



OHM Corporation

NEWS RELEASE

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For Immediate Release

**OHM REPORTS Q1 NET INCOME UP 143% ON 51% RISE IN NET REVENUES;
EPS AT 5¢ VS. 3¢,
COMMENTS ON CONTRACT BACKLOG AND BIDDING OPPORTUNITIES**

FINDLAY, OHIO, May 9, 1994---OHM Corporation (NYSE:OHM), a leading on-site hazardous waste remediation firm, today reported that net income was up 143 percent to \$805,000 for its first quarter ended March 31, 1994, compared with \$331,000 a year ago. Net revenues rose 50.7 percent to \$51.8 million from \$34.4 million and operating income was up 117.9 percent.

Due to a 33.2 percent increase in common and common equivalent shares outstanding as a result of an offering completed in December 1993, earnings per share rose less rapidly than net income to 5 cents from 3 cents a year ago.

Commenting on the quarter, James L. Kirk, Chairman, President and Chief Executive Officer, said, "Significant business in the Sunbelt served to temper the impact of the harsh weather we faced in the first quarter in the Northeast and Midwest. The positive comparisons for revenues and net income reflect the benefits of the strategies implemented over the past several years to expand geographically into the Sunbelt and to diversify our client base."

Net Revenues up 51%

The 50.7 percent revenue gain was broad based across the Company's clients, with revenues from government sector clients posting the strongest gains. Revenues from EPA ERCS contracts rose 65 percent and revenues from term contracts with various Department of Defense agencies as well as from large Superfund projects jumped 78.2 percent.

(more)

Kirk noted, "Approximately 69 percent of revenues in the quarter were derived from projects already in our contract backlog. Our goal is to continue to increase the proportion of current revenues derived from contract backlog to improve the predictability of our business." Kirk added, "While we have begun to see more active bidding in the private sector, we continue to expect that our revenue growth in 1994 will come primarily from government sector clients."

Operating Income Increased 118%

Operating income in the quarter rose 117.9 percent to \$3.1 million from \$1.4 million and the operating margin improved to 6 percent from 4.1 percent a year ago. "We are leveraging the Company's infrastructure, not increasing pricing," Kirk noted.

Contract Backlog and Bidding Opportunities

At March 31, 1994, backlog and the potential value of government term contracts aggregated \$1.4 billion, up from \$421 million a year earlier. The increase is primarily attributable to large government term contracts awarded in 1993 and approximately \$590 million of new contracts awarded since the beginning of the year. Kirk added, "We presently have proposals outstanding for government contracts totaling \$1 billion and have identified \$3.5 billion of new opportunities to pursue over the next 12-18 months."

With 25 years experience and the successful completion of more than 16,000 projects, OHM is a leading nationwide environmental remediation firm and a major emergency response contractor. The Company provides a broad range of physical, chemical, biological, and thermal treatment technologies to clean up hazardous waste through its 26 locations in the United States. OHM provides its services to a diverse client base in the private sector including petroleum, chemical, transportation, and general manufacturing firms as well as the public sector including the U. S. Army Corps of Engineers, the U. S. Department of the Air Force, the U. S. Department of the Navy, the U. S. EPA, and at U.S. Department of Energy facilities.

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OHM Corporation
CONSOLIDATED STATEMENTS OF INCOME
(In Thousands, Except Per Share Data)

	Quarter Ended March 31,	
	1994	1993 ⁽¹⁾
	(Unaudited)	
Gross Revenues	\$75,031	\$43,840
Net Revenues	51,811	34,374
Operating Income	3,097	1,421
Net Income	805	331
 Net Income Per Share	 <u>\$0.05</u>	 <u>\$0.03</u>
 Weighted Average Number of Common and Common Equivalent Shares Outstanding	 <u>16,272</u>	 <u>12,215</u>

Notes:

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- (1) The consolidated financial statements for the three months ended March 31, 1993, have been restated to report under the equity method of accounting the previously consolidated results of NSC Corporation ("NSC"), as a result of NSC's acquisition of the asbestos abatement division of The Brand Companies, Inc., ("Brand"), and the resulting decrease in the Company's ownership in NSC from 70% to 41% in May 1993.