




Q4 2017 Earnings Presentation
February 27, 2018

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The information in this presentation is unaudited, except where noted otherwise.

Non-GAAP Financial Measures

This earnings presentation discloses the following non-GAAP measures:

- Earnings before interest, taxes, depreciation, and amortization ("EBITDA");
- EBITDA adjusted for asset impairments ("Adjusted EBITDA").

Management believes that these non-GAAP financial measures are useful to investors in the assessment of the use of our assets without regard to financing methods, capital structure, or historical cost basis, and assist investors in understanding the underlying operating performance of the Company. Additionally, EBITDA and Adjusted EBITDA are financial measurements that management and the board of directors use in the determination of certain compensation programs. Management believes that these measures provide useful information to investors because they will assist investors in evaluating earnings performance on a comparable year-over-year basis.

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 and Adjusted EBITDA are included within this presentation.






Financial Overview

Financial Highlights

Metrics	Q4 2017	Q4 2016	Variance
Sales	$141.3 million	$106.6 million	$34.8 million, 32.6%
Gross Profit Margin	19.7%	17.6%	210 bps
Earnings (Loss) per Diluted Share	$0.03	$(3.97)	$4.00
EBITDA[1]	$10.4 million	$3.0 million	$7.4 million, 250.3%
Operating Cash Flow	$11.9 million	$6.5 million	$5.3 million
New Orders	$115.5 million	$113.4 million	$2.1 million, 1.9%
Backlog	$166.9 million	$147.5 million	$19.4 million, 13.2%

(1) See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein.

Consolidated Income Statement - QTD

($ in millions, except per share)	Three Months Ended December 31, 2017		Three Months Ended December 31, 2016		Delta	
	$	%	$	%	$	%
Sales	$ 141.3	—	$ 106.6	—	$ 34.8	32.6%
Gross profit	27.9	19.7%	18.8	17.6%	9.1	48.6%
SG&A	20.5	14.5%	20.0	18.8%	0.5	2.3%
Amortization expense	1.8	1.3%	1.8	1.6%	—	—%
Interest expense, net	1.9	1.4%	2.1	2.0%	(0.2)	(10.1)%
Other expense (income)	0.2	0.1%	(0.9)	(0.9)%	1.1	120.3%
Pre-tax income (loss)	3.5	2.5%	(4.2)	(4.0)%	7.8	183.1%
Net income (loss)	**$ 0.3**	**0.2%**	**$ (40.9)**	**(38.3)%**	**$ 41.1**	**100.7%**
Diluted earnings (loss) per share	**$ 0.03**		**$ (3.97)**		**$ 4.00**	
EBITDA[(1)]	**$ 10.4**	**7.3%**	**$ 3.0**	**2.8%**	**$ 7.4**	**250.3%**

(1) See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein.
Note: Figures may not foot due to rounding

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Consolidated Income Statement - YTD

($ in millions, except per share)	Twelve Months Ended December 31, 2017		Twelve Months Ended December 31, 2016		Delta	
	$	%	$	%	$	%
			Audited			
Sales	$ 536.4	—	$ 483.5	—	$ 52.9	10.9%
Gross profit	103.3	19.2%	90.4	18.7%	12.9	14.3%
SG&A	80.5	15.0%	86.0	17.8%	(5.5)	(6.3)%
Amortization expense	7.0	1.3%	9.6	2.0%	(2.6)	(27.0)%
Asset impairments	—	—%	135.9	28.1%	(135.9)	(100.0)%
Interest expense, net	8.1	1.5%	6.3	1.3%	1.7	27.6%
Other income	(0.4)	(0.1)%	(0.2)	—%	(0.1)	60.1%
Pre-tax income (loss)	8.0	1.5%	(147.2)	(30.4)%	155.2	105.5%
Net income (loss)	**$ 4.1**	**0.8%**	**$ (141.7)**	**(29.3)%**	**$ 145.8**	**102.9%**
Diluted earnings (loss) per share	**$ 0.39**		**$ (13.79)**		**$ 14.18**	
EBITDA[1]	**$ 36.0**	**6.7%**	**$ (117.4)**	**(24.3)%**	**$ 153.3**	**130.6%**
Adjusted EBITDA[1]	**$ 36.0**	**6.7%**	**$ 18.5**	**3.8%**	**$ 17.4**	**94.0%**

(1) See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein.
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Segment Results

Sales ($ in millions)	Three Months Ended December 31, 2017 $	Three Months Ended December 31, 2017 % of Total	Three Months Ended December 31, 2016 $	Three Months Ended December 31, 2016 % of Total	Delta $	Delta %
Rail Products and Services	$ 68.2	48.3%	$ 50.4	47.3%	$ 17.8	35.2%
Construction Products	39.9	28.2%	38.5	36.1%	1.4	3.6%
Tubular and Energy Services	33.2	23.5%	17.6	16.6%	15.6	88.5%
Total	**$ 141.3**		**$ 106.6**		**$ 34.8**	**32.6%**

Segment Profit (Loss) ($ in millions)	Three Months Ended December 31, 2017 $	Three Months Ended December 31, 2017 % Margin	Three Months Ended December 31, 2016 $	Three Months Ended December 31, 2016 % Margin	Delta $	Delta %
Rail Products and Services	$ 3.3	4.8%	$ 0.2	0.5%	$ 3.0	1,232.5%
Construction Products	2.5	6.2%	2.4	6.3%	—	0.9%
Tubular and Energy Services	2.1	6.2%	(4.3)	(24.1)%	6.3	148.8%
Segment profit (loss)	7.8	5.5%	(1.6)	(1.5)%	9.4	600.1%
Corporate/Unallocated	(4.3)	(3.0)%	(2.7)	(2.5)%	(1.6)	60.9%
Total	**$ 3.5**	**2.5%**	**$ (4.2)**	**(4.0)%**	**$ 7.8**	**183.1%**

Note: Figures may not foot due to rounding

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Balance Sheet

($ in millions)	December 31, 2017	December 31, 2016 Audited
ASSETS		
Current assets:		
Cash and cash equivalents	$ 37.7	$ 30.4
Accounts receivable – net	76.6	66.6
Inventories – net	97.5	83.2
Other current assets	9.3	19.4
Total current assets	**221.1**	**199.6**
Property, plant, and equipment – net	96.1	104.0
Other assets:		
Goodwill	19.8	18.9
Other intangibles – net	57.4	63.5
Other assets	2.2	7.0
Total assets	**$ 396.6**	**$ 393.0**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 84.2	$ 61.8
Accrued warranty	8.7	10.2
Current maturities of long-term debt	0.7	10.4
Total current liabilities	**93.5**	**82.3**
Long-term debt	129.3	149.2
Other long-term liabilities	27.3	28.3
Total stockholders' equity	**146.5**	**133.3**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 396.6**	**$ 393.0**

Note: Figures may not foot due to rounding

Cash Flows

($ in millions)	Twelve Months Ended December 31, 2017		Twelve Months Ended December 31, 2016	
			Audited	
Net income (loss) and non-cash items	$	23.7	$	24.3
Receivables		(9.2)		12.0
Inventory		(12.6)		10.5
Payables and deferred revenue		17.0		(15.0)
Working capital subtotal		**(4.8)**		**7.4**
All other		20.5		(13.3)
Operating cash flow		**39.4**		**18.4**
Capital expenditures		(6.1)		(7.7)
Dividends		—		(1.2)
Debt (payments) / proceeds – net		(29.6)		(9.2)
All other		3.6		(3.2)
Net increase / (decrease) in cash		**7.3**		**(2.9)**
Cash balance, end of period	**$**	**37.7**	**$**	**30.4**

Note: Figures may not foot due to rounding

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New Order Summary - QTD

($ in millions)	New Orders Entered		Delta	
	Three Months Ended December 31, 2017	Three Months Ended December 31, 2016	$	%
Rail Products and Services	$ 52.0	$ 61.2	$ (9.2)	(15.0)%
Construction Products	32.8	34.7	(1.9)	(5.6)%
Tubular and Energy Services	30.7	17.5	13.2	75.8%
Total	**$ 115.5**	**$ 113.4**	**$ 2.1**	**1.9%**

Note: Figures may not foot due to rounding

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New Order Summary - YTD

($ in millions)	New Orders Entered		Delta	
	Twelve Months Ended December 31, 2017	Twelve Months Ended December 31, 2016	$	%
Rail Products and Services	$ 263.9	$ 225.7	$ 38.3	17.0%
Construction Products	157.7	171.5	(13.8)	(8.0)%
Tubular and Energy Services	130.5	85.1	45.4	53.4%
Total	**$ 552.1**	**$ 482.3**	**$ 69.8**	**14.5%**

Note: Figures may not foot due to rounding

Backlog Summary

($ in millions)	Backlog		Delta	
	December 31, 2017	December 31, 2016	$	%
Rail Products and Services	$ 68.9	$ 62.7	$ 6.1	9.7%
Construction Products	71.3	72.0	(0.6)	(0.9)%
Tubular and Energy Services	26.7	12.8	14.0	109.6%
Total	**$ 166.9**	**$ 147.5**	**$ 19.4**	**13.2%**

Note: Figures may not foot due to rounding






Business Review

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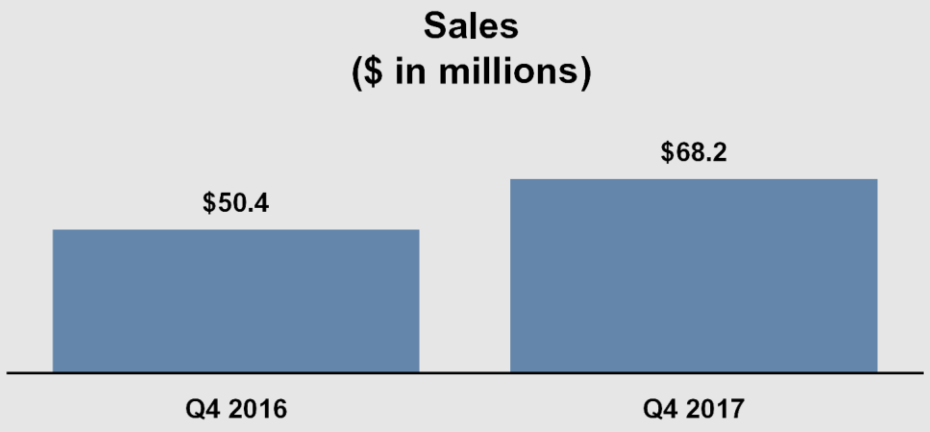
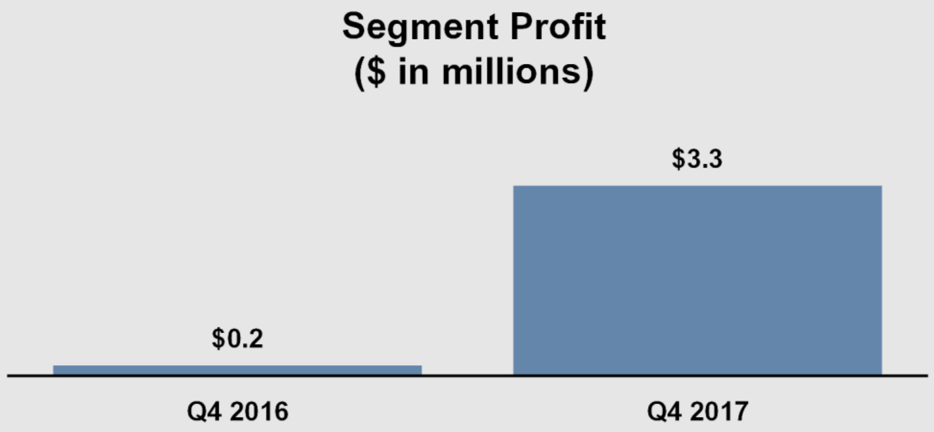
Rail Products and Services

Q4 2017 Results





Commentary

- Sales increased by 35.2% with increases in both North American and European rail divisions
  - NA Rail increase driven by:
    - Recovery among freight railroads
  - Rail Technologies sales increase of 18.8%
    - European Rail Technologies rail business volumes increased
- Non-GAAP gross profit margins increased from prior year due to improvements within Rail Distribution and Concrete Rail Products
- Segment SG&A expense as a percentage of sales declined year over year by 400 basis points

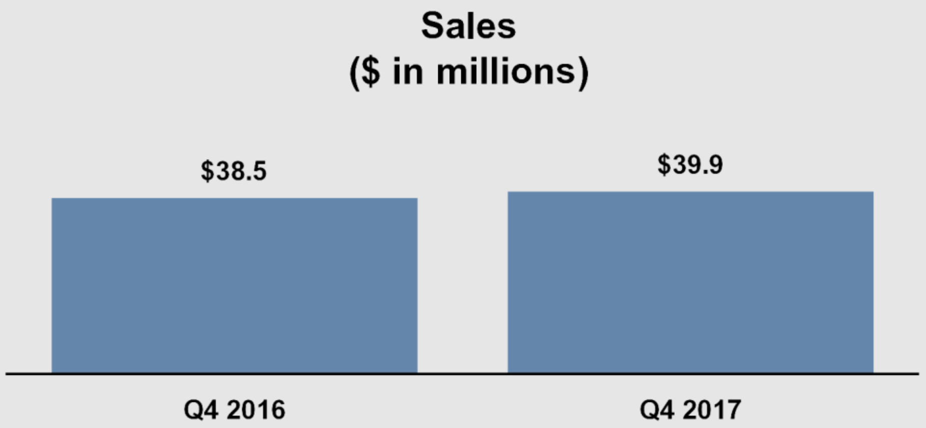
Market Outlook

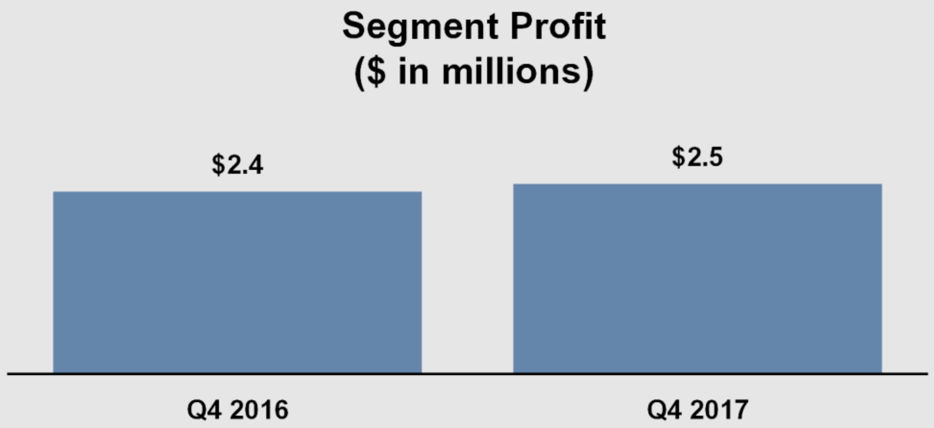
Q4 2017 Trends / Outlook

- Q4 2017 orders decreased from Q4 2016 by 15.0%, however, 2017 full year orders increased 17.0% compared to full year 2016, and backlog remained strong, 9.7% higher than the prior year fourth quarter
- North American rail traffic continues to improve with 2017 annual traffic increasing 4.8% over the prior period
- Global transit projects continue to provide opportunity in the markets we serve as agencies expand into more geographic areas and increase passenger traffic

Construction Products

Q4 2017 Results





Commentary

- Sales increased due to improved demand for Fabricated Bridge projects, as well as the continuation of the Peace Bridge project
- Improved precast product sales and margins helped drive growth in the segment
    - 2017 Precast Concrete Products orders higher than prior year period by 4.3%
- Segment profit increased largely due to gross profit margin improvement
- Segment SG&A expense as a percent of sales remained flat compared to the prior year quarter

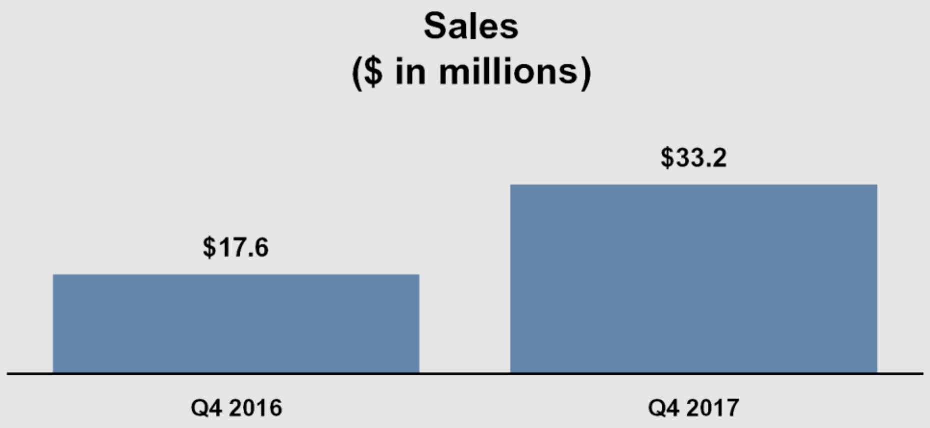
Market Outlook

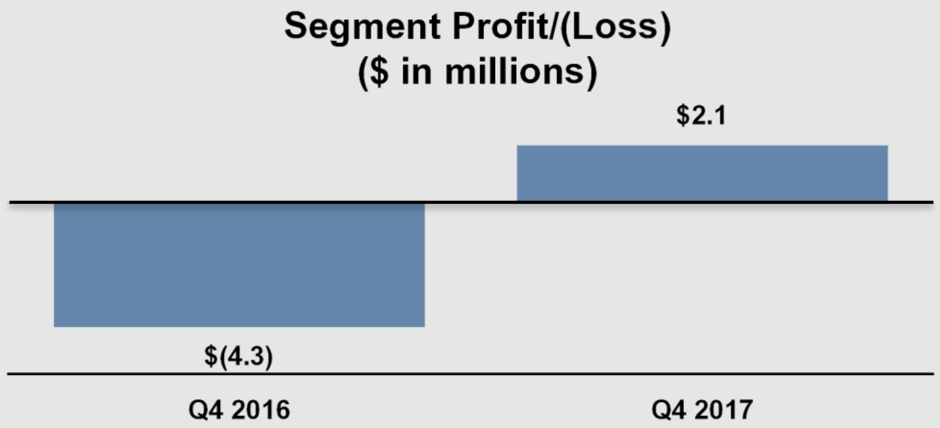
Q4 2017 Trends / Outlook

- Precast Concrete Products and Piling backlog remained strong as compared to the prior year, up 23.9% and 5.8%, respectively
- New orders for Construction Products declined 5.6% primarily due to Piling reductions
- Peace Bridge project expected to continue through the third quarter of 2018

Tubular and Energy Services

Q4 2017 Results





Commentary

- Sales grew 88.5% with increases in nearly all product categories
  - Upstream Test and Inspection sales growth continued as the number of new wells and demand increased
  - Protective Coatings order entry and backlog continued to be strong
- Non-GAAP gross profit margin improved across all divisions, favorably impacting segment profit
- Segment SG&A expense as a percentage of sales declined year over year by over 1,270 basis points

Market Outlook

Q4 2017 Trends / Outlook

- New orders increased 75.8% compared to Q4 2016, improving our backlog to $26.7 million, an increase of 109.6%.
- Upstream oil and gas market continues year over year improvement
- Protective Coatings volume continues to grow as pipeline projects progress
- Precision Measurement new order and backlog activity improved as the midstream markets recover
- New order increases are expected to continue in 2018 as our served markets strengthen

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U.S. Tax Cuts and Jobs Act

- The Tax Cuts and Jobs Act (the "Act") was enacted on December 22, 2017
- The Act reduces the U.S. federal corporate tax rate from 35.0% to 21.0%
- Requires companies to pay a one-time transition tax on previously deferred earnings of certain foreign subsidiaries, and creates new taxes on certain foreign sourced earnings
- Our 2017 financial results include:
  - Additional tax expense of $3.3 million related to the one-time transition tax
  - $1.5 million tax benefit related to the remeasurement of certain deferred tax assets and liabilities
- Our estimated net transition tax cash liability of $2.6 million will be payable in eight installments
  - Including $0.2 million installment due in 2018
- The Company will continue to refine its calculations during 2018, as additional analysis related to the Act is completed

Key Takeaways

- Strong fourth quarter sales driven by the continued recovery of rail and energy markets
  - Sales levels significantly increased over both the prior quarter and prior year period
  - Backlog increased 13.2% from the prior year to $166.9 million
- Quarterly Non-GAAP gross profit margins improved across all three segments compared to the prior year
- SG&A expense as a percent of sales declined to 14.5% for the fourth quarter compared to 18.8% in the prior year
- Income tax expense for the fourth quarter and full year were impacted by the recent U.S. tax reform
- Full year debt was reduced by $29.6 million, or 18.6%, to $130.0 million
  - Our term loan was paid off in the fourth quarter
- 2017 operating cash flow provided $39.4 million, more than double our 2016 amount of $18.4 million
- Lower Net Debt to Adjusted EBITDA[1]
  - 2.6x for 2017, a reduction from 7.0x at December 31, 2016

(1) See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein.
Note: Figures may not foot due to rounding






Appendix

Non-GAAP Financial Measures: Adjusted EBITDA

($ in millions)	Three Months Ended		Twelve Months Ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Net income (loss), as reported	$ 0.3	$ (40.9)	$ 4.1	$ (141.7)
Interest expense, net	1.9	2.1	8.1	6.3
Income tax expense (benefit)	3.2	36.6	3.9	(5.5)
Depreciation expense	3.1	3.3	12.8	13.9
Amortization expense	1.8	1.8	7.0	9.6
Total EBITDA	**10.4**	**3.0**	**36.0**	**(117.4)**
Asset impairments	—	—	—	135.9
Adjusted EBITDA	**$ 10.4**	**$ 3.0**	**$ 36.0**	**$ 18.5**

Note: Figures may not foot due to rounding

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