LBFoster

Q3 2020 Earnings Presentation

November 4, 2020

Bob Bauer – President and CEO
Jim Kempton – Controller and Principal Accounting Officer

SAFE HARBOR
DISCLAIMER

Safe Harbor Statement

This presentation may contain "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Forward-looking statements provide management's current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Sentences containing words such as "believe," "intend," "plan," "may," "expect," "should," "could," "anticipate," "estimate," "predict," "project," or their negatives, or other similar expressions of a future or forward-looking nature generally should be considered forward-looking statements. Forward-looking statements in this earnings release are based on management's current expectations and assumptions about future events that involve inherent risks and uncertainties and may concern, among other things, the Company's expectations relating to our strategy, goals, projections, and plans regarding our financial position, liquidity, capital resources, and results of operations and decisions regarding our strategic growth initiatives, market position, and product development. While the Company considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory, and other risks and uncertainties, most of which are difficult to predict and many of which are beyond the Company's control. The Company cautions readers that various factors could cause the actual results of the Company to differ materially from those indicated by forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Among the factors that could cause the actual results to differ materially from those indicated in the forward-looking statements are risks and uncertainties related to: the COVID-19 pandemic, and any future global health crises, and the related social, regulatory, and economic impacts and the response thereto by the Company, our employees, our customers, and national, state, or local governments; a continued deterioration in the prices of oil and natural gas and the related impact on the upstream and midstream energy markets; 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, 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 disposition of the IOS Test and Inspection Services business and to 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 taxes; domestic and foreign government regulations, including tariffs; economic conditions and regulatory changes caused by the United Kingdom's exit from the European Union; a lack of state or federal funding for new infrastructure projects; an increase in manufacturing or material costs; the loss of future revenues from current customers; and risks inherent in litigation and the outcome of litigation and product warranty claims. Should one or more of these risks or uncertainties materialize, or should the assumptions underlying the forward-looking statements prove incorrect, actual outcomes could vary materially from those indicated. Significant risks and uncertainties that may affect the operations, performance, and results of the Company's business and forward-looking statements include, but are not limited to, those set forth under Item 1A, "Risk Factors," and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 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 November 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") from continuing operations
- Earnings before interest, taxes, depreciation, amortization, and certain charges ("Adjusted EBITDA") from continuing operations
- Adjusted net income from continuing operations
- Adjusted diluted earnings per share from continuing operations
- Net debt
- Free cash flow from continuing operations
- Free cash flow yield from continuing operations

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

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

COMPANY OVERVIEW

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

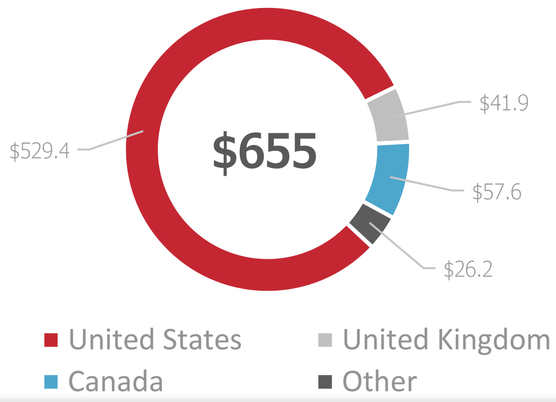
NASDAQ: FSTR

1902 FOUNDED	**54** PLANTS YARDS & OFFICES	**1,330** PROFESSIONALS WORLDWIDE	**$1.62**[1] 2019 DILUTED ADJ. EPS

Information above as of 12/31/2019.

2019 Net Sales by Region

($ in millions)



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

- $118.4M – Q3 2020 Revenue
- $7.4M – Q3 2020 Adj. EBITDA[1]
- $235.2M – Sept 30, 2020 Backlog
- $130.5M – Q3 2020 New Orders

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

EXECUTIVE
SUMMARY

- **Completed sale of IOS Test and Inspection Services business during the third quarter of 2020, eliminating its dilutive effect on the Company's performance.**
  - Sold IOS Test and Inspection Services business on September 4, 2020 as a sale of equity, transferring legacy liabilities to the buyer, receiving $4 million in cash.
  - Represents the Company's strategic exit of the volatile and challenging upstream energy market, allowing management to focus on core competencies with better opportunities.
  - Significant tax benefits to the Company as the result of the transaction; $9 million cash tax refund anticipated within the next year, with an incremental $19 million tax benefit to reduce future tax liabilities.
- **The Company continues to maintain a strong balance sheet and remains focused on managing its working capital.**
  - Total available funding capacity of over $79 million as of September 30, 2020, a $8 million increase over the prior quarter.
  - Net Debt [(1)] is $40 million as of September 30, 2020, an $8 million decrease from the prior quarter, with an Adjusted Net Leverage Ratio[(1)] of 1.1x on an LTM basis, in alignment with the Company's debt paydown strategy.
  - The Company continues to maintain significant financial flexibility to both persevere through challenging market conditions as well as pursue strategic initiatives as they may arise.
- **Backlog increased by $42 million, or 22%, as of September 30, 2020 versus the prior year quarter.**
  - Year-to-date new orders have outpaced revenue despite the challenges faced by the Tubular and Energy segment; the consolidated book-to-bill ratio is 1.04.

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

EXECUTIVE
SUMMARY

- **Rail Products and Services and Construction Products segments continue to exhibit some resilience.**
  - The Rail Products and Services and Construction Products segments saw increases in new orders as well as in backlog over the prior year quarter.
  - The significant year-over-year backlog increases in the third quarter of 23.9% for the Rail segment and 36.6% for the Construction segment continue to highlight the ongoing spending in these two segments despite the weakness associated with traffic volume and transportation related projects due to the COVID-19 pandemic.
  - The Company maintains its strategic focus on the development of Rail Technologies with potential expansion into adjacent markets, as well as the expansion of the Precast Concrete business, both in product offerings and potential geographic expansion, in part through bolt-on acquisitions.
- **Challenges in the energy market continue to impact the business.**
  - 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, which directly impacted sales to energy market customers.
  - While the sale of IOS Test and Inspection Services business halted the dilutive impact of the upstream energy market on the Company, the midstream focused businesses continue to be impacted in the near term.
  - The Company continues to be proactive in adjusting its cost structure to align with the revenue projections for the Tubular and Energy segment businesses.

THIRD QUARTER
RESULTS

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Metrics ($ in millions, unless otherwise noted; except per share data)	Q3 2020	Q3 2019	Delta	
From continuing operations:				
Sales	$ 118.4	$ 144.8	$ (26.5)	(18.3%)
Gross Profit	$ 22.1	$ 28.0	$ (5.9)	(21.1%)
Gross Profit Margin	18.6%	19.3%	(0.7%)	(3.4%)
Net Income	$ 16.6	$ 3.8	$ 12.8	**
Adjusted Net Income[1]	$ 1.0	$ 3.8	$ (2.8)	(74.2%)
Earnings per Diluted Share	$ 1.56	$ 0.35	$ 1.21	**
Adjusted Earnings per Diluted Share[1]	$ 0.09	$ 0.35	$ (0.26)	(74.3%)
Adjusted EBITDA[1]	$ 7.4	$ 9.3	$ (1.9)	(20.2%)
Operating Cash Flow	$ 8.1	$ 23.4	$ (15.3)	(65.4%)
New Orders	$ 130.5	$ 134.5	$ (4.0)	(3.0%)
Backlog	$ 235.2	$ 193.2	$ 42.0	21.7%

- Third quarter 2020 results reflect continued challenges faced due to the decreased demand for oil as result of the COVID-19 pandemic
- Declines in Q3 2020 sales in compared to the prior year quarter are also driven by the completion of the Port Everglades project in 2019
- Net income includes an income tax benefit of $15.9 million associated with the sale of the IOS Test and Inspection Services business
  - Incremental $3.1 million of tax benefit is recognized in discontinued operations

(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.
*** Results of this calculation not considered meaningful for purposes of this presentation.*

IOS SALE

TAX IMPACT

Tax Impact of IOS Sale

($ in millions, unless otherwise noted)	Continuing Operations	Discontinued Operations	Total
	YTD September 30, 2020		
Operations Excluding IOS Disposition			
Pre-tax income (loss)	$ 11.8	$ (10.4)	$ 1.5
Tax expense (benefit)	4.1	(2.4)	1.8
Net income (loss)	**$ 7.7**	**$ (8.0)**	**$ (0.3)**
IOS Disposition			
Pre-tax loss	$ -	$ (13.2)	$ (13.2)
Tax benefit	(15.8)	(3.1)	(19.0)
Net income (loss)	**$ 15.8**	**$ (10.0)**	**$ 5.8**
Consolidated			
Pre-tax income (loss)	$ 11.8	$ (23.6)	$ (11.7)
Tax benefit	(11.7)	(5.5)	(17.2)
Net income (loss)	**$ 23.5**	**$ (18.1)**	**$ 5.5**

- An incremental tax benefit of $19.0 million was recorded as a result of the disposition of IOS
  - $15.9 million included in continuing operations
  - $3.1 million included in discontinued operations
- The corresponding incremental changes to the balance sheet were as follows:
  - $8.8 million additional income tax receivable (cash refund expected to be received in 2021)
  - $0.6 million reduction to noncurrent liabilities (transition tax installments due)
  - $9.6 million additional deferred tax asset (NOL carryforward)

ORDERS

SUMMARY

New Orders Entered – Three Months Ended

($ in millions)	September 30, 2020	September 30, 2019	Delta	
Rail Products and Services	$ 68.5	$ 64.3	$ 4.2	6.6%
Construction Products	$ 50.3	$ 46.4	$ 3.9	8.3%
Tubular and Energy	$ 11.7	$ 23.9	$ (12.1)	(50.7%)
Total	**$ 130.5**	**$ 134.5**	**$ (4.0)**	**(3.0%)**

New Orders Entered – Nine Months Ended

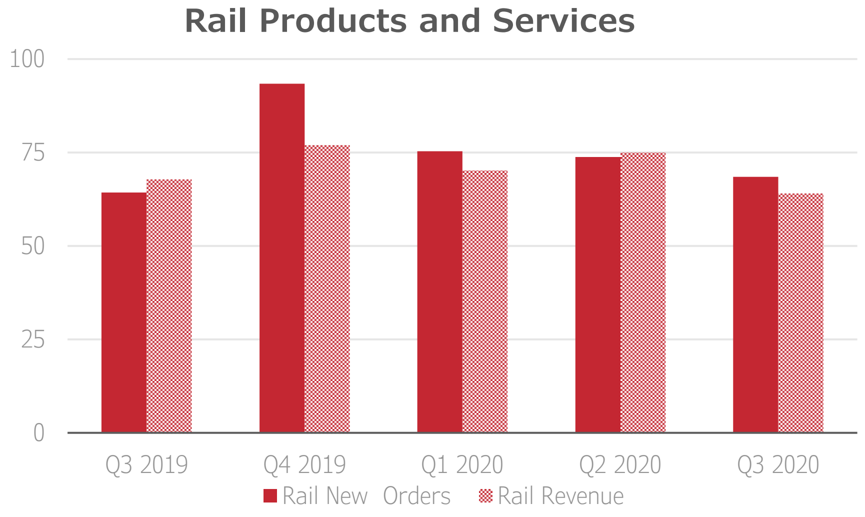
($ in millions)	September 30, 2020	September 30, 2019	Delta	
Rail Products and Services	$ 217.6	$ 241.0	$ (23.3)	(9.7%)
Construction Products	$ 135.9	$ 132.8	$ 3.2	2.4%
Tubular and Energy	$ 41.7	$ 84.7	$ (43.0)	(50.8%)
Total	**$ 395.2**	**$ 458.4**	**$ (63.2)**	**(13.8%)**

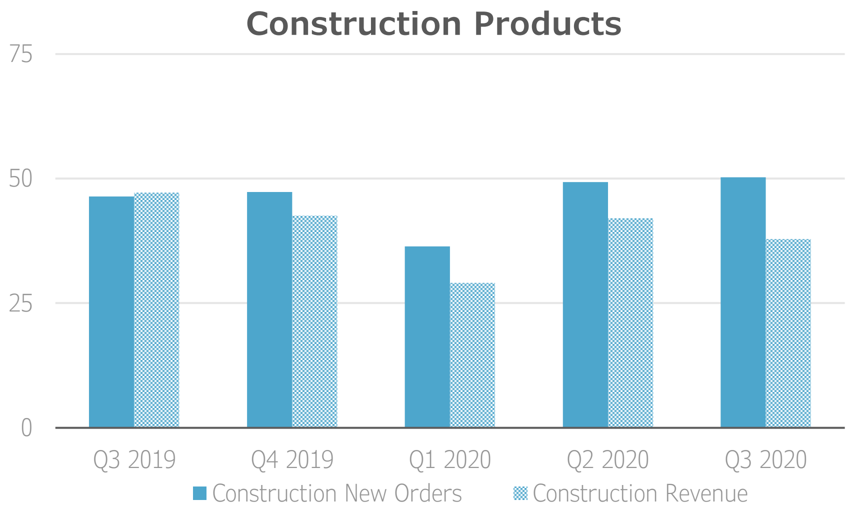
- Rail products and services saw a 6.6% increase in new order activity quarter-over-quarter, driven by increases in the concrete ties division and rail distribution division
- Construction Products order increases of 8.3% quarter over quarter are due to increases in orders in the Piling and Fabricated Bridge business unit
- Tubular and Energy continues to face challenges from the energy market; declines were experienced primarily in the protective coatings business
- Order activity continues to drive backlog up quarter-over-quarter as longer term projects continue to progress and recover from COVID-19 slowdowns, despite delays experienced

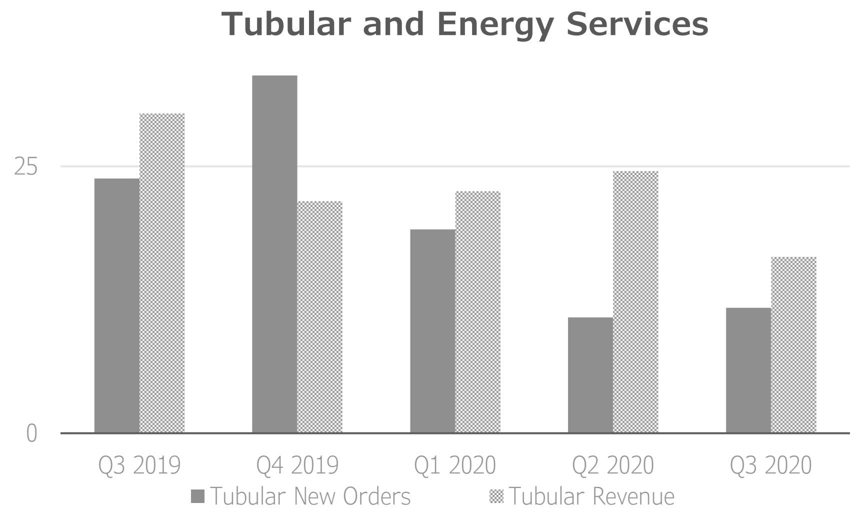
Note figures may not foot due to rounding.

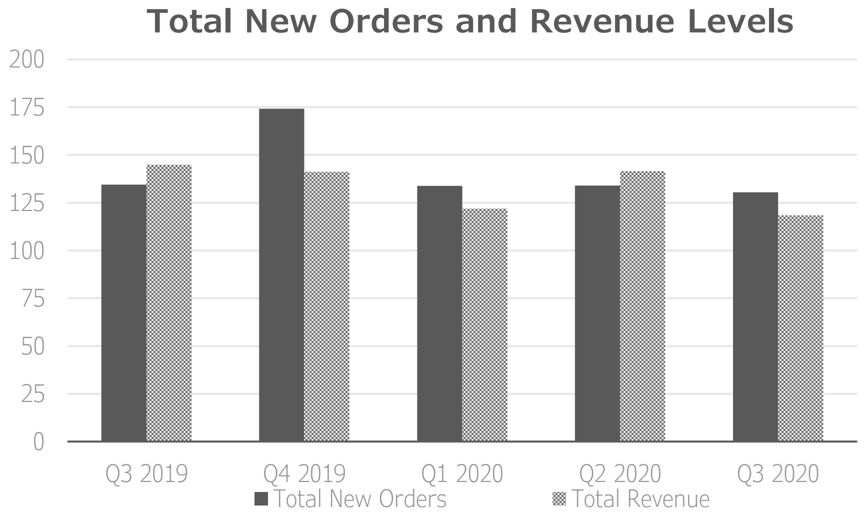
ORDERS
AND REVENUE

- Positive order activity in 2020 with consolidated book-to-bill ratio of 1.04 despite downturn in the Tubular and Energy segment.
- Construction Products has a year-to-date book-to-bill ratio of 1.25 while Rail Products and Services is at 1.04.









Data presented on a continuing operations basis.

BACKLOG
SUMMARY

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Backlog vs. Prior Year Quarter				
($ in millions)	September 30, 2020	September 30, 2019	Delta	
Rail Products and Services	$ 109.1	$ 88.1	$ 21.0	23.9%
Construction Products	$ 118.4	$ 86.6	$ 31.7	36.6%
Tubular and Energy	$ 7.8	$ 18.6	$ (10.8)	(58.2%)
Total	**$ 235.2**	**$ 193.2**	**$ 42.0**	**21.7%**

Backlog vs. Prior Year End				
($ in millions)	September 30, 2020	December 31, 2019	Delta	
Rail Products and Services	$ 109.1	$ 103.7	$ 5.4	5.2%
Construction Products	$ 118.4	$ 92.3	$ 26.1	28.3%
Tubular and Energy	$ 7.8	$ 33.1	$ (25.3)	(76.5%)
Total	**$ 235.2**	**$ 229.0**	**$ 6.2**	**2.7%**

- The Company continues to maintain trends of backlog increases quarter-over-quarter with a 21.7% increase in Q3 and a 7.9% increase in Q2 versus the prior year quarter, which is indicative of continued spending in the Rail and Construction segments despite weakness experienced in markets served
- The Rail Products and Services backlog increase is driven in part by increases to the transit products business quarter over quarter
- Increases in Construction Products quarter over quarter backlog is driven by increases in all divisions in this segment

Note figures may not foot due to rounding. Data presented on a continuing operations basis.

NON-GAAP
FREE CASH FLOW YIELD

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Free Cash Flow Yield			
($ in millions, unless otherwise noted; except per share price)	LTM Q3 2020	2019	2018
Cash Provided by Continuing Operating Activities	$ 32.1	$ 26.2	$ 26.5
Less: Capital Expenditures from Continuing Operations	$ (11.2)	$ (6.0)	$ (3.7)
Free Cash Flow	$ 21.0	$ 20.2	$ 22.9
Shares Outstanding	10.6	10.4	10.4
Share Price[1]	**$ 13.42**	**$ 19.38**	**$ 15.90**
Free Cash Flow Yield[2]	**14.8%**	**10.0%**	**13.9%**

- Robust cash flow from continuing operations continue to drive double-digit free cash flow yield
- Cash flow from continuing operations YTD Q3 2020 increased by 57% when compared to the prior year period
- Management continues to focus on working capital management and strategic use of free cash flow
- Capital expenditures in LTM Q3 2020 and YTD 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 September 30, 2020, December 31, 2019, and December 31, 2018, respectively.
(2) See reconciliation included in this slide herein for this displayed non-GAAP measure. This measure calculated on a continuing operations basis.
Note figures may not foot due to rounding.

FOCUS ON
LIQUIDITY

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($ in millions, unless otherwise noted)	September 30, 2020	December 31, 2019
Cash & Cash Equivalents	**$ 9.3**	**$ 14.2**
Total Availability Under the Credit Facility	$ 120.0	$ 140.0
Outstanding Borrowings on Revolving Credit Facility	$ (48.9)	$ (33.9)
Letters of Credit Outstanding	$ (1.0)	$ (0.5)
Net Availability Under the Revolving Credit Facility	**$ 70.1**	**$ 105.6**
Total Available Funding Capacity	**$ 79.4**	**$ 119.8**
Term Loan Outstanding	$ -	$ 23.8
Finance Leases and Financing Agreements	$ 0.3	$ 0.6
Total Debt Outstanding	$ 49.1	$ 58.2
Total Net Debt Outstanding[1]	**$ 39.8**	**$ 44.0**
LTM Adjusted EBITDA[1]	$ 35.9	$ 45.6
Adjusted Net Leverage Ratio[1]	**1.1 x**	**1.0 x**

- 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 $79.4 million as of September 30, 2020 provides the Company with significant financial flexibility
- The Company continues to drive down net debt in alignment with its long-term debt paydown strategy

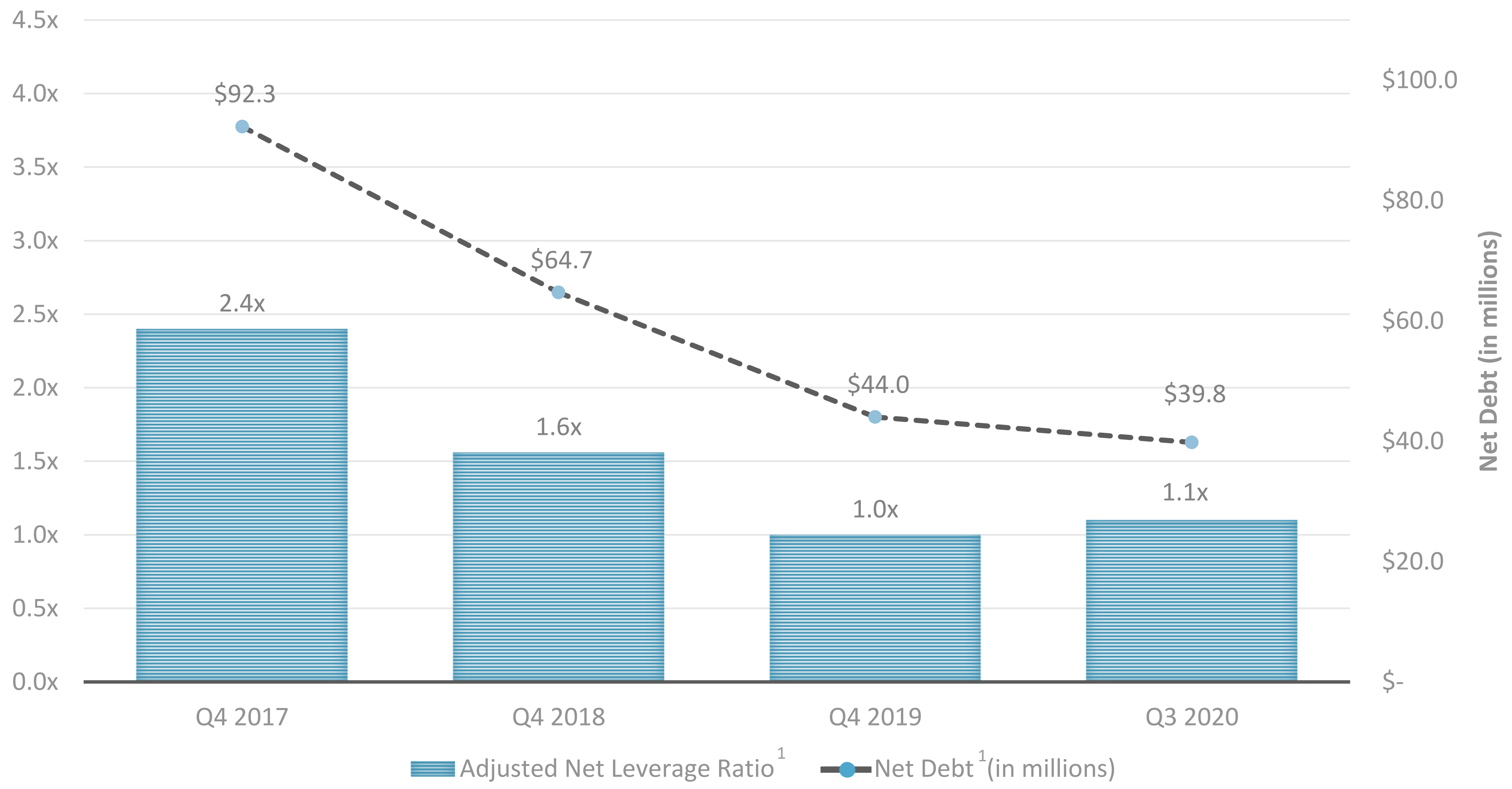
(1) See non-GAAP reconciliation tables at the end of this presentation regarding non-GAAP measures used herein.

Note figures may not foot due to rounding.

BALANCE SHEET
STRENGTH

- Strategic focus on deleveraging through optimizing operating cash flows
- Net debt[1] 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[1] compared to Q2 2020, while the Adjusted Net Leverage Ratio[1] is at a modest 1.1x

CHANGE IN ADJUSTED NET LEVERAGE RATIO[1]



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



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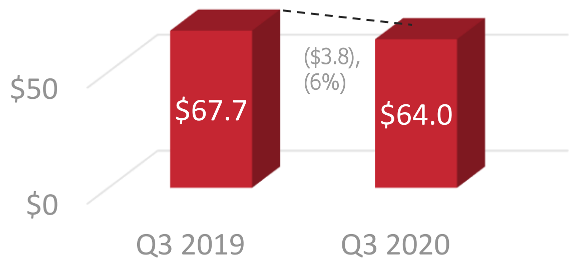
BUSINESS REVIEW

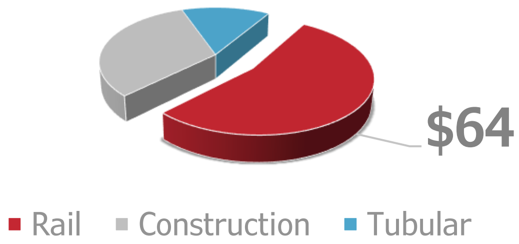
Q3 2020 Results

- The COVID-19 pandemic continues to drive low rail traffic volumes in North America which negatively impacts demand for transit products and our friction management business
- The Company's cost management measures drove segment profit up 10% when compared to the prior year quarter despite declines in revenue and gross profit

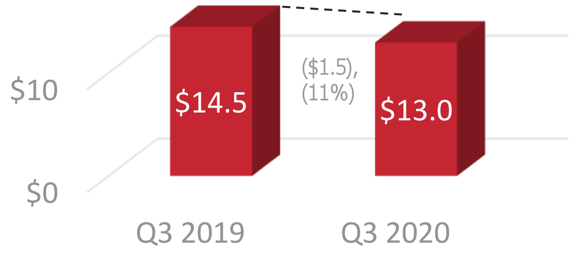
Revenue
($ in millions)



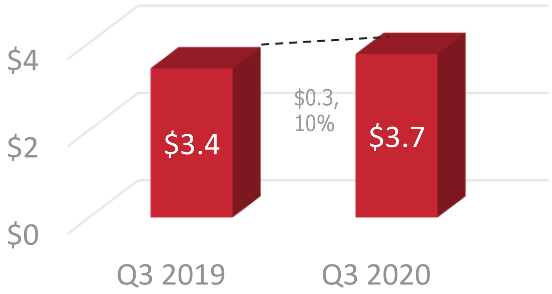
Q3 2020 Net Sales by Segment
($ in millions)



Gross Profit
($ in millions)



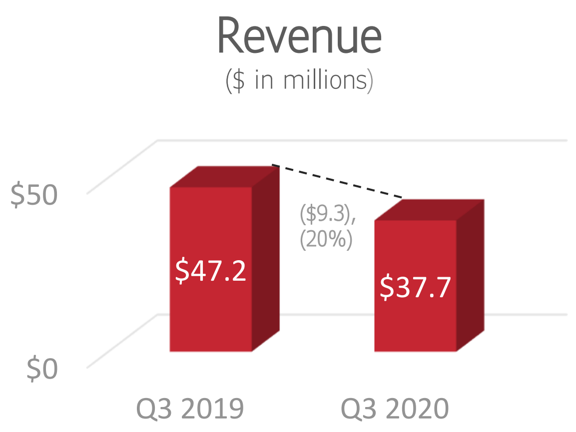
Segment Profit
($ in millions)

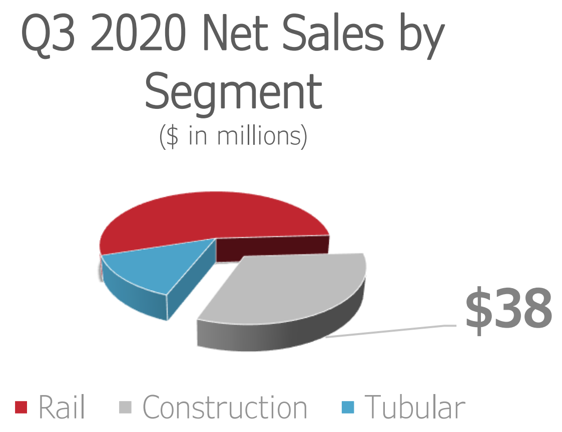


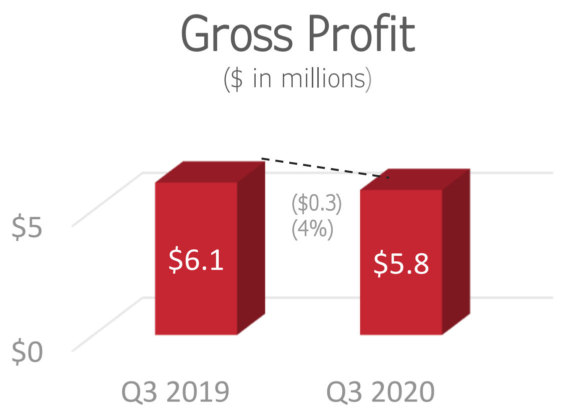
Note figures may not foot due to rounding.

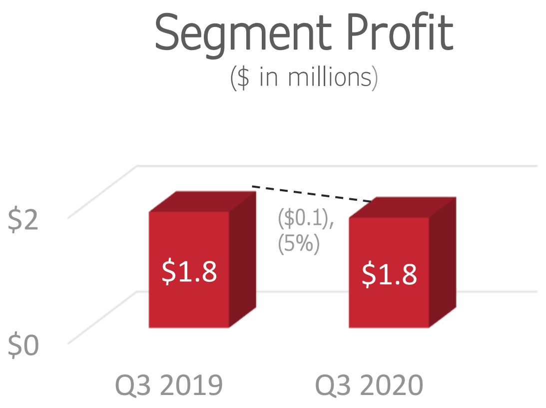
Q3 2020 Results

- Reductions to the Construction Products segment revenue quarter-over-quarter are due in part to the completion of the Port Everglades project in 2019
- Due to company cost controlling measures, segment profit remained consistent compared to the prior year quarter
- Substantial increases in both new orders and backlog within the segment for the quarter over the prior year quarter reflect continued indications of long-term investments within markets served







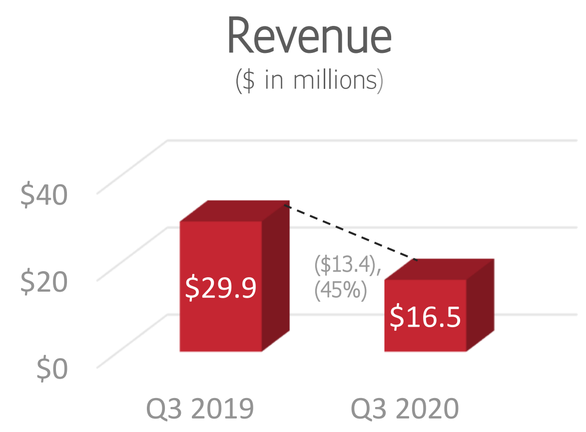


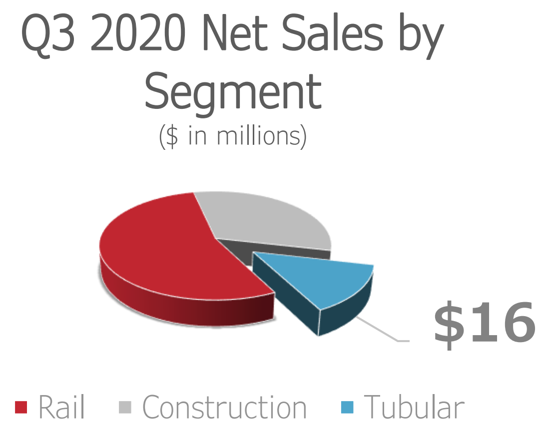
Note figures may not foot due to rounding.

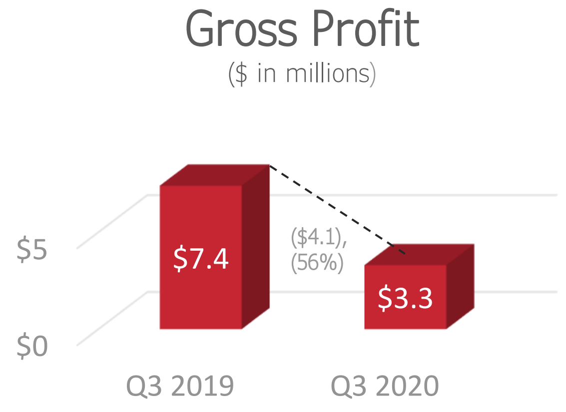
TUBULAR & ENERGY SERVICES

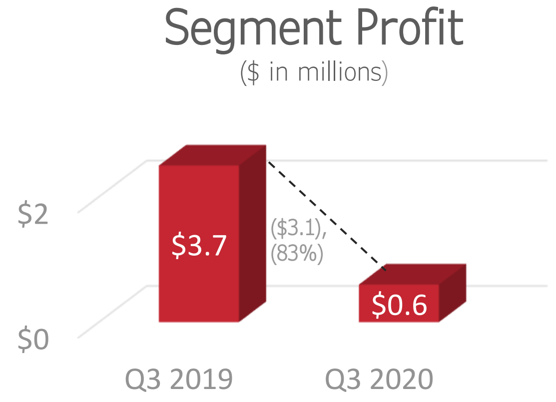
Q3 2020 Results

- Sales focused on the midstream energy market continue to experience pandemic-related challenges as demand for oil remains severely impacted by the COVID-19 pandemic; however, the Company anticipates the midstream market to have a more stable long-term outlook than the upstream market
- The significant decrease in revenue drove the declines in gross profit and segment profit









Data presented on a continuing operations basis. Note figures may not foot due to rounding.



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APPENDIX

CONSOLIDATED
INCOME STATEMENT – Q3

	Three Months Ended September 30, 2020			Three Months Ended September 30, 2019			Delta		
($ in millions except per share data)	$		% of Sales	$		% of Sales	$		%
Sales	$	118.4	-	$	144.8	-	$	(26.5)	(18.3%)
Gross profit	$	22.1	18.6%	$	28.0	19.3%	$	(5.9)	(21.1%)
SG&A	$	17.1	14.4%	$	21.0	14.5%	$	(4.0)	(18.9%)
Amortization expense	$	1.4	1.2%	$	1.6	1.1%	$	(0.2)	(12.0%)
Interest expense - net	$	0.9	0.8%	$	1.1	0.7%	$	(0.1)	(12.8%)
Other income - net	$	(0.2)	(0.2%)	$	(0.4)	(0.3%)	$	0.2	(42.9%)
Income from continuing operations before income taxes	$	2.8	2.4%	$	4.6	3.2%	$	(1.8)	(38.2%)
Income tax (benefit) expense	$	(13.7)	(11.6%)	$	0.8	0.6%	$	(14.6)	**
Income from continuing operations	**$**	**16.6**	**14.0%**	**$**	**3.8**	**2.6%**	**$**	**12.8**	**341.6%**
Loss from discontinued operations before income taxes	**$**	**(13.5)**	**(11.4%)**	**$**	**(1.5)**	**(1.0%)**	**$**	**(12.0)**	**
Income tax benefit	**$**	**(3.7)**	**(3.2%)**	**$**	**(0.8)**	**(0.5%)**	**$**	**(2.9)**	**375.2%**
Loss from discontinued operations	**$**	**(9.7)**	**(8.2%)**	**$**	**(0.7)**	**(0.5%)**	**$**	**(9.1)**	**
Net income	**$**	**6.8**	**5.8%**	**$**	**3.1**	**2.1%**	**$**	**3.8**	**122.9%**
Diluted earnings per share	**$**	**0.64**		**$**	**0.29**		**$**	**0.35**	**123.4%**
EBITDA from continuing operations[(1)]	**$**	**7.1**	**6.0%**	**$**	**9.3**	**6.4%**	**$**	**(2.2)**	**(23.1%)**
Adjusted income from continuing operations[(1)]	**$**	**1.0**	**0.8%**	**$**	**3.8**	**2.6%**	**$**	**(2.8)**	**(74.2%)**
Adjusted diluted earnings per share from continuing operations[(1)]	**$**	**0.09**		**$**	**0.35**		**$**	**(0.26)**	**(74.3%)**
Adjusted EBITDA from continuing operations[(1)]	**$**	**7.4**	**6.3%**	**$**	**9.3**	**6.4%**	**$**	**(1.9)**	**(20.2%)**

(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 9 MONTHS

LBFoster®

	Nine Months Ended September 30, 2020		Nine Months Ended September 30, 2019		Delta	
($ in millions except per share data)	$	% of Sales	$	% of Sales	$	%
Sales	$ 381.8	-	$ 475.1	-	$ (93.3)	(19.6%)
Gross profit	$ 73.3	19.2%	$ 92.7	19.5%	$ (19.4)	(20.9%)
SG&A	$ 56.3	14.7%	$ 62.9	13.2%	$ (6.6)	(10.5%)
Amortization expense	$ 4.3	1.1%	$ 4.9	1.0%	$ (0.7)	(13.7%)
Interest expense - net	$ 2.8	0.7%	$ 4.0	0.8%	$ (1.2)	(29.5%)
Other income - net	$ (1.9)	(0.5%)	$ (0.8)	(0.2%)	$ (1.1)	149.9%
Income from continuing operations before income taxes	$ 11.8	3.1%	$ 21.7	4.6%	$ (9.8)	(45.3%)
Income tax (benefit) expense	$ (11.7)	(3.1%)	$ 3.9	0.8%	$ (15.6)	**
Income from continuing operations	**$ 23.5**	**6.2%**	**$ 17.8**	**3.7%**	**$ 5.8**	**32.5%**
Loss from discontinued operations before income taxes	**$ (23.6)**	**(6.2%)**	**$ (3.0)**	**(0.6%)**	**$ (20.6)**	**
Income tax benefit	**$ (5.5)**	**(1.4%)**	**$ (1.5)**	**(0.3%)**	**$ (4.0)**	**265.1%**
Loss from discontinued operations	**$ (18.1)**	**(4.7%)**	**$ (1.5)**	**(0.3%)**	**$ (16.6)**	**
Net income	**$ 5.5**	**1.4%**	**$ 16.3**	**3.4%**	**$ (10.8)**	**(66.4%)**
Diluted earnings per share	**$ 0.52**		**$ 1.53**		**$ (1.02)**	**(66.4%)**
EBITDA from continuing operations(1)	**$ 24.8**	**6.5%**	**$ 36.6**	**7.7%**	**$ (11.8)**	**(32.3%)**
Adjusted income from continuing operations(1)	**$ 7.9**	**2.1%**	**$ 17.8**	**3.7%**	**$ (9.9)**	**(55.6%)**
Adjusted diluted earnings per share from continuing operations(1)	**$ 0.75**		**$ 1.67**		**$ (0.92)**	**(55.1%)**
Adjusted EBITDA from continuing operations(1)	**$ 25.1**	**6.6%**	**$ 36.6**	**7.7%**	**$ (11.5)**	**(31.4%)**

(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 – Q3

LBFoster

Sales	Three Months Ended September 30, 2020		Three Months Ended September 30, 2019		Delta	
($ in millions)	$	% of Sales	$	% of Sales	$	%
Rail Products and Services	$ 64.0	54.1%	$ 67.7	46.8%	$ (3.8)	(5.5%)
Construction Products	$ 37.9	32.0%	$ 47.2	32.6%	$ (9.3)	(19.7%)
Tubular and Energy Services	$ 16.5	13.9%	$ 29.9	20.7%	$ (13.4)	(44.9%)
Total	**$ 118.4**		**$ 144.8**		**$ (26.5)**	**(18.3%)**

Segment Profit	Three Months Ended September 30, 2020		Three Months Ended September 30, 2019		Delta	
($ in millions)	$	% Margin	$	% Margin	$	%
Rail Products and Services	$ 3.7	5.8%	$ 3.4	5.0%	$ 0.3	9.5%
Construction Products	$ 1.8	4.6%	$ 1.8	3.9%	$ (0.1)	(5.0%)
Tubular and Energy Services	$ 0.6	3.8%	$ 3.7	12.4%	$ (3.1)	(83.3%)
Segment Profit	**$ 6.1**	**5.2%**	**$ 9.0**	**6.2%**	**$ (2.9)**	**(31.8%)**
Corporate / Unallocated	$ (3.3)	(2.8%)	$ (4.4)	(3.0%)	$ 1.1	(25.1%)
Pre-tax Income from Continuing Operations	**$ 2.8**	**2.4%**	**$ 4.6**	**3.2%**	**$ (1.8)**	**(38.2%)**

Note figures may not foot due to rounding.

SEGMENT
RESULTS – FIRST 9 MONTHS

Sales	Nine Months Ended September 30, 2020		Nine Months Ended September 30, 2019		Delta	
($ in millions)	$	% of Sales	$	% of Sales	$	%
Rail Products and Services	$ 209.1	54.8%	$ 244.8	51.5%	$ (35.7)	(14.6%)
Construction Products	$ 108.9	28.5%	$ 139.9	29.5%	$ (31.0)	(22.2%)
Tubular and Energy Services	$ 63.8	16.7%	$ 90.3	19.0%	$ (26.6)	(29.4%)
Total	**$ 381.8**		**$ 475.1**		**$ (93.3)**	**(19.6%)**

Segment Profit	Nine Months Ended September 30, 2020		Nine Months Ended September 30, 2019		Delta	
($ in millions)	$	% Margin	$	% Margin	$	%
Rail Products and Services	$ 10.7	5.1%	$ 14.8	6.1%	$ (4.1)	(27.6%)
Construction Products	$ 1.6	1.5%	$ 6.1	4.4%	$ (4.5)	(73.4%)
Tubular and Energy Services	$ 7.2	11.3%	$ 14.9	16.5%	$ (7.7)	(51.6%)
Segment Profit	**$ 19.6**	**5.1%**	**$ 35.8**	**7.5%**	**$ (16.2)**	**(45.4%)**
Corporate / Unallocated	$ (7.7)	(2.0%)	$ (14.2)	(3.0%)	$ 6.4	(45.5%)
Pre-tax Income from Continuing Operations	**$ 11.8**	**3.1%**	**$ 21.7**	**4.6%**	**$ (9.8)**	**(45.3%)**

Note figures may not foot due to rounding.

BALANCE SHEET
ASSETS

Assets	September 30, 2020	December 31, 2019
($ in millions)		(audited)
Current assets:		
Cash and cash equivelants	$ 9.3	$ 14.2
Accounts receivable - net	$ 61.4	$ 73.6
Inventories - net	$ 117.3	$ 118.5
Other current assets	$ 15.2	$ 4.1
Current assets from discontinued operations	$ -	$ 6.3
Total current assets	**$ 203.2**	**$ 216.7**
Property, plant, and equipment - net	$ 62.7	$ 60.4
Operaring lease right-of-use assets - net	$ 16.7	$ 11.3
Other assets:		
Goodwill	$ 19.8	$ 19.6
Other intangibles - net	$ 38.0	$ 42.1
Other assets	$ 38.5	$ 20.6
Other assets of discontinued operations	$ -	$ 34.5
Total assets	**$ 378.9**	**$ 405.2**

Note figures may not foot due to rounding.

BALANCE SHEET
LIABILITIES & EQUITY

Liabilities and Stockholders' Equity	September 30, 2020		December 31, 2019	
($ in millions)				(audited)
Current liabilities:				
Accounts payable and accrued liabilities	$	98.5	$	108.2
Current maturities of long-term debt	$	0.1	$	2.9
Liabilities of discontinued operations	$	0.6	$	5.6
Total current liabilities	**$**	**99.2**	**$**	**116.7**
Long term debt	$	49.0	$	55.3
Other long-term liabilities	$	57.3	$	57.7
Long term liabilities of discontinued operations	$	-	$	5.6
Total stockholders' equity	$	173.4	$	169.9
Total liabilities and stockholders' equity	**$**	**378.9**	**$**	**405.2**

Note figures may not foot due to rounding.

CASH FLOWS

($ in millions)	Nine months ended September 30, 2020		Nine months ended September 30, 2019	
Net income and other non-cash items from continuing operations	$	26.8	$	32.6
Receivables	$	12.1	$	(3.0)
Inventory	$	0.5	$	(5.0)
Payables and deferred revenue	$	(4.3)	$	(1.9)
Working Capital subtotal	**$**	**8.3**	**$**	**(9.8)**
All other	$	(19.0)	$	(12.4)
Net Cash Provided by Continuing Operating Activities	**$**	**16.2**	**$**	**10.3**
Capital expenditures	$	(7.7)	$	(2.5)
Net repayments from debt	$	(9.0)	$	(1.9)
All other	$	(3.7)	$	(1.4)
Net cash (used by) provided by discontinued operations	$	(0.7)	$	0.6
Net (decrease) increase in cash	**$**	**(4.9)**	**$**	**5.1**
Cash balance, end of period	**$**	**9.3**	**$**	**15.4**

Note figures may not foot due to rounding.

NON-GAAP
EBITDA FROM CONTINUING OPS

($ in millions)	Three Months Ended September 30, 2020	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2020	Year Ended September 30, 2020
Net income from continuing operations, as reported	$ 16.6	$ 3.8	$ 23.5	$ 17.8	$ 53.7
Interest expense, net	$ 0.9	$ 1.1	$ 2.8	$ 4.0	$ 3.7
Income tax (benefit) expense	$ (13.7)	$ 0.8	$ (11.7)	$ 3.9	$ (39.4)
Depreciation expense	$ 1.9	$ 2.0	$ 5.8	$ 6.0	$ 7.8
Amortization expense	$ 1.4	$ 1.6	$ 4.3	$ 4.9	$ 5.8
Total EBITDA from continuing operations	**$ 7.1**	**$ 9.3**	**$ 24.8**	**$ 36.6**	**$ 31.6**
Relocation and restructuring costs	$ 0.3	$ -	$ 2.2	$ -	$ 4.0
Distribution from unconsolidated partnership	$ -	$ -	$ (1.9)	$ -	$ (1.9)
U.S. pension settlement expense	$ -	$ -	$ -	$ -	$ 2.2
Adjusted EBITDA from continuing operations	**$ 7.4**	**$ 9.3**	**$ 25.1**	**$ 36.6**	**$ 35.9**

Note figures may not foot due to rounding.

NON-GAAP

ADJUSTED INCOME FROM CONTINUNG OPS

($ in millions)	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Net income from continuing operations, as reported	$ 16.6	$ 3.8	$ 23.5	$ 17.8
Relocation and restructuring costs, net of tax benefit of $0.1, $0.0, $0.5, and $0.0, respectively	$ 0.2	$ -	$ 1.7	$ -
Distribution from unconsolidated partnership, net of tax expense of $0.0, $0.0, $0.4, and $0.0, respectively	$ -	$ -	$ (1.4)	$ -
Income tax benefits resulting from the divestiture of IOS	$ (15.8)	$ -	$ (15.8)	$ -
Adjusted net income from continuing operations	**$ 1.0**	**$ 3.8**	**$ 7.9**	**$ 17.8**

Averave number of common shares outstanding - Diluted, as reported	10.7	10.7	10.7	10.6
Diluted earnings per common share from continued operations, as reported	$ 1.56	$ 0.35	$ 2.21	$ 1.67
Diluted earnings per common share from continued operations, as adjusted	**$ 0.09**	**$ 0.35**	**$ 0.75**	**$ 1.67**

Note figures may not foot due to rounding.

NON-GAAP
FINANCIAL MEASURES: NET DEBT

	September 30, 2020	December 31, 2019	December 31, 2018	December 31, 2017
($ in millions)		**(audited)**	**(audited)**	**(audited)**
Total debt	$ 49.1	$ 58.2	$ 75.0	$ 130.0
Less cash and cash equivalents	$ (9.3)	$ (14.2)	$ (10.3)	$ (37.7)
Total net debt	**$ 39.8**	**$ 44.0**	**$ 64.7**	**$ 92.3**

Note figures may not foot due to rounding.