

QUARTER THREE 2022 FINANCIAL RESULTS

OCTOBER 27, 2022



FORWARD-LOOKING STATEMENTS AND NON-GAAP FINANCIAL DISCLOSURES

Forward-Looking Statements

This material and related presentation contain certain 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 may include statements regarding anticipated future operating and financial performance, including financial guidance and projections underlying that guidance; the nature and impact of our remaining performance obligations; our ability to return capital to shareholders; market opportunities; market growth prospects; and customer trends. 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; changes in interest rates; domestic and international political developments; changes in the specific markets for EMCOR's services; adverse business conditions, including labor market tightness, productivity challenges, the nature and extent of supply chain disruptions impacting availability and pricing of materials, and inflationary trends more generally, including fluctuations in energy costs; the impact of legislation and/or government regulations; the availability of adequate levels of surety bonding; increased competition; unfavorable developments in the mix of our business; and the continuing impact of the COVID-19 pandemic, including the nature, extent, and impact of future variant surges, as well as other health emergencies, and government orders and mandates related thereto, on our revenue and operations. Certain of the risk factors associated with EMCOR's business are also discussed in Part I, Item 1A "Risk Factors," of the Company's 2021 Form 10-K, and in other reports we file 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 our business, including 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 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

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

2022 QTR. 3 EXECUTIVE SUMMARY

■ Strong Qtr. 3 Performance

- Record quarterly revenues of \$2.83 billion / Solid operating margin at 5.3%

	<u>2022</u>	<u>2021</u>	<u>\$ Δ</u>
– Operating Income	\$150.1M	\$137.4M	\$12.7M
➤ OI as a % of Revenue	5.3%	5.4%	
– Diluted EPS	\$2.16	\$1.85	\$0.31

- Operating conditions still impacted by inflationary pressures and supply chain disruptions; however, our team continues to adapt to mitigate the resulting effects
- Total Remaining Performance Obligations increased by \$1.72 billion or 32% from 9/30/21; strong mix of work / projects

2022 QTR. 3 EXECUTIVE SUMMARY

- » U.S. Electrical Construction and Facilities Services segment revenues increased by \$102.4 million vs. Qtr. 3 2021 with an operating margin of 5.6%
- » U.S. Mechanical Construction and Facilities Services segment revenues increased by \$113.0 million vs. Qtr. 3 2021 with an operating margin of 8.1%
- » U.S. Building Services segment revenues increased by \$86.1 million vs. Qtr. 3 2021 with an operating margin of 6.4%
- » U.S. Industrial Services segment revenues increased by \$15.0 million vs. Qtr. 3 2021 with an operating margin of -0.6%
- » U.K. Building Services segment revenues decreased by \$11.8 million vs. Qtr. 3 2021 with an operating margin of 7.1%; revenue decline a result of unfavorable foreign exchange rate headwinds, which reduced reported revenue by \$20.2 million

2022 QTR. 3 EXECUTIVE SUMMARY

» RPOs at an all-time record of \$7.10 billion, up 32% compared to 9/30/21

▪ U.S. RPOs UP \$1.72 billion or nearly 33%

– Combined U.S. Construction Segments UP

– U.S. Building Services Segment UP

– U.S. Industrial Services Segment DOWN

**Sept. 2022
vs.
Sept. 2021**

\$1,466M ↑
34.4%

\$276M ↑
33.2%

\$(21M) ↓
-14.4%

▪ U.K. Building Services Segment UP

\$1M ↑
0.4%

» Balance sheet remains strong and liquid

2022 QTR. 3 FINANCIAL RESULTS HIGHLIGHTS

» Consolidated quarterly revenues of \$2.83 billion

(\$ Millions) (Unaudited)	Qtr. 3 2022	Change from Qtr. 3 2021	
		\$	%
U.S. Electrical Construction & Facilities Services	\$ 633.4	\$ 102.4	19.3%
U.S. Mechanical Construction & Facilities Services	1,117.4	113.0	11.2%
Total U.S. Construction	1,750.8	215.4	14.0%
U.S. Building Services	710.7	86.1	13.8%
U.S. Industrial Services	247.2	15.0	6.5%
Total U.S. Operations	2,708.7	316.5	13.2%
U.K. Building Services	117.7	(11.8)	-9.1%
Total EMCOR	\$ 2,826.4	\$ 304.7	12.1%

2022 QTR. 3 FINANCIAL RESULTS HIGHLIGHTS

- » SG&A expenses of \$263.1 million or 9.3% of revenues vs. \$243.9 million or 9.7% of revenues for Qtr. 3 2021
- » Operating income of \$150.1 million or 5.3% of revenues

Operating Income (Loss) For the Quarter Ended September 30, 2022: (Unaudited)	Operating Margin For the Quarter Ended September 30,	
	2022	2021
<ul style="list-style-type: none"> ▪ U.S. Electrical Construction and Facilities Services of \$35.6 million: \$(8.7) million or 19.7% decrease ▪ U.S. Mechanical Construction and Facilities Services of \$91.0 million: \$10.2 million or 12.6% increase 	5.6%	8.3%
Total U.S. Construction	7.2%	8.1%
<ul style="list-style-type: none"> ▪ U.S. Building Services of \$45.6 million: \$12.7 million or 38.7% increase ▪ U.S. Industrial Services of \$(1.4) million: \$1.6 million improvement ▪ U.K. Building Services of \$8.4 million: \$1.8 million or 27.1% increase 	6.4%	5.3%
Total EMCOR	5.3%	5.4%

KEY FINANCIAL DATA – INCOME STATEMENT

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

	For the Quarter Ended September 30,		Variance	
	2022	2021	\$	%
Revenues	\$ 2,826,361	\$ 2,521,672	\$ 304,689	12.1%
Gross Profit	413,231 14.6%	381,343 15.1%	31,888	8.4%
Selling, General and Administrative Expenses	263,137	243,922	19,215	7.9%
Operating Income	\$ 150,094 5.3%	\$ 137,421 5.4%	\$ 12,673	9.2%
Diluted Earnings per Common Share	\$ 2.16	\$ 1.85	\$ 0.31	16.8%

KEY FINANCIAL DATA – INCOME STATEMENT

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

	For the Nine Months Ended September 30,		Variance	
	2022	2021	\$	%
Revenues	\$ 8,126,298	\$ 7,263,387	\$ 862,911	11.9%
Gross Profit	1,148,794 14.1%	1,098,695 15.1%	50,099	4.6%
Selling, General and Administrative Expenses	761,099	710,912	50,187	7.1%
Operating Income	\$ 387,695 4.8%	\$ 387,783 5.3%	\$ (88)	-
Diluted Earnings per Common Share	\$ 5.50	\$ 5.17	\$ 0.33	6.4%

KEY FINANCIAL DATA – BALANCE SHEET

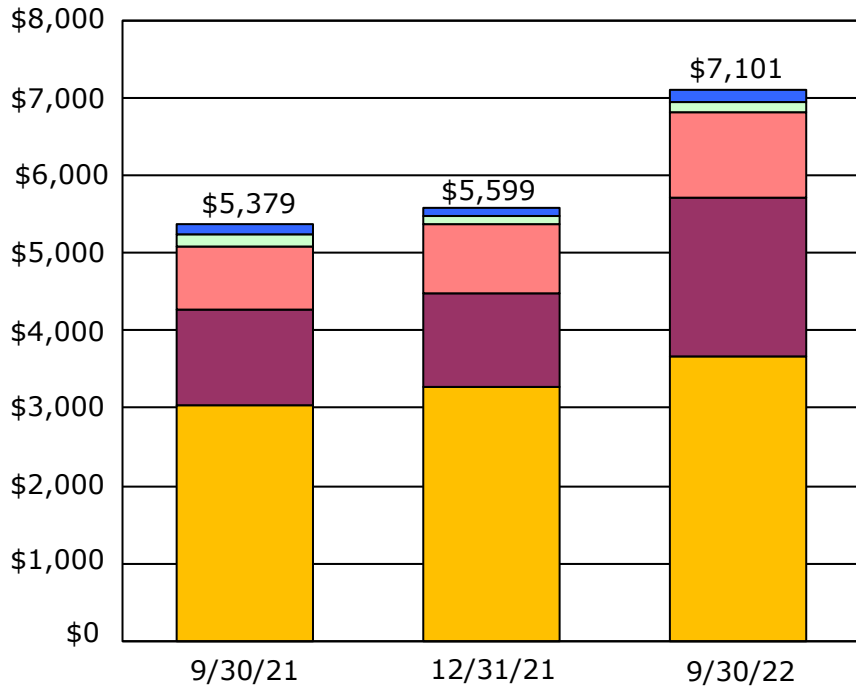
(\$ Thousands)

	(Unaudited) 09/30/22	12/31/21
Cash	\$ 403,816	\$ 821,345
Working Capital	\$ 740,466	\$ 1,029,263
Goodwill	\$ 916,812	\$ 890,268
Identifiable Intangible Assets, Net	\$ 605,949	\$ 589,365
Total Debt (excludes operating leases)	\$ 430,736	\$ 261,685
Stockholders' Equity	\$ 1,842,422	\$ 2,253,089
Total Debt / Total Capitalization	18.9%	10.4%

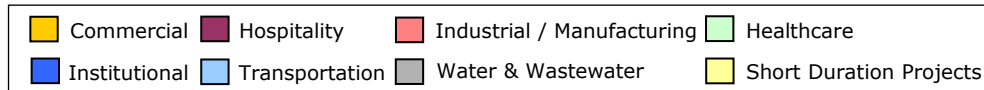
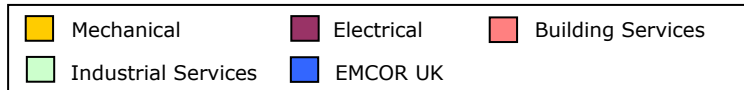
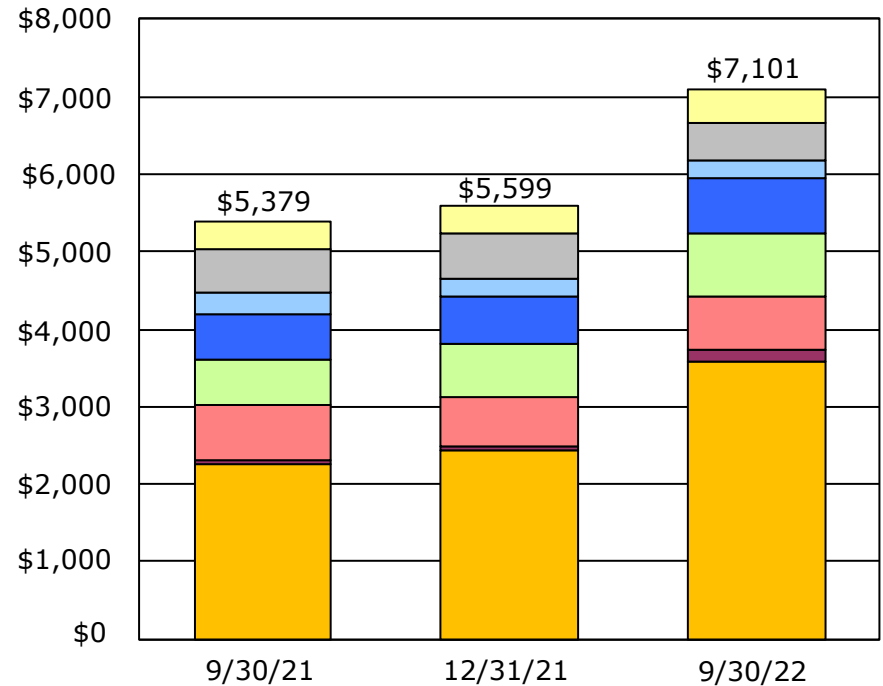
REMAINING PERFORMANCE OBLIGATIONS

» Diverse RPOs of \$7.10 billion

By Segment (\$ Millions) (Unaudited)



By Market Sector (\$ Millions) (Unaudited)



GROWTH OPPORTUNITIES

Data Centers / Semiconductor Fabs

- » Strong electrical / mechanical / fire protection demand across numerous geographic regions; RPOs continue to grow

Industrial / Manufacturing

- » Growing electrical / mechanical opportunities driven by continued re-shoring of supply chain and relocations from higher-cost states

Healthcare

- » Electrical / mechanical system retrofits as hospitals upgrade their existing facilities and build new facilities

Energy Transition / Transportation

- » Growing electrical demand for EV transition across entire value chain; EV and EV battery manufacturing facilities; electrical charging stations on industrial scale; renewable buildout, natural gas backup facilities

Water & Wastewater

- » Demand for comprehensive construction services, especially Florida

Mechanical Services

- » Growing mechanical service and repair demand stemming from pandemic maintenance deferrals, retrofit opportunities, energy efficiency upgrades, and delays in receipt of new HVAC equipment

Indoor Air Quality

- » Nationwide mechanical systems retrofit projects to improve building wellness with significant opportunities in the Institutional and Education sectors

Fire Protection

- » Nationwide fire sprinkler installation capability / substantial cost efficiencies via prefabrication / strong demand from industrial and technology clients / growing aftermarket

GUIDANCE ASSUMPTIONS UPDATE

Inflation and supply chain disruptions continue to contribute to a challenging 2022 operating environment

Original 2022 Assumptions

Qtr. 3 2022 Update

<ul style="list-style-type: none"> Non-res. market projected to grow 	→	<ul style="list-style-type: none"> Up mid-single digits
<ul style="list-style-type: none"> Healthy organic revenue growth 	↑	<ul style="list-style-type: none"> 10.8% quarterly organic revenue growth
<ul style="list-style-type: none"> Market for IAQ, energy efficiency, repair service and small project work would be strong 	↑	<ul style="list-style-type: none"> Stronger HVAC repair services and energy efficiency projects
<ul style="list-style-type: none"> Oil & gas markets expected to improve 	→	<ul style="list-style-type: none"> Some projects deferred to Qtr. 4 and early 2023 Customers pressured to keep operating Refinery utilization at all time highs
<ul style="list-style-type: none"> Secular growth markets (infrastructure, data centers, healthcare, manufacturing) would be strong 	↑	<ul style="list-style-type: none"> Secular growth markets remain strong and continue to drive growth
<ul style="list-style-type: none"> Labor market would be challenging 	→	<ul style="list-style-type: none"> Managing challenging labor market; however, skilled labor shortages persist in certain markets
<ul style="list-style-type: none"> Macro uncertainties of supply chain disruption, inflation, COVID, and increased mandates could impact year 	↓	<ul style="list-style-type: none"> Ukraine conflict contributing to an already challenging operating environment Supply chain disruptions continue for major equipment and systems Lead times remain beyond normal levels Suppliers not meeting promised delivery dates Rising interest rates = additional uncertainty

2022 GUIDANCE

Revenues ~\$11.0 Billion

Diluted EPS* \$7.60 - \$7.85

* Assumes ~27.5% effective tax rate, before discrete items



BUILD POWER SERVICE PROTECT