

- 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

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

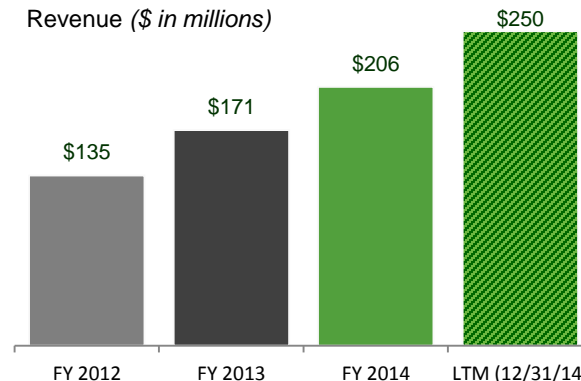
Up to **60 gigawatts** of coal-fired generation will be retired, requiring replacement by cleaner forms of power, such as natural gas fired power generation facilities and renewables.

REPRESENTATIVE CLIENTS



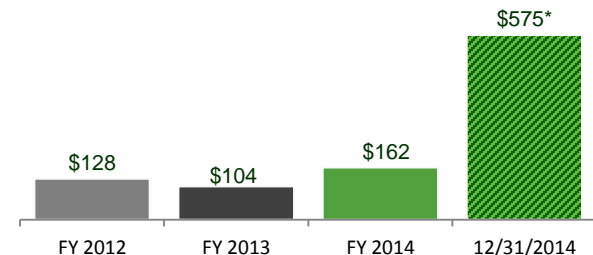
YOY and LTM Revenue

Revenue (\$ in millions)



Backlog (\$ in millions)

*Backlog at 12/31/14 adjusted to include a **\$450 million** project award received after close of the quarter



Segment Highlights

Electrical Infrastructure



*Napanee
Generating Station,
Napanee, ON*

Project award for the construction of a 900 megawatt gas-fired combined cycle power plant.

- This project award demonstrates our substantial expertise in large capital construction and natural gas fired power plants as well as extension of our relationship with TransCanada
- 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

POWER GENERATION

CA, DE, MI, NJ, NV, OH, PA, CAN

SUBSTATION AND SWITCHYARD CONSTRUCTION INCLUDING GIS

PA, CT, MA, MD, ME, DC, NJ, NY, RI, CA

CONTRACTOR OF CHOICE WORK

CT, DC, DE, NJ, PA

TRANSMISSION LINE AND DISTRIBUTION POLE REPLACEMENT

DC, DE, MD, ME, PA, NJ

NUCLEAR ELECTRICAL & INSTRUMENTATION

NJ, PA

STORM RESTORATION

PA, NJ, MA, MD, ME, CT, DC, DE



Segment Highlights

Oil, Gas & Chemical



Overview

MARKET OPPORTUNITY

- Project execution performance strong
- Revenue increased 21.6% compared to the same quarter in the prior year, primarily due to higher levels of maintenance work
- Annual volume will increase based on proposal and bidding activity

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

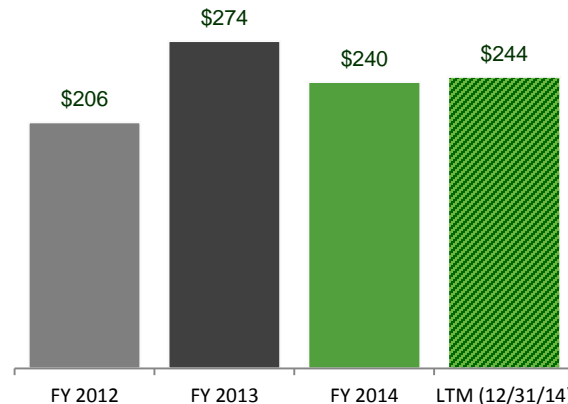
More than **\$80 billion annually** is projected to be invested in U.S. midstream and downstream infrastructure through 2020, with **\$60 billion annually** spent thereafter through 2025.

REPRESENTATIVE CLIENTS

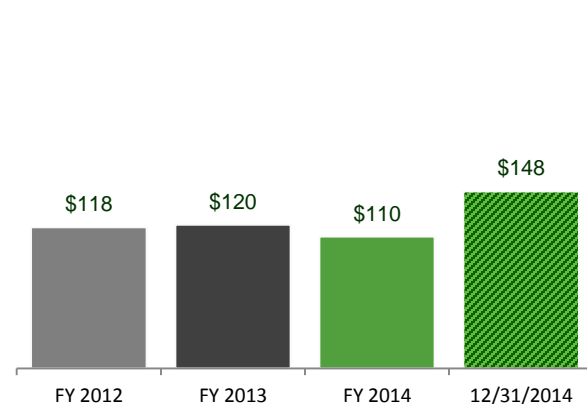


YOY and LTM Revenue

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

TURNAROUND AND MAINTENANCE WORK

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

PROCESSING PLANT RECONSTRUCTION

PA, WY

INDUSTRIAL CLEANING AND SPECIALTY SERVICES

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

PROCESS SPLITTER AND MANIFOLD FABRICATION

CA

FIXED BASE MAINTENANCE WORK

WA, HI

ELECTRICAL REFINERY WORK

NJ, PA

Segment Highlights

Industrial

Overview

MARKET OPPORTUNITY

- Project execution and favorable project completions produced very strong results
- Additional opportunities in new and expanded fertilizer facilities
- Mining and minerals is receiving its fair share of construction and maintenance work
- Iron and steel has a strong outlook in general facility maintenance, capital projects and critical outages

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.

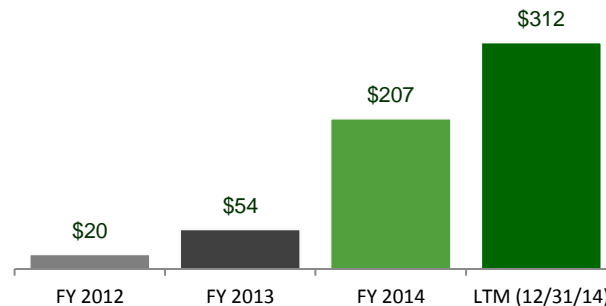


REPRESENTATIVE CLIENTS

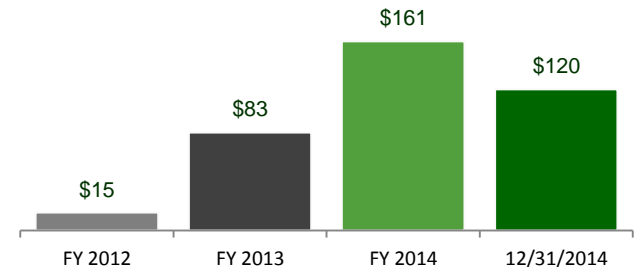


YOY and LTM Revenue

Revenue (\$ in millions)



Backlog (\$ in millions)



Segment Highlights

Industrial Project Highlight



An integrated steel producer with major facilities in the U.S., Canada and Central Europe and annual raw steelmaking capability of 27 million net tons

More than 30 years providing blast furnace work and other facility maintenance

- Single source contractor providing blast furnace work at the Gary Works and Granite City facilities
- Full year presence at Gary Works to perform surge maintenance work in all areas of the plant
- Full year presence at Clairton Works plant to perform coke battery maintenance repairs

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



Segment Highlights

Storage Solutions

Overview



- Turnkey terminal engineering, procurement and construction
- New tank engineering, construction, procurement and fabrication:
 - Crude
 - Natural Gas Liquid (NGL)
 - Liquid Natural Gas (LNG)
 - Other specialty vessels
- Balance of plant
- Inspection
- Maintenance and repair
- Tank cleaning
- Products

Segment Highlights

Storage Solutions

Overview

MARKET OPPORTUNITY

- Backlog at December 31, 2014 of \$447 million is up 26% compared to the same date in the prior period, representing 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

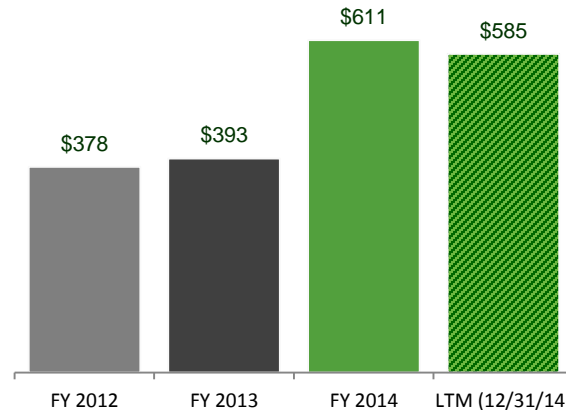
An estimated **\$890 billion** in oil and gas transportation and storage infrastructure is projected to be needed through 2025 to support new sources of crude oil, natural gas and natural gas liquids, of which approximately **\$45 billion** is anticipated for natural gas liquefaction projects.

REPRESENTATIVE CLIENTS

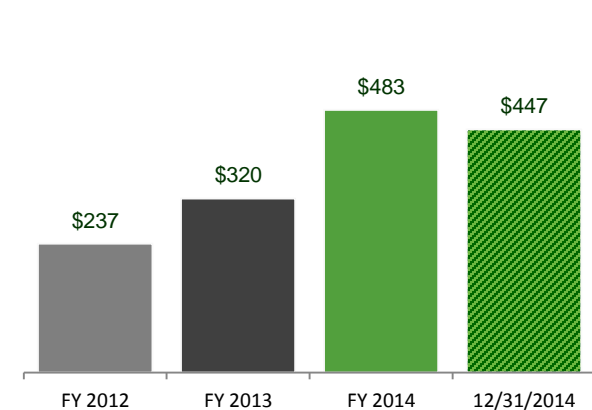


YOY and LTM Revenue

Revenue (\$ in millions)



Backlog (\$ in millions)



Foundational elements of a Strategic Alliance



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

- Construction to date of more than 29 million barrels of storage across Illinois, Indiana, Michigan, North Dakota, Oklahoma, Wisconsin and Canada
- Balance of plant work across multiple facilities
- Ongoing maintenance and repair work
- Our alliance with Enbridge has also 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

TERMINALS

CA, OK, TN, TX, IL, MI, PA

MAJOR TANK CONSTRUCTION

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

FEED STUDIES

Propane and butane export terminals, LNG and NGL facilities – WA, LA, MA, TX, SC

SPECIALTY VESSEL CONSTRUCTION

CO, IA, TX, LA, PA, WA, WV

RAIL, TRUCK OR SHIP LOADING/ UNLOADING FACILITY

AZ, CA, FL, GA, HI, ME, OK, PA, PR, TX, VA, CHL

Segment Highlights

Storage Solutions



Strategic Alliance for all aboveground storage tank construction with select balance of plant work

Long-term partnership for current and future projects across the U.S. and Canada

- Design and construction to date of 8.3 million barrels of storage
- Terminal balance of plant construction at Cushing and Houston
- Ongoing cleaning, inspection, maintenance and repair
- Keystone, Energy East and other planned infrastructure projects
- TransCanada currently has more than \$40 billion in sanctioned energy infrastructure projects

REPRESENTATIVE PROJECTS FOR OTHER CLIENTS

TERMINALS

CA, OK, TN, TX, IL, MI, PA

MAJOR TANK CONSTRUCTION

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

FEED STUDIES

Propane and butane export terminals, LNG and NGL facilities – WA, LA, MA, TX, SC

SPECIALTY VESSEL CONSTRUCTION

CO, IA, TX, LA, PA, WA, WV

RAIL, TRUCK OR SHIP LOADING/ UNLOADING FACILITY

AZ, CA, FL, GA, HI, ME, OK, PA, PR, TX, VA, CHL

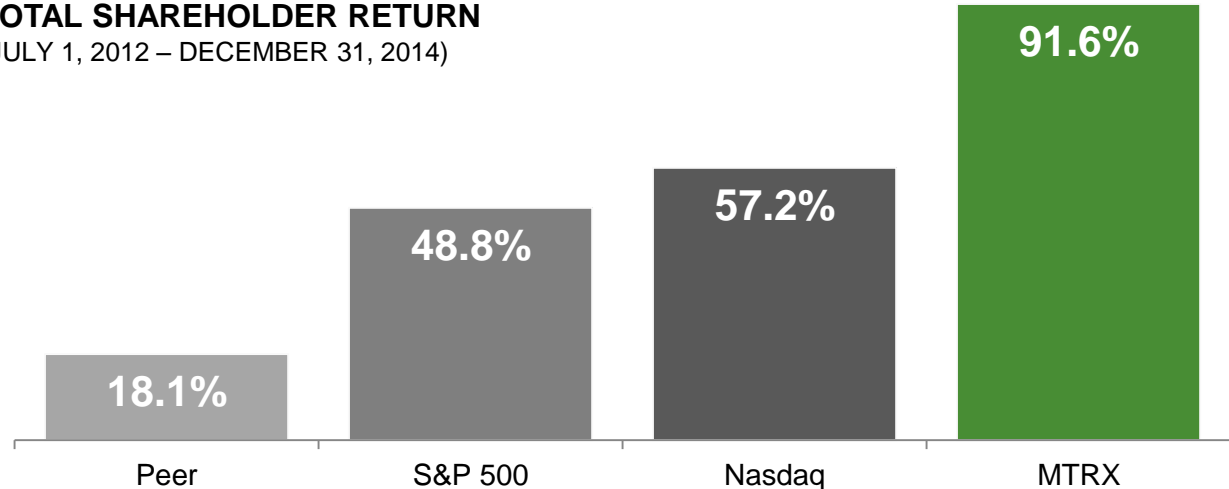
Summary

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 – DECEMBER 31, 2014)



Reconciliation of FY 2015 Q2 Reported Backlog

(\$ in thousands)

	REPORTED BACKLOG AT DECEMBER 31, 2014	POST-CLOSE ADDITION	TOTAL
Electrical Infrastructure	\$124,158	\$450,360	\$ 574,518
Oil Gas & Chemical	147,707	-	147,707
Storage Solutions	446,877	-	446,877
Industrial	120,229	-	120,229
Total	\$838,971	\$450,360	\$1,289,331



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