



L.B. Foster Presentation
Singular Research Midwestern Values Conference
September 16, 2021

Bill Thalman – Senior Vice President and Chief Financial Officer
Jim Kempton – Corporate Controller and Principal Accounting Officer

Safe Harbor Disclaimer

Safe Harbor Statement

This release may contain “forward-looking” statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Forward-looking statements provide management's current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Sentences containing words such as “believe,” “intend,” “plan,” “may,” “expect,” “should,” “could,” “anticipate,” “estimate,” “predict,” “project,” or their negatives, or other similar expressions of a future or forward-looking nature generally should be considered forward-looking statements. Forward-looking statements in this earnings release are based on management's current expectations and assumptions about future events that involve inherent risks and uncertainties and may concern, among other things, the Company's expectations relating to our strategy, goals, projections, and plans regarding our financial position, liquidity, capital resources, and results of operations and decisions regarding our strategic growth initiatives, market position, and product development. While the Company considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory, and other risks and uncertainties, most of which are difficult to predict and many of which are beyond the Company's control. The Company cautions readers that various factors could cause the actual results of the Company to differ materially from those indicated by forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Among the factors that could cause the actual results to differ materially from those indicated in the forward-looking statements are risks and uncertainties related to: the COVID-19 pandemic, including the impact of any worsening of the pandemic, or the emergence of new variants of the virus, on our financial condition or results of operations, and any future global health crises, and the related social, regulatory, and economic impacts and the response thereto by the Company, our employees, our customers, and national, state, or local governments; a continued deterioration in the prices of oil and natural gas and the related impact on the upstream and midstream energy markets, which could result in further cost mitigation actions, including additional shutdowns or furlough periods; a continuation or worsening of the adverse economic conditions in the markets we serve, whether as a result of the current COVID-19 pandemic, including its impact on travel and demand for oil and gas, the continued deterioration in the prices for oil and gas, governmental travel restrictions, project delays, and budget shortfalls, or otherwise; volatility in the global capital markets, including interest rate fluctuations, which could adversely affect our ability to access the capital markets on terms that are favorable to us; restrictions on our ability to draw on our credit agreement, including as a result of any future inability to comply with restrictive covenants contained therein; a continuing decrease in freight or transit rail traffic, including as a result of the COVID-19 pandemic; environmental matters, including any costs associated with any remediation and monitoring; the risk of doing business in international markets, including compliance with anti-corruption and bribery laws, foreign currency fluctuations and inflation, and trade restrictions or embargoes; our ability to effectuate our strategy, including cost reduction initiatives, and our ability to effectively integrate acquired businesses or to divest businesses, such as the 2020 disposition of the IOS Test and Inspection Services business and acquisition of LarKen Precast, LLC and to realize anticipated benefits; costs of and impacts associated with shareholder activism; continued customer restrictions regarding the on-site presence of third party providers due to the COVID-19 pandemic; the timeliness and availability of materials from our major suppliers, including any continuation or worsening of the disruptions in the supply chain experienced as a result of the COVID-19 pandemic, as well as the impact on our access to supplies of customer preferences as to the origin of such supplies, such as customers' concerns about conflict minerals; labor disputes; cyber-security risks such as data security breaches, malware, ransomware, “hacking,” and identity theft, including as experienced in 2020, which could disrupt our business and may result in misuse or misappropriation of confidential or proprietary information, and could result in the significant disruption or damage to our systems, increased costs and losses, or an adverse effect to our reputation; the effectiveness of our continued implementation of an enterprise resource planning system; changes in current accounting estimates and their ultimate outcomes; the adequacy of internal and external sources of funds to meet financing needs, including our ability to negotiate any additional necessary amendments to our credit agreement or the terms of any new credit agreement, and reforms regarding the use of LIBOR as a benchmark for establishing applicable interest rates; the Company's ability to manage its working capital requirements and indebtedness; domestic and international taxes, including estimates that may impact taxes; domestic and foreign government regulations, including tariffs; economic conditions and regulatory changes caused by the United Kingdom's exit from the European Union; a lack of state or federal funding for new infrastructure projects; an increase in manufacturing or material costs; the loss of future revenues from current customers; and risks inherent in litigation and the outcome of litigation and product warranty claims. Should one or more of these risks or uncertainties materialize, or should the assumptions underlying the forward-looking statements prove incorrect, actual outcomes could vary materially from those indicated. Significant risks and uncertainties that may affect the operations, performance, and results of the Company's business and forward-looking statements include, but are not limited to, those set forth under Item 1A, “Risk Factors,” and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2020, or as updated and/or amended by other current or periodic filings with the Securities and Exchange Commission. All information in this presentation speaks only as of September 16, 2021, and any distribution of the presentation after that date is not intended and will not be construed as updating or confirming such information. L.B. Foster Company assumes no obligation to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as required by securities laws. The information in this presentation is unaudited, except where noted otherwise.

Non-GAAP Financial Measures

This investor presentation discloses the following non-GAAP measures:

- Earnings before interest, taxes, depreciation, and amortization (“EBITDA”) from continuing operations
- Earnings before interest, taxes, depreciation, amortization, and certain charges (“Adjusted EBITDA”) from continuing operations
- Adjusted net income from continuing operations
- Adjusted diluted earnings per share from continuing operations
- Net debt
- Free cash flow from continuing operations
- Free cash flow yield from continuing operations

The Company believes that EBITDA from continuing operations is useful to investors as a supplemental way to evaluate the ongoing operations of the Company's business since EBITDA may enhance investors' ability to compare historical periods as it adjusts for the impact of financing methods, tax law and strategy changes, and depreciation and amortization. In addition, EBITDA is a financial measure that management and the Company's Board of Directors use in their financial and operational decision-making and in the determination of certain compensation programs. The Company believes that adjusted net income from continuing operations is useful to investors as a supplemental way to compare historical periods without regard to various charges that the Company believes are unusual, non-recurring, unpredictable, or non-cash. Adjusted net income from continuing operations, adjusted diluted earnings per share from continuing operations, and adjusted EBITDA from continuing operations adjusts for certain charges to net income from continuing operations and EBITDA from continuing operations that the Company believes are unusual, non-recurring, unpredictable, or non-cash. In 2020, the Company made an adjustment for a non-recurring benefit from a distribution associated with the Company's interest in an unconsolidated partnership. In 2020 and 2019, the Company made adjustments to exclude the impact of restructuring activities and site relocation. In 2019, the Company made adjustments to exclude the impact of the U.S. pension settlement expense. The Company views net debt, which is total debt less cash and cash equivalents, and the adjusted net leverage ratio, which is the ratio of net debt to the trailing twelve-month adjusted EBITDA from continuing operations, as important metrics of the operational and financial health of the organization and are useful to investors as indicators of our ability to incur additional debt and to service our existing debt. The Company also discloses free cash flow and free cash flow yield from continuing operations as other non-GAAP measures used by both analysts and management, as they provide insight on cash generated by operations, excluding capital expenditures, in order to better assess the Company's long-term ability to pursue growth and investment opportunities. The Company discloses Adjusted EBITA multiple as it is a common, comparable metric used in valuation.

Non-GAAP financial measures are not a substitute for GAAP financial results and should only be considered in conjunction with the Company's financial information that is presented in accordance with GAAP. Quantitative reconciliations of EBITDA from continuing operations, adjusted EBITDA from continuing operations, adjusted net income from continuing operations, net debt, free cash flow and free cash flow yield from continuing operations and adjusted EBITDA multiple are included within this presentation, contained within the slide presenting said measure or included within the appendix slides.

Today's Presenters

Bill Thalman

Senior Vice President and Chief Financial Officer



- Joined L.B. Foster in March 2021 as Chief Financial Officer
- Over 30 years of diversified financial and business experience, including corporate and operational financial reporting oversight, treasury and capital market transaction management, merger and acquisition execution and integration, and operational P&L leadership within manufacturing and distribution industries

Jim Kempton

Corporate Controller and Principal Accounting Officer



- Joined L.B. Foster as Corporate Controller in February of 2020 with a significant background in the infrastructure sector
- 20+ years of experience in finance, including SEC reporting, accounting, mergers and acquisitions, and treasury

Company Overview

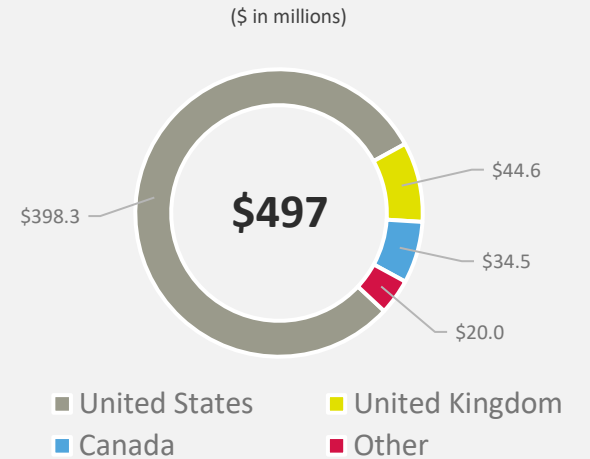
Who we are

- Leading provider of products and services for the rail industry and solutions to support critical infrastructure projects
- Headquartered in Pittsburgh, Pennsylvania
- Locations throughout North America, South America, Europe, and Asia
- Basis in reliable infrastructure; growth in innovative technology, efficiencies, and safety solutions for our customers' challenging requirements

NASDAQ: FSTR



2020 Net Sales by Region



Segments

- Rail Technologies and Services
- Infrastructure Solutions



Business System



Focus

- Innovation of Rail Technologies
- Expansion of Precast Concrete business unit
- Prioritization of core competencies
- Improvements to Financial Flexibility



Financials

- **\$154.5M** – Q2 2021 Revenue
- **\$8.3M** – Q2 2021 Adj. EBITDA¹
- **\$253.2M** – June 30, 2021 Backlog
- **\$138.6M** – Q2 2021 New Orders

Company Highlights

Infrastructure-Focused Business with Differentiated Product and Service Offerings

Long-Standing Customer Relationships and Supplier Partnerships

Very Strong Free Cash Flow Generation

Current and Potential Tailwinds from Government-funded Infrastructure Investment

Robust Backlog as of Q2 2021 Enhances Revenue, Earnings, and Cash Flow Visibility

Attractive Balance Sheet with Adjusted Net Leverage of 1.3x¹ as of Q2 2021

Strategy to Drive Additional Growth Through Bolt-On Acquisitions and Organic Initiatives

Business Profile

Markets Served	Transportation Infrastructure	General Infrastructure	Energy Infrastructure
Segment	Rail Technologies and Services	Infrastructure Solutions	
Revenue Full Year 2020 \$ in millions	<ul style="list-style-type: none"> ■ Rail Technologies and Services □ Infrastructure Solutions <p>\$276, 56%</p>	<ul style="list-style-type: none"> ■ Rail Technologies and Services □ Infrastructure Solutions <p>\$221, 44%</p>	
Strategic Emphasis	<ul style="list-style-type: none"> Continued expansion of Rail Technologies; expected to be among the faster growing portion of the market served Growth of on-track services, specifically solutions to deliver benefits to operating efficiencies and safety, while minimizing disruptions and enhancing digital railway enablement 	<ul style="list-style-type: none"> Expanding precast products and geographical footprint Leveraging the Company's expertise in fabricated steel, precast concrete, measurement solutions and corrosion protection enabled by its core competencies of managing large, custom projects 	



Rail Technologies and Services

Infrastructure Solutions

Project Highlights

Recent projects for each of the Company's business units include:

Rail Products



Class 1 Insulated Rail Joint Project

- For use in heavy-duty rail locations; insulated joint products are unaffected by temperature, sunlight, moisture, or lubricants
- Enhances the useful life of rail upon installation as well as efficiency and safety



Rail Technologies



Major Transit Provider ALLEVIATE® Installation

- Viscous gel applied to rail head as a traction enhancer throughout Northeastern US
- Weakens and removes track debris and provides enhanced grip between wheel and rail
- Alleviates train delays as well as operational and safety issues



Precast Concrete Products



Dallas Area Rapid Transit

- Precast concrete sound walls to be provided in addition to rail products
- Wide US geographic reach, with product offerings leveraging synergies across multiple business units



Coatings and Measurement



Renewable Diesel Fuel Transfer

- Contracted to design and build custody transfer metering systems for renewable diesel produced in a business partner's Texas facility
- Joint venture expected to convert 2.3 billion pounds of recycled material to 470 million gallons of renewable fuel per year



Fabricated Steel Products



Newburgh Beacon Bridge

- Providing new steel grid bridge deck panels and other supplies for New York City area bridge rehabilitation
- Steel fabrication technology reinforces precast concrete, which will also be cast as panels are installed



Market Outlook

Key Trends in U.S. Infrastructure Spending

Trend



U.S. Federal Funding for Public Transit

Prospective infrastructure bill in addition to planned government spend could double historic federal funding levels for U.S. transit, from \$16B to \$32B. This increase would compound upon substantial COVID relief packages for transit that have already been executed.



Increasing Rail Industry Expenditures

Class 1 railroads have indicated an increase in capital expenditures for the year 2021 in the range of 4-5%.



Prioritization and Demand for Bridge Repair

Consistent prioritization of bridge repair through investments in all levels of government; estimated backlog for repairs of existing U.S. bridges is ~\$125B. An estimated 58% increase in bridge rehabilitation spend is needed to improve conditions.



Outdoor Recreation Projects and National Parks

The Great American Outdoors Act directed up to \$9.5B to the National Park Service and other federal agencies with public lands, which mitigates the previously inconsistent funding for parks.



Declining Investment in Pipeline Infrastructure

Excess capacity in current pipelines coupled with new and potential clean energy initiatives is causing declining investment in pipelines. Recent increases in oil prices are currently not contributing to any substantial pipeline spend.

Impact / Opportunity



Potential Increase in Demand for Multiple Product Lines

Increased federal funding coupled with rebounding economic activity and ridership levels could drive demand for products and services offered by the Rail Technologies and Services segment.

Ridership and freight rail activity continue to trend positively and show recovery from the pandemic. The continuation of these trends could provide opportunity in multiple product and service offerings. Similarly, increases in rail industry capital expenditures could also provide opportunity, driven in part by increased demand for intermodal freight rail stemming from e-commerce trends.



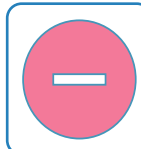
Opportunities in Fabricated Steel Products

As the focus on infrastructure spend continues in 2021, significant bridge repair backlog and government prioritization of bridge repair could serve as an opportunity in the Fabricated Steel Products business line.



Precast Concrete Products in Parks

The Precast Concrete Products business unit primarily manufactures concrete buildings for national, state, and municipal parks. Increased spend in such areas could initiate heightened demand for such offerings.



Challenges in Coatings and Measurement

The Company's businesses serving the midstream energy market will continue to see challenges; however, the Company is seeking to leverage its core competencies in Coatings and Measurement in other infrastructure markets.

New Legislation – U.S. Impact

Approved:

The Great American Outdoors Act – July 2020

Relevant Highlights

- Addresses the multi-billion dollar deferred maintenance backlog at U.S. national parks and public lands
- Provides up to \$1.9 billion per year for five years to restoring federal lands.

Impact on L.B. Foster

- The Company's Precast Concrete Products primarily manufactures concrete buildings for national, state, and municipal parks such as restrooms, concession stands, and other protective storage buildings, as well as sound walls, burial vaults, bridge beams, septic tanks, and other custom products for applications in a wide range of infrastructure projects.

Consolidated Appropriations Act, 2021 – December 2020

Relevant Highlights

- \$2.3 trillion bill which combines COVID-19 relief and an omnibus spending bill for 2021, which includes \$14 billion in relief for transit infrastructure as well as \$86.7 billion in omnibus spending allocated to the U.S. Department of Transportation; notably, \$13 billion is allocated to the Federal Transit Administration, \$2.8 billion to the Federal Railroad Administration, and \$2 billion to Amtrak.

Impact on L.B. Foster

- Funding for transportation and rail generates opportunity within multiple lines of business within the Rail Technologies and Services segment, as well as the Infrastructure Solutions segment given its wide reach across a variety of general infrastructure projects.

American Rescue Plan Act – March 2021

Relevant Highlights

- Provides \$30.5 billion in grants for transit agency operating expenses and \$1.7 billion to Amtrak to support its rail networks as part of COVID-19 relief efforts.

Impact on L.B. Foster

- Relief for transit operations and Amtrak rail may allow for increased general activity and spending in upcoming quarters, which could have a favorable impact on demand for offerings in the Rail Technologies and Services segment.

Proposed:

Federal Infrastructure Bill

Relevant Highlights

Proposed bill calls for investment dedicated to transportation infrastructure, with initiatives including:

- Repair of bridges nationwide
- Enhancement to grant and loan programs that support passenger and freight rail safety and efficiency
- Modernization of highways and expansion of public transit
- Investment in passenger rail service
- Improvement of ports, waterways, and water systems

Potential Impact on L.B. Foster

Possible increased demand for multiple product and service lines and end markets, depending on the nature of projects executed, including:

- Multiple lines of business within the **Rail Technologies and Services** segment that could facilitate investments, repair, expansion, and improvements in both freight and passenger rail
- The **Fabricated Steel Products** business unit, which focuses on repairs and maintenance within the highway and bridge industries
- The **Precast Concrete Products** business unit, which has a wide reach across a large variety of general infrastructure projects



Rail Technologies and Services

Key Offerings

- Track infrastructure products and services offering advanced rail technologies
- Managing the wheel-rail interface with friction management solutions
- Automation, telecoms, and condition monitoring

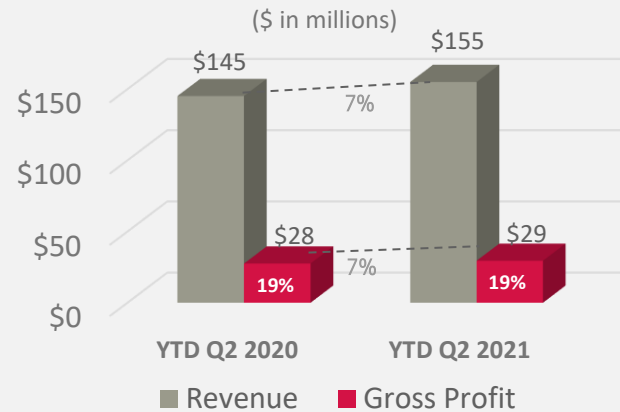
Business Highlights

- Strong 2021 sales growth; backlog remains above pre-pandemic levels
- Rail service projects driving COVID-19 recovery within the segment
- Both domestic and international opportunity for the expansion of Rail Technologies focused on enhanced safety and new efficiencies for end users

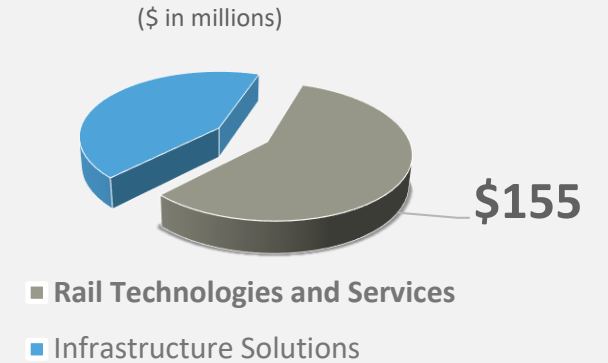
Competitive Advantage

- Expertise in product innovation that reduces rail maintenance costs and increases asset life and return on investment for network owners

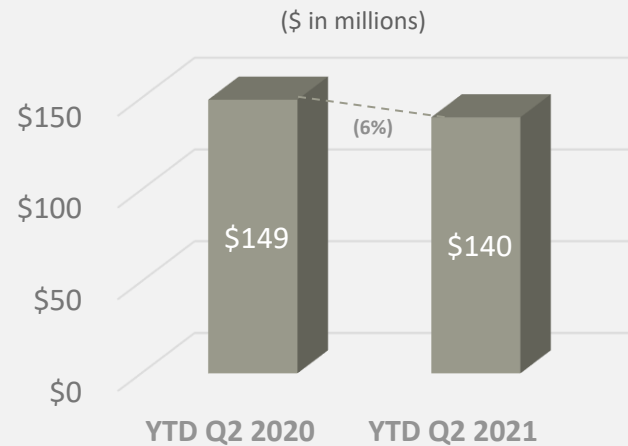
Revenue and Gross Profit



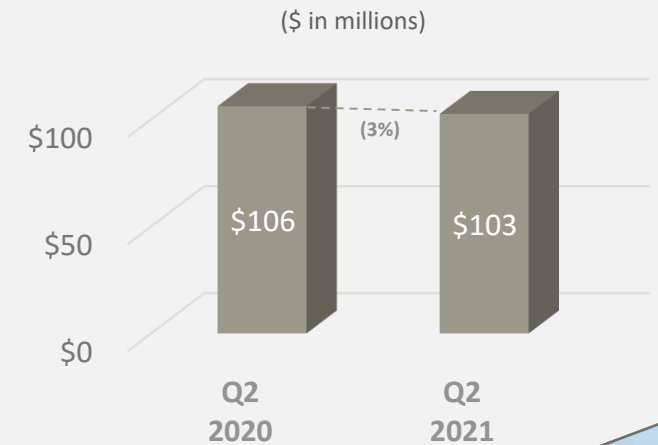
YTD Q2 2021 Net Sales by Segment



New Orders



Backlog



Rail Technologies and Services

Segment Strategy - Evolution toward Rail Technologies

Condition Monitoring Technologies



Rockfall Monitoring System



Avalanche Detection System



LIDAR Obstacle Detection

Improves safety and prevents unplanned downtime

Friction Management and Advanced Mobile Solutions



Friction Management Field Services



Friction Management Wayside System



LFC Solid Stick On-Board Lubricant

Reduces wear and improves operating conditions

- Deploying advanced technologies and new business models to offer innovative products and services that accommodate a wide range of industry needs.
- Technologies focused on driving efficiencies for our customers.
- Leveraging existing customer relationships as well as expanding reach.

Controls and Display Solutions



Inform by L.B. Foster

Multiuse informational display

Infrastructure Solutions

Key Offerings

- Custom precast concrete products
- Steel piling and fabricated bridge products
- Pipe coatings and linings and metering systems for custody transfer applications

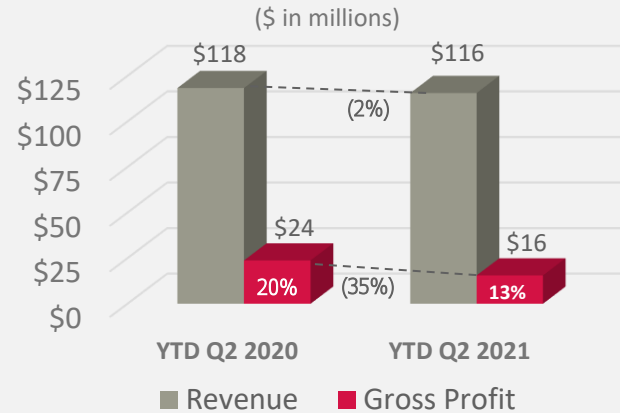
Business Highlights

- Precast Concrete Products business has been operating at or near capacity; production limitations are due to labor shortage related challenges
- Segment expected to continue to benefit from federal infrastructure stimulus efforts
- Excess midstream pipeline capacity drives the drag of the Coatings and Measurement division on overall segment results; remaining lines of business are strong

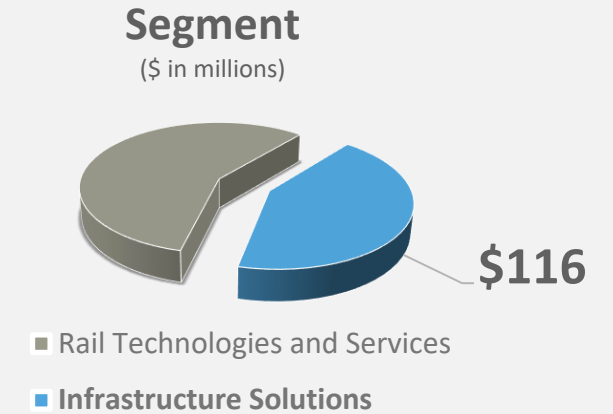
Competitive Advantage

- Significant player in precast concrete turnkey modular building market

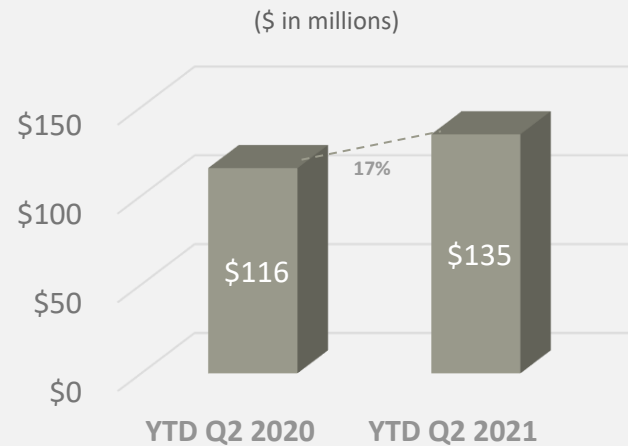
Revenue and Gross Profit



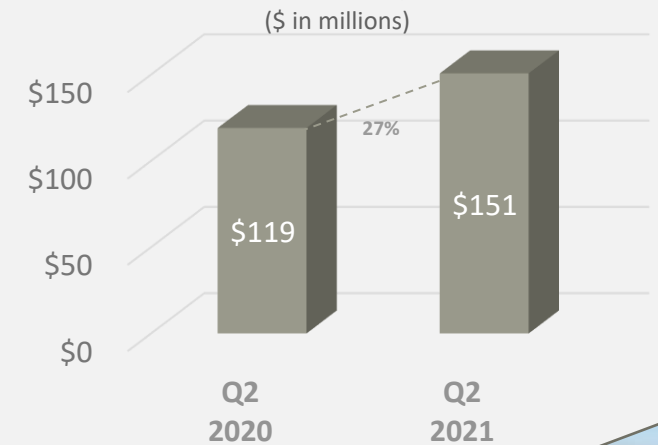
YTD Q2 2021 Net Sales by Segment



New Orders



Backlog



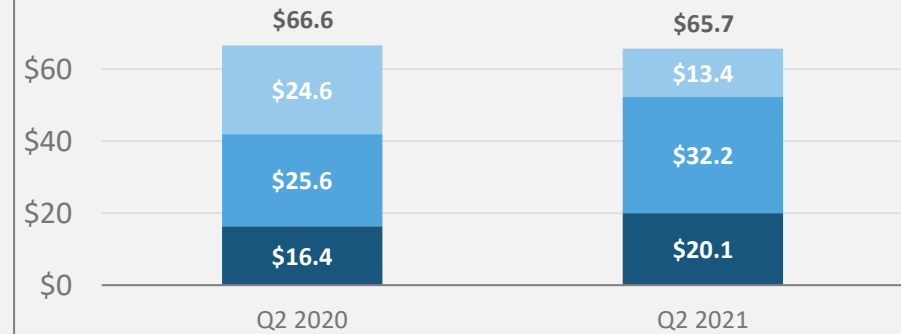
Infrastructure Solutions

Business Unit Detail

Q2 2020 versus Q2 2021 Results

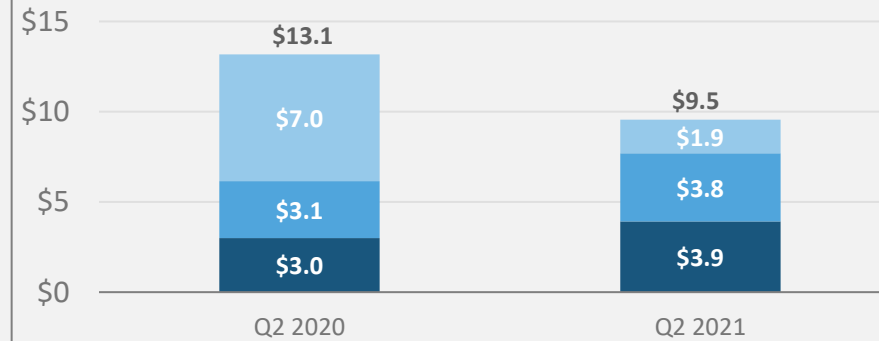
Quarterly Revenue – Q2 vs Q2

(\$ in millions)



Quarterly Gross Profit – Q2 vs Q2

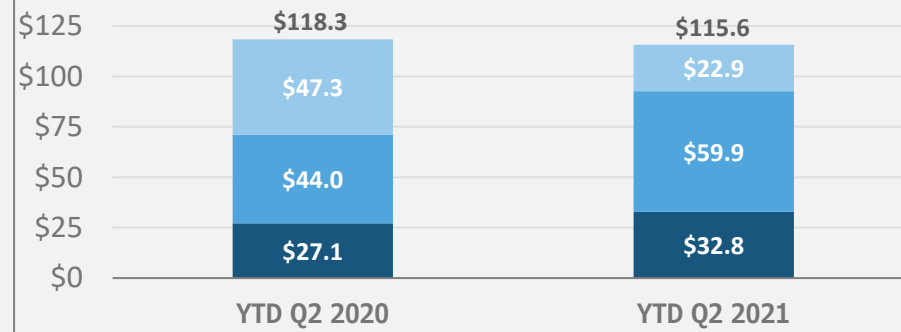
(\$ in millions)



YTD Q2 2020 versus YTD Q2 2021 Results

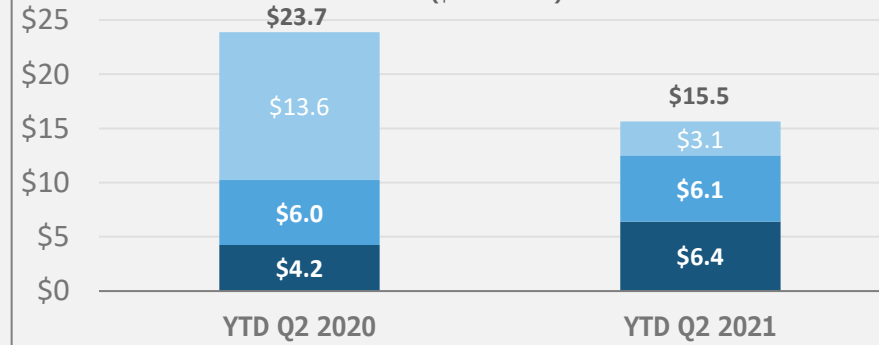
YTD Revenue – YoY

(\$ in millions)



YTD Gross Profit – YoY

(\$ in millions)



Precast Concrete Products
 Fabricated Steel Products
 Coatings and Measurement

- Both the Precast Concrete Products and Fabricated Steel Products business units have reported increases in revenue and gross profit when compared to the prior year quarter and prior year-to-date period ended June 30, an indication of a recovery from unfavorable conditions in 2020.
- Declines in sales volumes within the Coatings and Measurement business unit drive sharper declines in gross profit within the business unit.
- Weakness in Coatings and Measurement has continued to be a drag on overall segment results, offsetting strength in the remaining business units.

Infrastructure Solutions

Segment Strategy – Adjacent Market Expansion

- Expanding geographic and customer reach via the relocated Boise, ID precast concrete facility and other expansion efforts, including future potential for selective, bolt-on acquisitions.
- Deploy rapid reconstruction techniques in bridge decking installation, which facilitates minimal disruption to customers and differentiates the Company as a supplier of choice.
- Potential diversification of Coatings and Measurement applications outside of the midstream energy market.



Growth Through Acquisitions

- Positioned to pursue select acquisitions in core lines of business that support our strategic plan given balance sheet position and low leverage
- Targeting accretive bolt-on acquisitions augmenting our core service offerings
- Potential multiplier effect given expected revenue and cost synergies



Rail Technologies Totems



Precast Concrete Buildings



Rail Technologies Pursuits

- Expansion of differentiated service offerings
- Emphasis on disruption management and improving safety for rail operators
- Increased gross margin potential



Precast Concrete Pursuits

- Focus on geographic expansion of this business
- Drive scale in a fragmented industry
- Double-digit EBITDA profit margin potential

Corporate Responsibility



Environmental

90% of Steel Distributed or Fabricated Sourced From Mills 90%+ Recycled Scrap Steel

Active Recycling Programs at 100% of Our Company Plant or Yard Locations

Robust Employee and Human Rights Policy



Social

Vendor Code of Conduct Defining Global Expectations of Integrity, Health and Safety, Environmental and Labor Practices

8 of 9 Board Directors are Independent

Recycled Fly Ash Used in Concrete Products, Eliminating the Ash as Landfill Waste



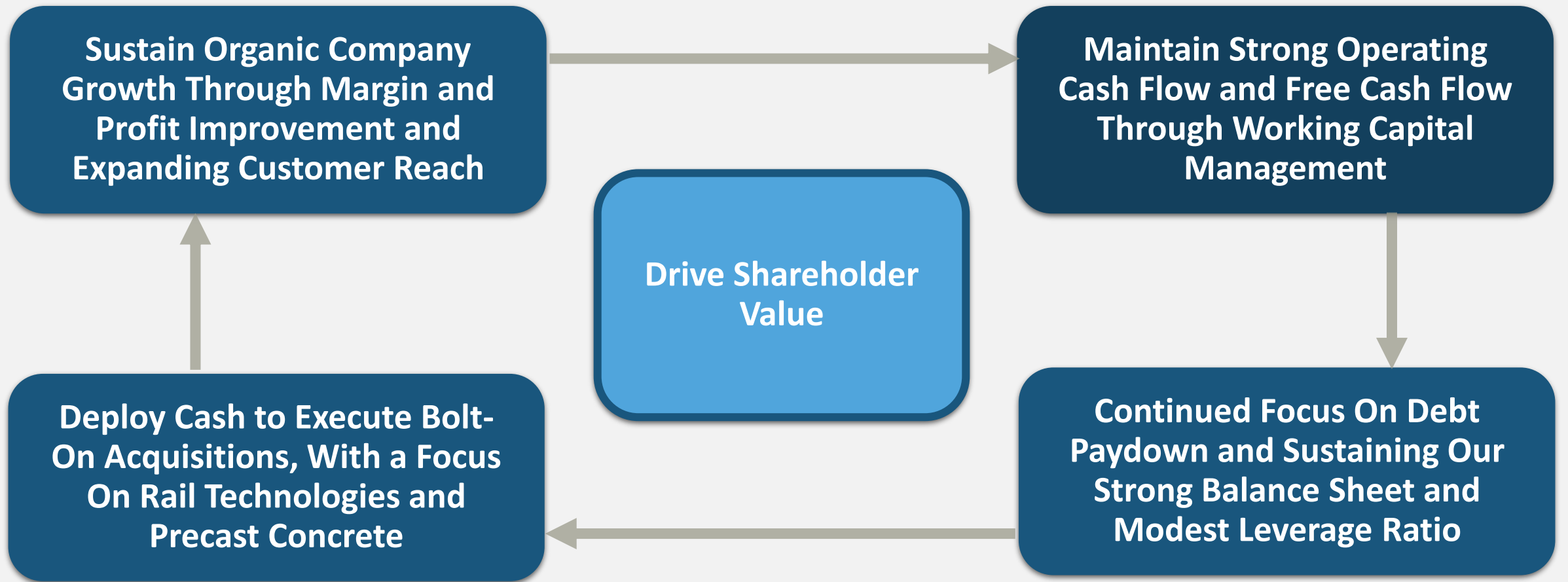
Governance

Goal to Reduce Electricity Consumption Intensity by 3.0% by 2030

Goal to Reduce CO2e (Greenhouse Gas) Intensity From our Operations by 2.0% by 2030

Goal to Increase Water Reuse and Reduce Water Consumption Within Manufacturing Facilities by 5% by 2030

Driving Shareholder Value



Focus on Rail Technologies

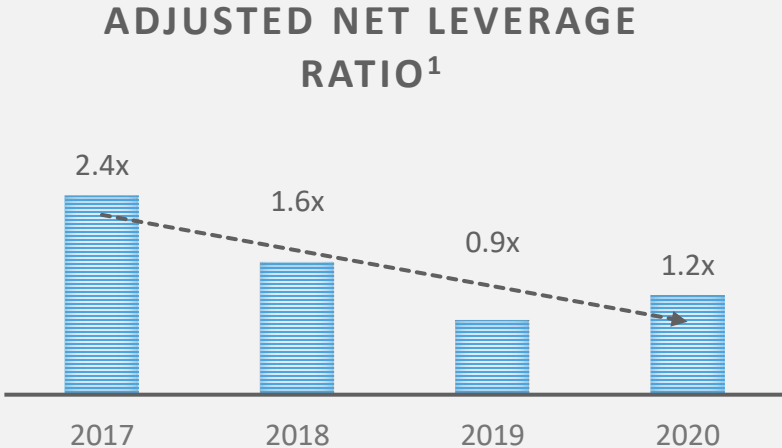
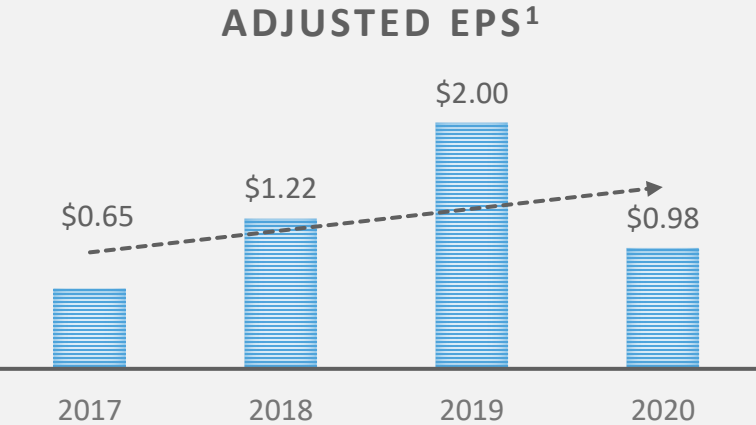
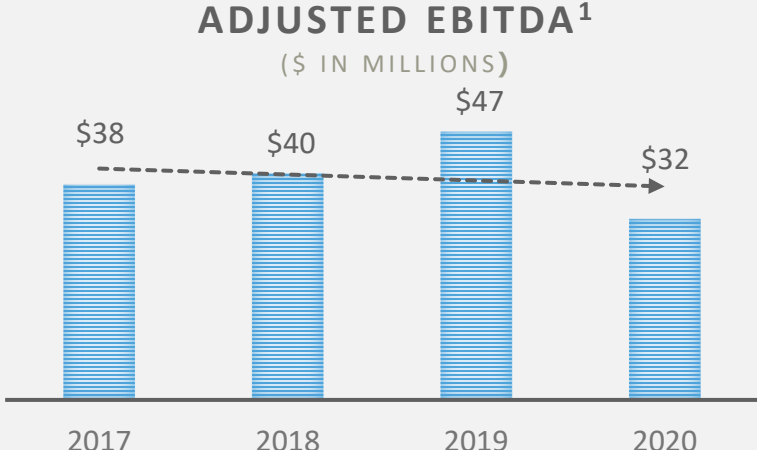
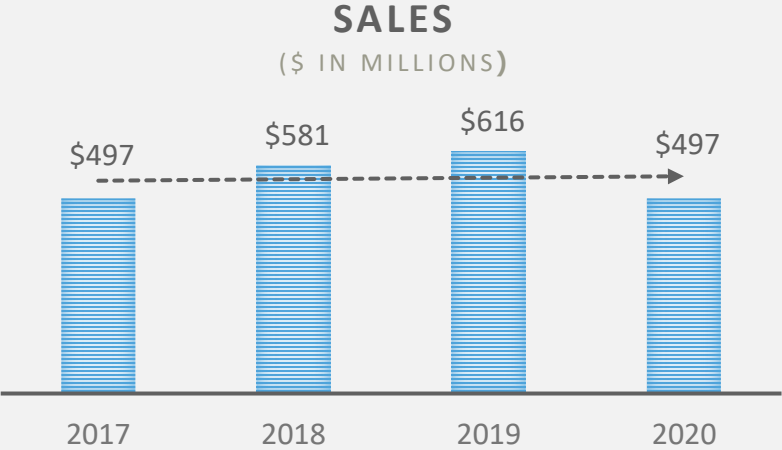


Precast Concrete Expansion



Financial Highlights

Shareholder Value – Financial Results



- 2020 sales decline was largely attributable to a \$40M decline in the Coatings and Measurement division year-over-year as well as other pandemic-related challenges that impacted sales Company wide.
- Adjusted EBITDA steadily increased from 2017 – 2019, with 2020 values reflecting pandemic-related declines to earnings.
- Strategic actions have been taken to mitigate the negative impact of midstream energy market exposure on the Company’s results.

(1) See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein. Data presented on a continuing operations basis.

Year to Date Results

Metrics (\$ in millions, unless otherwise noted; except per share data)	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020	Delta	
	\$	\$	\$	%
Sales	\$ 270.6	\$ 263.5	\$ 7.1	2.7%
Gross Profit	45.0	51.3	(6.3)	(12.2%)
Gross Profit Margin	16.6%	19.5%	(2.8%)	(14.5%)
Selling and Administrative Expenses	37.8	39.2	(1.4)	(3.6%)
Net Income	1.6	7.0	(5.4)	(77.3%)
Adjusted Net Income ¹	1.6	7.0	(5.4)	(77.3%)
Earnings per Diluted Share	\$ 0.15	\$ 0.66	\$ (0.51)	(77.1%)
Adjusted Earnings per Diluted Share ¹	0.15	0.66	(0.51)	(77.1%)
Adjusted EBITDA ¹	11.1	17.7	(6.6)	(37.4%)
Operating Cash Flow	6.8	8.1	(1.3)	(15.8%)
New Orders	274.2	264.7	9.4	3.6%
Backlog	253.2	225.2	28.0	12.4%

- 2021 year-to-date results reflect recovery across most major end markets as the impacts from the pandemic were less prominent.
- Weakness in the midstream energy market continues to impact the Coatings and Measurement business unit, which contributed \$10.5 million to the decline in gross profit year over year.
- Consistent with recent trends, operating cash flow and backlog remain robust.

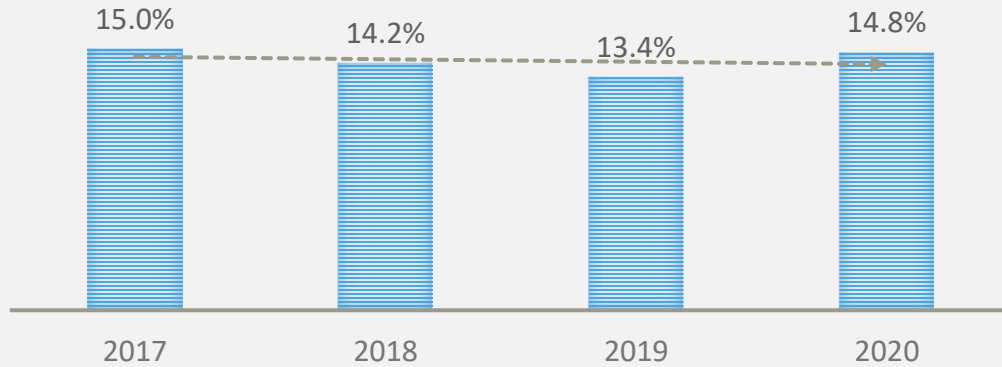
Second Quarter Results

Metrics (\$ in millions, unless otherwise noted; except per share data)	Q2 2021	Q2 2020	Delta		Q1 2021	Sequential	
	\$	\$	\$	%	\$	\$	%
Sales	\$ 154.5	\$ 141.6	\$ 13.0	9.2%	\$ 116.1	\$ 38.4	33.1%
Gross Profit	26.2	28.1	(2.0)	(7.0%)	18.8	7.3	38.9%
Gross Profit Margin	16.9%	19.9%	(2.9%)	(14.8%)	16.2%	0.7%	4.4%
Selling and Administrative Expenses	19.8	18.9	0.9	4.8%	18.0	1.7	9.7%
Net Income (Loss)	2.9	7.0	(4.1)	(59.1%)	(1.3)	4.1	**
Adjusted Net Income (Loss) ¹	2.9	6.5	(3.6)	(55.9%)	(1.3)	4.1	**
Earnings (Loss) per Diluted Share	\$ 0.27	\$ 0.66	\$ (0.39)	(59.4%)	\$ (0.12)	0.39	**
Adjusted (Loss) Earnings per Diluted Share ¹	0.27	0.61	\$ (0.34)	(56.1%)	(0.12)	0.39	**
Adjusted EBITDA ¹	8.3	12.9	(4.6)	(35.4%)	2.7	5.6	**
Operating Cash Flow	(0.8)	13.0	(13.8)	(105.9%)	7.6	(8.4)	(110.1%)
New Orders	138.6	133.9	4.6	3.5%	135.6	2.9	2.2%
Backlog	253.2	225.2	28.0	12.4%	271.9	(18.7)	(6.9%)

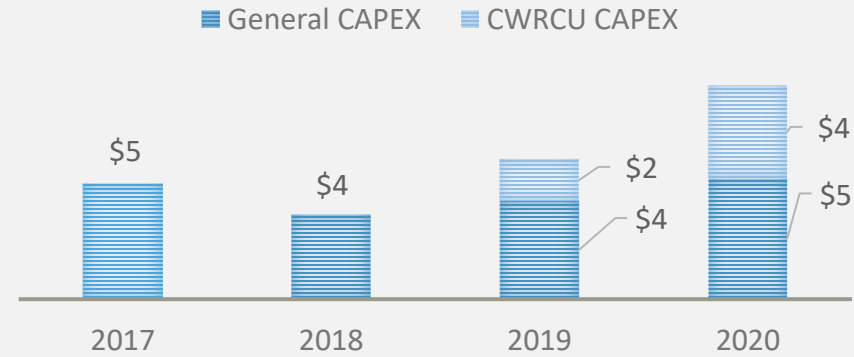
- 2021 second quarter results reflect the favorable impact of seasonality, execution on backlog and improved market conditions for infrastructure, partially offset by continued challenges in the Coatings and Measurement business unit.
- Declines in gross profit were driven primarily by the Coatings and Measurement business unit.
- Working capital needs supporting sales growth resulted in a modest operating use of cash for the quarter.

Driving Efficiencies

SG&A AS A PERCENT OF SALES



CAPEX (\$ IN MILLIONS)



Continuous Welded Rail Car & Unloader

- Impacted CAPEX for 2019 and 2020
- A very infrequent expenditure requirement of the business
- Purchase complete; has not impacted 2021 CAPEX

Efficiency and Growth Initiatives

- Precast Concrete and Precision Measurement facilities expansions in Texas
- Fabricated Bridge Products' new machine software shortens production schedules
- Relocation of Precast Concrete business from Spokane, WA to Boise, ID
- Leveraging advanced rail technologies and new business models, including expansion into adjacent markets



Free Cash Flow

Non-GAAP Measure

Free Cash Flow Yield

(\$ in millions, unless otherwise noted; except per share price)

	2020	2019	2018
Cash Provided by Continuing Operating Activities	\$ 20.6	\$ 26.2	\$ 26.5
Less: Capital Expenditures from Continuing Operations	\$ (9.2)	\$ (6.0)	\$ (3.7)
Free Cash Flow	\$ 11.4	\$ 20.2	\$ 22.9
Shares Outstanding	10.6	10.4	10.4

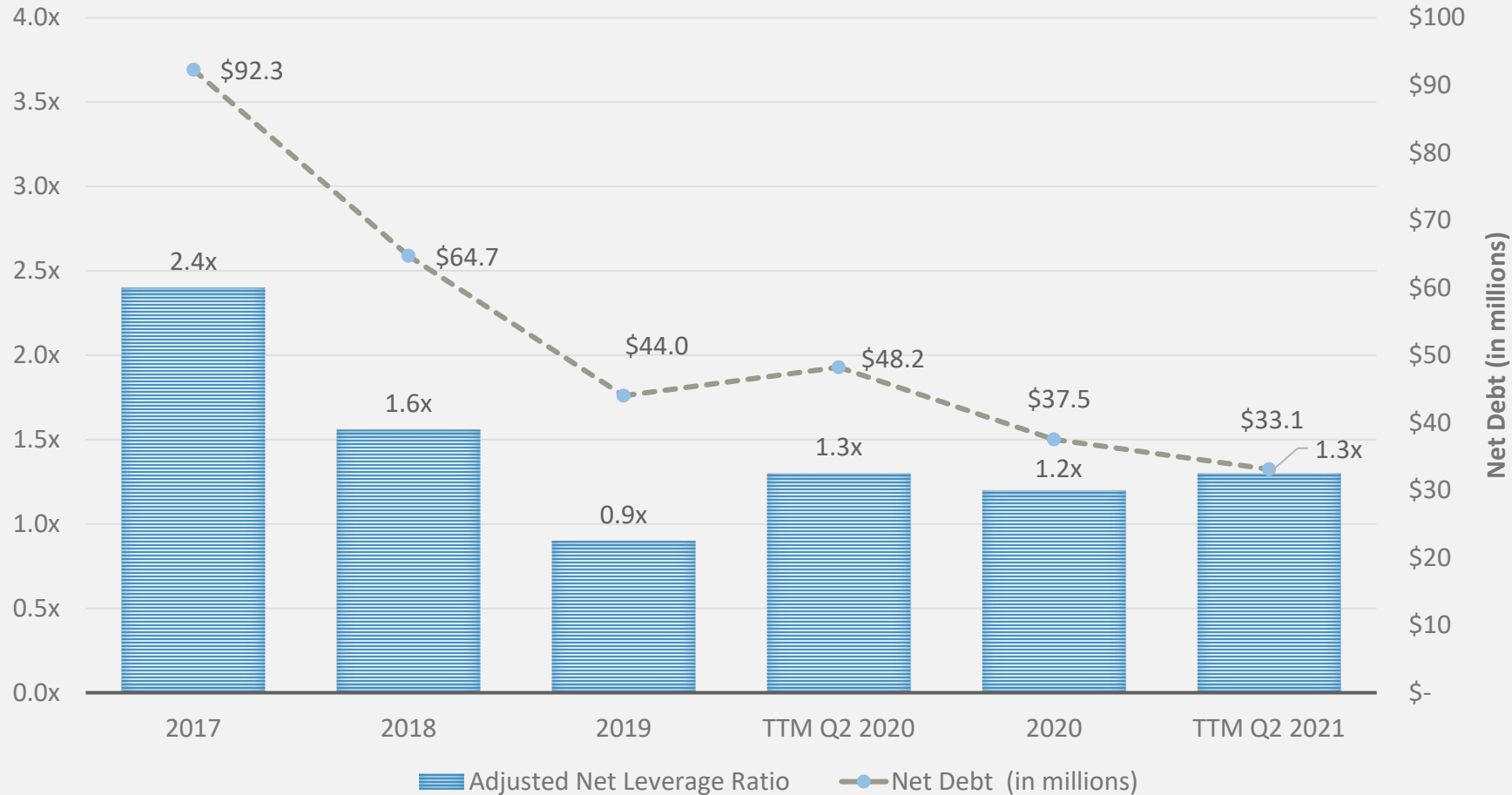
Share Price ¹	\$ 15.05	\$ 19.38	\$ 15.90
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Free Cash Flow Yield ²	7.2%	10.0%	13.9%
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- Consistent, positive trend of solid free cash flow in recent years.
- Capital expenditures expected to be in a range of \$6M to \$8M per annum.
- Increased working capital needs supporting an improving commercial outlook impacted cash flow in Q2 of 2021.

Leverage Trends

CHANGE IN ADJUSTED NET LEVERAGE RATIO¹



- Net Debt¹ as of June 30, 2021 declined \$15.1 million compared to the prior year quarter end and declined by \$4.4 million compared December 31, 2020.
- Over the longer term, the Company's systematic approach to reducing Net Debt¹ has resulted in an improving Adjusted Net Leverage Ratio and enhanced financial flexibility.

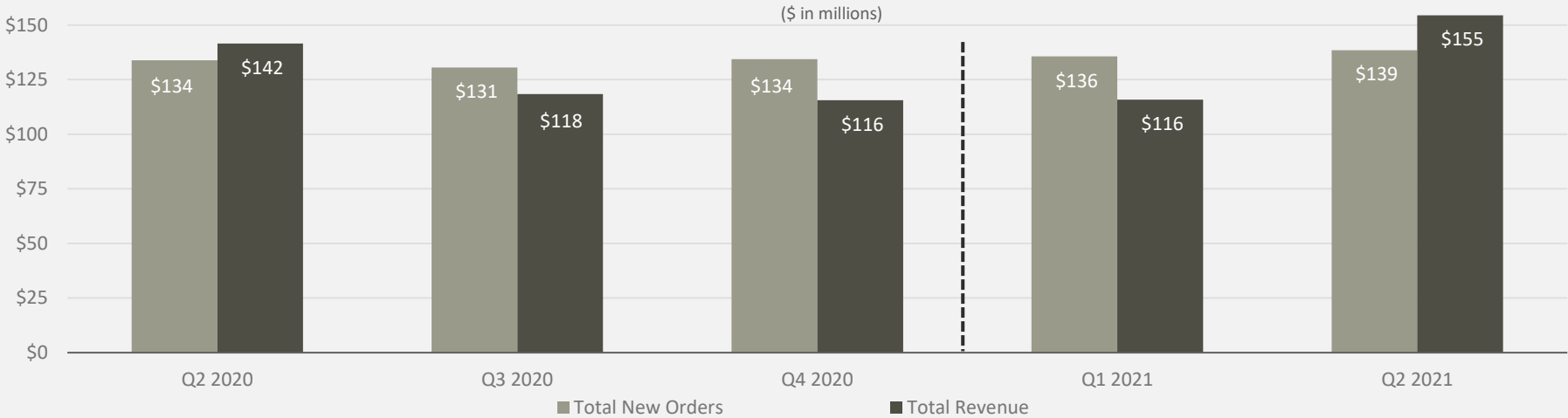
Focus on Liquidity

(\$ in millions, unless otherwise noted)	June 30, 2021	December 31, 2020	June 30, 2020
Cash & Cash Equivalents	\$ 4.1	\$ 7.6	\$ 7.4
Total Availability Under the Credit Facility	115.0	115.0	120.0
Outstanding Borrowings on Revolving Credit Facility	(37.0)	(44.8)	(55.3)
Letters of Credit Outstanding	(0.5)	(0.9)	(1.0)
Net Availability Under the Revolving Credit Facility²	\$ 77.5	\$ 69.3	\$ 63.7
Total Available Funding Capacity²	\$ 81.6	\$ 76.8	\$ 71.1
Outstanding Borrowings on Revolving Credit Facility	37.0	44.8	55.3
Finance Leases and Financing Agreements	0.2	0.2	0.3
Total Debt Outstanding	\$ 37.2	\$ 45.0	\$ 55.6
Total Net Debt Outstanding¹	\$ 33.1	\$ 37.5	\$ 48.2
LTM Adjusted EBITDA ¹	25.4	32.0	37.8
Adjusted Net Leverage Ratio¹	1.3 x	1.2 x	1.3 x

- In August of 2021, the Company expanded and extended its credit agreement on more favorable terms, including a \$15M increase in borrowing capacity.
- Total available funding capacity² expanded \$10.5M during the second quarter, finishing at \$81.6M at quarter end.
- Net Debt¹ is down \$15.1M versus the comparable prior-year quarter end, with the Company's Adjusted Net Leverage Ratio¹ remaining unchanged at 1.3x year-over-year.

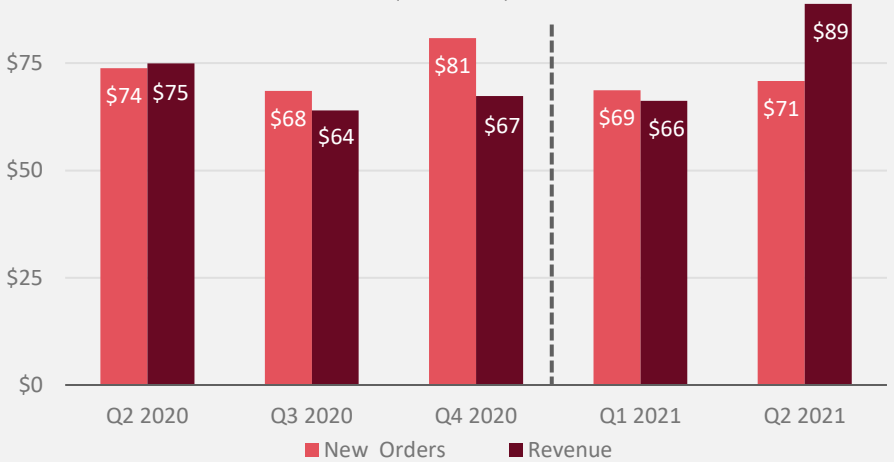
Orders and Revenue

Total New Orders and Revenue Levels



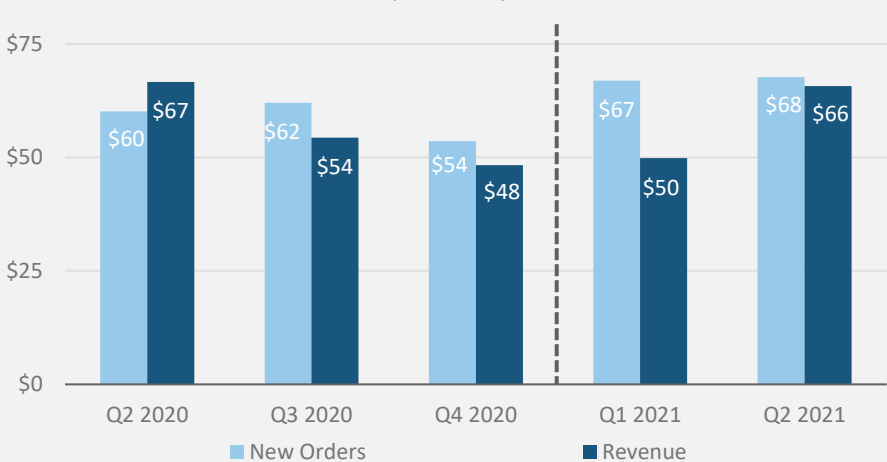
Rail Technologies & Services

(\$ in millions)



Infrastructure Solutions

(\$ in millions)



- The Company continues to see strong order activity for infrastructure projects, with the 2021 second quarter producing the highest level of order activity for the Company since the fourth quarter of 2019.
- The Company has a LTM book-to-bill ratio¹ 1.07 as of June 30, 2021.
- For the LTM ended June 30, 2021, Rail Technologies and Services and Infrastructure Solutions had a book-to-bill ratio¹ of 1.01 and 1.15, respectively.

Data presented on a continuing operations basis.
(1) Defined as new orders divided by revenue.

Driving Organic Growth

Recent Significant Orders

Canadian Pacific Trackage Systems

- Installation of several dozen trackage friction management systems along Canadian Pacific Railway's Mountain Subdivision in Illecillewaet, British Columbia
- Anticipated to drastically reduce rail wear rates in this region as well as reduce site maintenance visits by 50%

Texas Highway Project

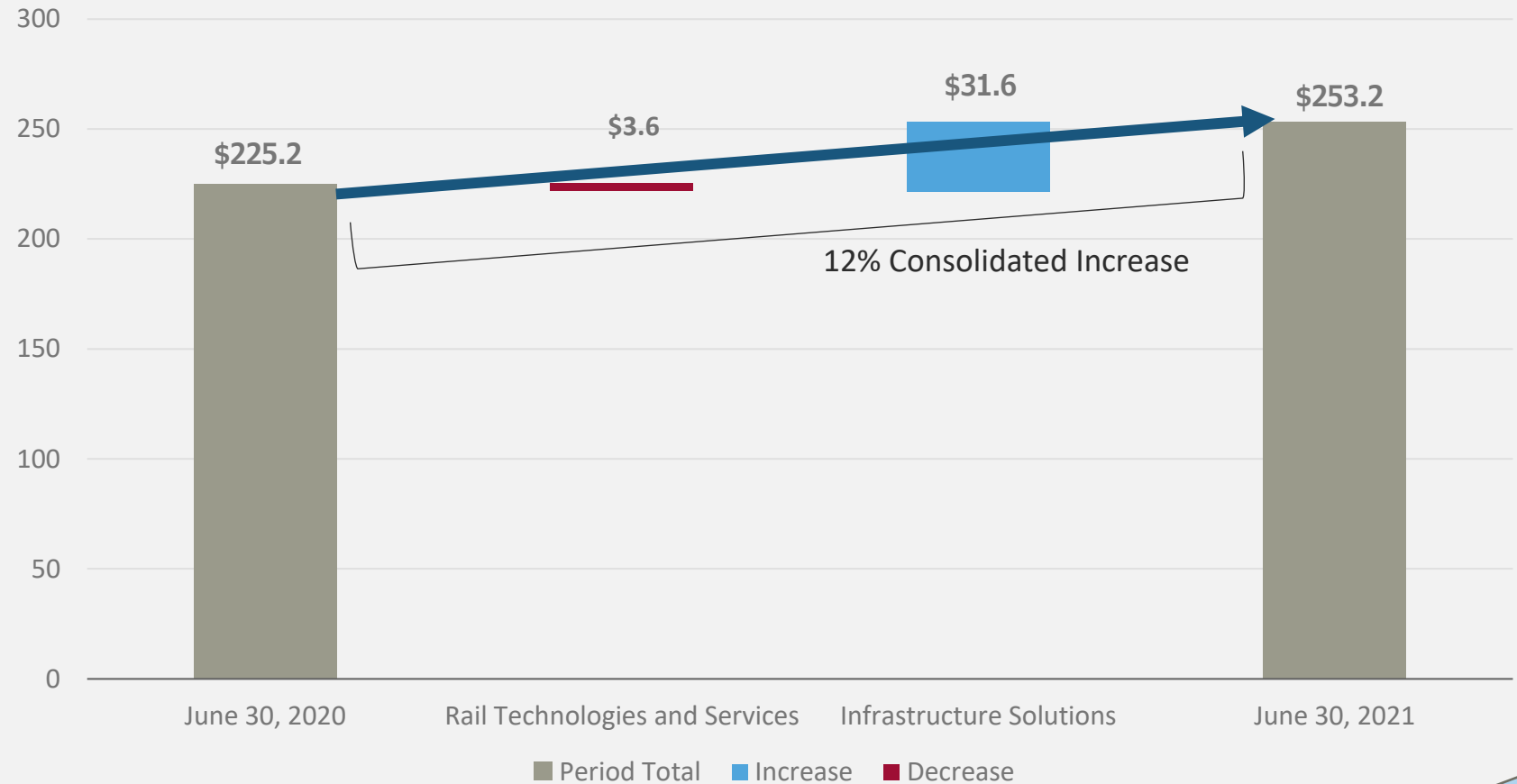
- Texas Department of Transportation project for mechanically stabilized earth wall in Dallas along a major highway
- Supplying precast concrete panels with various textures and concrete coping to support the 36-month project

Newburgh-Beacon Bridge

- Providing new roadway decking and other supplies for the rehabilitation of the north span of New York State Bridge Authority's Newburgh-Beacon Bridge

Backlog as of June 30, 2021

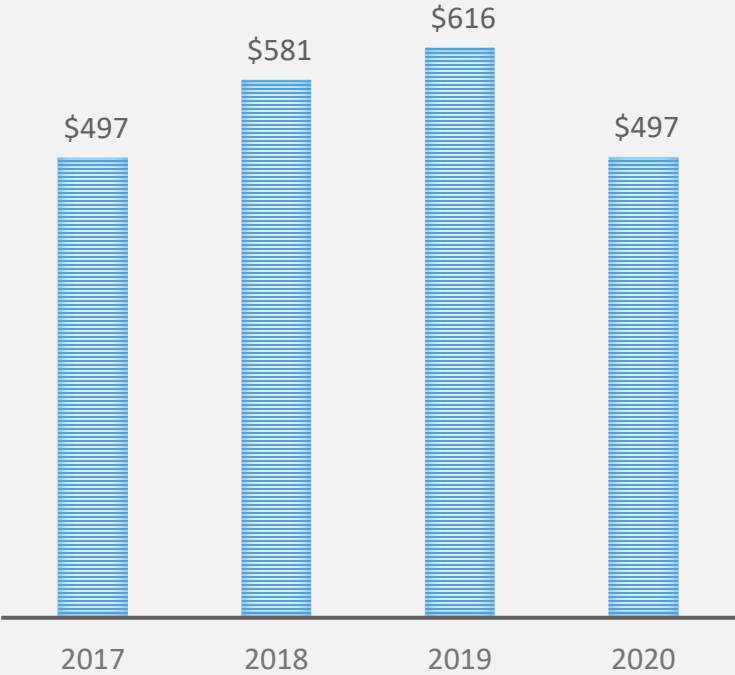
(\$ in millions)



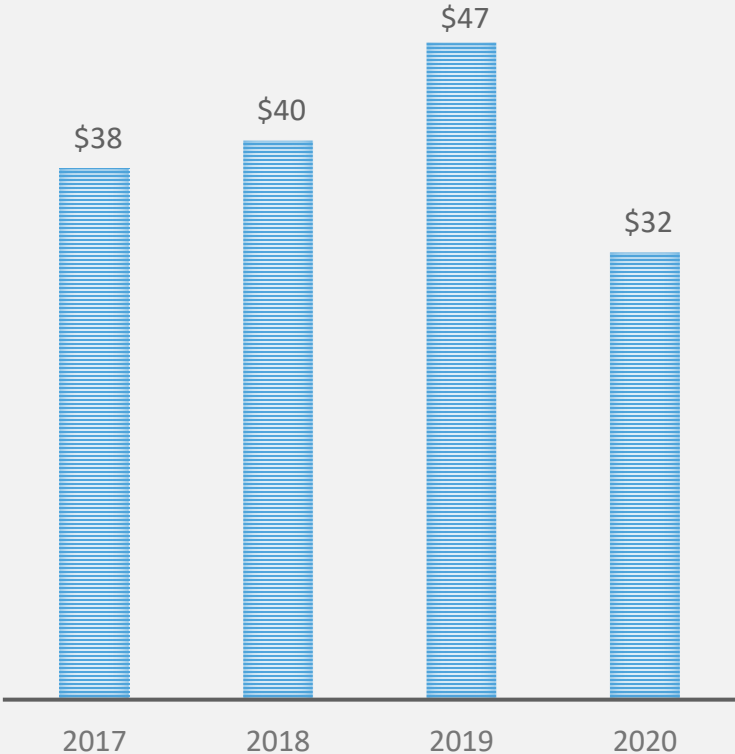
Note the above does not consider order commitments from Union Pacific Railroad of approximately \$40M over the next five years.

Summary Financial Performance

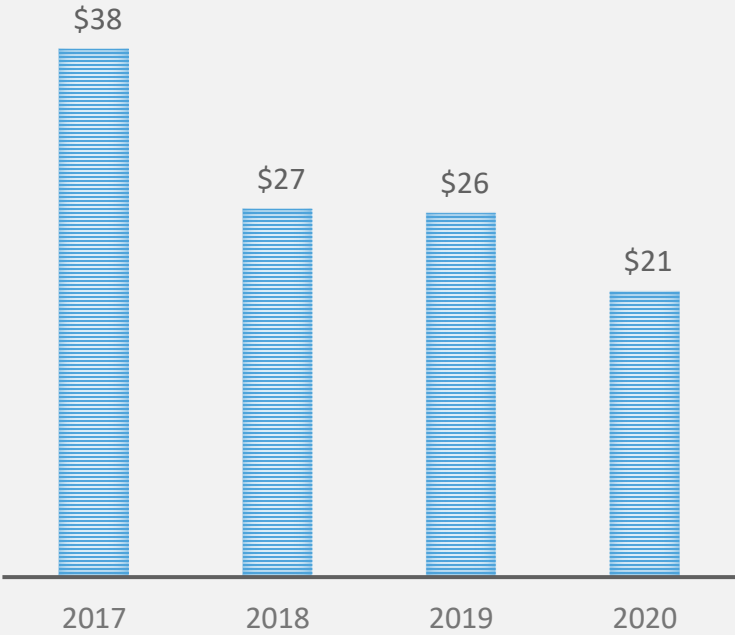
REVENUE (\$ IN MILLIONS)



ADJUSTED EBITDA¹ (\$ IN MILLIONS)



OPERATING CASH FLOW (\$ IN MILLIONS)



Strong operating cash flow driven by trade working capital improvements; sustaining strategic initiatives

(1) See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein.
Data presented on a continuing operations basis.

Shareholder Return

Infrastructure-Focused
Business with
Differentiated Product
and Service Offering

Significant
Opportunities for
Organic Growth in Core
Markets

Strong Operating Cash
Flows Allows for
Flexibility to Continue
to Deleverage the
Company

Balance Sheet and Low
Leverage Affords the
Opportunity to Pursue
Strategic Bolt-on
Acquisitions



Thank You



Appendix

Consolidated Income Statement – Q2

	Three Months Ended June 30, 2021		Three Months Ended June 30, 2020		Delta	
	\$	% of Sales	\$	% of Sales	\$	%
(\$ in millions except per share data)						
Sales	\$ 154.5		\$ 141.6		\$ 13.0	9.2%
Gross profit	26.2	16.9%	28.1	19.9%	(2.0)	(7.0%)
SG&A	19.8	12.8%	18.9	13.3%	0.9	4.8%
Amortization expense	1.5	1.0%	1.4	1.0%	0.1	4.0%
Interest expense - net	0.9	0.6%	1.1	0.8%	(0.2)	(20.9%)
Other expense (income) - net	0.1	0.0%	(2.3)	(1.6%)	2.4	(103.0%)
Income from continuing operations before income taxes	4.0	2.6%	9.1	6.4%	(5.1)	(56.0%)
Income tax expense	1.1	0.7%	2.1	1.5%	(1.0)	(45.8%)
Income from continuing operations	\$ 2.9	1.8%	\$ 7.0	4.9%	\$ (4.1)	(59.1%)
Loss from discontinued operations before income taxes	\$ -	-	\$ (7.5)	(5.3%)	\$ 7.5	(100.0%)
Income tax benefit from discontinued operations	\$ -	-	\$ (1.0)	(0.7%)	\$ 1.0	(100.0%)
Loss from discontinued operations	\$ -	-	\$ (6.4)	(4.6%)	\$ 6.4	(100.0%)
Net income	\$ 2.9	1.9%	\$ 0.5	0.4%	\$ 2.4	449.9%
Diluted earnings per share from continuing operations	\$ 0.27		\$ 0.66		\$ (0.39)	(59.1%)
Diluted (loss) per share from discontinued operations	\$ -		\$ (0.61)		\$ 0.61	(100.0%)
Diluted earnings per share	\$ 0.27		\$ 0.05		\$ 0.22	**
EBITDA from continuing operations⁽¹⁾	\$ 8.3	5.4%	\$ 13.5	9.6%	\$ (5.2)	(38.4%)
Adjusted income from continuing operations⁽¹⁾	\$ 2.9	1.9%	\$ 6.5	4.6%	\$ (3.6)	(55.5%)
Adjusted diluted earnings per share from continuing operations⁽¹⁾	\$ 0.27		\$ 0.61		\$ (0.34)	(55.7%)
Adjusted EBITDA from continuing operations⁽¹⁾	\$ 8.3	5.4%	\$ 12.9	9.1%	\$ (4.6)	(35.4%)

Consolidated Income Statement – Year to Date

	Six Months Ended June 30, 2021		Six Months Ended June 30, 2020		Delta	
	\$	% of Sales	\$	% of Sales	\$	%
(\$ in millions except per share data)						
Sales	\$ 270.6		\$ 263.5		\$ 7.1	2.7%
Gross profit	45.0	16.6%	51.3	19.5%	(6.3)	(12.2%)
SG&A	37.8	14.0%	39.2	14.9%	(1.4)	(3.6%)
Amortization expense	2.9	1.1%	2.8	1.1%	0.1	3.2%
Interest expense - net	1.7	0.6%	1.9	0.7%	(0.2)	(8.9%)
Other expense (income) - net	0.1	0.0%	(1.7)	(0.6%)	1.8	(107.6%)
Income from continuing operations before income taxes	2.4	0.9%	9.0	3.4%	(6.6)	(73.3%)
Income tax expense	0.8	0.3%	2.0	0.8%	(1.2)	(60.0%)
Income from continuing operations	\$ 1.6	0.6%	\$ 7.0	2.6%	\$ (5.4)	(77.3%)
Loss from discontinued operations before income taxes	\$ -	-	\$ (10.1)	(3.8%)	\$ 10.1	(100.0%)
Income tax benefit from discontinued operations	\$ -	-	\$ (1.8)	(0.7%)	\$ 1.8	(100.0%)
Loss from discontinued operations	\$ -	-	\$ (8.3)	(3.2%)	\$ 8.3	(100.0%)
Net income (loss)	\$ 1.6	0.6%	\$ (1.3)	(0.5%)	\$ 3.0	(220.5%)
Diluted earnings per share from continuing operations	\$ 0.15		\$ 0.66		\$ (0.51)	(77.3%)
Diluted loss per share from discontinued operations	\$ -		\$ (0.79)		\$ 0.79	(100.0%)
Diluted earnings (loss) per share	\$ 0.15		\$ (0.13)		\$ 0.28	**
EBITDA from continuing operations⁽¹⁾	\$ 11.1	4.1%	\$ 17.7	6.7%	\$ (6.6)	(37.2%)
Adjusted income from continuing operations⁽¹⁾	\$ 1.6	0.6%	\$ 7.0	2.6%	\$ (5.4)	(76.8%)
Adjusted diluted earnings per share from continuing operations⁽¹⁾	\$ 0.15		\$ 0.66		\$ (0.51)	(77.3%)
Adjusted EBITDA from continuing operations⁽¹⁾	\$ 11.1	4.1%	\$ 17.7	6.7%	\$ (6.6)	(37.4%)

Balance Sheet - Assets

Assets	June 30, 2021	December 31, 2020
(\$ in millions)		
Current assets:		
Cash and cash equivalents	\$ 4.1	\$ 7.6
Accounts receivable - net	78.4	58.3
Inventories - net	114.2	116.5
Other current assets	13.7	13.0
Total current assets	\$ 210.5	\$ 195.3
Property, plant, and equipment - net	60.5	62.1
Operating lease right-of-use assets - net	15.0	16.1
Other assets:		
Goodwill	20.4	20.3
Other intangibles - net	34.0	36.9
Other assets	39.5	39.7
Total assets	\$ 379.9	\$ 370.4

Balance Sheet – Liabilities and Equity

Liabilities and Stockholders' Equity	June 30, 2021	December 31, 2020
(\$ in millions)		
Current liabilities:		
Accounts payable	\$ 65.8	\$ 54.8
Deferred revenue	17.3	7.1
Other accrued liabilities	28.6	32.9
Current maturities of long-term debt	0.1	0.1
Liabilities of discontinued operations	0.1	0.3
Total current liabilities	\$ 112.0	\$ 95.3
Long term debt	37.1	44.9
Other long-term liabilities	50.0	53.4
Total L.B. Foster Company stockholders' equity	180.5	176.8
Noncontrolling interest	0.4	-
Total liabilities and stockholders' equity	\$ 379.9	\$ 370.4

Cash Flows

	Six months ended	Six months ended
(\$ in millions)	June 30, 2021	June 30, 2020
Net income and other non-cash items from continuing operations	\$ 9.7	\$ 16.7
Receivables	(19.9)	(7.4)
Inventory	2.8	2.9
Payables and deferred revenue	21.0	9.3
Trade Working Capital subtotal	\$ 4.0	\$ 4.8
Payment of accrued settlement	(2.0)	(2.0)
All other ¹	(4.8)	(11.3)
Net Cash Provided by Continuing Operating Activities	\$ 6.8	\$ 8.1
Capital expenditures	(2.2)	(5.7)
Net repayments from debt	(7.8)	(2.6)
All other ²	0.0	(2.5)
Net cash used by discontinued operations	(0.3)	(3.7)
Net decrease in cash	\$ (3.4)	\$ (6.4)
Cash balance, end of period	\$ 4.1	\$ 7.4

Note figures may not foot due to rounding.

(1) Includes cash flows related to other assets, prepaid income tax, accrued payroll and employee benefits, and other liabilities.

(2) Includes cash flows related to acquisitions, treasury stock acquisitions, financing fees, and exchange rate changes impacts.

EBITDA from Continuing Operations

Non-GAAP Financial Measure

(\$ in millions)	Three Months Ended			Six Months Ended		Twelve Months Ended	
	June 30, 2021	March 31, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Net income (loss) from continuing operations, as reported	\$ 2.9	\$ (1.3)	\$ 7.0	\$ 1.6	\$ 7.0	\$ 20.4	\$ 40.9
Interest expense, net	0.9	0.9	1.1	1.7	1.9	3.6	3.9
Income tax expense (benefit)	1.1	(0.3)	2.1	0.8	2.0	(13.1)	(24.8)
Depreciation expense	2.0	2.0	2.0	4.0	3.9	8.0	7.9
Amortization expense	1.5	1.5	1.4	2.9	2.8	5.8	6.0
Total EBITDA from continuing operations	\$ 8.3	\$ 2.7	\$ 13.5	\$ 11.1	\$ 17.7	\$ 24.7	\$ 33.8
Relocation and restructuring costs	-	-	1.2	-	1.9	0.6	3.7
Distribution from unconsolidated partnership	-	-	(1.9)	-	(1.9)	-	(1.9)
U.S. pension settlement expense	-	-	-	-	-	-	2.2
Adjusted EBITDA from continuing operations	\$ 8.3	\$ 2.7	\$ 12.9	\$ 11.1	\$ 17.7	\$ 25.4	\$ 37.8

EBITDA from Continuing Operations

Non-GAAP Financial Measure

(\$ in millions)	Year Ended			
	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020
Net income (loss) from continuing operations, as reported	\$ 6.8	\$ (30.6)	\$ 48.0	\$ 25.8
Interest expense, net	8.1	6.1	4.9	3.8
Income tax expense (benefit)	7.2	6.0	(23.8)	(11.8)
Depreciation expense	9.3	8.1	7.9	7.9
Amortization expense	6.9	7.0	6.4	5.7
Total EBITDA from continuing operations	\$ 38.3	\$ (3.4)	\$ 43.4	\$ 31.3
Litigation Settlement	-	43.4	-	-
Relocation and restructuring costs	-	-	1.8	2.5
Distribution from unconsolidated partnership	-	-	-	(1.9)
U.S. pension settlement expense	-	-	2.2	-
Adjusted EBITDA from continuing operations	\$ 38.3	\$ 40.0	\$ 47.4	\$ 32.0

Adjusted Net Income from Continuing Operations

Non-GAAP Financial Measure

(\$ in millions)	Three Months Ended			Six Months Ended		Twelve Months Ended
	June 30, 2021	March 31, 2021	June 30, 2020	June 30, 2021	June 30, 2020	December 31, 2020
Net income (loss) from continuing operations, as reported	\$ 2.9	\$ (1.3)	\$ 7.0	\$ 1.6	\$ 7.0	\$ 25.8
Relocation and restructuring costs, net of tax benefit of \$0.0, \$0.0, \$0.3, \$0.0, \$0.5, and \$0.6, respectively	-	-	0.9	-	1.4	1.9
Distribution from unconsolidated partnership, net of tax expense of \$0.0, \$0.0, \$0.5, \$0.0, \$0.5 and \$0.5, respectively	-	-	(1.4)	-	(1.4)	(1.4)
Income tax benefits resulting from the divestiture of IOS	-	-	-	-	-	(15.8)
Adjusted net income (loss) from continuing operations	\$ 2.9	\$ (1.3)	\$ 6.5	\$ 1.6	\$ 7.0	\$ 10.5

Average number of common shares outstanding - Diluted, as reported	10.7	10.6	10.6	10.7	10.5	10.7
Diluted earnings (loss) per common share from continued operations, as reported	\$ 0.27	\$ (0.12)	\$ 0.66	\$ 0.15	\$ 0.66	\$ 2.42
Diluted earnings (loss) per common share from continued operations, as adjusted	\$ 0.27	\$ (0.12)	\$ 0.61	\$ 0.15	\$ 0.66	\$ 0.98

Adjusted Net Income from Continuing Operations

Non-GAAP Financial Measure

(\$ in millions)	Twelve Months Ended			
	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020
Net income from continuing operations, as reported	\$ 6.8	\$ (30.6)	\$ 48.0	\$ 25.8
Concrete Tie Settlement expense, net of tax of \$0.0	-	43.4	-	-
U.S. pension settlement expense, net of tax benefit of \$0.6	-	-	1.6	-
Relocation and restructuring costs, net of tax benefit of \$0.4 and \$0.6	-	-	1.3	1.9
Deferred tax asset valuation allowance reversal	-	-	(29.6)	-
Distribution from unconsolidated partnership, net of tax expense of \$0.4	-	-	-	(1.4)
Income tax benefits resulting from the divestiture of IOS	-	-	-	(15.8)
Adjusted net income from continuing operations	\$ 6.8	\$ 12.8	\$ 21.3	\$ 10.5

Average number of common shares outstanding - Diluted, as reported	10.5	10.4	10.6	10.7
Diluted earnings per common share from continued operations, as reported	\$ 0.65	\$ (2.95)	\$ 4.51	\$ 2.42
Diluted earnings per common share from continued operations, as adjusted	\$ 0.65	\$ 1.22	\$ 2.00	\$ 0.98

Adjusted Leverage Ratio

Non-GAAP Financial Measure

	June 30, 2021	December 31, 2020	June 30, 2020	December 31, 2019	December 31, 2018	December 31, 2017
(\$ in millions)						
Outstanding Borrowings on Revolving Credit Facility	\$ 37.0	\$ 44.8	\$ 55.3	\$ 33.9	\$ 74.0	\$ 128.5
Term Loan Outstanding	-	-	-	23.8	-	-
Financing Leases and Financing Arrangements	0.2	0.2	0.3	0.6	1.0	1.5
Total debt	\$ 37.2	\$ 45.0	\$ 55.6	\$ 58.2	\$ 75.0	\$ 130.0
Less cash and cash equivalents	(4.1)	(7.6)	(7.4)	(14.2)	(10.3)	(37.7)
Total net debt	\$ 33.1	\$ 37.5	\$ 48.2	\$ 44.0	\$ 64.7	\$ 92.3
LTM Adjusted EBITDA ¹	\$ 25.4	\$ 32.0	\$ 37.8	\$ 47.4	\$ 40.0	\$ 38.3
Adjusted Net Leverage Ratio	1.3x	1.2x	1.3x	.9x	1.6x	2.4x