



Quarter One 2018

April 26, 2018



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This material and related presentation also include certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (GAAP). 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 President & Chief Executive Officer
- Mark Pompa EVP & Chief Financial Officer
- Maxine Mauricio SVP & General Counsel
- Mava Heffler VP, Marketing & Communications
- Kevin Matz EVP, Shared Services

2018 Qtr. 1 Executive Summary

- Good start to 2018
 - Diluted EPS from continuing operations of \$0.94 vs. \$0.88 in Quarter 1 2017
 - Revenues slightly increased to \$1.90 Billion
 - Operating income as a percentage of revenues was 4.1%
- Excellent execution in U.S. Electrical Construction and Facilities Services segment driven by transportation, commercial and healthcare sectors
- Strong U.S. Mechanical Construction and Facilities Services performance across most market sectors



2018 Qtr. 1 Executive Summary

- U.S. Building Services segment benefited from improved performance on government and commercial site-based contracts
- U.K. Building Services segment had very strong conversion on increased organic revenue growth
- U.S. Industrial Services segment had a poor quarter as customers reduced scope and timing of spring turnarounds

2018 Qtr. 1 Executive Summary

- Diverse backlog of \$3.95 billion has decreased \$28 million vs. Qtr. 1 2017

- U.S. backlog DOWN \$87 million or 2.3%

Mar. 2018

- Domestic Construction DOWN

\$(154)M
-5.0% ↓

- U.S. Building Services Segment UP

\$55M
7.6% ↑

- U.S. Industrial Services Segment UP

\$12M
24.3% ↑

- U.K. backlog UP \$59 million or 40.4%

- Private Sector UP (Commercial, Hospitality & Gaming, Industrial)

\$169M
8.7% ↑

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

\$(197)M
-9.6% ↓

- Balance sheet remains strong and liquid, including \$352.4 million of cash

2018 – Qtr. 1 Financial Results Highlights

- Revenues slightly increased quarter-over-quarter to \$1.90 billion

(\$ Millions) (Unaudited)	Qtr. 1 2018	Change from Qtr. 1 2017	
		\$	%
U.S. Electrical Construction & Facilities Services	\$ 454.8	\$ 11.8	2.6%
U.S. Mechanical Construction & Facilities Services	698.8	27.7	4.1%
Sub-Total	1,153.6	39.5	3.5%
U.S. Building Services	454.8	14.7	3.3%
U.S. Industrial Services	185.1	(73.4)	-28.4%
Total U.S. Operations	1,793.5	(19.2)	-1.1%
U.K. Building Services	106.9	27.9	35.3%
Total EMCOR	\$ 1,900.4	\$ 8.7	0.5%



2018 – Qtr. 1 Financial Results Highlights

- SG&A expenses increased to \$190.3 million or 10.0% of revenues vs. \$183.0 million or 9.7% of revenues for Qtr. 1 2017
- Operating income of \$78.7 million or 4.1% of revenues includes:

(Unaudited)	For the Three Months Ended March 31,	
	2018	2017
– U.S. Electrical Construction and Facilities Services of \$35.9 million: \$4.8 million or 15.5% increase	7.9%	7.0%
– U.S. Mechanical Construction and Facilities Services of \$39.6 million: \$(0.9) million or 2.1% decrease	5.7%	6.0%
Total U.S. Construction	6.5%	6.4%
– U.S. Building Services of \$17.0 million: \$2.8 million or 19.9% increase	3.7%	3.2%
– U.S. Industrial Services of \$3.5 million: \$(13.6) million or 79.6% decrease	1.9%	6.6%
– U.K. Building Services of \$4.6 million: \$2.9 million or 172.2% increase	4.3%	2.1%
Total EMCOR Operating Margin	4.1%	4.4%

Key Financial Data – Income Statement

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

	For the Three Months Ended March 31,		Variance	
	2018	2017	\$	%
Revenues	\$ 1,900,388	\$ 1,891,732	\$ 8,656	0.5%
Gross Profit	269,119	266,340	2,779	1.0%
Selling, General and Administrative Expenses	190,288	183,001	7,287	4.0%
Restructuring Expenses	90	565	(475)	N/M
Operating Income	\$ 78,741 4.1%	\$ 82,774 4.4%	\$ (4,033)	-4.9%
Diluted Earnings per Common Share from Continuing Operations	\$ 0.94	\$ 0.88	\$ 0.06	6.8%

- Qtr. 1 2018 income tax rate 27.0%, Qtr. 1 2017 income tax rate 33.6%
- Qtr. 1 2018 cash used in operations of \$59.1 million

Key Financial Data – Balance Sheet

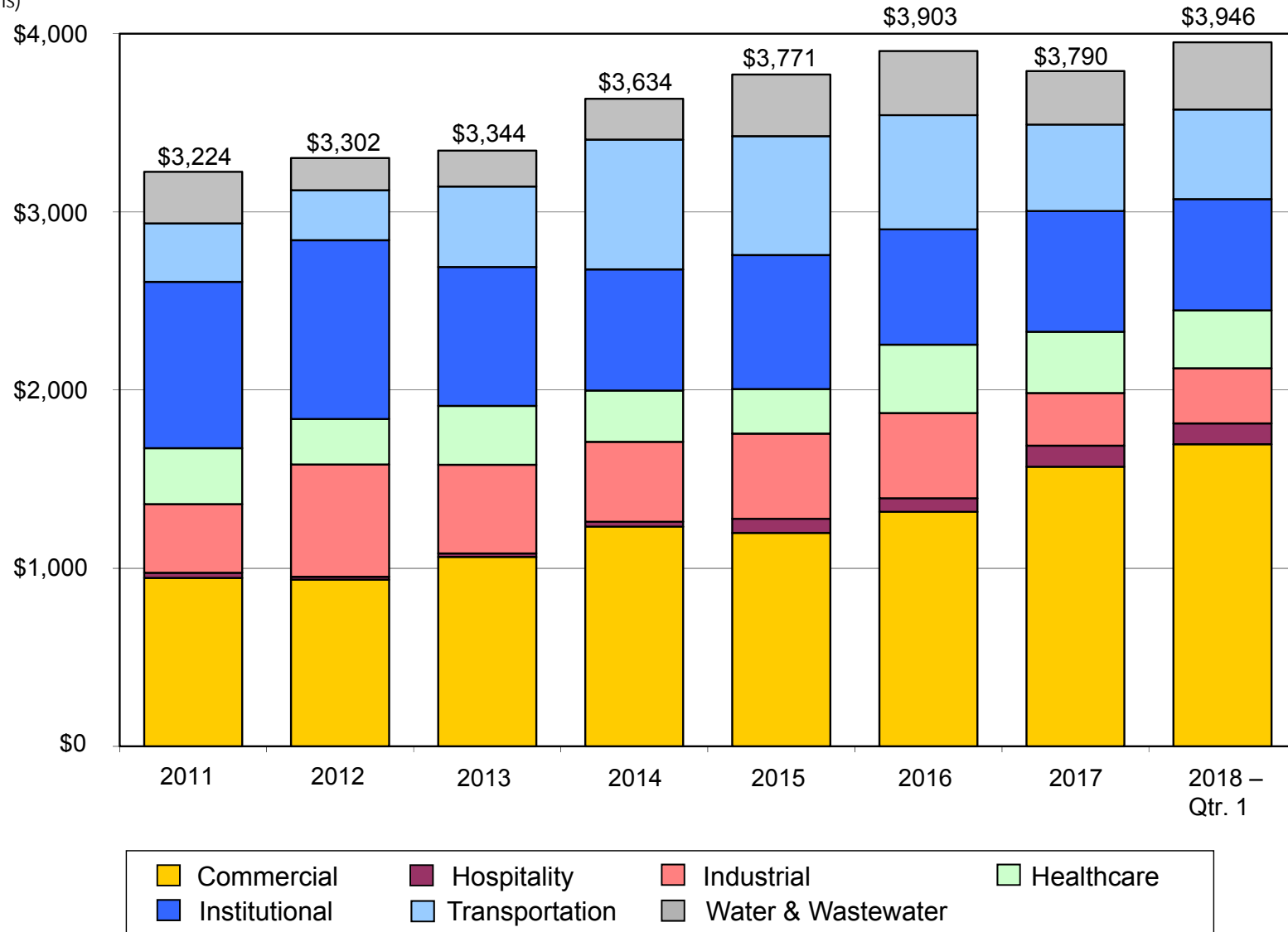
(\$ Thousands)

	(Unaudited) 03/31/18	12/31/17
Cash	\$ 352,443	\$ 467,430
Working Capital	\$ 657,480	\$ 633,557
Goodwill	\$ 965,046	\$ 964,893
Identifiable Intangible Assets, Net	\$ 484,368	\$ 495,036
Total Debt	\$ 306,958	\$ 310,150
Stockholders' Equity	\$ 1,691,666	\$ 1,674,117
Total Debt / Total Capitalization	15.4%	15.6%

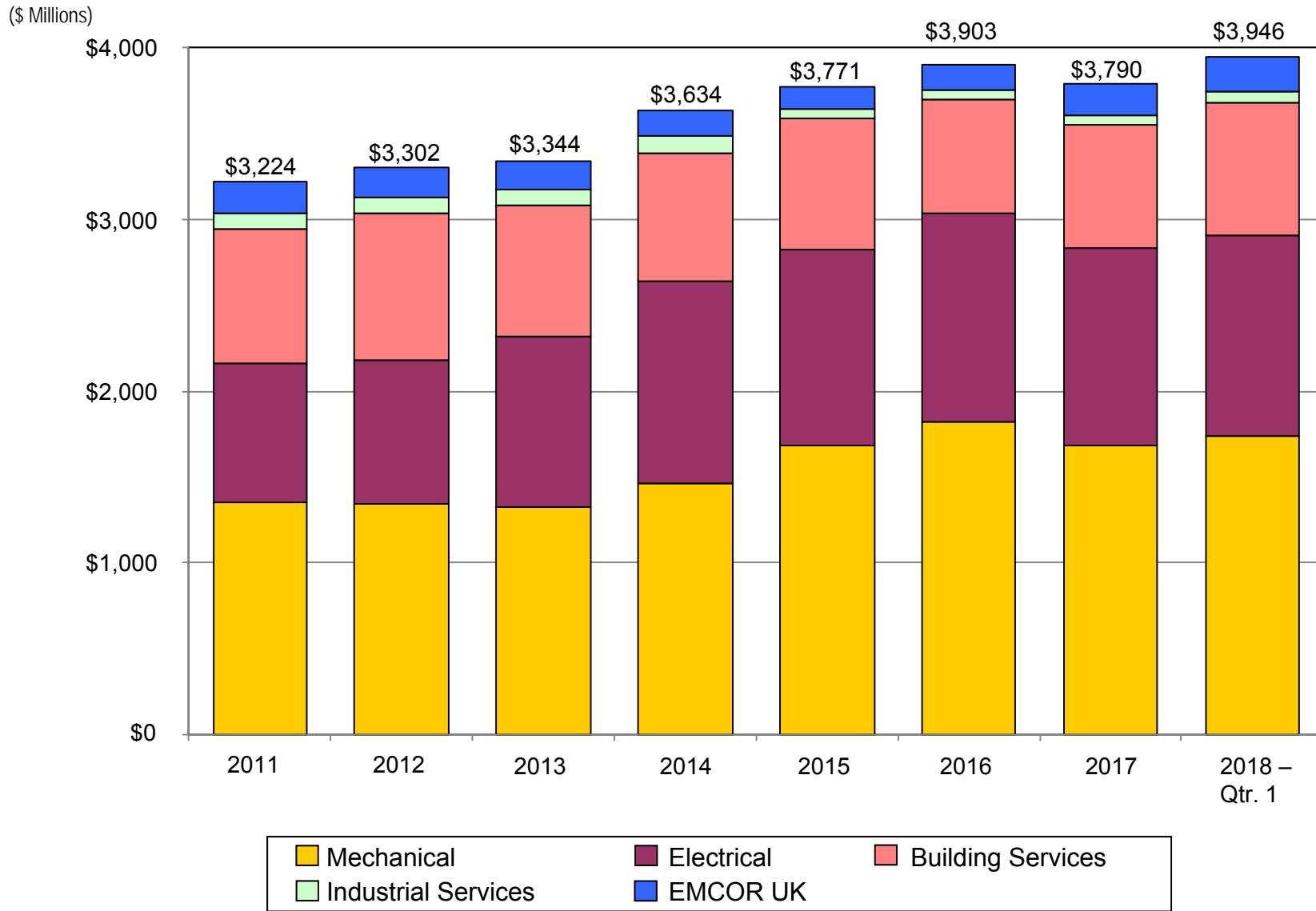


Backlog by Market Sector

(\$ Millions)



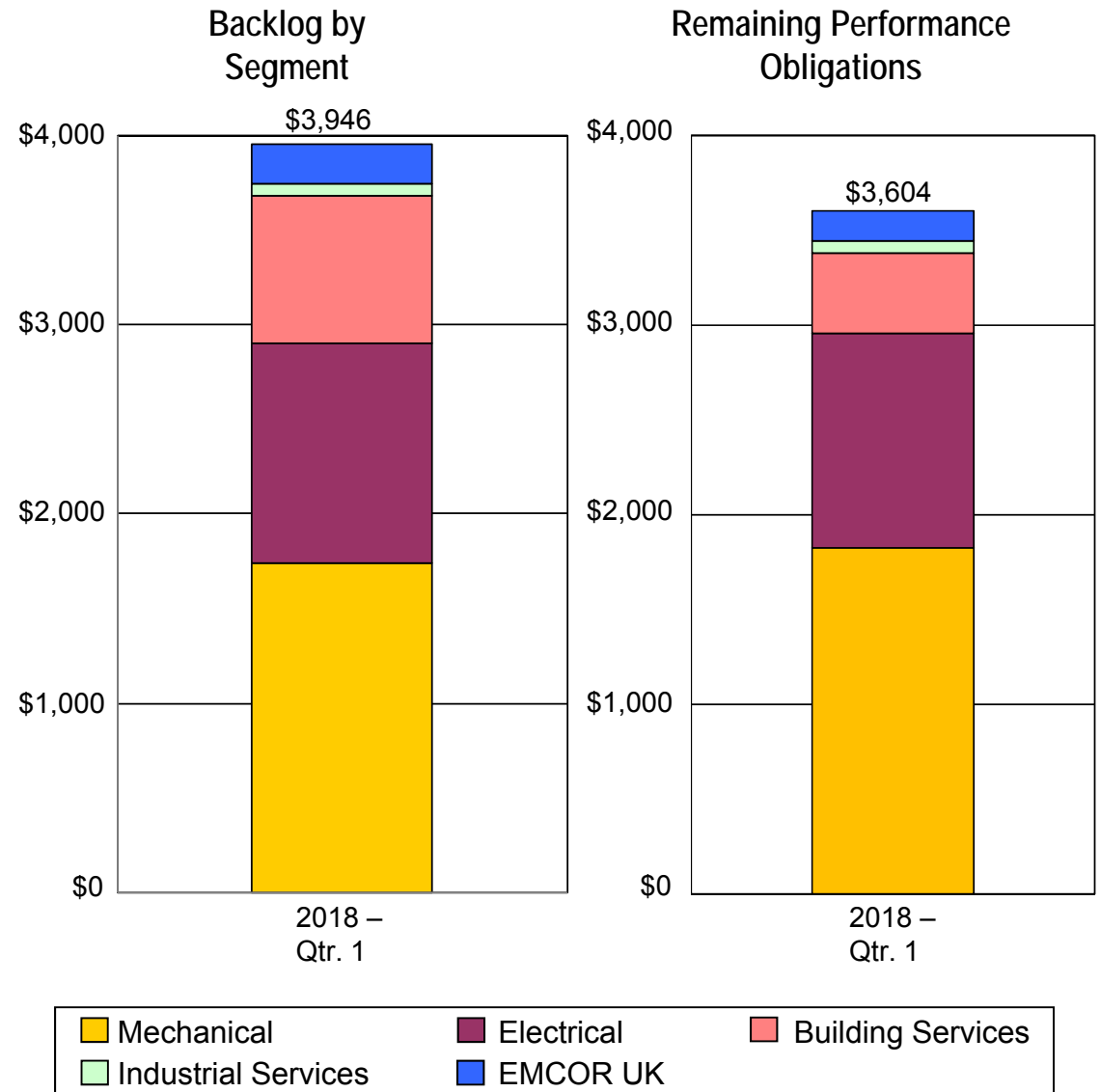
Backlog by Segment



ASC 606 Impact on Historical Backlog

(\$ Millions)

- On January 1, 2018, EMCOR adopted the FASB’s new revenue recognition standard, which requires the disclosure of remaining unsatisfied performance obligations (“RPO”).
- The reporting of RPO is not comparable to our historical backlog reporting. The primary difference between backlog and RPO relates to the reporting of the remaining term of our service contracts.
- For comparative purposes, we have presented backlog amounts within this presentation under EMCOR’s historical definition.



2018 Outlook

- Non-residential construction market expected to grow mid-single digits
- Building Services benefitting from continued growth in retrofit and energy savings projects
- Industrial Services:
 - Weak spring turnaround season as customers deferred maintenance
 - Expect strengthening in maintenance market later in 2018 and into 2019
- Strong and liquid balance sheet



2018 Guidance

Revenues \$7.6 Billion – \$7.7 Billion

Diluted EPS from
Continuing Operations \$4.10 – \$4.70

- Assuming effective annual income tax rate of approximately 28%





Build. Power. Service. Protect.