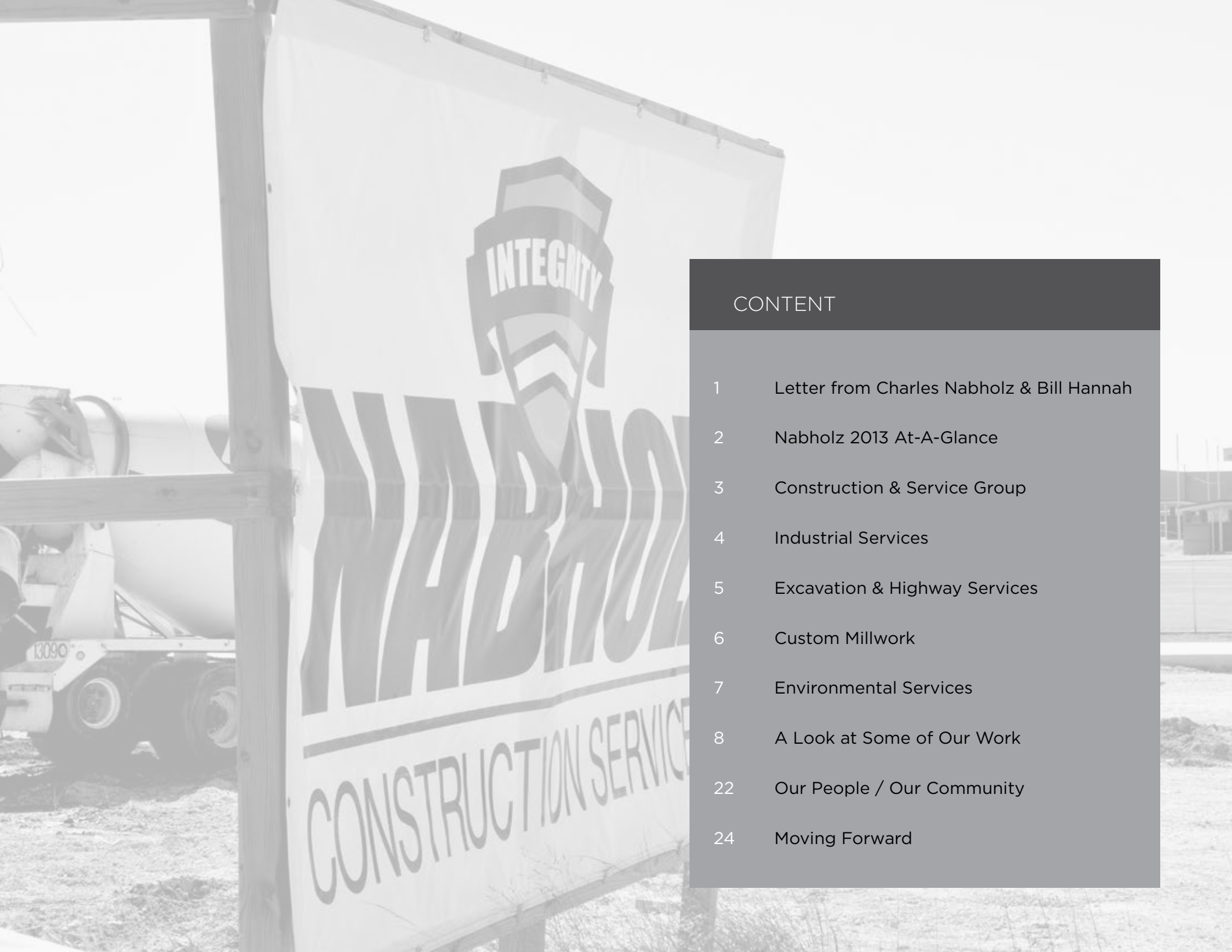




NABHOLZ

2013 Annual Report





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We are pleased to report that 2013 was another solid year for Nabholz. We completed noteworthy projects in 2013 and were awarded significant projects to lead us into a strong 2014.

Our success is a direct result of our proven ability to deliver high-quality services to our clients on time, within budget, and, most importantly, with the highest standards of safety and integrity. We are proud to say that we continued this tradition in 2013 and will continue this tradition into 2014 and beyond.

While 2013 revenues declined slightly from previous years, Nabholz remained profitable on revenues of \$357 million. The amount of new work acquired during the year exceeds \$350 million and gives us a strong start going into 2014. The number of large projects decreased and the distribution of project sizes shifted within our regional footprint in 2013. As a result, we acquired more projects at a lower average cost-per-project, which is reflected in our current revenue numbers. In spite of the impact on revenues, this trend presents Nabholz with new opportunities. We welcome this project diversity as a valuable tool for the continued growth and development of our hundreds of field craftsmen and jobsite superintendents.

We thank all of our clients, business partners, subcontractors, vendors, and especially our employees for overcoming market challenges and making 2013 a successful year. Our ability to deliver quality services while maintaining our commitment to our values has never been stronger.

Charles Nabholz, Chairman of the Board of Directors

Bill Hannah, Chief Executive Officer

NABHOLZ 2013

Total Revenues = \$389 Million

Company Debt = \$0

Projects Completed = Over 8,300

Number of States Covered = 29 States

Man Hours Worked = 874,442

EMR = .50

Bonding Capacity = \$750 Million +

For our Construction team, 2013 brought the successful completion of notable projects throughout our region, including Valley View High School in Northeast Arkansas, OSU Chesapeake Energy Center in Oklahoma, East Newton School in Missouri, and Jayhawk Public Schools in Kansas, to name a few. As we continue to acquire new work in all of our markets, we are excited about the opportunities for growth that lie ahead for our Construction group.

Our Service team, focusing on small and emergency service jobs, gave another strong performance in 2013, completing more than 5,000 projects. They continue to serve clients with their diverse team of multi-skilled craftsmen and get-it-done attitude. We are excited about the future of our Service groups and the possibilities for growth as more and more owners call on Nabholz to serve their maintenance and repair needs, as well as more specialized needs like preventive maintenance, firestopping and energy performance.



INDUSTRIAL SERVICES



Industrial Services (NIS) had a strong 2013, further solidifying Nabholz' position as a leading provider of equipment setting, millwright and rigging services. NIS spent the year traveling all over the United States to perform highly complex projects, including moving and setting equipment for Shale Gas Services in Texas, Simmons Machine Tool in Virginia, Union Pacific Railroad in Nebraska and MST Automation and Detroit Tool & Engineering in Tennessee, just to name a few.

As manufacturing begins to pick up in the United States, the need for new equipment will grow, presenting many opportunities for the NIS team to showcase their talents. The high level of skill and ingenuity displayed by our NIS craftsmen never ceases to inspire us, and we look forward to continued growth and success for our Industrial Services group.

EXCAVATION & HIGHWAY

2013 was a stellar year for our Northwest Arkansas-based Excavation and Highway group, which completed several significant projects for clients like John Brown University, the City of Rogers, and the Arkansas Highway and Transportation Department. Having recently been awarded a \$6 million project for the City of Tulsa, Excavation is looking forward to another year of continued growth.



CUSTOM MILLWORK



Our Millwork team continues to successfully operate one of the region's largest and most state-of-the art millwork shops. Under the leadership of Robert "Birdy" Smith, the many talented craftsmen of our Millwork operation completed a number of noteworthy projects in 2013, including work for Jessieville Schools, John Brown University, and numerous general contractors. They move into 2014 with a great team and a positive outlook.

ENVIRONMENTAL SERVICES

Environmental Services (NES) completed a successful first year of operation as part of the Nabholz team. In 2013, NES performed work for a number of large entities, including schools, universities and municipalities.

With their tremendous amount of experience in environmental consulting and abatement, the NES team has grown this business in a short period of time and continues to see more and more opportunities leading into 2014.





*A look at some
of our work*



Oklahoma Heart Hospital
Medical Office Building
Oklahoma City, Oklahoma

Arkansas State University
Greek Village
Jonesboro, Arkansas





El Dorado Middle School
El Dorado, Kansas



Valley View High School
Jonesboro, Arkansas



Wheatland R-II School District
Wheatland, Missouri



Atoka Elementary
Atoka, Oklahoma



Cossatot River High School
Wickes, Arkansas



Hays Medical Center
Hays, Kansas



Oklahoma State University
Mathematics Learning Success Center
Stillwater, Oklahoma

Rogers Regional Sports Park
Rogers, Arkansas

Pauls Valley Aquatic Center
Pauls Valley, Oklahoma





*We play in
the dirt*



Rogers Regional Sports Park
Rogers, Arkansas

Excavation and site preparation

Highway 265

Fayetteville, Arkansas

Two miles of state highway
infrastructure & improvements





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*Objects larger than
they appear*

Industrial Services



MST Automation

Morristown, Tennessee

Installation of this Gantry Crane beam required our skilled team to maneuver it through a wall opening with very little clearance.



Detroit Tool & Engineering

Memphis, Tennessee

Five 20,000-pound presses were off-loaded, assembled and set utilizing specialized Hilti seismic anchors.

Union Pacific Railroad

North Platte, Nebraska

NIS installed Cyclonaire sanding systems that pneumatically transfer sand from silos into locomotive engine compartments.



Manufacturing Client

Fort Smith, Arkansas

Before this 250-ton Verson Press could be transported from Arkansas to Ohio, our NIS team had to turn the massive machine on its side, move it out of the building and, load it onto a truck.



*It's all in
the details*



John Brown University
Simmons Great Hall
Siloam Springs, Arkansas

Jessieville Schools
Jessieville, Arkansas

St. Mary's Hospital
Russellville, Arkansas





We clean up well



Removing asbestos insulation from boilers

(pictured left)
Removing asbestos-containing floor tiles



Organic matter clean-up



40 Years Accident Free!
Kenneth Armstrong and Guy Atkinson,
pictured with Brad Hegeman

Our People

Our people are the backbone of Nabholz. They make us proud every day by demonstrating extraordinary leadership within the company and by using their time and talents to give back to our communities. Here are just a few examples of how the people of Nabholz are raising the bar.

Excellence in Leadership Award Recipients

Each year Nabholz recognizes a select group of team members for their outstanding leadership, performance, character and commitment to the company. The 2013 Excellence in Leadership Award recipients are

Burt Browning
Mel Cannon
Ed Clifton
Jim Grant
Brett King
Cindy Moody

Marty Schmidt
Greg Scholtens
Adam Seiter
Scott Skidmore
Will Smothers
Gary Strack

Safety Milestones

Safety is our top priority at Nabholz, so we are especially proud of our team's impressive safety achievements in 2013. Carpenter foremen **Guy Atkinson** and **Kenneth Armstrong** completed an astonishing 40 years of accident-free service with Nabholz. Our **Tulsa Construction team** also celebrated a big milestone: 1,000 days without an accident. Likewise, our **Little Rock Service group** worked 803 days accident-free, **Millwork** celebrated 2 years without a lost-time accident, and our **Rogers Construction group** hit the one-year incident-free mark.

Community Involvement

In 2013, our people dedicated countless hours of their own time to serve the communities where we live and work. The list of service projects and good deeds our people performed during the year goes on and on, and these are just a few highlights. Nabholz volunteers shared their knowledge and expertise by teaching at the **Skills USA** vocational competition in Hot Springs, Arkansas. Team members dug deep and donated over \$14,000 to **Arkansas Children's Hospital's Century of Possibility fundraising campaign**. For the **American Heart Association Heart Walk and Cardiac**

Classic, employees formed a team and raised more than \$2,800 for the annual fundraising event. The **Susan G. Komen Race for the Cure** motivated over 50 Nabholz team members to get out and join the race to raise awareness and funding for breast cancer research.

To show support for the **Junior League of Northwest Arkansas**, our people lent dozers, cranes and other equipment, along with their own time, to pitch in and help with the group's **Touch-a-Truck event**. Another great Northwest Arkansas organization, the **NWA Children's Shelter**, received support and donations from Nabholz team members. To help students in need, our Olathe team raised more than \$800 to purchase supplies for the **Olathe Public Schools Foundation Backpack Drive**. Last but not least, employees in Tulsa helped a local family keep their home by partnering with the **Junior League of Tulsa** and **Rebuilding Together** to renovate the family's home. These are just a handful of the many selfless acts that made us proud of our people—and their big hearts—in 2013!





INTEGRITY

Moving Forward

As we look ahead, we do so with the confidence of knowing that we have the right people on our team. The people of Nabholz are committed to doing what's right and maintaining the highest ethical standards in the business. Our people are industry-leading experts in their fields. Their expertise, combined with our depth of resources, makes Nabholz well-equipped to serve all of our clients' diverse needs.

We are excited about the opportunities and challenges that lie ahead and we look forward to continuing the Nabholz traditions of exceptional customer service and integrity in 2014 and beyond.





Nabholz Construction Services
www.nabholz.com
1.877.NABHOLZ

Nabholz Industrial Services
www.nabholzindustrial.com
1.877.217.5505

Nabholz Environmental Services
www.nabholzenvironmental.com
501.217.5506

Conway, AR
Little Rock, AR
Jonesboro, AR
Fort Smith, AR
Rogers, AR
Olathe, KS
Springfield, MO
Olive Branch, MS
Tulsa, OK
Oklahoma City, OK