

2017
ANNUAL
YEAR-IN-REVIEW



Hill International

CORPORATE SUMMARY

Hill International, Inc. is a global construction consulting firm that provides program and project management, construction management, cost engineering and estimating, quality assurance, inspection, scheduling and risk management to clients involved in major construction projects. Our clients trust Hill to help deliver their most complex projects, as we understand every assignment presents unique goals and challenges. Hill's nearly 3,000 construction experts identify project risks before they can impact progress, work with the entire team to resolve issues and find solutions, and, ultimately, deliver value to our clients worldwide.

WORLDWIDE OFFICES

U.S.

Philadelphia, PA (Headquarters)
Baltimore, MD
Boston, MA
Cleveland, OH
Columbus, OH
Houston, TX
Irvine, CA
Irving, TX
Jacksonville, FL
Miami, FL
New Orleans, LA
New York, NY
Ontario, CA
Orlando, FL
Phoenix, AZ
Pittsburgh, PA
San Francisco, CA
San Jose, CA
Seattle, WA
Spokane, WA
Toledo, OH
Woodbridge, NJ
Washington, DC

Latin America

Bogota, Colombia
Mexico City, Mexico
Sao Paulo, Brazil

Europe

Amsterdam, Netherlands
Athens, Greece
Belgrade, Serbia
Bucharest, Romania
Düsseldorf, Germany
Frankfurt, Germany
Istanbul, Turkey
Lisbon, Portugal
London, UK
Madrid, Spain
Pristina, Kosovo
Warsaw, Poland
Wroclaw, Poland

Africa

Algiers, Algeria
Cairo, Egypt
Casablanca, Morocco
Tripoli, Libya

Middle East

Abu Dhabi, UAE
Doha, Qatar
Dubai, UAE
Jeddah, Saudi Arabia
Kuwait City, Kuwait
Manama, Bahrain
Muscat, Oman
Riyadh, Saudi Arabia

Asia/Pacific

Astana City, Kazakhstan
Gurgaon, India
Hong Kong, China
Mumbai, India

2017: HIGHLIGHTS

JANUARY

3

Building Design Magazine

Hill is ranked 1st by Building Design magazine as one of the architecture industry's favorite project managers to work with, as determined by a survey of the world's largest architecture practices.

30

ENR Best of the Best Projects Award

Hill received a *Best of the Best Project Award* from *Engineering News-Record (ENR)* in the category of "Best Airport/Transit Project" for the No. 7 Subway Line Extension.

FEBRUARY

6

ACEC California Engineering Excellence Honor Award

Hill received a 2017 Engineering Excellence Honor Award from ACEC California for its management of the Metro Gold Line Foothill Extension Project from Pasadena to Azusa in Southern California.

APRIL

17

AACE Fellow

John L. Haynes, PSP, FAACE, Director of Project Controls in Hill's Irvine, California office, was named a Fellow of AACE.

3

ASCE Outstanding Transportation Project Award

Hill received the Outstanding Transportation Project Award from Region 9 of the American Society of Civil Engineers (ASCE) for the Metro Gold Line Foothill Extension in Southern California.

JUNE

14

The Zweig Letter

Hill is the 60th fastest-growing firm among the top 100 fastest-growing architecture, engineering, planning and environmental consulting firms in the United States and Canada according to *The Zweig Letter*.

15

Engineering News-Record (ENR)

Hill is the largest independent U.S. construction management firm (for fee only), according to *Engineering News-Record (ENR)* magazine.

16

Engineering News-Record (ENR)

Hill is the 7th-largest U.S. program management firm, according to *Engineering News-Record (ENR)* magazine.

17

Engineering News-Record (ENR)

Hill is the 8th largest overall U.S. construction management firm (for fee only), according to *Engineering News-Record (ENR)* magazine.

AUGUST

17

ENR Best Projects Award

Hill received a Regional Best Projects Awards from *Engineering News-Record (ENR) Southeast* magazine in the category of "Cultural/Worship" for the Phillip and Patricia Frost Museum of Science in Miami, Florida.

11

Building Design + Construction

Hill is the 2nd largest PM/CM firm in the U.S. Buildings market according to *Building Design + Construction* magazine.

SEPTEMBER

14

Spotlight Award 2017

Hill received a Spotlight Award 2017 from *Warsaw Business Journal Group's Book of Lists 2017/2018* for promoting innovative solutions in the building consultancy industry (Construction Management).

OCTOBER

10

CMAA Project Achievement Award

Hill received a Project Achievement Award from the Construction Management Association of America (CMAA) in the category of "Commercial, Sports, Entertainment and Hospitality" for its management of the Phillip and Patricia Frost Museum Project in Miami, Florida.

11

Construction Innovation Award 2017

Hill received a Construction Innovation Award for Project Management Firm of the Year from *Construction Business News Magazine*.

26

WCCC Exceptional Project Achievement Award and a Sustainability Excellence Distinction Award

Hill received the Distinguished Project Owners' Project Excellence Award for its management of the La Pata Extension - Gap Connector and an Exceptional Project Owners' Project Excellence Award for its management of the Clay Street Separation.

NOVEMBER

27

Big Project Middle East Award 2017

Hill received a Big Project Middle East Award for Infrastructure Project of the Year (Roads, Rail and Transport) from *Big Project Middle East Magazine*.

FINANCIAL HIGHLIGHTS

FIVE-YEAR SELECTED INCOME STATEMENT DATA

in thousands, except per share amounts

	2017	2016*	2015*	2014*	2013*
Revenue	\$483,736	\$516,012	\$544,760	\$489,348	\$452,602
Gross profit	146,853	157,069	171,216	166,615	148,684
Selling, general, and administrative expenses	151,186	170,682	172,649	146,265	125,672
Share of (profit) loss of equity methods affiliates	(3,777)	37	237	-	-
Operating (loss) profit	(556)	(13,650)	(1,670)	20,350	23,012
Net (loss) earnings from continuing operations	(6,690)	(21,960)	(11,114)	7,254	11,840
Loss from discontinued operations	(14,479)	(11,776)	(2,564)	(18,627)	(9,512)
Gain on disposal of discontinued operations, net of tax	48,713	-	-	-	-
Net earnings (loss) attributed to Hill International, Inc.	27,366	(33,812)	(14,501)	(12,677)	57
EBITDA	5,967	(6,385)	6,270	27,301	35,139
Diluted (loss) earnings per common share from continuing operations	(0.13)	(0.43)	(0.24)	0.13	\$0.24
Diluted loss per common share from discontinued operations	(0.28)	(0.22)	(0.05)	(0.42)	(0.24)
Diluted gain on disposal of discontinued operations, net of tax	0.93	-	-	-	-
Diluted earnings (loss) per common share - Hill International, Inc.	0.52	(0.65)	(0.29)	(0.29)	-
Diluted weighted average common shares outstanding	52,175	51,724	50,874	44,370	39,098

FIVE-YEAR SELECTED BALANCE SHEET DATA

in thousands

	2017	2016*	2015*	2014*	2013*
Cash and cash equivalents	\$21,353	\$25,637	\$24,089	\$30,124	\$30,381
Accounts receivables, net	\$156,860	\$164,844	\$187,721	\$146,035	\$128,241
Current assets	\$198,411	\$266,461	\$295,723	\$257,294	\$238,298
Total assets	\$293,295	\$400,075	\$426,455	\$396,072	\$375,747
Current liabilities	\$125,874	\$139,525	\$144,596	\$139,968	\$139,788
Total liabilities	\$182,625	\$323,723	\$322,518	\$279,418	\$282,102
Total equity	\$110,670	\$76,352	\$103,937	\$116,654	\$93,645

EBITDA: Earnings (loss) before interest, taxes, depreciation and amortization (“EBITDA”) from continuing operations is not a measure of financial performance under generally accepted accounting principles (“GAAP”). EBITDA, in addition to operating profit, net income, and other GAAP measures, is a useful indicator of Hill’s financial and operating performance and its ability to generate cash flow from operations that are available for taxes and capital expenditures. Investors should recognize that EBITDA might not be comparable to similarly-titled measures of other companies. This measure should be considered in addition to, and not as a substitute for or superior to, any measure of performance prepared in accordance with GAAP.

* 2013-2016 numbers have been updated to reflect the firm’s reinstatement financial SEC filing.

GLOBAL EXPERIENCE

Construction is one of the world’s most difficult and challenging endeavors, and big projects carry big risks. Even one mistake in any of the thousands of different tasks on a project can mean big problems and result in serious schedule delays and cost overruns. With the financial stakes so high, it is critical that every step of the project be managed carefully. Hill International is one of the premier firms in the world helping our clients manage their projects and programs more effectively, so that they are finished on time, within budget and with as few claims as possible.

Whether the project is a high-speed rail line or a high-rise office building, we provide our clients with a full spectrum of services, including program management, project management, construction management, project management oversight, troubled project turnaround, staff augmentation, project labor agreement consulting, commissioning, labor compliance management, and estimating and cost management services.

Having participated in more than 10,000 project assignments with a total construction value of more than \$500 billion, Hill has managed all phases of the construction process, from concept through completion. *Engineering News-Record* magazine recently ranked Hill as the eighth-largest construction management firm and the seventh-largest program management firm in the United States.

We are currently managing some of the largest and most complex projects and programs in the world, including the Phoenix Aviation Department’s Capital Improvement Program at Sky Harbor Airport, Bank Aljiazria’s new Regional Office Building in Riyadh, and multiple rail projects for Rail Vikas Nigam Limited in India. Our portfolio of successful projects becomes larger and more impressive each year. The following pages highlight some of the major projects we were awarded in 2017.





▲ **Pan-European Corridor 4 Railway Line,**
Bucharest, Romania

Hill, as the lead firm of a JV, is providing management consulting services to CFR S.A. for the rehabilitation of the Frontiera - Curtici - Simeria Railway Sector, part of the Pan-European Transport Corridor IV, Section 3, Lot 4 (Gurasada - Simeria). The project will enable the railway in Hunedoara County to accommodate maximum train speeds of 160 km/h. Work involves the rehabilitation and modernization of the 41km railway, 17 bridges, 27 culverts, 4 overpasses and 3 underpasses, 4 rail stations and the implementation of the European Railway Traffic Management System (ERTMS).

Hard Rock Resort in Montego Bay, Jamaica ►

Hill is providing owner's representative design management services for the \$180 million, new, 1,000-room, 131,500 SM "all inclusive" resort.



▲ **Cairo Airport Terminal Building No 2,**
Cairo, Egypt

Hill was awarded a contract to provide project management consultancy services to the Cairo Airport Company for the renovation and development of Terminal Building No. 2 at Cairo International Airport in Egypt. This major renovation is an effort to double its capacity to 7.5 million passengers per year.

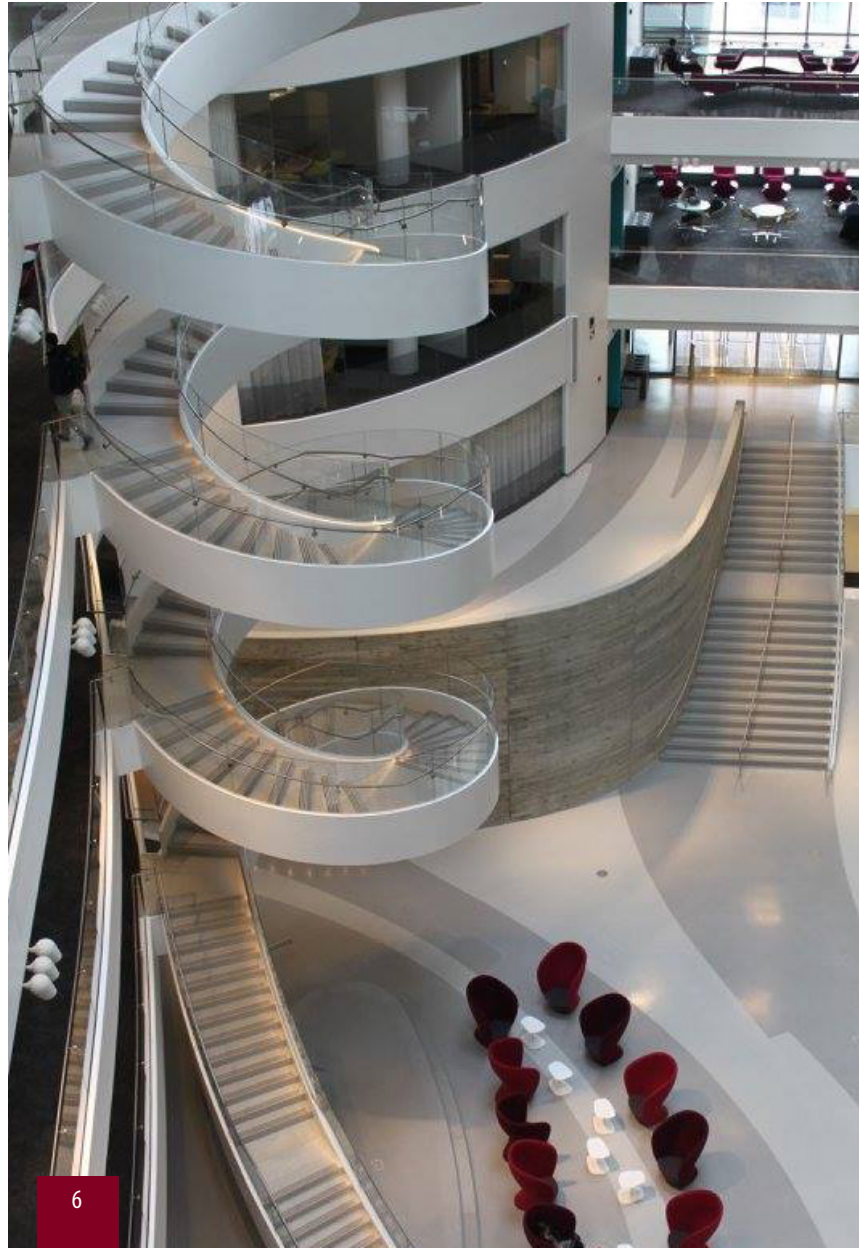


◀ **Port of Piraeus, Piraeus, Greece**

Hill was awarded a contract to provide construction supervision services in support of a \$399 million Capital Expenditure Program for the Piraeus Port Authority in Greece. The Port of Piraeus is the largest port in Greece, the largest passenger port in Europe, and the third busiest port in the world. The four-year contract has an estimated value to Hill of approximately \$2.7 million.



▲ **Foothill Gold Line Extension, Pasadena, California, U.S.**
Hill continues to provide program management consulting services to the Metro Gold Line Foothill Extension Construction Authority (Authority) for Phases 2A and 2B of the approximately \$2.4 billion Pasadena to Montclair light rail extension.



▲ **Route No. 6 Prishtina Hani I Elezit Motorway, Prishtina, Kosovo**
Hill is providing construction management services for the \$638 million construction of a motorway connecting Prishtina, the capital of Kosovo, with the main cities and economic centers of the country. As a key component of the regional transport network in South-East Europe, Route 6 will connect Skopje, the capital of Macedonia, with Corridor 10 of the Pan-European highway.



▶ **Northeastern University Interdisciplinary Science and Engineering Complex, Boston, Massachusetts, U.S.**
Hill is providing owner's representative services to Northeastern University (NU) for their new, \$225 million Interdisciplinary Science and Engineering Complex (ISEC).

◀ **Philadelphia International Airport, Philadelphia, Pennsylvania, U.S.**
Hill was awarded its eighth, multi-year contract to develop and manage the billion-dollar capital program for the planning, implementation, and control of the Philadelphia International Airport Capital Improvement Program, with special emphasis on project and financial and controls.



▲ **Gradsko - Interchange Drenovo Road Section,**
Macedonia, The Former Yugoslav Republic
Hill, as part of a JV, was awarded a contract from the Government of the Republic of Macedonia to provide construction supervision services for the Gradsko - Interchange Drenovo section of road Corridor X-d. The 50-month contract has an estimated value to the joint venture of approximately \$4.19 million.

Masdar Institute Neighborhood, Abu Dhabi, UAE ►
Abu Dhabi Future Energy Company PJSC (Masdar) awarded Hill a contract to provide project management services during construction of the Masdar Institute Neighborhood. The neighborhood is an innovative renewable energies and clean technologies development.



▲ **COMPAS Terminal Expansion, Cartagena, Colombia**
Hill received a \$4.1 million contract from Compañía de Puertos Asociados S.A. (COMPAS) to provide project management services in support of the COMPAS Terminal Expansion in Cartagena, Colombia.



▲ **Canarsie Rail Tunnel, New York, New York, U.S.**
As a subconsultant, Hill is providing construction management services to the New York Metropolitan Transportation Authority for the rehabilitation of the Canarsie Tunnel in New York City. The tunnel connects Manhattan and Brooklyn under the East River.



▲ **New Saadiyat Island Resort Development,**
Abu Dhabi, UAE
Hill received a \$1.9 million contract from the Sheikh Suroor Projects Department, on behalf of H.H. Sheikh Suroor Bin Mohammed Al Nahyan, to provide project management services during construction of a new Saadiyat Island resort development in Abu Dhabi.



▲ **Florida Department of Transportation,**
Florida, U.S.

Hill received four contracts totaling \$3.3 million to provide construction engineering and inspection services on various projects for the Florida Department of Transportation.

Santa Clara Valley Transportation Authority, ►
Santa Clara, California, U.S.

Hill received a \$35 million contract from the Santa Clara Valley Transportation Authority to provide project management oversight and construction management services for various highway, roadway, pedestrian/bicycle, transit, and facility projects



▲ **Raffles Hotel, Singapore**

The Raffles Hotel is one of the most heritage-laden properties in Southeast Asia. The hotel's operator, Beach Road Hotel (1886) Ltd. awarded Hill a contract to provide project management services during restoration of the historic hotel.



▲ **Ocean Cay Bahamas Port Development, Bahamas**

MSC Cruises S.A. awarded Hill a \$3 million contract to provide project and construction management services during construction and close-out phases of the Ocean Cay Bahamas Port Development.



▲ **U.S. Courthouse Harrisburg, Harrisburg, Pennsylvania, U.S.**

Hill is managing construction of the GSA's new Federal Courthouse for the U.S. District Court for the Middle District of Pennsylvania. The new, 243,000 SF courthouse will meet the Court's 30-year space requirements with eight courtrooms, judges' chambers, jury facilities, holding cells, and secure underground parking.



▲ **San Francisco International Airport, San Francisco, California, U.S.**

Hill is providing Capital Program Support Services (CPSS) to the City and County of San Francisco Airport Commission for a five-year, \$7.3 billion Capital Improvement Program at San Francisco International Airport (SFO).

► **PennDOT, I-95 Reconstruction, Pennsylvania, U.S.**

Hill was awarded a contract from the Pennsylvania Department of Transportation (PennDOT) to provide construction management services on nine sections of Interstate 95 in Philadelphia, Pennsylvania. The ten-year contract has an estimated value to Hill of approximately \$21.7 million. Hill has helped PennDOT's District 6-0 deliver \$1.7 billion in highway improvements along the I-95 corridor over the past 17 years.





▲ **Rail Vikas Nigam Limited (RVNL), Uttar Pradesh, India**

Hill was awarded a contract to provide project management services for an effort that will double the 120 km (75 miles) of rail line in Varanasi in Uttar Pradesh, India.

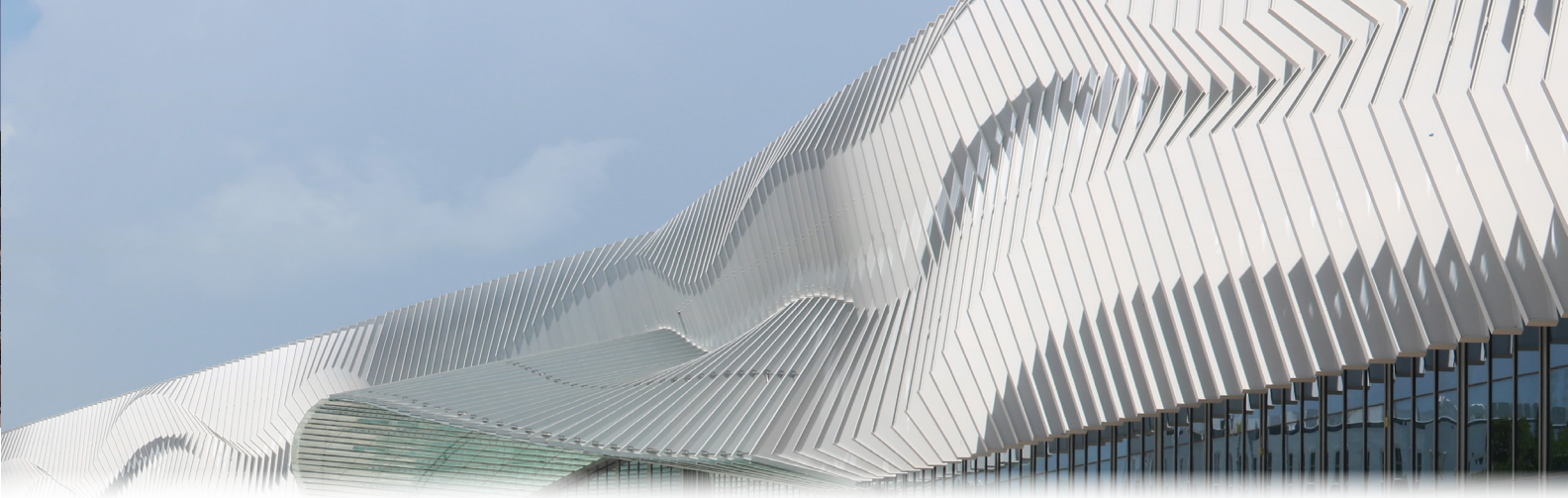
◀ **Union Station Concourse Modernization, Washington, DC, U.S.**

Hill is managing the construction of the Union Station Redevelopment Corporation's Concourse Modernization and North Mezzanine and First Street Entrance Project. The project will improve the commutes of more than 100,000 daily passengers by nearly doubling the capacity of the Station and expanding/upgrading passenger facilities.



University of Texas System, Texas, U.S. ▶

Hill was awarded an indefinite delivery/indefinite quantity contract from the Office of Facilities Planning and Construction of the University of Texas System to provide project management services during the construction of various higher education and healthcare capital projects.



BOARD OF DIRECTORS

Craig L. Martin
Executive Chairman
Former President and Chief Executive Officer, Jacobs Engineering Group, Inc.

Camille S. Andrews
Associate Dean
Rutgers University

Brian W. Clymer
Former Senior Vice President
Prudential Financial, Inc.

Steven R. Curts
Chief Strategy Officer
American Express Global Business Travel

Paul J. Evans
Interim Chief Executive Officer

Alan S. Fellheimer
Chairman
Fellheimer & Eichen LLP

Raouf S. Ghali
President and Chief Operating Officer
Hill International, Inc.

Charles M. Gillman
Executive Managing Director
IDWR Family Office

David L. Richter
Chief Executive Officer until 05/2017
Hill International, Inc.

David Sgro
Senior Managing Director
Crescendo Partners

EXECUTIVE OFFICERS

David L. Richter
Chief Executive Officer until 05/2017

Paul J. Evans
Interim Chief Executive Officer effective 05/2017

Raouf S. Ghali
President and Chief Operating Officer

Mohammed Al Rais
Regional President (Middle East)

John Fanelli III
Chief Financial Officer until 11/2017

Marco Martinez
Interim Chief Financial Officer effective 11/2017

William H. Dengler, Jr.
Executive Vice President,
General Counsel and Secretary

CORPORATE HEADQUARTERS

One Commerce Square
2005 Market Street, 17th Floor
Philadelphia, PA 19103
215-309-7700
www.hillintl.com

**INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**

KPMG LLP (April 19, 2017 through March 28, 2018)
1601 Market Street, Philadelphia, PA 19103 | 267-256-7000

EisnerAmper (January 1, 2017 through May 31, 2017)
111 Wood Avenue South, Iselin, NJ 08830 | 732-243-7000

SECURITIES COUNSEL

Duane Morris LLP
30 South 17th Street
Philadelphia, PA 19103
215-979-1000

STOCK TRANSFER AGENT

American Stock Transfer & Trust Co.
59 Maiden Lane
New York, NY 10038
212-936-5100

INVESTOR RELATIONS

The Equity Group Inc. (January 1, 2017 to September 1, 2017)
800 Third Avenue
New York, NY 10022
212-371-8660

InvestorCom (September 1, 2017 to present)
65 Locust Avenue, Suite 302
New Canaan, CT 06840
203-972-9300

ANNUAL MEETING

Hill's 2018 Annual Meeting of Stockholders will be held on December 6, 2018, at 11:00 am ET, at One Commerce Square, 2005 Market Street, 17th Floor, Philadelphia, PA 19103

CERTIFICATION

The Company's Chief Executive Officer has certified to the New York Stock Exchange ("NYSE") that he is not aware of any violation by the Company of the NYSE's corporate governance listing standards, as required by Section 303A.12(a) thereunder.

Certain statements contained herein may be considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and it is our intent that any such statements be protected by the safe harbor created thereby. Except for historical information, the matters set forth herein including, but not limited to, any statements of belief or intent, any statements concerning our plans, strategies, and objectives for future operations; and any statements regarding our intent to file late periodic reports or relying on a national securities exchange, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and assumptions and are subject to certain risks and uncertainties. Although we believe that the expectations, estimates, and assumptions reflected in our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Important factors that could cause our actual results to differ materially from estimates or projections contained in our forward-looking statements are set forth in the Risk Factors section and elsewhere in the reports we have filed with the Securities and Exchange Commission, including that unfavorable global economic conditions may adversely impact our business, our backlog may not be fully realized as revenue, our expenses may be higher than anticipated, and the review of the Company's accounting, accounting policies and internal control over financial reporting, and the preparation of and the audit or review, as applicable, of filings may take longer than currently anticipated or additional restatement adjustments may be identified. We do not intend, and undertake no obligation, to update any forward-looking statement.





HIL
LISTED
NYSE

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