UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 16, 2011 (January 3, 2011)

Great Lakes Dredge & Dock Corporation
(Exact name of Registrant as specified in its charter)

Delaware	001-33225	20-5336063
(State or other jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

2122 York Road
Oak Brook, Illinois 60523
(Address of Principal Executive Offices)

(630) 574-3000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

EXPLANATORY NOTE

Explanatory Note

This Form 8-K/A amends the Form 8-K filed by Great Lakes Dredge & Dock Corporation (the "Company") with the Securities and Exchange Commission on January 3, 2011 (the "Initial 8-K"), announcing, among other things, the acquisition of the business and substantially all of the assets (the "Acquisition") of L.W. Matteson, Inc. ("Matteson"). As permitted under Items 9.01(a)(4) and 9.01(b)(2) of Form 8-K, the Initial 8-K did not include certain financial statements and pro forma financial information. The Company is filing this amendment to provide the (i) historical audited and unaudited financial information and (ii) unaudited pro forma financial information required to be filed under Item 9.01 of Form 8-K in connection with the Acquisition.

Item 2.01. Completion of Acquisition or Disposition of Assets

This Form 8-K/A amends the Initial 8-K to include the financial statements and pro forma financial information required by Item 9.01 pertaining to the Acquisition. The information previously reported in Item 2.01 of the Initial 8-K is hereby incorporated by reference into this Form 8-K/A.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

The audited financial statements of Matteson for the year ended December 31, 2009, including the report of independent auditors.

The unaudited financial statements of Matteson including the balance sheet as of September 30, 2010 and the statements of operations and cash flows for the nine months ended September 30, 2010 and 2009 and the notes to the financial statements.

(b) Pro Forma Financial Information

The unaudited pro forma condensed combined financial information which describes the effect of the Acquisition on the Company's consolidated balance sheet and statements of operations, including:

- The unaudited pro forma condensed combined balance sheet as of September 30, 2010, which gives effect to the Acquisition as if it occurred on that date; and
- The unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2010 and the year ended December 31, 2009, which give effect to the Acquisition as if it occurred on January 1, 2009.

(c) Shell Company Transactions

Not applicable.

(d) Exhibits.

Exhibit Number	Description
23.1	Consent of CPA Associates PC, independent auditors of L.W. Matteson, Inc.
99.1	Audited Financial Statements of L.W. Matteson, Inc., for the year ended December 31, 2009
99.2	Unaudited Financial Statements of L.W. Matteson, Inc. as of September 30, 2010 and for the nine months ended September 30, 2010 and 2009
99.3	Unaudited pro forma condensed combined balance sheet of the Company and its subsidiaries as of September 30, 2010, and unaudited pro forma condensed combined statements of operations of the Company and its subsidiaries for the nine months ended September 30, 2010 and the year ended December 31, 2009, giving effect to the Acquisition.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GREAT LAKES DREDGE & DOCK CORPORATION

Dated: March 16, 2011

By: /s/ Bruce Biemeck

Name: Bruce Biemeck

Title: President and Chief Financial Officer

EXHIBIT INDEX

Exhibits

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Exhibit 23.1

Consent of Independent Auditors

We consent to the incorporation by reference in Registration Statement No. 333-153207 on Form S-3 and Registration Statement No. 333-150067 on Form S-8 of our report dated March 23, 2010, relating to the financial statements of L.W. Matteson, Inc., appearing in this Current Report on Form 8-K/A of Great Lakes Dredge & Dock Corporation.

/s/ CPA Associates PC

Burlington, Iowa
March 16, 2011

L. W. Matteson, Inc.

Financial Statements

December 31, 2009

Contents

Independent Auditor's Report

Board of Directors
L. W. Matteson, Inc.
Burlington, Iowa

We have audited the accompanying balance sheet of L. W. Matteson, Inc. as of December 31, 2009, and the related statements of income, stockholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of L. W. Matteson, Inc. as of and for the year ended December 31, 2008, were audited by other auditors whose report dated June 1, 2009, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of L. W. Matteson, Inc. as of December 31, 2009, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

/s/ CPA Associates PC

March 23, 2010
Burlington, Iowa

L. W. Matteson, Inc.
Balance Sheet
December 31, 2009

Assets	
Current Assets	
Cash and cash equivalents	$ 6,434,114
Receivables:	
Construction contracts, including retentions of $339,332	2,702,330
Affiliate	315,738
Other, primarily due from stockholder	18,812
Note, current portion	100,000
Costs and estimated earnings in excess of billings on uncompleted contracts	2,647,059
Deposits	2,706
Prepaid expenses	240,722
Total current assets	12,461,481
Cash surrender value of life insurance	200,373
Property and Equipment, net	10,738,618
	$23,400,472

Liabilities and Stockholders' Equity	
Current Liabilities	
Current portion long-term debt	$ 234,624
Accounts payable	4,340,634
Due to stockholders	188,462
Accrued expenses	1,224,429
Billings in excess of costs and estimated earnings on uncompleted contracts	1,426,093
Total current liabilities	7,414,242
Long-Term Liabilities	
Employee compensation	500,000
Total long-term liabilities	500,000
Stockholders' Equity	
Common stock; no par value; stated value, $36 per share; authorized, 50,000 shares; issued and outstanding 1,060 shares	38,160
Retained earnings	15,448,070
	15,486,230
	$23,400,472

See notes to financial statements.

L. W. Matteson, Inc.
Statement of Income
Year Ended December 31, 2009

Earned revenue	$41,003,373
Direct costs of earned revenue	19,174,519
Indirect expenses	9,021,456
Total costs of earned revenue	28,195,975
Gross profit	12,807,398
General and administrative expenses	5,244,480
Operating income	7,562,918
Nonoperating income (expense)	
Interest income	9,053
Gain on disposal of property and equipment	244,415
Interest expense	(59,651)
Management fee income	120,000
Total nonoperating income	313,817
Net income	$ 7,876,735

See notes to financial statements.

L. W. Matteson, Inc.
Statement of Stockholders' Equity
Year Ended December 31, 2009

	Common Stock	Retained Earnings	Total Stockholders' Equity
Balance, December 31, 2008	38,160	16,760,144	16,798,304
Dividends declared	—	(9,188,809)	(9,188,809)
Net income	—	7,876,735	7,876,735
Balance, December 31, 2009	$38,160	$15,448,070	$15,486,230

See notes to financial statements.

L. W. Matteson, Inc.
Statement of Cash Flows
Year Ended December 31, 2009

Cash Flows from Operating Activities	
Net income	$ 7,876,735
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	2,889,493
Gain on disposal of property and equipment	(244,415)
Change in cash value of life insurance	(14,480)
(Increase) decrease in	
Receivables	(1,420,830)
Costs and estimated earnings in excess of billings on uncompleted contracts	(825,666)
Prepaid expenses	(13,743)
Deposits	(1,199)
Increase (decrease) in	
Accounts payable and accrued expenses	3,339,328
Billings in excess of costs and estimated earnings on uncompleted contracts	(564,776)
Employee compensation	427,262
Net cash provided by operating activities	11,447,709
Cash Flows from Investing Activities	
Purchases of property and equipment	(2,905,393)
Proceeds from disposal of property and equipment	268,627
Additions to cash value of life insurance	(13,297)
Proceeds from note receivable	100,000
Net cash used by investing activities	(2,550,063)
Cash Flows from Financing Activities	
Dividends paid	(9,000,347)
Principal payments on long-term debt	(2,410,736)
Net cash used by financing activities	(11,411,083)
Change in cash and cash equivalents	(2,513,437)
Cash and cash equivalents, beginning of year	8,947,551
Cash and cash equivalents, end of year	$ 6,434,114
Supplemental Disclosure of Cash Flow Information	
Cash paid during the year for interest	$ 65,877

See notes to financial statements.

Note 1. Nature of Business

L. W. Matteson, Inc. (Company) is a river dredging and marine construction contractor, operating throughout the United States. The construction work is performed primarily under fixed-price contracts. Credit is extended to qualified customers on an unsecured basis.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements are prepared under the accrual method of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of deposits in checking, money market and savings accounts, and certificates of deposit with original maturities of 90 days or less. The Company maintains substantially all of its funds in one financial institution, and the balance at times may exceed FDIC-insured limits.

Construction Contracts Receivable

Contracts receivable are recorded as invoiced based on contracted prices. Normal contracts receivable are due 30 days after invoices are issued. Contract retentions are due 30 days after substantial completion of the project and acceptance by the owner. Receivables past due more than 90 days are considered delinquent. The Company provides an allowance for doubtful accounts when it is determined that an amount is not likely to be collected. This allowance is based upon a review of outstanding receivables, historical collection information and existing economic conditions. At December 31, 2009, the Company did not have an allowance for doubtful accounts. Receivables are written off based on individual credit evaluation and specific circumstances of the customer. The Company had no bad debt expense for the year ended December 31, 2009.

Property and Equipment

Property and equipment is carried at original cost less accumulated depreciation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets, which range from 3 to 40 years. Depreciation expense for the year ended December 31, 2009 totaled $2,889,493.

Note 2. Summary of Significant Accounting Policies (continued)

Revenue and Cost Recognition

The Company recognizes revenues from fixed-price and modified fixed-price construction contracts under the percentage-of-completion method, measured by the percentage of cost incurred to date compared to estimated total cost for each contract. The percentage-of-completion method is used because management considers total cost to be the best available measure of progress on the contracts. Because of inherent uncertainties in estimating costs, it is at least reasonably possible that the estimates used will change within the near term.

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, tools, repairs and depreciation. General and administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions, contract penalty provisions, claims, change orders, settlements and estimated profitability may result in revisions to costs and income, which are recognized in the period in which the revisions are determined.

The asset, “Costs and estimated earnings in excess of billings on uncompleted contracts”, represents revenues recognized in excess of amounts billed. The liability, “Billings in excess of costs and estimated earnings on uncompleted contracts”, represents billings in excess of revenues recognized.

Income Taxes

The Company, with the consent of its stockholders, has elected to be taxed under sections of the federal and state income tax laws which provide that, in lieu of corporation income taxes, the stockholders separately account for their pro-rata shares of the Company’s items of income, deductions, losses and credits. Therefore, these financial statements do not include any provision for corporation income taxes. The Company declares dividends and pays bonuses from time to time to assist stockholders in paying income tax liabilities that result from their pro-rata share of the Company’s income.

The Company has open tax years for three years prior to December 31, 2009. The Company records interest and penalties, if any, in general and administrative expenses.

Recent Accounting Pronouncements

In June 2006, the Financial Accounting Standards Board (FASB) issued Interpretation Number 48, *Accounting for Uncertainty in Income Taxes - an interpretation of FASB Statement No. 109* (FASB Accounting Standards Codification 740-10), which provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in an entity’s financial statements in accordance with professional standards. The standard also requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. A nonpublic entity could elect to defer its application of this professional standard to annual financial statements for fiscal years beginning after December 15, 2008. The Company elected to defer the adoption of this professional standard until January 1, 2009. The Company completed its analysis of the effects of this professional standard during the year and did not identify any uncertain tax positions. Accordingly, the adoption of the standard did not have a material impact on its financial statements.

Note 2. Summary of Significant Accounting Policies (continued)

Subsequent Events

The Company performed an evaluation of subsequent events through March 23, 2010, which is the date the financial statements were available to be issued. There have been no subsequent events that would require disclosure or recognition in the financial statements as of December 31, 2009.

Note 3. Note Receivable

During the year ended December 31, 2003, the Company accepted an unsecured note receivable as part of a settlement agreement with a vendor. The agreement requires the vendor to make annual principal payments in various amounts, plus interest at prime rate (3.25% as of December 31, 2009) through May 1, 2010. Related interest income totaled $4,327 for the year ended December 31, 2009.

Note 4. Uncompleted Contracts

Information related to uncompleted contracts as of December 31, 2009 is as follows:

Total contract amount	$ 77,529,640
Costs incurred to date	$ 39,548,672
Profit recognized to date	13,192,922
Earned contract revenue	52,741,594
Contract billings to date	(51,520,628)
	$ 1,220,966

Uncompleted contract balances are included in the accompanying balance sheet as of December 31, 2009 under the following captions:

Costs and estimated earnings in excess of billings on uncompleted contracts	$ 2,647,059
Billings in excess of costs and estimated earnings on uncompleted contracts	(1,426,093)
	$ 1,220,966

For the year ended December 31, 2009, the Company recognized a provision for estimated loss on uncompleted contracts of approximately $583,000. The Company also had significant revisions to one contract's total estimated cost, which resulted in approximately $1,800,000 additional revenue recognized.

Note 5. Property and Equipment

At December 31, 2009, property and equipment consists of the following:

Land and land improvements	$ 687,972
Buildings	675,465
Machinery and equipment	32,507,783
Office furniture and fixtures	170,625
	34,041,845
Less accumulated depreciation	(23,303,227)
Property and equipment, net	$ 10,738,618

Note 6. Accounts Payable

Accounts payable includes amounts due to subcontractors which have been retained pending completion and customer acceptance of jobs. As of December 31, 2009, these retained amounts totaled $160,854.

Note 7. Lines of Credit, Long-Term Debt, and Pledged Assets

The Company has available a line of credit from Two Rivers Bank and Trust, Burlington, Iowa for $1,500,000. Borrowings are due July 1, 2010, including interest at prime rate plus 3.25%, with a minimum rate of 4.5%, and are collateralized by substantially all of the assets of the Company. There were no outstanding borrowings as of December 31, 2009.

As of December 31, 2009, the Company had the following long-term debt:

Two Rivers Bank & Trust, due in monthly installments of $35,104 including 5.5% interest, through July 2010, collateralized by equipment with a depreciated cost of approximately $1,042,000	$ 234,624
Less portion due within one year	(234,624)
Long-term portion	$ —

Note 8. Commitments and Contingent Liabilities

Various lawsuits, claims, and proceedings have been or may be instituted or asserted against the Company relating to the conduct of its business, including those pertaining to dredging and construction contracts, safety and health, and employment matters. Although the outcome of litigation cannot be predicted with certainty and some lawsuits, claims, and proceedings may be disposed of unfavorably to the Company, management believes the disposition of matters which are pending or asserted will not have a materially adverse effect on the Company's financial statements.

Note 9. Retirement Plan

The Company has a qualified profit-sharing plan for substantially all employees, which allows employee contributions under section 401(k) of the Internal Revenue Code. The Company's contribution expense to the plan totaled $237,500 for the year ended December 31, 2009.

The Company entered into a deferred compensation plan for its Vice President of Operations on May 28, 2008. Under this plan, the participant accrues a deferred bonus based on a percent of net income with an agreed-upon rate of return, as defined by the plan.

In 2009, the Company terminated the deferred compensation agreement without payment of the vested accrued benefits. In exchange for terminating the agreement, the Company agreed to pay the Vice President of Operations a $500,000 liquidating payment in February 2011. At December 31, 2009, the Company accrued the liquidating payment as a long-term liability.

Note 10. Related Party Transactions

The Company rents barges from an officer on a month-to-month basis. This rent expense totaled $216,000 for the year ended December 31, 2009.

The Company is affiliated with Matteson Marine Services, Inc. through common ownership and management. The Company provided management services to the affiliate totaling $120,000 during the year ended December 31, 2009. The Companies also share labor and other operating resources, which resulted in a receivable from the affiliate totaling $315,738 as of December 31, 2009. Matteson Marine Services, Inc. provided towing services totaling $327,191 for the year ended December 31, 2009. The Company had a note payable with Matteson Marine Services, Inc., which was repaid in full, including accrued interest, in March of 2009. Interest expense on the note totaled $9,654 for the year ended December 31, 2009.

Exhibit 99.2

L. W. Matteson, Inc.

Financial Statements

September 30, 2010

(Unaudited)

Contents

L. W. Matteson, Inc.
Balance Sheet
September 30, 2010
(Unaudited)

Assets	
Current Assets	
Cash and cash equivalents	$12,221,573
Receivables:	
Construction contracts, including retentions of $9,973	5,061,347
Affiliate	59,732
Other, primarily due from stockholder	8,764
Costs and estimated earnings in excess of billings on uncompleted contracts	957,856
Deposits	2,706
Prepaid expenses	259,621
Total current assets	18,571,599
Cash surrender value of life insurance	215,959
Property and Equipment, net	11,675,943
	$30,463,501
Liabilities and Stockholders' Equity	
Current Liabilities	
Accounts payable	$ 2,268,702
Employee compensation	500,000
Due to stockholders	20,619
Accrued expenses	792,602
Billings in excess of costs and estimated earnings on uncompleted contracts	2,186,593
Total current liabilities	5,768,516
Stockholders' Equity	
Common stock; no par value; stated value, $36 per share; authorized, 50,000 shares; issued and outstanding 1,060 shares	38,160
Retained earnings	24,656,825
	24,694,985
	$30,463,501

See notes to financial statements.

L. W. Matteson, Inc.
Statements of Income
Nine-month Periods Ended September 30, 2010 and 2009
(Unaudited)

	2010	2009
Earned revenue	$29,484,435	$31,241,617
Direct costs of earned revenue	13,070,444	14,142,613
Indirect costs	6,202,118	7,007,432
Cost of revenue	19,272,562	21,150,045
Gross profit	10,211,873	10,091,572
General and Administrative Expenses	985,246	1,440,206
Operating income	9,226,627	8,651,366
Nonoperating income (expense)		
Interest income	1,255	7,154
Gain (loss) on disposal of property and equipment	(37,187)	242,414
Expenses for anticipated asset sale	(68,376)	—
Interest expense	(3,564)	(58,557)
Management fee income	90,000	90,000
Total nonoperating income (expense), net	(17,872)	281,011
Net income	$ 9,208,755	$ 8,932,377

See notes to financial statements.

L. W. Matteson, Inc.
Statements of Stockholders' Equity
Nine-month Periods Ended September 30, 2010 and 2009
(Unaudited)

	Common Stock	Retained Earnings	Total Stockholders' Equity
Balance, January 1, 2009	$38,160	$16,760,144	$16,798,304
Dividends declared	—	(8,959,386)	(8,959,386)
Net income	—	8,932,377	8,932,377
Balance, September 30, 2009	$38,160	$16,733,135	$16,771,295
Balance, December 31, 2009	$38,160	$15,448,070	$15,486,230
Net income	—	9,208,755	9,208,755
Balance, September 30, 2010	$38,160	$24,656,825	$24,694,985

See notes to financial statements.

L. W. Matteson, Inc.
Statements of Cash Flows
Nine-month Periods Ended September 30, 2010 and 2009
(Unaudited)

	2010	2009
Cash Flows from Operating Activities		
Net income	$ 9,208,755	$ 8,932,377
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	2,328,929	2,225,964
(Gain) loss on disposal of property and equipment	37,187	(242,414)
Change in cash value of life insurance	(3,732)	(1,592)
(Increase) decrease in receivables	(2,092,963)	(2,537,112)
Costs and estimated earnings in excess of billings on uncompleted contracts	1,689,203	(264,239)
Prepaid expenses	(18,899)	70,320
Deposits	—	(58,263)
Increase (decrease) in accounts payable and accrued expenses	(2,671,602)	1,035,098
Billings in excess of costs and estimated earnings on uncompleted contracts	760,500	1,547,018
Employee compensation	—	427,262
Net cash provided by operating activities	9,237,378	11,134,419
Cash Flows from Investing Activities		
Purchases of property and equipment	(3,505,460)	(2,461,997)
Proceeds from disposal of property and equipment	202,019	266,627
Premiums paid for life insurance	(11,854)	(13,297)
Proceeds from note receivable	100,000	100,000
Net cash used by investing activities	(3,215,295)	(2,108,667)
Cash Flows From Financing Activities		
Dividends paid	—	(8,959,386)
Principal payments on long-term debt	(234,624)	(2,342,408)
Net cash used by financing activities	(234,624)	(11,301,794)
Change in cash and cash equivalents	5,787,459	(2,276,042)
Cash and cash equivalents, beginning of period	6,434,114	8,947,551
Cash and cash equivalents, end of period	$12,221,573	$ 6,671,509
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period for interest	$ 2,716	$ 65,630

See notes to financial statements.

Note 1. Nature of Business

L. W. Matteson, Inc. (Company) is a river dredging and marine construction contractor, operating throughout the United States. The construction work is performed primarily under fixed-price contracts. Credit is extended to qualified customers on an unsecured basis.

Note 2. Summary of Significant Accounting Policies

<u>Basis of Accounting</u>

The financial statements are prepared under the accrual method of accounting.

<u>Use of Estimates</u>

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

<u>Cash and Cash Equivalents</u>

Cash and cash equivalents consist of deposits in checking, money market and savings accounts, and certificates of deposit with original maturities of 90 days or less. The Company maintains substantially all of its funds in one financial institution, and the balance at times may exceed FDIC-insured limits.

<u>Construction Contracts Receivable</u>

Contracts receivable are recorded as invoiced based on contracted prices. Normal contracts receivable are due 30 days after invoices are issued. Contract retentions are due 30 days after substantial completion of the project and acceptance by the owner. Receivables past due more than 90 days are considered delinquent. The Company provides an allowance for doubtful accounts when it is determined that an amount is not likely to be collected. This allowance is based upon a review of outstanding receivables, historical collection information and existing economic conditions. At September 30, 2010, the Company did not have an allowance for doubtful accounts. Receivables are written off based on individual credit evaluation and specific circumstances of the customer. The Company had no bad debt expense for the nine-month periods ended September 30, 2010 and 2009.

<u>Property and Equipment</u>

Property and equipment is carried at original cost less accumulated depreciation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets, which range from 3 to 40 years. Depreciation expense for the nine-month periods ended September 30, 2010 and 2009 totaled $2,328,929 and $2,225,964, respectively.

Note 2 Summary of Significant Accounting Policies (continued)

Revenue and Cost Recognition

The Company recognizes revenues from fixed-price construction contracts under the percentage-of-completion method, measured by the percentage of cost incurred to date compared to estimated total cost for each contract. The percentage-of-completion method is used because management considers total cost to be the best available measure of progress on the contracts. Because of inherent uncertainties in estimating costs, it is at least reasonably possible that the estimates used will change within the near term.

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, tools, repairs and depreciation. General and administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions, contract penalty provisions, claims, change orders, settlements and estimated profitability may result in revisions to costs and income, which are recognized in the period in which the revisions are determined.

The asset, “Costs and estimated earnings in excess of billings on uncompleted contracts”, represents revenues recognized in excess of amounts billed. The liability, “Billings in excess of costs and estimated earnings on uncompleted contracts”, represents billings in excess of revenues recognized.

Income Taxes

The Company, with the consent of its stockholders, has elected to be taxed under sections of the federal and state income tax laws which provide that, in lieu of corporation income taxes, the stockholders separately account for their pro-rata shares of the Company’s items of income, deductions, losses and credits. Therefore, these financial statements do not include any provision for corporation income taxes. The Company declares dividends and pays bonuses from time to time to assist stockholders in paying income tax liabilities that result from their pro-rata share of the Company’s income.

The Company has open tax years for three years prior to December 31, 2009. The Company records interest and penalties, if any, in general and administrative expenses.

Note 3. Note Receivable

During the year ended December 31, 2003, the Company accepted an unsecured note receivable as part of a settlement agreement with a vendor. The agreement requires the vendor to make annual principal payments in various amounts, plus interest at prime rate through May 1, 2010. The note was paid in full during the period ended September 30, 2010. Related interest income totaled $1,897 and $3,508 for the periods ended September 30, 2010 and 2009, respectively.

Note 4. Uncompleted Contracts

Information related to uncompleted contracts as of September 30, 2010 is as follows:

Total contract amount	$ 54,844,789
Costs incurred to date	$ 21,988,088
Profit recognized to date	8,013,644
Earned contract revenue	30,001,732
Contract billings to date	(31,230,469)
	$ (1,228,737)

Uncompleted contract balances are included in the accompanying balance sheets as of September 30, 2010 under the following captions:

Costs and estimated earnings in excess of billings on uncompleted contracts	$ 957,856
Billings in excess of costs and estimated earnings on uncompleted contracts	(2,186,593)
	$(1,228,737)

For the nine-month periods ended September 30, 2010 and 2009, the Company recognized a provision for estimated losses on uncompleted contracts of approximately $150,000 and $4,023,000, respectively.

Note 5. Property and Equipment

At September 30, 2010, property and equipment consists of the following:

Land and land improvements	$ 687,972
Buildings	675,465
Machinery and equipment	32,730,246
Office furniture and fixtures	58,867
Construction-in-progress	1,118,842
	35,271,392
Less accumulated depreciation	(23,595,449)
Property and equipment, net	$ 11,675,943

Note 6. Accounts Payable

Accounts payable includes amounts due to subcontractors which have been retained pending completion and customer acceptance of jobs. As of September 30, 2010, these retained amounts totaled $169,246.

Note 7. Line of Credit

The Company has available a line of credit from Two Rivers Bank and Trust, Burlington, Iowa for $1,500,000. Borrowings are due July 1, 2011, including interest at prime rate plus 3.25%, with a minimum rate of 4.5%, and are collateralized by substantially all of the assets of the Company. There were no outstanding borrowings as of September 30, 2010.

Note 8. Commitments and Contingent Liabilities

Various lawsuits, claims, and proceedings have been or may be instituted or asserted against the Company relating to the conduct of its business, including those pertaining to dredging and construction contracts, safety and health, and employment matters. Although the outcome of litigation cannot be predicted with certainty and some lawsuits, claims, and proceedings may be disposed of unfavorably to the Company, management believes the disposition of matters which are pending or asserted will not have a materially adverse effect on the Company's financial statements.

Note 9. Retirement Plan

The Company has a qualified profit-sharing plan for substantially all employees, which allows employee contributions under section 401(k) of the Internal Revenue Code. The Company's contribution expense to the plan totaled $137,996 and $200,584 for the nine-month periods ended September 30, 2010 and 2009, respectively.

In 2009, the Company terminated a deferred compensation agreement without payment of the vested accrued benefits. In exchange for terminating the agreement, the Company agreed to pay the Vice President of Operations a $500,000 liquidating payment in February 2011. At September 30, 2010, the Company accrued the liquidating payment as an employee compensation liability on the Balance Sheet.

Note 10. Related Party Transactions

The Company rents barges from an officer on a month-to-month basis. This rent expense totaled $162,000 for each of the nine-month periods ended September 30, 2010 and 2009.

The Company is affiliated with Matteson Marine Services, Inc. through common ownership and management. The Company provided management services to the affiliate totaling $90,000 during each of the nine-month periods ended September 30, 2010 and 2009. The Companies also share labor and other operating resources, which resulted in a receivable from the affiliate totaling $59,732 as of September 30, 2010. Matteson Marine Services, Inc. provided towing services totaling $76,121 and $15,373 for the nine-month periods ended September 30, 2010 and 2009, respectively. The Company had a note payable to Matteson Marine Services, Inc., which was repaid in full, including accrued interest, in March of 2009. Interest expense on the note totaled $9,654 for the period ended September 30, 2009.

Note 11. Subsequent Events

The Company performed an evaluation of subsequent events through March 7, 2011, which is the date the financial statements were available to be issued. On December 31, 2010, the Company sold the majority of its assets to Great Lakes Dredging & Dock Company, LLC. As of the sales date, the Company ceased its river dredging and marine construction operations.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial information has been prepared from the historical financial statements of Great Lakes Dredge & Dock Corporation (the “Company”) and L.W. Matteson, Inc. (“Matteson”), to give effect to the Company’s acquisition of the business and substantially all of the assets (the “Acquisition”) of Matteson. See Note 1 for further information. The unaudited pro forma condensed combined financial statements do not purport to represent, and are not necessarily indicative of, what the Company’s financial position or results of operations would have been had the Acquisition occurred on the dates indicated.

The unaudited pro forma condensed combined statements of operations for the year ended December 31, 2009 and nine months ended September 30, 2010 are presented as if the Acquisition had occurred on January 1, 2009 and include all adjustments that (i) give effect to events that are directly attributable to the Acquisition, (ii) are expected to have a continuing impact, and (iii) are factually supportable. The historical consolidated statements of operations of the Company and Matteson for the year ended December 31, 2009 that were used in preparing the unaudited pro forma condensed combined statement of operations for the same period have been audited. The historical consolidated statements of operations of the Company and Matteson for the nine months ended September 30, 2010 that were used in preparing the unaudited pro forma condensed combined statement of operations for the same period have not been audited.

The unaudited pro forma condensed combined balance sheet as of September 30, 2010 is presented as if the Acquisition had occurred on September 30, 2010, and includes all adjustments that give effect to events that are directly attributable to the Acquisition and are factually supportable. The historical consolidated balance sheets of the Company and Matteson as of September 30, 2010 that were used in preparing the unaudited pro forma condensed combined balance sheet have not been audited.

The unaudited pro forma condensed combined financial statements should be read in conjunction with the Company’s historical consolidated financial statements, related notes, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, and the Matteson historical consolidated financial statements and related notes. The consolidated balance sheet of the Company as of December 31, 2010 and 2009, and the related consolidated statement of operations, cash flows and stockholders’ equity for each of the three years in the period ended December 31, 2010, along with the related notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” are set forth in the Company’s Annual Report on Form 10-K filed March 14, 2011. The unaudited interim consolidated financial statements of the Company for the nine months ended September 30, 2010 are set forth in the Company’s Quarterly Report on Form 10-Q filed November 9, 2010. The balance sheet of Matteson as of December 31, 2009, and the related statement of income and cash flows for the year then ended, along with the related notes, are included as Exhibit 99.1 in this Form 8-K/A. The unaudited interim financial statements of Matteson for the nine months ended September 30, 2010 are included as Exhibit 99.2 in this Form 8-K/A.

GREAT LAKES DREDGE & DOCK CORPORATION AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
SEPTEMBER 30, 2010
(in thousands)

	Great Lakes Dredge & Dock Corporation (Historical)	L.W. Matteson, Inc. (Historical)	Pro Forma Adjustments	Pro Forma Combined
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 79,031	$ 12,222	$ (50,091) (A)	$ 41,162
Accounts receivable – net	106,252	5,130	(957) (B)	110,425
Contract revenues in excess of billings	17,662	958	(610) (B)	18,010
Inventories	29,979	—	1,811 (B)	31,790
Prepaid expenses	3,049	259	(68) (B)	3,240
Other current assets	14,568	3	1 (B)	14,572
Total current assets	250,541	18,572	(49,914)	219,199
PROPERTY AND EQUIPMENT — Net	282,012	11,676	24,497 (B)	318,185
GOODWILL	98,049	—	—	98,049
OTHER INTANGIBLE ASSETS — Net	714	—	2,670 (B)	3,384
INVENTORIES — Noncurrent	26,029	—	2,826 (B)	28,855
INVESTMENTS IN JOINT VENTURES	7,171	—	—	7,171
OTHER	6,682	216	(216) (B)	6,682
TOTAL	$ 671,198	$ 30,464	$ (20,137)	$681,525
LIABILITIES AND EQUITY				
CURRENT LIABILITIES:				
Accounts payable	$ 77,100	$ 2,789	(2,644) (B)	$ 77,245
Accrued expenses	32,628	793	(412) (B)	
			398 (E)	33,407
Billings in excess of contract revenues	19,222	2,187	(1,526) (B)	19,883
Current portion of debt	—	—	3,047 (C)	3,047
Current portion of equipment debt	401	—	—	401
Total current liabilities	129,351	5,769	(1,137)	133,983
REVOLVING CREDIT FACILITY	—	—	—	—
7 3/4% SENIOR SUBORDINATED NOTES	175,000	—	—	175,000
DEFERRED INCOME TAXES	83,076	—	—	83,076
OTHER	13,064	—	6,093 (C)	19,157
Total liabilities	400,491	5,769	4,956	411,216
COMMITMENTS AND CONTINGENCIES				
EQUITY:				
Common stock—$.0001 par value; 90,000,000 authorized, 58,721,624 and 58,542,038 shares issued and outstanding at September 30, 2010.	6	38	(38) (D)	6
Additional paid-in capital	265,783	—	—	265,783
Accumulated earnings (deficit)	6,476	24,657	(24,657) (D)	
			(398) (E)	6,078
Accumulated other comprehensive income	212	—	—	212
Total Great Lakes Dredge & Dock Corporation Equity	272,477	24,695	(25,093)	272,079
NONCONTROLLING INTERESTS	(1,770)	—	—	(1,770)
Total equity	270,707	24,695	(25,093)	270,309
TOTAL	$ 671,198	$ 30,464	$ (20,137)	$681,525

GREAT LAKES DREDGE & DOCK CORPORATION AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENTS OF OPERATIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010
(in thousands)

	Great Lakes Dredge & Dock Corporation (Historical)	L.W. Matteson, Inc. (Historical)	Pro Forma Adjustments	Pro Forma Combined
Contract revenues	$ 514,868	$ 29,484	$ —	$ 544,352
Costs of contract revenues	417,100	19,272	378 (F)	436,750
Gross profit	97,768	10,212	(378)	107,602
General and administrative expenses	41,761	985		42,746
Amortization of intangible assets	323	—	81 (F)	404
Operating income	55,684	9,227	(459)	64,452
Interest expense, net	(9,517)	(18)	(225) (G)	(9,760)
Equity in earnings (loss) of joint ventures	(772)	—	—	(772)
Income before income taxes	45,395	9,209	(684)	53,920
Income tax provision	(18,107)	—	(3,401) (H)	(21,508)
Net income (loss)	27,288	9,209	(4,085)	32,412
Net loss attributable to noncontrolling interests	531	—	—	531
Net income attributable to Great Lakes Dredge & Dock Corporation	$ 27,819	$ 9,209	$ (4,085)	$ 32,943
Basic earnings per share attributable to Great Lakes Dredge & Dock Corporation	$ 0.47			$ 0.56
Basic weighted average shares	58,616			58,616
Diluted earnings per share attributable to Great Lakes Dredge & Dock Corporation	$ 0.47			$ 0.56
Diluted weighted average shares	58,818			58,818

GREAT LAKES DREDGE & DOCK CORPORATION AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2009
(in thousands)

	Great Lakes Dredge & Dock Corporation (Historical)	L.W. Matteson, Inc. (Historical)	Pro Forma Adjustments	Pro Forma Combined
Contract revenues	$ 622,244	$ 41,003	$ —	$663,247
Costs of contract revenues	534,000	28,196	(2,424) (F)	559,772
Gross profit	88,244	12,807	2,424	103,475
Operating expenses:				
General and administrative expenses	45,220	5,244	398 (E)	50,862
Amortization of intangible assets	773	—	2,239 (F)	3,012
Total operating income	42,251	7,563	(213)	49,601
Other income (expense):				
Interest expense — net	(16,150)	314	(450) (G)	(16,286)
Equity in earnings (loss) of joint ventures	(384)	—	—	(384)
Total other expense	(16,534)	314	(450)	(16,670)
Income before income taxes	25,717	7,877	(663)	32,931
Income tax provision	(10,983)	—	(3,080) (H)	(14,063)
Net income (loss)	14,734	7,877	(3,743)	18,868
Net loss attributable to noncontrolling interests	2,734	—	—	2,734
Net income available to common stockholders of Great Lakes Dredge & Dock Corporation	$ 17,468	$ 7,877	$ (3,743)	$ 21,602
Basic earnings per share attributable to Great Lakes Dredge & Dock Corporation	$ 0.30			$ 0.37
Basic weighted-average shares	58,507			58,507
Diluted earnings per share attributable to Great Lakes Dredge & Dock Corporation	$ 0.30			$ 0.37
Diluted weighted-average shares	58,612			58,612

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS
(dollar amounts in thousands)

1. Basis of Pro Forma Presentation

On December 31, 2010, Great Lakes Dredge & Dock Company LLC, a Delaware limited liability company and a wholly-owned subsidiary of the Company (the "LLC"), entered into and consummated an Asset Purchase Agreement with L.W. Matteson, Inc., an Iowa corporation, and Lawrence W. Matteson and Larry W. Matteson pursuant to which the LLC purchased for a base purchase price of $45,000 (a) the business and substantially all of the assets of Seller and (b) certain assets owned by Lawrence W. Matteson and used by the Seller in its business. The purchase price totaled $47,009 and included an adjustment based upon the closing working capital balance, which resulted in the recognition of additional purchase price of $369 and is subject to further adjustment in accordance with the Asset Purchase Agreement. Furthermore, the seller may receive cash payments for any of the calendar years ended 2011, 2012, and 2013 if certain earnings-based criteria, defined per the purchase agreement, are met. The fair value of the recorded earnout liability was $1,640. The transaction was accounted for using the acquisition method and as such Matteson's assets acquired and liabilities assumed have been recorded at their fair value. Great Lakes Dredge & Dock Company, LLC was determined to be the accounting acquirer for purposes of these unaudited pro forma condensed combined financial statements.

The unaudited pro forma condensed combined balance sheet as of September 30, 2010 gives effect to the acquisition as if it occurred on that date. The unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2010, and the year ended December 31, 2009 give effect to the acquisition as if it occurred on January 1, 2009.

The unaudited pro forma condensed combined financial statements are provided for illustrative purposes only and do not purport to present what the actual results of operations or financial position would have been had the transactions actually occurred on the dates indicated, nor do they purport to represent results of operations for any future period. These statements do not reflect any cost savings or other benefits that may be obtained through synergies among the operations of the Company.

For purposes of these unaudited pro forma condensed combined financial statements, the estimated purchase price paid by the LLC has been allocated to Matteson's assets and liabilities based on their fair values as of December 31, 2010 as follows (in thousands):

Property, plant and equipment	$36,173
Inventories	4,637
Accounts receivable - net	4,173
Intangible assets	2,670
Other assets and liabilities - net	(644)
Total	$47,009

2. Pro Forma Adjustments

Adjustments included in the column under the heading "Pro Forma Adjustments" in the unaudited pro forma condensed combined financial statements correspond to the following descriptions:

<u>Notes to the Unaudited Pro Forma Condensed Combined Balance Sheet</u>

(A) Reflect the adjustment to cash and cash equivalents for the Acquisition. See reconciliation below.

Cash paid for Matteson	$(37,869)
Less Matteson cash	(12,222)
Cash adjustment	$(50,091)

(B) To record the allocation of purchase price and assets and liabilities at their fair values. See reconciliation below.

	Matteson at September 30, 2010	Fair Value of Assets Purchased / Liabilities Assumed	Pro Forma Adjustment
Accounts receivable - net	$ 5,130	$ 4,173	$ (957)
Contract revenues in excess of billings	958	348	(610)
Inventories - current	—	1,811	1,811
Prepaid expenses	259	191	(68)
Other current assets	3	4	1
Property and equipment	11,676	36,173	24,497
Other intangible assets - net		2,670	2,670
Inventories - non current		2,826	2,826
Other	216	—	(216)
Accounts payable	(2,789)	(145)	2,644
Accrued expenses	(793)	(381)	412
Billings in excess of contract revenues	(2,187)	(661)	1,526
Total purchase price		$ 47,009	

Pro-forma adjustments represent Matteson liabilities not assumed, asset fair valuation adjustments recorded in purchase accounting, and differences between the September 30, 2010 and December 31, 2010 balances of the assets and liabilities of Matteson acquired by the Company.

(C) To record the issuance of a seller note as a part of the Acquisitions price and the fair value of the earnout.

Seller Note - current	$2,500
Earn out - current	547
Current Portion of Debt	$3,047
Seller Note - non current	$5,000
Earnout - non current	1,093
Other	$6,093

(D) To record the elimination of L.W. Matteson's Common stock and Accumulated earnings.

(E) To record impact of acquisition costs that has not yet been reflected in the historical financial statements.

Notes to the Unaudited Pro Forma Condensed Combined Statement of Operations

(F) Reflects the elimination of Matteson depreciation and recognition of depreciation and amortization on the Matteson Assets after the acquisition.

	Pro Forma Depreciation Expense	
	For the Nine Months Ended September 30, 2010	For the Twelve Months Ended December 31, 2009
Matteson depreciation pre-sale	(2,329)	(2,889)
Expense incurred by Matteson for items capitalized by Great Lakes	(891)	(1,934)
Depreciation after sale	3,598	2,399
Total Adjustment	378	(2,424)

The inventory and fixed assets purchased had remaining useful lives of 3 years and 5-30 years, respectively.

	Fair Value	Useful life at purchase	Pro Forma Amortization Expense	
			For the Nine Months Ended September 30, 2010	For the Twelve Months Ended December 31, 2009
Intangible Assets Backlog	$2,131	1 year	$ —	$ 2,131
Non-Compete	539	5 years	81	108
	$2,670		$ 81	$ 2,239

(G) The seller note accrues interest at a rate of 6% per year. The Company would have recorded $450 of interest expense for the twelve months ended December 31, 2009 and $225 of interest for the nine months ended September 30, 2010.

(H) Reflects the tax impact of the pro forma adjustments as well as Matteson's net income, at the Great Lakes effective tax rate of 39.9% and 42.7% at September 30, 2010 and December 31, 2009, respectively.