



News Release

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Conrad Industries Announces Second Quarter 2015 Results and Backlog

Morgan City, Louisiana (August 17, 2015) - Conrad Industries, Inc. (OTC Pink Sheets: CNRD.PK) announced today its second quarter and six months 2015 financial results and backlog at June 30, 2015.

For the quarter ended June 30, 2015, Conrad had net income of \$1.2 million and earnings per diluted share of \$0.21 compared to net income of \$6.8 million and earnings per diluted share of \$1.14 during the second quarter of 2014. The Company had net income of \$5.2 million and earnings per diluted share of \$0.89 for the six months ended June 30, 2015 compared to net income of \$13.2 million and earnings per diluted share of \$2.21 for the six months ended June 30, 2014. Results for the three and six months ended June 30, 2015 included research and development tax credits of \$0.8 million and \$1.7 million, respectively. The Company's financial reports are available at www.otcmarkets.com.

Conrad's backlog was \$131.7 million at June 30, 2015, \$180.2 million at December 31, 2014 and \$173.0 million at June 30, 2014.

Johnny Conrad, President and CEO, stated, "While we remain optimistic about the long-term prospects for our business, we continue to experience near term challenges. We have experienced a decline in demand for inland tank barges primarily used to transport petroleum products produced from shale plays, and also a delay by our customers in placing orders for the larger projects that we expected to convert to backlog. Although bid activity has been good and we are pursuing various opportunities, we have not signed contracts as anticipated which is leading to gaps in our production schedules. The decline in demand and underperformance on some of our newer jobs have resulted in a decline in revenue, margins and profits."

Conrad continued, "Additionally, we have experienced a softer repair market, which we believe is due primarily to the decline in crude oil prices. These factors negatively impacted our results for the first six months of 2015, and we currently expect these factors to negatively impact our financial performance during 2015, compared to 2014, and possibly through the first six months of 2016. We plan to continue to be responsive to changing market conditions and look for ways to continue to enhance shareholder value."

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.