

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **March 19, 2009**

**Comfort Systems USA, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**1-13011**

(Commission  
File Number)

**76-0526487**

(IRS Employer  
Identification No.)

**777 Post Oak Boulevard, Suite 500**

**Houston, Texas**

(Address of principal executive offices)

**77056**

(Zip Code)

Registrant's telephone number, including area code **(713) 830-9600**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

---

---

**ITEM 7.01 REGULATION FD DISCLOSURE.**

On the 19th day of March, 2009, Comfort Systems USA, Inc., a Delaware corporation (the "Company"), a leading provider of commercial/industrial heating, ventilation and air conditioning services, posted to the "Investor" section of its Internet website ([www.comfortsystemsusa.com](http://www.comfortsystemsusa.com)) an investor presentation slideshow. The Company intends to use this presentation in making presentations to analysts, potential investors, and other interested parties.

The information included in the investor presentation includes financial information determined by methods other than in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Company's management uses these non-GAAP measures in its analysis of the Company's performance. The Company believes that the presentation of certain non-GAAP measures provides useful supplemental information that is essential to a proper understanding of the operating results of the Company's core businesses. These non-GAAP disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.

The information in this Form 8-K being furnished under Item 7.01 shall not be deemed to be "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934 (the "Exchange Act"), or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing. The investor presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the Company's expectations and involve risks and uncertainties that could cause the Company's actual results to differ materially from those set forth in the statements. These risks are discussed in the Company's filings with the Securities and Exchange Commission, including an extensive discussion of these risks in the Company's Annual Report on Form 10-K for the year ended December 31, 2008.

A copy of the presentation is furnished herewith as Exhibit 99.1

**Item 9.01 Financial Statements and Exhibits**

The following Exhibits are included herein:

Exhibit 99.1 Slideshow presentation dated March 19, 2009.



*Quality People. Building Solutions.*

**COMFORT  
SYSTEMS USA**

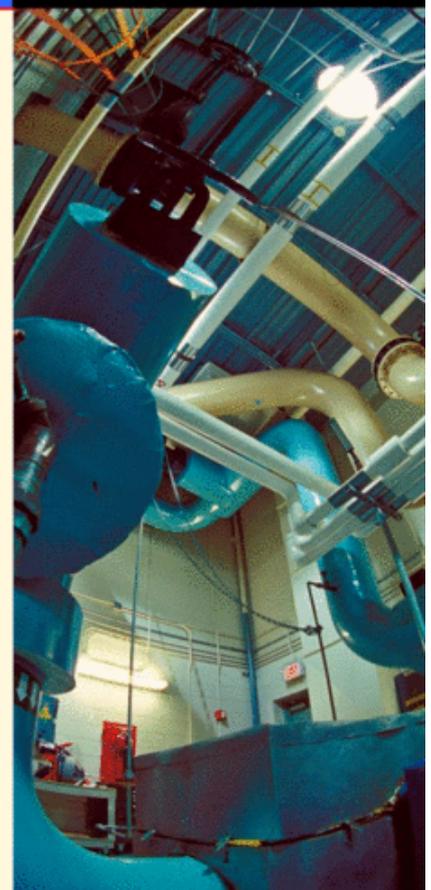


As of March 19, 2009

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current plans and expectations of future events Comfort Systems USA, Inc. and involve risks and uncertainties that could cause actual future activities and results of operations to be materially different from those set forth in the forward-looking statements. Important factors that could cause actual results to differ include, among others, the use of incorrect estimates for bidding a fixed-price contract, undertaking contractual commitments that exceed our labor resources, failing to perform contractual obligations efficiently enough to maintain profitability; national or regional weakness in construction activity and economic conditions, financial difficulties affecting projects, vendors, customers, or subcontractors, difficulty in obtaining or increased costs associated with bonding and insurance, shortages of labor and specialty building materials, retention of key management, our backlog failing to translate into actual revenue or profits, errors in our percentage-of-completion method of accounting, the result of competition in our markets, seasonal fluctuation in the demand for HVAC systems, the imposition of past and future liability from environmental, safety, and health regulations including the inherent risk associated with self-insurance, adverse litigation results and other risks detailed in our reports filed with the Securities and Exchange Commission. A further list and description of these risks, uncertainties and other factors are discussed under "Item 1A. Company Risks Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2008. These forward-looking statements speak only as of the date of this filing. Comfort Systems USA, Inc. expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, developments, conditions or circumstances on which an such statement is based.

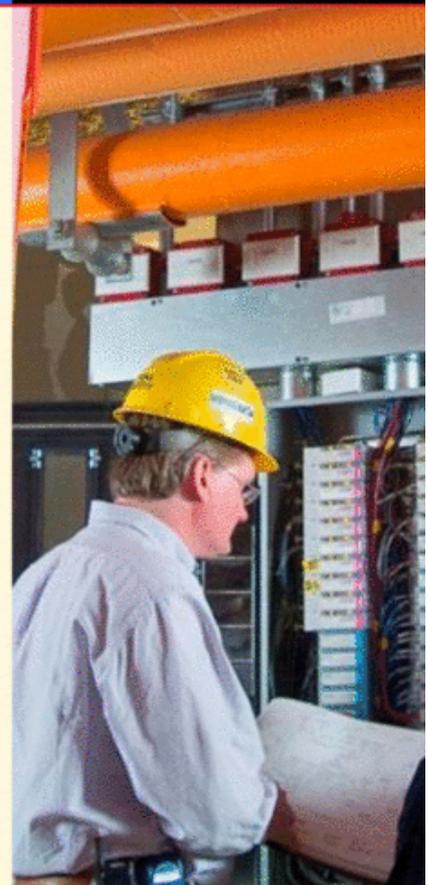
## Vision

***To be the nation's premier  
HVAC and mechanical  
systems installation  
and services provider.***



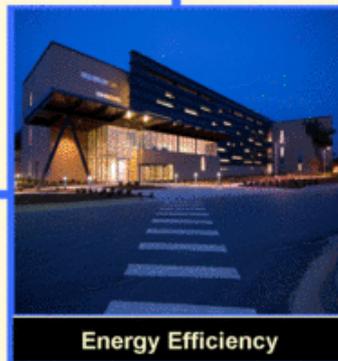
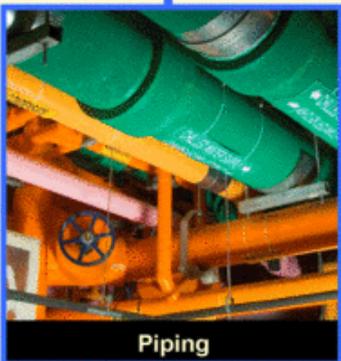
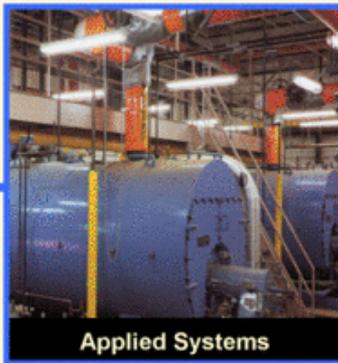
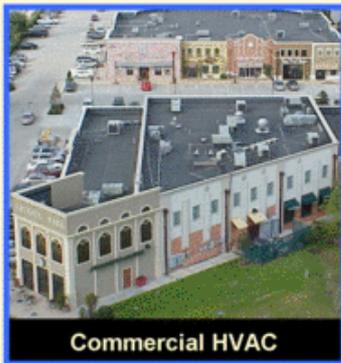
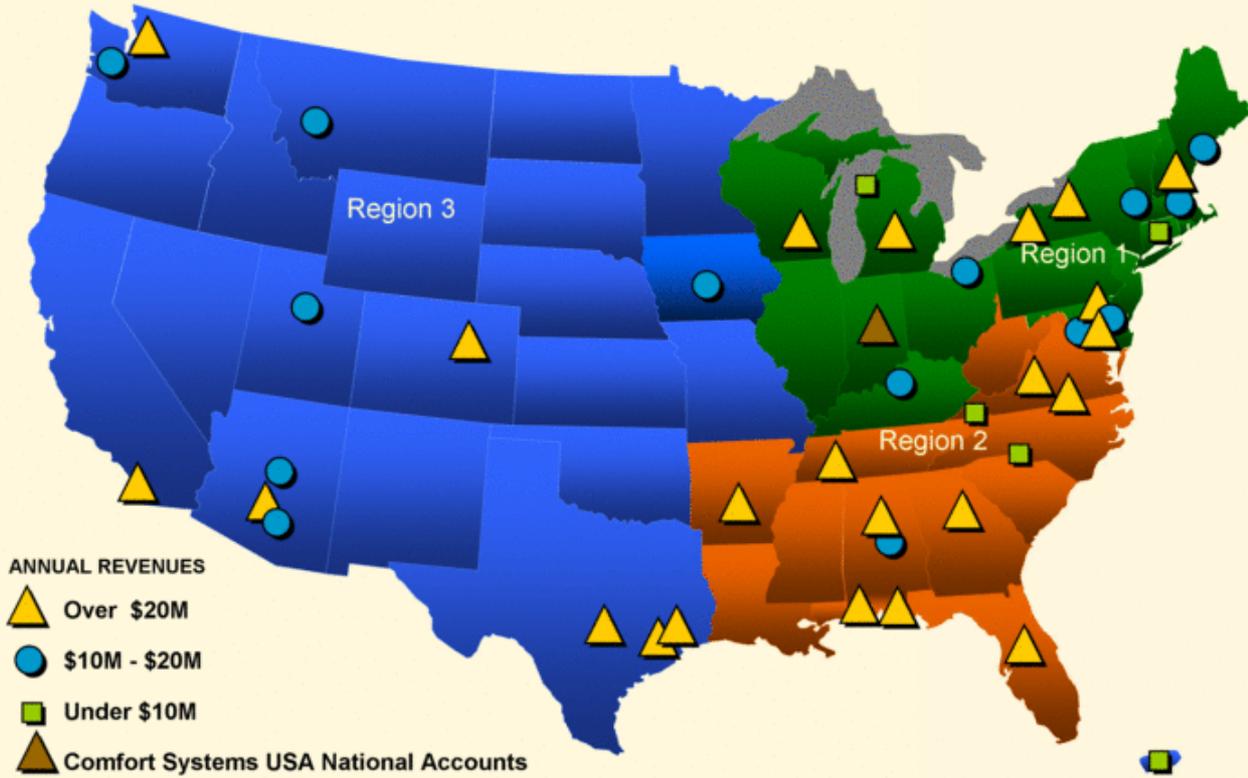
*To provide the best value HVAC and mechanical systems installation and service, principally in the mid-market commercial, industrial, and institutional sectors, while caring for our customers, employees and the **environment** and realizing superior returns for our stockholders.*

- Act with honesty and integrity.
- Show respect for all stakeholders.
- Exceed customer expectations.
- Seek “win-win” solutions.
- Demonstrate spirit, drive, and teamwork.
- Pursue innovation.
- Achieve premier safety performance.
- **Commit to energy efficiency.**
- Communicate openly.....and often.
- Impact our communities positively.



- **National**
- **Commercial, Industrial, Institutional**
- **HVAC/Piping/Plumbing/Energy Efficiency**
  
- **Strong balance sheet**
- **Substantial continuing growth**
  
- **57% new construction; 43% service, repair, retrofit**
- **Revenue run rate \$1.3 billion**

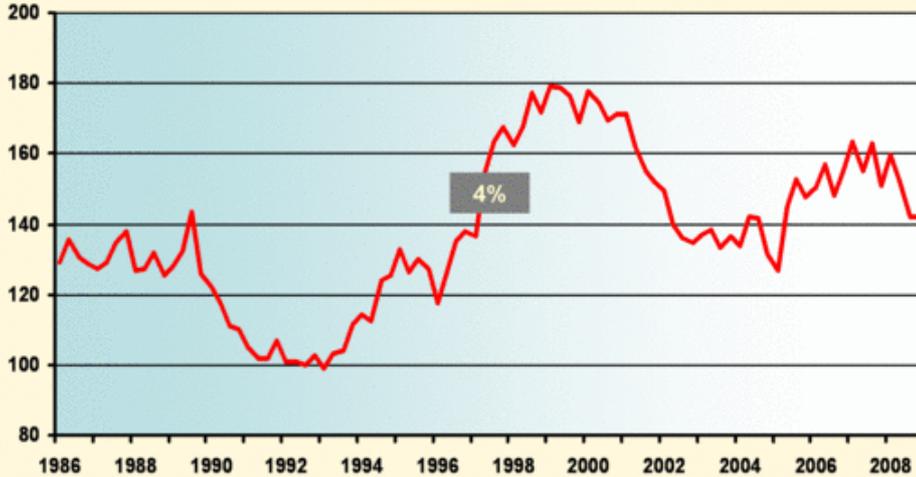




*Quality  
People.  
Building  
Solutions.*

# Long Term Industry Growth

## Commercial, Industrial, Institutional HVAC – A \$40B+ Industry

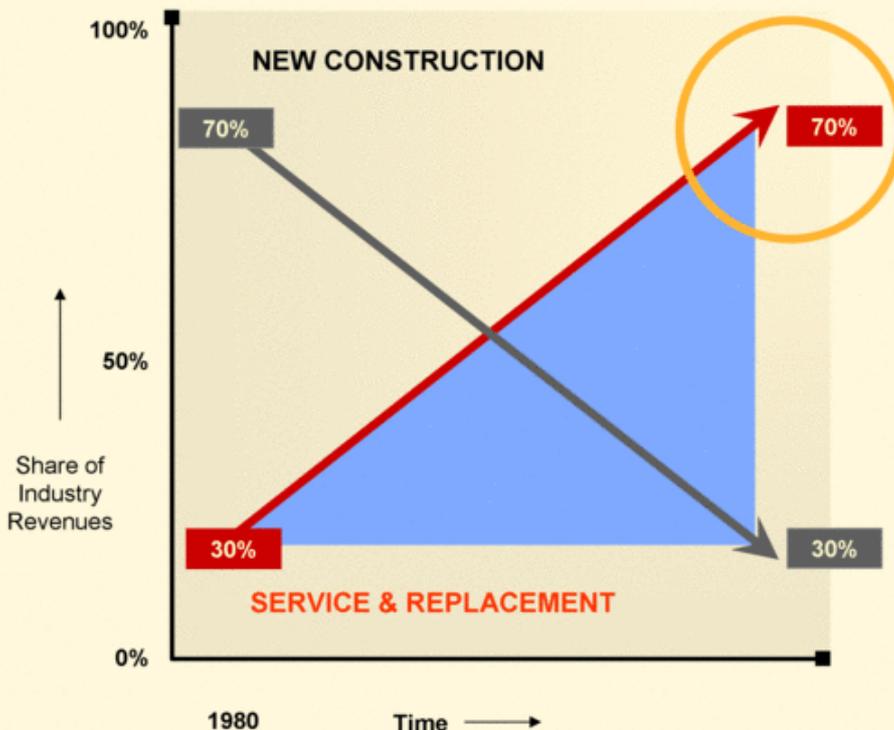


The Dodge Index for Nonresidential Building Construction  
2000=100

### DRIVERS

- Building comfort a “necessity”
- Mechanical equipment – requires service, repair, replacement
- Increasing technical content and building automation
- Energy efficiency and Indoor Air Quality emerging
- Outsourcing

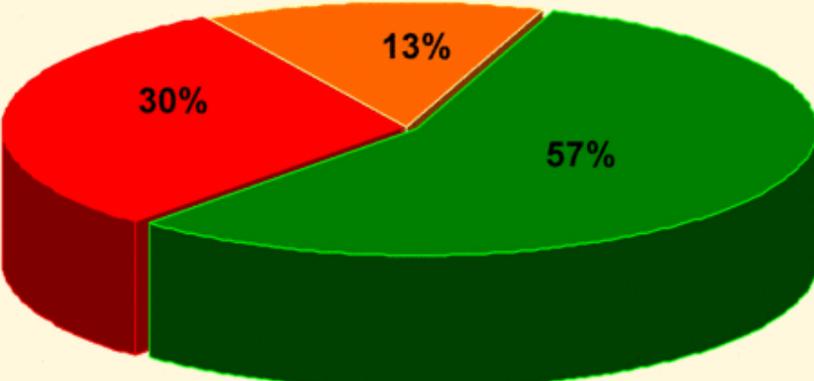
# Industry Trend Toward Service & Replacement (Recurring Revenue)



Source: The Trane Company

- 5+ million commercial buildings (DOE)
- Recurring service
- 20 year replacement cycle
- “Inventory” of future business
- OEMs note significant deferred maintenance & replacement over recent years

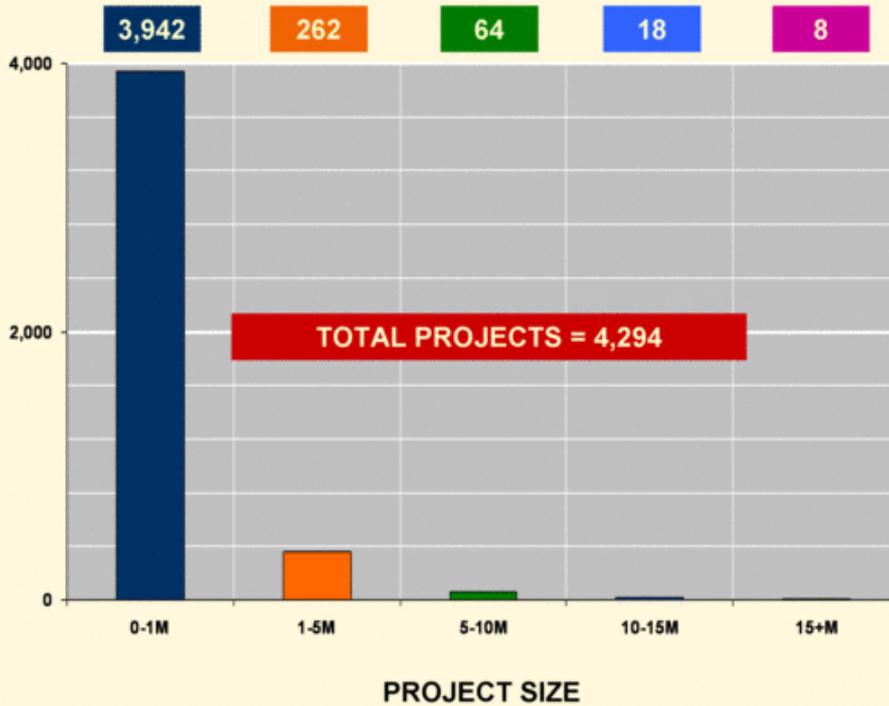
2008



- Service and Maintenance
- New Construction/Installation
- Replacement

# Diverse Project Mix

# OF PROJECTS (As of December 31, 2008)



**Average Project Size**

**\$475,000**

**Average Project Length**

**6-9 months**

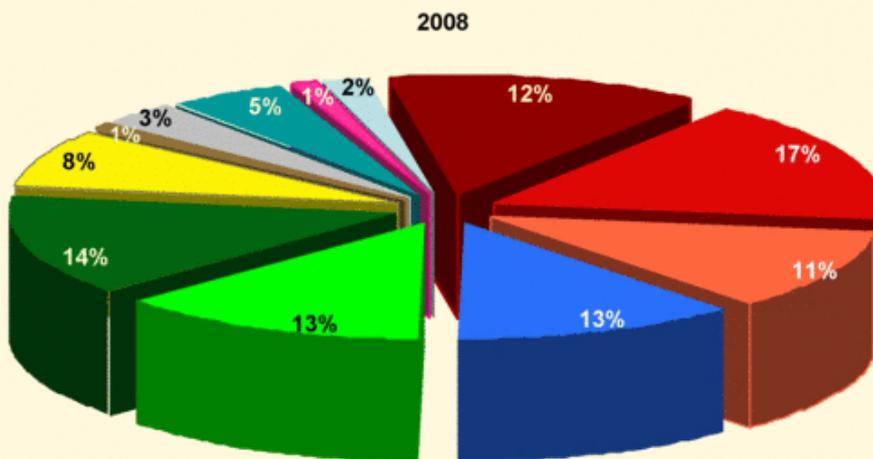
**Value of Projects >\$1M**

**\$1,451.5M**

**Value of Projects <\$1M**

**\$572.5M**

# Diverse End-Use Base



**Top Ten Customers**

- Served by 12 different Comfort operating units
- Largest customer = less than 3% of revenues

- Healthcare
- Education
- Government
- Manufacturing
- Office Building
- Multi-Family
- Retail/Restaurants
- Distribution
- Other
- Lodging & Entertainment
- Residential
- Religious & Not-for-Profit

## Diverse End-Use Base

COMFORT SYSTEMS USA



Omni Orlando Resort at ChampionsGate  
Orlando, Florida



University United Methodist Church  
Syracuse, New York



Iowa Renewal Energy  
Washington, Iowa



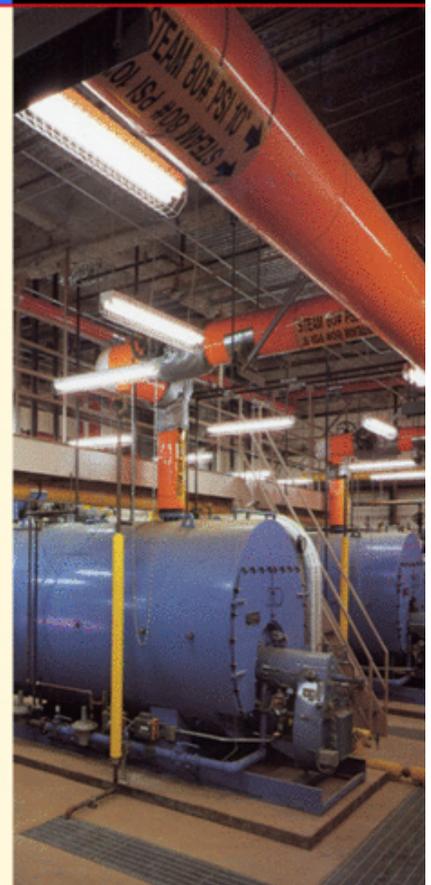
University Hospital  
Little Rock, Arkansas

14

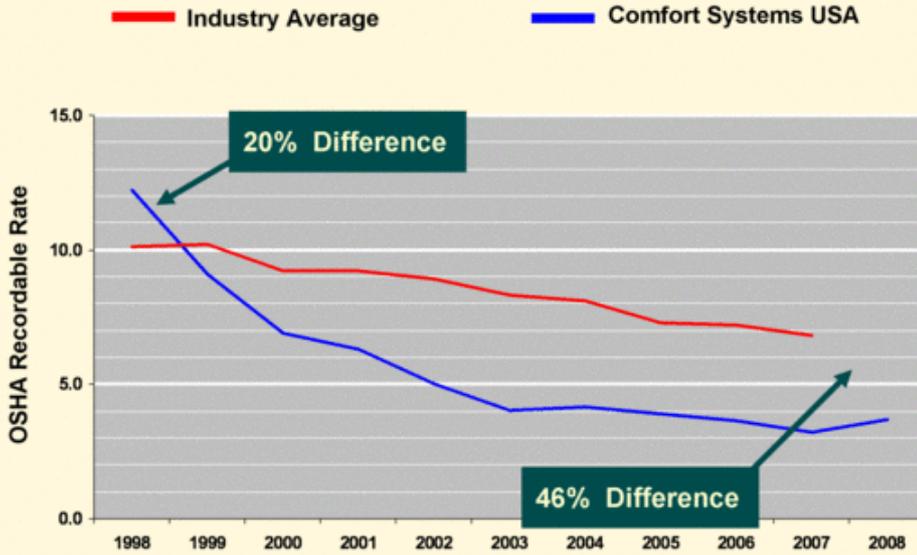
## Competitive Advantages

COMFORT SYSTEMS USA

- High quality operations
- Ability to leverage and proliferate technical expertise
- Ability to collaborate on large jobs and share labor
- Energy efficiency services
- National multi-location service capability
- Purchasing economics
- Balance sheet strength
- Bonding and insurance
- Strong safety record



15

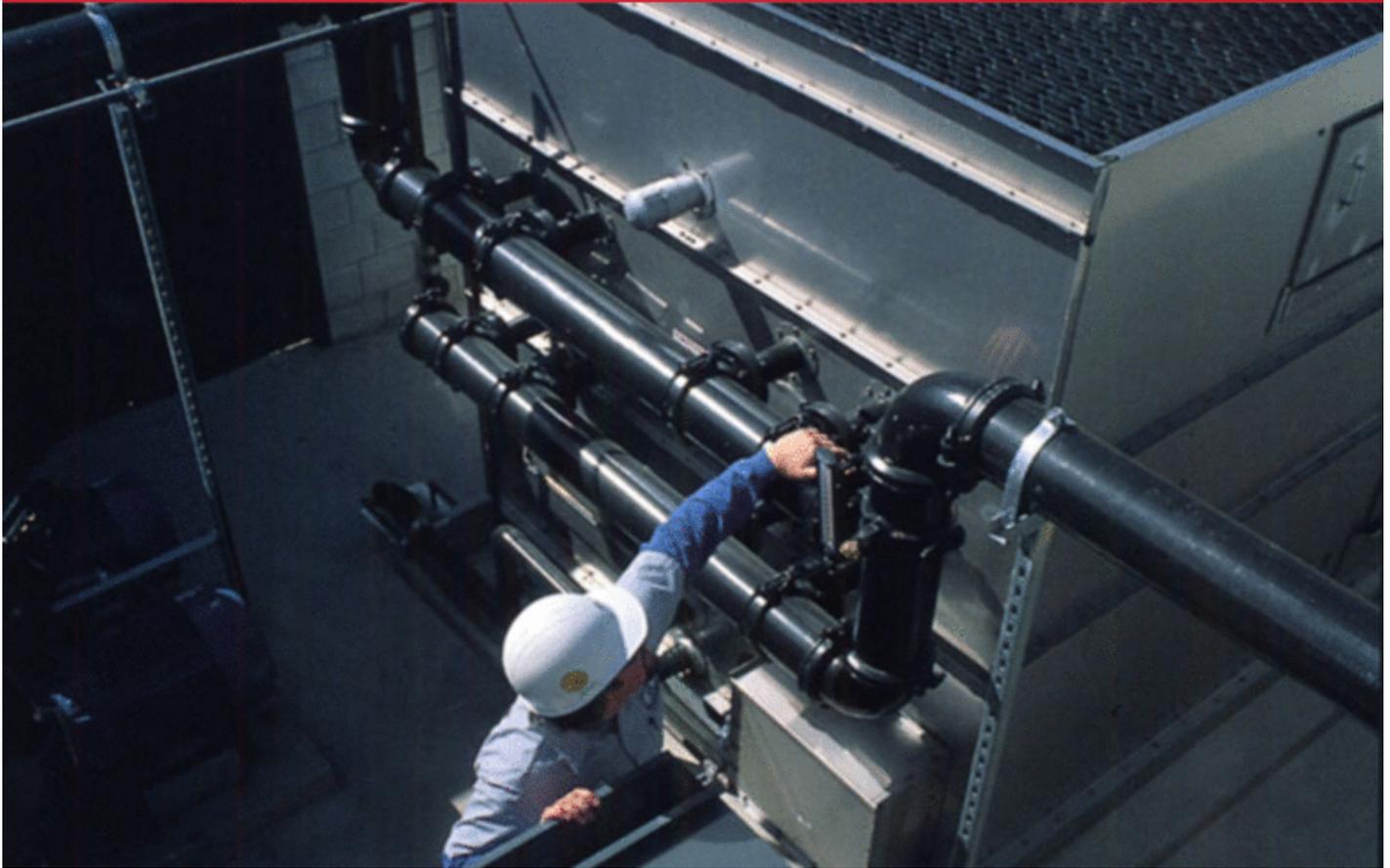


Source: Bureau of Labor Statistics, Standard Industry Classification (SIC)  
Code 20 1710 – Specialty Trades Contractors – HVAC and Plumbing & North American  
Industry Classification System (NAICS) Code 23822

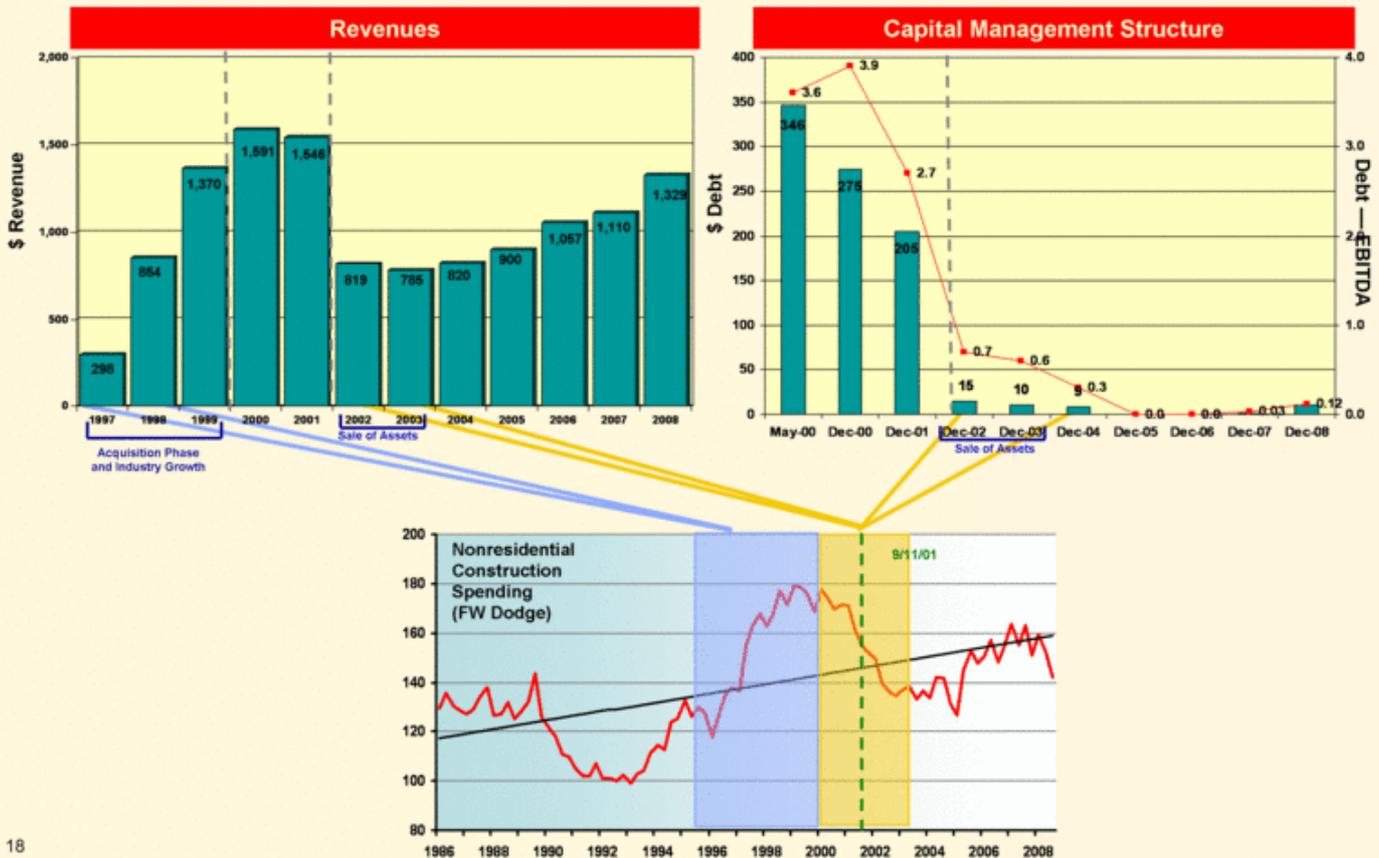
*Our safety record is no accident.*

- Safe employees
- Valued by customers
- Lost time injury rate is 60% less than industry average
- WC claims cost per payroll dollar down from 3.5% to 0.9%
- We can build a culture

# Financial Overview



# History – Financial

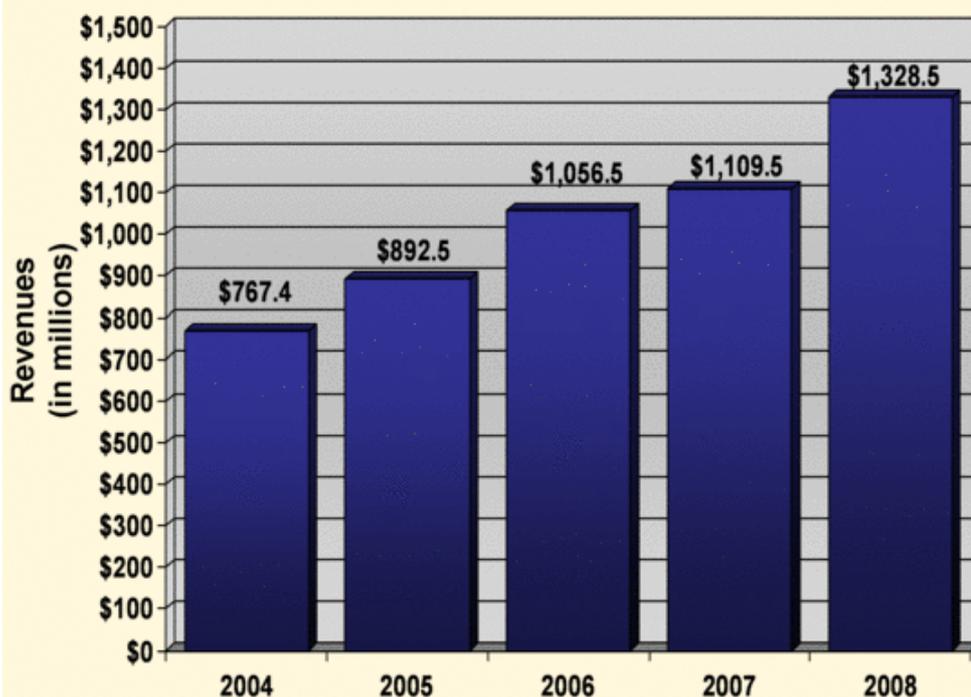


# Financial Profile

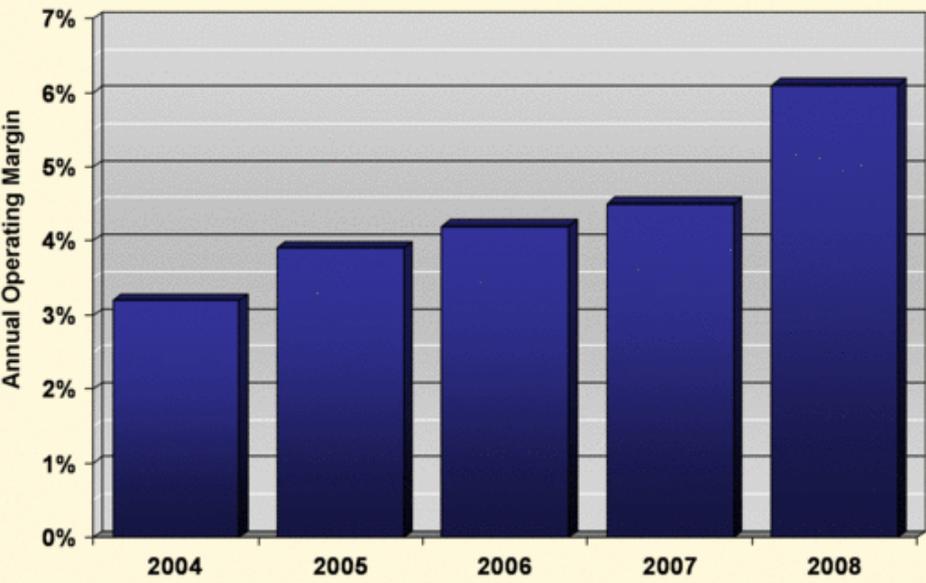


(\$ in millions, except per share amounts)	4Q		YTD 4Q	
	08	07	08	07
Revenues.....	\$ 329.0	\$293.3	\$1,328.5	\$1,109.5
Adjusted EBITDA.....	\$ 23.3	\$ 15.1	\$ 91.8	\$ 56.8
% Revenue.....	7.1%	5.1%	6.9%	5.1%
Operating Income .....	\$ 20.1	\$ 13.1	\$ 79.4	\$ 49.9
% Revenue.....	6.1%	4.5%	6.0%	4.5%
Net Income .....	\$ 12.5	\$ 8.7	\$ 49.7	\$ 32.5
% Revenue.....	3.8%	3.0%	3.7%	2.9%
Diluted EPS .....	\$ 0.32	\$ 0.21	\$ 1.24	\$ 0.79
Free Cash Flow .....	\$ 32.1	\$ 54.9	\$ 68.9	\$ 72.8
Debt .....	\$ 10.7	\$ 1.5		
Cash.....	\$ 117.0	\$ 139.6		
Backlog.....	\$ 752.4	\$ 786.7		

# Revenues



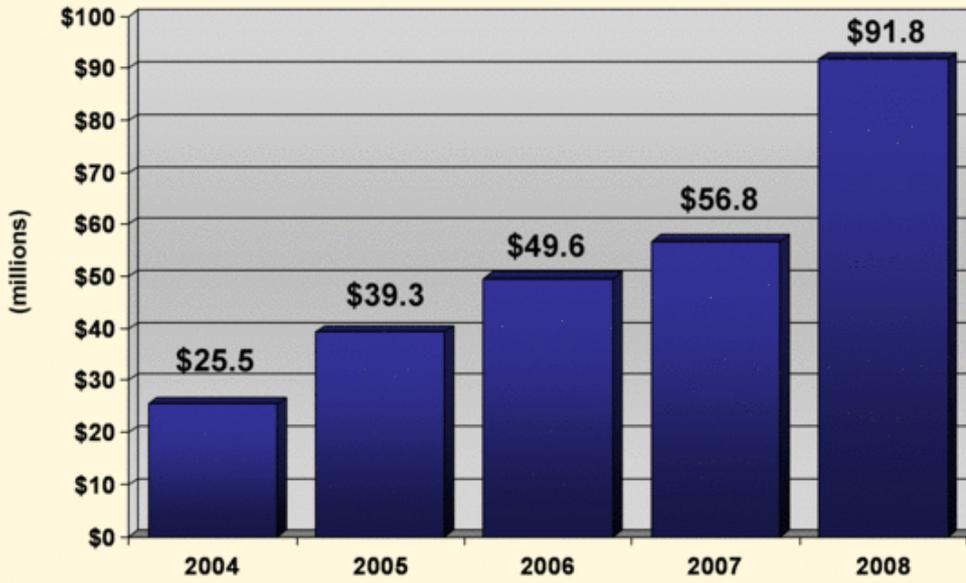
# Operating Margins <sup>(a)</sup>



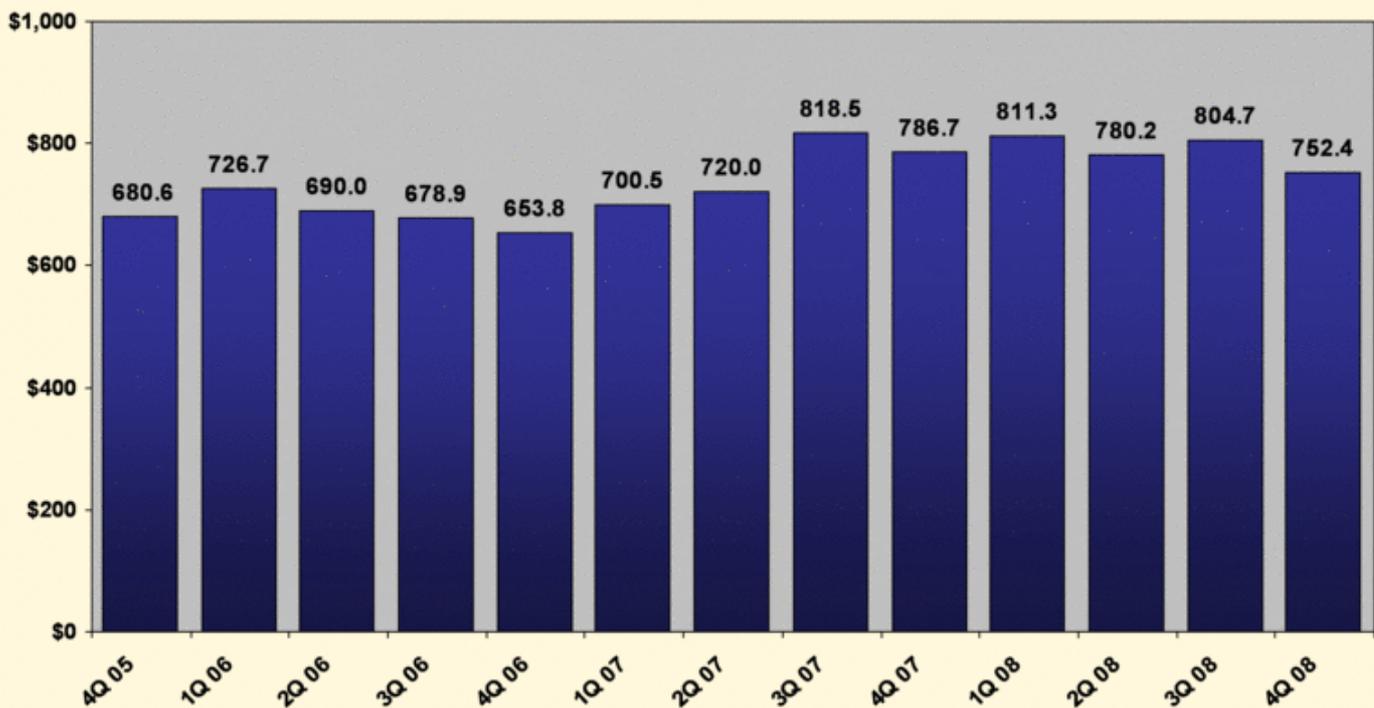
(a) This table includes non-GAAP financial information as the information provided excludes goodwill impairment charges of \$0.6 million and \$33.9 million for 2004 and 2005, respectively. No goodwill impairment charge was recorded for 2006, 2007 or 2008.



# Adjusted EBITDA



# Backlog (in millions)



## Strong Cash Flows

(\$ in millions)	<u>2008</u>	<u>2007</u>	<u>2006</u>
Funds From Operations <sup>(a)</sup>	\$82.9	\$ 83.6	\$ 24.7
CapEx, Net <sup>(b)</sup>	<u>(14.0)</u>	<u>(10.8)</u>	<u>(7.6)</u>
Free Cash Flow	<u>\$68.9</u>	<u>\$ 72.8</u>	<u>\$ 17.1</u>

- (a) Funds From Operations is defined as net cash provided by operating activities adjusted by taxes paid related to the sale of businesses of \$7.0 million in 2006.
- (b) CAPEX, Net represents capital expenditures net of proceeds from the sale of assets

## Financial Strengths

- Market share up – revenue and profit performance better than industry
- Commitment to cost containment
- \$117.0 million cash at 12/31/08; substantial credit capacity if needed
- Positive free cash flow for ten calendar years



# Profile For Growth



EARNINGS

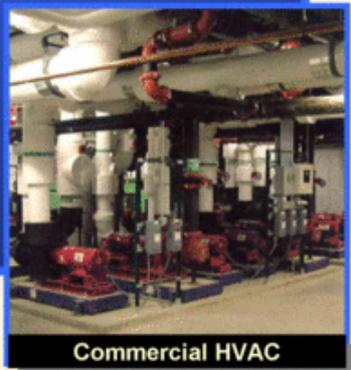


TIME



CURRENT OPERATIONS (CONSTRUCTION AND SERVICE)

ENERGY EFFICIENCY  
ACQUISITIONS  
INCREMENTAL SERVICE GROWTH

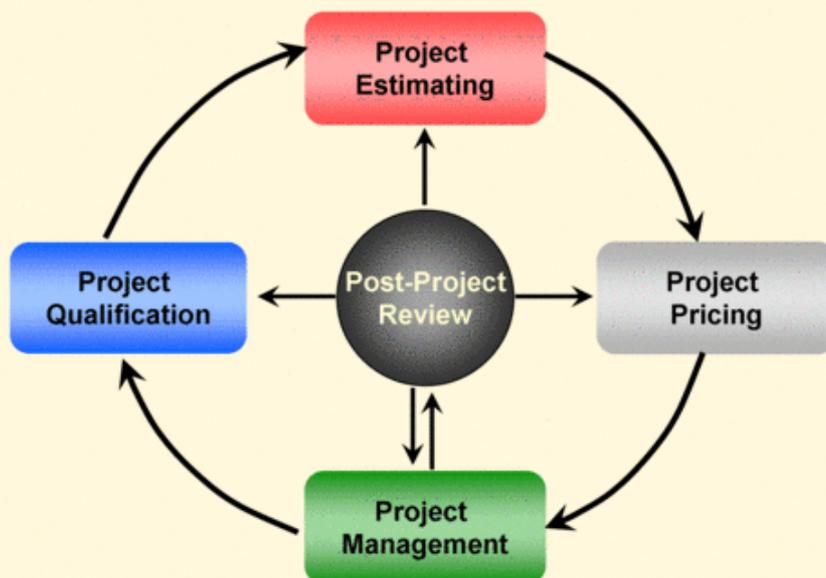


## Increase Productivity

- **Education**
  - Leadership
  - Project Managers
  - Superintendents
  - Service Sales
  - Service Operations
  - Craft
  - Safety
- **Best Practices**
  - Project Management
  - Estimating
- **Cooperation with suppliers**
- **Prefabrication**
- **New materials and methods**



27



**We review projects and apply what we have learned to improve our performance.**

28

***The only things that evolve by themselves in an organization are disorder, friction and malperformance.***

***-Peter Drucker***

29

## Service

### Increase Service\*

- **Grow Maintenance Base**
  - **Education**
    - Employees and Customers
  - **Higher margin opportunity**
  - **Recurring revenue**
  - **National accounts**
  - **\$2.50+ of repair and replacement for every \$1.00 of maintenance**
  - **Target Retrofit Projects**
    - Energy Efficiency
    - Indoor Air Quality
- \* **Maintenance, service, repair, retrofit**



30

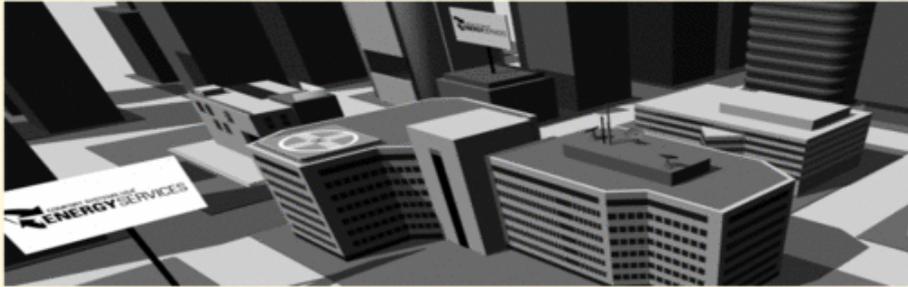
# National Account Customers

COMFORT SYSTEMS **USA**



## Green Is Part Of Our Business

- Energy costs drive need for efficiency
- HVAC 30% - 65 % electric usage
- Energy Star (Dept. of Energy/EPA) / LEED (USGBC<sup>3</sup>)
- 2- 4 year pay outs depending on electric rates, usage, age, incentives



Use Our Energy to Save Yours!™

32

## Growth

- **Internal**
  - More of what we do best
  - Service
  - Energy efficiency
- **Step Out Growth**
  - New locations for existing companies
  - Techs "on their own"
- **Targeted acquisitions**
  - Best HVAC oriented mechanical in new area



33

## The Ideal Candidate

- \$20 million + in revenue
- Construction and service
- In a growing market where we are not now
- Company that has performed well in the past and has continuing demonstrable upside
- Organizational structure capable of sustaining/improving the company
- Ownership/management that wants to stay on to operate company



34

## Target Markets

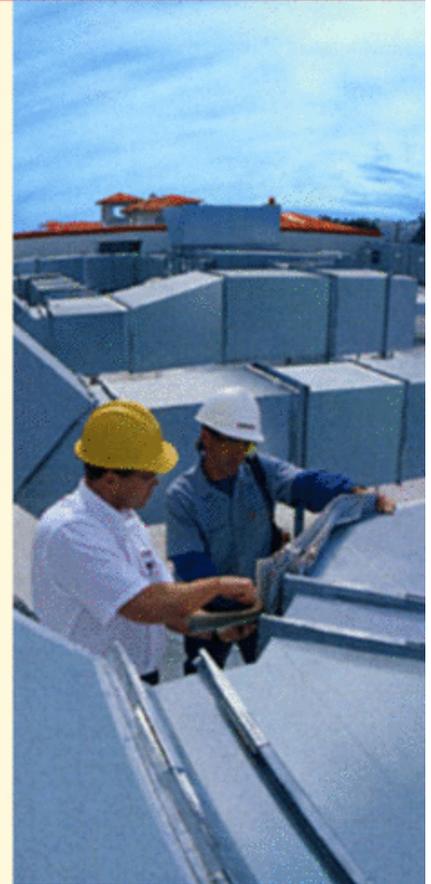
(Listed Alphabetically)

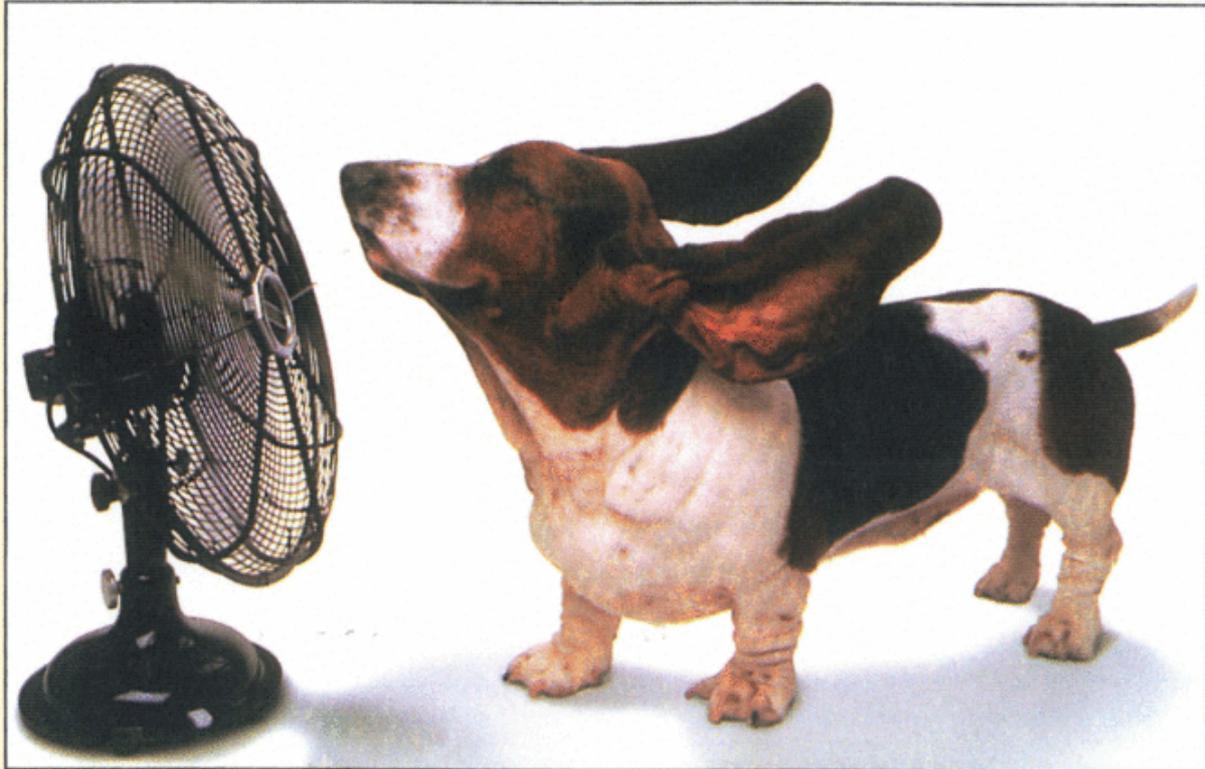
- Atlanta, GA (Service)
- Boise, ID
- Charleston, SC
- Columbia/Florence, SC
- Dallas/Fort Worth, TX
- El Paso, TX
- Ft. Lauderdale, FL
- Los Angeles, CA
- Nashville, TN
- Norfolk, VA
- Omaha, NE
- Portland, OR
- Richmond, VA
- San Antonio, TX
- Savannah, GA
- Spartanburg/Greenville, SC
- Tampa, FL

35

## Long-Term

- \$40+ billion fragmented industry
- HVAC is a basic necessity
- Commercial construction continuing
- Growing installed base for recurring maintenance, service, repair and retrofit
- Scale opportunities – service, purchasing, prefab, bonding, best practices
- Diverse customer base and geography
- Energy efficiency and Indoor Air Quality
- Financially and operationally sound – continuing to grow organically and by acquisition





37

COMFORT  
SYSTEMS USA<sup>®</sup>

*Quality People. Building Solutions.*

CONTACT:

**Bill George**

Executive Vice President and CFO

1-800-723-8431

[bgeorge@comfortsystemsusa.com](mailto:bgeorge@comfortsystemsusa.com)

[www.comfortsystemsusa.com](http://www.comfortsystemsusa.com)

