UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
for the quarterly period ended March 31, 2022

Or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
for the transition period from __________ to __________

Commission File Number: 000-10436

L.B. Foster Company
(Exact name of registrant as specified in its charter)

Pennsylvania (State of Incorporation)	**25-1324733** (I. R. S. Employer Identification No.)
415 Holiday Drive, Suite 100, Pittsburgh, Pennsylvania (Address of principal executive offices)	**15220** (Zip Code)

(412) 928-3400
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01	FSTR	NASDAQ Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☒
Non-accelerated filer ☐	Smaller reporting company ☒
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 3, 2022, there were 10,889,632 shares of the registrant's common stock, par value $0.01 per share, outstanding.

L.B. FOSTER COMPANY AND SUBSIDIARIES

INDEX

Table of Contents

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements

L.B. FOSTER COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	March 31, 2022 (Unaudited)	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 6,239	$ 10,372
Accounts receivable - net (Note 5)	59,135	55,911
Contract assets - net (Note 3)	34,268	36,179
Inventories - net (Note 6)	67,799	62,871
Other current assets	19,623	14,146
Total current assets	187,064	179,479
Property, plant, and equipment - net (Note 7)	57,579	58,222
Operating lease right-of-use assets - net (Note 8)	14,374	15,131
Other assets:		
Goodwill (Note 4)	19,904	20,152
Other intangibles - net (Note 4)	29,487	31,023
Deferred tax assets (Note 11)	37,721	37,242
Other assets	1,283	1,346
TOTAL ASSETS	$ 347,412	$ 342,595
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 45,483	$ 41,411
Deferred revenue	19,310	13,411
Accrued payroll and employee benefits	5,330	9,517
Current portion of accrued settlement (Note 15)	8,000	8,000
Current maturities of long-term debt (Note 9)	80	98
Other accrued liabilities	11,593	13,757
Total current liabilities	89,796	86,194
Long-term debt (Note 9)	35,531	31,153
Deferred tax liabilities (Note 11)	3,659	3,753
Long-term portion of accrued settlement (Note 15)	16,000	16,000
Long-term operating lease liabilities (Note 8)	11,558	12,279
Other long-term liabilities	9,171	9,606
Stockholders' equity:		
Common stock, par value $0.01, authorized 20,000,000 shares; shares issued at March 31, 2022 and December 31, 2021, 11,115,779; shares outstanding at March 31, 2022 and December 31, 2021, 10,704,783 and 10,670,343, respectively	111	111
Paid-in capital	42,153	43,272
Retained earnings	167,167	168,733
Treasury stock - at cost, 410,996 and 445,436 common stock shares at March 31, 2022 and December 31, 2021, respectively	(9,200)	(10,179)
Accumulated other comprehensive loss	(19,117)	(18,845)
Total L.B. Foster Company stockholders' equity	181,114	183,092
Noncontrolling interest	583	518
Total stockholders' equity	181,697	183,610
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 347,412	$ 342,595

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share data)

	Three Months Ended March 31,	
	2022	2021
Sales of goods	$ 84,421	$ 100,546
Sales of services	14,373	15,534
Total net sales	98,794	116,080
Cost of goods sold	69,845	84,125
Cost of services sold	12,502	13,125
Total cost of sales	82,347	97,250
Gross profit	16,447	18,830
Selling and administrative expenses	17,298	18,026
Amortization expense	1,436	1,465
Operating loss	(2,287)	(661)
Interest expense - net	370	871
Other (income) expense - net	(563)	59
Loss before income taxes	(2,094)	(1,591)
Income tax benefit	(508)	(321)
Net loss	(1,586)	(1,270)
Net loss attributable to noncontrolling interest	(20)	(12)
Net loss attributable to L.B. Foster Company	$ (1,566)	$ (1,258)
Basic loss per common share	$ (0.15)	$ (0.12)
Diluted loss per common share	$ (0.15)	$ (0.12)

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)
(In thousands)

	Three Months Ended March 31,	
	2022	2021
Net loss	$ (1,586)	$ (1,270)
Other comprehensive (loss) income, net of tax:		
Foreign currency translation adjustment	(880)	453
Unrealized gain on cash flow hedges, net of tax expense of $188 and $0, respectively	551	—
Cash flow hedges reclassified to earnings, net of tax expense of $66 and $98, respectively	93	136
Reclassification of pension liability adjustments to earnings, net of tax expense of $16 and $24, respectively*	49	91
Total comprehensive loss	(1,773)	(590)
Less comprehensive income (loss) attributable to noncontrolling interest:		
Net loss attributable to noncontrolling interest	(20)	(12)
Foreign currency translation adjustment	85	(30)
Amounts attributable to noncontrolling interest	65	(42)
Comprehensive loss attributable to L.B. Foster Company	$ (1,838)	$ (548)

* *Reclassifications out of "Accumulated other comprehensive loss" for pension obligations are charged to "Selling and administrative expenses" within the Condensed Consolidated Statements of Operations.*

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (1,586)	$ (1,270)
Adjustments to reconcile net loss to cash (used in) provided byoperating activities:		
Deferred income taxes	(574)	(712)
Depreciation	1,938	1,990
Amortization	1,436	1,465
Equity in income of nonconsolidated investments	(87)	—
Loss on sales and disposals of property, plant, and equipment	23	10
Stock-based compensation	258	827
Change in operating assets and liabilities:		
Accounts receivable	(4,556)	(7,213)
Contract assets	1,116	52
Inventories	(4,781)	(481)
Other current assets	(4,648)	(592)
Other noncurrent assets	818	451
Accounts payable	4,680	11,435
Deferred revenue	5,907	8,152
Accrued payroll and employee benefits	(4,181)	(3,495)
Other current liabilities	(2,377)	(2,384)
Other long-term liabilities	(1,022)	(621)
Net cash (used in) provided by continuing operating activities	(7,636)	7,614
Net cash used in discontinued operating activities	—	(184)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from the sale of property, plant, and equipment	30	—
Capital expenditures on property, plant, and equipment	(1,764)	(1,327)
Proceeds from asset divestiture	1,195	—
Net cash used in continuing investing activities	(539)	(1,327)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayments of debt	(30,892)	(43,321)
Proceeds from debt	35,301	35,026
Treasury stock acquisitions	(397)	(547)
Investment of noncontrolling interest	—	396
Net cash provided by (used in) continuing financing activities	4,012	(8,446)
Effect of exchange rate changes on cash and cash equivalents	30	(206)
Net decrease in cash and cash equivalents	(4,133)	(2,549)
Cash and cash equivalents at beginning of period	10,372	7,564
Cash and cash equivalents at end of period	$ 6,239	$ 5,015
Supplemental disclosure of cash flow information:		
Interest paid	$ 369	$ 653
Income taxes (received) paid	$ (44)	$ 46

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)
(Dollars in thousands)

	Three Months Ended March 31, 2022						
	Common Stock	Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Stockholders' Equity
Balance, December 31, 2021	$ 111	$ 43,272	$ 168,733	$ (10,179)	$ (18,845)	$ 518	$ 183,610
Net loss	—	—	(1,566)	—	—	(20)	(1,586)
Other comprehensive loss, net of tax:							
Pension liability adjustment	—	—	—	—	49	—	49
Foreign currency translation adjustment	—	—	—	—	(965)	85	(880)
Unrealized derivative gain on cash flow hedges	—	—	—	—	551	—	551
Cash flow hedges reclassified to earnings	—	—	—	—	93	—	93
Issuance of 34,440 common shares, net of shares withheld for taxes	—	(1,377)	—	979	—	—	(398)
Stock-based compensation	—	258	—	—	—	—	258
Balance, March 31, 2022	$ 111	$ 42,153	$ 167,167	$ (9,200)	$ (19,117)	$ 583	$ 181,697

	Three Months Ended March 31, 2021						
	Common Stock	Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Stockholders' Equity
Balance, December 31, 2020	$ 111	$ 44,583	$ 165,107	$ (12,703)	$ (20,268)	$ —	$ 176,830
Net loss	—	—	(1,258)	—	—	(12)	(1,270)
Other comprehensive income, net of tax:							
Pension liability adjustment	—	—	—	—	91	—	91
Foreign currency translation adjustment	—	—	—	—	453	(30)	423
Cash flow hedges reclassified to earnings	—	—	—	—	136	—	136
Issuance of 76,030 common shares, net of shares withheld for taxes	—	(1,467)	—	920	—	—	(547)
Stock-based compensation	—	827	—	—	—	—	827
Investment of noncontrolling interest	—	—	—	—	—	396	396
Balance, March 31, 2021	$ 111	$ 43,943	$ 163,849	$ (11,783)	$ (19,588)	$ 354	$ 176,886

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(Dollars in thousands, except share data)

Note 1. Financial Statements

Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all estimates and adjustments (consisting of normal recurring accruals, unless otherwise stated herein) considered necessary for a fair presentation of the financial position of L.B. Foster Company and subsidiaries as of March 31, 2022 and December 31, 2021 and its Condensed Consolidated Statements of Operations, Condensed Consolidated Statements of Comprehensive Loss, Condensed Consolidated Statements of Cash Flows, and Condensed Consolidated Statements of Stockholders' Equity for the three months ended March 31, 2022 and 2021 have been included. However, actual results could differ from those estimates and changes in those estimates are recorded when known. The results of operations for interim periods are not necessarily indicative of the results that may be expected for the year ending December 31, 2022. The Condensed Consolidated Balance Sheet as of December 31, 2021 was derived from audited financial statements. This Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements and footnotes thereto included in L.B. Foster Company's Annual Report on Form 10-K for the year ended December 31, 2021. In this Quarterly Report on Form 10-Q, references to "we," "us," "our," and the "Company" refer collectively to L.B. Foster Company and its consolidated subsidiaries.

Reclassifications

Certain accounts in the prior year consolidated financial statements have been reclassified for comparative purposes principally to conform to the presentation of the current year period. Effective for the quarter and year ended December 31, 2021, the Company implemented operational changes in how its Chief Operating Decision Maker ("CODM") manages its businesses, including resource allocation and operating decisions. As a result of these changes, the Company now has three reporting segments, representing the individual businesses that are run separately under the new structure: Rail, Technologies, and Services; Precast Concrete Products; and Steel Products and Measurement. The Company has revised the information for all periods presented in this Quarterly Report on Form 10-Q to reflect these reclassifications.

Recently Issued Accounting Standards

In March 2020 and as clarified in January 2021, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. ("ASU") 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting" ("ASU 2020-04"), which provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by the discontinuation of the London Interbank Offered Rate ("LIBOR") or by another reference rate expected to be discontinued. The amendments are effective for all entities as of March 12, 2020 through December 31, 2022. The Company is currently evaluating the impacts of the provisions of ASU 2020-04 on its financial condition, results of operations, and cash flows.

Note 2. Business Segments

The Company is a global solutions provider of engineered, manufactured products and services that builds and supports infrastructure. The Company's innovative engineering and product development solutions address the safety, reliability, and performance needs of its customers' most challenging requirements. The Company maintains locations in North America, South America, Europe, and Asia. The Company's segments represent components of the Company (a) that engage in activities from which revenue is generated and expenses are incurred, (b) whose operating results are regularly reviewed by the CODM, who uses such information to make decisions about resources to be allocated to the segments, and (c) for which discrete financial information is available. Operating segments are evaluated on their segment profit contribution to the Company's consolidated results. Other income and expenses, interest, income taxes, and certain other items are managed on a consolidated basis. The Company's segment accounting policies are described in Note 2 Business Segments of the Notes to the Company's Consolidated Financial Statements contained in its Annual Report on Form 10-K for the year-ended December 31, 2021.

The following table illustrates the Company's revenues and profit (loss) from operations by segment for the periods indicated:

	Three Months Ended March 31, 2022		Three Months Ended March 31, 2021	
	Net Sales	Segment Operating Profit (Loss)	Net Sales	Segment Operating Profit (Loss)
Rail, Technologies, and Services	$ 63,710	$ 1,039	$ 66,232	$ 2,225
Precast Concrete Products	15,010	(791)	12,678	(112)
Steel Products and Measurement	20,074	(2,148)	37,170	(928)
Total	$ 98,794	$ (1,900)	$ 116,080	$ 1,185

Segment profit (loss) from operations, as shown above, includes allocated corporate operating expenses. Operating expenses related to corporate headquarter functions that directly support the segment activity are allocated based on segment headcount, revenue contribution, or activity of the business units within the segments, based on the corporate activity type provided to the segment. The expense allocation excludes certain corporate costs that are separately managed from the segments.

The following table provides a reconciliation of segment net (loss) profit to the Company's consolidated total for the periods presented:

	Three Months Ended March 31,	
	2022	2021
Operating (loss) profit for reportable segments	$ (1,900)	$ 1,185
Interest expense - net	(370)	(871)
Other income (expense) - net	563	(59)
Unallocated corporate expenses and other unallocated charges	(387)	(1,846)
Loss before income taxes	$ (2,094)	$ (1,591)

The following table illustrates assets of the Company by segment for the periods presented:

	March 31, 2022	December 31, 2021
Rail, Technologies, and Services	$ 161,121	$ 171,608
Precast Concrete Products	52,371	48,740
Steel Products and Measurement	60,050	58,377
Unallocated corporate assets	73,870	63,870
Total	$ 347,412	$ 342,595

Note 3. Revenue

Revenue from products or services provided to customers over time accounted for 30.7% and 25.3% of revenue for the three months ended March 31, 2022 and 2021, respectively. The majority of revenue under these long-term agreements is recognized over time either using an input measure based upon the proportion of actual costs incurred to estimated total project costs or an input measure based upon actual labor costs as a percentage of estimated total labor costs, depending upon which measure the Company believes best depicts its performance to date under the terms of the contract. Revenue recognized over time using an input measure was $19,322 and $21,108 for the three months ended March 31, 2022 and 2021, respectively. A certain portion of the Company's revenue recognized over time under these long-term agreements is recognized using an output method, specifically units delivered, based upon certain customer acceptance and delivery requirements. Revenue recognized over time using an output measure was $10,981 and $8,264 for the three months ended March 31, 2022 and 2021, respectively. As of March 31, 2022 and December 31, 2021, the Company had contract assets of $34,268 and $36,179, respectively, that were recorded within the Condensed Consolidated Balance Sheets. As of March 31, 2022 and December 31, 2021, the Company had contract liabilities of $3,682 and $3,235, respectively, that were recorded in "Deferred revenue" within the Condensed Consolidated Balance Sheets.

The majority of the Company's revenue is from products transferred and services rendered to customers at a point in time. Point in time revenue accounted for 69.3% and 74.7% of revenue for the three months ended March 31, 2022 and 2021. The Company recognizes revenue at the point in time at which the customer obtains control of the product or service, which is generally when the product title passes to the customer upon shipment or the service has been rendered to the customer. In limited cases, title does not transfer and revenue is not recognized until the customer has received the products at a physical location.

The following table summarizes the Company's net sales by major product and service category for the periods presented:

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Rail Products and Global Friction Management	$ 51,651	$ 55,309
Technology Services and Solutions	12,059	10,923
Rail, Technologies, and Services	63,710	66,232
Precast Concrete Buildings	9,970	10,283
Other Precast Concrete Products	5,040	2,395
Precast Concrete Products	15,010	12,678
Fabricated Steel Products	12,604	27,721
Coatings and Measurement	7,470	9,449
Steel Products and Measurement	20,074	37,170
Total net sales	$ 98,794	$ 116,080

Net sales by the timing of the transfer of products and performance of services was as follows for the periods presented:

Three Months Ended March 31, 2022	Rail, Technologies, and Services	Precast Concrete Products	Steel Products and Measurement	Total
Point in time	$ 49,166	$ 4,263	$ 15,062	$ 68,491
Over time	14,544	10,747	5,012	30,303
Total net sales	$ 63,710	$ 15,010	$ 20,074	$ 98,794

Three Months Ended March 31, 2021	Rail, Technologies, and Services	Precast Concrete Products	Steel Products and Measurement	Total
Point in time	$ 52,044	$ 4,736	$ 29,928	$ 86,708
Over time	14,188	7,942	7,242	29,372
Total net sales	$ 66,232	$ 12,678	$ 37,170	$ 116,080

The timing of revenue recognition, billings, and cash collections results in billed receivables, costs in excess of billings (included in "Contract assets"), and billings in excess of costs (contract liabilities, included in "Deferred revenue") within the Condensed Consolidated Balance Sheets.

Significant changes in contract assets during the three months ended March 31, 2022 included transfers of $11,607 from the contract assets balance as of December 31, 2021 to accounts receivable. Significant changes in contract liabilities during the three months ended March 31, 2022 resulted from increases of $1,957 due to billings in excess of costs, excluding amounts recognized as revenue during the period. Contract liabilities were reduced due to revenue recognized during the three months ended March 31, 2022 and 2021 of $1,441 and $676, respectively, which were included in contract liabilities at the beginning of each period.

The Company records provisions related to the allowance for credit losses associated with contract assets. Provisions are recorded based upon a specific review of individual contracts as necessary, and a standard provision over any remaining contract assets pooled together based on similar risk of credit loss. The development of these provisions are based on historic collection trends, accuracy of estimates within contract margin reporting, as well as the expectation that collection patterns, margin reporting, and bad debt expense will continue to adhere to patterns observed in recent years. These expectations are formed based on trends observed as well as current and expected future conditions.

As of March 31, 2022, the Company had approximately $244,618 of obligations under new contracts and remaining performance obligations, which is also referred to as backlog. Approximately 10.8% of the March 31, 2022 backlog was related to projects that are anticipated to extend beyond March 31, 2023.

Note 4. Goodwill and Other Intangible Assets

The following table presents the changes in goodwill balance by reportable segment for the period presented:

	Rail, Technologies, and Services	Precast Concrete Products	Steel Products and Measurement	Total
Balance as of December 31, 2021	$ 14,577	$ 2,564	$ 3,011	$ 20,152
Foreign currency translation impact	(248)	—	—	(248)
Balance as of March 31, 2022	$ 14,329	$ 2,564	$ 3,011	$ 19,904

The Company performs goodwill impairment tests annually during the fourth quarter, and also performs interim goodwill impairment tests if it is determined that it is more likely than not that the fair value of a reporting unit is less than the carrying amount. Qualitative factors are assessed to determine whether it is more likely than not that the fair value of a reporting unit is less than the carrying amount, which included the impacts of COVID-19. However, the future impacts of COVID-19 are unpredictable and are subject to change. No interim goodwill impairment test was required as a result of the evaluation of qualitative factors as of March 31, 2022.

The components of the Company's intangible assets were as follows for the periods presented:

	March 31, 2022			
	Weighted Average Amortization Period In Years	Gross Carrying Value	Accumulated Amortization	Net Carrying Amount
Patents	10	$ 385	$ (230)	$ 155
Customer relationships	18	35,900	(18,626)	17,274
Trademarks and trade names	16	7,780	(4,830)	2,950
Technology	13	35,712	(26,604)	9,108
		$ 79,777	$ (50,290)	$ 29,487

	December 31, 2021			
	Weighted Average Amortization Period In Years	Gross Carrying Value	Accumulated Amortization	Net Carrying Amount
Patents	10	$ 385	$ (218)	$ 167
Customer relationships	18	36,163	(18,222)	17,941
Trademarks and trade names	16	7,801	(4,702)	3,099
Technology	13	35,772	(25,956)	9,816
		$ 80,121	$ (49,098)	$ 31,023

The Company amortizes intangible assets over their useful lives, which range from 5 to 25 years, with a total weighted average amortization period of approximately 16 years as of March 31, 2022. Amortization expense was $1,436 and $1,465 for the three months ended March 31, 2022 and 2021, respectively.

As of March 31, 2022, estimated amortization expense for the remainder of 2022 and thereafter was as follows:

	Amortization Expense
Remainder of 2022	$ 4,280
2023	5,251
2024	4,247
2025	2,479
2026	2,056
2027 and thereafter	11,174
	$ 29,487

Note 5. Accounts Receivable

The Company extends credit based upon an evaluation of the customer's financial condition and, while collateral is not required, the Company periodically receives surety bonds that guarantee payment. Credit terms are consistent with industry standards and practices. The amounts of trade accounts receivable as of March 31, 2022 and December 31, 2021 have been reduced by an allowance for credit losses of $423 and $547, respectively. Changes in reserves for uncollectible accounts, which are recorded as part of "Selling and administrative expenses" within the Condensed Consolidated Statements of Operations, resulted in expense of $61 and income of $22 for the three months ended March 31, 2022 and 2021, respectively.

The Company established the allowance for credit losses by calculating the amount to reserve based on the age of a given trade receivable and considering historical collection patterns and bad debt expense experience, in addition to any other relevant subjective adjustments to individual receivables made by management. The Company also considers current and expected future market and other conditions. Trade receivables are pooled within the calculation based on a range of ages, which appropriately groups receivables of similar credit risk together.

The established reserve thresholds to calculate the allowance for credit loss are based on and supported by historic collection patterns and bad debt expense incurred by the Company, as well as the expectation that collection patterns and bad debt expense will continue to adhere to patterns observed in recent years, which was formed based on trends observed as well as current and expected future conditions, including the impacts of the COVID-19 pandemic. Management maintains stringent credit review practices and works to maintain positive customer relationships to further mitigate credit risk.

The following table sets forth the Company's allowance for credit losses:

	Allowance for Credit Losses
Balance as of December 31, 2021	$ 547
Current period provision	61
Write-off against allowance	(185)
Balance as of March 31, 2022	$ 423

Note 6. Inventory

Inventories as of March 31, 2022 and December 31, 2021 are summarized in the following table:

	March 31, 2022	December 31, 2021
Finished goods	$ 29,871	$ 23,822
Work-in-process	8,579	10,738
Raw materials	29,349	28,311
Inventories - net	$ 67,799	$ 62,871

Inventories of the Company are valued at average cost or net realizable value, whichever is lower.

Note 7. Property, Plant, and Equipment

Property, plant, and equipment as of March 31, 2022 and December 31, 2021 consisted of the following:

	March 31, 2022	December 31, 2021
Land	$ 6,215	$ 6,224
Improvements to land and leaseholds	15,412	15,416
Buildings	27,080	27,206
Machinery and equipment, including equipment under finance leases	112,315	112,021
Construction in progress	1,707	1,194
Gross property, plant, and equipment	162,729	162,061
Less accumulated depreciation and amortization, including accumulated amortization of finance leases	(105,150)	(103,839)
Property, plant, and equipment - net	$ 57,579	$ 58,222

Depreciation expense was $1,938 and $1,990 for the three months ended March 31, 2022 and 2021, respectively. The Company reviews its property, plant, and equipment for recoverability whenever events or changes in circumstances indicate that carrying amounts may not be recoverable. The Company recognizes an impairment loss if it believes that the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. There were no impairments of property, plant, and equipment during the three months ended March 31, 2022 and 2021.

Note 8. Leases

The Company determines if an arrangement is a lease at its inception. Operating leases are included in "Operating lease right-of-use assets - net," "Other accrued liabilities," and "Long-term operating lease liabilities" within the Condensed Consolidated Balance Sheets. Finance leases are included within "Property, plant, and equipment - net," "Current maturities of long-term debt," and "Long-term debt" within the Condensed Consolidated Balance Sheets.

The Company has operating and finance leases for manufacturing facilities, corporate offices, sales offices, vehicles, and certain equipment. As of March 31, 2022, the Company's leases had remaining lease terms of 2 to 12 years, some of which include options to extend the leases for up to 12 years, and some of which include options to terminate the leases within 1 year.

The balance sheet components of the Company's leases were as follows as of March 31, 2022 and December 31, 2021:

	March 31, 2022	December 31, 2021
Operating leases		
Operating lease right-of-use assets	$ 14,374	$ 15,131
Other accrued liabilities	$ 2,816	$ 2,852
Long-term operating lease liabilities	11,558	12,279
Total operating lease liabilities	$ 14,374	$ 15,131
Finance leases		
Property, plant, and equipment	$ 1,162	$ 1,162
Accumulated amortization	(1,047)	(1,011)
Property, plant, and equipment - net	$ 115	$ 151
Current maturities of long-term debt	$ 80	$ 98
Long-term debt	35	53
Total finance lease liabilities	$ 115	$ 151

The components of lease expense within the Company's Condensed Consolidated Statements of Operations were as follows for the three months ended March 31, 2022 and 2021:

	Three Months Ended March 31,	
	2022	2021
Finance lease cost:		
Amortization of finance leases	$ 38	$ 51
Interest on lease liabilities	8	22
Operating lease cost	757	642
Sublease income	(50)	(50)
Total lease cost	$ 753	$ 665

The cash flow components of the Company's leases were as follows for the three months ended March 31, 2022 and 2021:

	Three Months Ended March 31,	
	2022	2021
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows related to operating leases	$ (889)	$ (792)
Financing cash flows related to finance leases	(41)	(55)

The weighted-average remaining lease term (in years) and discount rate related to the operating leases were as follows as of the dates presented:

	March 31, 2022	March 31, 2021
Operating lease weighted-average remaining lease term	6	7
Operating lease weighted-average discount rate	5.2 %	5.2 %
Finance lease weighted-average remaining lease term	1	1
Finance lease weighted-average discount rate	4.1 %	4.2 %

As of March 31, 2022, estimated annual maturities of lease liabilities remaining for the year ending December 31, 2022 and thereafter were as follows:

	Operating Leases	Finance Leases
Remainder of 2022	$ 2,607	$ 78
2023	3,288	42
2024	2,945	11
2025	2,375	—
2026	2,170	—
2027 and thereafter	3,165	—
Total undiscounted lease payments	16,550	131
Interest	(2,176)	(16)
Total	$ 14,374	$ 115

Note 9. Long-term Debt and Related Matters

Long-term debt consisted of the following:

	March 31, 2022	December 31, 2021
Revolving credit facility	$ 35,496	$ 31,100
Finance leases and financing agreements	115	151
Total	35,611	31,251
Less current maturities	(80)	(98)
Long-term portion	$ 35,531	$ 31,153

On August 13, 2021, the Company, its domestic subsidiaries, and certain of its Canadian and United Kingdom subsidiaries (collectively, the "Borrowers"), entered into the Fourth Amended and Restated Credit Agreement (the "Credit Agreement") with PNC Bank, N.A., Citizens Bank, N.A., Wells Fargo Bank, National Association, Bank of America, N.A., and BMO Harris Bank, National Association. The Credit Agreement modifies the prior revolving credit facility, as amended, on more favorable terms and extends the maturity date from April 30, 2024 to August 13, 2026. The Credit Agreement provides for a five-year, revolving credit facility that permits aggregate borrowings of the Borrowers up to $130,000 (a $15,000 increase over the previous commitment) with a sublimit of the equivalent of $25,000 U.S. dollars that is available to the Canadian and United Kingdom borrowers in the aggregate. The Credit Agreement's incremental loan feature permits the Company to increase the available commitments under the facility by up to an additional $50,000 subject to the Company's receipt of increased commitments from existing or new lenders and the satisfaction of certain conditions.

The obligation of the Company and its domestic, Canadian, and United Kingdom subsidiaries (the "Guarantors") under the Credit Agreement will be secured by the grant of a security interest by the Borrowers and Guarantors in substantially all of the assets owned by such entities. Additionally, the equity interests in each of the loan parties, other than the Company, and the equity interests held by each loan party in their subsidiaries, will be pledged to the lenders as collateral for the lending obligations.

Borrowings under the Credit Agreement will bear interest at rates based upon either the base rate or LIBOR rate plus applicable margins. Applicable margins are dictated by the ratio of the Company's total net indebtedness to the Company's consolidated EBITDA for four trailing quarters, as defined in the Credit Agreement. The base rate is the highest of (a) the Overnight Bank Funding Rate plus 50 basis points, (b) the Prime Rate, or (c) the Daily LIBOR rate plus 100 basis points so long as the Daily LIBOR Rate is offered, ascertainable, and not unlawful (each as defined in the Credit Agreement). The base rate and LIBOR rate spreads range from 25 to 125 basis points and 125 to 225 basis points, respectively.

The Credit Agreement includes two financial covenants: (a) Maximum Gross Leverage Ratio, defined as the Company's consolidated Indebtedness divided by the Company's consolidated EBITDA, which must not exceed (i) 3.25 to 1.00 for all testing periods other than during an Acquisition Period, and (ii) 3.50 to 1.00 for all testing periods occurring during an Acquisition Period (as defined in the Credit Agreement), and (b) Minimum Consolidated Fixed Charge Coverage Ratio, defined as the Company's consolidated EBITDA divided by the Company's Fixed Charges (as defined in the Credit Agreement), which must be more than 1.05 to 1.00.

The Credit Agreement permits the Company to pay dividends and make distributions and redemptions with respect to its stock provided no event of default or potential default (as defined in the Credit Agreement) has occurred prior to or after giving effect to the dividend, distribution, or redemption. Additionally, the Credit Agreement permits the Company to complete acquisitions so long as (a) no event of default or potential default has occurred prior to or as a result of such acquisition; (b) the liquidity of the Borrowers is not less than $15,000 prior to and after giving effect to such acquisition; and (c) the aggregate consideration for the acquisition does not exceed: (i) $50,000 per acquisition, so long as the Gross Leverage Ratio (as defined in the Credit Agreement) is less than or equal to 2.75 after giving effect to such acquisition; or (ii) $75,000 per acquisition, so long as the Gross Leverage Ratio is less than or equal to 1.75 after giving effect to such acquisition.

Other restrictions exist at all times including, but not limited to, limitations on the Company's sale of assets and the incurrence by either the Borrowers or the non-borrower subsidiaries of the Company of other indebtedness, guarantees, and liens.

As of March 31, 2022, the Company was in compliance with the covenants in the Credit Agreement, as amended. As of March 31, 2022, the Company had outstanding letters of credit of approximately $636 and had net available borrowing capacity of $93,868, subject to covenant restrictions. The maturity date of the facility is August 13, 2026.

Note 10. Earnings Per Common Share

(Share amounts in thousands)

The following table sets forth the computation of basic and diluted loss per common share for the periods indicated:

	Three Months Ended March 31,	
	2022	2021
Numerator for basic and diluted loss per common share:		
Net loss	$ (1,586)	$ (1,270)
Denominator:		
Weighted average shares outstanding	10,685	10,583
Denominator for basic loss per common share	10,685	10,583
Effect of dilutive securities:		
Dilutive potential common shares	—	—
Denominator for diluted income (loss) per common share - adjusted weighted average shares outstanding	10,685	10,583
Basic loss per common share	$ (0.15)	$ (0.12)
Diluted loss per common share	$ (0.15)	$ (0.12)

There were 122 and 140 anti-dilutive shares for the three months ended March 31, 2022 and 2021, respectively.

Note 11. Income Taxes

For the three months ended March 31, 2022 and 2021, the Company recorded an income tax benefit of $508 on pretax losses of $2,094 and an income tax benefit of $321 on pre-tax losses of $1,591, respectively, for effective income tax rates of 24.3% and 20.2%, respectively. The Company's effective tax rate for the three months ended March 31, 2022 differs from the federal statutory rate of 21% primarily due to state income taxes, nondeductible expenses, and research tax credits.

Note 12. Stock-Based Compensation

The Company applies the provisions of the FASB's Accounting Standards Codification ("ASC") Topic 718, "Compensation – Stock Compensation," to account for the Company's stock-based compensation. Stock-based compensation cost is measured at the grant date based on the calculated fair value of the award and is recognized over the employees' requisite service periods. The Company recorded stock-based compensation expense related to restricted stock awards and performance share units of $258 and $827 for the three months ended March 31, 2022 and 2021, respectively. As of March 31, 2022, unrecognized compensation expense for unvested awards approximated $4,064. The Company expects to recognize this expense over the upcoming 3.9 years through March 2026.

Shares issued as a result of vested stock-based compensation awards generally will be from previously issued shares that have been reacquired by the Company and held as treasury stock or authorized and previously unissued common stock.

Restricted Stock Awards, Performance Share Units, and Performance-Based Stock Awards

Under the 2006 Omnibus Plan, the Company grants eligible employees restricted stock and performance share units. The forfeitable restricted stock awards granted generally time-vest ratably over a three-year period, unless indicated otherwise by the underlying restricted stock award agreement. Since May 2018, awards of restricted stock have been subject to a minimum one-year vesting period, including those granted to non-employee directors. Performance share units are offered annually under separate three-year long-term incentive programs. Performance share units are subject to forfeiture and will be converted into common stock of the Company based upon the Company's performance relative to performance measures and conversion multiples, as defined in the underlying program. If the Company's estimate of the number of performance share units expected to vest changes in a subsequent accounting period, cumulative compensation expense could increase or decrease. The change will be recognized in the current period for the vested shares and would change future expense over the remaining vesting period.

Since May 1, 2017, non-employee directors have been permitted to defer receipt of annual stock awards and equity elected to be received in lieu of quarterly cash compensation. If so elected, these deferred stock units will be issued as common stock six months after separation from their service on the Board of Directors. Since May 2018, no non-employee directors have elected the option to receive deferred stock units of the Company's common stock in lieu of director cash compensation.

In February 2022, the Compensation Committee approved the 2022 Performance Share Unit Program and the Executive Annual Incentive Compensation Plan (consisting of cash and equity components).

The following table summarizes the restricted stock awards, deferred stock units, and performance share units activity for the three months ended March 31, 2022:

	Restricted Stock	Deferred Stock Units	Performance Share Units	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2021	135,704	74,950	116,571	$ 19.75
Granted	85,472	—	110,600	15.29
Vested	(47,691)	—	(13,095)	18.05
Adjustment for incentive awards expected to vest	—	—	(66,757)	17.02
Cancelled and forfeited	(500)	—	—	18.57
Outstanding as of March 31, 2022	172,985	74,950	147,319	$ 18.17

Note 13. Fair Value Measurements

The Company determines the fair value of assets and liabilities based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. The fair values are based on assumptions that market participants would use when pricing an asset or liability, including assumptions about risk and the risks inherent in valuation techniques and the inputs to valuations. The fair value hierarchy is based on whether the inputs to valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's own assumptions of what market participants would use. The fair value hierarchy includes three levels of inputs that may be used to measure fair value as described below:

Level 1: Quoted market prices in active markets for identical assets or liabilities.
Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.
Level 3: Unobservable inputs that are not corroborated by market data.

The classification of a financial asset or liability within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

Cash equivalents - Included in "Cash and cash equivalents" within the Condensed Consolidated Balance Sheets are investments in non-domestic term deposits. The carrying amounts approximate fair value because of the short maturity of the instruments.

LIBOR-based interest rate swaps - To reduce the impact of interest rate changes on outstanding variable-rate debt, the Company entered into a forward starting LIBOR-based interest rate swaps with notional values totaling $50,000 and $20,000 effective February 2017 and March 2022, respectively. The fair value of the interest rate swaps are based on market-observable forward interest rates and represents the estimated amount that the Company would pay to terminate the agreements. As such, the swap agreements are classified as Level 2 within the fair value hierarchy. As of March 31, 2022 and December 31, 2021, the interest rate swaps were recorded in "Other current assets" when the interest rate swaps' fair market value are in an asset position, and "Other accrued liabilities" when in a liability position within our Consolidated Balance Sheets.

	Fair Value Measurements at Reporting Date				Fair Value Measurements at Reporting Date			
	March 31, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	December 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Term deposits	$ 18	$ 18	$ —	$ —	$ 18	$ 18	$ —	$ —
Interest rate swaps	914	—	914	—	175	—	175	—
Total assets	$ 932	$ 18	$ 914	$ —	$ 193	$ 18	$ 175	$ —
Interest rate swaps	$ —	$ —	$ —	$ —	$ 159	$ —	$ 159	$ —
Total liabilities	$ —	$ —	$ —	$ —	$ 159	$ —	$ 159	$ —

The $20,000 interest rate swaps that become effective March 2022 are accounted for as cash flow hedges and the objective of the hedges is to offset the expected interest variability on payments associated with the interest rate on our debt. The gains and losses related to the interest rate swaps are reclassified from "Accumulated other comprehensive loss" in our Condensed Consolidated Balance Sheets and included in "Interest expense - net" in our Condensed Consolidated Statements of Operations as the interest expense from our debt is recognized.

The Company accounted for the $50,000 of interest rate swaps that became effective February 2017 as cash flow hedges, these interest rate swaps expired February 2022.

For the three months ended March 31, 2022 and 2021, the Company recognized interest expense of $97 and $235, respectively, from interest rate swaps.

In accordance with the provisions of ASC Topic 820, "Fair Value Measurement," the Company measures certain nonfinancial assets and liabilities at fair value, which are recognized and disclosed on a nonrecurring basis.

Note 14. Retirement Plans

Retirement Plans

The Company has three retirement plans that cover its hourly and salaried employees in the United States: one defined benefit plan, which is frozen, and two defined contribution plans. Employees are eligible to participate in the appropriate plan based on employment classification. The Company's contributions to the defined benefit and defined contribution plans are governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Company's policy and investment guidelines applicable to each respective plan. The Company's policy is to contribute at least the minimum in accordance with the funding standards of ERISA.

The Company maintains two defined contribution plans for its employees in Canada, as well as one post-retirement benefit plan. The Company also maintains two defined contribution plans and one defined benefit plan for its employees in the United Kingdom.

United States Defined Benefit Plan

Net periodic pension costs for the United States defined benefit pension plan for the three months ended March 31, 2022 and 2021 were as follows:

	Three Months Ended March 31,	
	2022	2021
Interest cost	$ 49	$ 43
Expected return on plan assets	(66)	(62)
Recognized net actuarial loss	18	25
Net periodic pension cost	$ 1	$ 6

The Company has made contributions to its United States defined benefit pension plan of $115 during the three months ended March 31, 2022 and expects to make total contributions of $460 during 2022.

United Kingdom Defined Benefit Plan

Net periodic pension costs for the United Kingdom defined benefit pension plan for the three months ended March 31, 2022 and 2021 were as follows:

	Three Months Ended March 31,	
	2022	2021
Interest cost	$ 45	$ 28
Expected return on plan assets	(81)	(65)
Amortization of prior service costs and transition amount	6	7
Recognized net actuarial loss	42	83
Net periodic pension cost	$ 12	$ 53

United Kingdom regulations require trustees to adopt a prudent approach to funding required contributions to defined benefit pension plans. For the three months ended March 31, 2022, the Company contributed approximately $82 to the plan. The Company anticipates total contributions of approximately $315 to the United Kingdom pension plan during 2022.

Defined Contribution Plans

The Company sponsors six defined contribution plans for hourly and salaried employees across its domestic and international facilities. The following table summarizes the expense associated with the contributions made to these plans for the periods presented:

	Three Months Ended March 31,	
	2022	2021
United States	$ 305	$ 364
Canada	61	46
United Kingdom	135	119
	$ 501	$ 529

Note 15. Commitments and Contingent Liabilities

Product Liability Claims

The Company is subject to product warranty claims that arise in the ordinary course of its business. For certain manufactured products, the Company maintains a product warranty accrual, which is adjusted on a monthly basis as a percentage of cost of sales. In addition, the product warranty accrual is adjusted periodically based on the identification or resolution of known individual product warranty claims.

The following table sets forth the Company's product warranty accrual:

	Warranty Liability
Balance as of December 31, 2021	$ 1,042
Additions to warranty liability	16
Warranty liability utilized	(299)
Balance as of March 31, 2022	$ 759

Union Pacific Railroad ("UPRR") Concrete Tie Matter

On March 13, 2019, the Company and its subsidiary, CXT Incorporated ("CXT"), entered into a Settlement Agreement (the "Settlement Agreement") with UPRR to resolve the pending litigation in the matter of *Union Pacific Railroad Company v. L.B. Foster Company and CXT Incorporated*, Case No. CI 15-564, in the District Court for Douglas County, Nebraska.

Under the Settlement Agreement, the Company and CXT will pay UPRR the aggregate amount of $50,000 without pre-judgment interest, which began with a $2,000 immediate payment, and with the remaining $48,000 paid in installments over a six-year period commencing on the effective date of the Settlement Agreement through December 2024 pursuant to a Promissory Note. Additionally, commencing in January 2019 and through December 2024, UPRR agreed to purchase and has been purchasing from the Company and its subsidiaries and affiliates, a cumulative total amount of $48,000 of products and services, targeting $8,000 of annual purchases per year beginning March 13, 2019 per letters of intent under the Settlement Agreement. During the third quarter of 2021, in connection with the Company's divestiture of its Piling Products division, the targeted annual purchases per year have been reduced to $6,000 for

2021 through 2024. The Settlement Agreement also includes a mutual release of all claims and liability regarding or relating to all CXT pre-stressed concrete railroad ties with no admission of liability and dismissal of the litigation with prejudice.

The expected payments under the UPRR Settlement Agreement for the remainder of the year ending December 31, 2022 and thereafter are as follows:

Year Ending December 31,	
Remainder of 2022	$ 8,000
2023	8,000
2024	8,000
Total	$ 24,000

Environmental and Legal Proceedings

The Company is subject to national, state, foreign, provincial, and/or local laws and regulations relating to the protection of the environment. The Company's efforts to comply with environmental regulations may have an adverse effect on its future earnings.

On June 5, 2017, a General Notice Letter was received from the United States Environmental Protection Agency ("EPA") indicating that the Company may be a potentially responsible party ("PRP") regarding the Portland Harbor Superfund Site cleanup along with numerous other companies. More than 140 other companies received such a notice. The Company and a predecessor owned and operated a facility near the harbor site for a period prior to 1982. The net present value and undiscounted costs of the selected remedy throughout the harbor site are estimated by the EPA to be approximately $1.1 billion and $1.7 billion, respectively, and the remedial work is expected to take as long as 13 years to complete. These costs may increase given that the remedy will not be initiated or completed for several years. The Company is reviewing the basis for its identification by the EPA and the nature of the historic operations of a Company predecessor near the site. Additionally, the Company executed a PRP agreement which provides for a private allocation process among almost 100 PRPs in a working group whose work is ongoing. On March 26, 2020, the EPA issued a Unilateral Administrative Order to two parties requiring them to perform remedial design work for that portion of the Harbor Superfund Site that includes the area closest to the facility; the Company was not a recipient of this Unilateral Administrative Order. The Company cannot predict the ultimate impact of these proceedings because of the large number of PRPs involved throughout the harbor site, the size and extent of the site, the degree of contamination of various wastes, varying environmental impacts throughout the harbor site, the scarcity of data related to the facility once operated by the Company and a predecessor, potential comparative liability between the allocation parties and regarding non-participants, and the speculative nature of the remediation costs. Based upon information currently available, management does not believe that the Company's alleged PRP status regarding the Portland Harbor Superfund Site or other compliance with the present environmental protection laws will have a material adverse effect on the financial condition, results of operations, cash flows, competitive position, or capital expenditures of the Company. As more information develops and the allocation process is completed, and given the resolution of factors like those described above, an unfavorable resolution could have a material adverse effect.

As of March 31, 2022 and December 31, 2021, the Company maintained environmental reserves approximating $2,507 and $2,519, respectively. The following table sets forth the Company's environmental obligation:

	Environmental liability
Balance as of December 31, 2021	$ 2,519
Environmental obligations utilized	(12)
Balance as of March 31, 2022	$ 2,507

The Company is also subject to other legal proceedings and claims that arise in the ordinary course of its business. Legal actions are subject to inherent uncertainties, and future events could change management's assessment of the probability or estimated amount of potential losses from pending or threatened legal actions. Based on available information, it is the opinion of management that the ultimate resolution of pending or threatened legal actions, both individually and in the aggregate, will not result in losses having a material adverse effect on the Company's financial position or liquidity as of March 31, 2022.

If management believes that, based on available information, it is at least reasonably possible that a material loss (or additional material loss in excess of any accrual) will be incurred in connection with any legal actions, the Company discloses an estimate of the possible loss or range of loss, either individually or in the aggregate, as appropriate, if such an estimate can be made, or discloses that an estimate cannot be made. Based on the Company's assessment as of March 31, 2022, no such disclosures were considered necessary.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

(Dollars in thousands, except share data)

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "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. Many of the forward-looking statements are located in "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A"). 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 Quarterly Report on Form 10-Q 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, 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; volatility in the prices of oil and natural gas and the related impact on the midstream energy markets, which could result in cost mitigation actions, including 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 labor markets, supply chains, and other inflationary costs, 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 ongoing COVID-19 pandemic; environmental matters, including any costs associated with any remediation and monitoring of such matters; 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 recent dispositions of the Piling and IOS Test and Inspection Services businesses and acquisition of the LarKen Precast business 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, which could disrupt our business and may result in misuse or misappropriation of confidential or proprietary information, and could result in the disruption or damage to our systems, increased costs and losses, or an adverse effect to our reputation; the continuing effectiveness of our ongoing 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; geopolitical conditions, including the conflict in Ukraine; 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, 2021, or as updated and/or amended by our other current or periodic filings with the Securities and Exchange Commission.

The forward-looking statements in this report are made as of the date of this report and we assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as required by the federal securities laws.

General Overview and Business Update

L.B. Foster Company is a global solutions provider of engineered, manufactured products and services that builds and supports infrastructure. The Company's innovative engineering and product development solutions address the safety, reliability, and performance needs of its customers' most challenging requirements. The Company maintains locations in North America, South America, Europe, and Asia.

While the Company experienced a year over year decline in overall net sales, results for the quarter ended March 31, 2022 reflect an increase in overall sales when adjusted for the divestiture of the Piling Products division in September 2021. The Company continued to experience inflationary pressures which impacted results. The first quarter has historically been its lowest quarter for sales due to the seasonality for the Company, however, orders and backlog levels for the quarter ended March 31, 2022, are indicative of seasonal increases looking to the second quarter, which has historically been stronger.

Net sales for the first quarter were $98,794, a $17,286, or 14.9%, decrease versus the prior year quarter. The now divested Piling Products division attributed $20,797 of the year over year sales decline. Net sales increased in the Precast Concrete Products segment by $2,332 and Steel Products and Measurement segment, as adjusted to exclude the Piling Products division, by $3,701, which was partially offset by a $2,522 decrease in Rail, Technologies, and Services segment sales.

Gross profit for the three months ended March 31, 2022 was $16,447, a $2,383 decrease, or 12.7%, from the prior year, attributable to all three of the Company's segments. However, the 16.6% consolidated gross profit margin increased by 40 basis points when compared to the prior year quarter, and the Company is generally seeing signs of stability in its margins within the Rail, Technologies, and Services segment, despite continued inflationary pressures experienced. Gross profit decreased in the Rail, Technologies, and Services segment by $277, driven by the $2,522 decrease in sales. Rail, Technologies, and Services gross profit margins increased 40 basis points due to increased sales in its higher margin Global Friction Management and Technology Services and Solutions business units which were partially offset by the lower margin Rail Products business unit. The Precast Concrete Products segment gross profit decreased $44, or 1.8%, despite increased sales volumes. Precast Concrete Products segment gross profit margin was reduced by 330 basis points due to raw material and labor inflation and disruption, coupled with a shortage of engineering services to support production design certifications, and is the segment most significantly impacted by these market conditions. In the Steel Products and Measurement segment, gross profit declined from the prior year by $2,062. This decline was primarily attributable to the sale of the Piling Products division by $1,199 and also due to inflationary pressure, particularly in the Bridge Products division. Steel Products and Measurement gross profit margin was down 220 basis points compared to the prior year. The Company continues to be proactive in executing actions to mitigate inflationary pressures experienced, particularly in the Precast Concrete Products and Steel Products and Measurement segments where margins have been most adversely impacted.

Selling and administrative expenses for the three months ended March 31, 2022 decreased by $728, or 4.0%, from the prior year, primarily driven by decreases in expenses associated with the sale of the Piling Products division. Selling and administrative expenses as a percent of net sales were 17.5% versus 15.5% in the prior year quarter, a 200 basis points increase, due primarily to lower sales volume and increased travel expenses in the first quarter of 2022 versus the first quarter of 2021. Other income - net for the three months ended March 31, 2022 was $563 while Other expense - net was $59 in the prior year quarter, primarily due to $514 in insurance proceeds received in the current year quarter.

The Company's effective income tax rate for the three months ended March 31, 2022 was 24.3%, compared to 20.2% in the prior year quarter. The Company's effective income tax rate for the quarter ended March 31, 2022 differed from the federal statutory rate of 21% primarily due to state income taxes, nondeductible expenses, and research tax credits.

Net loss for the three months ended March 31, 2022 attributable to L.B. Foster Company was $1,566, or $0.15 per diluted share, an increased loss of $308, or $0.03 per diluted share, from the prior year. The loss was primarily driven by lower volume and inflationary pressure, which was partially offset by reductions in selling and administrative expense and insurance proceeds received in the current year quarter.

The Company's consolidated backlog[a] was $244,618 as of December 31, 2021, a decrease of $27,326, or 10.0%, from the prior year, with the divested Piling Products division contributing $32,004 to the year over year decline. The Rail, Technologies, and Services and Precast Concrete Product segments reported a $457 and $6,595 backlog increase versus the prior year quarter, respectively, while the Steel Products and Measurement segment, adjusted for the Piling Products divestiture, reported a decrease of $2,374 versus the prior year quarter. Sequentially, consolidated backlog[a] increased $34,429, or 16.4% from December 31, 2021, with reported increases of $26,345, $3,733, and $4,351 in the Rail, Technologies, and Services, Precast Concrete Products, and Steel Products and Measurement segments, respectively. Order levels[a] for three months ended March 31, 2022, when adjusted for the Piling Products sale, increased by $20,364, or 17.7% from the prior year quarter. The Company anticipates that strong order and backlog levels are indicative of a seasonal activity ramp up when considering its outlook for the second quarter of 2022, historically its strongest quarter.

The current inflationary cost environment is expected to continue to put pressure on margins across our businesses throughout 2022, although the Company has seen signs of stabilization in certain areas of business during the first quarter of 2021. Actions to mitigate these impacts as much as possible are ongoing, and are anticipated to take hold and have a larger impact as 2022 progresses. In addition, the Company continues to take proactive steps to manage disruptions in raw materials, labor, supply chain, service partners, and other lingering COVID-19 related effects in an attempt to mitigate their adverse impact as much as possible. With the federal infrastructure support programs announced in 2020 and 2021, such as the U.S. Infrastructure Investment and Jobs Act passed in November 2021, the Company is maintaining its optimistic outlook regarding longer-term trends in the North American freight and transit markets given supply chain and transportation needs coupled with expected government-subsidized investment. The Company believes that many of its businesses will continue to directly benefit from infrastructure investment activity. Additionally, with the proceeds from the Piling division divestiture, coupled with the additional flexibility and capacity resulting from the amendment and extension of our credit agreement in August 2021, the Company believes that it has significant capacity to pursue organic and acquisitive growth opportunities in 2022 and beyond.

[a] The Company defines new orders as a contractual agreement between the Company and a third-party in which the Company will, or has the ability to, satisfy the performance obligations of the promised products or services under the terms of the agreement. The Company defines backlog as contractual commitments to customers for which the Company's performance obligations have not been met, including with respect to new orders and contracts for which the Company has not begun any performance. Management utilizes new orders and backlog to evaluate the health of the industries in which the Company operates, the Company's current and future results of operations and financial prospects, and strategies for business development. The Company believes that new orders and backlog are useful to investors as supplemental metrics by which to measure the Company's current performance and prospective results of operations and financial performance.

Results of the Quarter

	Three Months Ended March 31,		Percent Increase/(Decrease)	Percent of Total Net Sales Three Months Ended March 31,	
	2022	2021	2022 vs. 2021	2022	2021
Net Sales:					
Rail, Technologies, and Services	$ 63,710	$ 66,232	(3.8 %)	64.5 %	57.1 %
Precast Concrete Products	15,010	12,678	18.4	15.2	10.9
Steel Products and Measurement	20,074	37,170	(46.0)	20.3	32.0
Total net sales	$ 98,794	$ 116,080	(14.9 %)	100.0 %	100.0 %

	Three Months Ended March 31,		Percent Increase/(Decrease)	Gross Profit Percentage Three Months Ended March 31,	
	2022	2021	2022 vs. 2021	2022	2021
Gross Profit:					
Rail, Technologies, and Services	$ 12,528	$ 12,805	(2.2 %)	19.7 %	19.3 %
Precast Concrete Products	2,445	2,489	(1.8)	16.3	19.6
Steel Products and Measurement	1,474	3,536	(58.3)	7.3	9.5
Total gross profit	$ 16,447	$ 18,830	(12.7 %)	16.6 %	16.2 %

	Three Months Ended March 31,		Percent Increase/(Decrease)	Percent of Total Net Sales Three Months Ended March 31,	
	2022	2021	2022 vs. 2021	2022	2021
Expenses:					
Selling and administrative expenses	$ 17,298	$ 18,026	(4.0 %)	17.5 %	15.5 %
Amortization expense	1,436	1,465	(2.0)	1.5	1.3
Operating loss	(2,287)	(661)	246.0	(2.3)	(0.6)
Interest expense - net	370	871	(57.5)	0.4	0.8
Other (income) expense - net	(563)	59	**	(0.6)	0.1
Loss before income taxes	(2,094)	(1,591)	31.6	(2.1)	(1.4)
Income tax benefit	(508)	(321)	58.3	(0.5)	(0.3)
Net loss	$ (1,586)	$ (1,270)	24.9 %	(1.6 %)	(1.1 %)
Net loss attributable to noncontrolling interest	(20)	(12)	**	(0.0)	(0.0)
Net loss attributable to L.B. Foster Company	$ (1,566)	$ (1,258)	24.5 %	(1.6 %)	(1.1 %)

*** Results of the calculation are not considered meaningful for presentation purposes.*

Rail, Technologies, and Services

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021	(Decrease)/Increase 2022 vs. 2021	Percent (Decrease)/Increase 2022 vs. 2021
Net sales	$ 63,710	$ 66,232	$ (2,522)	(3.8 %)
Gross profit	$ 12,528	$ 12,805	$ (277)	(2.2 %)
Gross profit percentage	19.7 %	19.3 %	0.4 %	1.7 %
Segment operating profit	$ 1,039	$ 2,225	$ (1,186)	(53.3 %)
Segment operating profit percentage	1.6 %	3.4 %	(1.8 %)	(52.9 %)

First Quarter 2022 Compared to First Quarter 2021

The Rail, Technologies, and Services segment sales for the three months ended March 31, 2022 decreased by $2,522, or 3.8%, compared to the prior year quarter. The decrease in sales was driven by the Rail Products business unit, which declined by $3,938, or 9.0%, offsetting modest sales increases in both the Global Friction Management and Technology Services and Solutions business units. The decrease in the Rail Products business unit was driven by decreased volumes and the timing of shipments versus the prior year quarter. The sales increase in the Global Friction Management business unit is due to strength in domestic markets served as well as increased sales in the United Kingdom, while Technology Services sales drove the increase in the Technology Services and Solutions business unit.

The Rail, Technologies, and Services segment gross profit decreased by $277, or 2.2%, from the prior year quarter. The decrease was driven by overall lower sales volumes. However, segment gross profit margins increased by 40 basis points as a result of stronger sales in the higher margin Global Friction Management and Technology Services and Solutions business units, versus the lower-margin Rail Products businesses. Operating profit was $1,039, a $1,186 decrease over the prior year quarter, due in part to lower overall gross profit levels and increases in selling and administrative expenses.

During the current quarter, the Rail, Technologies, and Services segment had an increase in new orders of 33.1% compared to the prior year period, driven by improvements in all business units. Backlog as of March 31, 2022 was nearly flat versus March 31, 2021 at $122,918, an increase of $457, or 0.4%. Backlog remains strong, and was above pre-pandemic levels as of March 31, 2022.

Precast Concrete Products

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021	Increase/(Decrease) 2022 vs. 2021	Percent Increase/(Decrease) 2022 vs. 2021
Net sales	$ 15,010	$ 12,678	$ 2,332	18.4 %
Gross profit	$ 2,445	$ 2,489	$ (44)	(1.8 %)
Gross profit percentage	16.3 %	19.6 %	(3.3 %)	(17.0 %)
Segment operating loss	$ (791)	$ (112)	$ (679)	(606.3 %)
Segment operating loss percentage	(5.3)%	(0.9 %)	(4.4 %)	(498.1 %)

First Quarter 2022 Compared to First Quarter 2021

The Precast Concrete Products segment sales for the three months ended March 31, 2022 increased by $2,332, or 18.4%, compared to the prior year quarter, which is a continued reflection of the strong demand environment in the southern United States market served.

Precast Concrete Products gross profit decreased by $44, or 1.8%, from the prior year quarter. The decline was attributable to continued inflationary pressures experienced in the business unit, and, to a lesser extent, manufacturing inefficiencies due to supply chain disruption. Segment gross profit margin declined by 330 bps for the first quarter of 2022 when compared to the prior year quarter is principally attributable to continued higher raw material and labor costs, coupled with production disruptions. Operating loss for the first quarter of 2022 increased by $679 when compared to the prior year quarter, due in part to margin degradation and increases in selling and administrative costs.

During the quarter, the Precast Concrete Products segment had a decrease in new orders of 37.8% compared to the prior year quarter; however, order levels remained consistent with those of recent quarters. Backlog as of March 31, 2022 was $72,369, an increase of $6,595, or 10.0%, from March 31, 2021, nearing double pre-pandemic levels.

Steel Products and Measurement

	Three Months Ended March 31,		Decrease	Percent Decrease
	2022	2021	2022 vs. 2021	2022 vs. 2021
Net sales	$ 20,074	$ 37,170	$ (17,096)	(46.0)%
Gross profit	$ 1,474	$ 3,536	$ (2,062)	(58.3)%
Gross profit percentage	7.3 %	9.5 %	(2.2)%	(22.8)%
Segment operating loss	$ (2,148)	$ (928)	$ (1,220)	(131.5)%
Segment operating loss percentage	(10.7)%	(2.5)%	(8.2)%	(328.4)%

First Quarter 2022 Compared to First Quarter 2021

The Steel Products and Measurement segment sales for the three months ended March 31, 2022 decreased by $17,096, or 46.0%, compared to the prior year quarter. The decrease in sales for the first quarter of 2022 was attributable to the $20,797 decline in year over year sales from the Piling Products division, which was divested September 2021. The decline was partially offset by increases in Fabricated Steel Products, excluding the divested Piling Products division, of $2,008 and Coatings and Measurement of $1,693.

Steel Products and Measurement gross profit decreased by $2,062, or 58.3%, from the prior year quarter. The gross profit margin declined 220 basis points to 7.3%, as a result of higher raw material costs for bridge products and unfavorable manufacturing efficiencies in Coatings and Measurement business unit. The segment loss was $2,148, an increased loss of $1,220 from the prior year quarter. Selling and administrative expenses incurred by the segment decreased by $895 compared to the prior year quarter, primarily attributable to the Piling Products divestiture.

During the quarter, the Steel Products and Measurement segment new orders decreased by $11,288, or 31.2% compared to the prior year quarter, driven by a $20,575 decline from the divested Piling Products division. This decrease was partially offset by improvements in both Fabricated Steel Products, excluding the divested Piling Products division, and Coatings and Measurement. Backlog as of March 31, 2022 was $49,331, a decrease of $34,378, or 41.1%, from March 31, 2021 driven primarily by Fabricated Steel Products, with the decrease in backlog primarily related to the divested Piling Products division representing $32,004 of the decrease. The decline was partially offset by an 57.6% increase in Coatings and Measurement backlog compared to March 31, 2021.

Other

Segment Backlog

Total Company backlog is summarized by business segment in the following table for the periods indicated:

	March 31, 2022	December 31, 2021	March 31, 2021
Rail, Technologies, and Services	$ 122,918	$ 96,573	$ 122,461
Precast Concrete Products	72,369	68,636	65,774
Steel Products and Measurement	49,331	44,980	83,709
Total backlog	$ 244,618	$ 210,189	$ 271,944

The backlog for Steel Products and Measurement includes $32,004 related to the divested Piling Products division as of March 31, 2021 in the above table.

The Company’s backlog represents the sales price of received customer purchase orders and any contracts for which the performance obligations have not been met, and therefore are precluded from revenue recognition. Although the Company believes that the orders included in backlog are firm, customers may cancel or change their orders with limited advance notice; however, these instances have been rare. Backlog should not be considered a reliable indicator of the Company’s ability to achieve any particular level of revenue or financial performance. While a considerable portion of the Company’s business is backlog-driven, certain product lines within the Company are not driven by backlog as the orders are fulfilled shortly after they are received.

Liquidity and Capital Resources

The Company’s principal sources of liquidity are its existing cash and cash equivalents, cash generated by operations, and the available capacity under the revolving credit facility, which provides for a total commitment of up to $130,000. The Company’s primary needs for liquidity relate to working capital requirements for operations, capital expenditures, debt service obligations, and payments related to the Union Pacific Railroad Settlement. The Company’s total debt was $35,611 and $31,251 as of March 31, 2022 and December 31, 2021, respectively, and was primarily comprised of borrowings under its revolving credit facility.

The following table reflects available funding capacity, subject to covenant restrictions, as of March 31, 2022:

		March 31, 2022
Cash and cash equivalents		$ 6,239
Credit agreement:		
Total availability under the credit agreement	130,000	
Outstanding borrowings on revolving credit facility	(35,496)	
Letters of credit outstanding	(636)	
Net availability under the revolving credit facility		93,868
Total available funding capacity		$ 100,107

The Company’s cash flows are impacted from period to period by fluctuations in working capital. While the Company places an emphasis on working capital management in its operations, factors such as its contract mix, commercial terms, customer payment patterns, and market conditions as well as seasonality may impact its working capital. The Company regularly assesses its receivables and contract assets for collectability, and provides allowances for credit losses where appropriate. The Company believes that its reserves for credit losses are appropriate as of March 31, 2022, but adverse changes in the economic environment and adverse financial conditions of its customers resulting from, among other things, the COVID-19 pandemic, may impact certain of its customers’ ability to access capital and pay the Company for its products and services, as well as impact demand for its products and services.

The changes in cash and cash equivalents for the three months ended March 31, 2022 and 2021 were as follows:

	Three Months Ended March 31,	
	2022	2021
Net cash (used in) provided by continuing operating activities	$ (7,636)	$ 7,614
Net cash used in continuing investing activities	(539)	(1,327)
Net cash provided by (used in) continuing financing activities	4,012	(8,446)
Effect of exchange rate changes on cash and cash equivalents	30	(206)
Net cash used in discontinued operations	—	(184)
Net decrease in cash and cash equivalents	$ (4,133)	$ (2,549)

Cash Flow from Operating Activities

During the three months ended March 31, 2022, cash flows used in operating activities were $7,636, compared to cash flows provided by continuing operating activities of $7,614 during the prior year to date period. For the three months ended March 31, 2022, the net loss and adjustments to net loss from continuing operating activities provided $1,408, compared to $2,310 in the 2021 period. Working capital and other assets and liabilities used $9,044 in the current period, compared to providing $5,304 in the prior year period.

The Company’s calculation for days sales outstanding at March 31, 2022 and December 31, 2021 was 46 and 45 days, respectively, and the Company believes it has a high quality receivables portfolio.

Cash Flow from Investing Activities

Capital expenditures for the three months ended March 31, 2022 and 2021 were $1,764 and $1,327, respectively. The current period expenditures primarily relate to the implementation of the enterprise resource planning system at additional Company divisions and general plant and operational improvements throughout the Company. Expenditures for the three months ended March 31, 2021 primarily relate to the expansion of the Precast Concrete Products business line in Texas.

Cash Flow from Financing Activities

During the three months ended March 31, 2022 and 2021, the Company had an increase in outstanding debt of $4,409 and decrease of $8,295, respectively. The increase in debt for the three months ended March 31, 2022 was the result of funding working capital and other assets and liabilities, while the decrease in 2021 was primarily attributable to the utilization of excess cash generated through operating activities. Treasury stock acquisitions of $397 and $547 for the three months ended March 31, 2022 and 2021, respectively, represent stock repurchases from employees to satisfy their income tax withholdings in connection with the vesting of stock awards.

Financial Condition

As of March 31, 2022, the Company had $6,239 in cash and cash equivalents. The Company's cash management priority continues to be short-term maturities and the preservation of its principal balances. As of March 31, 2022, approximately $5,931 of the Company's cash and cash equivalents were held in non-domestic bank accounts. The Company principally maintains its cash and cash equivalents in accounts held by major banks and financial institutions.

The Company's principal uses of cash in recent years have been to fund its operations, including capital expenditures, and to service its indebtedness. The Company views its liquidity as being dependent on its results of operations, changes in working capital needs, and its borrowing capacity. As of March 31, 2022, its revolving credit facility had $93,868 of net availability, while the Company had $35,611 in total debt. The Company's current ratio as of March 31, 2022 and December 31, 2021 was 2.08.

On August 13, 2021, the Company entered into the Credit Agreement, which increased the total commitments under the revolving credit facility to $130,000 from $115,000, extends the maturity from April 30, 2024 to August 13, 2026, and provides more favorable covenant terms. Borrowings under the Credit Agreement bear interest rates based upon either the base rate or LIBOR rate plus applicable margins. The Company believes that the combination of its cash and cash equivalents, cash generated from operations, and the capacity under its revolving credit facility should provide the Company with sufficient liquidity to provide the flexibility to operate the business in a prudent manner and enable the Company to continue to service its outstanding debt. For a discussion of the terms and availability of the credit facilities, please refer to Note 9 of the Notes to Condensed Consolidated Financial Statements contained in this Quarterly Report on Form 10-Q.

To reduce the impact of interest rate changes on outstanding variable-rate debt, the Company entered into forward starting LIBOR-based interest rate swaps with notional values totaling $50,000 and $20,000, effective February 1, 2017 and March 1, 2022, respectively, at which point they effectively converted a portion of the debt from variable to fixed-rate borrowings during the term of the swap contract. During 2020, the Company dedesignated its cash flow hedges and accounted for the $50,000 tranche of interest rate swaps on a mark-to-market basis with changes in fair value recorded in current period earnings. During February 2022, the $50,000 tranche of interest rate swaps expired. As of March 31, 2022 the swap asset was $914 and as of December 31, 2021 the swap asset and liability were $175 and $159, respectively.

Critical Accounting Policies

The Condensed Consolidated Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States. When more than one accounting principle, or method of its application, is generally accepted, management selects the principle or method that, in its opinion, is appropriate in the Company's specific circumstances. Application of these accounting principles requires management to reach opinions regarding estimates about the future resolution of existing uncertainties. As a result, actual results could differ from these estimates. In preparing these financial statements, management has reached its opinions regarding the best estimates and judgments of the amounts and disclosures included in the financial statements giving due regard to materiality. A summary of the Company's critical accounting policies and estimates is included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies and Estimates in the Company's Annual Report on Form 10-K for the year ended December 31, 2021.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

This item is not applicable to a smaller reporting company.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

L.B. Foster Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of March 31, 2022. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of such date such that the information required to be disclosed by the Company in reports filed under the Exchange Act is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to management, including the chief executive officer, chief financial officer, or person performing such functions, as appropriate to allow timely decisions regarding disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes to our "internal control over financial reporting" (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the three months ended March 31, 2022, and that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

PART II. OTHER INFORMATION

(Dollars in thousands, except share data)

Item 1. Legal Proceedings

See Note 15 of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q, which is incorporated herein by reference.

Item 1A. Risk Factors

This item is not applicable to a smaller reporting company.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The Company's purchases of equity securities for the three months ended March 31, 2022 were as follows:

	Total number of shares purchased (1)	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs
January 1, 2022 - January 31, 2022	—	$ —	—	$ —
February 1, 2022 - February 28, 2022	21,589	15.16	—	—
March 1, 2022 - March 31, 2022	4,757	14.72	—	—
Total	26,346	$ 15.08	—	$ —

1. Reflects shares withheld by the Company to pay taxes upon vesting of restricted stock.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

This item is not applicable to the Company.

Item 5. Other Information

None.

Item 6. Exhibits

See Exhibit Index below.

Exhibit Index

Exhibit Number	Description
*10.1	2022 Executive Annual Incentive Plan.
*10.2	Form of Restricted Stock Award Agreement (2022).
*10.3	Form of Performance Share Unit Award Agreement and Long Term Incentive Performance Share Unit Program (2022-2024).
*31.1	Certification of Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002.
*31.2	Certification of Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002.
*32.0	Certification of Chief Executive Officer and Chief Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002.
*101.INS	XBRL Instance Document-the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
*101.SCH	XBRL Taxonomy Extension Schema Document.
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
*101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
*101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
*104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* Exhibits marked with an asterisk are filed herewith.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

L.B. FOSTER COMPANY
(Registrant)

Date: **May 10, 2022**

By: /s/ William M. Thalman
William M. Thalman
Senior Vice President
and Chief Financial Officer
(Duly Authorized Officer of Registrant)

L. B. FOSTER COMPANY
ANNUAL EXECUTIVE INCENTIVE COMPENSATION PROGRAM
2022

The purpose of this document is to establish in writing the performance goals and other terms applicable to cash financial performance awards for each fiscal year of the Company which constitutes a Performance Period (the "Program") as authorized under the L.B. Foster Company Executive Annual Incentive Compensation Plan ("ExIP").

I. **DEFINITIONS**

a. Defined terms used but not defined herein shall have the meanings ascribed to them in the Executive Incentive Plan master document under which each annual Program is established.

II. TERMS AND CONDITIONS

a. Unless otherwise determined by the Compensation Committee, the Performance Period shall be one calendar year.

b. Each Participant shall receive a cash award in an amount equal to Participant's base compensation multiplied by a target percentage established by the Committee based upon the position held by the Participant as approved by the Compensation Committee and set forth on Exhibit A, on file with the Committee (the "Target Percentage") (an "Award"). The amount of any Award earned and payable is calculated with reference to the percentage achievement of certain Performance Measures established by the Committee and as described below.

c. Participant's base compensation shall be the Participant's salary on March 1 of the applicable Performance Period, rounded to the nearest whole dollar.

d. Participants in the Program are listed on Exhibit A on file with the Committee, which identifies each Participant's title and Company operating unit, and Target Percentage for the applicable Performance Period.

e. A Participant's right, if any, to receive payout of an Award, if earned, shall be contingent upon Participant having executed a Confidentiality, Intellectual Property and Non-Compete Agreement in a form satisfactory to the Committee. Further, in order to receive any payout of an Award, the Participant must have begun employment with the Company by October 1 of the Program's Performance Period.

f. In the event a Participant changes from one position to another position or is promoted into one of the positions approved by the Committee during the Performance Period, the Target Percentage and base compensation for such Participant shall be pro-rated as applicable to each position held during the Performance Period, and such Award will be determined on the pro-rated basis based on the number of full months employed during the Performance Period.

g. In order to be eligible to receive any payout of an Award, if earned, a Participant must be actively employed by the Company on the date the Award is paid. In no event is a Participant entitled to any pro-rata payment of an Award under the terms of this Program, except to the extent the Board has approved a Participant's retirement or termination from the Company, in which case the Committee may provide a pro-rata payment based on the Participant's active employment before the Board-approved retirement or termination.

III. CALCULATING PAYOUT OF AWARDS

The payout of Awards shall be calculated as set forth below:

a. A Participant's Award shall be determined and allocated by multiplying the Award by the Company's adjusted level of attainment of the financial Performance Measures identified below, weighted as shown below, as well as discretionary consideration by the Board of Directors, as indicated.

	Performance Measure	CEO, CFO; CGO SVP, HR & Admin; SVP & General Counsel; and Controller & CAO	Executive SVPs or VPs Responsible for Operating Unit(s)
Financial Performance Awards	Operating Unit Adjusted EBITDA	--	50%
	Gross Margin %	30%	30%
	Corporate Adjusted EBITDA	70%	20%
Discretionary Component	Achievement of the Corporate Strategy (based on Playbook)	Up to 20% modifier (+/-)	Up to 20% modifier (+/-)

b. The amount of an Award payout shall be calculated and adjusted upward or downward based on the level of attainment of the above Performance Measures, Adjusted EBITDA and Gross Margin % (Corporate and Operating Unit), utilizing the percentage multipliers as set forth in the tables below. Achievement of the financial measures shall be capped at 170%, and the discretionary impact will be based on execution of the strategic plan and applied as described in Section IIIc. Straight-line interpolation will be used to determine the achievement between each level.

Adjusted EBITDA Multiplier [1]

Corporate Target Adjusted EBITDA	Multiplier
$27,000,000 and over	200%
$21,000,000	100%
$19,000,000	50%
Less than $19,000,000	0%

Gross Margin % Multiplier [1]

Corporate Target Gross Margin %	Multiplier
19.4%	200%
18.7%	100%
18.0%	50%
Less than 18.0%	0%

[1] *Business Unit Targets and Multiplier Tables are shown on Exhibit A, on file with the Committee*

c. The Discretionary Component of the award shall be based on consideration by the Board of Directors of the Company's progress on the seven (7) item Playbook and Corporate Goals of the Corporate Strategy. The Board will assess management's performance and apply a multiplier of up to 20%, adjusting the financial achievement award upward or downward. Any upward adjustment shall be capped at a 200% payout maximum.

d. Definitions of the Performance Measures and possible financial adjustments are noted on Schedule 1.0 attached hereto.

III. <u>RECOUPMENT</u>
All Awards granted hereunder are made subject to the L.B. Foster Executive Recoupment Policy which is incorporated herein by reference (the "Policy.") The Policy provides for the clawback by the Company and repayment by the Participant of cash awards paid hereunder in the event of an accounting restatement applicable to any financial reporting period within the Performance Period due to material noncompliance of the Company with any financial reporting requirement under the securities or other applicable laws.

IV. <u>COMPENSATION COMMITTEE</u>
As set forth in the ExIP document, the Compensation Committee retains all rights and discretion to modify, eliminate, or replace the ExIP and the Program at any time. The Committee will interpret and apply the ExIP and this Program at its discretion, and may adjust financial Performance Measures, weighting, and/or multipliers as it deems appropriate in its sole discretion, or increase, decrease, or eliminate any Award or payout hereunder. All determinations with respect to any Award shall be made by the Committee and shall be final, conclusive and binding on the Company, the Participant and any and all interested parties.

The undersigned Chairman of the Compensation Committee hereby certifies, on behalf of the Committee, that the performance goals and other material terms applicable have been determined and approved at the Committee meeting held in February of the
Program's Performance Period.

____
Robert S. Purgason
Chairman, Compensation Committee

____
Date

Schedule 1.0

PERFORMANCE MEASURES AND ADJUSTMENTS

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA): shall mean with respect to the Company or an Operating Unit, for the Fiscal Year (a) income from continuing operations; (b) plus income tax expense; (c) plus interest expense; (d) minus interest income; (e) plus depreciation expense; and (f) plus amortization expense; (g) plus and minus the adjustments below.

Gross Margin %: shall mean with respect to the Company or an Operating Unit, for the Fiscal Year: (a) gross profit; divided by (b) total net sales; plus or minus the adjustments below.

The following adjustments are guidelines subject to board approval.

Adjustment Description **Unplanned reductions or add-backs to results for gains and losses**	Adjusted EBITDA	Gross Margin %
Effects of changes in accounting or tax law	X	X
Divestitures of properties, businesses, investments, equity in affiliates or held for sale as discontinued operations	X	X
Costs of an acquisition or potential acquisition, purchase accounting and operating results of an acquisition completed during the year	X	X
Any significant or non-recurring item(s) (these items include, but are not limited to a restructuring, long-lived asset impairment, warranty costs, product liability, legal settlement, environmental charges) that in total exceed $200,000 in EBITDA (favorable or unfavorable)	X	X
The impact on any Operating Unit attributable to any administrative intercompany charges related to transfer pricing compliance where the consolidated impact is zero.	X	X
The accrual for the Strategy Transformation Plan (STP) will be added back to actual results for calculation of the performance payout.	X	X

RESTRICTED STOCK AGREEMENT
(EXECUTIVE)
(Section 5.1 Of The Omnibus Incentive Plan, as Amended and Restated)

This Restricted Stock Agreement set forth below (this "***Agreement***") is dated as of ___________ (the "***Issue Date***") and is between L. B. Foster Company, a Pennsylvania corporation ("***Company***"), and ________________ (the "***Stockholder***").

The Company has established its 2006 Omnibus Incentive Plan, as Amended and Restated (the "***Plan***"), to advance the interests of the Company and its stockholders by providing incentives to certain eligible persons who contribute significantly to the strategic and long-term performance objectives and growth of the Company. All capitalized terms not otherwise defined in this Agreement have the same meaning given them in the Plan.

Pursuant to the provisions of the Plan, the Committee has full power and authority to direct the execution and delivery of this Agreement in the name and on behalf of the Company and has authorized the execution and delivery of this Agreement.

AGREEMENT

The parties, intending to be legally bound hereby, agree as follows:

Section 1. ***Issuance of Stock.*** Subject and pursuant to all terms and conditions stated in this Agreement and in the Plan, as of the Issue Date the Company hereby grants to **Stockholder ________** shares of Company Common Stock, par value $0.01 per share (the "***Common Stock***") pursuant to Article V of the Plan. For purposes of this Agreement, the "***Shares***" shall include all of the shares of Common Stock issued to Stockholder pursuant to this Agreement or issued with respect to such shares of Common Stock, including, but not limited to, shares of Company capital stock issued by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization.

Section 2. ***Vesting; Rights; Obligations; and Restrictions on Transfer.***

(a) None of the Shares may be sold, transferred, pledged, hypothecated or otherwise encumbered or disposed of until they have vested in accordance with the terms of this Section 2. Except as set forth in this Section 2, effective at the close of business on the date Stockholder ceases to be employed by the Company or an affiliate of the Company, any Shares that are not vested in accordance with this Section 2, and any dividends accrued pursuant to Section 2(c) below, shall be automatically forfeited without any further obligation on the part of the Company. Stockholder hereby assigns and transfers any forfeited Shares and the stock certificate(s) or other evidence of ownership representing such Shares to the Company.

(b) **All of the Shares will vest 33 1/3% on each of the first, second, and third anniversaries.** However, if a Change of Control occurs prior to the end of the full vesting period and (i) Stockholder experiences an involuntary Separation from Service by the Company other than (A) a Termination for Cause, (B) death, or (C) Disability, or the Stockholder terminates for Good Reason (as defined below) within the 90-day period immediately preceding a Change of Control, or on or within the two-year period immediately following a Change of Control, or (ii) the acquiring entity in a Change of Control does not assume this Agreement and convert the Shares into a substantially comparable award of capital stock or other equity incentive instrument in such acquiring entity as determined by the Board of Directors, any unvested Shares shall immediately vest. Vesting shall be tolled during any period in which Stockholder is on an approved leave of absence from employment with the Company or an affiliate of the Company.

(c) Subject to the foregoing provisions of this Section 2 and the provisions of the Plan, Stockholder shall have all rights of a shareholder with respect to the Shares, including the right to vote the Shares and to receive dividends, *provided*, *however*, that until such time as the Shares, or portion thereof, shall have vested, the Company shall accrue on its books and records for the benefit of the Stockholder an amount equal to the dividend payment that would otherwise have been received on the Shares but for this agreement to accrue the dividend payments. Dividends accrued for the benefit of the Stockholder shall be payable as the Shares vest with payment to be made by the Company, or its agent, within ten (10) business days after vesting. For purposes of clarity, if this Agreement provides that only a portion of the Shares vest on a given date, accrued dividends shall only be payable on that portion of Shares vesting and not on any Shares that remain unvested.

(d) For purposes of this Agreement, "Good Reason" means the Stockholder's Separation from Service as a result of the occurrence, without the Stockholder's written consent, of one of the following events:

(i) A material reduction in the Stockholder's annual base salary (unless such reduction relates to an across-the-board reduction similarly affecting Stockholder and all or substantially all other executives of the Company and its affiliates);

(ii) The Company (or the Subsidiary employing Stockholder) makes or causes to be made a material adverse change in the Stockholder's position, authority, duties or responsibilities which results in a significant diminution in the Stockholder's position, authority, duties or responsibilities, excluding any change made in connection with (A) a reassignment to a New Job Position (as defined herein), or (B) a termination of Stockholder's employment with the Company for Disability, Termination for Cause, death, or temporarily as a result of Participant's incapacity or other absence for an extended period; (For purposes of this Agreement, "New Job Position" means a change in the Stockholder's position, authority, duties or responsibilities with the Company or any affiliate due to the Stockholder's demonstrated inadequate or unsatisfactory performance, provided the Stockholder had been notified of such inadequate performance and had been given at least 30 days to cure such inadequate performance.)

(iii) A relocation of the Company's principal place of business, or of Stockholder's own office as assigned to Stockholder by the Company or the Subsidiary employing Stockholder to a location that increases Stockholder's normal work commute by more than 50 miles; or

(iv) Any other action by the Company or the Subsidiary employing Stockholder that constitutes a material breach of the employment agreement, if any, under which Stockholder's services are to be performed.

In order for Stockholder to terminate for Good Reason, (A) the Company must be notified by Stockholder in writing within 90 days of the event constituting Good Reason, (B) the event must remain uncorrected by the Company for 30 days following such notice (the "Notice Period"), and (C) such termination must occur within 60 days after the expiration of the Notice Period.

(e) The certificates, if any, representing unvested Shares will bear the following or similar legend:

"The securities represented by this certificate are subject to forfeiture and restrictions on transfer as set forth in the Restricted Stock Agreement between the issuer and the initial holder of these shares. A copy of that document may be obtained by the holder without charge at the issuer's principal place of business or upon written request."

Section 3. ***Investment Representation.*** Stockholder hereby acknowledges that the Shares cannot be sold, transferred, assigned, pledged or hypothecated in the absence of an effective registration statement for the shares under the Securities Act of 1933, as amended (the "***Securities Act***"), and applicable state securities laws or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws or as otherwise provided herein or in the Plan. Stockholder also agrees that the Shares which Stockholder acquires pursuant to this Agreement will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable securities laws, whether federal or state.

Section 4. ***Book Entry Account***. At the discretion of the Company, certificates for the shares may not be issued. In lieu of certificates, the Company may establish a book entry account for the Shares, until vested, in the name of the Stockholder with the Company's transfer agent for its Common Stock.

Section 5. ***Income Taxes***. Stockholder acknowledges that any income for federal, state or local income tax purposes that Stockholder is required to recognize on account of the issuance of the Shares to Stockholder shall be subject to withholding of tax by the Company. In in order to satisfy Stockholder's statutory withholding tax obligations, if any, on account of the vesting of Shares hereunder, the Company shall withhold a number of vested Shares issued hereunder equal to the applicable statutory withholding tax obligation for such Stockholder. Stockholder agrees further to notify the Company promptly if Stockholder files an election pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended (the "***Code***"), with respect to any Shares.

Section 6. ***No Right to Employment.*** Neither the Plan nor this Agreement shall be deemed to give Stockholder any right to continue to be employed by the Company, nor shall the Plan or the Agreement be deemed to limit in any way the Company's right to terminate the employment of the Stockholder at any time.

Section 7. ***Further Assistance.*** Stockholder will provide assistance reasonably requested by the Company in connection with actions taken by Stockholder while employed by the Company, including but not limited to assistance in connection with any lawsuits or other claims against the Company arising from events during the period in which Stockholder was employed by the Company.

Section 8. ***Binding Effect; No Third Party Beneficiaries.*** This Agreement shall be binding upon and inure to the benefit of the Company and Stockholder and their respective heirs, representatives, successors and permitted assigns. This Agreement shall not confer any rights or remedies upon any person other than the Company and the Stockholder and their respective heirs, representatives, successors and permitted assigns. The parties agree that this Agreement shall survive the issuance of the Shares.

Section 9. ***Agreement to Abide by Plan; Conflict between Plan and Agreement.*** The Plan is hereby incorporated by reference into this Agreement and is made a part hereof as though fully set forth in this Agreement. Stockholder, by execution of this Agreement, represents that he or she is familiar with the terms and provisions of the Plan and agrees to abide by all of the terms and conditions of this Agreement and the Plan. Stockholder accepts as binding, conclusive and final all decisions or interpretations of the Committee upon any question arising under the Plan or this Agreement (including, without limitation, the date of any termination of Stockholder's employment with the Company). In the event of any conflict between the Plan and this Agreement, the Plan shall control and this Agreement shall be deemed to be modified accordingly, except to the extent that the Plan gives the Committee the express authority to vary the terms of the Plan by means of this Agreement, in which case this Agreement shall govern.

Section 10. ***Entire Agreement.*** Except as otherwise provided herein, this Agreement and the Plan, which Stockholder has reviewed and accepted in connection with the grant of the Shares reflected by this Agreement, constitute the entire agreement between the parties and supersede any prior understandings, agreements, or representations by or between the parties, written or oral, to the extent they related in any way to the subject matter of this Agreement.

Section 11. ***Choice of Law.*** To the extent not superseded by federal law, the laws of the Commonwealth of Pennsylvania (without regard to the conflicts laws thereof) shall control in all matters relating to this Agreement and any action relating to this Agreement must be brought in State or Federal Courts located in the Commonwealth of Pennsylvania.

Section 12. *Notice*. All notices, requests, demands, claims, and other communications under this Agreement shall be in writing. Any notice, request, demand, claim, or other communication under this Agreement shall be deemed duly given if (and then two business days after) it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient at the following address: If to the Company, L. B. Foster Company, 415 Holiday Drive, Suite 100, Pittsburgh, PA 15220, Attn: Secretary; and if to the Stockholder, to his or her address as it appears on the Company's records. Either party to this Agreement may send any notice, request, demand, claim, or other communication under this Agreement to the intended recipient at such address using any other means (including personal delivery, expedited courier, messenger service, telecopy, ordinary mail, or electronic mail), but no such notice, request, demand, claim, or other communication shall be deemed to have been duly given unless and until it actually is received by the intended recipient. Either party to this Agreement may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other party notice in the manner set forth in this section.

Section 13. ***Counterparts.*** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

Section 14. ***Amendments.*** This Agreement may be amended or modified at any time by an instrument in writing signed by the parties hereto, or as otherwise provided under the Plan. Notwithstanding, the Company may, in its sole discretion and without the Stockholder's consent, modify or amend the terms of this Agreement, impose conditions on the timing and effectiveness of the issuance of the Shares, or take any other action it deems necessary or advisable, to cause this Award to be excepted from Section 409A of the Code (or to comply therewith to the extent the Company determines it is not excepted).

Section 15. ***Acknowledgments.***

(a) By accepting the Shares, the Stockholder acknowledges receipt of a copy of the Plan and agrees to be bound by the terms and conditions set forth in the Plan and this Agreement, as in effect and/or amended from time to time.

(b) The Plan and related documents may be delivered to you electronically. Such means of delivery may include but do not necessarily include the delivery of a link to a Company intranet site or the internet site of a third party involved in administering the Plan, the delivery of the documents via e-mail or CD-ROM or such other delivery determined at the Committee's discretion. Both Internet Email and the World Wide Web are required in order to access documents electronically.

(c) This Award is intended to be excepted from coverage under Section 409A of the Code and the regulations promulgated thereunder and shall be interpreted and construed accordingly. Notwithstanding, Stockholder recognizes and acknowledges that Section 409A of the Code may impose upon the Stockholder certain taxes or interest charges for which the Stockholder is and shall remain solely responsible.

(d) Stockholder acknowledges that, by receipt of this Award, Stockholder has read this Section 15 and consents to the electronic delivery of the Plan and related documents, as described in this Section 15. Stockholder acknowledges that Stockholder may receive from the Company a paper copy of any documents delivered electronically at no cost if Stockholder contacts the Company's General Counsel by telephone at (412) 928-7829 or by mail to L.B. Foster Company, 415 Holiday Drive, Suite 100, Pittsburgh, PA 15220 ATTN: General Counsel. Stockholder further acknowledges that Stockholder will be provided with a paper copy of any documents delivered electronically if electronic delivery fails.

IN WITNESS WHEREOF, the Company has caused a duly authorized officer to execute this Agreement on its behalf, and the Stockholder has placed his/her signature hereon, effective as of the Issue Date.

L. B. FOSTER COMPANY

___________By:

Name: Robert S. Purgason
___________Title: Director and Chairman of the Compensation Committee

ACCEPTED AND AGREED TO:

___________, Stockholder

L. B. Foster Company
2022 PERFORMANCE SHARE UNIT PROGRAM
(2022-2024)

[DATE]

[NAME AND ADDRESS]

Dear [NAME]:

Pursuant to the terms and conditions of the L. B. Foster Company 2022 Performance Share Unit Program (the “Program”), a component of the Long-Term Incentive Program, the Compensation Committee of the Board of Directors of L. B. Foster Company (the “Committee”) has awarded you ___________ Performance Share Units (the “Award”). The terms and conditions of your Award are governed by the provisions of the Program document attached hereto as Exhibit A, the terms of which are hereby incorporated by reference. Capitalized terms not otherwise defined herein shall each have the meaning assigned to them in the Program.

____
Name: ________________________________
Title: ________________________________

I hereby acknowledge and accept the Award described above subject to all of the terms and conditions of the Program including, without limitation, the forfeiture and covenant provisions set forth in Sections 11, 12 and 13 of the Program, regardless of whether the Award ever results in a payment under the Program. I further acknowledge receipt of a copy of the Program document and the L. B. Foster Company 2006 Omnibus Incentive Plan, as amended (the “Plan”), and I agree to be bound by all the provisions of the Program and the Plan, as amended from time to time.

By signing below, I acknowledge that: (i) I have read and understand the Program including, without limitation, the provisions that require me to repay monies to the Company if (A) I breach Section 11 or 12 of the Program or (B) the Company is required to prepare an accounting restatement to the extent set forth in Section 13(c); (ii) the Performance Share Units that have been awarded to me have no independent economic value, but rather are mere units of measurement to be used in calculating benefits, if any, available under the Program; (iii) I agree to accept as binding, conclusive and final all decisions or interpretations of the Compensation Committee upon any questions arising under this Award, the Program or the Plan; and (iv) my decision to participate in the Program is completely voluntary and done with full knowledge of its terms. ***I further acknowledge and agree that, except as otherwise specifically provided in the Program, in the event I terminate employment prior to the Payment Date, the Performance Share Units awarded to me shall be cancelled and forfeited, whether payable or not, without payment by the Company or any Subsidiary.***

Signature: ____________________________ Date: ______________________________
Name

Exhibit A

L. B. FOSTER COMPANY
2022 PERFORMANCE SHARE UNIT PROGRAM
(2022-2024)

L. B. FOSTER COMPANY, a Pennsylvania corporation (the "Company"), hereby establishes this L. B. FOSTER COMPANY 2022 PERFORMANCE SHARE UNIT PROGRAM (the "Program"), in accordance with the provisions of the L. B. FOSTER COMPANY 2022 Equity and Incentive Compensation Plan, and the terms and conditions provided herein.

WHEREAS, the Company maintains the Plan for the benefit of its and its Subsidiaries' key employees; and

WHEREAS, in order to align the interests of key employees with the interests of the Company's shareholders and to enhance the Company's ability to retain the employment of its key employees, the Company desires to provide long-term incentive compensation; and

WHEREAS, Article VI of the Plan authorizes the Company to make performance-based awards.

NOW, THEREFORE, the Compensation Committee of the Board of Directors of the Company ("Compensation Committee") hereby adopts the Program on the following terms and conditions:

1. Plan. In addition to the terms and conditions set forth herein, Awards under the Program are subject to, and governed by, the terms and conditions set forth in the Plan, which are hereby incorporated by reference. Unless the context otherwise requires, capitalized terms used in this Program and not otherwise defined herein shall have the meanings set forth in the Plan. In the event of any conflict between the provisions of the Program and the Plan, the Compensation Committee shall have full authority and discretion to resolve such conflict and any such determination shall be final, conclusive and binding on the Participant and all interested parties.

2. Effective Date. The effective date of this Program is January 1, 2022.

3. Eligibility. The Committee shall select those individuals who shall participate in the Program (the "Participants"). In the event that an employee is hired by the Company or a Subsidiary during the Performance Period, upon recommendation by the CEO, the Committee shall determine whether such employee will become a Participant in the Program, subject to such terms, conditions and adjustments as the Committee determines to be necessary or desirable.

4. Performance Share Unit Awards.

(a) The Committee shall determine the number of performance share units (the "Performance Share Units") to be awarded to each Participant. Each Performance Share Unit awarded under the Program shall represent a contingent right to receive up to two shares of the Company's common stock (the "Common Stock") as described more fully herein, to the extent such Performance Share Unit is earned and becomes payable pursuant to the terms of this Program. Performance Share Units have no independent economic value, but rather are mere units of measurement used for purpose of calculating the number of shares, if any, to be paid under the Program.

(b) Performance Share Units shall be increased and/or decreased in accordance with the terms of the Program as described more fully herein. Notwithstanding any provision of this Program to the contrary the Committee, in its sole discretion, may increase or reduce the amount of any Performance Share Units that would otherwise be earned by a Participant upon attainment of the Performance Conditions (as defined below) if it concludes that such reduction is necessary or appropriate.

5. Performance Conditions of the Performance Share Units. The total number of shares of the Company's Common Stock that may be earned by a Participant will be based on the Company's attainment of performance goals relating to the Company's return on invested capital ("ROIC") and Earnings Before Interest, Taxes, Depreciation and Amortization ("Cumulative EBITDA") during the Performance Period (as defined below) as approved by (and in accordance with the procedures established by) the Committee on February 16, 2022 and on file with the Committee (the "Performance Conditions"), for the performance period of January 1, 2022 through December 31, 2024 (the "Performance Period"); provided, however, that except as otherwise specifically provided herein, the ability to earn shares of the Company's Common Stock and to receive payment thereon under the Program is expressly contingent upon achievement of the threshold for the Performance Conditions and otherwise satisfying all other terms and conditions of the Program.

6. Issuance and Distribution.

(a) After the end of the Performance Period, the Committee shall certify in writing the extent to which the applicable Performance Conditions and any other material terms of the Program have been achieved. For purposes of this provision, and for so long as the Code permits, the approved minutes of the Committee meeting in which the certification is made may be treated as written certification.

(b) Subject to the terms and conditions of this Program, Performance Share Units will be settled and paid in shares of the Company's common stock in the calendar year immediately following the end of the Performance Period on a date determined in the Company's discretion, but in no event later than March 15th of such calendar year (the "Payment Date").

(c) Notwithstanding any other provision of this Program, in the event of a Change of Control, the Committee may, in its sole discretion, terminate the Program and, unless otherwise determined by the Committee, the Participant shall be deemed to earn shares of the Company's Common Stock at the target level; provided, however, the Participant shall only be entitled to a prorated portion of such shares of the Company's Common Stock determined based on the ratio of the number of complete months the Participant is employed or serves during the Performance Period through the date of the change of control to the total number of originally scheduled months in the Performance Period (or the number of originally scheduled remaining months in the Performance Period if the Participant becomes an employee of the Company and/or its Subsidiaries after the start of the Performance Period). Any such earned shares of the Company's Common Stock shall be issued contemporaneous with the Change of Control on the closing date of the Change of Control; provided, further, in the event of a Change of Control, Performance Share Units may, in the Committee's discretion, be settled in cash and/or securities or other property.

7. Dividends. Performance Share Units will not be credited with dividends that are paid on the Company's Common Stock.

8. Change in Participant's Status. In the event a Participant's employment with the Company or any Subsidiary is terminated (i) by reason of Retirement on or after January 1, 2023 (or such earlier date as may be expressly authorized by the Committee), or (ii) on account of death or total and permanent Disability prior to the Payment Date, the Participant shall be entitled to retain the Performance Share Units and receive payment therefore to the extent earned and payable pursuant to the provisions of this Program; provided, however, the Participant shall only be entitled to retain a prorated portion of the Performance Share Units determined at the end of the Performance Period and based on the ratio of the number of complete months the Participant is employed or serves during the Performance Period to the total number of months in the Performance Period (or the number of remaining months in the Performance Period if the Participant becomes an employee of the Company and/or its Subsidiaries after the start of the Performance Period). In the event a Participant's employment with the Company or any Subsidiary is terminated for any other reason, including, but not limited to, by the Participant voluntarily, or by the Company on account of a Termination for Cause or without cause, prior to the Payment Date, the Performance Share Units awarded to the Participant shall be cancelled and forfeited, whether payable or not, without payment by the Company or any Subsidiary. Any payments due a deceased Participant shall be paid to his estate as provided herein after the end of the Performance Period.

9. Responsibilities of the Compensation Committee. In addition to the authority granted to the Compensation Committee under the Plan, the Compensation Committee has responsibility for all aspects of the Program's administration, including but not limited to: ensuring that the Program is administered in accordance with the provisions of the Program and the Plan; approving Participants; authorizing Performance Share Unit Awards to Participants; and adjusting Performance Share Units as authorized hereunder consistent with the terms of the Program and the Plan. All decisions of the Compensation Committee under the Program shall be final, conclusive and binding on all interest parties. No member of the Compensation Committee shall be liable for any action or determination made in good faith as to the Program or any Performance Share Units awarded thereunder.

10. Tax Consequences/Withholding.

(a) It is intended that: (i) a Participant's Performance Share Units shall be considered to be subject to a substantial risk of forfeiture in accordance with those terms as defined in Section 409A and 3121(v)(2) of the Code; and (ii) a Participant shall have merely an unfunded, unsecured promise to be paid a benefit, and such unfunded promise shall not consist of a transfer of "property" within the meaning of Code Section 83.

(b) Participant acknowledges that any income for foreign, federal, state or local income tax purposes, including payroll taxes, that the Participant is required to recognize on account of the vesting of the Performance Share Units and/or issuance of the shares of Common Stock under this Award to Participant shall be subject to withholding of tax by the Company. In accordance with administrative procedures established by the Company, in order to satisfy Participant’s minimum statutory withholding tax obligations, if any, on account of the vesting of the Performance Share Units and/or issuance of shares of Common Stock under this Award, the Company will withhold from the Performance Share Units to be issued to the Participant a sufficient number of whole shares distributable in connection with this Award equal to the applicable minimum statutory withholding tax obligation.

(c) This Program is intended to be excepted from coverage under Section 409A and shall be construed accordingly. Notwithstanding any provision of this Program to the contrary, if any benefit provided under this Program is subject to the provisions of Section 409A, the provisions of the Program will be administered, interpreted and construed in a manner necessary to comply with Section 409A (or disregarded to the extent such provision cannot be so administered, interpreted or construed). Notwithstanding, Section 409A may impose upon the Participant certain taxes or other charges for which the Participant is and shall remain solely responsible, and nothing contained in this Program or the Plan shall be construed to obligate the Compensation Committee, the Company or any Subsidiary for any such taxes or other charges

11. Non-Competition.

(a) The Participants hereunder agree that this Section 11 is reasonable and necessary in order to protect the legitimate business interests and goodwill of the Company, including the Company's trade secrets, valuable confidential business and professional information, substantial relationships with prospective and existing customers and clients, and specialized training provided to Participants and other employees of the Company. The Participants acknowledge and recognize the highly competitive nature of the business of the Company and its Subsidiaries and accordingly agree that during the term of each of their employment and for a period of two (2) years after the termination thereof:

(i) The Participants will not directly or indirectly engage in any business substantially similar to any line of business conducted by the Company or any of its Subsidiaries, including, but not limited to, where such engagement is as an officer, director, proprietor, employee, partner, investor (other than as a holder of less than 1% of the outstanding capital stock of a publicly traded corporation), consultant, advisor, agent or sales representative, in any geographic region in which the Company or any of its Subsidiaries conducted business;

(ii) The Participants will not contact, solicit, perform services for, or accept business from any customer or prospective customer of the Company or any of its Subsidiaries in any line of business conducted by the Company or any of its subsidiaries;

(iii) The Participants will not directly or indirectly induce any employee of the Company or any of its Subsidiaries to: (1) engage in any activity or conduct which is prohibited pursuant to subparagraph 11(a)(i) or (2) terminate such employee's employment with the Company or any of its Subsidiaries. Moreover, the Participants will not directly or indirectly employ or offer employment (in connection with any business substantially similar to any line of business conducted by the Company or any of its Subsidiaries) to any person who was employed by the Company or any of its Subsidiaries unless such person shall have ceased to be employed by the Company or any of its Subsidiaries for a period of at least 12 months; and

(iv) The Participants will not directly or indirectly assist others in engaging in any of the activities, which are prohibited under subparagraphs (a)(i-iii) above.

(b) It is expressly understood and agreed that although the Participants and the Company consider the restrictions contained in this Section 11 to be reasonable, if a final judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in this Program is an unenforceable restriction against any Participant, the provisions of this Program shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable against such Participant. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Program is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein. The restrictive covenants set forth in this Section 11 shall be extended by any amount of time that a Participant is in breach of such covenants, such that the Company receives the full benefit of the time duration set forth above.

12. Confidential Information and Trade Secrets. The Participants and the Company agree that certain materials, including, but not limited to, information, data and other materials relating to customers, development programs, costs, marketing, trading, investment, sales activities, promotion, credit and financial data, manufacturing processes, financing methods, plans or the business and affairs of the Company and its Subsidiaries, constitute proprietary confidential information and trade secrets. Accordingly, the Participants will not at any time during or after a Participant's employment with the Company (including any Subsidiary) disclose or use for such Participant's own benefit or purposes or the benefit or purposes of any other person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise other than the Company and any of its affiliates, any proprietary confidential information or trade secrets, provided that the foregoing shall not apply to information which is not unique to the Company or any of its Subsidiaries or which is generally known to the industry or the public other than as a result of such Participant's breach of this covenant. The Participants agree that upon termination of employment with the Company (including any Subsidiary) for any reason, the Participants will immediately return to the Company all memoranda, books, papers, plans, information, letters and other data, and all copies thereof or therefrom, which in any way relate to the business of the Company and its Subsidiaries, except that the Participants may retain personal notes, notebooks and diaries. The Participants further agree that the Participants will not retain or use for their own account at any time any trade names, trademark or other proprietary business designation used or owned in connection with the business of the Company or any of its Subsidiaries.

13. Remedies/Forfeiture/Recoupment.

(a) The Participants acknowledge that a violation or attempted violation on a Participant's part of Sections 11 and 12 will cause irreparable damage to the Company and its Subsidiaries, and the Participants therefore agree that the Company and its Subsidiaries shall be entitled as a matter of right to an injunction, out of any court of competent jurisdiction, restraining any violation or further violation of such promises by the Participants or a Participant's employees, partners or agents. The Participants agree that such right to an injunction is cumulative and in addition to whatever other remedies the Company (including any Subsidiary) may have under law or equity, and the Participants' obligations to make timely payment to the Company as set forth in Section 13(b) of this Program. ***The Participants further acknowledge and agree that a Participant's Performance Share Units shall be cancelled and forfeited without payment by the Company if such Participant breaches any of his or her obligations set forth in Section 11 and 12 herein.***

(b) At any point after becoming aware of a breach of any obligation set forth in Sections 11 and/or 12 of this Program, the Company shall provide notice of such breach to a Participant. By agreeing to participate in this Program, the Participants agree that within ten (10) days after the date the Company provides such notice, a Participant shall pay to the Company in cash an amount equal to any and all distributions paid to or on behalf of such Participant under this Program within the six (6) months prior to the date of the earliest breach. The Participant agrees that failure to make such timely payment to the Company constitutes an independent and material breach of the terms and conditions of this Program, for which the Company may seek recovery of the unpaid amount as liquidated damages, in addition to all other rights and remedies the Company may have resulting from a Participant's breach of the obligations set forth in Sections 11 and 12. The Participants agree that timely payment to the Company as set forth in this provision of the Program is reasonable and necessary because the compensatory damages that will result from breaches of Sections 11 and/or 12 cannot readily be ascertained. Further, the Participants agree that timely payment to the Company as set forth in this provision of the Program is not a penalty, and it does not preclude the Company from seeking all other remedies that may be available to the Company, including without limitation those set forth in this Section 13.

All Awards granted hereunder are made **subject to the** L.B. Foster Executive **Recoupment Policy** which is incorporated herein by reference (the "Policy.") The Policy provides for the clawback by the Company and repayment by the Participant of cash awards paid hereunder in the event of an accounting restatement applicable to any financial reporting period within the Performance Period due to material noncompliance of the Company with any financial reporting requirement under the securities or other applicable laws.

14. Assignment/Nonassignment.

(a) The Company shall have the right to assign this Program, including without limitation Section 11, and the Participants agree to remain obligated by all provisions of this Program that are assigned to any successor, assign or surviving entity. The obligations of the Company under the Program shall be binding upon the successors and assigns of the Company. Any successor to the Company is an intended third party beneficiary of this Program.

(b) The Performance Share Units shall not be sold, pledged, assigned, hypothecated, transferred or disposed of (a "Transfer") in any manner, other than by will or the laws of descent and distribution. Any attempt by a Participant to Transfer the Performance Share Units in violation of the terms of the Program shall render the Performance Share Units null and void, and result in the immediate forfeiture of such Performance Share Units, without payment by the Company or any Subsidiary.

15. Impact on Benefit Plans. Payments under the Program shall not be considered as earnings for purposes of the Company's and/or Affiliate's qualified retirement plans or any such retirement or benefit plan unless specifically provided for therein. Nothing herein shall prevent the Company or any Affiliate from maintaining additional compensation plans and arrangements for its employees.

16. Changes in Stock. In the event of a stock split, stock dividend, or similar event, the Performance Share Units and the shares of Company common stock on which the Performance Conditions are based shall be appropriately adjusted to prevent dilution or enlargement of the rights of Participants which would otherwise result from any such transaction, provided such adjustment shall be consistent with Code Section 409A. In the case of a Change of Control, any obligation under the Program shall be handled in accordance with the terms of Section 6(c) hereof.

17. Governing Law, Jurisdiction, and Venue.

(a) This Program shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to the principles of conflicts of law.

(b) Participant hereby irrevocably submits to the personal and exclusive jurisdiction of the United States District Court for the Western District of Pennsylvania or the Court of Common Pleas of Allegheny County, Pennsylvania in any action or proceeding arising out of, or relating to, this Program (whether such action or proceeding arises under contract, tort, equity or otherwise). Participant hereby irrevocably waives any objection which Participant now or hereafter may have to the laying of venue or personal jurisdiction of any such action or proceeding brought in said courts.

(c) Jurisdiction over, and venue of, any such action or proceeding shall be exclusively vested in the United States District Court for the Western District of Pennsylvania or the Court of Common Pleas of Allegheny County, Pennsylvania.

(d) Provided that the Company commences any such action or proceeding in the courts identified in Section 17(b), Participant irrevocably waives Participant's right to object to or challenge the above selected forum on the basis of inconvenience or unfairness under 28 U.S.C. § 1404, 42 Pa. C.S. § 5322 or similar state or federal statutes. Participant agrees to reimburse the Company for all of the attorney fees and costs it incurs to oppose Participant's efforts to challenge or object to litigation proceeding in the courts identified in Section 17(b) with respect to actions arising out of or relating to this Program (whether such actions arise under contract, tort, equity or otherwise).

18. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Program shall in no way be construed to be a waiver of such provision or of any other provision hereof.

19. Severability. In the event that any one or more of the provisions of this Program shall be held to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

20. Funding. The Program is not funded and all amounts payable hereunder, if any, shall be paid from the general assets of the Company or its Affiliate, as applicable. No provision contained in this Program or the Plan and no action taken pursuant to the provisions of this Program or the Plan shall create a trust of any kind or require the Company to maintain or set aside any specific funds to pay benefits hereunder. To the extent a Participant acquires a right to receive payments from the Company under the Program, such right shall be no greater than the right of any unsecured general creditor of the Company.

21. Headings. The descriptive headings of the Sections of this Program are inserted for convenience of reference only and shall not constitute a part of this Program.

22. Amendment or Termination of this Program. This Program may be modified, amended, suspended or terminated by the Committee at any time. Notwithstanding the foregoing or any provision of this Program to the contrary, the Committee may, in the sole discretion and without the Participants' consent, modify or amend the terms of the Program or a Performance Grant, or take any other action it deems necessary or advisable, to cause the Program to comply with Section 409A. Any modification, amendment, suspension or termination shall only be effective upon a writing issued by the Committee, and a Participant shall not offer evidence of any purported oral modifications or amendments to vary or contradict the terms of this Program document.

IN WITNESS WHEREOF, the undersigned has executed this Program on the day and year indicated below. This Program may be executed in more than one counterpart, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

Dated: ________________ ________________________________

Robert S. Purgason
Chairman, Compensation Committee

Exhibit 31.1

Certification under Section 302 of the
Sarbanes-Oxley Act of 2002

I, John F. Kasel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of L.B. Foster Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **May 10, 2022**

/s/ John F. Kasel
Name: John F. Kasel
Title: President and Chief Executive Officer

Exhibit 31.2

Certification under Section 302 of the Sarbanes-Oxley Act of 2002

I, William M. Thalman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of L.B. Foster Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **May 10, 2022**

/s/ William M. Thalman
Name: William M. Thalman
Title: Senior Vice President
and Chief Financial Officer

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of L.B. Foster Company (the "Company") on Form 10-Q for the period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certify pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **May 10, 2022**

/s/ John F. Kasel
Name: John F. Kasel
Title: President and Chief Executive Officer

Date: **May 10, 2022**

/s/ William M. Thalman
Name: William M. Thalman
Title: Senior Vice President
and Chief Financial Officer