

Hill International, Inc.
Form 424B5
July 28, 2014

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The information contained in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. A registration statement relating to the securities has been declared effective by the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JULY 28, 2014

**Filed Pursuant to Rule 424(b)(5)
Registration No. 333-175822**

PRELIMINARY PROSPECTUS SUPPLEMENT

(To prospectus dated August 18, 2011)

8,000,000 Shares

Common Stock

We are offering 8,000,000 shares of our common stock.

Our common stock is listed on the New York Stock Exchange under the symbol "HIL." On July 25, 2014, the last sale price of the shares as reported on the New York Stock Exchange was \$5.78 per share.

Investing in our common stock involves risks. See "Risk Factors" beginning on page S-15 of this prospectus supplement.

	Per Share	Total
Public offering price	\$	\$
Underwriting discount	\$	\$
Proceeds, before expenses, to us	\$	\$

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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The underwriters may also purchase up to 1,200,000 additional shares of common stock from us, at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement.

Delivery of the shares of common stock is expected to be made on or about _____, 2014.

KeyBanc Capital Markets

William Blair

Boening & Scattergood, Inc.

Sidoti & Company, LLC

Houlihan Lokey

SOCIETE GENERALE

The date of this prospectus supplement is _____, 2014.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is the prospectus supplement, which describes the specific terms of the offering. The second part is the prospectus, which describes more general information, some of which may not apply to the offering. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described under the headings "Where You Can Find More Information" and "Incorporation of Certain Documents by Reference" in this prospectus supplement and the accompanying prospectus.

All references in this prospectus supplement to "*Hill*," the "*Company*," "*we*," "*us*," "*our*," the "*registrant*" or similar references mean Hill International, Inc. and include our consolidated subsidiaries where the context so requires. When we refer to the "*common stock*" we refer to shares of our common stock, par value \$0.0001 per share.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus or in any free writing prospectus that we have authorized for use in connection with this offering. We have not, and the underwriters have not, authorized anyone to provide you with information different than that contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus or in any free writing prospectus that we have authorized for use in connection with this offering. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus, any document incorporated by reference or any free writing prospectus is accurate as of any date, other than the date mentioned on the cover page of these documents. Our business, financial condition, results of operations and prospects may have changed since such date.

We are not, and the underwriters are not, making an offer to sell the securities described in this prospectus supplement in any jurisdiction in which an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make an offer or solicitation. Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the underwriters or any agents, to subscribe for and purchase any of the securities and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

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PROSPECTUS SUPPLEMENT SUMMARY

The following summary information is qualified in its entirety by the information contained elsewhere in this prospectus supplement and the accompanying prospectus, including the documents we have incorporated by reference. This summary does not contain all of the information that you should consider before deciding to invest in our common stock. You should read this entire prospectus supplement and the accompanying prospectus carefully, including the "Risk Factors" section contained in this prospectus supplement and our consolidated financial statements and the related notes and the other documents incorporated by reference herein.

Our Business

We are one of the leading professional services firms in the construction industry with approximately 4,400 professionals in approximately 100 offices worldwide. We provide program management, project management, construction management, construction claims and other consulting services primarily to the buildings, transportation, environmental, energy and industrial markets. According to the June 16, 2014 edition of *Engineering News-Record*, or *ENR*, we are the ninth largest construction management firm and eleventh largest program management firm in the United States. In addition, we believe we have the largest construction claims practice in the world, measured by number of professionals and by revenue.

We compete for business based on a variety of factors such as technical capability, global resources, price, reputation and past experience, including client requirements for substantial experience in similar projects and claims work. We have developed significant long-standing relationships, which bring us repeat business and would be very difficult to replicate. We believe we have an excellent reputation for attracting and retaining professionals. In addition, we believe there are high barriers to entry for new competitors, especially in the project management market. We have expanded our business through both organic growth and 22 acquisitions executed over the last 20 years. Our acquisition strategy continues to enhance our global presence. Our two most recent acquisitions of Collaborative Partners, Inc. in December 2013, and Binnington Copeland & Associates in May 2013, have expanded our presence in New England and South Africa, respectively.

Over the five fiscal years ended December 31, 2013, we have grown our consulting fee revenue from \$364 million in 2009, to \$512 million in 2013, reflecting a compounded annual growth rate, or CAGR, of 7.1%. Our consulting fee revenue for the three months ended March 31, 2014 grew 12.0% to \$137.2 million, compared to \$122.6 million for the same period in 2013. A substantial portion of our revenue is tied to long-term contracts. The long-term nature of these contracts provides recurring revenue and provides visibility of future performance.

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The following three charts illustrate the diversification of our consulting fee revenue for the three months ended March 31, 2014:

We offer a broad range of services through our two primary operating segments: the Project Management Group and the Construction Claims Group.

Project Management Group (approximately 75% of consulting fee revenue and 3,600 professionals) We provide fee-based or "agency" construction management services to our clients, leveraging our construction expertise to identify potential trouble, difficulties and sources of delay on a construction project before they develop into costly problems. Our experienced professionals are capable of managing all phases of the construction process from concept through completion, including cost and budget controls, scheduling, estimating, expediting, inspection, contract administration and management of contractors, subcontractors and suppliers. Our clients are typically billed a negotiated multiplier of the actual direct cost of each professional assigned to a project, and we are reimbursed for our out-of-pocket expenses. We believe our fee-based consulting has significant advantages over traditional general contractors. Specifically, because we do not assume project completion risk, our fee-based model eliminates many of the risks typically associated with providing "at risk" construction services. Hill has managed or is managing many prestigious projects worldwide, including the reclamation of the Palm Jumeirah in Dubai, UAE; the modernization of the United States Supreme Court Building in Washington, DC; the reconstruction of the World Trade Center in New York City; the construction of the Grand Egyptian Museum; the extension of the No. 7 Subway Line in New York City; the expansion of the Muscat International Airport in Oman; and the construction of the Riyadh Metro in Saudi Arabia.

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Construction Claims Group (approximately 25% of consulting fee revenue and 700 professionals)

We advise clients in order to assist them in preventing or resolving claims and disputes based upon schedule delays, cost overruns and other problems on major construction projects worldwide. We may be retained as a claims consultant at the onset of a project, during the course of a project or upon the completion of a project. We assist owners or contractors in adversarial situations as well as in situations where an amicable resolution is sought. Specific activities that we undertake as part of these services include claims preparation, analysis and review, litigation support, cost/damages assessment, delay/disruption analysis, adjudication, risk assessment, lender advisory, expert witness testimony, and other services. Clients are typically billed based on an hourly rate for each consultant assigned to the project, and we are reimbursed for our out-of-pocket expenses. Our claims consulting clients include participants on all sides of a construction project, including owners, contractors, subcontractors, architects, engineers, attorneys, lenders and insurance companies. Hill has been involved in or is involved in resolving construction claims or providing consulting services for many major construction projects worldwide, including for the construction of the Channel Tunnel connecting the United Kingdom and France; the construction of the Petronas Twin Towers in Kuala Lumpur, Malaysia; the expansion of the Panama Canal; the expansion of the Dubai International Airport; and the construction of the Burj Khalifa skyscraper in Dubai.

Our Market Opportunity

The global market for our services is highly fragmented, with hundreds of competitors. The field of construction management is a growing industry. As a global leader in project management, we are well positioned to benefit from a continued trend towards outsourcing project management services on all types of projects globally. In addition, continued population growth and relatively young demographic profiles in various emerging economies require significant investment in new and higher quality infrastructure. The relatively high price of oil has served as an additional catalyst for international spending on construction, especially in our key region of the Middle East, which aggregated to approximately 46% of our consulting fee revenue for the three months ended March 31, 2014. Reflecting the broader trends, the total program management and construction management fees for *ENR's* Top 100 U.S. PM/CM Firms grew at a CAGR of 8% from \$12.1 billion in 2007 to \$19.4 billion in 2013. We compete for contracts, primarily on the basis of technical capability, with numerous entities, including design or engineering firms, general contractors, other "pure" construction management companies, other claims consulting firms, the "Big Four" and other accounting firms, management consulting firms and other entities. We also believe our significant longstanding relationships better enable us to penetrate into other markets.

Our Competitive Strengths

Largest Independent Construction Management Firm. According to *ENR*, we are the ninth largest overall construction management firm in the United States and the largest that is independent of design or construction companies. In addition, we believe we have the largest construction claims practice in the world, measured by number of professionals and by revenue. Our independent status eliminates many conflict-of-interest concerns and allows us to attract and retain superior talent. We believe our historical success on high profile projects has allowed us to win more complex, higher profile work, thus solidifying our leadership position.

Complementary and Synergistic Businesses. Our two operating businesses are complementary and synergistic. Our construction claims experience gives us a unique understanding of what can go wrong on a construction project. We use this knowledge to identify potential issues on a project before they develop into costly disputes and recommend or initiate preventative action through strategic planning and controls. Many of our employees have the opportunity to work in both project management and construction claims, thereby building their overall knowledge base as

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well as enhancing our employee productivity, allowing us to enhance our profitability. Additionally, we cross-sell our service offerings from our two operating businesses by leveraging our client relationships and insight gained through related work with the same client. Our cross-selling ability leads us to generate more business and become more effective in serving our clients.

High Barriers to Entry. Client requirements for substantial experience in similar projects and claims work, coupled with our 38 years of experience and track record of success, creates a strong barrier to entry for new competitors. We have developed significant long-standing relationships, which bring us repeat business and would be very difficult to replicate. We work on complex projects requiring specialized depth and breadth of professional expertise and resources that we believe is difficult for new competitors to replicate. In addition, doing business with governments is complex and requires the ability to comply with intricate regulations and satisfy periodic audits. Doing business with governments, particularly in the United States, often requires the ability to staff professionals who have security clearances necessary to work on projects involving sensitive information. We believe that the ability to understand these requirements and to successfully conduct business with governmental agencies is a barrier to entry for smaller, less experienced competitors.

Diversified Client Base and Global Geographic Footprint. With approximately 4,400 professionals in approximately 100 offices worldwide, we have a global geographic footprint. We provide a broad spectrum of capabilities to private- and public-sector clients, including the U.S. federal government, U.S. state, local and regional governments and foreign governments. Our diverse experience includes projects such as educational, governmental, commercial office, residential, hotels and resorts, retail, entertainment and cultural, hospitals and healthcare, transportation, power, environmental, oil and gas, industrial and process, among others. Our diversified client base and our global geographic footprint enable us to manage risks better as we are less susceptible to changes in demand from any particular client, end market or region.

Experienced Acquirer in a Highly Fragmented Market. Over the past 20 years, we have executed 22 acquisitions of project management and claims consulting businesses. The recent acquisitions of Collaborative Partners Inc. in December 2013 and Binnington Copeland & Associates in May 2013 have expanded our presence in New England and South Africa, respectively. Our acquisitions have enabled us to accelerate our firm's growth, strengthen our geographic diversity and compete better. Currently, we do not have any immediate plans, arrangements or understandings relating to any specific material acquisition or similar transaction, although in the ordinary course of our business we frequently evaluate potential acquisition opportunities. We have a proven ability to identify operations that meet our disciplined acquisition criteria and

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successfully integrate them to realize synergies within our businesses. Below is a list of the acquisitions we have made over the past 20 years:

Acquisition	Year Acquired	Geography	Operating Segment
Collaborative Partners Inc.	2013	U.S.	Project Management
Binnington Copeland & Associates	2013	S. Africa	Construction Claims
Engineering S.A. (majority ownership)	2011	Brazil	Project Management
TCM Group, Inc.	2010	U.S.	Project Management
dck Worldwide, LLC (Construction Management division only)	2010	U.S.	Project Management
McLachlan Lister Pty. Ltd.	2010	Australia	Construction Claims
TRS Consultants, Inc.	2009	U.S.	Project Management
Boyken International Inc.	2009	U.S.	Project Management
Chitester Management Inc.	2008	U.S.	Construction Claims
PCI Group, LLC	2008	U.S.	Construction Claims
Euromost Polska, Sp. z.o.o.	2008	Poland	Project Management
Gerens Management Group, Ltd.	2008	Spain	Project Management
John Shreeves & Partners, Ltd.	2008	U.K.	Project Management
KJM & Associates, Ltd.	2007	U.S.	Project Management
James R. Knowles (Holdings) PLC	2006	U.K.	Construction Claims
Pickavance Consulting Ltd.	2006	U.K.	Construction Claims
Haley's Ltd. (MapleConsult division only)	2005	U.K.	Construction Claims
Day & Zimmermann, Inc. (Public Buildings Group division only)	2002	U.S.	Project Management
Transportation Construction Services, Inc.	2001	U.S.	Project Management
Kueny and Doyle Construction Consulting, Inc.	2000	U.S.	Project Management
Citadel Engineering & Construction Consultants, LLC	1998	U.S.	Construction Claims
Gleason Floyd & Associates, Inc.	1998	U.S.	Construction Claims

Long-term Contracts Create High Revenue Visibility. A substantial portion of our revenue is tied to contracts that generally have terms of three to five years, with some as long as seven to ten years. The long-term nature of these contracts provides recurring revenue and provides visibility of future performance. Historically, our consulting fee revenue has exceeded our then applicable twelve-month backlog at the beginning of the fiscal year. For a more detailed discussion, see " Backlog."

Experienced Management Team. We are led by an experienced management team with significant experience with our Company and in the construction industry. Irvin E. Richter has been the CEO and a member of our Board of Directors since he founded the Company in 1976. David L. Richter joined the Company in 1995 and has been President and COO since 2004 and a member of our Board of Directors since 1998. Effective December 31, 2014, Irvin Richter will step down as CEO and David Richter will become President and CEO. The rest of our senior leadership team is comprised of experienced professionals with extensive years of experience in project management and claims consulting services. The team has a proven track record and has built a scalable operating platform with what we believe to be best-in-class business operating processes.

High Quality Employee Base. Our approach to project management and claims consulting is multi-disciplinary, and our staff is comprised of experienced professionals in virtually every important discipline including engineers, architects, attorneys, contract administrators, construction managers, environmental specialists, management consultants, accountants and

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scheduling specialists. We are not party to any collective bargaining agreements and we have not experienced any strikes or work stoppages. We believe we have an excellent reputation for developing and rewarding employees, which allows us to attract and retain what we believe to be outstanding professionals.

Our Growth Strategy

Our growth strategy emphasizes the following key elements:

Increase Revenues from Our Existing Clients. We have long-standing relationships with a number of public and private sector entities. Meeting our clients' diverse needs in managing construction risk and generating repeat businesses from our clients to expand our project base is one of our key growth strategies. We accomplish this objective by providing a broad range of project management and construction claims consulting services in a wide range of geographic areas that support our clients during every phase of a project, from concept through completion. We believe that nurturing our existing client relationships expands our project base through repeat business.

Capitalize Upon the Substantial Expected Spend in Our Markets. We believe that the demand for project management services will grow with increasing construction and infrastructure spending in the markets we serve. We believe that our reputation and experience combined with our broad platform of service offerings will enable us to capitalize on increases in demand for our services. In addition, we strategically open new offices to expand into new geographic areas and we aggressively hire individuals with significant contacts to accelerate the growth of these new offices and to strengthen our presence in existing markets.

Continue to Pursue Acquisitions. We operate in a highly fragmented industry with many smaller, regional competitors. Our acquisition strategy allows us to manage risk by diversifying our markets, which enables us to compete better by integrating capabilities and obtaining new relationships. We pursue acquisitions primarily for three reasons: to expand into new geographic markets; add to professional resources and improve critical mass in existing markets to compete better; and to enhance our specialization and capability in certain strategic areas. We intend to continue to pursue both U.S. acquisitions to round out our domestic presence and enhance capabilities in specific areas and foreign acquisitions that bring new relationships as well as widen our geographic base to offer our global capabilities.

Strengthen Professional Resources. Our biggest asset is the people that work for Hill. We intend to continue spending significant time recruiting and retaining the best and the brightest to improve our competitive position. Our independent status has attracted top project management talent with varied industry experience. Additionally, our construction claims business provides us with a strong base of expertise that allows knowledge transfer across our businesses. We believe maintaining and bolstering our team will enable us to continue to grow our business.

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Backlog

Our total backlog at March 31, 2014 was \$978 million. Twelve-month backlog at March 31, 2014 reached a record \$400 million, compared to \$394 million at December 31, 2013.

12-Month Total Backlog and Consulting Fees

Our backlog represents management's estimate of the amount of contracts and awards in hand that we expect to result in future consulting fees. Project management backlog is evaluated by management on a project-by-project basis and is reported for each period shown based upon the binding nature of the underlying contract, commitment or letter of intent, and other factors, including the economic, financial and regulatory viability of the project and the likelihood of the contract being extended, renewed or cancelled. Construction claims backlog is based largely on management's estimates of future revenue based on known construction claims assignments. Because a significant number of construction claims may be awarded and completed within the same period, our actual construction claims revenue has historically exceeded backlog by a significant amount.

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We have not yet completed our June 30, 2014 financial statements. However, we currently expect the following financial results for the three months ended June 30, 2014:

(In thousands, except per share amounts)	Preliminary Results for the Three Months Ended June 30, 2014	
Total revenue	\$	159,639
Consulting fee revenue	\$	144,515
EBITDA (as defined below)	\$	10,594
Operating profit	\$	8,655
Net earnings attributable to Hill International, Inc.	\$	1,518
Earnings per share	\$	0.04

In addition, our total backlog at June 30, 2014 was \$972 million, compared to \$978 million at March 31, 2014. Twelve-month backlog at June 30, 2014 was \$404 million, compared to \$400 million at March 31, 2014.

EBITDA Reconciliation

Our management believes earnings before interest, taxes, depreciation and amortization, or EBITDA, in addition to operating profit, net income and other measures under United States generally accepted accounting principles, or GAAP, is a useful indicator of our financial and operating performance and our ability to generate cash flows from operations that are available for taxes, capital expenditures and debt service. EBITDA is not a measure of financial performance under GAAP. 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. A reconciliation of EBITDA to the most directly comparable GAAP measure follows:

(In thousands)	Preliminary Results for the Three Months Ended June 30, 2014	
Net earnings attributable to Hill International, Inc.	\$	1,518
Interest and related financing fees, net		5,646
Income tax expense		993
Depreciation and amortization		2,437
EBITDA	\$	10,594

Because the financial statements for the three months ended June 30, 2014 have not yet been finalized, the above information regarding the period is subject to change and actual results for the period may differ materially from the preliminary results. Please see "Disclosure Regarding Forward-Looking Statements" below. In addition, preliminary results for the period are not necessarily indicative of the results that may be expected for the year ending December 31, 2014 or any other future period.

Proposed Refinancing

The Company and its subsidiary Hill International N.V., which we refer to as the "Subsidiary" and together with the Company, the "Borrowers," have entered into a commitment letter, or the "Commitment Letter" with Société Générale, which we refer to as the "Agent" and SG Americas Securities, LLC, which we refer to as the "Arranger" and together with the Agent and any other entity

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that becomes a lender under the Secured Credit Facilities (as described below), the "Lenders," pursuant to which the Arranger and the Agent committed, subject to the conditions and other terms and provisions of the Commitment Letter, to provide secured debt facilities to the Company in an aggregate principal amount of \$165.0 million.

The debt facilities would consist of (i) a term loan facility of \$120.0 million, or the "Term Loan Facility," and (ii) revolving credit facilities totaling \$45.0 million consisting of: (A) a \$30.0 million U.S. dollar-denominated facility to be made available to the Company, which we refer to as the "U.S. Revolver" and (B) a \$15.0 million Euro-denominated facility to be made available to Subsidiary, which we refer to as the "International Revolver" and together with the U.S. Revolver, the "Revolving Credit Facilities" and, together with the Term Loan Facility, the "Secured Credit Facilities." The Revolving Credit Facilities would include a \$35.0 million sub-limit for letters of credit with \$25.0 million allocated to the U.S. Revolver and \$10.0 million allocated to the International Revolver. The commitment is subject to the satisfaction of all specified conditions on or before September 10, 2014.

We would be required to use the proceeds from the Term Loan Facility:

for consummating the payoff and termination of our existing credit arrangements, which we refer to as the "Refinancing," which consist of the Credit Agreement, dated as of October 18, 2012, among the Company, certain lenders and Obsidian Agency Services, Inc., as amended, which we refer to as the "Existing Term Loan," and the Credit Agreement, dated as of June 30, 2009, among the Company, Bank of America, N.A. and certain other lenders, as amended, which we refer to as the "Existing Credit Agreement;"

to pay fees and expenses incurred in connection with the Secured Credit Facilities; and

thereafter for general corporate purposes.

We would be required to use the proceeds from the Revolving Credit Facilities:

for the Refinancing;

to finance the working capital needs and general corporate purposes of the Borrowers and their subsidiaries;

to pay fees and expenses incurred in connection with the Secured Credit Facilities; and

for any other purposes not prohibited by the Secured Credit Facilities.

The Term Loan Facility would have a term of six years, require repayment of 1.0% of the original principal amount annually for the first five years and be fully funded upon closing. Any amounts repaid on the Term Loan Facility would not be available to be re-borrowed. The Revolving Credit Facilities would have a term of five years and require payment of interest only during the term. Under the Revolving Credit Facilities, outstanding loans would be able to be repaid in whole or in part at any time, without premium or penalty (except customary breakage costs), subject to certain customary limitations, and would be available to be reborrowed from time to time.

The interest rate on the Term Loan Facility would be, at the Borrower's option (subject to customary provisions or limitations), either:

the London Inter-Bank Offered Rate, or "LIBOR," for the relevant interest period plus a range of 6.50% to 6.75% per annum, provided that such LIBOR shall not be lower than 1.00% per annum; or

a Base Rate (as described below) plus a range of 5.50% to 5.75% per annum.

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The interest rate on borrowings under the U.S. Revolver would be, at the Borrower's option (subject to customary provisions or limitations), either:

the LIBOR for the relevant interest period plus 3.75% per annum; or

a Base Rate (as described below) plus 2.75% per annum.

The interest rate on borrowings under the International Revolver would be, at the Borrower's option (subject to customary provisions or limitations), either:

the European Inter-Bank Offered Rate, or "EURIBOR," for the relevant interest period plus 4.00% per annum; or

a Base Rate (as described below) plus 3.00% per annum.

The "Base Rate" is the highest of (A) the prime rate, (B) the federal funds effective rate plus 0.5%, or (C) the LIBOR for an interest period of one month plus 1.0% per annum. Upon a default, the applicable rate of interest under the Secured Credit Facilities may increase by 2.0%. The LIBOR on the Term Loan Facilities (including when determining the Base Rate) shall in no event be less than 1.0%.

The Borrowers would pay a commitment fee calculated from and after the closing date at 0.50% annually on the average daily unused portion of the U.S. Revolver and 0.75% annually on the average daily unused portion of the International Revolver.

The ability to borrow under each of the U.S. Revolver and the International Revolver would be subject to a "borrowing base," calculated using a formula based upon approximately 85% of receivables that meet or satisfy certain criteria, which we refer to as "Eligible Receivables," that are subject to a perfected security interest, plus, in the case of the International Revolver only, 10% of Eligible Receivables that are not subject to a perfected security interest, subject to certain exceptions and restrictions.

The Term Loan Facility and the U.S. Revolver would be guaranteed by the U.S. subsidiaries of the Company (subject to certain limitations), and the International Revolver would be guaranteed by the Company and the Company's U.S. and non-U.S. subsidiaries (subject to certain limitations).

The Term Loan Facility would generally be secured by a first-priority security interest in substantially all assets of the Company and the Company's U.S. subsidiaries (subject to certain limitations) other than accounts receivable and bank accounts, as to which the Term Loan Facility will be secured by a second-priority security interest. Generally, the obligations of the Borrowers under the U.S. Revolver would be secured by a first-priority security interest in the accounts receivable and bank accounts of the Company and the Company's U.S. subsidiaries (subject to certain limitations), and a second-priority security interest in substantially all other assets of the Company and the Company's U.S. subsidiaries (subject to certain limitations). The obligations of the Subsidiary under the International Revolver generally would be secured by a first-priority security interest in the accounts receivable and bank accounts of the Subsidiary and the Company's non-U.S. subsidiaries (subject to certain limitations), and a second-priority security interest in substantially all other assets of the Company and the Company's U.S. and non-U.S. subsidiaries (subject to certain limitations).

The Company would have the right to prepay the Term Loan Facility in full or in part at any time without premium or penalty (except customary breakage costs); provided, however that upon the occurrence of prepayments relating to certain repricing transactions (as well as certain other repricing transactions) within the first year following closing, a 1% prepayment premium would be payable. The Company would be required to make mandatory prepayments of the Term Loan Facility without premium or penalty (except customary breakage costs) (i) with net proceeds of any issuance or incurrence of indebtedness by the Company after the closing, (ii) with net proceeds from certain asset

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sales outside the ordinary course of business, and (iii) with 50% of the excess cash flow for each fiscal year of the Borrowers commencing with the first full fiscal year ending after closing which may be stepped down upon the achievement and maintenance of certain metrics; provided, however, that upon the occurrence any repricing transaction in respect of certain mandatory prepayments within the first year following closing, a 1% prepayment premium would be payable. The Company or the Subsidiary, as applicable, would be required to make mandatory prepayments of their respective Revolving Credit Facilities to the extent that the aggregate outstanding amount thereunder would exceed the then-applicable borrowing base, which payments would be made without penalty or premium (except customary breakage costs).

There are a number of conditions to the Lenders' obligation to provide the Secured Credit Facilities, including the Refinancing and the documentation of the Secured Credit Facilities.

The Secured Credit Facilities would also contain customary default provisions, representations and warranties, and restrictive covenants. The Secured Credit Facilities will also require the Company to comply with a consolidated total leverage ratio.

Notwithstanding the foregoing, within sixty days of the closing date of the Secured Credit Facilities, the Arranger may exercise certain customary rights to change the proposed terms, including the ability to increase the interest rates. Thus, while the above is a summary of the expected terms of the Secured Credit Facilities, final terms of the Secured Credit Facilities may differ from those set forth above, and, in certain circumstances, these differences may be significant.

We currently anticipate that closing of our new Secured Credit Facilities and the Refinancing will occur shortly following the closing of this offering; however we cannot assure you that either or both of the closing of our new Secured Credit Facilities and the Refinancing will be completed.

Libya

We have open but inactive contracts in Libya. During 2013 and early 2014, we received payments of approximately \$9.9 million from our client, the Libyan Organization for the Development of Administrative Centres, or ODAC, for work performed prior to March 2011. The remaining accounts receivable balance with ODAC is currently \$50.1 million. While there is no timetable on future payments or a return to work on our existing contracts, we maintain an active dialogue with ODAC and other entities of the Libyan national government. We believe that the recent payments in 2013 and 2014, along with letters of credit of approximately \$14.0 million posted in our favor by ODAC, were made in good faith and are positive indications that ODAC intends to satisfy its obligations to us.

Table of Contents**Summary Financial Data**

The summary consolidated financial information of the Company presented in the table below for each of the five years in the period ended December 31, 2013 and the balance sheet data and the other data as of the end of each year has in each case been derived from the Company's audited Consolidated Financial Statements included in its annual reports on Form 10-K filed with the Securities and Exchange Commission, or SEC. The summary consolidated financial information of the Company presented in the following table as of and for the three months ended March 31, 2014 and 2013 is unaudited; however, in the opinion of management, all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results for such periods have been included. The results of operations for the three months ended March 31, 2014 may not be indicative of the results of operations to be expected for the full year. The table should be read in conjunction with the Consolidated Financial Statements and notes thereto in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 that are incorporated by reference in this prospectus supplement.

	Three Months Ended March 31,		Year Ended December 31,				
	2014	2013	2013	2012	2011	2010	2009
(In thousands, except per share amounts)							
Income Statement Data:							
Consulting fee revenue	\$ 137,249	\$ 122,556	\$ 512,085	\$ 417,598	\$ 399,254	\$ 382,099	\$ 364,010
Reimbursable expenses	12,764	13,517	64,596	63,183	102,202	69,659	57,772
Total revenue	150,013	136,073	576,681	480,781	501,456	451,758	421,782
Cost of services	78,590	72,698	296,055	239,572	227,991	213,349	209,052
Reimbursable expenses	12,764	13,517	64,596	63,183	102,202	69,659	57,772
Total direct expenses	91,354	86,215	360,651	302,755	330,193	283,008	266,824
Gross profit	58,659	49,858	216,030	178,026	171,263	168,750	154,958
Selling, general and administrative expenses	52,659	42,459	183,572	172,779	175,312	151,634	136,683
Equity in earnings of affiliates					(190)	(1,503)	(8,222)
Operating (loss) profit	6,000	7,399	32,458	5,247	(3,859)	18,619	26,497
Interest expense, net	5,076	5,487	22,864	18,150	7,262	3,144	1,737
Earnings (loss) before provision for income taxes	924	1,912	9,594	(12,903)	(11,121)	15,475	24,760
Income tax (benefit) provision	631	1,874	6,043	13,442	(6,186)	481	4,577
Consolidated net (loss) earnings	293	38	3,551	(26,345)	(4,935)	14,994	20,183
Less: net earnings non controlling interests	240	418	1,922	1,872	1,082	778	713
Net (loss) earnings attributable to Hill International, Inc.	\$ 53	\$ (380)	\$ 1,629	\$ (28,217)	\$ (6,017)	\$ 14,216	\$ 19,470

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Basic (loss) earnings per common share	\$	\$	(0.01) \$	0.04 \$	(0.73) \$	(0.16) \$	0.36 \$	0.49
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Basic weighted average common shares outstanding	39,795	38,664	39,098	38,500	38,414	39,258	39,659
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Diluted (loss) earnings per common share	\$	\$	(0.01) \$	0.04 \$	(0.73) \$	(0.16) \$	0.36 \$	0.49
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Diluted weighted average common shares outstanding	40,602	38,664	39,322	38,500	38,414	39,824	40,124
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	Three Months Ended March 31,		Year Ended December 31,				
	2014	2013	2013	2012	2011	2010	2009
(In thousands, except per share amounts)							
Selected Balance Sheet							
Data (at period end):							
Cash and cash equivalents	\$ 29,780	\$ 15,457	\$ 30,381	\$ 16,716	\$ 17,924	\$ 39,406	\$ 30,923
Accounts receivable, net	237,432	231,863	232,011	211,176	197,906	180,856	130,900
Total assets	453,648	436,523	449,102	421,673	407,512	370,851	291,539
Total debt	139,253	124,462	133,261	109,456	94,759	74,959	28,244
Total equity	146,410	138,684	143,031	141,103	172,394	168,096	159,640
Selected Other Data:							
Total Backlog (at period end)	\$ 978,000	\$ 921,000	\$ 1,027,000	\$ 923,000	\$ 795,000	\$ 675,000	\$ 620,000
12-Month Backlog (at period end)	400,000	381,000	394,000	382,000	322,000	275,000	282,000
EBITDA(1)	8,187	9,520	41,292	15,805	10,699	27,842	33,127

(1)

"EBITDA" is defined as earnings before interest, taxes, depreciation and amortization. EBITDA is not a measure of financial performance under GAAP. Management believes 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 flows 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. A reconciliation of EBITDA to net earnings (loss) the most directly comparable GAAP measure follows:

Three Months Ended March 31,		Year Ended December 31,	
2014	2013	2013	2012