

ACMAT Corporation
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For confirmation call:
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ACMAT CORPORATION REPORTS FIRST QUARTER 2020 RESULTS

	Quarter Ended March 31,	
	2020	2019
Net (losses) earnings	\$ (1,638,858)	\$ 385,909
Revenues	\$ (1,197,380)	\$ 1,255,452
Net unrealized capital (losses) gains on equity securities, included in Revenues	\$ (2,063,568)	\$ 370,377
(Losses) earnings per-share <i>(Common and Class A Shares)</i>	\$ (2.06)	\$ 0.49

Debt and equities markets experienced severe declines during the first quarter of 2020 as the COVID-19 pandemic spread across the globe and through the United States. The Company observed a \$3,875,806 decrease in the fair value of its marketable securities from December 31, 2019 to March 31, 2020. As a result of the recent FASB update, changes in unrealized capital gains and losses on equity securities are now recognized in net earnings and losses. Previously, unrealized capital gains and losses on equity securities available-for-sale were credited or charged directly to comprehensive income and loss without affecting net earnings and losses. Accordingly, of the \$3,875,806 decrease observed in the fair value of marketable securities, \$2,063,568 was attributable to equity securities and recognized in revenues and charged against net earnings. Net losses were \$1,638,858 for the quarter ended March 31, 2020 from net earnings of \$385,909 for the quarter ended March 31, 2019. Revenues were \$(1,197,380) for the quarter ended March 31, 2020 compared to \$1,255,452 for the quarter ended March 31, 2019. Losses per-share was \$2.06 for the quarter ended March 31, 2020, compared to earnings per share of \$.49 for the quarter ended March 31, 2019.

Excluding the effect of net unrealized capital gains and losses on equity securities, net earnings were \$39,741 for the quarter ended March 31, 2020 compared to \$93,311 for the quarter ended March 31, 2019. Revenues were \$866,188 for the quarter ended March 31, 2020, compared to \$885,075 for the quarter ended March 31, 2019. Earnings per share were \$0.05 per share for the quarter ended March 31, 2020, compared to \$0.12 per share for the quarter ended March 31, 2019.

ACMAT, 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.