



# Company Update



HEAVY CIVIL MARINE CONTRACTOR

# 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 27, 2014, which is available on Orion Marine Group's website at [www.orionmarinegroup.com](http://www.orionmarinegroup.com), for additional discussion of risk factors that could cause actual results to differ materially from our current expectations.

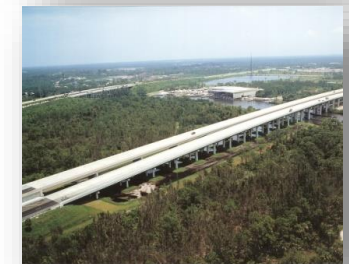
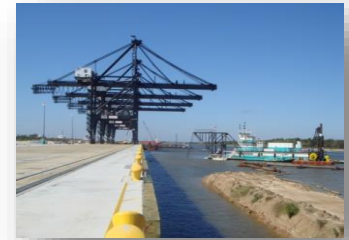
# Leading Heavy Civil Marine Contractor

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

- Operates in shallow water environments (typically  $\leq 50$  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

- 2013 Revenues: \$354M
- Employees:  $\sim 1,200$
- Operates along the US Gulf Coast, Atlantic Seaboard, Pacific Region, Alaska, Canada, & in the Caribbean Basin





# Financial Strength

Solid financials help drive future growth in markets and projects

- **Conservative balance sheet**
- **Solid cash position**
- **Access to capital markets**
- **\$400 million in bonding capacity**
- **Strategic long-term focus on growth**



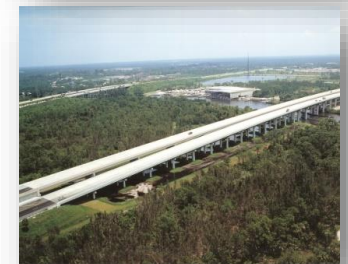
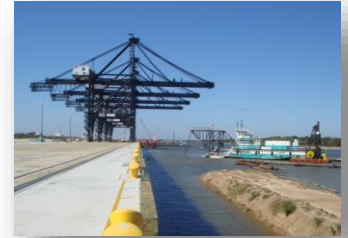
# Experienced Management Team

## Mike Pearson, CEO, announces his retirement at the end of 2014

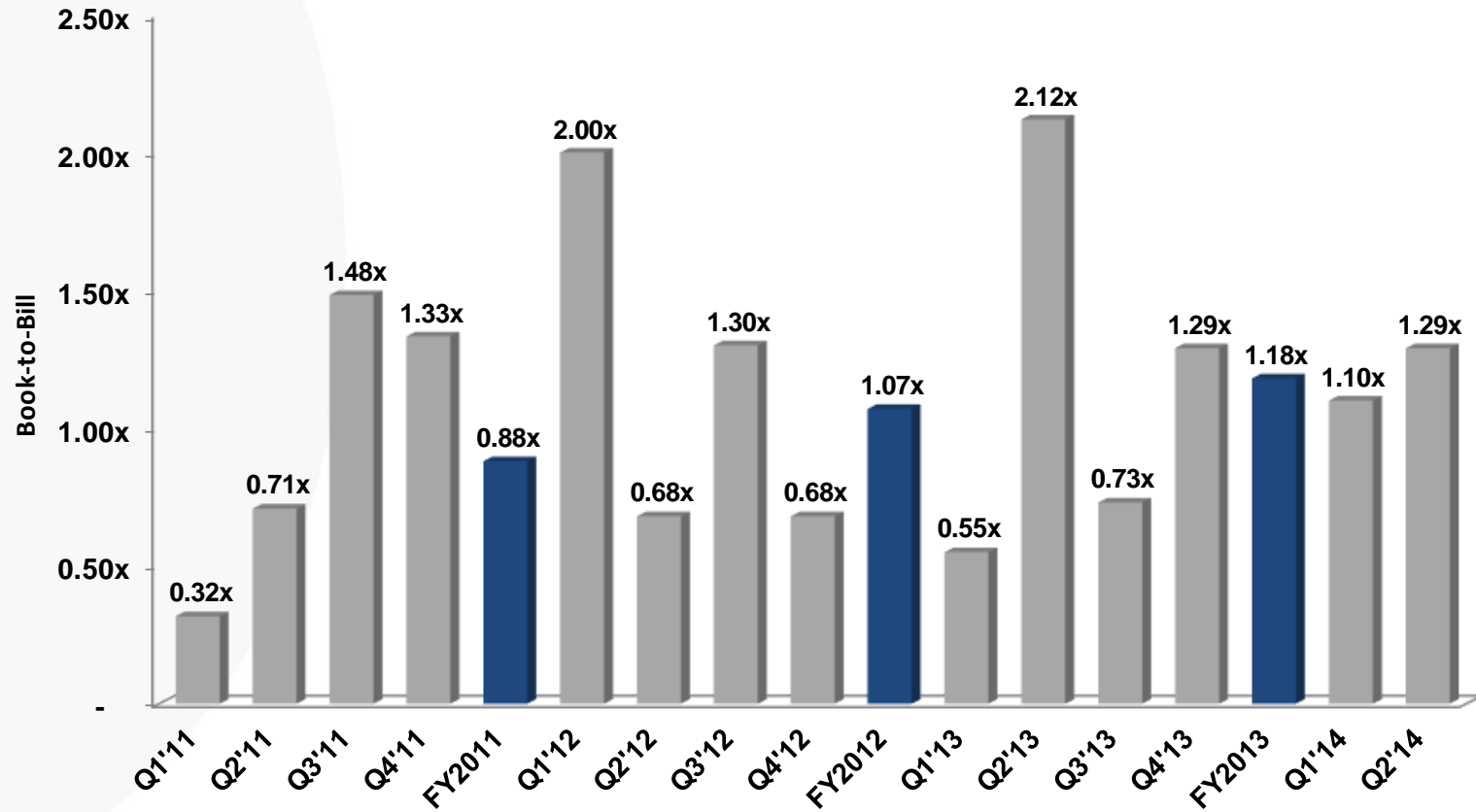
- Mr. Pearson will remain on the board
- Mark Stauffer named President and will become CEO at the end of 2014
- Chris DeAlmeida named Chief Financial Officer

## About Mark & Chris:

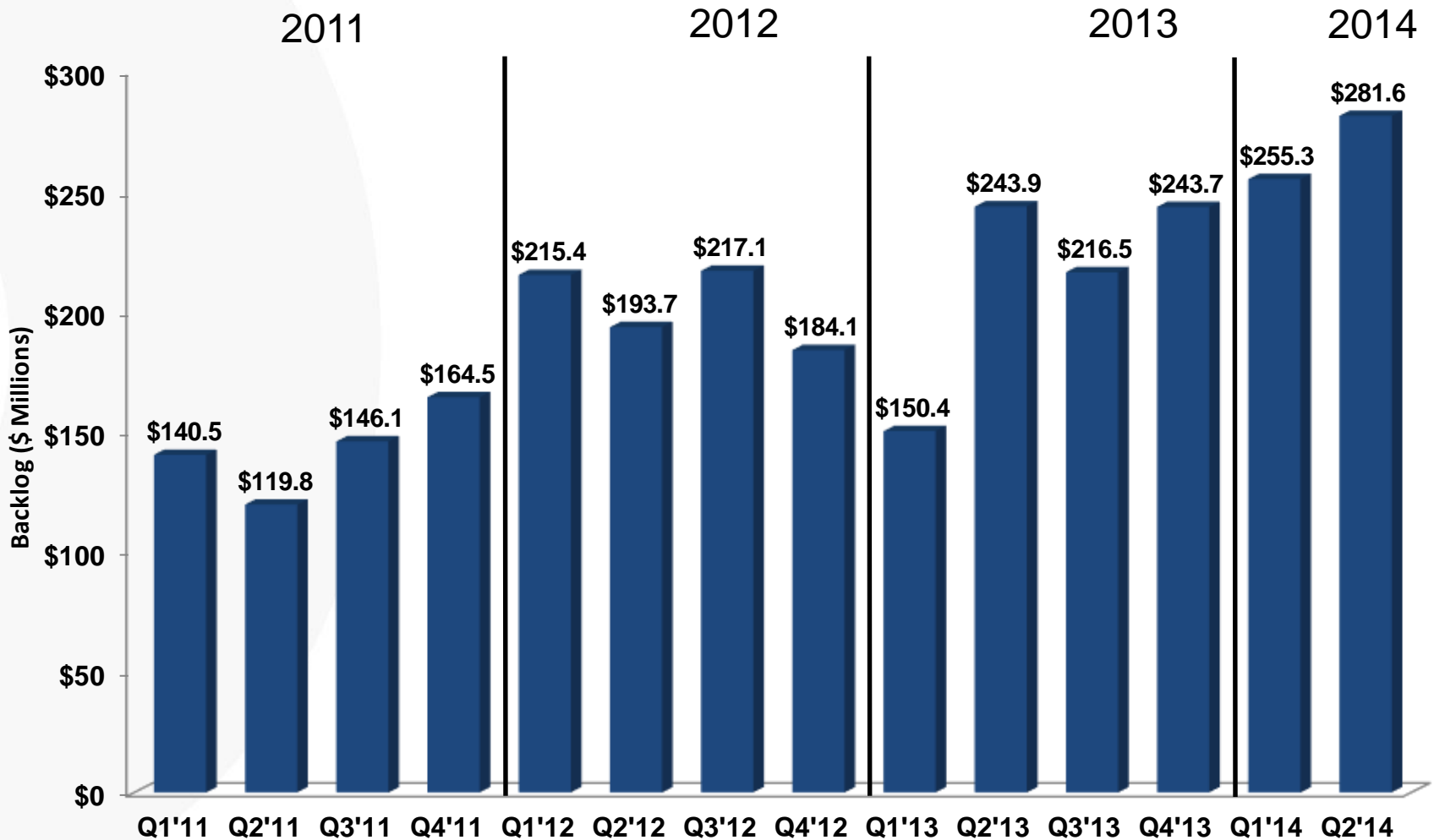
- **Mark Stauffer - President**
  - Has been with Orion since 1999, former CFO
  - Assumed direct oversight of daily operations of the Company in 2011
  - Integral in managing the Company through the most recent economic downturn
- **Chris DeAlmeida – Chief Financial Officer**
  - Has been with Orion since 2007, former VP of Finance & Accounting
  - Has overseen the daily financial and accounting responsibilities of the Company since 2012
  - Over 15 years public company experience



# Book to Bill Ratio Remains Strong

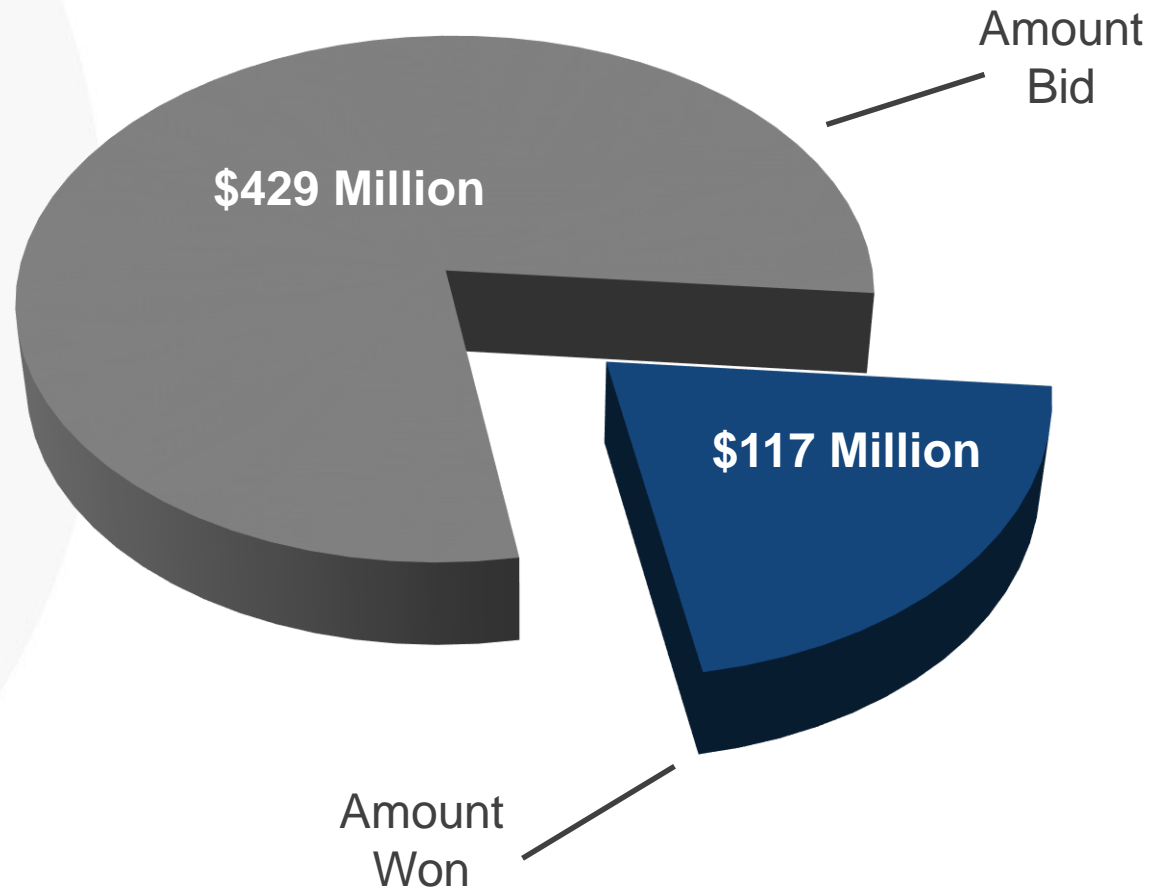


# Healthy Backlog Level



# Win Rate Remains Solid

Dollar amount of projects bid and won in the Second Quarter





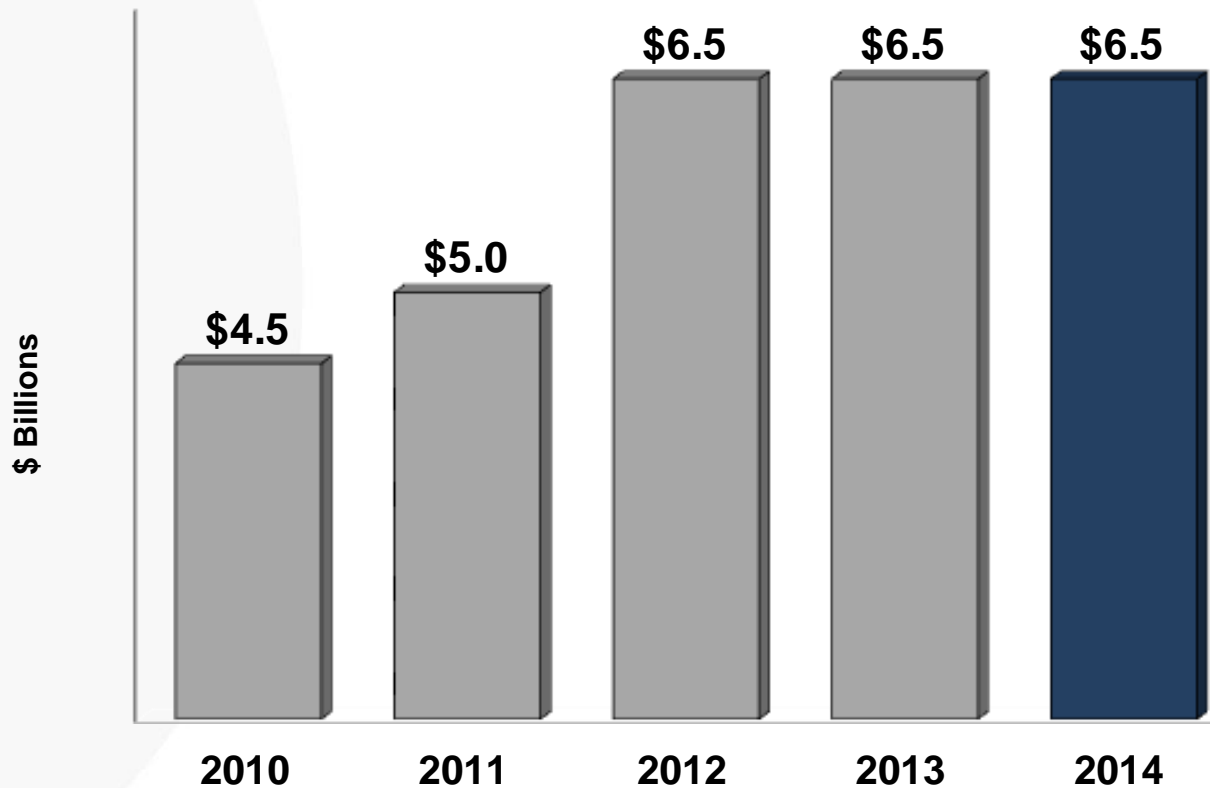
# Improving Market Conditions

- Strong market fundamentals
- Capital projects providing bid opportunities in the private sector
- Corps lettings pace improving after inconsistent first half of 2014
- Pricing pressure has stabilized on marine construction jobs – seeing some pockets of improvement

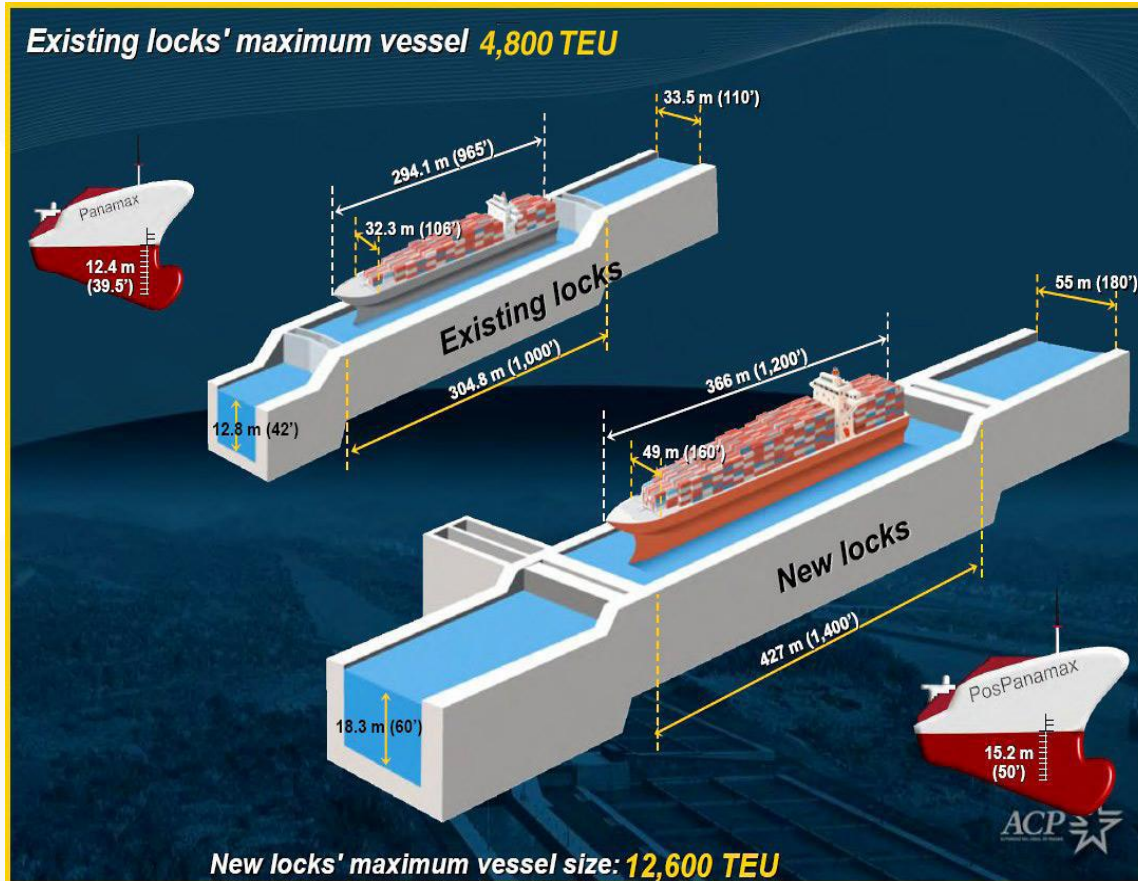


# Bid Market Outlook Remains High

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



# Preparing For The Expansion

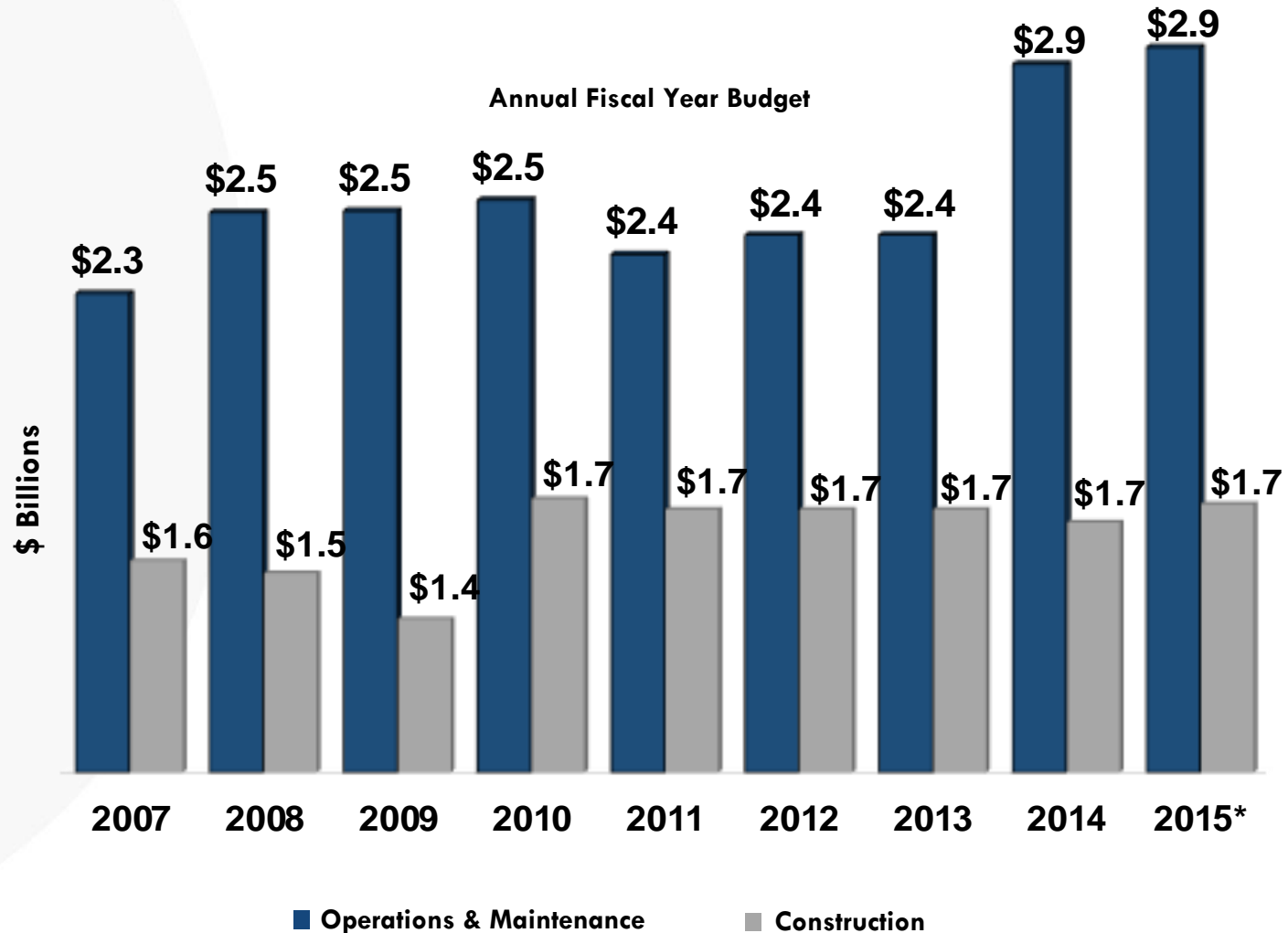


## Panama Canal Expansion

- Expansion delayed until 2015
- Gulf and East Coast Ports deepening channels and expanding facilities to handle larger ships
- Recent Survey by the AAPA predicts \$22.1 billion in Capital spending by ports along the Gulf Coast alone for 2012 - 2016

# Corps Vital To Waterways

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



\* FY2015 budget approved by House of Representatives, awaiting action by Senate



# Coastal Restoration

- **RESTORE Act recently signed into law by the President dedicates 80% of fines against parties responsible for the 2010 oil spill to go towards coastal restoration in the 5 Gulf Coast States**
- **Fines have yet to be levied but are estimated to be between \$5 - \$20 billion as dictated by the Clean Water Act**
- **Will be a long term driver of coastal restoration work**



Coastal Protection and  
Restoration Authority of Louisiana



# Bridges Are In A State Of Disrepair

## 2013 Infrastructure Report Card

Aviation	D	<p><b>A</b> = Exceptional  <b>B</b> = Good  <b>C</b> = Mediocre  <b>D</b> = Poor  <b>F</b> = Failing</p> <p><i>Each category was evaluated on the basis of capacity, condition, funding, future need, operation and maintenance, public safety, resilience, and innovation</i></p>
Bridges	C+	
Dams	D	
Drinking Water	D	
Energy	D+	
Hazardous Waste	D	
Inland Waterways	D-	
Levees	D-	
Ports	C	
Public Parks and Recreation	C-	
Rail	C+	
Roads	D	
Schools	D	
Solid Waste	B-	
Transit	D	
Wastewater	D	
America's Cumulative G.P.A.	D+	
ESTIMATED INVESTMENT NEEDED BY 2020:		<b>\$3.6</b> TRILLION

## TRANSPORTATION BILL

- 2 Year, \$ 105 billion highway bill passed in June 2012 has expired
- Currently operating under a stop-gap bill until May of 2015 when a longer term bill will be debated
- A longer term bill would provide continued bid price stability
- Job pricing will be monitored closely to see the affects of the new Highway Bill in the coming months

# Dredge Material Placement Area

## Snapshot

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- Total size: 336.5 acres
- Location: Houston Ship Channel
- Description:  
336 acre private dredge material placement area along the Houston Ship Channel. Area has not been used in over 5 years and has capacity left for new dredge spoils.

## Orion Advantages

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- Only private dredge material placement area in upper Houston Ship Channel
- Provides long-term revenue stream of associated services
- Significant new capital improvement projects occurring in area for private customers
- Routine maintenance and ongoing source of revenue
- Minimal ongoing cost

# Summary

## Improving Market Conditions

*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*

