

PRESS RELEASE

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ACMAT Corporation
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**ACMAT CORPORATION REPORTS SECOND
 QUARTER 2018 RESULTS**

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2018	2017	2018	2017
Net earnings and losses	\$ (69,865)	\$ 120,212	\$ 28,991	\$ 284,180
Revenues	\$ 565,508	\$ 1,124,687	\$ 1,541,636	\$ 2,275,907
Earnings and losses per-share	\$ (0.08)	\$ 0.14	\$ 0.03	\$ 0.33

Net losses were \$69,865 for the quarter ended June 30, 2018 compared to net earnings of \$120,212 for the quarter ended June 30, 2017. Revenues were \$565,508 for the quarter ended June 30, 2018 compared to \$1,124,687 for the quarter ended June 30, 2017. Losses were \$0.08 per-share in the second quarter of 2018 from earnings of \$0.14 per-share in the second quarter of 2017. Included in the Company's second quarter 2018 results are non-recurring realized capital losses that reduced revenues by \$261,840 and net earnings by \$206,854.

Net earnings were \$28,991 for the six months ended June 30, 2018 compared to \$284,180 for the six months ended June 30, 2017. Revenues were \$1,541,636 for the six months ended June 30, 2018 compared to \$2,275,907 for the six months ended June 30, 2017. Earnings per-share was \$0.03 per-share through the first six months of 2018 from \$0.33 per-share through the first six months of 2017.

Reinsurance Commutation

During the second quarter of 2018, ACMAT Corporation, through its insurance subsidiary (ACSTAR), initiated commutation of its reinsurance treaties covering surety and casualty risks underwritten through April 30, 2012. The effects of this commutation will not be recorded until ACSTAR receives commutation proceeds. ACSTAR's reinsurance counterparties will be released from their obligation to provide reinsurance coverage upon receipt of commutation proceeds by ACSTAR. Per the terms of the treaties, ACSTAR is entitled to commutation proceeds of approximately \$2.9 million, which management expects to receive in the third quarter of 2018. Completion of the commutation is expected to reduce ACSTAR's reinsurance recoverable asset by approximately \$1.8 million and result in an underwriting gain of approximately \$1.1 million, before the effect of taxes and overhead charges, in the third quarter of 2018.

ACMAT Corporation, through its insurance subsidiary, ACSTAR Insurance Company, is licensed nationwide and provides surety bonds for prime contractors, specialty trade and environmental remediation contractors. ACSTAR also provides miscellaneous surety and some general liability.