



Quarter One 2019 Financial Results

April 30, 2019



Forward-Looking Statements and Non-GAAP Financial Disclosures

Forward Looking Statements:

This material and related presentation contain certain forward-looking statements within the meaning of the Private Securities Reform Act of 1995. Any such comments speak only as of this date and EMCOR assumes no obligation to update any such forward-looking statements. These forward-looking statements may include statements regarding anticipated future operating and financial performance, the nature and impact of our remaining performance obligations, our ability to pursue acquisitions, our ability to return capital to shareholders, market opportunities, market growth, and customer trends. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Accordingly, these statements are no guarantee of future performance. Such risks and uncertainties include, but are not limited to, adverse effects of general economic conditions, changes in the political environment, changes in the specific markets for EMCOR's services, adverse business conditions, availability of adequate levels of surety bonding, increased competition, unfavorable labor productivity and mix of business. Certain of the risk factors associated with EMCOR's business are also discussed in Part I, Item 1A "Risk Factors," of the Company's 2018 Form 10-K and in other reports filed from time to time with the Securities and Exchange Commission and available at www.sec.gov and www.emcorgroup.com. Such risk factors should be taken into account in evaluating any forward-looking statements.

Non-GAAP Measures:

This material and related presentation may include certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Company uses these non-GAAP measures as key performance indicators for the purpose of evaluating performance internally. We also believe that these non-GAAP measures provide investors with useful information with respect to our historical operations. Any non-GAAP financial measures presented are not, and should not be viewed as, substitutes for financial measures required by GAAP, have no standardized meaning prescribed by GAAP and may not be comparable to the calculation of similar measures of other companies.



EMCOR Participants

- Tony Guzzi Chairman, President & Chief Executive Officer
- Mark Pompa EVP & Chief Financial Officer
- Maxine Mauricio SVP & General Counsel
- Kevin Matz EVP, Shared Services

2019 Qtr. 1 Executive Summary

- Strong start to 2019
 - Record Qtr. 1 diluted EPS from continuing operations of \$1.28 vs. \$0.94 in Qtr. 1 2018
 - Record Qtr. 1 revenues of \$2.16 billion, 13.6% increase year-over-year
 - Operating income as a percentage of revenues was 4.7%
 - Total Remaining Performance Obligations (RPO) increased \$553 million or 15.3% from Qtr. 1 2018
- First quarter revenue and operating income increased in all reportable segments quarter-over-quarter



2019 Qtr. 1 Executive Summary

- U.S. Electrical Construction and Facilities Services segment revenues increased by \$73.3 million vs. Qtr. 1 2018 with an operating margin of 8.1%
- U.S. Mechanical Construction and Facilities Services segment revenues increased by \$67.7 million vs. Qtr. 1 2018 with an operating margin of 5.4%
- U.S. Building Services segment revenues increased by \$57.3 million vs. Qtr. 1 2018 with an operating margin of 5.4%
- U.S. Industrial Services segment revenues increased by \$59.4 million vs. Qtr. 1 2018 with an operating margin of 3.7%
- U.K. Building Services segment revenues increased by \$0.6 million vs. Qtr. 1 2018 with an operating margin of 3.9%




2019 Qtr. 1 Executive Summary

- Diverse RPO of \$4.16 billion, up 15.3% compared to Qtr. 1 2018


- U.S. RPO UP \$561 million or 16.3%

Mar. 2019
vs.
Mar. 2018

- Domestic Construction UP

\$438M
14.9% 


- U.S. Building Services Segment UP

\$120M
28.4% 


- U.S. Industrial Services Segment UP

\$2M
2.9% 

- Private Sector UP (Commercial, Hospitality & Gaming, Industrial / Manufacturing and Short Duration Projects)

\$589M
27.8% 

- Public Sector DOWN (Transportation, Water / Wastewater, Institutional, Healthcare)

\$(36)M
-2.4% 

- Balance sheet remains strong and liquid, including \$252.0 million of cash

2019 – Qtr. 1 Financial Results Highlights

- Revenues increased 13.6% quarter-over-quarter to \$2.16 billion

(\$ Millions) (Unaudited)	Qtr. 1 2019	Change from Qtr. 1 2018	
		\$	%
U.S. Electrical Construction & Facilities Services	\$ 528.1	\$ 73.3	16.1%
U.S. Mechanical Construction & Facilities Services	752.4	67.7	9.9%
Total U.S. Construction	1,280.5	141.0	12.4%
U.S. Building Services	512.1	57.3	12.6%
U.S. Industrial Services	258.6	59.4	29.8%
Total U.S. Operations	2,051.2	257.7	14.4%
U.K. Building Services	107.5	0.6	0.6%
Total EMCOR	\$ 2,158.7	\$ 258.3	13.6%



2019 – Qtr. 1 Financial Results Highlights

- SG&A expenses increased to \$206.2 million or 9.6% of revenues vs. \$191.0 million or 10.1% of revenues for Qtr. 1 2018
- Operating income was \$102.3 million or 4.7% of revenues

(Unaudited)	Operating Margin For the Quarter Ended March 31,	
	2019	2018
— U.S. Electrical Construction and Facilities Services of \$43.0 million: \$7.1 million or 19.8% increase	8.1%	7.9%
— U.S. Mechanical Construction and Facilities Services of \$41.0 million: \$1.4 million or 3.4% increase	5.4%	5.8%
Total U.S. Construction	6.6%	6.6%
— U.S. Building Services of \$27.5 million: \$10.4 million or 60.9% increase	5.4%	3.8%
— U.S. Industrial Services of \$9.6 million: \$6.2 million or 180.0% increase	3.7%	1.7%
— U.K. Building Services of \$4.1 million: \$0.4 million or 9.8% increase	3.9%	3.5%
Total EMCOR Operating Margin	4.7%	4.1%

Key Financial Data – Income Statement

(\$ Thousands, except per share information) (Unaudited)

	For the Quarter Ended March 31,		Variance	
	2019	2018	\$	%
Revenues	\$ 2,158,728	\$ 1,900,388	\$ 258,340	13.6%
Gross Profit	308,754	269,119	39,635	14.7%
Selling, General and Administrative Expenses	206,169	191,025	15,144	7.9%
Restructuring Expenses	275	90	185	N/M
Operating Income	\$ 102,310 4.7%	\$ 78,004 4.1%	\$ 24,306	31.2%
Diluted Earnings per Common Share from Continuing Operations	\$ 1.28	\$ 0.94	\$ 0.34	36.2%

- Qtr. 1 2019 income tax rate 27.5%
- Qtr. 1 2019 cash used in operations of \$57.4 million

Key Financial Data – Balance Sheet

(\$ Thousands)

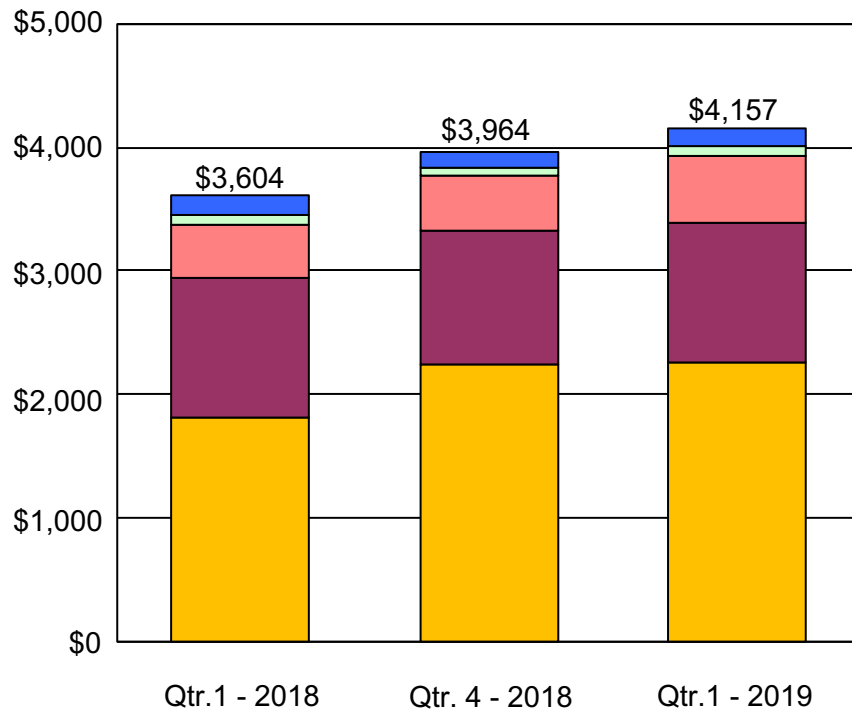
	(Unaudited) 03/31/19	12/31/18
Cash	\$ 252,031	\$ 363,907
Working Capital	\$ 640,678	\$ 651,809
Goodwill	\$ 1,004,710	\$ 990,887
Identifiable Intangible Assets, Net	\$ 491,175	\$ 488,286
Total Debt (excludes operating leases)	\$ 298,970	\$ 295,777
Stockholders' Equity	\$ 1,811,622	\$ 1,741,441
Total Debt / Total Capitalization	14.2%	14.5%



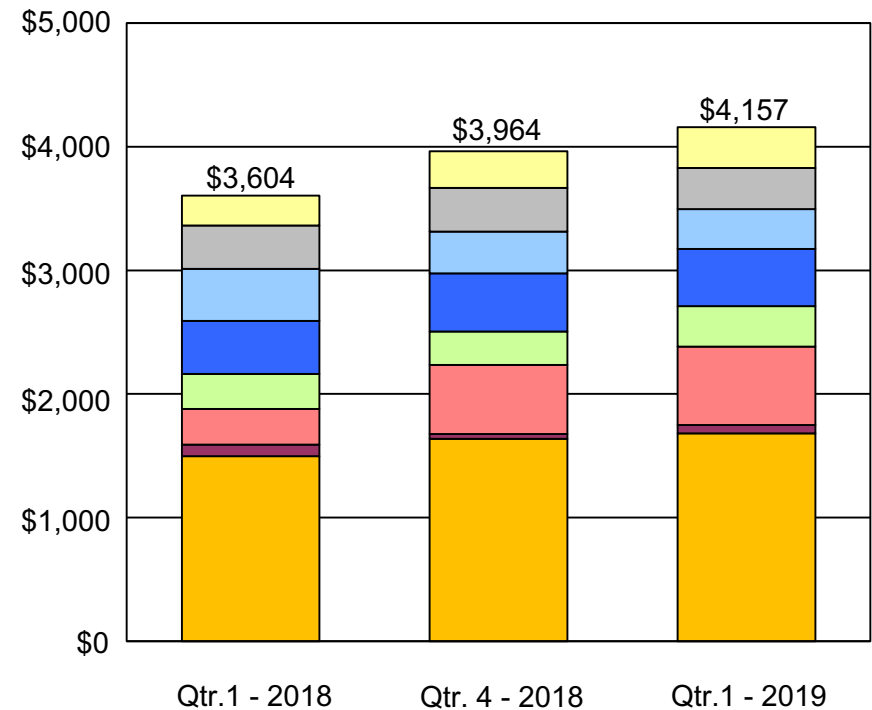
Remaining Performance Obligations

- Diverse RPO of \$4.16 billion

By Segment (\$ Millions) (Unaudited)



By Market Sector (\$ Millions) (Unaudited)



■ Mechanical ■ Electrical ■ Building Services
■ Industrial Services ■ EMCOR UK

■ Commercial ■ Hospitality ■ Industrial / Manufacturing ■ Healthcare
■ Institutional ■ Transportation ■ Water & Wastewater ■ Short Duration Projects

2019 Outlook

- Non-residential construction market expected to grow mid-single digits
 - Expect continued strength in large data infrastructure projects
- Building Services benefiting from continued growth in retrofit and energy savings projects, as well as favorable mix of work
- Industrial Services:
 - Customer spending patterns continue to return to normal trends as downstream market continues to improve
 - Expect greater visibility as year progresses
- U.K. will continue to respond to customers' maintenance and project needs
- Strong and liquid balance sheet



2019 Revised Guidance

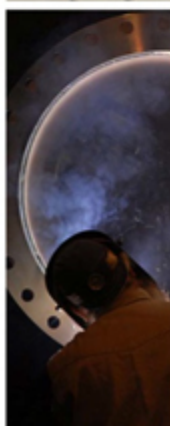
Revenues

\$8.5 Billion – \$8.6 Billion
(Was \$8.3 Billion - \$8.4 Billion)

Diluted EPS from
Continuing Operations

\$5.00 – \$5.50
(Was \$4.70 - \$5.40)





Build. Power. Service. Protect.