LBFoster

Q2 2020 Earnings Presentation

August 4, 2020

Bob Bauer – President and CEO
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SAFE HARBOR DISCLAIMER

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Safe Harbor Statement

This presentation and oral statements regarding the subject matter may contain “forward-looking” statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Forward-looking statements provide management's current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Sentences containing words such as “believe,” “intend,” “plan,” “may,” “expect,” “should,” “could,” “anticipate,” “estimate,” “predict,” “project,” or their negatives, or other similar expressions of a future or forward-looking nature generally should be considered forward-looking statements. Forward-looking statements 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 impact and the response thereto by the Company, our employees, our customers, and national, state, or local governments; a continued deterioration in the prices of oil and natural gas and the related impact on the upstream and midstream energy markets; a continuation or worsening of the adverse economic conditions in the markets we serve, whether as a result of the current COVID-19 pandemic, including its impact on travel and demand for oil and gas, and the continued deterioration in the prices for oil and gas, or otherwise; volatility in the global capital markets, including interest rate fluctuations, which could adversely affect our ability to access the capital markets on terms that are favorable to us; restrictions on our ability to draw on our credit agreement, including as a result of any future inability to comply with restrictive covenants contained therein; a continuing decrease in freight or transit rail traffic, including as a result of the COVID-19 pandemic; environmental matters, including any costs associated with any remediation and monitoring; the risk of doing business in international markets; our ability to effectuate our strategy, including cost reduction initiatives, and our ability to effectively integrate acquired businesses and realize anticipated benefits; costs of and impacts associated with shareholder activism; 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 recently 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, a failure of 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 effective 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 these amounts; foreign currency fluctuations; inflation; domestic and foreign government regulations, including tariffs; economic conditions and regulatory changes caused by the United Kingdom’s exit from the European Union in January 2020; 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, 2019, or as updated and amended by other current or periodic filings with the Securities and Exchange Commission. All information in this presentation speaks only as of August 4, 2020, and any distribution of the presentation after that date is not intended and will not be construed as updating or confirming such information. L.B. Foster Company assumes no obligation to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as required by securities laws.

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

Non-GAAP Financial Measures

This investor presentation discloses the following non-GAAP measures:

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

Management believes that EBITDA is useful to investors as a supplemental way to evaluate the ongoing operations of the Company’s business as EBITDA enhances investors’ ability to compare historical periods by adjusting for the impact of financing methods, tax law and strategy changes, and depreciation and amortization. In addition, EBITDA is a financial measurement that management and the Company’s Board of Directors use in its financial and operational decision-making and in the determination of certain compensation programs. Additionally, adjusted EBITDA, which includes certain adjustments to EBITDA, is a non-GAAP measure. The Company views net debt, which is total debt less cash and cash equivalents, as an indicator of our ability to incur additional debt and to service our existing debt. The Company adjusts net income and earnings per share to eliminate the impact of unusual, nonrecurring, or other events that may skew the intended measurement of these metrics, especially for comparison purposes. In 2020, the Company adjusted net income and earnings per share to exclude restructuring, relocation, and closure costs as well as income from a distribution from an unconsolidated partnership. The Company also excluded restructuring, relocation, and closure costs as well as deferred tax asset valuation reversal income in 2019. The Company also discloses free cash flow and free cash flow yield as other non-GAAP measures used by both analysts and management, as they provide insight on cash generated by operations, excluding capital expenditures, in order to better assess the Company’s long-term ability to pursue growth and investment opportunities.

Non-GAAP financial measures are not a substitute for GAAP financial results and should only be considered in conjunction with the Company's financial information that is presented in accordance with GAAP. Quantitative reconciliations of EBITDA, adjusted EBITDA, adjusted net income, net debt, free cash flow and free cash flow yield are included within this presentation.

COMPANY OVERVIEW

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Who we are

- Leading manufacturer and distributor of products and provider of services for the transportation and energy infrastructure markets
- Headquartered in Pittsburgh, Pennsylvania
- Locations throughout North America and Europe
- Basis in reliable infrastructure; growth in technology, efficiencies, and safety

NASDAQ: FSTR

1902 FOUNDED

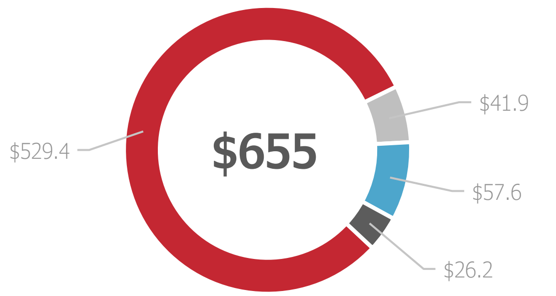
54 PLANTS YARDS & OFFICES

1,330 PROFESSIONALS WORLDWIDE

$1.62* 2019 DILUTED ADJ. EPS

2019 Net Sales by Region

($ in millions)



- United States
- United Kingdom
- Canada
- Other

Segments

- Rail Products and Services
- Construction Products
- Tubular and Energy Services

Business System

Focus

- Innovation of Rail Technologies
- Expansion of precast concrete business
- Continuation of strengthening the balance sheet

Financials

- $145.8M – Q2 2020 Revenue
- $11.8M – Q2 2020 Adj. EBITDA*
- $225.9M – June 30, 2020 Backlog
- $138.3M – Q2 2020 New orders

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

EXECUTIVE SUMMARY

- **Solid 2nd Quarter performance despite the impact of the COVID-19 Pandemic.**
  - Reported Net Income of $0.5 million, resulting in Diluted EPS of $0.05 per share, and Adjusted EBITDA(1) of $11.8 million for 2nd Quarter 2020.
  - 2nd Quarter 2020 Adjusted Net Income (1) of $4.4 million, or $0.41 per Adjusted Diluted Share (1), which excludes restructuring, relocation, and closure charges of $7.0 million as well as income from a distribution from an unconsolidated partnership of $1.9m, and the related tax effects associated with these adjustments.
  - Unfavorable variances versus Q2 2019 are due primarily to the Tubular and Energy Services segment, driven by the impact of declines in demand during the quarter.
- **The Company continues to maintain a strong balance sheet and remains focused on managing its working capital.**
  - Total available funding capacity of over $70 million as of June 30, 2020.
  - Free Cash Flow Yield (1) is 24.1% for the Last Twelve Months Period ended June 30, 2020, with Cash Flows from Operations of $44.9 million over that time period.
  - Net Debt (1) is $48.2 million as of June 30, 2020, with an Adjusted Net Leverage Ratio of 1.5x on an LTM basis.
  - The Company expects its strengthened balance sheet to continue to carry it through the current challenging economic environment.
- **Backlog has increased to $226.0 million as of June 30, 2020, compared to $209.3 million as of June 30, 2019.**
  - Backlog increased in the Rail Product and Services segment as well as the Construction Products segment as of June 30, 2020 compared to June 30, 2019, partially offset by a decline in backlog in the Tubular and Energy Services Segment.

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

EXECUTIVE SUMMARY

- **Cautiously Optimistic Outlook in Rail Products and Services & Construction Products Segments.**
  - The Rail Segment outlook continues to be positive, particularly within transit products, coupled with the expectation that the London Crossrail services will resume in the second half of the year; the Company anticipates continued softness in demand for consumable products due to reduced rail traffic volume given the current environment.
  - The Construction Products Segment outlook for the second half of 2020 is also promising, despite volume decreases due to completion of the Port Everglades project in 2019, with 11.2% growth in order activity compared to Q2 2019 and 35.3% growth in order activity compared to Q1 2020.
  - Precast Concrete Products facility relocation from Spokane, WA to Boise, ID has been completed; full operational efficiency is expected by Q3 2020.
- **The significant decline in demand for crude oil continues to adversely impact the Tubular & Energy Services Segment.**
  - Demand for oil and natural gas has dropped substantially due to a reduction in worldwide travel and mobility as a result of the COVID-19 pandemic, sharply impacting the market served by the Tubular and Energy Segment.
  - Mid-stream focused businesses are expected to continue to be impacted in the near term, but longer term, these operations remain key strategic assets of the Company.
  - These conditions most severely impact the Test, Inspection, and Threading Services business unit, which had already been underperforming.
  - During Q2 2020, the Company closed three additional Test, Inspection, and Threading Services operating locations and discontinued its mobile services offering at another location in order to improve operating profitability within the segment.

SECOND QUARTER
RESULTS

Metrics ($ in millions, unless otherwise noted; except per share data)	Q2 2020	Q2 2019	Delta	
Sales	$145.8	$200.9	$(55.2)	(27.5)%
Gross Profit	$27.1	$37.1	$(10.1)	(27.1)%
Gross Profit Margin	18.6%	18.5%	0.1%	0.5%
Earnings per Diluted Share	$0.05	$0.90	$(0.85)	(94.4)%
Adjusted EBITDA[1]	$11.8	$17.3	$(5.4)	(31.5)%
Operating Cash Flow	$13.0	$4.1	$8.9	216.7%
New Orders	$138.3	$164.1	$(25.8)	(15.7)%
Backlog	$225.9	$209.3	$16.6	7.9%

- Second quarter 2020 results are inclusive of a $7.0 million restructuring charge related to the closure of three facilities within the Test, Inspection, and Threading Services business unit of the Tubular and Energy segment, which is experiencing lower volume due to declines in demand for crude oil as a result of the COVID-19 pandemic. The Company continues to take strategic actions to mitigate these declines.
- The Rail Products and Rail Technologies businesses experienced a 23.2% and 32.0% decrease in revenue from the prior year quarter, respectively, due to pandemic-related declines in freight and transit rail traffic. Rail Technologies was also negatively impacted by pandemic-related restrictions preventing activity on the London Crossrail project in the UK.
- Q2 2020 results in the Construction segment are lower than those of Q2 2019 primarily due to the large Port Everglades project included in Q2 2019 results.
- New order and proposal activity remained steady during the historically critical second quarter for the Rail Products and Services and Construction segments, partially offset by weakness with Tubular and Energy.

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

Note figures may not foot due to rounding.

ORDERS
SUMMARY

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New Orders Entered – Three Months Ended				
($ in millions)	June 30, 2020	June 30, 2019	Delta	
Rail Products and Services	$73.8	$78.2	$(4.4)	(5.6)%
Construction Products	$49.3	$44.3	$5.0	11.2%
Tubular and Energy Services	$15.3	$41.6	$(26.3)	(63.3)%
Total	**$138.3**	**$164.1**	**$(25.8)**	**(15.7)%**

New Orders Entered – Six Months Ended				
($ in millions)	June 30, 2020	June 30, 2019	Delta	
Rail Products and Services	$149.2	$176.7	$(27.6)	(15.6)%
Construction Products	$85.7	$86.4	$(0.7)	(0.8)%
Tubular and Energy Services	$40.6	$81.4	$(40.7)	(50.0)%
Total	**$275.5**	**$344.4**	**$(69.0)**	**(20.0)%**

- New order volume increased as Q2 2020 progressed and certain pandemic-related restriction orders were lifted.
- New order declines in Q2 were primarily driven by the Tubular and Energy segment due to decreases in demand for crude oil driven by the COVID-19 pandemic.
- The Rail Products and Services and Construction Segments experienced Q2 order activity that drove backlog levels up over prior year.

Note figures may not foot due to rounding.

BACKLOG
SUMMARY

Backlog vs. Prior Year Quarter

($ in millions)	June 30, 2020	June 30, 2019	Delta	
Rail Products and Services	$106.2	$94.0	$12.2	12.9%
Construction Products	$106.8	$89.2	$17.5	19.7%
Tubular and Energy Services	$12.9	$26.1	$(13.1)	(50.4)%
Total	**$226.0**	**$209.3**	**$16.6**	**7.9%**

Backlog vs. Prior Year End

($ in millions)	June 30, 2020	December 31, 2019	Delta	
Rail Products and Services	$106.2	$103.7	$2.5	2.4%
Construction Products	$106.8	$92.3	$14.5	15.7%
Tubular and Energy Services	$12.9	$34.1	$(21.2)	(62.1)%
Total	**$226.0**	**$230.1**	**$(4.2)**	**(1.8)%**

- The aggregate $29.7 million quarter-over-quarter increase in backlog experienced in the Rail Products and Services and Construction Products segments supports cautious optimism for these segments in the second half of 2020.
- Backlog decline in the Tubular and Energy segment reflects the unfavorable market conditions due to weakened demand for crude oil driven by the COVID-19 pandemic.

Note figures may not foot due to rounding.

NON-GAAP
FREE CASH FLOW YIELD

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Free Cash Flow Yield			
($ in millions, unless otherwise noted; except per share data)	LTM Q2 2020	2019	2018
Cash provided by operating activities	$44.9	$29.3	$26.0
Less: Capital Expenditures	$(12.4)	$(8.8)	$(5.3)
Free Cash Flow	$32.5	$20.5	$20.7
Shares Outstanding	10.6	10.4	10.4
Share Price[1]	**$12.77**	**$19.38**	**$15.90**
Free cash flow yield[2]	**24.1%**	**10.1%**	**12.6%**

- Robust cash flows from operating activities drives double-digit free cash flow yields on a historic basis.
- Management's focus on working capital management is a significant factor in attaining these results.
- The Company recorded a significant increase in operating cash flows from the prior year quarter, an increase of $15.6 million.
- Capital expenditures in LTM Q2 2020 and Q4 2019 were impacted by the acquisition of a continuous welded rail car & unloader, a very infrequent purchase requirement of the business.

(1) *Adjusted closing share prices as of June 30, 2020, December 31, 2019, and December 31, 2018, respectively.*
(2) *See reconciliation included in this slide herein for this displayed non-GAAP measure.*
Note figures may not foot due to rounding.

FOCUS ON
LIQUIDITY

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($ in millions, unless otherwise noted)	June 30, 2020	December 31, 2019
Cash & Cash Equivalents	**$7.4**	**$14.2**
Total Availability Under the Credit Facility	$120.0	$140.0
Outstanding Borrowings on Revolving Credit Facility	$(55.3)	$(33.9)
Letters of Credit Outstanding	$(1.0)	$(0.5)
Net Availability Under the Revolving Credit Facility	**$63.7**	**$105.6**
Total Available Funding Capacity	**$71.1**	**$119.8**
Term Loan Outstanding	$ -	$23.8
Finance Leases and Financing Agreements	$0.3	$0.6
Total Debt Outstanding	$55.6	$58.2
Total Net Debt Outstanding	**$48.2**	**$44.0**
LTM Adjusted EBITDA[1]	$33.2	$45.6
Net Leverage Ratio	**1.5x**	**1.0x**

- Through strategic review of the Company's liquidity needs during Q2 2020, the Company entered into an amendment of its credit agreement, terminating its term loan outstanding balance of $22.5 million by drawing funds on the revolving credit facility.
- Total available funding capacity of $71.1 million as of June 30, 2020 provides the Company with significant financial flexibility.
- Adjusted net leverage of 1.5x as of June 30, 2020 remains very modest, consistent with that of Q1 2020.

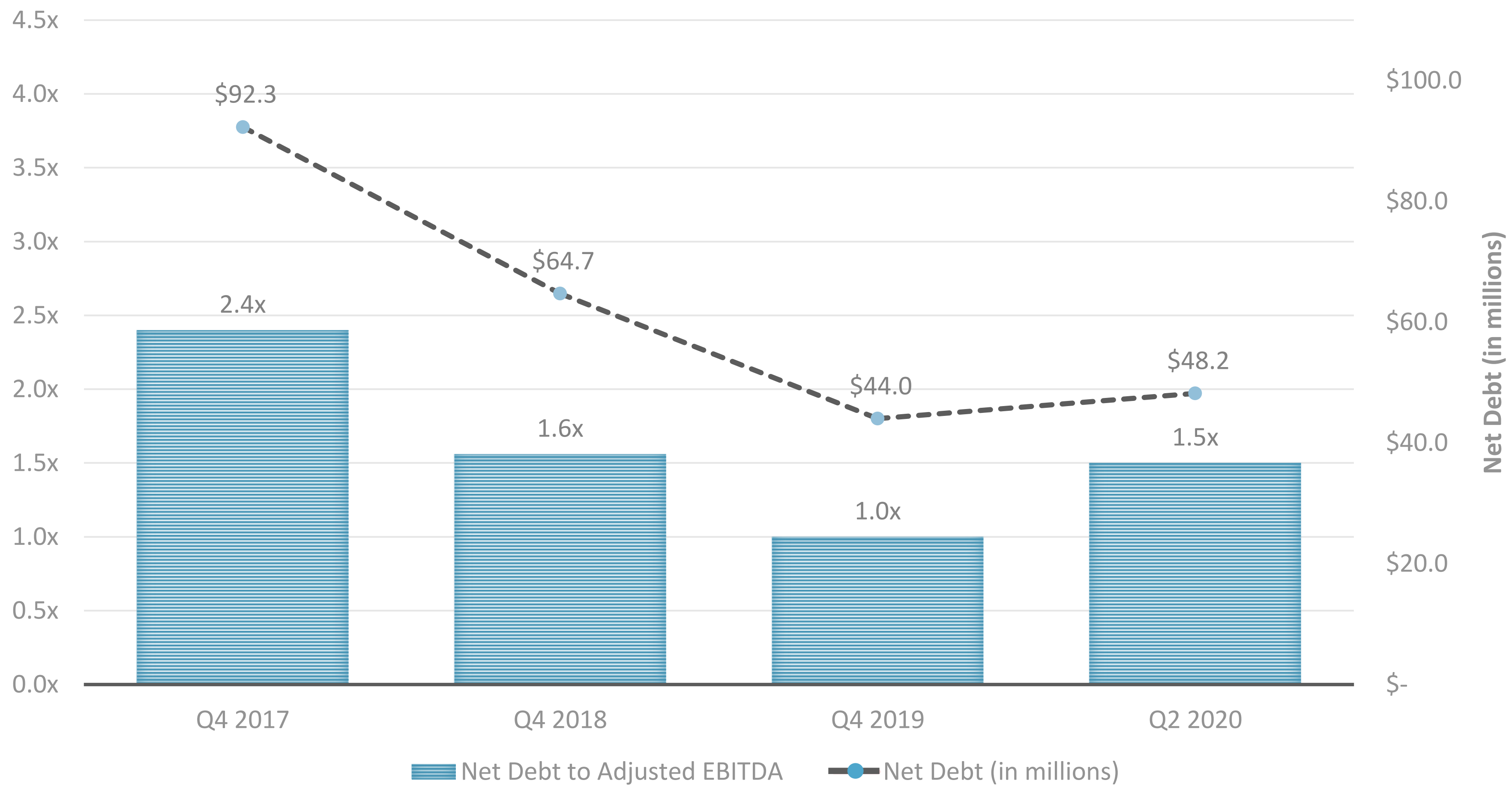
(1) See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein.

Note figures may not foot due to rounding.

BALANCE SHEET
STRENGTH

- Strategic focus on deleveraging through optimizing operating cash flows.
- Net debt levels continue to decline in comparison to past years, aligning with the Company's debt reduction strategy.
- The Company experienced a decline in Net Debt compared to Q1 2020, while the Net Debt to Adjusted EBITDA Ratio remained unchanged.

CHANGE IN NET DEBT TO ADJUSTED EBITDA[1]



[1] *See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein.*



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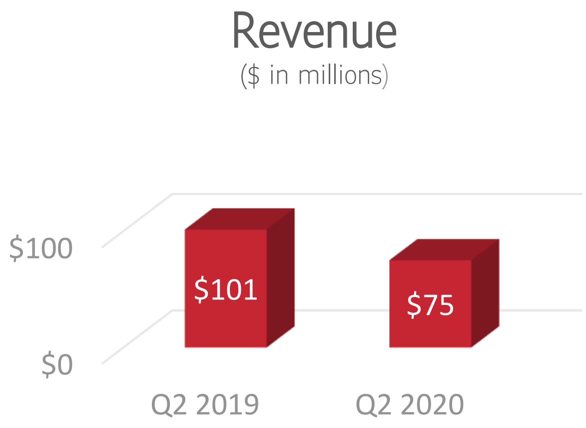
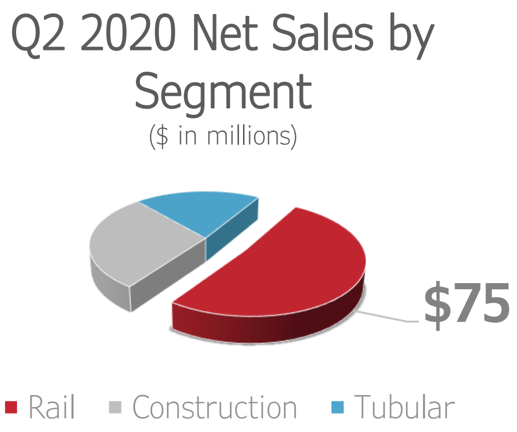
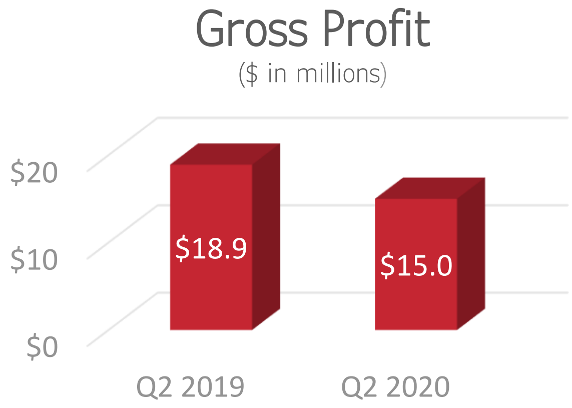
BUSINESS REVIEW

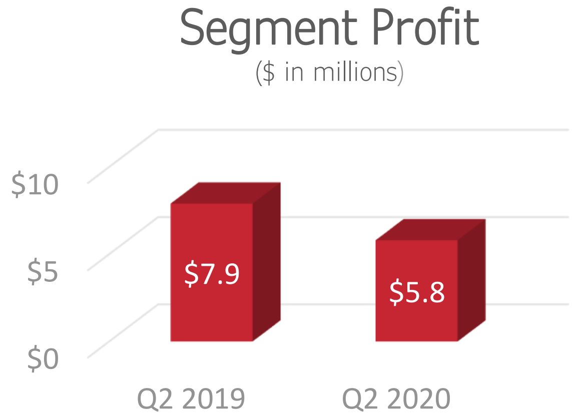
Q2 2020 Results

- The Rail Products and Rail Technologies businesses experienced a 23.2% and 32.0% decrease in revenue from the prior year quarter, which also negatively impacted gross profit.
- The COVID-19 pandemic impact on rail traffic volumes drove reduced demand for solid consumables in North America, resulting in declining friction management sales.
- Stay-at-home orders delayed services for the Crossrail project in the United Kingdom, negatively impacting sales.
- Gross margin in the Rail segment increased by approximately 130 basis points quarter-over-quarter driven primarily by product mix and margin expansion.





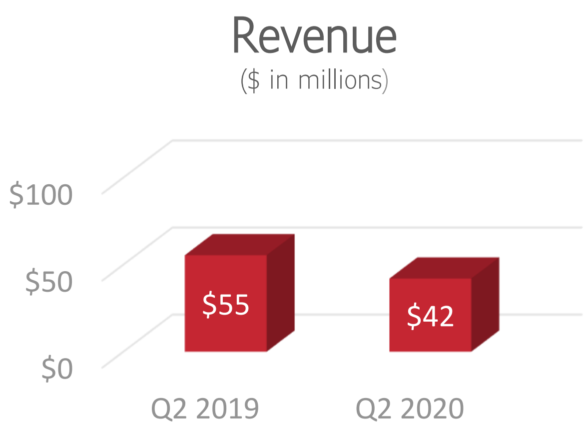


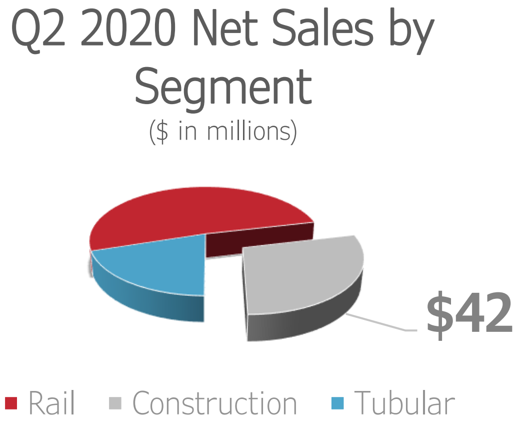


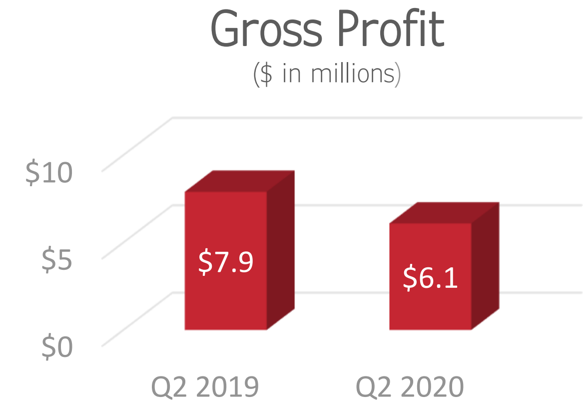
CONSTRUCTION PRODUCTS

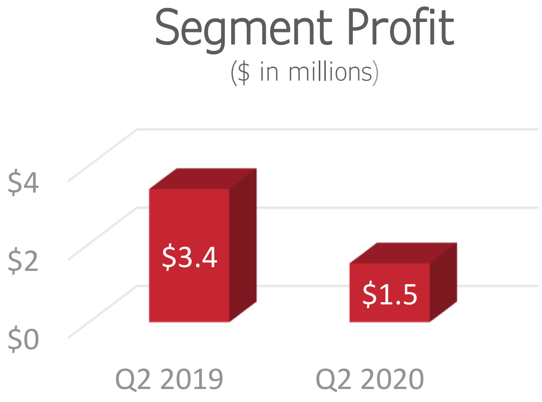
Q2 2020 Results

- The new Precast Concrete Products Boise, ID facility continued to have lower revenue volumes when compared to the Spokane, WA facility, which resulted in a decline in gross profit.
- Gross profit contribution increased from the prior year quarter by 130 basis points, despite the continued ramp up of the Boise, ID facility in Q2 2020.
- Company believes the new facility continues to be on-track to achieve full operational efficiency during Q3 of 2020.
- 2019 revenues were inclusive of sales related to the Port Everglades project which was completed in 2019, primarily driving the change in revenue year-over-year.









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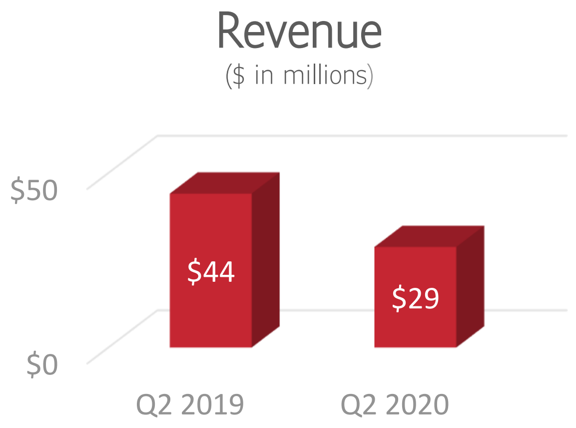
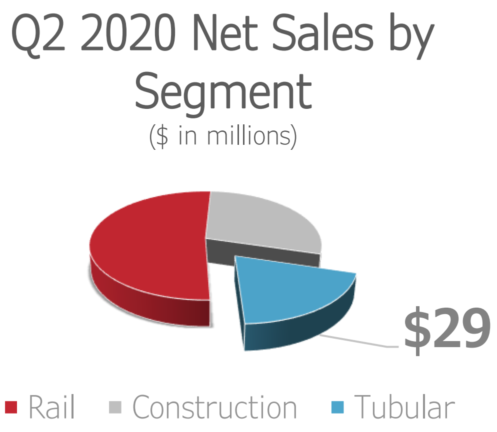
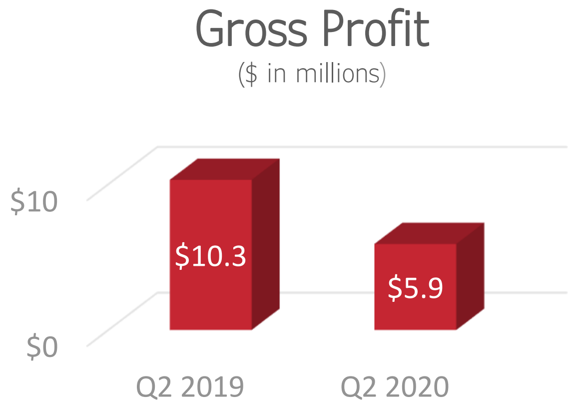
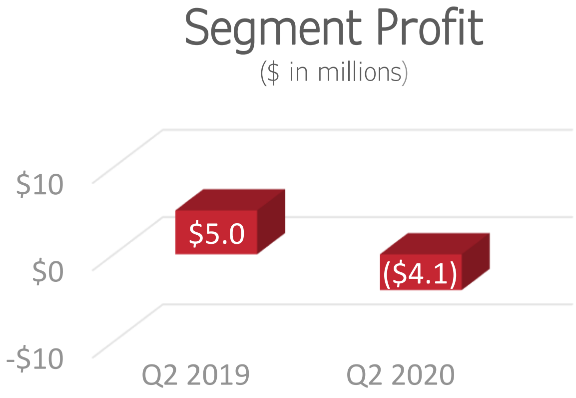
Q2 2020 Results

- The worldwide COVID-19 pandemic and associated reduction in demand for oil and natural gas due to reduced travel and movement of goods throughout the world has caused U.S. exploration and production companies to reduce operations and implement spending cuts.
- Largely as a result of these events, the Tubular & Energy revenues have decreased by 34.7% quarter-over-quarter. The decrease in revenue has in turn decreased gross profit.
- The Company closed three facilities and discontinued its mobile services offering at another facility within the Test, Inspection, and Threading Services business unit during Q2 2020 in order to reduce the unfavorable impact this division has been having on operating results.









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APPENDIX

CONSOLIDATED
INCOME STATEMENT – Q2

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($ in millions, except per share)	Three Months Ended June 30, 2020 $	Three Months Ended June 30, 2020 % of Sales	Three Months Ended June 30, 2019 $	Three Months Ended June 30, 2019 % of Sales	Delta $	Delta %
Sales	$ 145.8	—	$ 200.9	—	$ (55.2)	(27.5)%
Gross profit	27.1	18.6 %	37.1	18.5%	(10.1)	(27.1)%
SG&A	19.6	13.4 %	22.9	11.4 %	(3.3)	(14.4)%
Amortization expense	1.4	1.0 %	1.7	0.8 %	(0.2)	(13.9)%
Interest expense - net	1.1	0.7 %	1.6	0.8 %	(0.5)	(31.7)%
Other expense (income) - net	3.3	2.3 %	(0.3)	(0.1)%	3.6	** %
Pre-tax income	1.6	1.1%	11.2	5.6 %	(9.6)	(85.6)%
Net income	**$ 0.5**	**0.4%**	**$ 9.6**	**4.8 %**	**$ (9.0)**	**(94.5)%**
Diluted earnings per share	**$ 0.05**		**$ 0.90**		**$ (0.85)**	**(94.4) %**
EBITDA[(1)]	**$ 6.8**	**4.6%**	**$ 17.3**	**8.6 %**	**$ (10.5)**	**(60.9)%**
Adjusted income[(1)]	**$ 4.4**	**3.0%**	**$ 9.6**	**4.8%**	**$ (5.2)**	**(54.3)%**
Adjusted diluted earnings per share[(1)]	**$ 0.41**		**$ 0.90**		**(0.49)**	**(54.4)%**
Adjusted EBITDA[(1)]	**$ 11.8**	**8.1%**	**$ 17.3**	**8.6%**	**$ (5.4)**	**(31.5)%**

(1) See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein.
*** Results of this calculation not considered meaningful for purposes of this presentation.*
Note figures may not foot due to rounding.

CONSOLIDATED

INCOME STATEMENT – FIRST 6 MONTHS

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	Six Months Ended June 30, 2020		Six Months Ended June 30, 2019		Delta	
($ in millions, except per share)	$	% of Sales	$	% of Sales	$	%
Sales	$ 274.5	—	$ 351.4	—	$ (76.9)	(21.9)%
Gross profit	48.7	17.7 %	66.3	18.9 %	(17.6)	(26.5)%
SG&A	40.9	14.9 %	44.8	12.7 %	(3.9)	(8.7)%
Amortization expense	2.9	1.1 %	3.4	1.0 %	(0.5)	(14.2)%
Interest expense - net	1.9	0.7 %	3.0	0.8 %	(1.0)	(35.4)%
Other expense (income) - net	4.1	1.5 %	(0.4)	(0.1)%	4.5	**%
Pre-tax income	(1.1)	(0.4)%	15.6	4.4 %	(16.7)	(106.9)%
Net (loss) income	**$ (1.3)**	**(0.5)%**	**$ 13.3**	**3.8 %**	**$ (14.6)**	**(110.1)%**
Diluted (loss) earnings per share	**$ (0.13)**		**$ 1.25**		**$ (1.38)**	**(110.4)%**
EBITDA(1)	**$ 9.1**	**3.3%**	**$ 27.5**	**7.8 %**	**$ (18.4)**	**(67.0)%**
Adjusted income(1)	**$ 3.2**	**1.2%**	**$ 13.3**	**3.8%**	**$ (10.1)**	**(76.0)%**
Adjusted diluted earnings per share(1)	**$ 0.30**		**$ 1.25**		**$ (0.95)**	**(76.0)%**
Adjusted EBITDA(1)	**$ 15.0**	**5.5%**	**$ 27.5**	**7.8%**	**$ (12.4)**	**(45.3)%**

(1) See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein.
*** Results of this calculation not considered meaningful for purposes of this presentation.*
Note figures may not foot due to rounding.

SEGMENT
RESULTS – Q2

LBFoster®

Sales ($ in millions)	Three Months Ended June 30, 2020 $	Three Months Ended June 30, 2020 % of Sales	Three Months Ended June 30, 2019 $	Three Months Ended June 30, 2019 % of Sales	Delta $	Delta %
Rail Products and Services	$ 74.9	51.4%	$ 101.4	50.5%	$ (26.5)	(26.1)%
Construction Products	42.0	28.8%	55.4	27.6%	(13.4)	(24.2)%
Tubular and Energy Services	28.8	19.8%	44.1	21.9%	(15.3)	(34.7)%
Total	**$ 145.8**		**$ 200.9**		**$ (55.2)**	**(27.5)%**

Segment Profit (Loss) ($ in millions)	Three Months Ended June 30, 2020 $	Three Months Ended June 30, 2020 % Margin	Three Months Ended June 30, 2019 $	Three Months Ended June 30, 2019 % Margin	Delta $	Delta %
Rail Products and Services	$ 5.8	7.8 %	$ 7.9	7.8%	$ (2.1)	(26.6)%
Construction Products	1.5	3.6%	3.4	6.2%	(1.9)	(55.9)%
Tubular and Energy Services	(4.1)	(14.2)%	5.0	11.4%	(9.1)	(181.3)%
Segment profit	**3.2**	**2.2%**	**16.4**	**8.1%**	**(13.1)**	**(80.3)%**
Corporate/Unallocated	(1.6)	(1.1)%	(5.1)	(2.5)%	3.5	68.6%
Pre-tax income	**$ 1.6**	**1.1%**	**$ 11.2**	**5.6%**	**$ (9.6)**	**(85.6)%**

Note figures may not foot due to rounding.

SEGMENT
RESULTS – FIRST 6 MONTHS

LBFoster®

Sales ($ in millions)	Six Months Ended June 30, 2020 $	Six Months Ended June 30, 2020 % of Sales	Six Months Ended June 30, 2019 $	Six Months Ended June 30, 2019 % of Sales	Delta $	Delta %
Rail Products and Services	$ 145.1	52.9%	$ 177.1	50.4%	$ (32.0)	(18.0)%
Construction Products	71.0	25.9%	92.8	26.4%	(21.7)	(23.4)%
Tubular and Energy Services	58.4	21.2%	81.6	23.2%	(23.2)	(28.4)%
Total	**$ 274.5**		**$ 351.4**		**$ (76.9)**	**(21.9)%**

Segment Profit (Loss) ($ in millions)	Six Months Ended June 30, 2020 $	Six Months Ended June 30, 2020 % Margin	Six Months Ended June 30, 2019 $	Six Months Ended June 30, 2019 % Margin	Delta $	Delta %
Rail Products and Services	$ 7.0	4.8%	$ 11.4	6.4%	$ (4.4)	(38.7)%
Construction Products	(0.1)	(0.2)%	4.2	4.6%	(4.4)	(103.1)%
Tubular and Energy Services	(3.5)	(6.0)%	9.7	11.9%	(13.2)	(136.0)%
Segment profit	**3.4**	**(1.2)%**	**25.4**	**7.2%**	**(22.0)**	**(86.7)%**
Corporate/Unallocated	(4.4)	(1.6)%	(9.8)	(2.8)%	5.3	54.6%
Pre-tax (loss) income	**$ (1.1)**	**(0.4)%**	**$ 15.6**	**4.4%**	**$ (16.7)**	**(107.0)%**

Note figures may not foot due to rounding.

BALANCE SHEET
ASSETS

Assets	June 30, 2020	December 31, 2019
($ in millions)		(audited)
Current assets:		
Cash and cash equivalents	$ 7.4	$ 14.2
Accounts receivable - net	82.5	78.6
Inventories - net	113.7	119.3
Other current assets	7.2	4.6
Total current assets	**210.8**	**216.7**
Property, plant, and equipment - net	79.7	82.3
Operating lease right-of-use assets - net	17.7	13.3
Other assets:		
Goodwill	19.0	19.6
Other intangibles - net	40.2	43.5
Other assets	30.0	29.8
Total assets	**$ 397.4**	**$ 405.2**

Note figures may not foot due to rounding.

BALANCE SHEET
LIABILITIES & EQUITY

LBFoster

Liabilities and Stockholders' Equity	June 30, 2020	December 31, 2019
($ in millions)		(audited)
Current Liabilities:		
Accounts payable and accrued liabilities	$ 113.0	$ 113.8
Current maturities of long-term debt	0.1	2.9
Total current liabilities	**113.1**	**116.7**
Long-term debt	55.4	55.3
Other long-term liabilities	65.0	63.3
Total stockholders' equity	**163.9**	**169.9**
Total liabilities and stockholders' equity	**$ 397.4**	**$ 405.2**

Note figures may not foot due to rounding.

CASH FLOWS

LBFoster®

($ in millions)	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Net (loss) income and non-cash items	$ 12.2	$ 23.8
Receivables	(4.5)	(12.4)
Inventory	3.4	(9.8)
Payables and deferred revenue	8.2	2.8
Working capital subtotal	**7.1**	**(19.4)**
All other	(13.1)	(13.8)
Operating cash flow	**6.1**	**(9.4)**
Capital expenditures	(7.4)	(3.8)
Net (repayments) proceeds from debt	(2.6)	16.1
All other	(2.9)	(1.2)
Net (decrease) increase in cash	**(6.8)**	**1.7**
Cash balance, end of period	**$ 7.4**	**$ 12.0**

Note figures may not foot due to rounding.

NON-GAAP
FINANCIAL MEASURES: EBITDA

LBFoster®

	Three Months Ended		Six Months Ended		Twelve Months Ended	
($ in millions)	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	December 31, 2019
Net income (loss), as reported	$ 0.5	$ 9.6	$ (1.3)	$ 13.3	$ 28.0	$ 42.6
Interest expense - net	1.1	1.6	1.9	3.0	3.9	4.9
Income tax expense (benefit)	1.1	1.7	0.3	2.3	(27.2)	(25.2)
Depreciation	2.6	2.8	5.3	5.5	10.8	11.1
Amortization	1.4	1.7	2.9	3.4	6.1	6.6
EBITDA	**$ 6.8**	**$ 17.3**	**$ 9.1**	**$ 27.5**	**$ 21.5**	**$ 40.0**
Restructuring, relocation, and closure costs	7.0	-	7.8	-	11.3	3.5
U.S pension settlement expense	-	-	-	-	2.2	2.2
Distribution from unconsolidated partnership	(1.9)	-	(1.9)	-	(1.9)	-
Adjusted EBITDA	**$ 11.8**	**$ 17.3**	**$ 15.0**	**$ 27.5**	**$ 33.2**	**$ 45.6**

Note figures may not foot due to rounding.

NON-GAAP
FINANCIAL MEASURES: ADJUSTED INCOME

($ in millions, unless otherwise noted except per share data)	Three Months Ended June 30, 2020		Six Months Ended June 30, 2020		Year Ended December 31, 2019	
Net income (loss), as reported	$	0.5	$	(1.3)	$	42.6
Restructuring, relocation and closure costs, net of tax benefit of $1.7, $1.9, and $0.8, respectively		5.3		5.9		2.6
U.S pension settlement expense, net of tax of $0.6		-		-		1.6
Deferred tax asset valuation allowance reversal		-		-		(29.6)
Distribution from unconsolidated partnership, net of tax expense of $466, $466, and $0, respectively		(1.4)		(1.4)		-
Adjusted Net income	**$**	**4.4**	**$**	**3.2**	**$**	**17.2**
Average number of common shares outstanding – Diluted, as reported		10.6		10.6		10.6
Diluted earnings (loss) per share, as reported	**$**	**0.05**	**$**	**(0.13)**	**$**	**4.00**
Diluted earnings per common share, as adjusted	**$**	**0.41**	**$**	**0.30**	**$**	**1.62**

Note figures may not foot due to rounding.

NON-GAAP

FINANCIAL MEASURES: NET DEBT

	June 30, 2020	December 31, 2019	December 31, 2018	December 31, 2017
($ in millions)				
Total debt	$ 55.6	$ 58.2	$ 75.0	$ 130.0
Less cash and cash equivalents	(7.4)	(14.2)	(10.3)	(37.7)
Total net debt	**$ 48.2**	**$ 44.0**	**$ 64.7**	**$ 92.3**

Note figures may not foot due to rounding.