The People Who Get It Done!
This presentation may include forward-looking statements, which are based on management's current expectations, estimates, forecasts and projections about the Company's business. These statements are forward-looking statements within the meaning of Section 27 A of the Securities Act of 1933, Section 21 E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995, and are subject to safe harbors created by such laws. Words such as "expects", "anticipates", "plans" and "believes" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed in this presentation. We do not undertake to update publicly any forward-looking statements, except as required by law. For a description of factors that could cause actual results to differ materially from what may be disclosed in this presentation, you are referred to the Company's public filings.
## Company Highlights

### Longstanding Client Relationships

Very strong federal government and DoD client base leading to new and repeat business opportunities.

### Robust Backlog Driven by Recent Contract Wins

Improved bidding strategies and enhancement of capabilities via acquisition resulted in $228M funded backlog as of March 27, 2015:
- Up 100% compared to $114M at the end of fiscal year 2014

- **J.M. Waller Associates** (July 2014) added $25 million to backlog; $30 million in revenue, and key customers include U.S. Army, Navy, Air Force and EPA.
- Ongoing evaluation of additional acquisition opportunities.

### Poised For Return to Profitability

- Robust backlog
- High margin protective equipment contracts from VersarPPS
- Customer base expanding as marketplace recognizes effectiveness and range of our solutions

### Healthy Balance Sheet

- Working capital of $22.3M at March 27, 2015
- Current cash position and anticipated cash flow from operations will meet our ongoing needs

### Strategic Acquisition Program

- **J.M. Waller Associates** (July 2014) added $25 million to backlog; $30 million in revenue, and key customers include U.S. Army, Navy, Air Force and EPA.
- Ongoing evaluation of additional acquisition opportunities
Environmental and Construction Management from the Home Front to the Front Line

Global Project Management Firm
Providing sustainable solutions to government and commercial clients

Tailored & Secure Solutions for Harsh Environments, Industries & War Zones
Specialized capabilities in munitions demilitarization, classified projects and hazardous material disposal

National Priority Markets
Diversified mix of Department of Defense, EPA, State & Municipal and commercial customers
Three Business Segments

Engineering & Construction Management (ECM)
- Project & Construction Management
- Engineering Services
- Protective Equipment

Environmental Services (ESG)
- Performance Based Remediation
- UXO / Munitions Response
- Air / Greenhouse Gas / Energy
- Risk Assessments / Natural Resources

Professional Services (PSG)
- Staff Augmentation
- Pollution Prevention
- Resource Conservation and Preservation
- Facility and Sustainability Services

% of First Nine Months FY15 Gross Revenue
- 51%
- 32%
- 17%
Revenue Mix

By Customer

- DoD: 84%
- Other Federal: 8%
- State & Local: 3%
- Commercial: 5%

By Geography

- Domestic: 74%
- International: 26%
### Consistent Flow of New Contract Wins

<table>
<thead>
<tr>
<th>Engineering &amp; Construction Management</th>
<th>Awarded</th>
<th>Amount</th>
<th>Project Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainment, Restoration &amp; Modernization Contract at Kuwait Naval Base</td>
<td>April 2015</td>
<td>$7.0M</td>
<td>Joint venture with Johnson Controls to provide design-build services for repairs of the Blue Brick Buildings at Kuwait Naval Base (KNB), Kuwait</td>
</tr>
<tr>
<td>Sustainment, Restoration &amp; Modernization Contract for Camp Arifjan, Kuwait</td>
<td>January 2015</td>
<td>$2.0M</td>
<td>Joint venture with Johnson Controls for upgrades and repairs of dining facility and HVAC re-engineering at another building</td>
</tr>
<tr>
<td>Kaena Point Satellite Tracking Station, HI and Laughlin AFB, TX</td>
<td>January 2015</td>
<td>$6.1M</td>
<td>Joint venture with Johnson Controls for Design/Build/Repair of electrical, water transmission, and compressed air systems</td>
</tr>
<tr>
<td>Dover Air Force Base Contract</td>
<td>August 2014</td>
<td>$98.3M</td>
<td>Repair of runways at Dover Air force Base</td>
</tr>
<tr>
<td>Iraq Personal Services II Contract for U.S. Army Corps of Engineers</td>
<td>July 2014</td>
<td>Up to $10.69M over 3 years</td>
<td>Quality support and capacity development for continuous operations of USACE in Iraq</td>
</tr>
<tr>
<td>Afghanistan Personal Services Contract</td>
<td>October 2013</td>
<td>Up to $170M over 4 years</td>
<td>Prime contract for onsite construction management support services for two USACE Engineering Districts Two year long task order for Afghan engineering and technical staff to oversee construction programs in Afghanistan</td>
</tr>
<tr>
<td>Environmental Services</td>
<td>Awarded</td>
<td>Amount</td>
<td>Project Description</td>
</tr>
<tr>
<td>Fence to Fence Contract</td>
<td>October 2014</td>
<td>$4.2M for 5 years</td>
<td>Provide Fence to Fence Environmental Services at Barksdale Air Force Base, Louisiana and Columbus Air Force Base, Mississippi for the Air Force Civil Engineering Center (AFCEC)</td>
</tr>
<tr>
<td>IDIQ Contract with The Forth Worth Corps</td>
<td>April 2014</td>
<td>$27.5M over 3 years</td>
<td>Joint venture with Cardno TEC to provide environmental consulting services to support environmental compliance audits and assessments</td>
</tr>
<tr>
<td>Professional Services</td>
<td>Awarded</td>
<td>Amount</td>
<td>Project Description</td>
</tr>
<tr>
<td>Environmental Quality Support Services</td>
<td>April 2015</td>
<td>$11.0M</td>
<td>Provide comprehensive environmental quality support services as a subcontractor at Joint Base Lewis-McChord and Yakima Training Center in Washington state. AGEISS is prime.</td>
</tr>
<tr>
<td>General Services Administration Contract</td>
<td>April 2015</td>
<td>$4.5M</td>
<td>For ongoing facility support, maintenance and repair of the U.S. Army Reserve 88th Regional Support Command (RSC) facilities. Total award of $23.1M (one base year and four options years)</td>
</tr>
</tbody>
</table>
Longstanding and Diversified Customer Base

- U.S. Air Force
- Department of Defense
- US Army Corps of Engineers
- NAVFAC
- GSA
- Air Force Civil Engineer Center
- United States Corps of Engineers, District of Columbia Circuit
- United States Environmental Protection Agency
- Maryland Department of Natural Resources
- County of Fairfax, Virginia
- Bank of America
Our Global Locations

Headquarters
1. Springfield, VA

Inside the US
2. Aiea, HI
3. Atlanta, GA
4. Boise, ID
5. Chandler, AZ
6. Charleston, SC
7. Columbia, MD
8. Denver, CO
9. Dulles, VA
10. El Paso, TX
11. Germantown, MD
12. Hampton, VA
13. Plano, TX
14. San Antonio, TX

Outside the U.S.
15. Abu Dhabi, UAE
16. Baghdad, Iraq
17. Kabul, Afghanistan
18. Clark, PH
19. Milton Keynes, UK
20. Misawa Air Base, Japan
Afghan Personal Services Contract

- Personal Services Contract (PSC) in Afghanistan supporting the U.S. Army Corps of Engineers
- Manage the entire Afghan engineering workforce: recruit, hire, and manage an initial workforce of approximately 500 Afghan engineers throughout the country

- Versar’s Afghan staff provides construction management, quality assurance, engineering, logistics, and administrative services
- Supply personnel with professional training, computer equipment, safety gear, and living accommodations (if working remote).

Award Date: 29 SEPT 2012

Completion: 28 SEPT 2014 (Option Year 1)

Client: U.S. Army Corps of Engineers, Middle East District

Contract Type: Firm Fixed Price and Contract Renewal

Award: $64M

Current Value: $64M

Contract Capacity: $170M (No more than $42.5M in any one year)

Period of Performance: 1 Base Year; 3 option years – Sept. 2016
Environmental Services
Segment: Case Study

Tinker Air Force Base (AFB)

- Implementing environmental remedies across Tinker using range of technologies

- Overall goal is to achieve regulatory site close out at a number of sites, making them eligible for unrestricted future land use

- Sites include: heavy industrial production areas, contaminated groundwater units, tank farms, gas stations, landfills, small arms ranges, ordnance disposal areas, and flight line fueling areas. Contaminants include petroleum products, heavy metals, and chlorinated solvents

Project: Worldwide Environmental Restoration & Construction

Award Date: 27 JULY 2011

Completion: 30 SEPT 2020

Location: Oklahoma City, OK

Client: Air Force Civil Engineer Center

Contract Type: Firm Fixed Price & Performance Based Remediation

Current Value: $36.2M

Contract Capacity: $45M

Period of Performance: Nine years – September 2020
Joint Base Lewis-McChord

• Subcontractor to TetraTech, Inc. to provide the full spectrum of Environmental Services on-site for Joint Base Lewis-McChord’s Directorate of Public Works.

• Organizational Structure is based on teams with a Versar and Government team lead on each.

• Technical areas include Water, Natural Resources, Cultural Resources, Environmental Compliance and Assurance Team, Energy & Air, Solid Waste, Environmental Operating Permit Team, Sustainability and Restoration.
The New Versar: Changes Implemented Over Past Few Years

- Established clear vision for long-term growth strategy
- Transformed management team
- Invested in and enhanced Business Development
- Developed/implemented clear acquisition strategy
- Revamped Financial Controls
  - Better project management
  - Shortened/improved month end closing cycle
- Invested in and improved HR
- Reduced/Controlled costs
  - Invested in areas with the most opportunity for profitability and growth
  - Ongoing focus on reduction of fixed costs
• Texas-based provider of engineering design, construction management, environmental planning and programming, and other services

• Navy is a long term customer; provides a strategic market Versar had targeted

• $20+ million in annual revenues
  • Contributed contracted backlog of over $15 million
  • Not accretive in FY ‘14
  • Expect to be accretive in FY ‘15
• Virginia-based provider of environmental, facilities, professional staffing and logistics consulting services in support of government, industry, and commercial clients

• Expected to be accretive to earnings in first year and adds contracted backlog of over $25 million

• U.S. Army, Navy, Air Force, EPA, and General Service Administration are key long term clients

• Expands customer base
  • J.M Waller’s facilities expertise and client base extends reach of contracts, technical capabilities and geography
• $98.3M firm / fixed price design / bid / build contract for runway repair

• Versar is the general contractor managing all work with key subcontractors

• Direct result of our GMI acquisition

• Positioned well for similar business in the future
FINANCIAL PERFORMANCE
### Financial Results

*(in millions, except EPS)*

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY 2013</th>
<th>FY 2012</th>
<th>FY 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GROSS REVENUE</strong></td>
<td>$110.3</td>
<td>$102.6</td>
<td>$115.0</td>
<td>$128.5</td>
</tr>
<tr>
<td>Purchased Services</td>
<td>55.1</td>
<td>44.1</td>
<td>51.5</td>
<td>65.7</td>
</tr>
<tr>
<td>Direct Costs of Services</td>
<td>48.4</td>
<td>44.9</td>
<td>47.0</td>
<td>47.5</td>
</tr>
<tr>
<td><strong>GROSS PROFIT</strong></td>
<td>$6.7</td>
<td>$13.7</td>
<td>$16.5</td>
<td>$15.3</td>
</tr>
<tr>
<td><strong>GROSS PROFIT MARGIN</strong></td>
<td>6.1%</td>
<td>13.3%</td>
<td>14.3%</td>
<td>11.9%</td>
</tr>
<tr>
<td><strong>SELLING, GENERAL &amp; ADMIN.</strong></td>
<td>8.4</td>
<td>7.6</td>
<td>8.1</td>
<td>8.0</td>
</tr>
<tr>
<td>SG&amp;A % OF SALES</td>
<td>7.6%</td>
<td>7.4%</td>
<td>7.0%</td>
<td>6.2%</td>
</tr>
<tr>
<td><strong>OPERATING INCOME (LOSS)</strong></td>
<td>($1.4)</td>
<td>$6.3</td>
<td>$8.2</td>
<td>$6.9</td>
</tr>
<tr>
<td><strong>OPERATING MARGIN</strong></td>
<td>(1.3%)</td>
<td>6.0%</td>
<td>7.1%</td>
<td>5.3%</td>
</tr>
<tr>
<td><strong>INCOME TAX EXPENSE (Benefit)</strong></td>
<td>(1.0)</td>
<td>2.1</td>
<td>2.9</td>
<td>2.8</td>
</tr>
<tr>
<td><strong>NET INCOME (LOSS) FROM CONTINUING OPERATIONS</strong></td>
<td>($0.5)</td>
<td>$4.1</td>
<td>$4.5</td>
<td>$4.1</td>
</tr>
<tr>
<td>Income (Loss) from discontinued operations, net of tax</td>
<td>(0.2)</td>
<td>(1.7)</td>
<td>(0.3)</td>
<td>(0.7)</td>
</tr>
<tr>
<td><strong>NET INCOME (LOSS)</strong></td>
<td>($0.3)</td>
<td>$2.4</td>
<td>$4.2</td>
<td>$3.4</td>
</tr>
<tr>
<td><strong>NET MARGIN</strong></td>
<td>--</td>
<td>2.3%</td>
<td>3.6%</td>
<td>2.7%</td>
</tr>
<tr>
<td><strong>EARNINGS (LOSS) PER SHARE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuing operations</td>
<td>($0.05)</td>
<td>$0.43</td>
<td>$0.48</td>
<td>$0.44</td>
</tr>
<tr>
<td>Discontinued operations</td>
<td>$0.02</td>
<td>($0.18)</td>
<td>($0.03)</td>
<td>($0.07)</td>
</tr>
<tr>
<td><strong>NET INCOME (LOSS) PER SHARE</strong></td>
<td>($0.03)</td>
<td>$0.25</td>
<td>$0.45</td>
<td>$0.37</td>
</tr>
</tbody>
</table>

Delays in Federal Spending Impacted 2014
## Q3 2015 Financial Results

### (in thousands)

<table>
<thead>
<tr>
<th></th>
<th>3Q15</th>
<th>2Q15</th>
<th>1Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GROSS REVENUE</strong></td>
<td>39,785</td>
<td>$34,162</td>
<td>$29,586</td>
</tr>
<tr>
<td>Purchased Services</td>
<td>22,330</td>
<td>17,031</td>
<td>12,228</td>
</tr>
<tr>
<td>Direct Costs of Services</td>
<td>14,083</td>
<td>13,682</td>
<td>14,752</td>
</tr>
<tr>
<td><strong>GROSS PROFIT</strong></td>
<td>3,372</td>
<td>$3,449</td>
<td>$2,606</td>
</tr>
<tr>
<td><strong>GROSS PROFIT MARGIN</strong></td>
<td>8.5%</td>
<td>10.1%</td>
<td>8.8%</td>
</tr>
<tr>
<td><strong>SELLING, GENERAL &amp; ADMIN.</strong></td>
<td>2,749</td>
<td>2,925</td>
<td>2,691</td>
</tr>
<tr>
<td><strong>SG&amp;A % OF SALES</strong></td>
<td>6.9%</td>
<td>8.6%</td>
<td>9.1%</td>
</tr>
<tr>
<td><strong>OPERATING (LOSS) INCOME</strong></td>
<td>623</td>
<td>$524</td>
<td>($85)</td>
</tr>
<tr>
<td><strong>OPERATING MARGIN</strong></td>
<td>1.6%</td>
<td>1.5%</td>
<td>--</td>
</tr>
<tr>
<td><strong>INTEREST EXPENSE</strong></td>
<td>134</td>
<td>142</td>
<td>57</td>
</tr>
<tr>
<td>(LOSS) INCOME BEFORE INCOME TAX</td>
<td>490</td>
<td>$382</td>
<td>($142)</td>
</tr>
<tr>
<td>INCOME TAX (BENEFIT) EXPENSE</td>
<td>228</td>
<td>105</td>
<td>(53)</td>
</tr>
<tr>
<td><strong>NET INCOME (LOSS) FROM CONTINUING OPERATIONS</strong></td>
<td>262</td>
<td>$277</td>
<td>($89)</td>
</tr>
<tr>
<td>Income from discontinued operations, net of tax</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td><strong>NET INCOME (LOSS)</strong></td>
<td>262</td>
<td>$277</td>
<td>($89)</td>
</tr>
<tr>
<td><strong>NET MARGIN</strong></td>
<td>0.7%</td>
<td>0.8%</td>
<td>--</td>
</tr>
<tr>
<td><strong>EARNINGS (LOSS) PER SHARE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuing operations</td>
<td>0.03</td>
<td>$0.03</td>
<td>($0.01)</td>
</tr>
<tr>
<td>Discontinued operations</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td><strong>NET INCOME (LOSS) PER SHARE</strong></td>
<td><strong>0.03</strong></td>
<td><strong>$0.03</strong></td>
<td><strong>($0.01)</strong></td>
</tr>
</tbody>
</table>
Up 100% compared to $114M at the end of fiscal year 2014
### Balance Sheet Summary

<table>
<thead>
<tr>
<th></th>
<th>As of 3/27/15</th>
<th>As of 6/27/14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash</strong></td>
<td>$ 1,122</td>
<td>$ 9,674</td>
</tr>
<tr>
<td><strong>Total Debt</strong></td>
<td>$ 9,532</td>
<td>$ 1,114</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$ 72,967</td>
<td>$ 57,761</td>
</tr>
<tr>
<td><strong>Working Capital</strong></td>
<td>$ 22,290</td>
<td>$ 24,123</td>
</tr>
<tr>
<td><strong>Shareholders’ Equity</strong></td>
<td>$ 38,152</td>
<td>$ 37,785</td>
</tr>
</tbody>
</table>

Book value per share = $3.87
LOOKING FORWARD
Profitably execute the current backlog

Maintain investment in business development to drive future proposal pipeline

Continue to pursue strategic acquisitions in attractive M&A market

Attract and retain the best people
• Established and growing specialization in project management in hazardous environments

• Consistent revenue stream across multiple government and commercial customers

• Strategic acquisitions have broadened Versar’s capabilities and reach

• Solid balance sheet to support long-term growth
QUESTIONS AND ANSWERS
THANK YOU