

# Second Quarter 2025 Earnings Call

*July 31, 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; 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; the financial impact of acquisitions, including the acquisition of Miller Electric; 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; 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 lack of 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.*

*In addition, forecast non-GAAP diluted earnings per share for full-year 2025 is a forward-looking non-GAAP financial measure. The Company does not provide a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP on a forward-looking basis because such reconciliations are not accessible without unreasonable effort, due to the uncertainty and inherent difficulty of predicting the occurrence and the financial impact of adjustments such as acquisition related transaction costs that impact comparability and the periods in which such items may be recognized.*

## 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 – SECOND QUARTER 2025

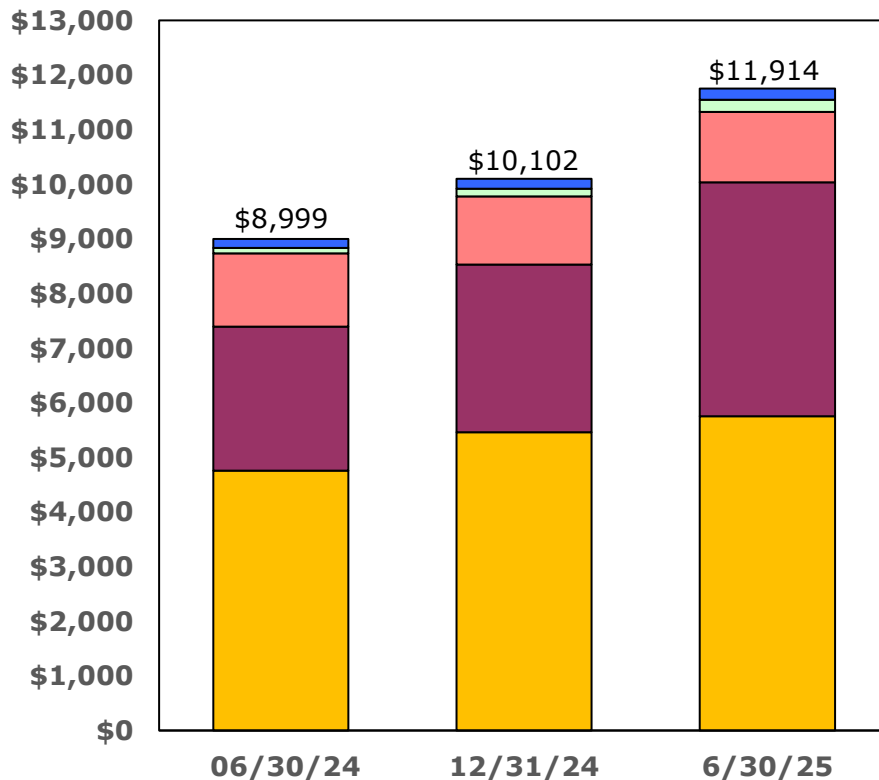
(\$ Millions, except per share information) (Unaudited)	2Q25	2Q24	Change (\$)	Change (%)
Revenues	\$4,304	\$3,667	\$637	17.4%
Operating Income	\$415	\$333	\$82	24.8%
Operating Margin	9.6%	9.1%		
Diluted EPS	\$6.72	\$5.25	\$1.47	28.0%

- » Continued growth and performance supported by customers' confidence in our ability to execute well on complex projects, a proactive expansion into new geographies to better serve our customers, and strong demand in attractive and diverse end markets
- » Record Remaining Performance Obligations (RPOs) of \$11.91 billion, up \$2.92 billion or 32.4% year-over-year, and up \$1.81 billion or 17.9% from December 2024
- » Focused, disciplined and experienced field leadership, excellent project and labor planning & estimating, and investments in VDC, prefabrication, and automation, drive increased productivity, strong execution, and successful project outcomes for our customers
- » Miller Electric integration is on-track; core values, culture, operating discipline, and best practices are aligned and provide foundation for success
- » Executed successful restructuring in U.S. Building Services site-based business
- » Balance sheet remains strong and liquid, supporting organic growth and enabling us to win and complete complex and sophisticated projects; We remain committed to balanced and disciplined capital allocation model

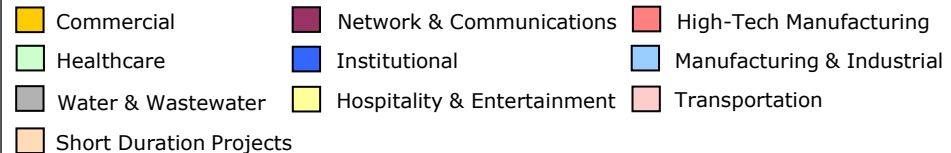
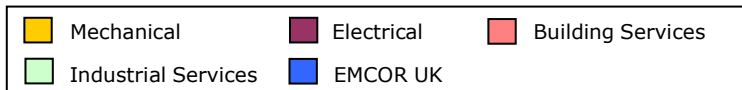
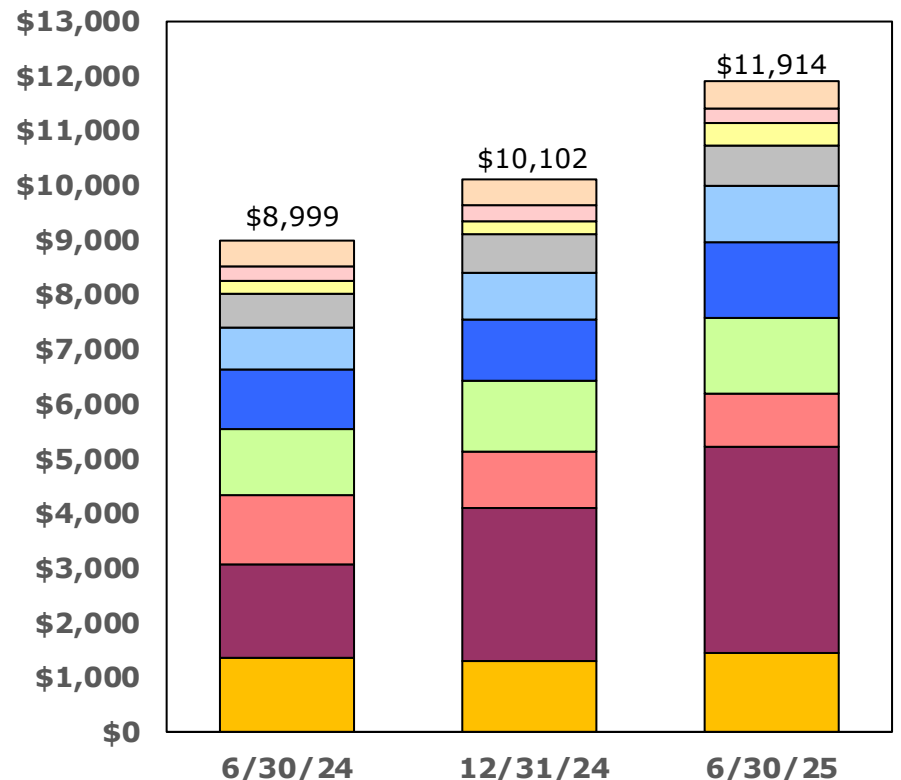
# REMAINING PERFORMANCE OBLIGATIONS

» Diverse RPOs of \$11.91 billion; +\$2.92 billion Y/Y\*

By Segment (\$ Millions) (Unaudited)



By Market Sector (\$ Millions) (Unaudited)



## SECOND QUARTER – REVENUES

» Record consolidated quarterly revenues of \$4.30 billion

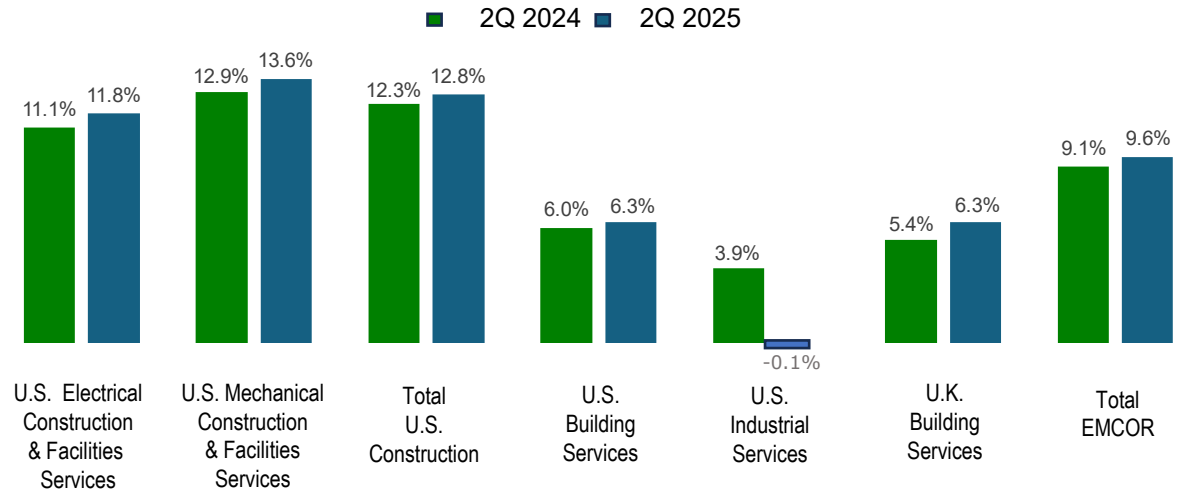
(\$ Millions) (Unaudited)	<b>2Q25</b>	<b>Variance from Second Quarter 2024</b>	
		<b>\$</b>	<b>%</b>
U.S. Electrical Construction & Facilities Services	\$ 1,340.2	\$ 540.2	67.5%
U.S. Mechanical Construction & Facilities Services	1,755.3	100.1	6.0%
<b>Total U.S. Construction</b>	<b>3,095.5</b>	<b>640.3</b>	<b>26.1%</b>
U.S. Building Services	793.2	12.2	1.6%
U.S. Industrial Services	281.1	(43.0)	-13.3%
<b>Total U.S. Operations</b>	<b>4,169.8</b>	<b>609.5</b>	<b>17.1%</b>
U.K. Building Services	134.6	28.0	26.3%
<b>Total EMCOR</b>	<b>\$ 4,304.4</b>	<b>\$ 637.5</b>	<b>17.4%</b>

## SECOND QUARTER – OPERATING INCOME

» \$415.2 million or 9.6% of revenues; +\$82.4 million Y/Y

(\$ Millions) (Unaudited)	2Q25	Variance from Second Quarter 2024	
		\$	%
<b>U.S. Electrical Construction &amp; Facilities Services</b>	\$ 157.7	\$ 69.1	78.0%
<b>U.S. Mechanical Construction &amp; Facilities Services</b>	238.7	25.3	11.9%
<i>Total U.S. Construction</i>	396.4	94.4	31.2%
<b>U.S. Building Services</b>	50.0	3.2	6.8%
<b>U.S. Industrial Services</b>	(0.4)	(13.2)	-103.3%
<b>U.K. Building Services</b>	8.4	2.6	45.8%

Operating Margin % by Segment



# KEY FINANCIAL DATA – INCOME STATEMENT

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

	For the Quarter Ended June 30,		Variance	
	2025	2024	\$	%
Revenues	\$ 4,304,400	\$ 3,666,897	\$ 637,503	17.4%
Gross Profit	833,771 19.4%	684,001 18.7%	149,770	21.9%
Selling, General and Administrative Expenses	418,559 9.7%	351,193 9.6%	67,366	19.2%
Operating Income	\$ 415,212 9.6%	\$ 332,808 9.1%	\$ 82,404	24.8%
Diluted Earnings per Common Share	\$ 6.72	\$ 5.25	\$ 1.47	28.0%



# KEY FINANCIAL DATA – INCOME STATEMENT

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

	For the Six Months Ended June 30,		Variance	
	2025	2024	\$	%
Revenues	\$ 8,171,772	\$ 7,099,173	\$ 1,072,599	15.1%
Gross Profit	1,556,489 19.0%	1,273,310 17.9%	283,179	22.2%
Selling, General and Administrative Expenses	822,521 10.1%	680,549 9.6%	141,972	20.9%
Operating Income	\$ 733,968 9.0%	\$ 592,761 8.3%	\$ 141,207	23.8%
Diluted Earnings per Common Share	\$ 11.96	\$ 9.41	\$ 2.55	27.1%
Non-GAAP Operating Income*	\$ 743,321 9.1%	\$ 592,761 8.3%	\$ 150,560	25.4%
Non-GAAP Diluted Earnings per Common Share*	\$ 12.11	\$ 9.41	\$ 2.70	28.7%

## KEY FINANCIAL DATA – BALANCE SHEET

(\$ Thousands)

	(Unaudited) <b>06/30/25</b>	<b>12/31/24</b>
Cash	\$ 485,988	\$ 1,339,550
Working Capital	\$ 782,108	\$ 1,235,326
Goodwill	\$ 1,351,824	\$ 1,018,415
Identifiable Intangible Assets, Net	\$ 1,082,028	\$ 648,180
Total Debt (excludes operating leases)	\$ 256,386	\$ 6,095
Stockholders' Equity	\$ 3,053,572	\$ 2,938,694
Total Debt / Total Capitalization	7.7%	0.2%

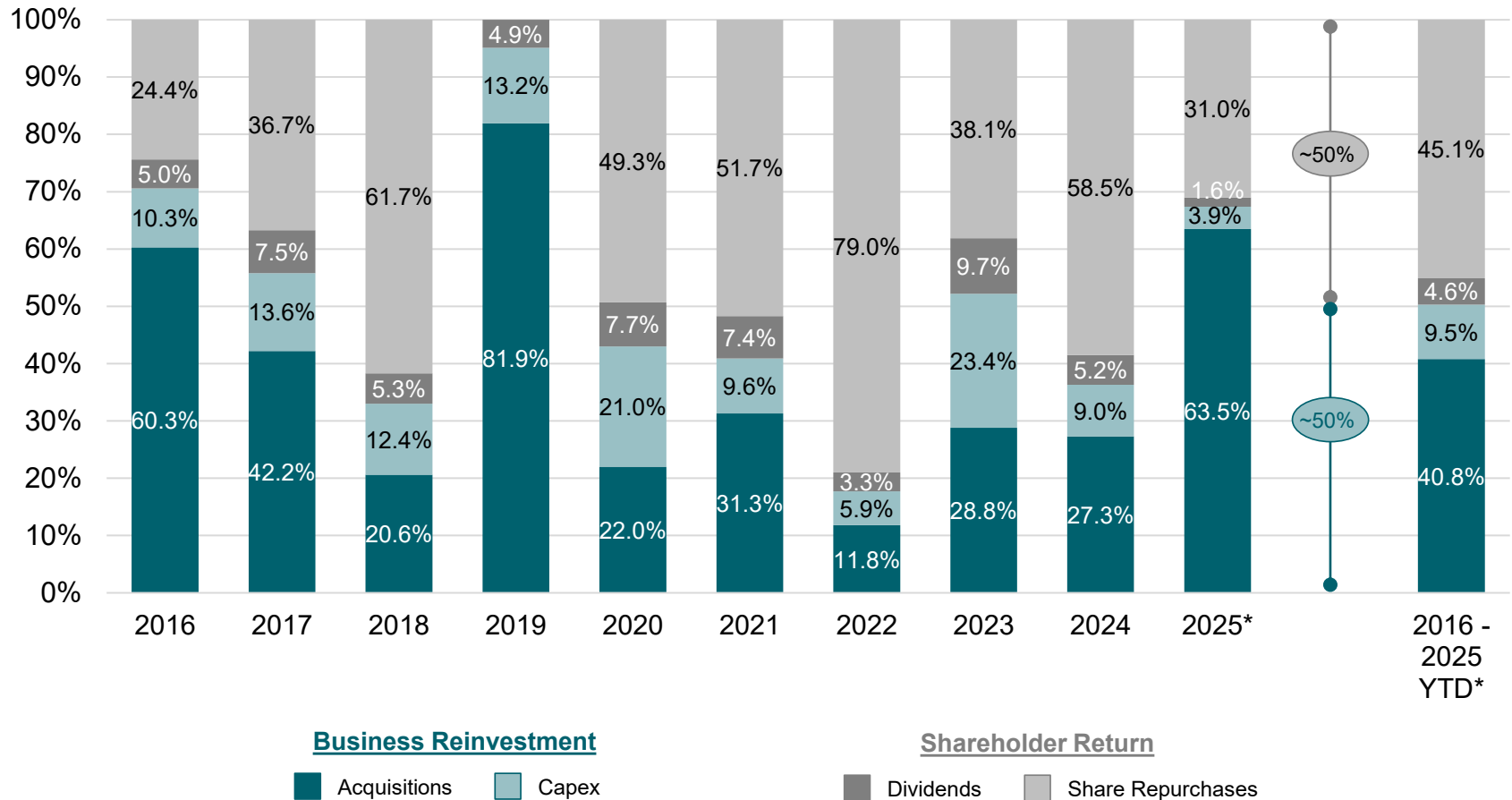
## 2025 GUIDANCE AND SUMMARY

	<u>Current Guidance (7/31/25)</u>	<u>Previous Guidance (4/30/25)</u>
Revenues	\$16.4 billion – \$16.9 billion	\$16.1 billion - \$16.9 billion
Operating Margin	9.0% - 9.4%	8.5% - 9.2%
Non-GAAP Diluted EPS*	\$24.50 – \$25.75	\$22.65 - \$24.00

- » Outlook supported by record RPOs of \$11.91 billion and healthy project pipeline
- » Our operating teams continue to execute and deliver for our customers on complex and difficult projects
- » Continue to execute well in large, diverse and attractive end markets with strong demand and long-term secular trends, including **Network and Communications** (e.g. data centers); **High-Tech Manufacturing** (semiconductors, biotech, life sciences and pharmaceutical); **Manufacturing and Industrial** (driven by reshoring and domestic capacity expansion and alternative energy projects); and **Healthcare**
- » Robust demand for fire life safety projects and aftermarket services continues across most sectors
- » Solid HVAC aftermarket growth opportunities driven by energy efficiency / Indoor Air Quality (IAQ), retrofit projects, and building controls installations and upgrades
- » Macro uncertainties persist, including trade policy impacts (such as tariffs), supply chain disruption, elevated interest rates, legislative trends, energy and tax policy, and global conflicts
- » Continue to manage costs and exercise discipline, train and share best practices
- » Expect to continue our disciplined approach to capital allocation, focused on organic investment, strategic acquisitions, and returning capital to shareholders will continue to drive value and amplify opportunities for us

# CAPITAL ALLOCATION TRENDS

## EMCOR Capital Allocation by Year (%)



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