Comfort Systems USA Completes New Debt Facility

January 5, 2004
CONTACT: Gordon Beittenmiller
Chief Financial Officer
(713) 830-9600

Increased Capacity and Flexibility

Yearend Debt at Record Low

Houston, TX – January 5, 2004 – Comfort Systems USA, Inc. (NYSE: FIX), a leading provider of commercial, industrial and institutional heating, ventilation and air conditioning ("HVAC") services, today announced that is has closed a new $50 million senior debt facility led by Bank of Texas and Hibernia Bank. This facility replaces the Company's previous senior debt facility led by GE Capital.

Bill Murdy, Comfort Systems USA's Chairman and CEO, said, "We are very pleased with the establishment of our new credit facility led by Bank of Texas and Hibernia. In the face of very challenging industry and economic conditions over the past several years, Comfort Systems USA has remained profitable, generated positive cash flow and substantially reduced its debt. We finished 2003 with continuing positive cash flow and yearend debt of approximately $10 million, a record low for the Company. Our new credit facility not only reflects tremendous improvement in capital structure, strength, and flexibility, but also supports our prospects for improved performance in 2004 and beyond."

The Company's new $50 million senior credit facility includes a five-year $10 million term loan, and a three-year $40 million revolving loan and letter of credit facility. As of December 31, the Company had $10 million outstanding under the term loan, and no borrowings on the revolving portion of the facility. With $19.1 million in letters of credit outstanding, the Company currently has $20.9 million in unused revolving loan capacity.

The Company's new facility contains financial covenants which include a limit on the ratio of debt to earnings before interest, taxes, depreciation and amortization ("EBITDA"); a minimum requirement for the ratio of EBITDA to interest and principal payments; a minimum requirement for tangible net worth; and an annual limit on capital expenditures. The Company complies with these covenants by comfortable margins. Interest rates and fees under the facility are lower than under the Company's previous facility. The Company will record a noncash charge in its fourth quarter 2003 results to write off deferred financing costs and discounts associated with its previous senior lending facility, which was terminated when the Company's new facility was established. This charge is expected to be approximately $4.8 million pretax, or $0.07 per share.

Murdy continued, "For 2004, we continue to expect improving conditions in the commercial, industrial and institutional HVAC industry, and significantly better operating results for Comfort Systems USA. With renewed growth on the horizon, we are very pleased to start the year with a new credit facility whose improved flexibility and capacity reflect the Company's financial strength and support our plans for the future."

The Company also announced that it has scheduled a conference call for 10:00 a.m. Central Standard Time, Friday, February 27, 2004 to discuss fourth quarter and full-year financial results. The results will be released after the close of the market on Thursday, February 26, 2004.

To participate in the call, dial 1-773-756-4600 ten minutes before the conference call begins and ask for the Comfort Systems USA conference. A replay of the entire call will be available until 6:00 p.m. Central Standard Time, Friday, March 5, 2004 by calling 1-402-998-1433.

Comfort Systems USA is a premier provider of business solutions addressing workplace comfort, with 84 locations in 57 cities around the nation. For more inf ormation, visit the Company's website at www.comfortsystemsusa.com.