L.B. Foster Company
Q4 2022 Earnings Presentation

Nasdaq - FSTR

March 6, 2023

Safe Harbor Disclaimer

Safe Harbor Statement

This presentation may contain forward-looking statements within the meaning of Section 21E of the Securities and Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Forward-looking statements 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 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, L.B. Foster Company's (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, including recession, whether as a result of the COVID-19 pandemic or otherwise, including its impact on labor markets and supply chains, macroeconomic factors, including the impact of inflation and pricing pressures, travel and demand for oil and gas, the continued volatility 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, strikes, or labor stoppages; 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 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 Track Components, Piling, and IOS Test and Inspection businesses, and acquisitions of the Skratch Enterprises Ltd., Intelligent Video Ltd., and VanHooseCo Precast LLC businesses 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 SOFR 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 amended by our other periodic filings with the Securities and Exchange Commission. The forward-looking statements in this release are made as of the date of this release 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.

All information in this presentation speaks only as of March 6, 2023, 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")
- Net debt
- Gross leverage ratio per the Company's credit agreement
- Funding capacity
- New orders
- Backlog

The Company believes that EBITDA 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. Adjusted EBITDA adjusts for certain charges to net income and EBITDA that the Company believes are unusual, non-recurring, unpredictable, or non-cash. In 2022, the Company made adjustments to exclude acquisition and divestiture related costs, Crossrail project settlement amount, the gain from insurance proceeds, the loss associated with sale of Track Components, the gain associated with the sale of Piling Products, VanHooseCo acquisition related inventory step-up amortization and contingent consideration expense, and non-cash impairment charges. In 2021, the Company made an adjustment for the gain on the divestiture of the Piling Products business. The Company views net debt, which is total debt less cash and cash equivalents, and the gross leverage ratio, as defined in the Second Amendment to its Fourth Amended and Restated Credit Agreement dated August 12, 2022, as important metrics of the operational and financial health of the organization and believe they are useful to investors as indicators of its ability to incur additional debt and to service its existing debt. 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.

The Company has not reconciled the forward-looking adjusted EBITDA to the most directly comparable GAAP measure because this cannot be done without unreasonable effort due to the variability and low visibility with respect to certain costs, the most significant of which are acquisition and divestiture-related costs and impairment expense. These underlying expenses and others that may arise during the year are potential adjustments to future earnings. The Company expects the variability of these items to have a potentially unpredictable, and a potentially significant, impact on our future GAAP financial results.

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 from continuing operations, net debt, adjusted net leverage ratio, and adjustments to segment results to exclude one-time adjustments made to accommodate the anticipated settlement of the Crossrail project are included in this presentation.

Company Overview

A global solutions provider of engineered and manufactured products and services to build and support infrastructure

Who we are

- Headquartered in Pittsburgh, Pennsylvania
- Locations throughout North America, South America, Europe, and Asia
- Critical infrastructure solutions provider focused on growing our innovative, technology-based offering to address our customer's most challenging operating and safety requirements

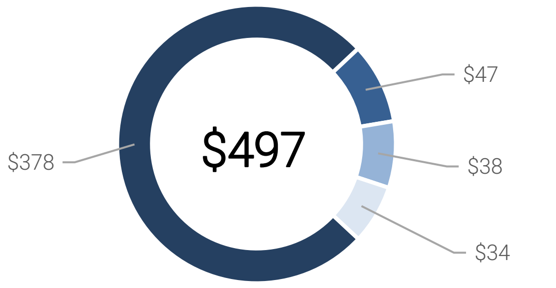
NASDAQ: FSTR

1902	36	~1,100
FOUNDED	PLANTS, YARDS & OFFICES	EMPLOYEES WORLDWIDE

Information above as of 12/31/2022.

2022 Net Sales by Region

($ in millions)



Segments

- Rail, Technologies, and Services
- Precast Concrete Products
- Steel Products and Measurement

Business System

Focus

- Expand via Growth Platforms
- Leverage Technology Solutions and Services
- Optimize Returns Business Performance
- Reduce Complexity Across the Portfolio

Financials

- $137.2M – Q4 2022 Revenue
- $7.5M – Q4 2022 Adj. EBITDA[1]
- $137.8M – Q4 2022 New Orders[1]
- $272.3M – 12/31/2022 Backlog[1]

1) *Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.*

Opening Remarks

John Kasel
President and CEO

Executive Summary – Quarter Highlights

Momentum by LBFoster

What we've accomplished...

Net sales of $137.2M up 21.4% yoy driving 260 bps gross margin expansion

$7.5M Adjusted EBITDA[1] up 132.6% yoy

Reduced gross leverage ratio[1] by 0.5x to 2.8x during Q4

New orders[1] increased 44.8% yoy in Q4

Full year Book to Bill Ratio at 1.11 : 1.0

Backlog[1] of $272.3M remains near all-time record levels

Where we're going...

Initiating 2023 financial guidance with net sales expected to range from $540M - $570M and Adjusted EBITDA[1] from $27M - $31M

Board of Directors authorized $15M stock buyback program through February 2026, representing ~11% of current market value

Strong results in 2022 2nd half demonstrate that our strategic transformation is on track and taking hold

1) *Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.*

Financial Review

Bill Thalman
Senior Vice President and CFO

Fourth Quarter Results

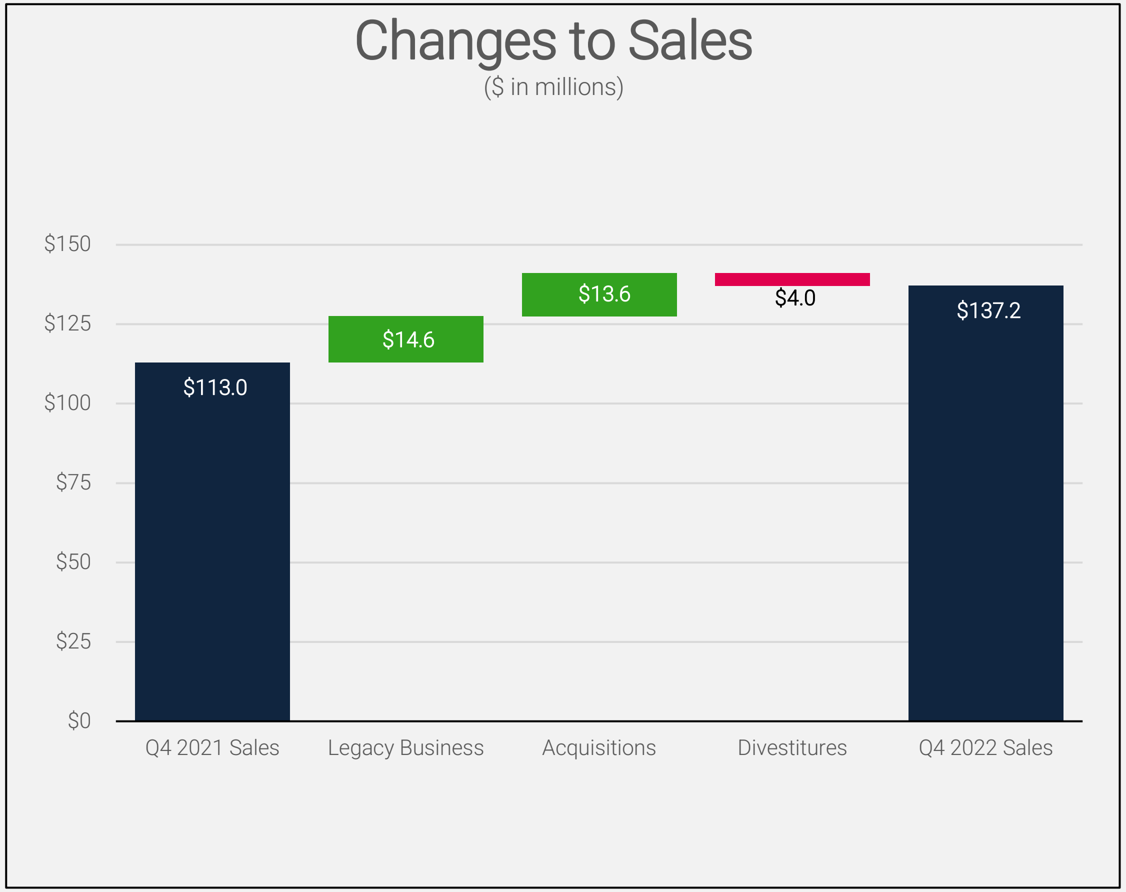
As of and for the quarter ended December 31, 2022: $ in millions, unless otherwise noted		YoY Δ
SALES	137.2	24.2
GROSS PROFIT	26.8	7.7
GROSS PROFIT MARGIN	19.5%	260 bps
SG&A	23.3	5.2
NET LOSS	(43.9)	(43.6)
ADJ. EBITDA[1]	7.5	4.3
OPERATING CASH FLOW	8.3	2.3
NEW ORDERS[1]	137.8	42.6
BACKLOG[1]	272.3	62.1

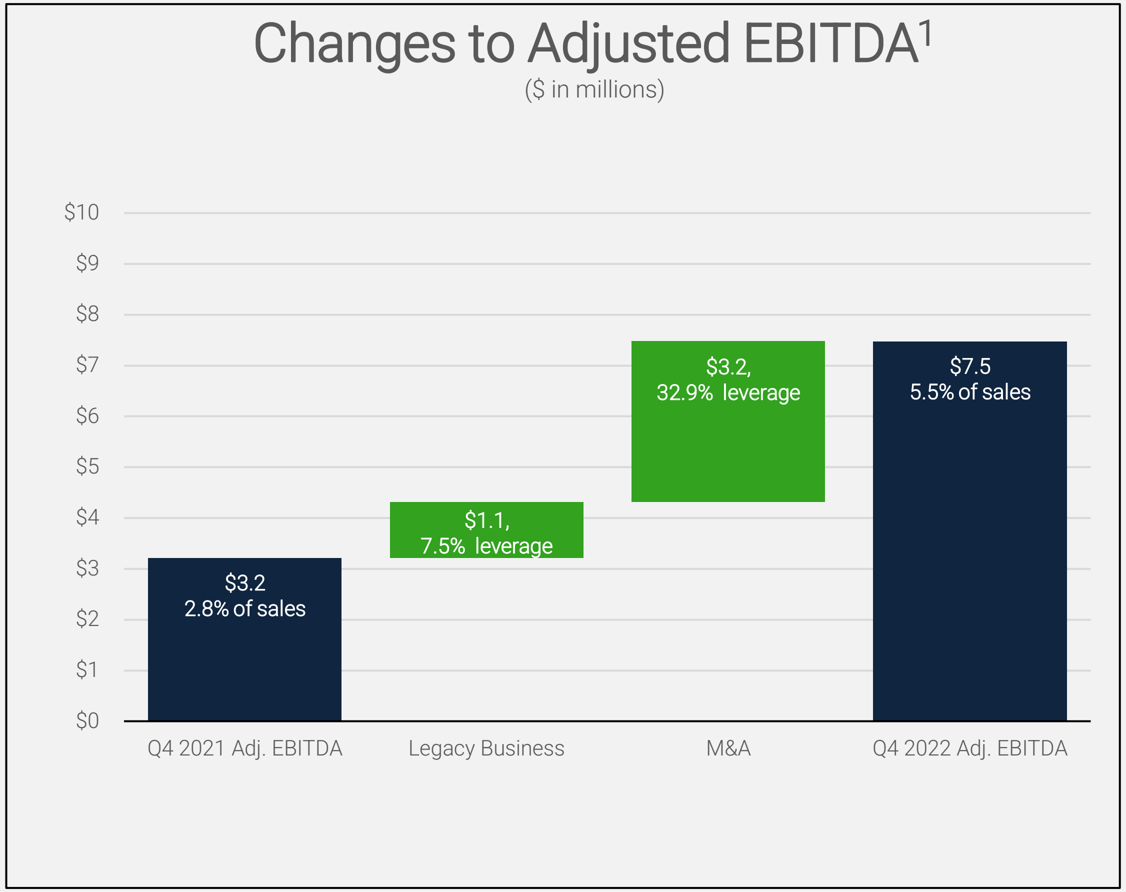
- Net sales increased 13.0% organically and 12.0% from acquisitions, less 3.6% from divestitures
- Gross profit margins up 260 bps due primarily to portfolio activity; 70 bps additional margin expansion in legacy business
- SG&A increase due to additional costs from acquired entities, acquisition transaction costs, and increased personnel expenses
- Net loss due to 2022 non-cash items:
  - $8.0M intangible asset impairment charges
  - $37.9M tax valuation allowance
- Adjusted EBITDA[1] of $7.5M up 132.6% yoy
- New orders[1] up 44.8%, backlog remains robust

Establishing trend of strong year over year improvement in results

1) *Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.*

Year over Year Increase in Sales and Adj. EBITDA[1]



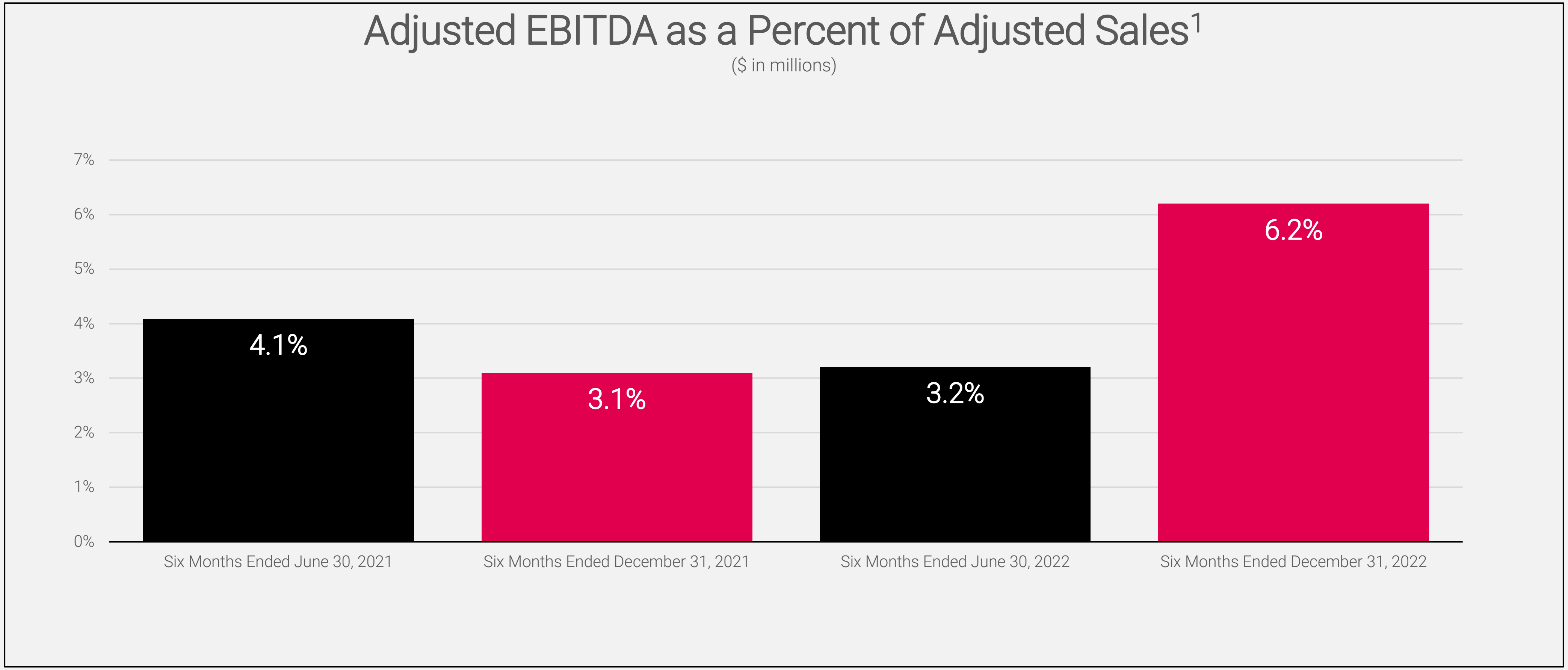


Portfolio transformation coupled with increased profitability in legacy business driving improved results

$ in millions unless otherwise indicated. Figures may not foot due to rounding.

1) *Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.*

Six Month Adjusted EBITDA Margin Expansion



Step-change improvement in run rate profitability in 2022 2nd half

1) Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.

Rail, Technologies, and Services – Q4 Results

Strong organic demand coupled with portfolio reshaping improved segment margin profile

Rail, Technologies, and Services

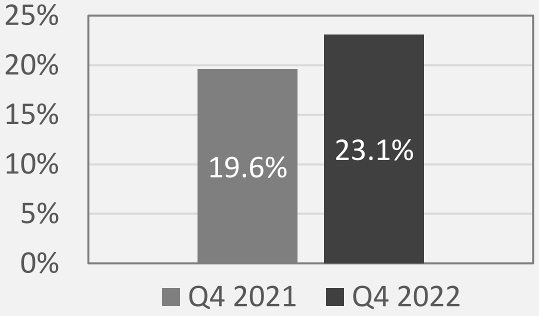
- Net sales increased 10.2% organically, 3.0% from Skratch acquisition; and declined 3.4% from Track Components divestiture
- Margin increase due to the favorable margin profile of Skratch versus Track Components, coupled with strong demand and margins in Rail Products
- New orders and backlog increases driven by continuing strong demand in Rail Products

Sales

+9.8%

GP Margin

+350 bps



New Orders[1]

+25.9%

Backlog[1]

+9.0%

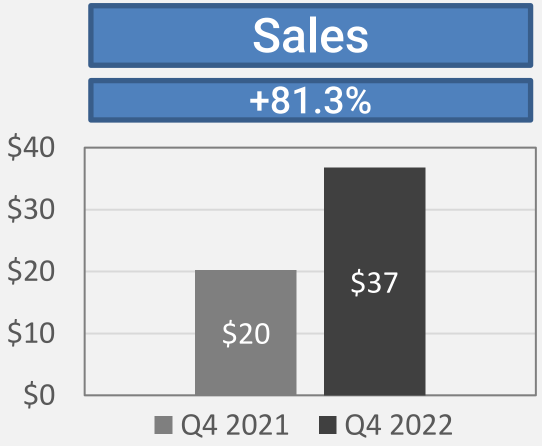
$ in millions unless otherwise indicated. Figures may not foot due to rounding.

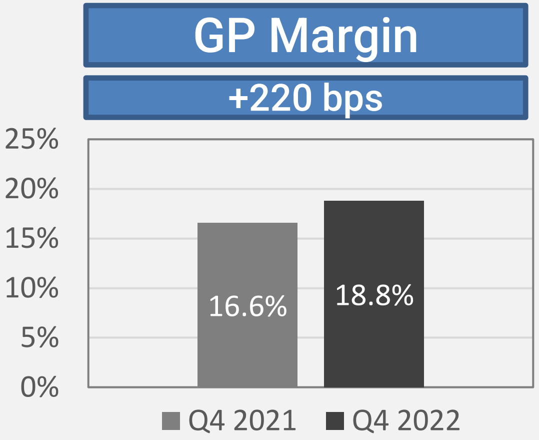
1) *Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.*

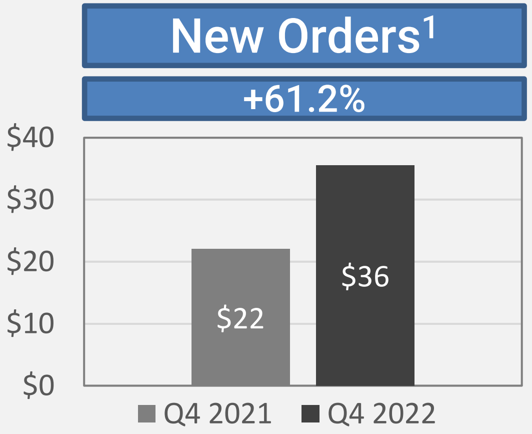
Precast Concrete Products – Q4 Results

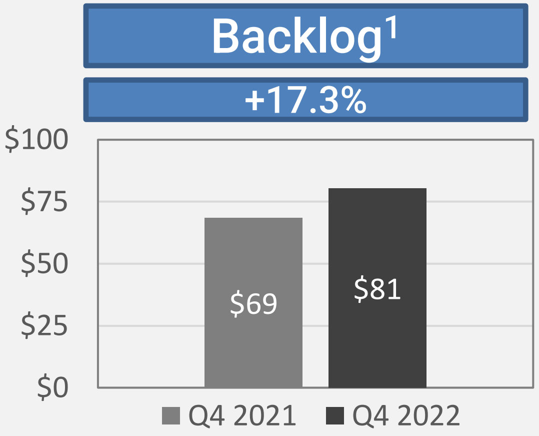
VanHooseCo contributing favorable impact on results; demand environment remains strong

- Net sales increased 24.8% organically and 56.5% from the VanHooseCo acquisition
- 220 margin uplift from the acquired VanHooseCo business, despite unfavorable $0.3M (80 bps) inventory purchase accounting adjustment
- Orders and backlog levels reflect increase from VanHooseCo and strong demand environment in core markets









$ in millions unless otherwise indicated. Figures may not foot due to rounding.

1) *Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.*

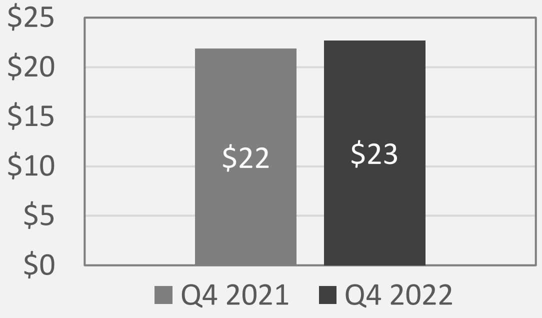
Steel Products and Measurement – Q4 Results

Improved results and outlook for Coatings business largely offset by weaker Fabricated Bridge performance

- Net sales increased 11.0% organically, partially offset by 7.4% impact from the Piling divestiture in 2021
- Improved margins driven by divestiture of Piling business, coupled with margin increases in Coatings and Measurement, largely offset by margin decrease primarily in Fabricated Bridge business
- Improved orders and backlog driven by Coatings and Measurement, including backlog for ESG-related project for Birmingham, AL coatings facility

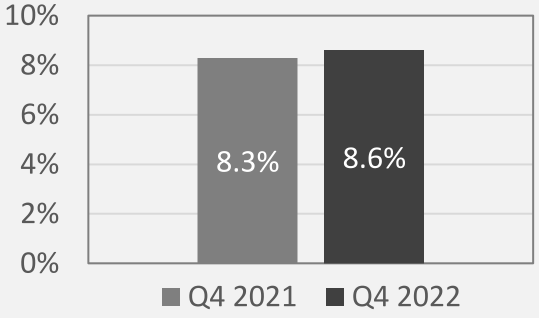
Sales

+3.6%



GP Margin

+30 bps

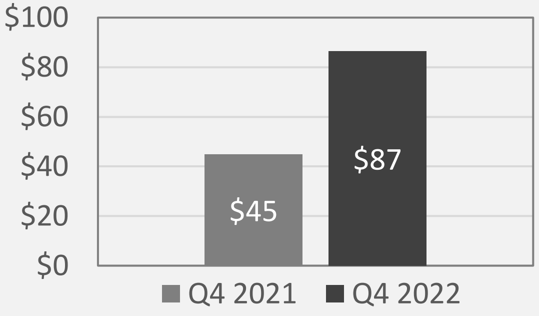


New Orders[1]

+95.2%

Backlog[1]

+92.3%



$ in millions unless otherwise indicated. Figures may not foot due to rounding.

1) Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.

Full Year Results

As of and for the twelve months ended December 31, 2022: $ in millions, unless otherwise noted		YoY Δ
SALES	**497.5**	**(16.1)**
GROSS PROFIT	**89.6**	**3.3**
GROSS PROFIT MARGIN	**18.0%**	**120 bps**
SG&A	**82.7**	**6.7**
NET LOSS	**(45.6)**	**(49.1)**
ADJ. EBITDA[1]	**24.2**	**5.5**
OPERATING CASH FLOW	**(10.6)**	**(9.8)**
NEW ORDERS[1]	**552.0**	**43.7**
BACKLOG[1]	**272.3**	**62.1**

- Sales increased 5.7% organically and 4.0% from acquisitions, but was more than offset by a 12.8% reduction due to divestitures
- Portfolio changes, volume and pricing actions drove margin improvement despite unfavorable adjustments in 2022 for the Crossrail settlement ($4.0M…80 bps) and VanHooseCo purchase accounting ($1.1M…20 bps)
- 2022 SG&A includes $2.2M in acquisition transaction costs, $0.5M in VanHooseCo contingent consideration, coupled with increased personnel, travel, and professional service costs
- New orders[1] were up 8.6% year over year, with an improving trend established in 2022 2nd half

Our strategic transformation has established a favorable trend in performance exiting 2022

1) Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.

Focus on Liquidity and Priority Uses of Cash

Focus on cash generation translated to 2.8x gross leverage ratio[1] as of 12/31/2022…a 0.5x reduction during the quarter

December 31, 2022

Key Metrics

2.8x

Gross leverage ratio[1]

$40.7M

Funding Capacity[1,2]

$10.6M

YTD Operating Cash Use

$7.6M

YTD Capital Spending

- Gross leverage ratio per the Company's credit agreement[1] declined during the quarter from 3.3x to 2.8x as of December 31, 2022
- Free operating cash flow generation in the quarter resulted in a $5.0M reduction in net debt[1] which stood at $89.0M at year end
- Beginning with the Piling divestiture in late 2021, we have redeployed $31.7M in unproductive capital to three businesses within our Rail Technologies and Precast Concrete growth platforms
- We will continue to focus on deleveraging actions while also investing cautiously in our growth platforms
  - Cap Ex expected to be ~2% of sales as we invest in organic growth programs (Cap Ex was $7.6M in 2022…1.5% of sales)
  - Collected ~$3M federal income tax refund in February 2023; our federal NOLs (~$96M) will reduce future cash taxes
  - Union Pacific warranty settlement obligation will be fulfilled in December 2024, with $8M due in each of 2023 and 2024

Investing Cash Flow

$23.9M

Cash proceeds in 2021 and 2022 from sale of Piling Products division

$7.8M

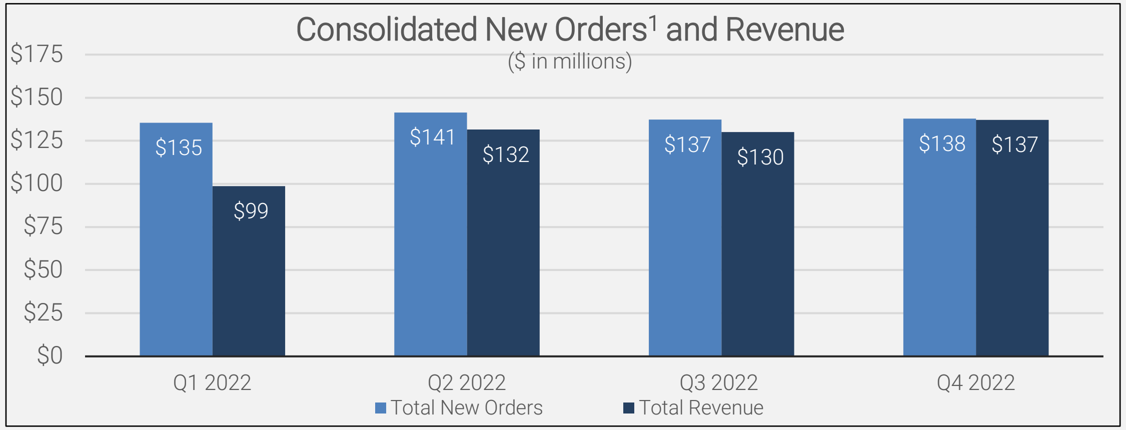
Cash proceeds in 2022 from sale of Track Components

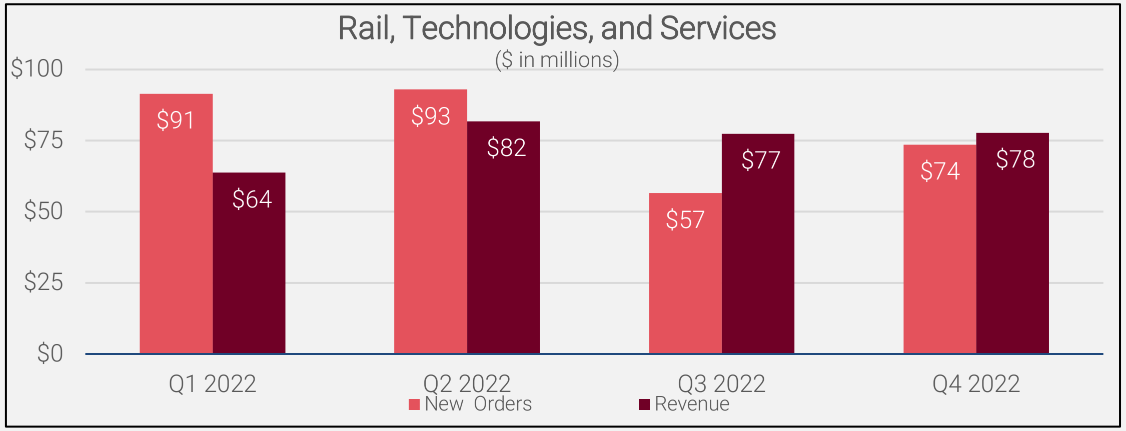
$57.9M

Cash paid in 2022 for Skratch, IV and VanHooseCo

1) Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.
2) Subject to covenant restrictions.
Data presented on a continuing operations basis.

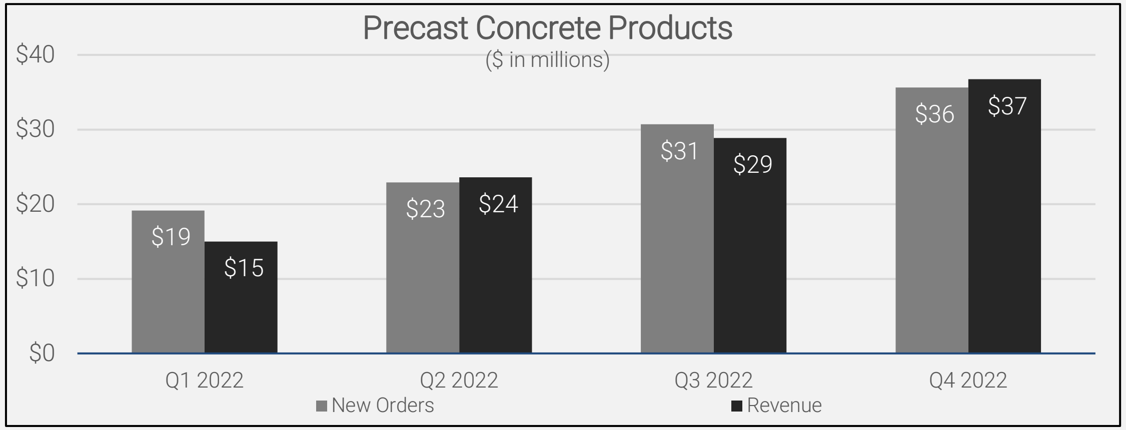
New Orders[1], Revenue and TTM Book-to-Bill Ratios

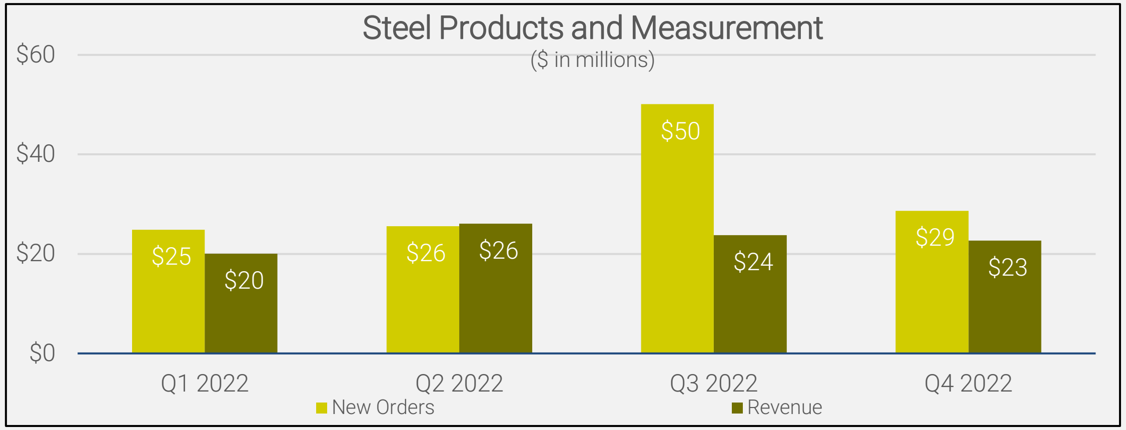




> **Consolidated Ratio: 1.11 : 1.0**

> **Rail Ratio: 1.05 : 1.0**



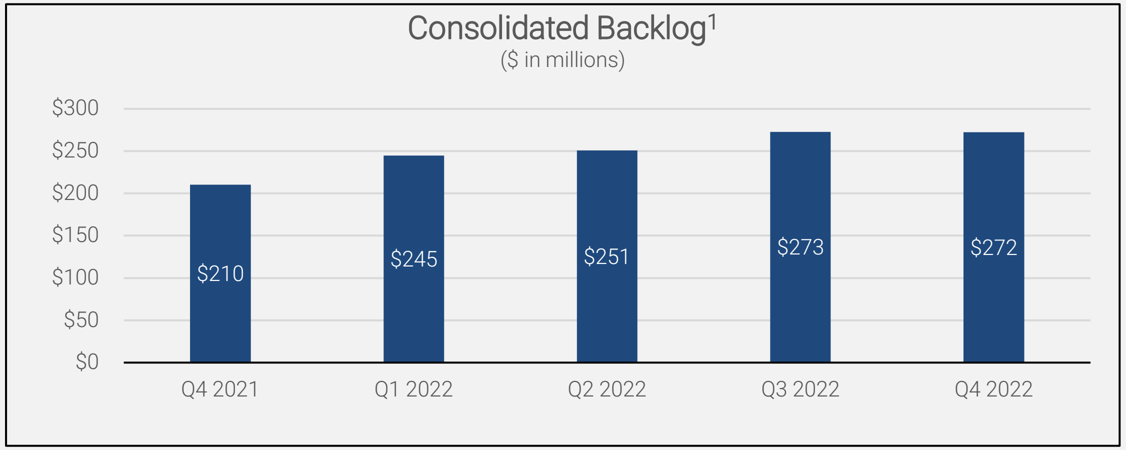


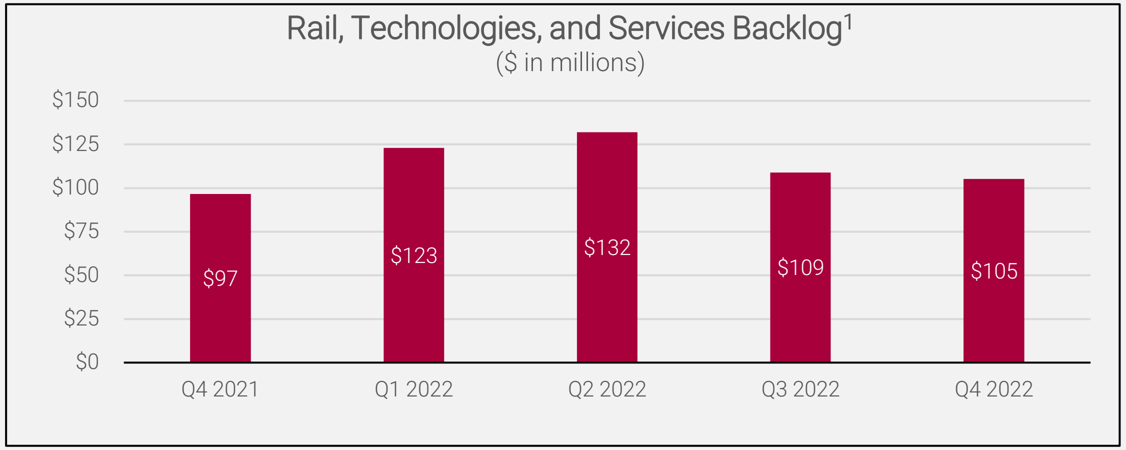
> **Precast Ratio: 1.04 : 1.0**

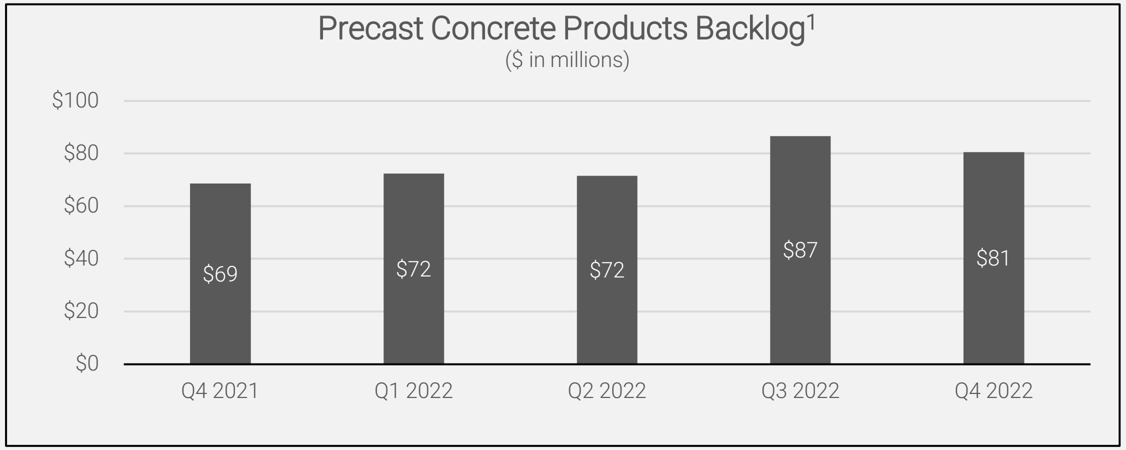
> **SP&M Ratio: 1.40 : 1.0**

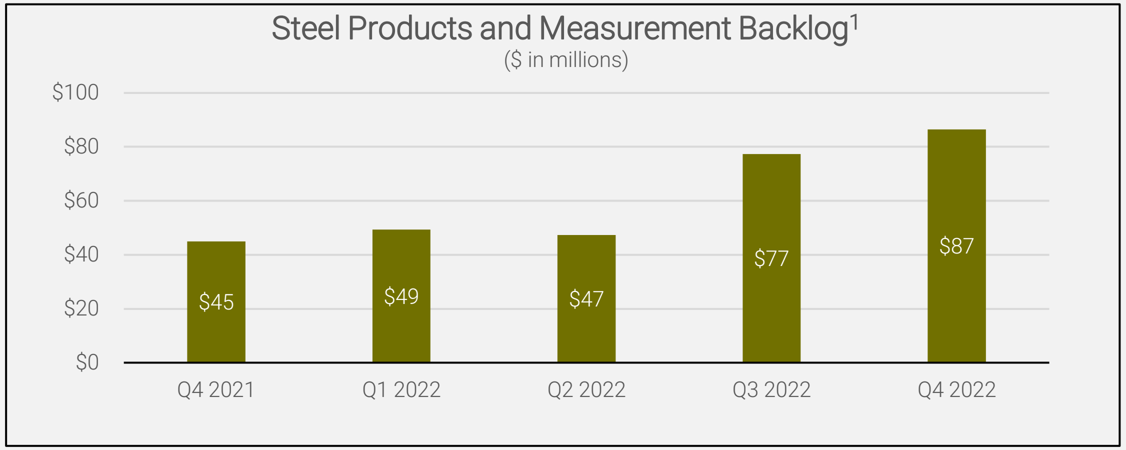
1) *Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures. All Book-to-Bill ratios presented herein for TTM December 31, 2022. Note figures may not foot due to rounding*

Backlog[1] Trends









Backlog[1] remains near all-time record levels reflecting the robust demand environment

Figures may not foot due to rounding.

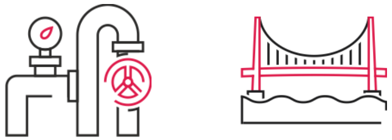
1) *Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.*

Closing Remarks

John Kasel
President and CEO

Market and Business Outlook

We remain optimistic in the near and longer-term prospects for our core end markets

	• Maintaining optimistic outlook regarding near and longer-term trends in core end markets of freight and transit rail and general infrastructure • Integration of recent acquisitions facilitates access to new markets and improvements in profitability • Near-term focus on organic growth programs to leverage established platforms
	• Underperformance in fabricated bridge and in precision measurement system businesses led to goodwill and long-lived asset impairments in 2022…focused on stabilization and recovery measures • Relatively soft demand environment persists in precision measurement line of business despite some recovery in broader energy markets • Modest improvement in coatings line of business, due in part to adjacent market applications
	• Recessionary risks persist in many industrial markets; continuing to monitor conditions • Government funding programs for infrastructure-related projects should provide some level of support for demand for offerings across all segments • Continued focus on order book execution, margin improvement and supply chain resilience

2023 Financial Guidance / Stock Buyback Program

2023 Financial Guidance

- Net sales expected between $540M and $570M
  - Range represents growth outlook of 8.5% to 14.6%
  - Growth outlook does not assume any business portfolio activity in 2023
- Adjusted EBITDA expected between $27M and $31M
  - Range represents an Adjusted EBITDA margin outlook of 4.7% to 5.7%
- We will provide periodic updates as appropriate

Stock Buyback Program

- $15M stock buyback program authorized
- 3-year duration through February 2026
- Represents ~11% of market capitalization
- $5M purchase limit during any trailing 12-month period
- Subject to credit facility restrictions
- Additional lever to prudently allocate capital as cash flows and liquidity improve

Favorable trends, results and outlook for key end markets give us confidence moving into 2023

1) See reconciliation in appendix regarding this non-GAAP measure.

Building Momentum

Momentum by LBFoster

LBFoster

> A global solutions provider of engineered, manufactured products and services that builds and supports **INFRASTRUCTURE**

Long-Term Vision (2025)

REVENUE	**~$600M**
Organic Growth	**~$100M**
Acquisitions	**~$150M**
GROSS PROFIT MARGIN	**~21.0%**
ADJ. EBITDA[1]	**~$50M**
Adj. EBITDA Margin	**~8.0%**

1) Refer to safe harbor disclaimer slide and related reconciliations within the appendix regarding non-GAAP measures.

Thank you!

L.B. Foster Q4 2022 Earnings Presentation

Appendix

Condensed Balance Sheet - Assets

Assets ($ in millions)	December 31, 2022	December 31, 2021
Current assets:		
Cash and cash equivelants	$ 2.9	$ 10.4
Accounts receivable - net	82.5	55.9
Contract assets	33.6	36.2
Inventories - net	75.7	62.9
Other current assets	11.1	14.1
Total current assets	**$ 205.7**	**$ 179.5**
Property, plant, and equipment - net	85.3	58.2
Operaring lease right-of-use assets - net	17.3	15.1
Other assets:		
Goodwill	30.7	20.2
Other intangibles - net	23.8	31.0
Other assets	2.4	38.6
Total assets	**$ 365.3**	**$ 342.6**

Note figures may not foot due to rounding.

Condensed Balance Sheet – Liabilities and Equity

Liabilities and Stockholders' Equity	December 31, 2022	December 31, 2021
($ in millions)		
Current liabilities:		
Accounts payable	$ 48.8	$ 41.4
Deferred revenue	19.5	13.4
Other accrued liabilities	34.8	31.3
Current maturities of long-term debt	0.1	0.1
Total current liabilities	**$ 103.1**	**$ 86.2**
Long term debt	91.8	31.2
Other long-term liabilities	32.8	41.6
Total L.B. Foster Company stockholders' equity	137.2	183.1
Noncontrolling interest	0.4	0.5
Total liabilities and stockholders' equity	**$ 365.3**	**$ 342.6**

Note figures may not foot due to rounding.

Condensed Income Statement – Q4

	Three Months Ended December 31, 2022		Three Months Ended December 31, 2021		Delta	
($ in millions except per share data)	$	% of Sales	$	% of Sales	$	%
Sales	$ 137.2		$ 113.0		$ 24.2	21.4%
Gross profit	26.8	19.5%	19.0	16.9%	7.7	40.7%
SG&A	23.3	17.0%	18.1	16.1%	5.2	28.7%
Amortization expense	1.7		1.4		0.3	17.4%
Impairment charges	8.0		-		8.0	**
Interest expense - net	1.6		0.5		1.1	218.2%
Other income - net	(0.5)		(0.3)		(0.1)	43.1%
Loss before income taxes	(7.4)		(0.7)		(6.7)	**
Income tax expense (benefit)	36.5		(0.4)		36.9	**
Net loss attributable to L.B. Foster Company	$ (43.9)		$ (0.3)		$ (43.6)	**
Diluted loss per share	$ (4.09)		$ (0.03)		$ (4.06)	**
EBITDA[(1)]	$ (1.6)	(1.1%)	$ 3.2	2.9%	$ (4.8)	(148.4%)
Adjusted EBITDA[(1)]	$ 7.5	5.5%	$ 3.2	2.9%	$ 4.3	133.0%

1) *See reconciliation in appendix regarding these non-GAAP measures. Note figures may not foot due to rounding.*

Condensed Income Statement – YTD

($ in millions except per share data)	Twelve Months Ended December 31, 2022 $	Twelve Months Ended December 31, 2022 % of Sales	Twelve Months Ended December 31, 2021 $	Twelve Months Ended December 31, 2021 % of Sales	Delta $	Delta %
Sales	$ 497.5		$ 513.6		$ (16.1)	(3.1%)
Gross profit	89.6	18.0%	86.3	16.8%	3.3	3.8%
SG&A	82.7	16.6%	76.0	14.8%	6.7	8.8%
Amortization expense	6.1		5.8		0.3	5.2%
Impairment charges	8.0		-		8.0	**
Interest expense - net	3.3		3.0		0.4	13.0%
Other income - net	(1.5)		(3.1)		1.6	(50.7%)
(Loss) income before income taxes	(9.0)		4.6		(13.6)	**
Income tax expense	36.7		1.1		35.6	**
Net (loss) income attributable to L.B. Foster Company	$ (45.6)		$ 3.6		$ (49.2)	**
Diluted (loss) earnings per share from continuing operations	$ (4.25)		$ 0.33		$ (4.58)	**
EBITDA(1)	$ 9.1	1.8%	$ 21.4	4.2%	$ (12.3)	(57.4%)
Adjusted EBITDA(1)	$ 24.2	4.9%	$ 18.7	3.6%	$ 5.5	29.3%

1) *See reconciliation in appendix regarding these non-GAAP measures. Note figures may not foot due to rounding. Data presented on a continuing operations basis.*

Condensed Cash Flows

($ in millions)	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Net (loss) income and other non-cash items from continuing operations	$ 15.2	$ 16.7
Receivables	(25.1)	2.3
Contract assets	(0.5)	1.3
Inventory	(11.8)	(4.0)
Payables and deferred revenue	14.7	(7.4)
Trade working capital subtotal	$ (22.7)	$ (7.7)
Payment of accrued settlement	(8.0)	(8.0)
All other[1]	4.9	(1.8)
Net cash used in continuing operating activities	$ (10.6)	$ (0.8)
Capital expenditures	(7.6)	(4.6)
Proceeds from asset divestiture	8.8	22.7
Acquisition, net of cash acquired	(57.9)	-
Net proceeds (repayments) of debt	60.8	(13.7)
All other[1]	(1.1)	(0.5)
Net cash used by discontinued operations	-	(0.3)
Net decrease in cash	$ (7.5)	$ 2.8
Cash balance, end of period	$ 2.9	$ 10.4

1) *Contains changes in cash flows due to other assets, accrued payroll, and other liabilities, treasury stock acquisitions, financing fees, consideration from noncontolling interest, and exchange rate impact.*

Orders and Backlog

New Orders Entered – Three Months Ended				
($ in millions)	December 31, 2022	December 31, 2021	Delta	
Rail, Technologies, and Services	$ 73.5	$ 58.4	$ 15.1	25.9%
Precast Concrete Products	35.6	22.1	13.5	61.2%
Steel Products and Measurement	28.7	14.7	14.0	95.2%
Total	$ 137.8	$ 95.2	$ 42.6	44.8%

New Orders Entered – Twelve Months Ended				
($ in millions)	December 31, 2022	December 31, 2021	Delta	
Rail, Technologies, and Services	$ 314.4	$ 281.9	$ 32.5	11.5%
Precast Concrete Products	108.4	92.7	15.7	16.9%
Steel Products and Measurement	129.2	133.6	(4.4)	(3.3%)
Total	$ 552.0	$ 508.2	$ 43.7	8.6%

Backlog vs. Prior Year Quarter				
($ in millions)	December 31, 2022	December 31, 2021	Delta	
Rail, Technologies, and Services	$ 105.2	$ 96.6	$ 8.7	9.0%
Precast Concrete Products	80.5	68.6	11.9	17.3%
Steel Products and Measurement	86.5	45.0	41.5	92.3%
Total	$ 272.3	$ 210.2	$ 62.1	29.5%

Note figures may not foot due to rounding.

Segment Results – Q4

Segment Sales	Three Months Ended December 31, 2022		Three Months Ended December 31, 2021		Delta			
($ in millions)		$		$		$		%
Rail, Technologies, and Services	$	77.7	$	70.8	$	6.9		9.8%
Precast Concrete Products		36.7		20.3		16.5		81.3%
Steel Products and Measurement		22.7		21.9		0.8		3.6%
Total	$	137.2	$	113.0	$	24.2		21.4%

Segment Gross Profit	Three Months Ended December 31, 2022			Three Months Ended December 31, 2021			Delta		
($ in millions)		$	% of Sales		$	% of Sales		$	Δ bps
Rail, Technologies, and Services	$	17.9	23.1%	$	13.9	19.6%	$	4.1	350
Precast Concrete Products		6.9	18.8%		3.4	16.6%		3.5	220
Steel Products and Measurement		1.9	8.6%		1.8	8.3%		0.1	30
Total	$	26.8	19.5%	$	19.0	16.9%	$	7.7	260

Operating Profit (Loss)	Three Months Ended December 31, 2022		Three Months Ended December 31, 2021		Delta		
($ in millions)		$		$		$	%
Rail, Technologies, and Services	$	5.9	$	3.2	$	2.7	84.3%
Precast Concrete Products		1.4		0.4		1.0	**
Steel Products and Measurement		(9.7)		(2.3)		(7.5)	**
Other - Corporate		(3.8)		(1.9)		(1.8)	94.8%
Consolidated operating loss	$	(6.3)	$	(0.6)	$	(5.6)	**

Note figures may not foot due to rounding.
*** Results of this calculation not considered meaningful for presentation purposes.*

Segment Results – YTD

Segment Sales	Twelve Months Ended December 31, 2022		Twelve Months Ended December 31, 2021		Delta		
($ in millions)	$		$		$		%
Rail, Technologies, and Services	$	300.6	$	299.8	$	0.8	0.3%
Precast Concrete Products		104.2		71.0		33.2	46.8%
Steel Products and Measurement		92.7		142.9		(50.2)	(35.1%)
Total	$	497.5	$	513.6	$	(16.1)	(3.1%)

Segment Gross Profit	Twelve Months Ended December 31, 2022			Twelve Months Ended December 31, 2021			Delta		
($ in millions)	$		% of Sales	$		% of Sales	$		Δ bps
Rail, Technologies, and Services	$	59.5	19.8%	$	57.2	19.1%	$	2.3	70
Precast Concrete Products		18.3	17.6%		12.5	17.6%		5.8	-
Steel Products and Measurement		11.8	12.7%		16.6	11.6%		(4.8)	110
Total	$	89.6	18.0%	$	86.3	16.8%	$	3.3	120

Operating Loss (Profit)	Twelve Months Ended December 31, 2022		Twelve Months Ended December 31, 2021		Delta		
($ in millions)	$		$		$		%
Rail, Technologies, and Services	$	11.5	$	14.2	$	(2.7)	(19.1%)
Precast Concrete Products		1.7		1.5		0.1	9.5%
Steel Products and Measurement		(10.8)		(2.4)		(8.4)	**
Other - Corporate		(9.5)		(8.8)		(0.7)	7.9%
Consolidated operating (loss) profit	$	(7.2)	$	4.5	$	(11.7)	**

Note figures may not foot due to rounding.

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

Non-GAAP Measure: Funding Capacity and Net Debt

($ in millions, unless otherwise noted)		December 31, 2022
Cash and cash equivalents	$	2.9
Total availability under the credit facility		130.0
Outstanding borrowings on revolving credit facility		(91.6)
Letters of credit outstanding		(0.6)
Net availability under the revolving credit facility[1]	$	37.8
Total available funding capacity[1]	**$**	**40.7**

($ in millions)		December 31, 2022		September 30, 2022		December 31, 2021
Outstanding borrowings on revolving credit facility	$	91.6	$	98.8	$	31.1
Term loan outstanding		-		-		-
Financing leases and financing arrangements		0.3		0.2		0.2
Total debt	$	91.9	$	98.9	$	31.3
Less cash and cash equivalents		(2.9)		(4.9)		(10.4)
Total net debt	**$**	**89.0**	**$**	**94.0**	**$**	**20.9**

Note figures may not foot due to rounding.
1) Subject to covenant restrictions.

Non-GAAP Measure: Adjusted EBITDA

($ in millions)	Three Months Ended		Twelve Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Net (loss) income as reported	$ (43.9)	$ (0.4)	$ (45.7)	$ 3.5
Interest expense, net	1.6	0.5	3.3	3.0
Income tax (benefit) expense	36.5	(0.4)	36.7	1.1
Depreciation expense	2.5	2.0	8.6	8.1
Amortization expense	1.7	1.4	6.1	5.8
Total EBITDA	$ (1.6)	$ 3.2	$ 9.1	$ 21.4
Acquisition and divestiture costs	0.4	-	2.2	-
Commercial contract settlement			4.0	
Insurance proceeds			(0.8)	
Loss on divestiture of Track Components			0.5	
Gain on divestiture of Piling Products			(0.5)	(2.7)
VanHooseCo inventory adjustment to fair value amortization	0.3	-	1.1	-
VanHooseCo contingent consideration	0.3	-	0.5	-
Impairment Expense	8.0	-	8.0	-
Adjusted EBITDA	$ 7.5	$ 3.2	$ 24.2	$ 18.7

Note figures may not foot due to rounding.

Non-GAAP Measure: Adjusted EBITDA Margin

	Six Months Ended			
($ in millions)	December 31, 2022	June 30, 2022	December 31, 2021	June 30, 2021
Net (loss) income from continuing operations, as reported	$ (46.1)	$ 0.4	$ 1.9	$ 1.6
Interest expense, net	2.6	0.8	1.2	1.7
Income tax expense	36.4	0.3	0.3	0.8
Depreciation expense	4.8	3.8	4.0	4.0
Amortization expense	3.3	2.9	2.9	2.9
Total EBITDA from continuing operations	$ 1.0	$ 8.1	$ 10.4	$ 11.1
Acquisition and divestiture costs	1.7	0.5	-	-
Commercial contract settelment	4.0	-	-	-
Insurance proceeds	-	(0.8)	-	-
Loss on divestiture of Track Components	0.5	-	-	-
Gain on divestiture of Piling Products	-	(0.5)	(2.7)	-
VanHooseCo inventory adjustment to fair value amortization	1.1	-	-	-
VanHooseCo contingent consideration	0.5	-	-	-
Impairment expense	8.0	-	-	-
Adjusted EBITDA from continuing operations	$ 16.8	$ 7.4	$ 7.6	$ 11.1
Total sales, as reported	$ 267.2	$ 230.3	$ 243.0	$ 270.6
Commercial contract settlement	4.0	-	-	-
Total sales, as adjusted	$ 271.2	$ 230.3	$ 243.0	$ 270.6
Adjusted EBITDA as a percentage of adjusted sales	6.2%	3.2%	3.1%	4.1%

Note figures may not foot due to rounding. Data presented on a continuing operations basis.
**Amounts have been adjusted to reflect the change in inventory accounting method.*