

**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)

June 2, 2006

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 2nd day of June, 2006, 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) 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 Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. 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, 2005.

A copy of the presentation is furnished herewith as Exhibit 99.1

Item 9.01 Financial Statements and Exhibits

The following exhibit is included herein:

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COMFORT SYSTEMS USA, INC.

By: /s/ Trent T. McKenna
Trent T. McKenna
Vice President and General Counsel

Date: June 2, 2006

2

EXHIBIT INDEX

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|--|
| 99.1 | Slideshow presentation dated June 2, 2006. |

3

Quality People. Building Solutions.

**COMFORT
SYSTEMS USA**



[Link to searchable text of slide shown above](#)

Safe Harbor Statement

**COMFORT
SYSTEMS USA**

This presentation includes certain statements that may be deemed to be “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as Amended. 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. Such risks, uncertainties and other important factors include, among others, the retention of key management, national or regional weakness in non-residential construction activity, difficulty in obtaining or increased costs associated with bonding, shortages of labor and specialty building materials, seasonal fluctuations in the demand for HVAC systems, the use of incorrect estimates for bidding a fixed price contract, the Company’s backlog failing to translate into actual revenue or profits, errors in the Company’s percentage of completion method of accounting, the result of competition in the Company’s markets, and the imposition of past and future liability from environmental, safety and health regulations. The foregoing and other factors are discussed in the Company’s filings with the Securities and Exchange Commission, including the Company’s Annual Report on Form 10-K for the year ended December 31, 2005.

Vision

COMFORT
SYSTEMS USA

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

3

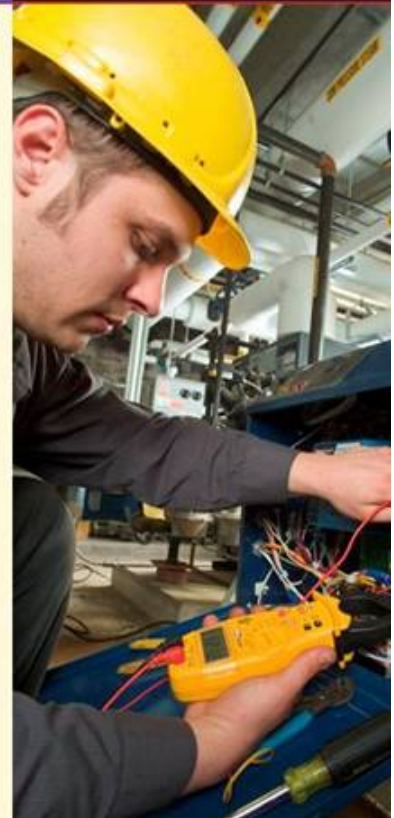


To provide the best value HVAC and mechanical systems installation and service, principally in the mid-market commercial, industrial, and institutional sectors, while caring for our customers, employees and the environment and realizing superior returns for our stockholders.

4

[Link to searchable text of slide shown above](#)

- **Honesty and Integrity**
- **Respect for ALL Stakeholders**
- **Exceed Customer Expectations**
- **Seek “Win-Win” Solutions**
- **Entrepreneurial Spirit and Drive**
- **Premier Safety Performance**
- **Communicate Openly**
- **Positively Impact Our Communities**
- **Think National - Act Local**



5

[Link to searchable text of slide shown above](#)

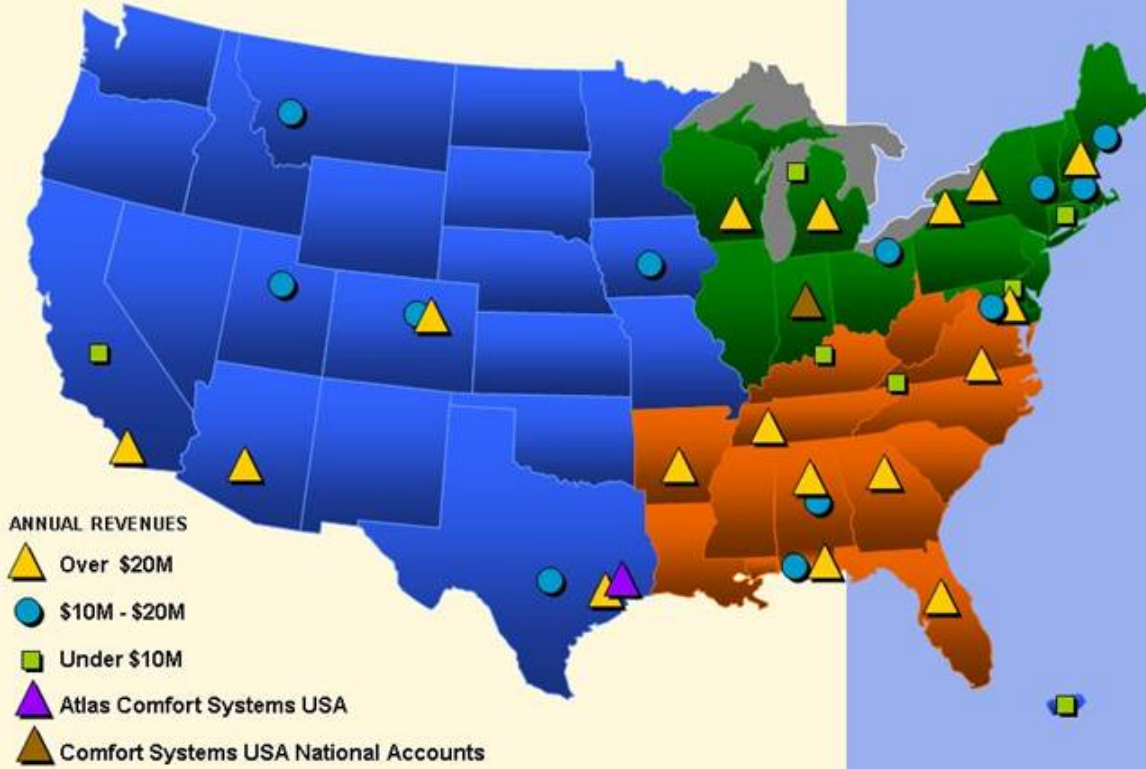
- **National**
- **Commercial, Industrial, Institutional**
- **HVAC/Piping/Plumbing**

- **Strong balance sheet**
- **Profitable/cash flow positive in tough 01-03 conditions**
- **Good results in 04**
- **Increased growth, profitability and cash flow in 05/06**

- **2005 - \$900 million revenues**
- **62% new construction; 38% service, repair, retrofit**
- **Current run rate approximately \$1 billion**



[Link to searchable text of slide shown above](#)



[Link to searchable text of slide shown above](#)



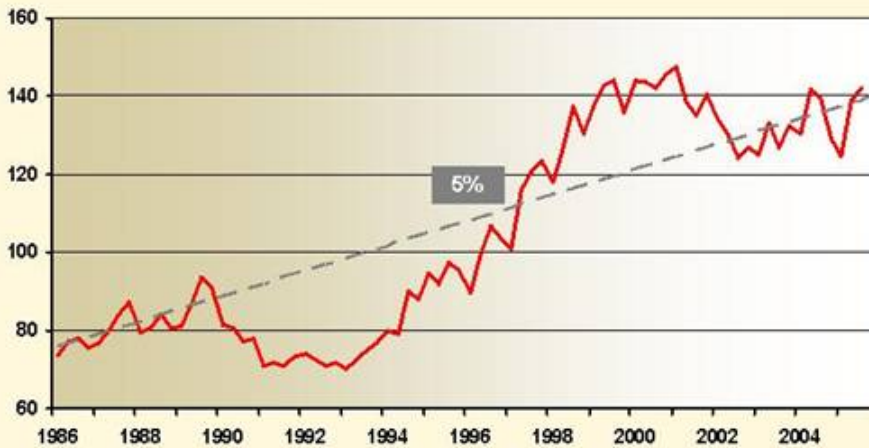
*Quality
People.
Building
Solutions.*

[Link to searchable text of slide shown above](#)



[Link to searchable text of slide shown above](#)

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



The Dodge Index for Nonresidential Building Construction
1996=100

10

DRIVERS

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

[Link to searchable text of slide shown above](#)

Nonresidential Construction Spending (\$ in billions)

| | 2002 | 2005 | 3-Year CAGR | 2008 | 3-Year CAGR |
|-------------------------|----------------|----------------|---------------|----------------|-------------|
| Manufacturing | \$13.2 | \$18.8 | 12.5% | \$29.7 | 16.5% |
| Office | 32.3 | 28.5 | (4.1%) | 40.9 | 12.8% |
| Lodging | 8.4 | 8.9 | 1.9% | 11.7 | 9.5% |
| Health Care | 14.1 | 13.4 | (1.7%) | 14.7 | 3.1% |
| Religious | 6.7 | 5.5 | (6.4%) | 6.1 | 3.5% |
| Educational | 10.5 | 8.8 | (5.7%) | 10.6 | 6.4% |
| Commercial ¹ | 42.8 | 42.0 | (0.6%) | 50.3 | 6.2% |
| Miscellaneous | 6.0 | 6.1 | 0.6% | 6.5 | 2.1% |
| Total | \$134.0 | \$132.0 | (0.5%) | \$170.5 | 8.9% |

Notes:

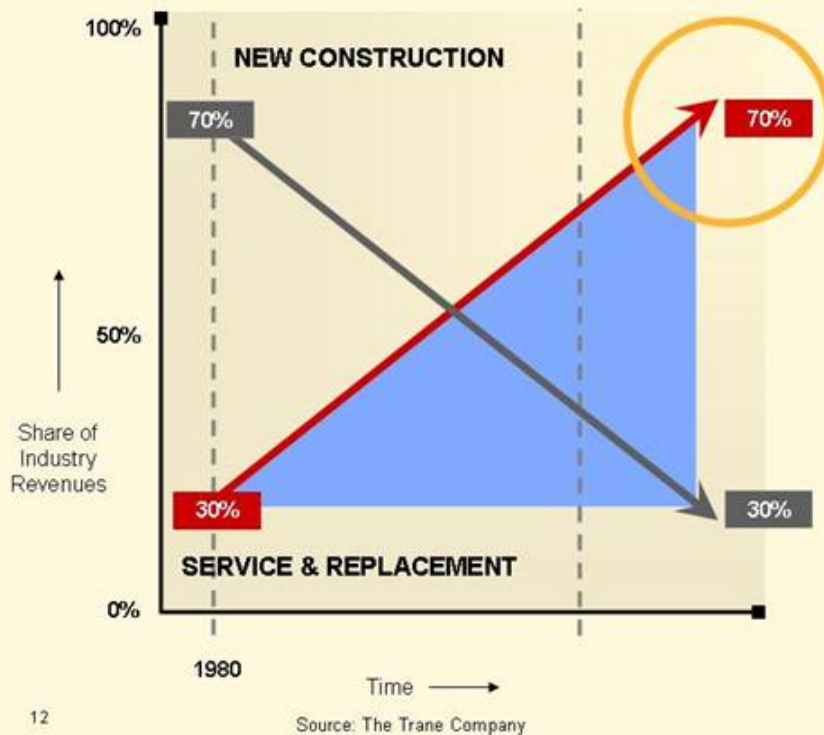
- 1 Commercial includes Farm, Automotive, Food & Beverage, Multi-Retail, Warehouses and Other Commercial

Source: US Department of Commerce and Portland Cement Association Estimates

11

[Link to searchable text of slide shown above](#)

Industry Trend Toward Service & Replacement (Recurring Revenue)

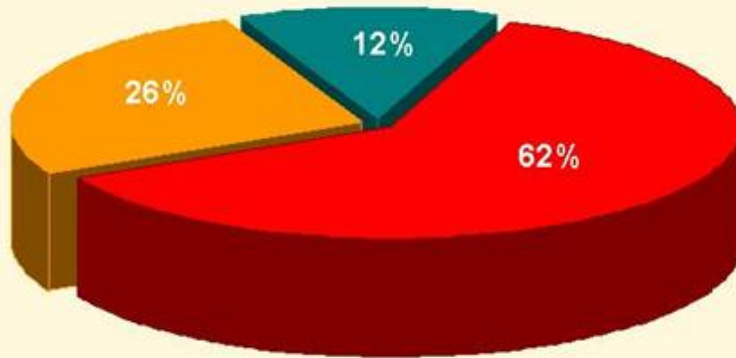


- 5+ million commercial buildings (DOE)
- Recurring service
- 20 year replacement cycle
- “Inventory” of future business
- OEMs note significant deferred maintenance & replacement over recent years

[Link to searchable text of slide shown above](#)

Revenues by Activity

YTD March 2006



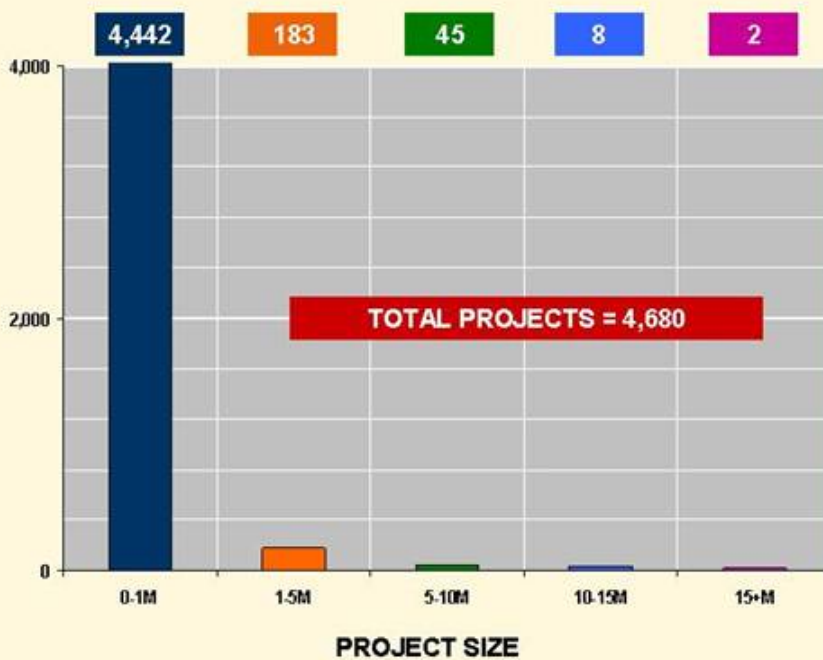
- Service and Maintenance
- New Construction/Installation
- Replacement

13

[Link to searchable text of slide shown above](#)

Diverse Project Mix

OF PROJECTS (As of March 31, 2006)



Average Project Size

\$320,000

Average Project Length

3-6 months

Value of Projects >\$1M

\$829.4M

Value of Projects <\$1M

\$658.3M

14

[Link to searchable text of slide shown above](#)

Select General Contractors

COMFORT SYSTEMS USA



WEITZ

WHITING-TURNER

Turner

Gilbane

BRASFIELD & GORRIE
EXCEEDING EXPECTATIONS, EVERY DAY!

ROBINS & MORTON

SWINERTON
INCORPORATED

JEDUNN
CONSTRUCTION

MCCARTHY

R. J. Griffin & Company
General Contractors

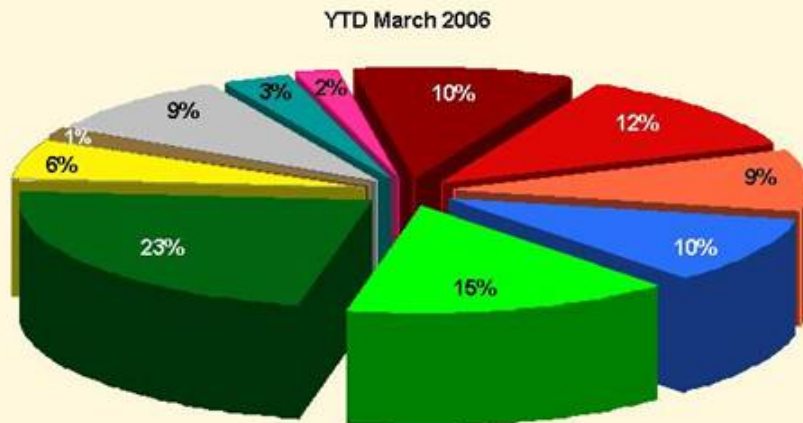
It's time to expect more.

CENTEX
CONSTRUCTION

CLARK
CONSTRUCTION

[Link to searchable text of slide shown above](#)

Diverse End-Use Base



Top Ten Customers

- Served by ten different Comfort operating units
- Largest customer = less than 5% of revenues



16

[Link to searchable text of slide shown above](#)

Competitive Advantages

- High quality operations
- Ability to leverage and proliferate technical expertise
- Ability to collaborate on large jobs and share labor
- National multi-location service capability
- Purchasing economics
- Financing
- Bonding and insurance

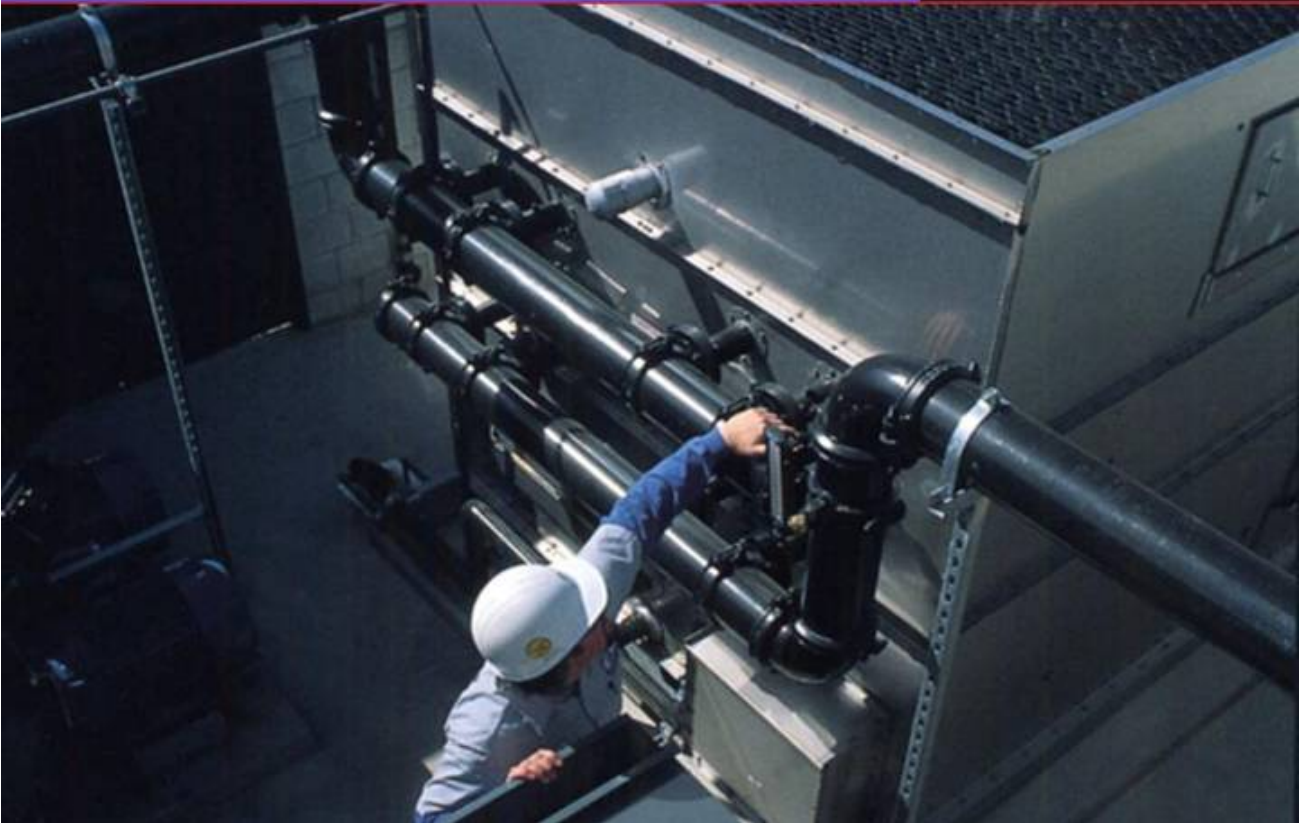


17

[Link to searchable text of slide shown above](#)

Financial Overview

COMFORT
SYSTEMS USA

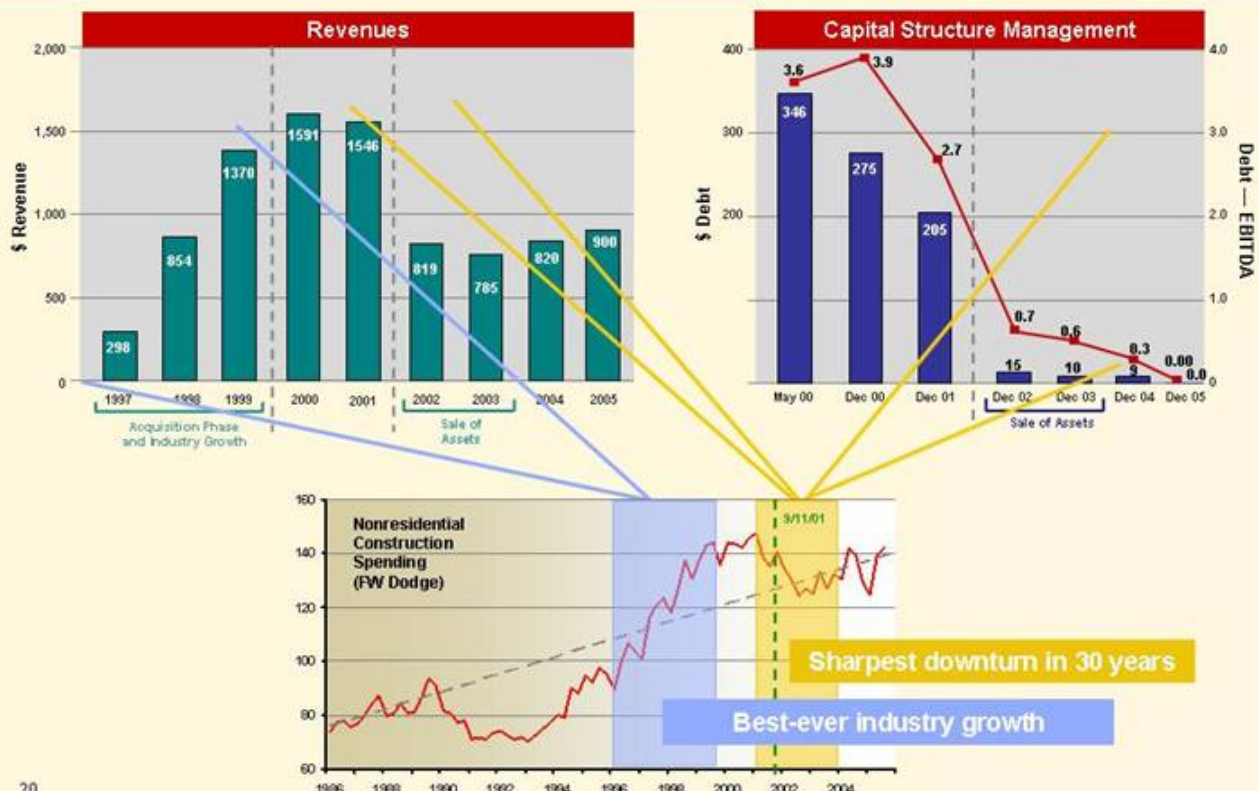


[Link to searchable text of slide shown above](#)

- 1997 to 1999 – IPO, rapid acquisition growth, strong organic growth
- 2000 – Integration challenges, trough in profits, high leverage, start of rationalization of operations
- 2001 – Working capital conservation increases cash flow/reduces debt
- 2002 to 2003 – Sale of assets; smaller stronger platform weathers worst industry conditions in 30 years
- 2004 – Renewed growth
- 2005 – Increased growth and profitability
- 2006 – Increased productivity and growth; push to increase service, repair, retrofit



[Link to searchable text of slide shown above](#)



[Link to searchable text of slide shown above](#)

Project Review and Controls

- If project > 10% TTM revenues or new technical application
 - Then Senior Vice President review required prior to bid process
 - This may include blind estimate by another Comfort unit experienced in type/size of project
- Bonding qualification
- Project management training
- Sarbanes/Oxley early compliance
- Monthly POC Review
 - COO, CFO, Controller, RVP and Regional Controller
 - Review POC detail for 15 largest projects at each of 40 operating units
 - Focus on underbillings and estimate changes
- Cost-to-complete reviews at units
 - RVP or Regional Controller participates in cost-to-complete for every unit at least once a quarter
 - RVP and Regional Controller participate in multiple units' cost-to-completes at quarter-end



Backlog (in millions)

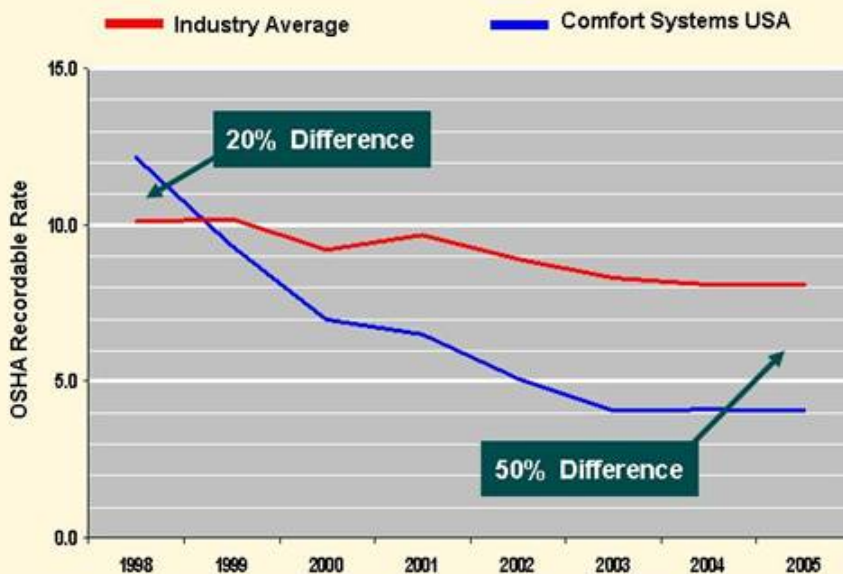


Note: Excludes all divested and discontinued operations

- 9 consecutive record backlog quarters
- Includes \$16 million of acquired backlog in 1Q05

[Link to searchable text of slide shown above](#)

Safety



Source: Bureau of Labor Statistics, Standard Industry Classification (SIC) Code 20 17 10 - 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 accident rate is 80% less than industry average
- Claims cost per payroll dollar down from 4.6% to 1.7%
- We can change behavior

[Link to searchable text of slide shown above](#)

Financial Profile – Ongoing Operations

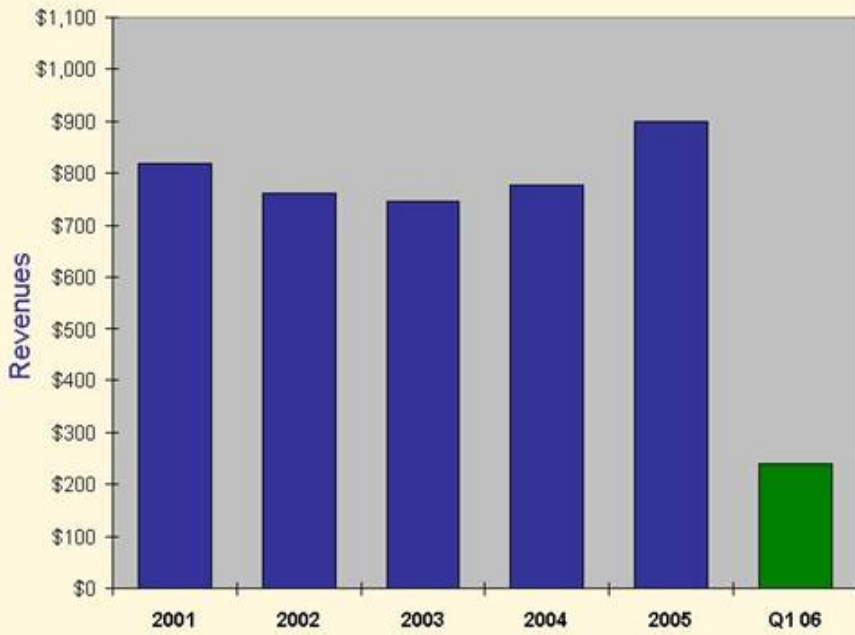


| | 1Q | | Full Year | |
|--------------------------------------|-----------|----------|-------------------|-------------------|
| | 06 | 05 | 05 ⁽¹⁾ | 04 ⁽¹⁾ |
| Revenues | \$ 237.9 | \$ 195.3 | \$ 899.5 | \$ 778.6 |
| Adjusted EBITDA | \$ 8.0 | \$ 2.2 | \$ 37.0 | \$ 25.5 |
| % Revenue..... | 3.3% | 1.1% | 4.1% | 3.3% |
| Operating Income | \$ 6.7 | \$ 1.3 | \$ 32.6 | \$ 21.1 |
| % Revenue..... | 2.8% | 0.7% | 3.6% | 2.7% |
| Net Income - Contg Ops | \$ 4.3 | \$ 0.6 | \$ 18.1 | \$ 12.0 |
| % Revenue..... | 1.8% | 0.3% | 2.0% | 1.5% |
| Diluted EPS - Contg Ops | \$ 0.11 | \$ 0.01 | \$ 0.45 | \$ 0.30 |
| Free Cash Flow | \$ (15.4) | \$ (7.4) | \$ 32.0 | \$ 21.7 |
| Debt | \$ 0.0 | \$ 8.3 | | |
| Cash | \$ 58.4 | \$ 22.5 | | |
| Backlog | \$ 727.2 | \$ 573.3 | | |

(1) This table includes non-GAAP financial information as the information provided excludes goodwill impairment and the expensing of financing costs.

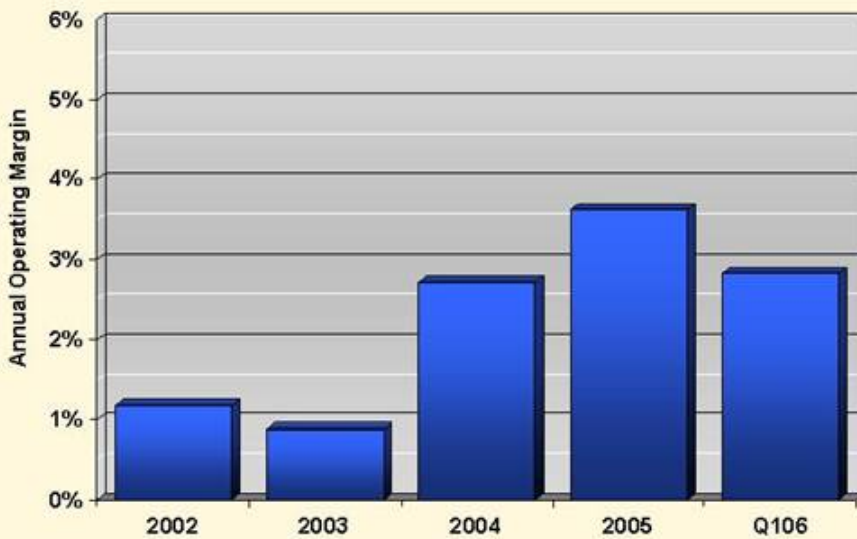
[Link to searchable text of slide shown above](#)

Revenues (2001 – 2006)



[Link to searchable text of slide shown above](#)

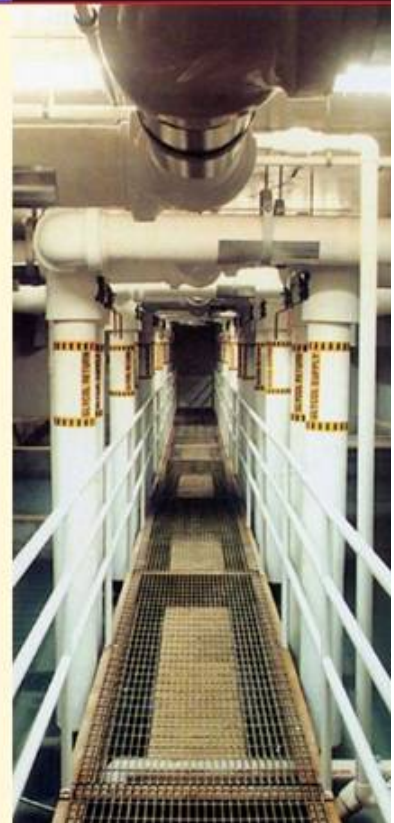
Operating Margins ^(a)

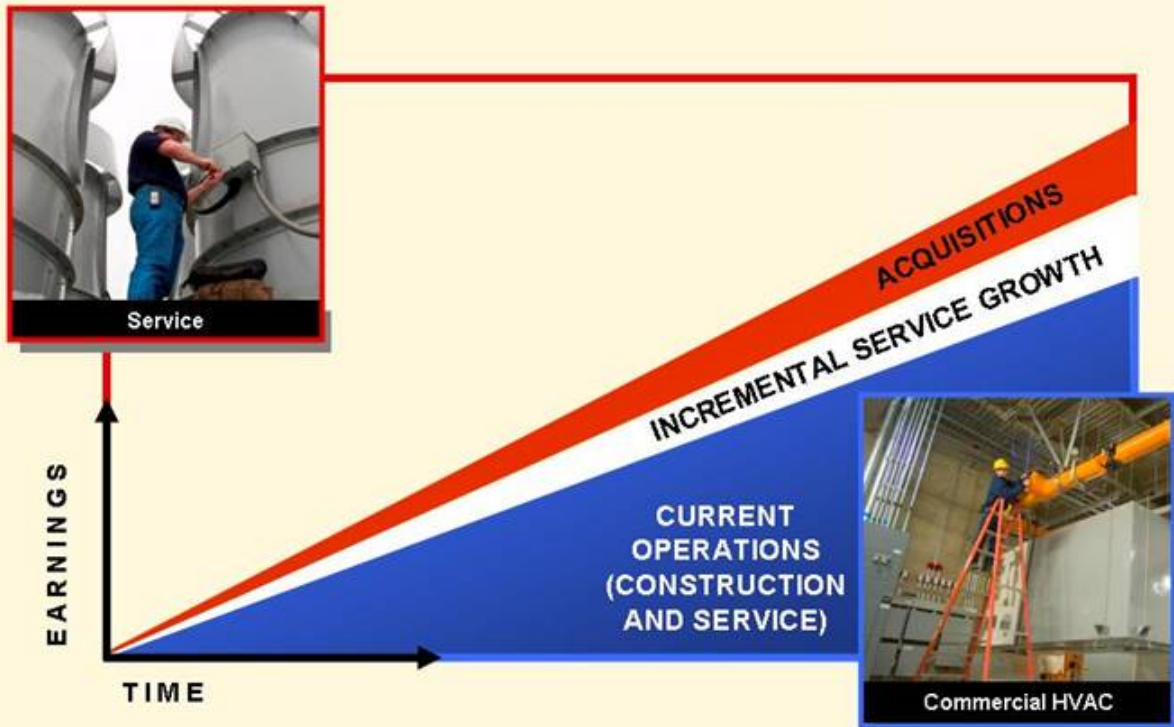


(a) This table includes non-GAAP financial information as the information provided excludes goodwill impairment charges of \$0.2 million, \$2.7 million, \$0.6 million and \$33.9 million for 2002, 2003, 2004 and 2005, respectively.

[Link to searchable text of slide shown above](#)

- **Market share up – revenue and profit performance better than industry**
- **Commitment to cost containment**
- **\$58 million cash at 3/31/06; substantial credit capacity if needed**
- **Positive free cash flow for last seven calendar years**





28

[Link to searchable text of slide shown above](#)

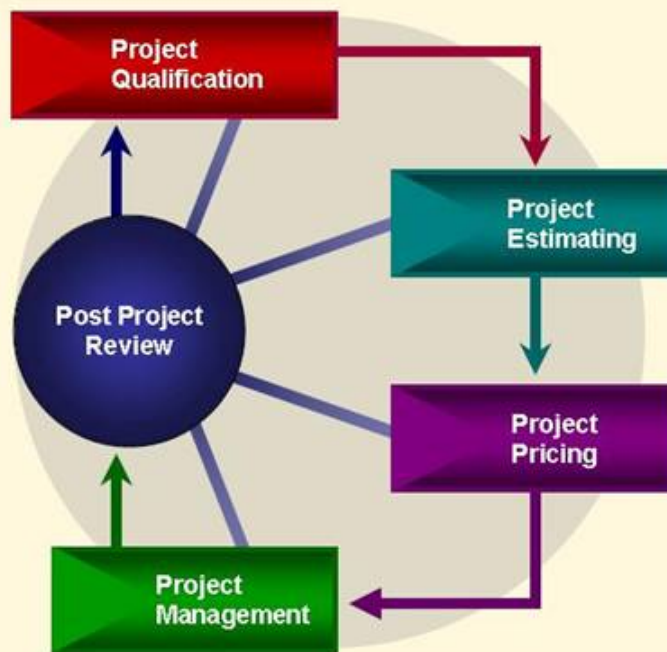
Increase Productivity

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



29

[Link to searchable text of slide shown above](#)



Job Loop

- Constant feedback
- Continuous improvement process

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

-Peter Drucker

31

[Link to searchable text of slide shown above](#)

Strategy

Increase Service*

- **Grow Maintenance Base**
- **Education**
 - Sales
 - Sales Management
 - Service Operations
- **Target Retrofit Projects**
 - Energy Efficiency
 - IAQ

* Maintenance, service, repair, retrofit

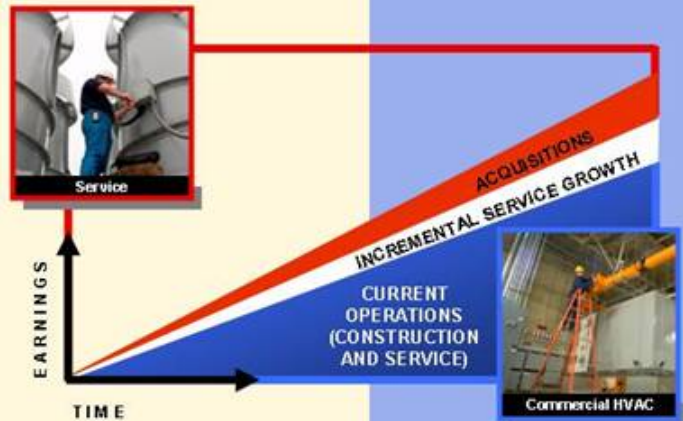
32



[Link to searchable text of slide shown above](#)

Increase Service

- Higher margin opportunity
- Full maintenance contracts/ life of installation
- Recurring revenue
- National accounts
- \$2.50+ of repair and replacement for every \$1.00 of maintenance



Select Customers



34 *Trademarks and logos are the property of their respective owners.

[Link to searchable text of slide shown above](#)

Strategy

Grow

▪ Internal Growth

- More of what we do best
- Service

▪ Step Out Growth

- New locations for existing companies
- Techs "on their own"

▪ Targeted acquisitions



35

[Link to searchable text of slide shown above](#)

The Ideal Candidate

- **\$20 million in revenue**
- **Full service mechanical**
- **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**



[Link to searchable text of slide shown above](#)

(Listed East to West)

- Boston, MA
- Providence, RI
- Norfolk, VA
- Richmond, VA
- Raleigh/Durham, NC
- Charleston, SC
- Columbia, SC
- Tampa, FL
- Charlotte, NC
- Spartanburg/Greenville, SC
- Pittsburgh, PA
- Atlanta, GA (Service)
- Cincinnati, OH
- Nashville, TN
- Tulsa, OK
- Dallas/Fort Worth, TX
- San Antonio, TX
- El Paso, TX
- Albuquerque, NM
- Boise, ID
- Tucson, AZ
- Las Vegas, NV
- Los Angeles, CA
- Seattle, WA
- Portland, OR

37

[Link to searchable text of slide shown above](#)

▪ 25 year CAGR – 5%

(F.W. Dodge)

▪ Nonresidential new construction increasing

(U.S. Census Bureau - Construction Put In Place)

▪ Deferred maintenance and replacement

Dodge Forecast
March 06

06 +9%

07 +7%

08 +2%

38

[Link to searchable text of slide shown above](#)

Long-Term

- \$40+ billion fragmented industry
- HVAC is a basic necessity
- Commercial construction strong
- Growing installed base for recurring maintenance, service, repair and retrofit
- Scale opportunities – service, purchasing, bonding, best practices
- Diverse customer base and geography
- Energy efficiency and IAQ
- Financially and operationally sound – ready to grow





Quality People. Building Solutions.

CONTACT US:

Bill George

Executive Vice President and CFO

1-800-723-8431

bgeorge@comfortsystemsusa.com

www.comfortsystemsusa.com

[Link to searchable text of slide shown above](#)

Searchable text section of graphics shown above

Quality People. Building Solutions.

[LOGO]

[GRAPHIC]

As of June 1, 2006

Safe Harbor Statement

This presentation includes certain statements that may be deemed to be “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as Amended. 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. Such risks, uncertainties and other important factors include, among others, the retention of key management, national or regional weakness in non-residential construction activity, difficulty in obtaining or increased costs associated with bonding, shortages of labor and specialty building materials, seasonal fluctuations in the demand for HVAC systems, the use of incorrect estimates for bidding a fixed price contract, the Company’s backlog failing to translate into actual revenue or profits, errors in the Company’s percentage of completion method of accounting, the result of competition in the Company’s markets, and the imposition of past and future liability from environmental, safety and health regulations. The foregoing and other factors are discussed in the Company’s filings with the Securities and Exchange Commission, including the Company’s Annual Report on Form 10-K for the year ended December 31, 2005.

Vision

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

[GRAPHIC]

Mission

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.

Values

- **Honesty and Integrity**
- **Respect for ALL Stakeholders**
- **Exceed Customer Expectations**
- **Seek “Win-Win” Solutions**
- **Entrepreneurial Spirit and Drive**
- **Premier Safety Performance**
- **Communicate Openly**
- **Positively Impact Our Communities**
- **Think National - Act Local**

[GRAPHIC]

Comfort Systems USA

- **National**
- **Commercial, Industrial, Institutional**
- **HVAC/Piping/Plumbing**

- **Strong balance sheet**
- **Profitable/cash flow positive in tough 01-03 conditions**
- **Good results in 04**
- **Increased growth, profitability and cash flow in 05/06**

- **2005 - \$900 million revenues**
- **62% new construction; 38% service, repair, retrofit**
- **Current run rate approximately \$1 billion**

[GRAPHIC]

Comfort Today

[GRAPHIC]

What We Do

[GRAPHIC]
Commercial HVAC

[GRAPHIC]
Applied Systems

[GRAPHIC]
Piping

[GRAPHIC]
Service, Repair, Retrofit

*Quality People.
Building Solutions.*

8

What We Do

[GRAPHIC]

9

Long Term Industry Growth

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

[CHART]

The Dodge Index for Nonresidential Building Construction
1996=100

DRIVERS

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

10

Nonresidential Construction Spending (\$ in billions)

| | 2002 | 2005 | 3-Year CAGR | 2008 | 3-Year CAGR |
|----------------------|----------|----------|----------------|----------|----------------|
| Manufacturing | \$ 13.2 | \$ 18.8 | 12.5% | \$ 29.7 | 16.5% |
| Office | 32.3 | 28.5 | (4.1)% | 40.9 | 12.8% |
| Lodging | 8.4 | 8.9 | 1.9% | 11.7 | 9.5% |
| Health Care | 14.1 | 13.4 | (1.7)% | 14.7 | 3.1% |
| Religious | 6.7 | 5.5 | (6.4)% | 6.1 | 3.5% |
| Educational | 10.5 | 8.8 | (5.7)% | 10.6 | 6.4% |
| Commercial(1) | 42.8 | 42.0 | (0.6)% | 50.3 | 6.2% |
| Miscellaneous | 6.0 | 6.1 | 0.6% | 6.5 | 2.1% |
| Total | \$ 134.0 | \$ 132.0 | (0.5)% | \$ 170.5 | 8.9% |

Notes:

(1) Commercial includes Farm, Automotive, Food & Beverage, Multi-Retail, Warehouses and Other Commercial

Source: US Department of Commerce and Portland Cement Association Estimates

11

[CHART]

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**

12

Revenues by Activity

YTD March 2006

[CHART]

13

Diverse Project Mix

OF PROJECTS (As of March 31, 2006)

[CHART]

PROJECT SIZE

Average Project Size
\$320,000

Average Project Length
3-6 months

Value of Projects >\$1M
\$829.4M

Value of Projects <\$1M
\$658.3M

14

Select General Contractors

[LOGO]

**Trademarks and logos are the property of their respective owners.*

15

Diverse End-Use Base

YTD March 2006

[CHART]

Top Ten Customers

- **Served by ten different Comfort operating units**

- **Largest customer = less than 5% of revenues**

16

Competitive Advantages

- **High quality operations**
- **Ability to leverage and proliferate technical expertise**
- **Ability to collaborate on large jobs and share labor**
- **National multi-location service capability**
- **Purchasing economics**
- **Financing**
- **Bonding and insurance**

[GRAPHIC]

17

Financial Overview

[GRAPHIC]

18

History

- **1997 to 1999 – IPO, rapid acquisition growth, strong organic growth**
- **2000 – Integration challenges, trough in profits, high leverage, start of rationalization of operations**
- **2001 – Working capital conservation increases cash flow/reduces debt**
- **2002 to 2003 – Sale of assets; smaller stronger platform weathers worst industry conditions in 30 years**
- **2004 – Renewed growth**
- **2005 – Increased growth and profitability**
- **2006 – Increased productivity and growth; push to increase service, repair, retrofit**

[GRAPHIC]

19

History – Financial

Revenues
[CHART]

Capital Structure Management
[CHART]

[CHART]

20

Project Review and Controls

- If project > 10% TTM revenues or new technical application

- Then Senior Vice President review required prior to bid process
- This may include blind estimate by another Comfort unit experienced in type/size of project
- Bonding qualification
- Project management training
- Sarbanes/Oxley early compliance
- Monthly POC Review
 - COO, CFO, Controller, RVP and Regional Controller
 - Review POC detail for 15 largest projects at each of 40 operating units
 - Focus on underbillings and estimate changes
- Cost-to-complete reviews at units
 - RVP or Regional Controller participates in cost-to-complete for every unit at least once a quarter
 - RVP and Regional Controller participate in multiple units' cost-to-completes at quarter-end

[GRAPHIC]

21

Backlog (in millions)

[CHART]

Note: Excludes all divested and discontinued operations

- **9 consecutive record backlog quarters**
- **Includes \$16 million of acquired backlog in 1Q05**

22

Safety

[CHART]

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 accident rate is 80% less than industry average**
- **Claims cost per payroll dollar down from 4.6% to 1.7%**
- **We can change behavior**

23

Financial Profile – Ongoing Operations

| | 1Q | | Full Year | |
|--------------------------------|-----------|----------|-----------|----------|
| | 06 | 05 | 05(1) | 04(1) |
| Revenues | \$ 237.9 | \$ 195.3 | \$ 899.5 | \$ 778.6 |
| Adjusted EBITDA | \$ 8.0 | \$ 2.2 | \$ 37.0 | \$ 25.5 |
| % Revenue | 3.3% | 1.1% | 4.1% | 3.3% |
| Operating Income | \$ 6.7 | \$ 1.3 | \$ 32.6 | \$ 21.1 |
| % Revenue | 2.8% | 0.7% | 3.6% | 2.7% |
| Net Income - Contg Ops | \$ 4.3 | \$ 0.6 | \$ 18.1 | \$ 12.0 |
| % Revenue | 1.8% | 0.3% | 2.0% | 1.5% |
| Diluted EPS - Contg Ops | \$ 0.11 | \$ 0.01 | \$ 0.45 | \$ 0.30 |
| Free Cash Flow | \$ (15.4) | \$ (7.4) | \$ 32.0 | \$ 21.7 |
| Debt | \$ 0.0 | \$ 8.3 | | |
| Cash | \$ 58.4 | \$ 22.5 | | |

(1) This table includes non-GAAP financial information as the information provided excludes goodwill impairment and the expensing of financing costs.

24

Revenues (2001 – 2006)

[CHART]

[GRAPHIC]

25

Operating Margins (a)

[CHART]

(a) This table includes non-GAAP financial information as the information provided excludes goodwill impairment charges of \$0.2 million, \$2.7 million, \$0.6 million and \$33.9 million for 2002, 2003, 2004 and 2005, respectively.

[GRAPHIC]

26

Financial Strengths

- **Market share up – revenue and profit performance better than industry**
- **Commitment to cost containment**
- **\$58 million cash at 3/31/06; substantial credit capacity if needed**
- **Positive free cash flow for last seven calendar years**

[GRAPHIC]

27

Profile For Growth

[GRAPHIC]

28

Strategy

Increase Productivity

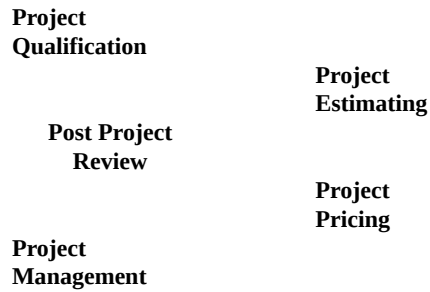
- **Education**
 - Leadership
 - Project Managers
 - Superintendents
 - Service Sales
 - Service Operations
 - Craft
- **Best Practices**
 - Project Loop
 - Estimating
- **Cooperation with suppliers**

- **Prefabrication**
- **New materials and methods**
- **Focus**
 - Leadership
 - Management

29

Core HVAC – Job Loop

[GRAPHIC]



Job Loop

- **Constant feedback**
- **Continuous improvement process**

30

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

-Peter Drucker

31

Strategy

Increase Service*

- **Grow Maintenance Base**
- **Education**
 - Sales
 - Sales Management
 - Service Operations
- **Target Retrofit Projects**
 - Energy Efficiency
 - IAQ

* Maintenance, service, repair, retrofit

[GRAPHIC]

32

Increase Service

- **Higher margin opportunity**
- **Full maintenance contracts/life of installation**

- **Recurring revenue**
- **National accounts**
- **\$2.50+ of repair and replacement for every \$1.00 of maintenance**

[GRAPHIC]

33

Select Customers

[LOGO]

**Trademarks and logos are the property of their respective owners.*

34

Strategy

Grow

- **Internal Growth**
 - More of what we do best
 - Service
- **Step Out Growth**
 - New locations for existing companies
 - Techs “on their own”
- **Targeted acquisitions**

[GRAPHIC]

35

The Ideal Candidate

- **\$20 million in revenue**
- **Full service mechanical**
- **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**

[GRAPHIC]

36

Target Cities

(Listed East to West)

- **Boston, MA**

- Providence, RI
- Norfolk, VA
- Richmond, VA
- Raleigh/Durham, NC
- Charleston, SC
- Columbia, SC
- Tampa, FL
- Charlotte, NC
- Spartanburg/Greenville, SC
- Pittsburgh, PA
- Atlanta, GA (Service)
- Cincinnati, OH
- Nashville, TN
- Tulsa, OK
- Dallas/Fort Worth, TX
- San Antonio, TX
- El Paso, TX
- Albuquerque, NM
- Boise, ID
- Tucson, AZ
- Las Vegas, NV
- Los Angeles, CA
- Seattle, WA
- Portland, OR

Industry Activity

- **25 year CAGR – 5%**
(F.W. Dodge)
- **Nonresidential new construction increasing**
(U.S. Census Bureau - Construction Put In Place)
- **Deferred maintenance and replacement**

Dodge Forecast March 06

| | |
|-----------|------------|
| 06 | +9% |
| 07 | +7% |
| 08 | +2% |

Outlook

Long-Term

- **\$40+ billion fragmented industry**
- **HVAC is a basic necessity**
- **Commercial construction strong**
- **Growing installed base for recurring maintenance, service, repair and retrofit**
- **Scale opportunities – service, purchasing, bonding, best practices**
- **Diverse customer base and geography**
- **Energy efficiency and IAQ**
- **Financially and operationally sound – ready to grow**

[GRAPHIC]

39

[LOGO]

Quality People. Building Solutions.

CONTACT US:

Bill George
Executive Vice President and CFO
1-800-723-8431
bgeorge@comfortsystemsusa.com

www.comfortsystemsusa.com
