



News Release

1100 Brashear Ave., Suite 200
Morgan City, Louisiana 70380
(985) 702-0195

For Immediate Release To:
Analysts, Financial Community, Media

For Information Contact:
Cecil Hernandez (985) 702-0195
CAHernandez@ConradIndustries.com

Conrad Industries Announces Third Quarter 2016 Results and Backlog

Morgan City, Louisiana (November 11, 2016) - Conrad Industries, Inc. (OTC Pink Sheets: CNRD.PK) announced today its third quarter and nine months 2016 financial results and backlog at September 30, 2016.

For the quarter ended September 30, 2016, Conrad had net loss of \$4.7 million and loss per share of \$0.92 compared to net income of \$2.0 million and earnings per share of \$0.35 during the third quarter of 2015. The Company had net loss of \$858,000 and loss per share of \$0.17 for the nine months ended September 30, 2016 compared to net income of \$7.2 million and earnings per share of \$1.24 for the nine months ended September 30, 2015. Results for the three and nine months ended September 30, 2015 included research and development tax credits of \$0.8 million and \$2.5 million, respectively. The Company's financial reports are available at www.otcmarkets.com.

Conrad had a record backlog of \$251.1 million at September 30, 2016. Backlog was \$211.8 million at December 31, 2015 and \$91.1 million at September 30, 2015.

Johnny Conrad, President and CEO, stated, "The net loss for the nine-month period was primarily the result of a \$12.5 million gross loss recorded on the LNG bunker barge. Our repair and conversion segment achieved gross profit of \$2.8 million for the nine months ended September 30, 2016 compared to a gross loss of \$108,000 during same period of 2015, reflecting continued solid performance in a very competitive environment. Although we have incurred losses on the LNG barge, we believe we have developed resources to position our Company as a leader in LNG marine-related construction in North America."

Conrad continued "Our results reflect a continued difficult operating environment. Our bid activity has been good and we see

some opportunities, but we have also seen many new construction customers continue to delay projects and the environment remains very competitive. We are cautiously optimistic in the vessel construction segment due to our record backlog at September 30, 2016.”

“The repair segment has shown improvement; however, there continues to be little visibility due to the short-term nature of this work. Management continues to focus on effectively executing our backlog, adding new contracts, improving efficiencies, and controlling costs so that we can continue to perform profitably during the current environment and be well-positioned for improved profitability as our markets improve in the future.”

Conrad Industries, Inc., established in 1948 and headquartered in Morgan City, Louisiana, designs, builds and overhauls tugboats, ferries, liftboats, barges, offshore supply vessels and other steel and aluminum products for both the commercial and government markets. The company provides both repair and new construction services at its five shipyards located in southern Louisiana and Texas.

Cautionary statement: This press release contains forward-looking statements, which are all statements other than those of historical facts, and reflect our expectations as of the date of this press release about future events. Forward-looking statements are subject to risks and uncertainties, including our reliance on cyclical industries, ability to perform contracts at costs consistent with estimated costs utilized in bidding, and ability to replenish our backlog and compete in changing markets. These and other risks are discussed in more detail in our Annual Report and subsequent reports available on www.otcmarkets.com. Should one or more of these risks materialize, achievement of anticipated results may differ materially from those anticipated. We do not intend to update these forward-looking statements, other than through our regular quarterly and annual reports.