


INVESTOR PRESENTATION

Q3 2020

NOVEMBER 2020 Update / NASDAQ: MYRG



MYR Group's ability to execute its strategy of conservative, profitable, steady growth in a focused, scalable market -- electrical construction -- is a strength that differentiates us from the rest.



SAFE HARBOR STATEMENT

Forward-Looking Statements

Various statements in this communication, including those that express a belief, expectation, or intention, as well as those that are not statements of historical fact, are forward-looking statements. The forward-looking statements may include projections and estimates concerning the timing and success of specific projects and our future production, revenue, income, capital spending, segment improvements and investments. Forward-looking statements are generally accompanied by words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “objective,” “outlook,” “plan,” “project,” “likely,” “unlikely,” “possible,” “potential,” “should” or other words that convey the uncertainty of future events or outcomes. The forward-looking statements in this communication speak only as of the date of this communication; we disclaim any obligation to update these statements (unless required by securities laws), and we caution you not to rely on them unduly. We have based these forward-looking statements on our current expectations and assumptions about future events. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. No forward-looking statement can be guaranteed, and actual results may differ materially from those projected. Forward-looking statements in this communication should be evaluated together with the many uncertainties that affect MYR Group’s business, particularly those mentioned in the risk factors and cautionary statements in Item 1A of MYR Group’s most recent Annual Report on Form 10-K, and in any risk factors or cautionary statements contained in MYR Group’s Quarterly Reports on Form 10-Q or Current Reports on Form 8-K.

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For **more than a century**, MYR Group's subsidiaries have served the electrical construction needs of clients. **Our reputation for excellence** in both our markets makes us a leader in the industry.



HEADQUARTERS

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STOCK TICKER SYMBOL

NASDAQ: MYRG



LTM REVENUE

\$2.21B

↑ 13.6% YoY



RECORDABLE SEGMENTS

TRANSMISSION & DISTRIBUTION (T&D)
COMMERCIAL & INDUSTRIAL (C&I)



AMONG TOP 5 ENR

U.S. SPECIALTY
ELECTRICAL
CONTRACTORS FOR
23 YEARS IN A ROW



TOTAL EMPLOYEES

7,100+

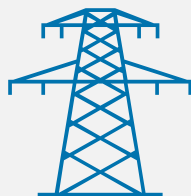


125+

YEARS OF EXPERIENCE



A MARKET LEADER



**NATIONWIDE
LEADER** in T&D



**EXPANDING
PRESENCE** in C&I



GROWING FOOTPRINT



**HEALTHY ORGANIC &
ACQUISITIVE GROWTH**



**STRONG PRESENCE IN
KEY GROWTH MARKETS**



**LONG STANDING
CLIENT RELATIONSHIPS**



GROWING REVENUES



RECORD BACKLOG



**EXTENSIVE,
CENTRALIZED FLEET**



**STABLE
BALANCE SHEET**



**NO EXTRAORDINARY
LOSSES OR GOODWILL
IMPAIRMENT**



**SUPERIOR SAFETY
PERFORMANCE**

STRATEGIC IMPERATIVES

Deliver positive financial results on a consistent basis while positioning the company for growth

FINANCIAL STRENGTH

Sustain a culture that aids in attracting, retaining and developing the best people in the industry

ORGANIZATIONAL EXCELLENCE

Strive to always be the first choice for our clients and remain one of the most reliable and efficient, high-value providers

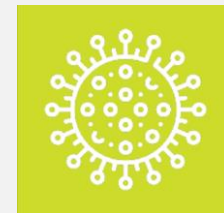
CUSTOMER SATISFACTION

OPERATIONAL EXCELLENCE

Continue investments in people, equipment, health, safety, the environment, technology, innovation, programs, process improvement, and sustainability

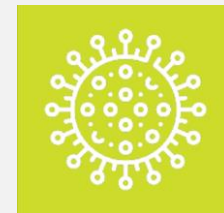
Ensures we are focused on the right work and programs

COVID-19 IMPACTS



- Considered an essential business as a provider of critical infrastructure services.
- Remain committed to serving our customers and are responding and adhering to any new or heightened job-site requirements and guidelines to protect our front-line field employees.
- Enacted measures to maintain safe, efficient, and resilient business operations during the pandemic, adjusting operations as needed.
- Project execution and bidding opportunities have remained active to date.
- T&D work activity primarily consists of small to medium-sized projects, and we continue to execute routine maintenance work under long-term MSAs. Drivers for T&D spending remain intact thus far.
- Most C&I projects remain operational, though social distancing and other project restrictions are limiting project workflows and extending project schedules. We believe the primary markets we serve may be somewhat less vulnerable to economic slowing, such as healthcare, transportation, data centers, warehousing, renewable energy and water projects.
- Entered 2020 with record backlog and further increased backlog in the third quarter.
- Stimulus packages and infrastructure bills could promote increased spending.
- Strong balance sheet with \$310.4M in availability under our credit facility, funded debt to LTM EBITDA leverage of 0.6x and management has continued to focus with heightened scrutiny on controlling costs and capital expenditures in these uncertain times

COVID-19 IMPACTS



Since March of 2020, the COVID-19 pandemic has had a significant impact on the global economy, including the US and Canadian economies. As the situation continues to evolve, the Company is closely monitoring the impact of the COVID-19 pandemic on all aspects of our business, including how it impacts our customers, subcontractors, suppliers, vendors and employees. The COVID-19 pandemic caused a slowdown of certain projects due to specific state, local, municipal and customer mandated stay-at-home orders and new project requirements that were established to protect construction workers and the general public, most of which have impacted our C&I segment. Although the majority of stay-at-home orders have been phased-out, we are still experiencing impacts associated with the COVID-19 project-specific protocols. We expect the project-specific requirements to remain in place which will continue to impact project schedules and workflow going forward.

REVENUE GROWTH

For **more than a century**, MYR Group's subsidiaries have served the electrical construction needs of clients. **Our reputation for excellence** in both our markets makes us a leader in the industry.

AMONG TOP 5

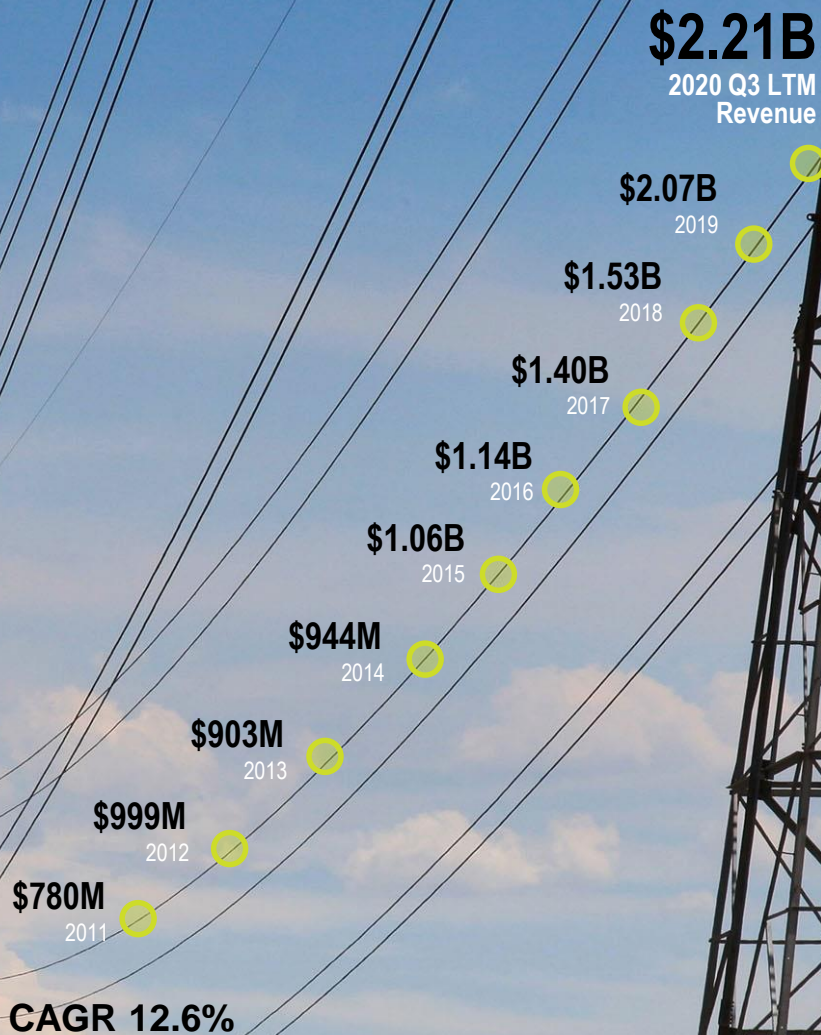
ENR U.S. Specialty Electrical Contractors for 24 years in a row

REPORTABLE SEGMENTS

Commercial & Industrial (C&I)
Transmission & Distribution (T&D)

RECORD REVENUES

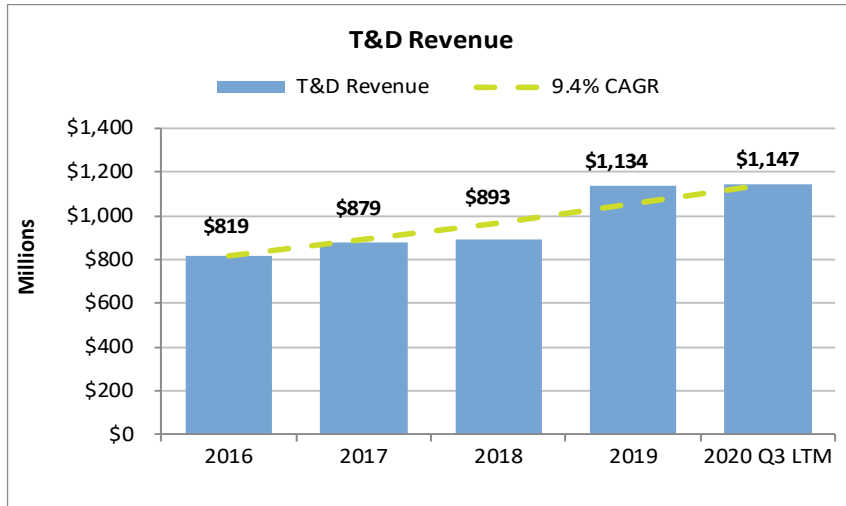
Reached record revenues in 2019, an increase of 35.3% over 2018



CAGR 12.6%

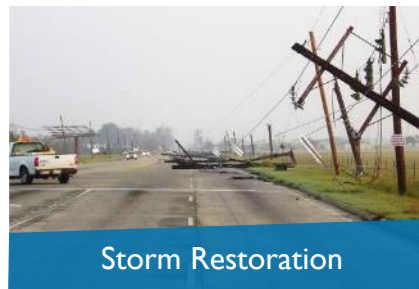
COMPREHENSIVE SERVICE OFFERINGS

TRANSMISSION & DISTRIBUTION (T&D) BUSINESS SEGMENT



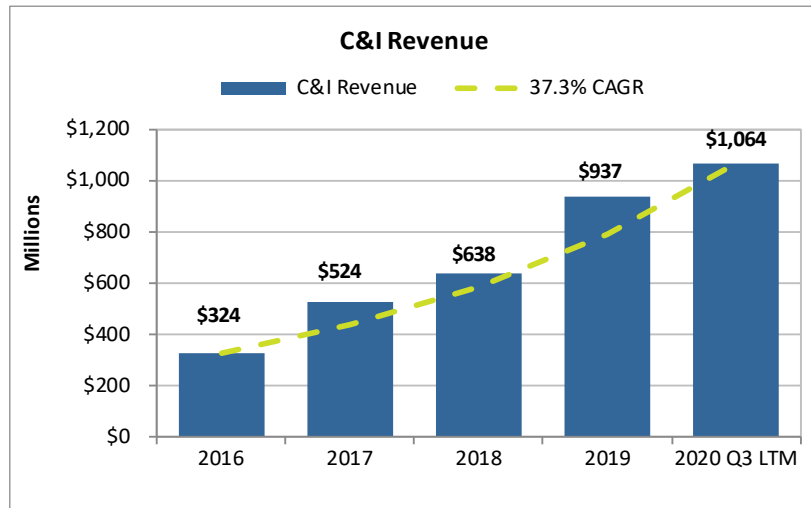
Segment Updates:

- 09/30/20 LTM T&D record revenue of \$1,147 Million
- Recent years growth primarily due to an increase in revenue on small to medium-sized transmission and distribution projects
- ~ 50% of T&D business is Master Service Agreement work



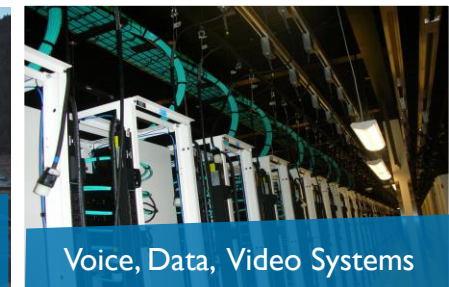
COMPREHENSIVE SERVICE OFFERINGS

COMMERCIAL & INDUSTRIAL (C&I) BUSINESS SEGMENT



Segment Updates:

- 09/30/20 LTM C&I record revenue of \$1,064 Million
- Growth primarily due to increases in volume across all project sizes and incremental revenues from the acquisitions of CSI, and the Huen Companies in the second half of 2019 and 2018, respectively



STRONG COMPETITIVE ADVANTAGE

WE ARE...



Extending our **geographical reach** and expanding our **service offerings**



Inspired to **do the right thing** and investing in the communities in which we live and work



Expanding our **depth and breadth of expertise** while refining project delivery capabilities



Executing with **health and safety as our #1 priority** to maintain our industry-leading safety performance



Helping our people reach their **fullest potential** through investments in training and development



Building a **future driven mindset** and deploying new systems and technologies



Maintaining **long-standing client relationships** and **developing customized solutions** to address their greatest needs.



Supporting **clean energy infrastructure** and broadening our capabilities to meet the needs of our clients



Focused on collaboration to create truly integrated and cohesive teams

POSITIONED FOR GROWTH



U.S./CANADA

Long-term growth both organically and via acquisition



T&D

Transmission market outlook strong next 5+ years (higher ratio of small-medium/large projects)



C&I

Strength in C&I sector (Airport, Healthcare, Data Center, Hwy/Transp.)

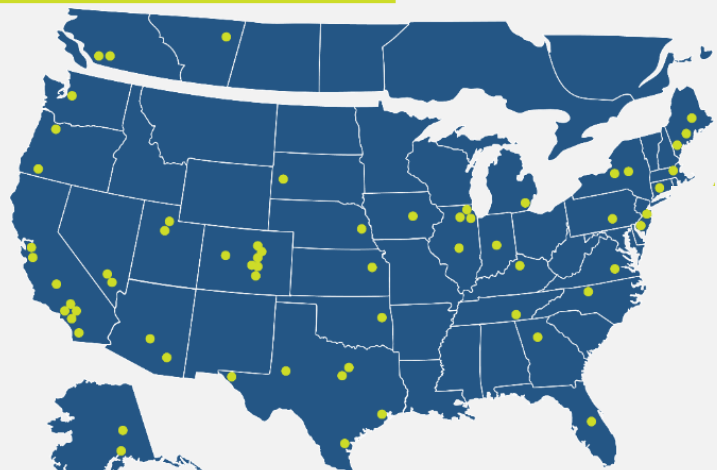


RENEWABLES

Clean energy initiatives driving increased construction spend

Success

VALUE CREATION OPPORTUNITIES



62 OFFICE LOCATIONS IN U.S. AND WESTERN CANADA

PRUDENT CAPITAL RETURN

\$50 Million Share Repurchase Program

On October 22, 2020, the Company's Board of Directors approved a new \$50.0 million share repurchase program effective November 2, 2020. The new share repurchase program will expire on November 02, 2021 or when the authorized funds are exhausted, whichever is earlier.

ORGANIC GROWTH

Expand in new and existing markets that align with core capabilities

- Strategic expansion of geographic footprint into new markets
- Invest in additional fleet and labor resources to expand capacity
- Leverage extensive bid knowledge and long-term customer relationships

STRATEGIC ACQUISITIONS

Continue to evaluate targeted, strategic acquisitions to expand business and hone operating expertise

- Search for and evaluate strategic opportunities that achieve long-term growth objectives and leverage our core capabilities
- Focus on acquisitions that meet clear, long-term return thresholds and are compatible with MYR Group's values and culture
- Focus on integration of processes, people, technology and equipment



JULY 2019 ACQUISITION

CSI ELECTRICAL CONTRACTORS, INC.

Expands Geographic Reach & End Market Exposure

- Expands our breadth of C&I service offerings in California and strengthens our market position in delivering cost-effective solutions to both new and existing customers
- Expanded presence in California with established offices in:
 - Santa Fe Springs
 - San Marcos
 - San Jose
 - Palmdale
 - Santa Clarita

Expands Service Offerings

- Offers a wide range of commercial and industrial electrical construction services with significant experience performing work in the solar, aerospace, healthcare, government and biomedical markets
- Significant self-perform capabilities in electrical system construction and retrofit projects, technology integration, and alternative energy projects, preconstruction services, prefabrication, telecommunications, design-build/design-assist and integrated project delivery methodologies

Increases Skilled Workforce

- High-quality workforce and strong management team with decades of experience, who share our culture, values, and commitment to delivering superior service to our customers through operational experience



FAVORABLE T&D MARKET CONDITIONS

There may be delays on some spending due to COVID-19 which could impact previously reported projections, however market drivers remain favorable for the long-term.

Drivers of T&D Spend

System Reliability

Aging Electric Grid

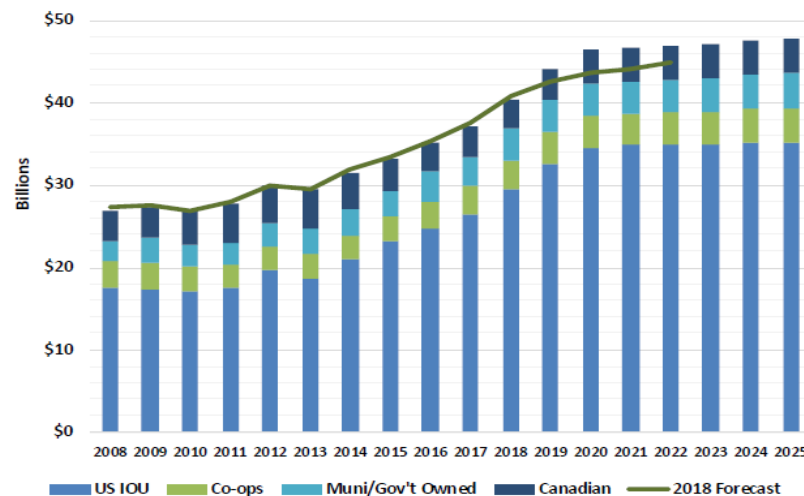
Connecting Renewables

Plant Retirements

Storm Hardening

Housing Starts

U.S. and Canadian Electric Distribution Actual and Forecasted Capital Expenditures by Ownership Type



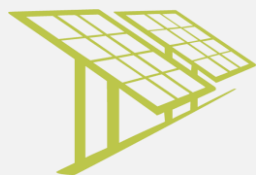
“Capital expenditures came in at \$40.4 billion in 2018, a 9.3% increase from 2017. U.S. investor-owned utilities project planned spend from 2019 through at least 2023 is robust.”

Source: The C Three Group, North American Electric Distribution Market Forecast, September 2019

MARKET OPPORTUNITIES

The generation mix across the U.S. is changing as traditional baseload generation resources retire and renewable generation provides an increasingly large percentage of demand.

UTILITY SOLAR



In Q2, the U.S. solar market installed 3.5GW of PV, 70% of which comprised of utility-scale installations, the largest Q2 for utility PV in history with 2.5GW installed. Forecasts have increased considerably since Q1 as impacts from COVID-19 have been minimal. More than 100 GW of total PV capacity additions are now expected from 2021-2025.

SOURCE: Solar Energy Industries Association (SEIA), September 2020

OFFSHORE WIND



30 MW of offshore wind are operational today and in the next four to six years, U.S. developers expect to manufacture, construct, and install more than 9 GW of offshore wind.

SOURCE: The Business Network for Offshore Wind (BNOW), March 2020

Provides ample engineer, procurement, and construction (EPC) opportunities for the generation site and transmission interconnect.

ACTIVE C&I MARKET

C&I's strong \$973.0M backlog as of 09/30/2020 is driven by:

Hospitals

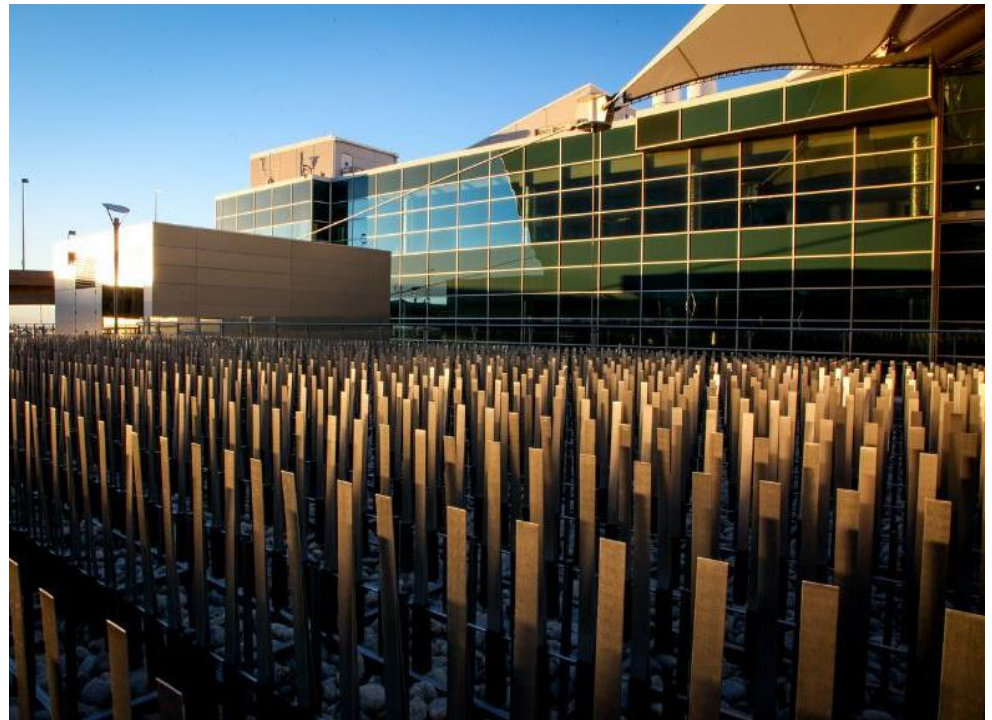
Data Centers

Airport Projects

Transportation Work

Aerospace

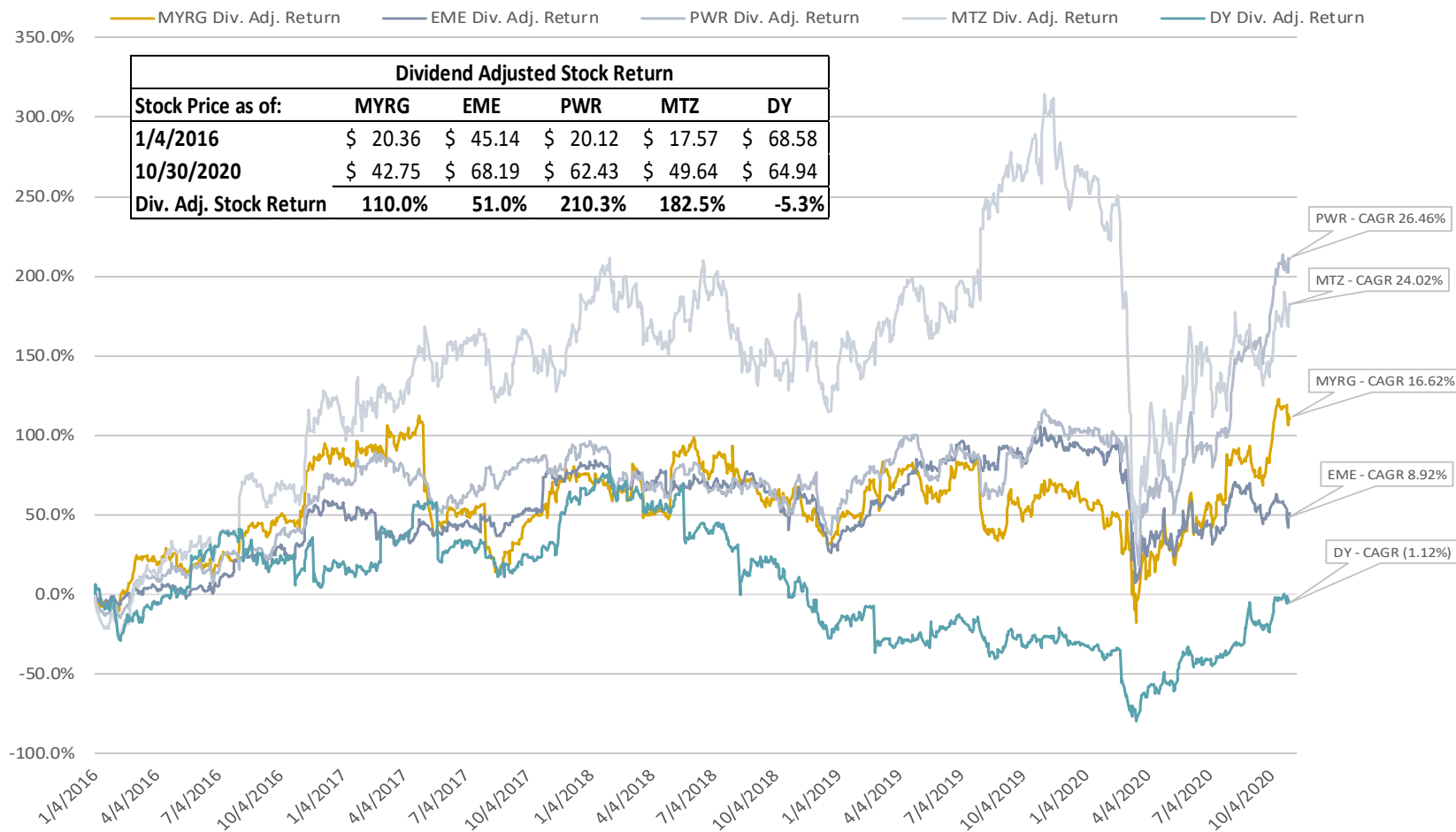
Water / Wastewater Upgrades



- Most of our primary markets are deemed critical and essential and may be less vulnerable to economic slowdown
- The primary markets we serve may be somewhat less vulnerable to economic slowing, such as healthcare, transportation, data centers, warehousing, renewable energy and water projects
- Government stimulus packages and infrastructure investment programs could accelerate project activity

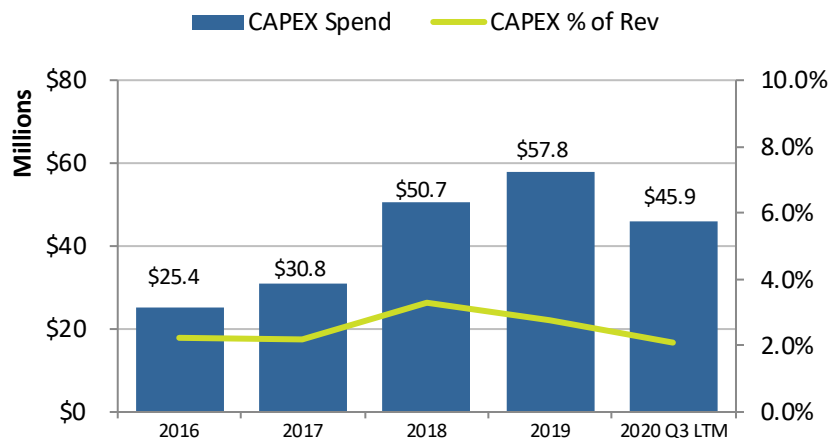
DELIVERING STRONG RETURNS

Dividend Adjusted Stock Return
(01/04/2016 - 10/30/2020)



BALANCE SHEET STRENGTH TO SUPPORT ADDITIONAL GROWTH

CAPEX Investment



Little off-balance-sheet leverage

Limited goodwill

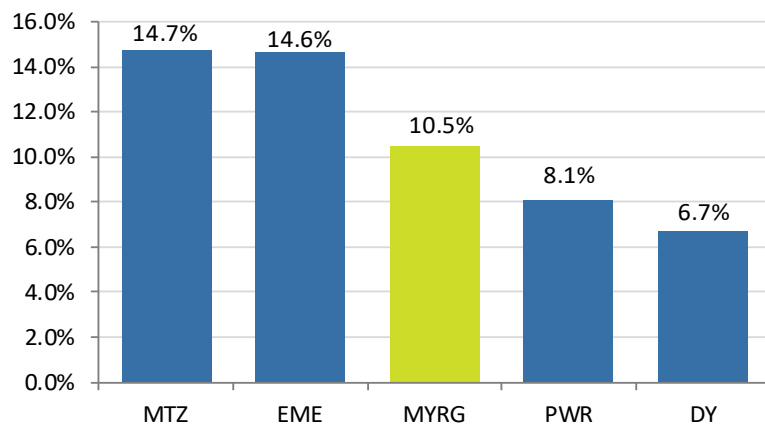
Modest debt leverage

Strong liquidity position – Renewed credit facility in Q3 2019, increasing the revolver to \$375 million

Substantial bonding capacity

Investment in specialty equipment contributed to top-line organic growth and supports future organic growth

3-Year Average ROIC

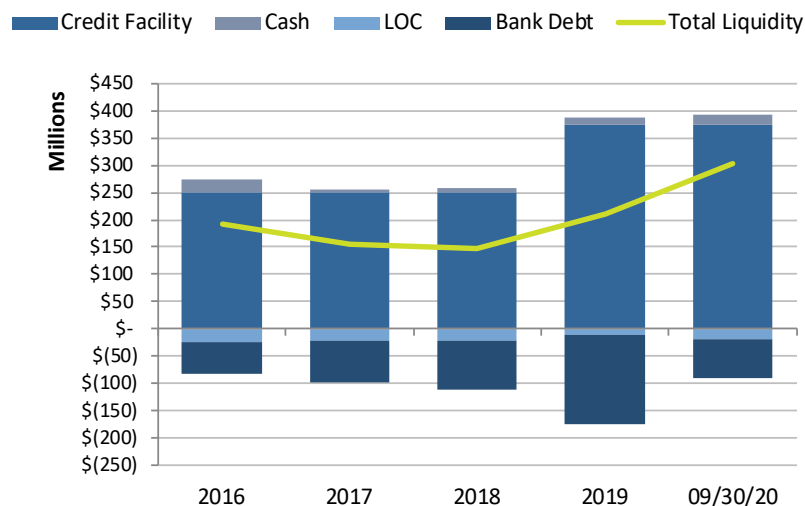


Source: S&P Capital IQ

3-year period is September 2018 – September 2020

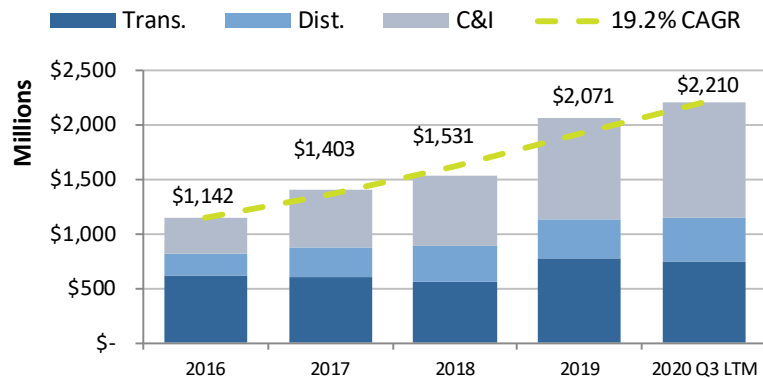
DY period is July 2018 – July 2020

Liquidity

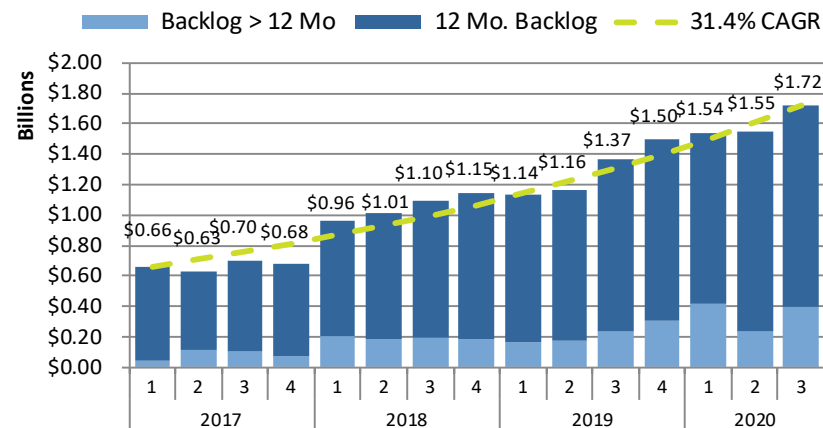


STRONG LONG-TERM FINANCIAL PERFORMANCE

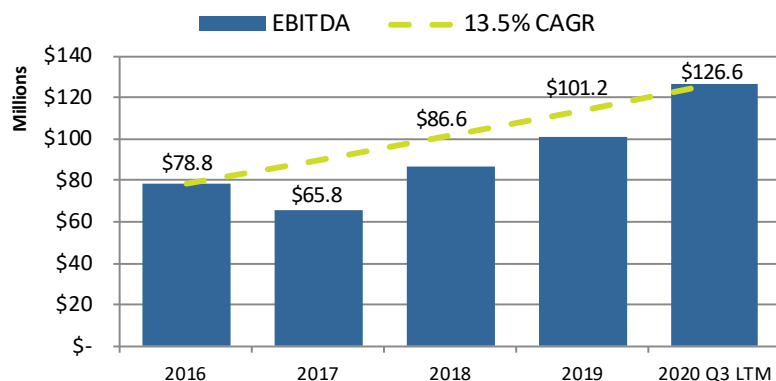
Revenue by Work Type



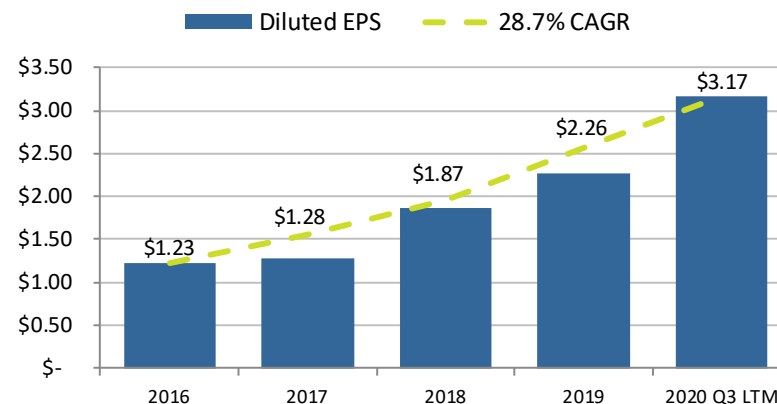
Backlog



EBITDA *



Diluted EPS - Attributable to MYR Group Inc.



* For reconciliation of EBITDA to net income, see page 21

INVESTMENT OUTLOOK



Proven Strategy Execution

Solid execution of corporate strategy has solidified MYR Group's position as a market leader in large transmission line construction



Experienced Management

Executive Management average 31+ years of industry experience



Positive Industry Outlook

Regulatory environment supports growth and market analysts expect escalated spending through year 2020



Favorable Growth Prospects

Opportunities for organic, vertical, horizontal and geographic growth



Strong Financial Position

Strong equity base provides capacity to add leverage for additional potential acquisitions, organic growth and share repurchases



Centralized Fleet & Corporate Operations

Centralization allows for greater efficiency and leverage of company resources

CORPORATE GOVERNANCE OVERVIEW



DIVERSE AND EXPERIENCED BOARD WITH INDEPENDENT OVERSIGHT

- 7 of 9 directors are independent
- 3 of 7 independent directors are diverse
- 5 of 9 directors have significant energy / utility experience
- Independent Chairman of the Board
- Audit, Compensation and Nominating / Governance committees comprised solely of independent directors
- Annual Board evaluations



STRONG CORPORATE GOVERNANCE PRACTICES

- Majority voting standard for directors in uncontested elections
- No “Poison Pill” in place
- Effective executive compensation best practices
- Majority of CEO compensation is performance based



ACCOUNTABILITY & RESPONSIVENESS

- Board adopted majority voting for uncontested elections in December of 2015 based on input from shareholders
- Proactive investor relations outreach to ensure active, ongoing engagement

EXPERIENCED MANAGEMENT TEAM



Rick Swartz

Chief Executive Officer
38 years with MYRG
38 years in industry



Betty Johnson

Chief Financial Officer
20 years with MYRG
31 years in industry



Tod Cooper

**Chief Operating Officer –
Transmission & Distribution**
29 years with MYRG
31 years in industry



Jeff Waneka

**Chief Operating Officer –
Commercial & Industrial**
29 years with MYRG
36 years in industry



William Fry

Chief Legal Officer
1 year with MYRG
22 years in industry

**EXPERIENCED
MANAGEMENT TEAM
AVERAGES
23 YEARS
WITH MYR GROUP
31+ YEARS
IN OUR INDUSTRY**



APPENDIX

MYR GROUP CUSTOMER SAMPLE

LSPower
Innovation and Investment in Energy



nationalgrid

BIRD
Construction Company



**AEP AMERICAN
ELECTRIC
POWER**



MIDAMERICAN
ENERGY HOLDINGS COMPANY



FirstEnergy



**CenterPoint
Energy**



ExxonMobil



EVERSOURCE
ENERGY



EBITDA RECONCILIATION

(\$ In Millions, Except Per Share Amounts)*

	2016	2017	2018	2019	LTM 9/30/2020
Net Income	\$ 21.4	\$ 21.2	\$ 31.3	\$ 36.2	\$ 53.4
Interest Expense, net	1.3	2.6	3.6	6.2	\$ 5.7
Income Tax Expense	16.9	3.5	11.8	14.2	\$ 21.0
Depreciation and Amortization	39.2	38.6	39.9	44.5	\$ 46.5
EBITDA	<u>\$ 78.8</u>	<u>\$ 65.8</u>	<u>\$ 86.6</u>	<u>\$ 101.2</u>	<u>\$ 126.6</u>
Diluted Weighted Average Shares Outstanding	17.5	16.5	16.6	16.7	16.8
EBITDA per Diluted Share	\$ 4.51	\$ 3.99	\$ 5.22	\$ 6.06	\$ 7.54
Revenue	\$ 1,142.5	\$ 1,403.3	\$ 1,531.2	\$ 2,071.2	\$ 2,210.5

EBITDA is a non-GAAP financial measure that is defined as Earnings Before Income Taxes, Depreciation and Amortization.

Note:

LTM diluted weighted average shares outstanding were determined by adding the average shares reported for the last four quarters and dividing by four.

EBITDA is not recognized under GAAP and does not purport to be an alternative to net income as a measure of operating performance or to net cash flows provided by operating activities as a measure of liquidity. EBITDA is a component of the debt to EBITDA covenant that we must report to our bank on a quarterly basis. In addition, management considers EBITDA a useful measure because it eliminates differences which are caused by different capital structures as well as different tax rates and depreciation schedules when comparing our measures to our peers' measures.

FINANCIAL RATIO DEFINITIONS

$$\div \frac{\text{Net Income (LTM) [A]} + [\text{Net Interest Expense} * (1 - \text{Effective Tax Rate})]}{[\text{Book Value (Total Stockholders' Equity [B])} + \text{Net Funded Debt}] \text{ @ beginning of LTM}}$$

= **Return on Invested Capital**

$$\div \frac{\text{EBITDA (Earnings before Interest, Taxes, Depreciation, \& Amortization)}}{\text{Revenue}}$$

= **EBITDA Margin**

[A] Net Income excludes noncontrolling interest and discontinued operations

[B] Total Stockholders' Equity excludes minority interests and discontinued operations

Three year averages are derived from calculating the return metric for each twelve month period and then averaging the three period metrics

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