

# Fourth Quarter and Full Year 2024 Results

*February 26, 2025*



# FORWARD-LOOKING STATEMENTS AND NON-GAAP FINANCIAL DISCLOSURES

## **Forward-Looking Statements**

*This presentation and related press release contain forward-looking statements. Such statements speak only as of the date on the cover of this slide deck, and EMCOR assumes no obligation to update any such forward-looking statements, unless required by law. These forward-looking statements include statements regarding anticipated future operating and financial performance; the anticipated benefits and financial impact of the acquisition of Miller Electric Company; financial guidance and projections underlying that guidance; the nature and impact of our remaining performance obligations; the timing of future projects; our ability to support organic growth and balanced capital allocation; market opportunities and growth prospects; customer trends; and project mix. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those anticipated (whether expressly or implied) by the forward-looking statements. Accordingly, these statements do not guarantee future performance or events. Applicable risks and uncertainties include, but are not limited to, adverse effects of general economic conditions; domestic and international political developments and/or conflicts; changes in the specific markets for EMCOR's services; the continued strength or weakness of the sectors from which we generate revenues; adverse business conditions; scarcity of skilled labor; productivity challenges; the nature and extent of supply chain disruptions impacting availability and pricing of materials; inflationary trends, including fluctuations in energy costs; the impact of legislation and/or government regulations; changes in interest rates; changes in foreign trade policy including the effect of tariffs; the availability of adequate levels of surety bonding; increased competition; the impact of legal proceedings, claims, lawsuits, or governmental investigations; and unfavorable developments in the mix of our 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 2024 Form 10-K, and in other reports filed from time to time with the Securities and Exchange Commission and available at [www.sec.gov](http://www.sec.gov) and [www.emcorgroup.com](http://www.emcorgroup.com). Such risk factors should be taken into account in evaluating our business, including any forward-looking statements.*

## **Non-GAAP Measures**

*This presentation and related press release also include certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (GAAP). Reconciliations of those non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the press release that accompanies this presentation. 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 ongoing 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

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<b>Tony Guzzi</b>	Chairman, President & Chief Executive Officer
<b>Jason Nalbandian</b>	SVP & Chief Financial Officer
<b>Maxine Mauricio</b>	EVP, Chief Administrative Officer & General Counsel
<b>Andy Backman</b>	VP, Investor Relations

## EXECUTIVE SUMMARY – FOURTH QUARTER 2024

<i>(\$ Millions, except per share information) (Unaudited)</i>	<b>4Q24</b>	<b>4Q23</b>	<b>Change (\$)</b>	<b>Change (%)</b>
Revenues	\$3,770	\$3,439	\$331	9.6%
Operating Income	\$389	\$289	\$100	34.4%
Operating Margin	10.3%	8.4%		
Diluted EPS	\$6.32	\$4.47	\$1.85	41.4%

- » Performed exceptionally well, maintained momentum, delivered excellent quarter
- » Record Quarterly Revenues, Operating Income, Operating Margin, and Diluted EPS
- » Record Fourth Quarter Operating Cash Flow
- » Record Remaining Performance Obligations (RPOs) of \$10.1 billion, up \$1.25 billion or 14.2% year-over-year, driven by strong demand across the majority of the sectors we serve
- » Continued disciplined and focused project execution in large sectors with strong demand and long-term secular trends, including network and communications (e.g., data centers), high-tech manufacturing (e.g., semiconductor plants) and traditional manufacturing, healthcare, and institutional
- » Experienced and exceptional field leadership, project planning & estimating, and investments in VDC / BIM and pre-fabrication, have led to increased productivity and improved execution
- » Balance sheet remains strong and liquid, supporting organic growth and balanced capital allocation model, enabling us to win and complete complex and sophisticated projects

## EXECUTIVE SUMMARY – FULL YEAR 2024

(\$ Millions, except per share information)

	FY24	FY23	Change (\$)	Change (%)
Revenues	\$14,566	\$12,583	\$1,983	15.8%
Operating Income <sup>1</sup>	\$1,345	\$876	\$469	53.6%
Operating Margin <sup>1</sup>	9.2%	7.0%		
Diluted EPS <sup>2</sup>	\$21.52	\$13.31	\$8.21	61.7%

- » Record Annual Revenues, Operating Income, Operating Margin, Diluted EPS, Operating Cash Flow
- » Total and organic revenue growth of 15.8% and 13.8%, respectively, and operating income growth of 53.6%, driven by continued disciplined and focused project execution in key sectors including network and communications, high-tech and traditional manufacturing, healthcare, and institutional
- » Organic growth initiatives differentiate us from our competitors, especially when combined with the project-level expertise of our teams and the strength and flexibility of our balance sheet
- » Acquisitions, including Miller Electric Company which closed on February 3, 2025, reflect our strategy of expanding into new geographies and complementing existing capabilities to better serve our customers
- » Will maintain disciplined approach to capital allocation, focused on organic investment, strategic acquisitions and returning capital to shareholders
- » Record Remaining Performance Obligations of \$10.1 billion provide solid visibility into 2025

<sup>1</sup> Includes \$2.4 million impairment loss on long-lived assets in 2023

<sup>2</sup> Includes \$2.4 million (\$1.7 million after tax) impairment loss on long-lived assets in 2023

## FOURTH QUARTER – REVENUES

» Consolidated quarterly revenues of \$3.77 billion

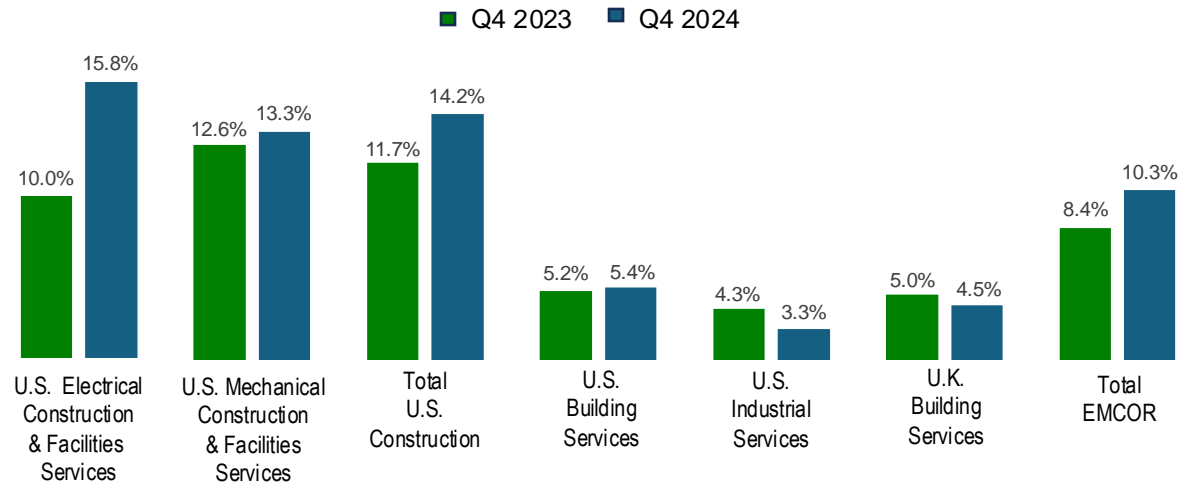
(\$ Millions) (Unaudited)	4Q24	Variance from Fourth Quarter 2023	
		\$	%
U.S. Electrical Construction & Facilities Services	\$ 933.2	\$ 169.8	22.2%
U.S. Mechanical Construction & Facilities Services	1,660.6	188.1	12.8%
<b>Total U.S. Construction</b>	<b>2,593.8</b>	<b>357.9</b>	<b>16.0%</b>
U.S. Building Services	755.6	(46.4)	-5.8%
U.S. Industrial Services	312.7	20.2	6.9%
<b>Total U.S. Operations</b>	<b>3,662.1</b>	<b>331.7</b>	<b>10.0%</b>
U.K. Building Services	107.9	(0.9)	-0.8%
<b>Total EMCOR</b>	<b>\$ 3,770.0</b>	<b>\$ 330.8</b>	<b>9.6%</b>

# FOURTH QUARTER – OPERATING INCOME

» \$388.6 million or 10.3% of revenues; +\$99.4 million Y/Y

(\$ Millions) (Unaudited)	4Q24	Variance from Fourth Quarter 2023	
		\$	%
<b>U.S. Electrical Construction &amp; Facilities Services</b>	\$ 147.9	\$ 71.6	93.9%
<b>U.S. Mechanical Construction &amp; Facilities Services</b>	220.6	34.5	18.6%
<i>Total U.S. Construction</i>	368.5	106.1	40.5%
<b>U.S. Building Services</b>	40.9	(1.2)	-2.8%
<b>U.S. Industrial Services</b>	10.2	(2.4)	-19.2%
<b>U.K. Building Services</b>	4.8	(0.6)	-11.5%
<b>Total EMCOR</b>	<b>\$ 388.6</b>	<b>\$ 99.4</b>	<b>34.4%</b>

Operating Margin % by Segment



# KEY FINANCIAL DATA – INCOME STATEMENT

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

	For the Quarter Ended December 31,		Variance	
	2024	2023	\$	%
Revenues	\$ 3,770,019	\$ 3,439,221	\$ 330,798	9.6%
Gross Profit	757,015 20.1%	617,745 18.0%	139,270	22.5%
Selling, General and Administrative Expenses	368,451	328,549	39,902	12.1%
Operating Income	\$ 388,564 10.3%	\$ 289,196 8.4%	\$ 99,368	34.4%
Diluted Earnings per Common Share	\$ 6.32	\$ 4.47	\$ 1.85	41.4%



# KEY FINANCIAL DATA – INCOME STATEMENT

(\$ Thousands, except per share information)

	For the Year Ended December 31,		Variance	
	2024	2023	\$	%
Revenues	\$ 14,566,116	\$ 12,582,873	\$ 1,983,243	15.8%
Gross Profit	2,765,051 19.0%	2,089,339 16.6%	675,712	32.3%
Selling, General and Administrative Expenses	1,420,188	1,211,233	208,955	17.3%
Impairment Loss on Long-Lived Assets	-	2,350	(2,350)	NM
Operating Income <sup>1</sup>	\$ 1,344,863 9.2%	\$ 875,756 7.0%	\$ 469,107	53.6%
Diluted Earnings per Common Share <sup>2</sup>	\$ 21.52	\$ 13.31	\$ 8.21	61.7%

<sup>1</sup> Includes \$2.4 million impairment loss on long-lived assets in 2023

<sup>2</sup> Includes \$2.4 million (\$1.7 million after tax) impairment loss on long-lived assets in 2023

## KEY FINANCIAL DATA – BALANCE SHEET

(\$ Thousands)

	<u>12/31/24</u>	<u>12/31/23</u>
Cash	\$ 1,339,550	\$ 789,750
Working Capital	\$ 1,235,326	\$ 928,616
Goodwill	\$ 1,018,415	\$ 956,549
Identifiable Intangible Assets, Net	\$ 648,180	\$ 586,032
Total Debt (excludes operating leases)	\$ 6,095	\$ 5,303
Stockholders' Equity	\$ 2,938,694	\$2,470,815
Total Debt / Total Capitalization	0.2%	0.2%

# MILLER ELECTRIC ACQUISITION

## Transaction Highlights

- » All-cash acquisition for \$865 million, subject to customary adjustments, which closed on February 3, 2025
- » Diverse RPOs<sup>1</sup> and a strong pipeline of opportunities primarily within high growth sectors
- » Expected to be modestly EPS accretive in 2025 with further accretion in future years
- » Financed with cash on hand. EMCOR retains its strong balance sheet with a net cash position
- » Miller Electric operates within the U.S. Electrical Construction and Facilities Services Segment

## Overview of Miller Electric

~\$805M

FY2024E Revenue

~\$80M

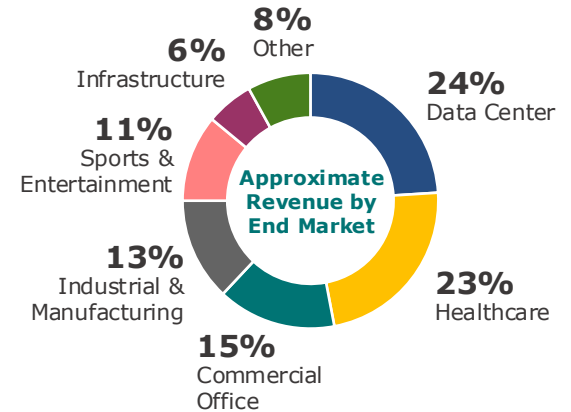
FY2024E Adj. EBITDA

>\$700M

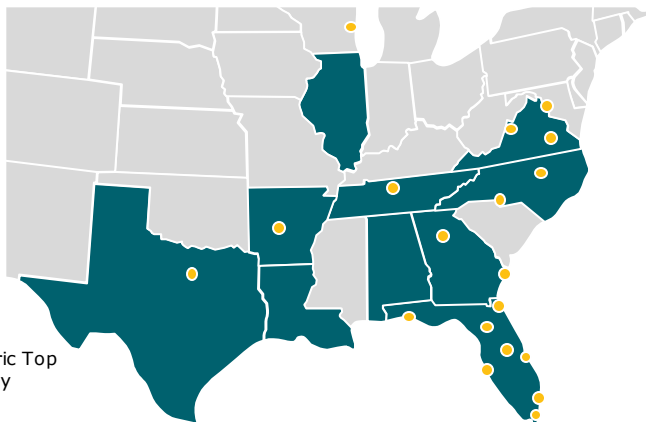
RPOs<sup>1</sup>

3,500+

Employees



## Geographic Presence



- Branch
- Miller Electric Top 10 States by Revenue

## Comprehensive Suite of Offerings



Engineering Services



Electrical Contracting



Systems Integration



Energy & Sustainability




Preventative Maintenance



Business Continuity



# WELL-POSITIONED TO BENEFIT FROM MULTIPLE TRENDS DRIVING PROFITABLE ORGANIC GROWTH

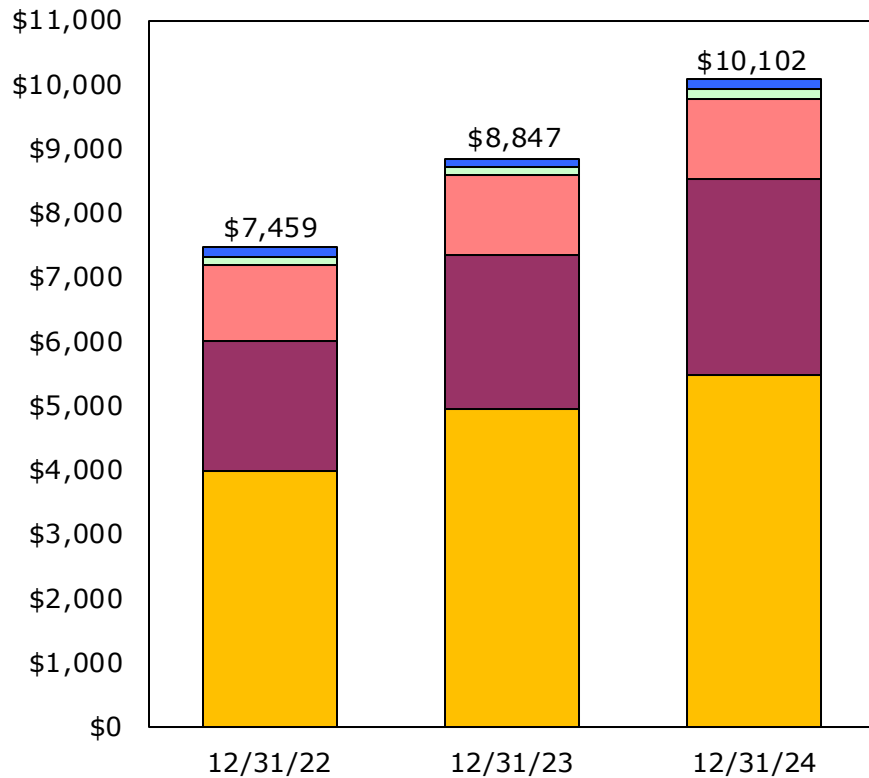
	Data Centers and Connectivity	Re-Shoring and Nearshoring	Electrification and EV Value Chain	Energy Efficiency and Sustainability
	<ul style="list-style-type: none"> <li>✓ Continued Demand Drivers</li> <li>✓ Increased Power Requirements</li> <li>✓ AI Accelerated Buildout, Retrofit &amp; Remodel</li> </ul>	<ul style="list-style-type: none"> <li>✓ Critical supply chain resilience</li> <li>✓ Capacity shifting &amp; expansion</li> <li>✓ Automation</li> </ul>	<ul style="list-style-type: none"> <li>✓ Energy transition &amp; expansion</li> <li>✓ Renewable buildout &amp; grid modernization</li> <li>✓ Large scale solar, carbon capture, &amp; biofuels</li> </ul>	<ul style="list-style-type: none"> <li>✓ Sustainable, efficient, cost-saving building initiatives</li> <li>✓ Equipment replacement &amp; modernization</li> </ul>
<b>Beneficiaries</b>	<ul style="list-style-type: none"> <li>» Hyperscalers</li> <li>» Colocation Providers</li> <li>» Enterprise</li> <li>» Technology &amp; Financial Companies</li> <li>» Government</li> </ul>	<ul style="list-style-type: none"> <li>» Semiconductor Manufacturing</li> <li>» Pharmaceuticals</li> <li>» Life Sciences</li> <li>» Medical Devices</li> <li>» Computer &amp; Electronics</li> </ul>	<ul style="list-style-type: none"> <li>» EV &amp; EV Battery Manufacturing</li> <li>» Electrical Charging Stations</li> <li>» Large-Scale Solar Projects</li> <li>» Refineries</li> </ul>	<ul style="list-style-type: none"> <li>» Healthcare, Manufacturing, Institutional, &amp; other Commercial</li> <li>» Multisector Retrofit Projects</li> </ul>
	Construction Services	Construction Services	Construction Services	Construction Services
	Building Services	Building Services	Industrial Services	Building Services
<b>Relevant RPO Categories (Sequential / y/y change)<sup>1</sup></b>	Network & Communications <b>+31% / +80%</b>	High-Tech Manufacturing: -18% / -30%		Mech. Services: -6% / +2%
		Manufacturing and Industrial: -6% / +7%		Healthcare: +8% / +26%



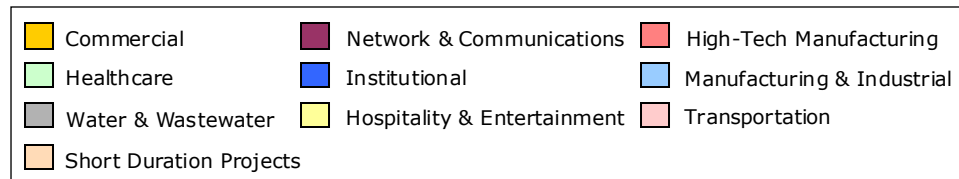
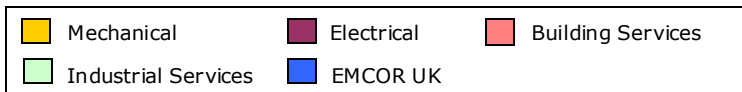
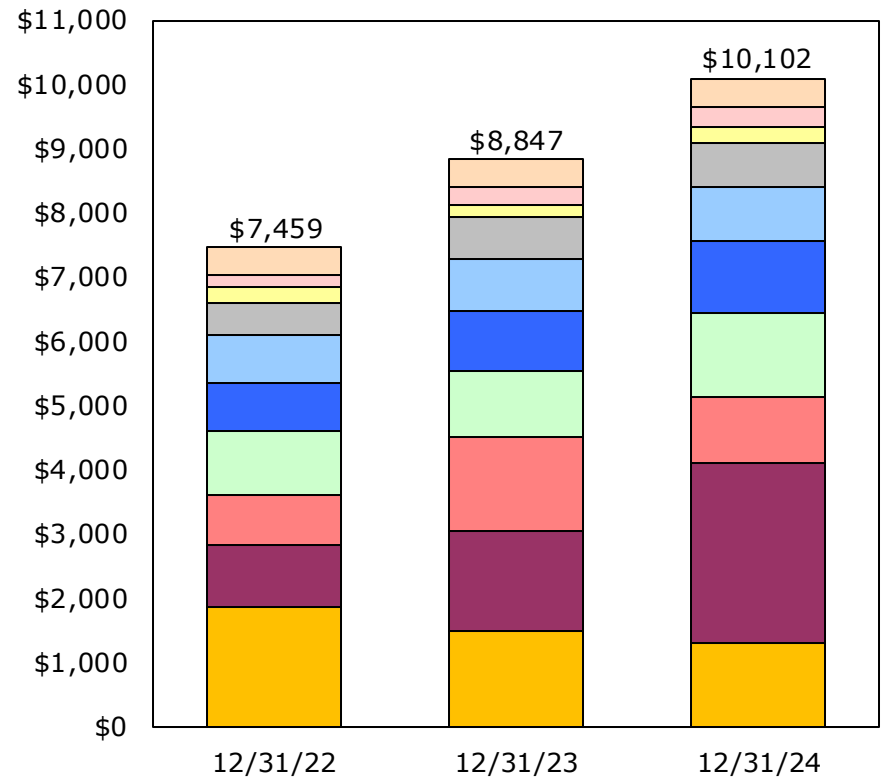
# REMAINING PERFORMANCE OBLIGATIONS

» Diverse RPOs of \$10.1 billion; +\$1.25 billion Y/Y

By Segment (\$ Millions)



By Market Sector (\$ Millions) (Unaudited)



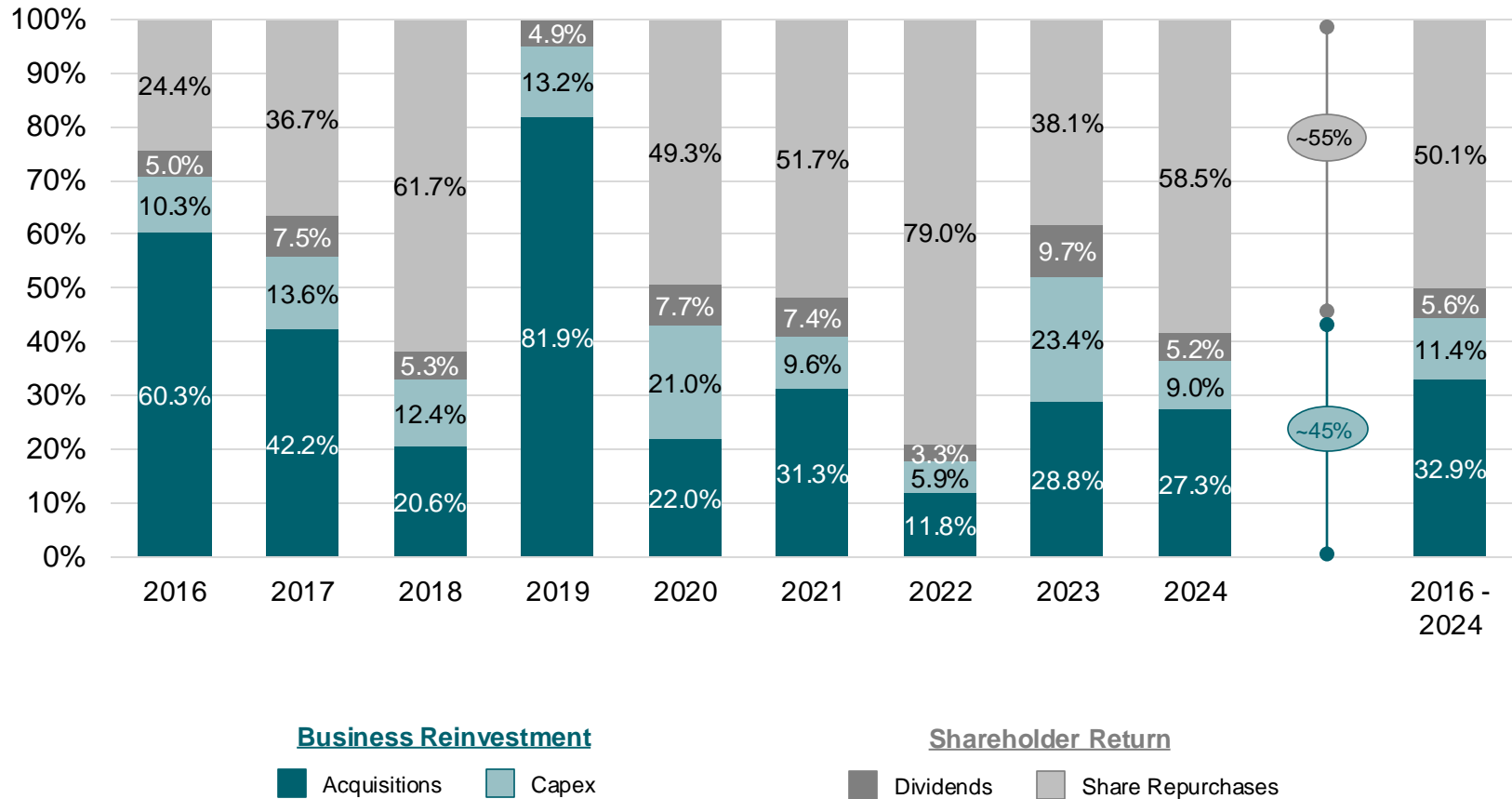
## 2025 GUIDANCE AND SUMMARY

Guidance	
Revenues	\$16.1 billion - \$16.9 billion
Operating Margin	8.5% - 9.2%
Diluted EPS <sup>1</sup>	\$22.25 - \$24.00

- » Record RPOs of \$10.1 billion; Remain optimistic about growth prospects and margin profile
- » Continuing to perform well in large sectors with strong demand and long-term secular trends, including **Network and Communications** (e.g. data centers); **High-Tech Manufacturing** (semiconductors, EV value chain, biotech, life sciences and pharmaceutical); **Manufacturing and Industrial** (driven by reshoring and domestic capacity expansion and alternative energy projects); **Institutional**; and **Healthcare**
- » **Oil and Gas** markets continue steady pace of improvement
- » Robust demand for fire life safety projects and services across most sectors
- » Solid aftermarket growth opportunities driven by energy efficiency / IAQ, HVAC retrofit, and building controls installations and upgrades
- » Experienced and exceptional field leadership, focused project planning & estimating, along with investments in VDC / BIM and prefabrication, continue to increase productivity and further improve execution
- » Uncertainties include elevated interest rates, global conflicts and trade policy impacts (including tariffs), legislative trends, energy market and supply chain disruption
- » Will maintain disciplined approach to capital allocation, focused on organic investment, strategic acquisitions, and returning capital to shareholders

# CAPITAL ALLOCATION TRENDS

EMCOR Capital Allocation by Year (%)



# Fourth Quarter and Full Year 2024 Results

*February 26, 2025*

