



D.A. DAVIDSON CONFERENCE
SEPTEMBER 21, 2011



A Leading Heavy Civil Marine Contractor



MIKE PEARSON

PRESIDENT & CEO

SAFE HARBOR STATEMENT

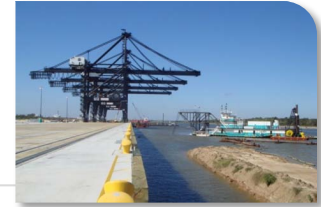
The matters discussed in this presentation may make projections and other forward-looking statements regarding, among other things, estimates for the remainder of fiscal year revenues, gross profit, gross margin, EBITDA, backlog, projects in negotiation and pending awards, as well as our estimates and assumptions regarding future revenue growth, EBITDA, gross margins, administrative expenses and capital expenditures. These statements are predictions that are subject to risks and uncertainties that may cause actual results to differ materially. Moreover, past performance is not necessarily an indicator of future results. By providing this information, Orion Marine Group undertakes no obligation to update or revise any projections or forward-looking statements, whether as a result of new developments or otherwise.

Please refer to the Company's Form 10-K filed on March 7, 2011, which is available on Orion Marine Group's website at www.orionmarinegroup.com, for additional discussion of risk factors that could cause actual results to differ materially from our current expectations.

LEADING HEAVY CIVIL MARINE CONTRACTOR

- **Orion Marine Group specializes in heavy-civil marine construction**

- Operates in shallow water environments (typically ≤ 50 ft)
- Services: marine facilities construction (bridges, docks, pipelines, environmental), dredging, specialty services
- Diverse customer base: Federal, State, Local, and Private



- **Orion Marine Group at a glance**

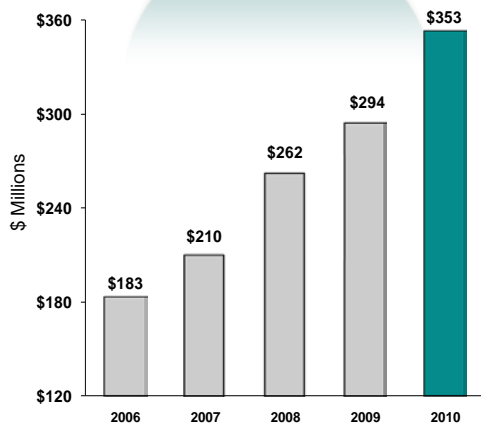
- Founded in 1994; IPO in 2007
- 2010 Revenues: \$353M
- Employees: ~ 1,100
- Geographies: Gulf Coast, Southeast Atlantic, Pacific Region, Canada, & Caribbean



SOLID HISTORICAL PERFORMANCE

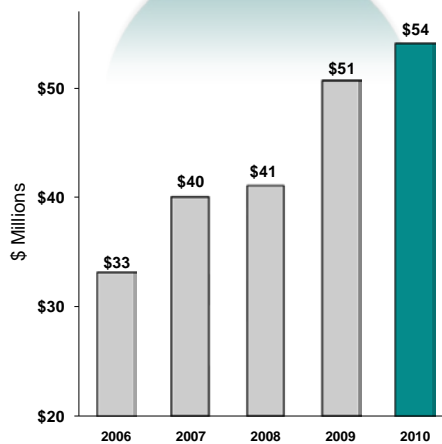
Revenue
Growth
(2006 – 2010)

93%



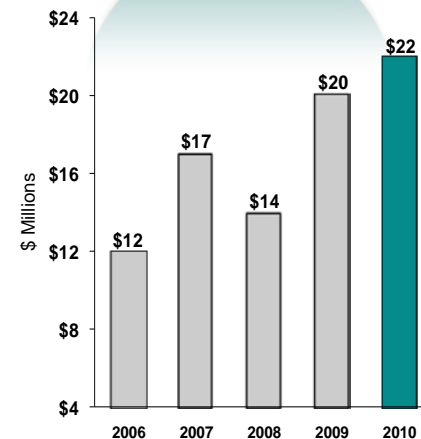
EBITDA*
Growth
(2006 – 2010)

64%



Net Income
Growth
(2006 – 2010)

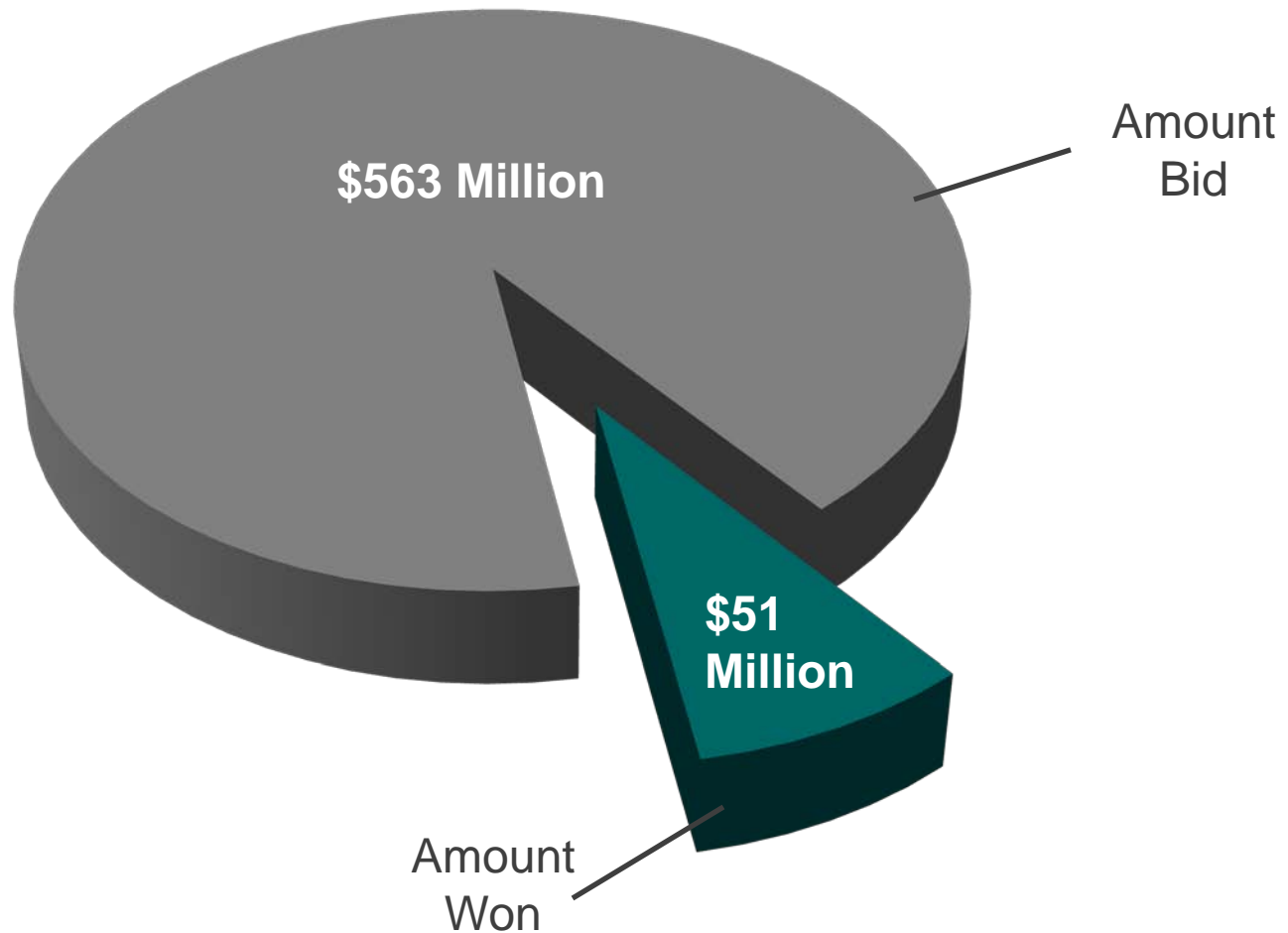
83%



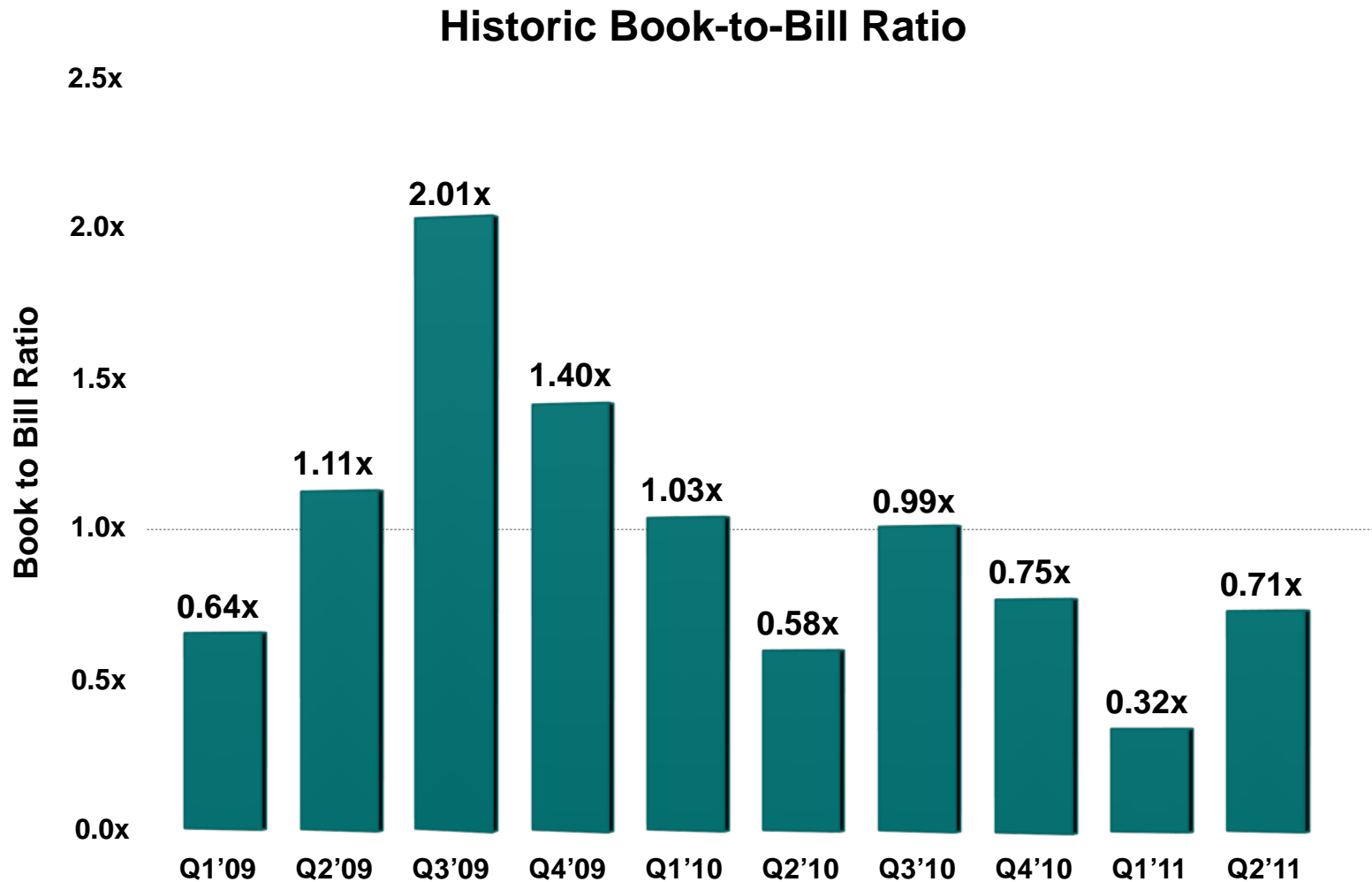
* Growth in full year EBITDA 2005 compared to 2010; Please see reconciliation at the end of this presentation

PRICING HAS IMPACTED OUR WIN RATE

Dollar amount of projects bid and won during 2nd Quarter of 2011



WIN RATE HAS PRESSURED BOOKINGS



CHALLENGING ENVIRONMENT CONTINUES

- Anemic GDP growth
- Economic uncertainties
- Continued pricing pressure
- Pace of Federal lettings has been slow



THE PATH FORWARD

The Plan Forward

Protect

Protect the Intrinsic Value of the Company

Manage

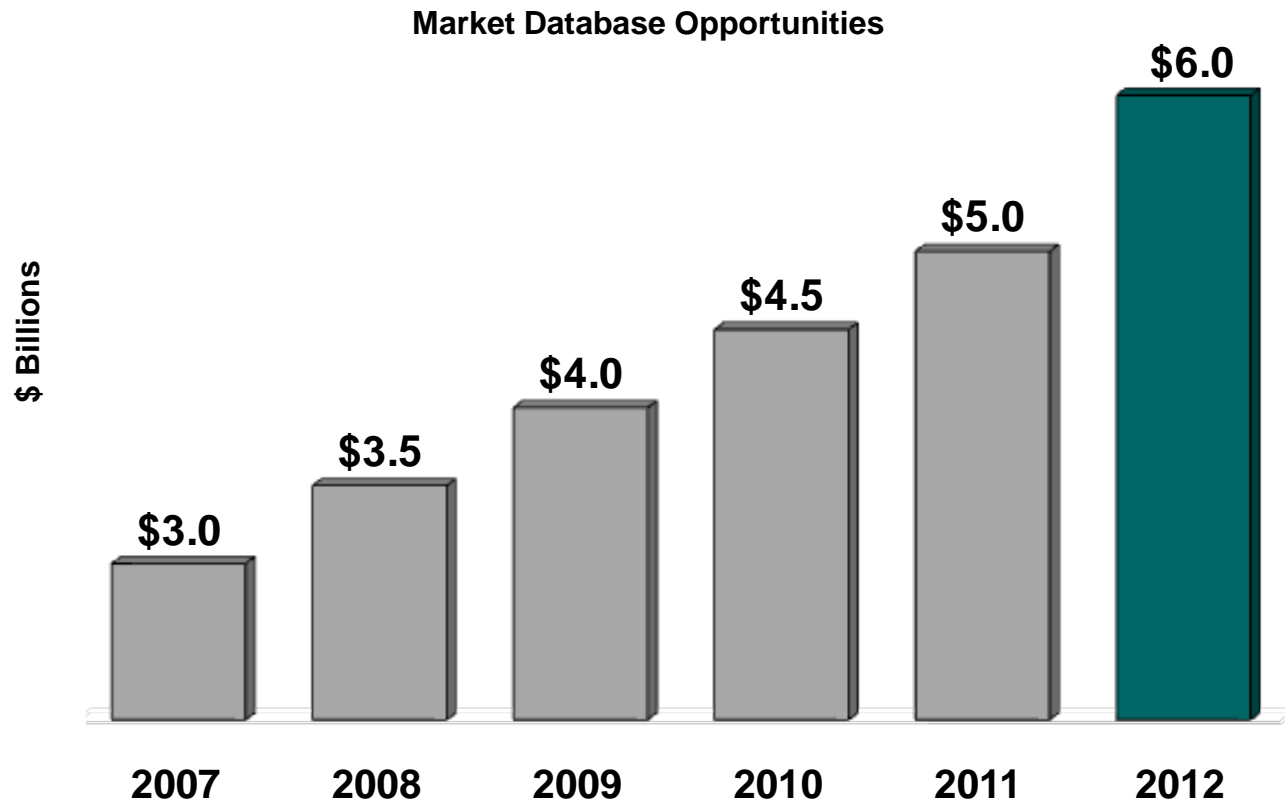
Manage through the downturn

Prepare

Prepare for the future and market opportunities ahead

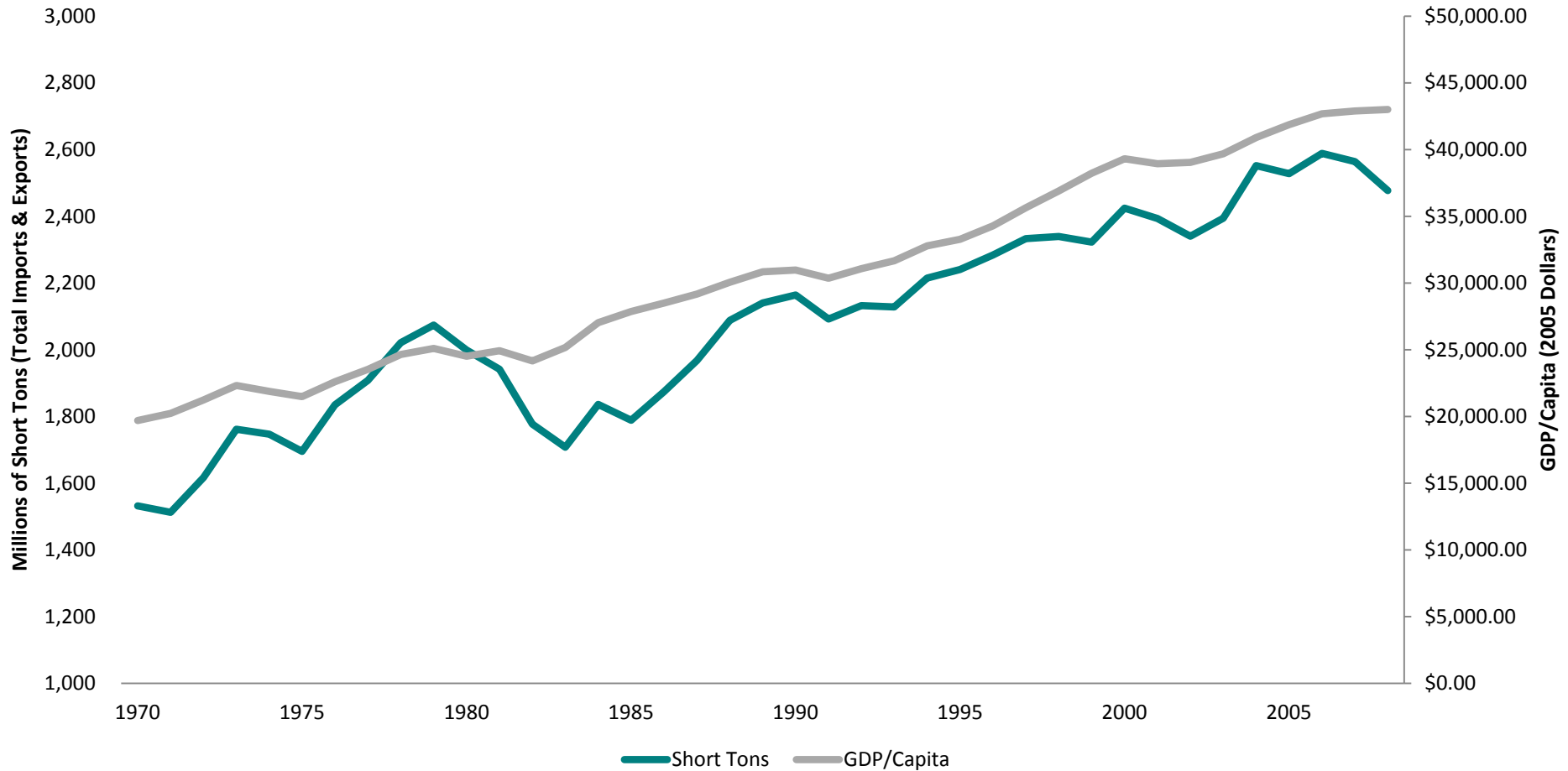
BID MARKET OUTLOOK HAS GROWN

We believe there are ample opportunities to continue to grow our market database



WATERWAYS CONTINUES TO GROW

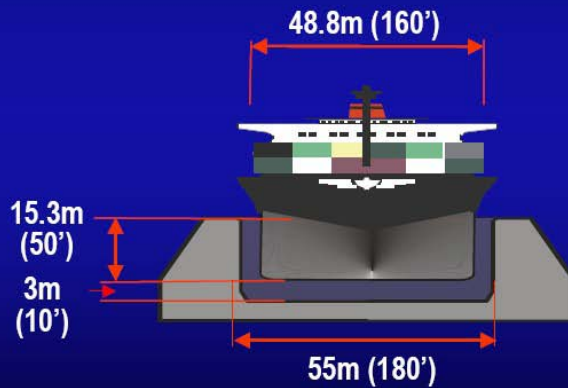
Total Waterborne Commerce of the U.S. 1970-2008



PANAMA CANAL WIDENING

Vessel and Lock Dimensions

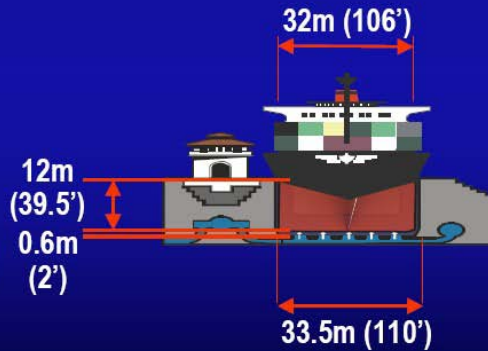
Post-Panamax Locks



Chamber length 427m (1,400')
Vessel length 366m (1,200')

12,600 TEU

Existing Locks



Chamber length 305m (1,000')
Vessel length 294.3m (965')

4,800 TEU

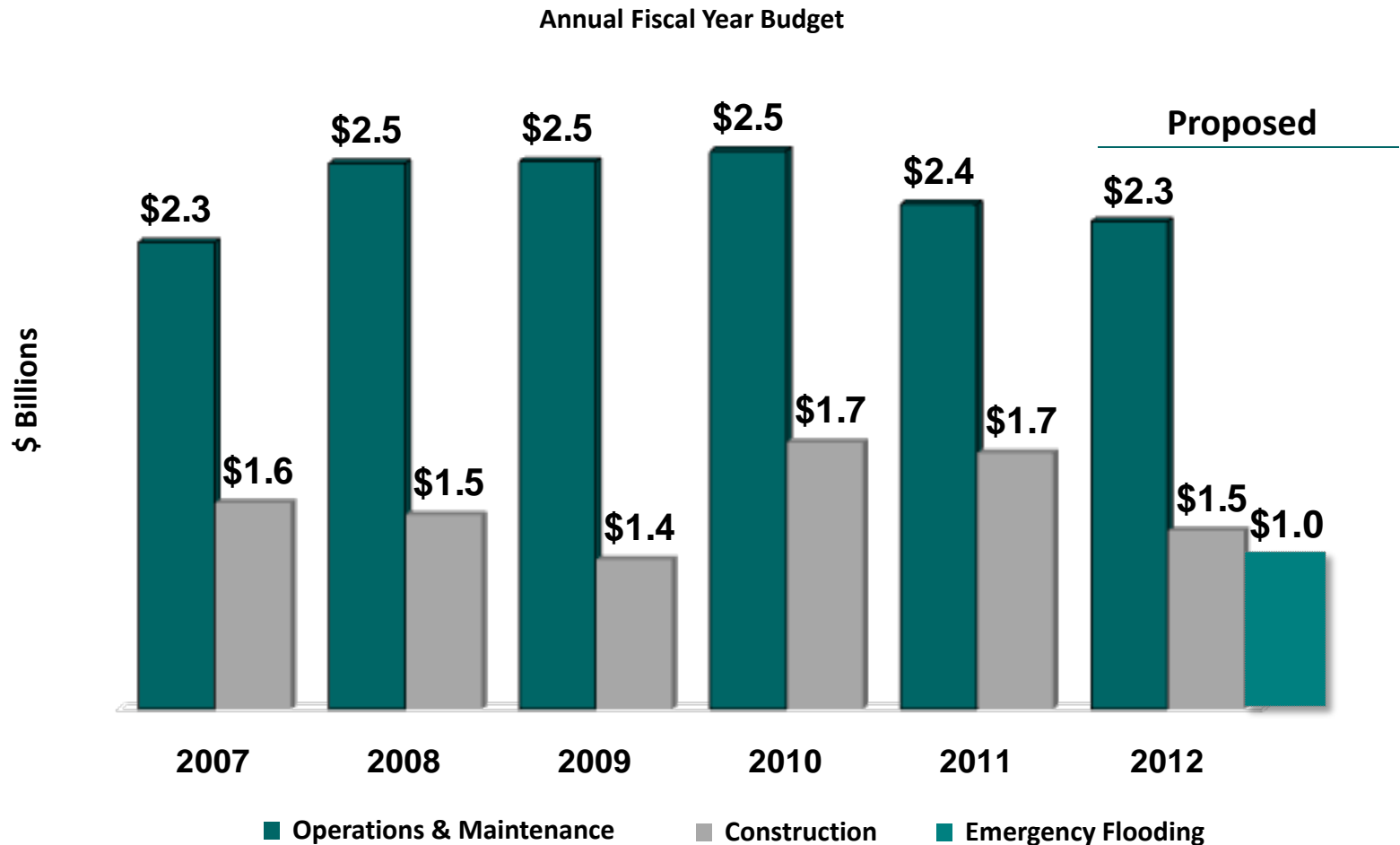


Expansion Facts

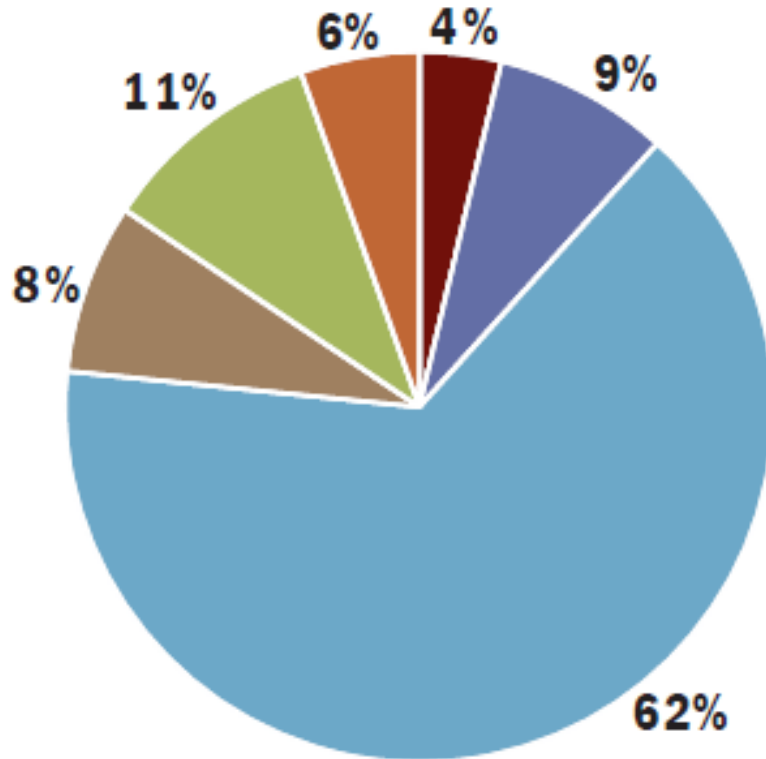
- Estimated Completion: 2014-2015
- New locks will be able to handle ships with drafts up to 50 ft
- Will nearly triple the current cargo capacity that can transit

ARMY CORPS VITAL TO WATERWAYS

Army Corps of Engineers is the primary funding source for the Nations Waterways



COASTAL RESTROATION



FY 2012 Total Expenditures

- Planning (\$13.5 million)
- Engineering and Design (\$32.9 million)
- Construction (\$223.3 million)
- Operation, Maintenance and Monitoring (\$28.3 million)
- Ongoing Programs and Initiatives (\$39.2 million)
- Operating Costs (\$23.8 million)

Total Expenditures \$361 million

- Construction includes Beneficial Use (\$7.0 million), Donations for Mitigation (\$1.6 million), Vegetative Plantings (\$400,000), and Lost Lake Vegetative Plantings (\$98,750)
- OM&M includes BIMP (\$3.5 million), Marine Debris Removal (\$8.7 million) and Hurricane Damage Repairs (\$1.9 million)
- Ongoing Programs includes Support/Emergency Response/ Reserve (\$14.5 million)
- Total excludes HMGP (\$45.3 million) and GNO-HPS Payback (\$35 million)



Coastal Protection and Restoration Authority of Louisiana

BRIDGES ARE IN A STATE OF DISREPAIR

2009 Infrastructure Report Card

Aviation	D
Bridges	C
Dams	D
Drinking Water	D-
Energy	D+
Hazardous Waste	D
Inland Waterways	D-
Levees	D-
Public Parks and Recreation	C-
Rail	C-
Roads	D-
Schools	D
Solid Waste	C+
Transit	D
Wastewater	D-
America's Infrastructure GPA:	D
Estimated 5 yr. Investment Need:	\$2.2 Trillion

CONGRESS CURRENTLY DEBATING NEW TRANSPORTATION BILL

- Current Bill extended for 4 months
- Senate Pushing for 2 year, \$109 billion Bill (\$54.5 billion/yr)
- House of Representatives requesting a 5 year, \$209 billion Bill (\$41.8 billion/yr)

SUMMARY

Managing Through The Downturn

Protect, Manage, Prepare



Strong Long Term Market Opportunity

Multiple end-market drivers for future growth



Building The Future

Position Orion to meet future demand opportunities





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GAAP TO NON-GAAP

GAAP TO NON-GAAP

EBITDA and EBITDA Margin

This presentation includes the financial measures “EBITDA” and “EBITDA margin”. These measurements may be deemed “non-GAAP financial measures” under rules of the Securities and Exchange Commission, including Regulation G. The non-GAAP financial information may be determined or calculated differently by other companies. By reporting such non-GAAP financial information, the Company does not intend to give such information greater prominence than comparable and other GAAP financial information, which information is of equal or greater importance.

Orion Marine Group defines EBITDA as net income before net interest expense, income taxes, depreciation and amortization. EBITDA margin is calculated by dividing EBITDA for the period by contract revenues for the period. The GAAP financial measure that is most directly comparable to EBITDA margin is operating margin, which represents operating income divided by contract revenues. EBITDA and EBITDA margin are used internally to evaluate current operating expense, operating efficiency, and operating profitability on a variable cost basis, by excluding the depreciation and amortization expenses, primarily related to capital expenditures and acquisitions, and net interest and tax expenses. Additionally, EBITDA and EBITDA margin provide useful information regarding the Company’s ability to meet future debt repayment requirements and working capital requirements while providing an overall evaluation of the Company’s financial condition. In addition, EBITDA is used internally for incentive compensation purposes. The Company includes EBITDA and EBITDA margin to provide transparency to investors as they are commonly used by investors and others in assessing performance. EBITDA and EBITDA margin have certain limitations as analytical tools and should not be used as a substitute for operating margin, net income, cash flows, or other data prepared in accordance with generally accepted accounting principles in the United States, or as a measure of the Company’s profitability or liquidity.

A reconciliation of the Company’s future EBITDA margin to the corresponding GAAP measure is not available as these are estimated goals for the performance of the overall operations over the planning period. These estimated goals are based on assumptions that may be affected by actual outcomes, including but not limited to the factors noted in the “forward looking statements” herein, in other releases, and in filings with the Securities and Exchange Commission.

GAAP TO NON-GAAP

Earnings Before Interest, Taxes, Depreciation and Amortization, and deferred financing costs, (“EBITDA”).

Full Year 2006, 2007, 2008, 2009, 2010 EBITDA

(in Thousands)	2006	2007	2008	2009	2010
Net income	\$ 12,403	\$ 17,399	\$ 14,475	\$ 20,030	\$ 21,882
Income tax expense	7,040	10,178	7,282	11,534	11,959
Interest (income) expense, net	1,755	(90)	716	187	335
Deferred financing costs	171	208	-	-	-
Depreciation and amortization	11,634	12,384	18,848	18,788	19,548
EBITDA	\$ 33,003	\$ 40,079	\$ 41,321	\$ 50,538	\$ 53,634

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GAAP TO NON-GAAP

Bookings = Backlog Ending + Revenue + (Backlog Beginning)

Book-to-Bill Ratio = Bookings / Revenue

Quarterly 2009, 2010, 2011 Book-to-Bill Ratio

(in Millions)	Q12009	Q22009	Q32009	Q42009	Q12010	Q22010	Q32010	Q42010	Q12011	Q22011
Backlog Ending	\$ 134.1	\$ 141.8	\$ 224.3	\$ 252.9	\$ 255.0	\$ 218.1	\$ 217.3	\$ 194.5	\$ 140.5	119.8
Revenue	\$ 70.0	\$ 70.8	\$ 81.5	\$ 71.2	\$ 75.6	\$ 87.3	\$ 100.0	\$ 90.4	\$ 79.1	\$ 70.9
Backlog Beginning	\$ (159.40)	\$ (134.1)	\$ (141.8)	\$ (224.3)	\$ (252.9)	\$ (255.0)	\$ (218.1)	\$ (217.3)	\$ (194.5)	\$ (140.5)
Bookings	\$ 44.7	\$ 78.5	\$ 164.0	\$ 99.8	\$ 77.7	\$ 50.4	\$ 99.2	\$ 67.6	\$ 25.1	\$ 50.2
Book-to-Bill	0.64	1.11	2.01	1.40	1.03	0.58	0.99	0.75	0.32	0.71

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