

**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)

August 4, 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 2.02 Results of Operations and Financial Condition

Attached and incorporated herein by reference as Exhibit 99.1 is a copy of a press release of Comfort Systems USA, Inc., a Delaware corporation (the "Company") dated August 2, 2006 reporting the Company's financial results for the second quarter of 2006.

Item 7.01 Regulation FD Disclosure

On the 4th day of August, 2006, 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 99.2

Item 8.01 Other Events

Attached and incorporated herein by reference as Exhibit 99.3 is a copy of a press release of the Company dated August 2, 2006 reporting the Company's declaration of a quarterly dividend on the Company's common stock to shareholders of record as of the close of business on the record date August 31, 2006.

Item 9.01 Financial Statements and Exhibits

The following Exhibits are included herein:

Exhibit 99.1 Press release of the Company dated August 2, 2006 reporting the Company's financial results for the second quarter of 2006.

Exhibit 99.2 Slideshow presentation dated August 4, 2006.

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Exhibit 99.3 Press release of the Company dated August 2, 2006 reporting the Company's declaration of a quarterly dividend on the Company's common stock to shareholders of record as of the close of business on the record date August 31, 2006.

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: August 4, 2006

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EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Exhibit 99.1 Press release of the Company dated August 2, 2006 reporting the Company's financial results for the second quarter of 2006.
99.2	Exhibit 99.2 Slideshow presentation dated August 2, 2006.
99.3	Exhibit 99.3 Press release of the Company dated August 2, 2006 reporting the Company's declaration of a quarterly dividend on the Company's common stock to shareholders of record as of the close of business on the record date August 31, 2006.

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CONTACT: William George
Chief Financial Officer
(713) 830-9600

777 Post Oak Blvd, Suite 500
Houston, Texas 77056
713-830-9600
Fax 713-830-9696

FOR IMMEDIATE RELEASE

COMFORT SYSTEMS USA REPORTS SECOND QUARTER RESULTS

— Net Income Increases 69.3% on Strong Revenues —

Houston, TX – August 2, 2006 – Comfort Systems USA, Inc. (NYSE: FIX), a leading provider of commercial, industrial and institutional heating, ventilation and air conditioning (“HVAC”) services, today announced net income of \$7,921,000 or \$0.19 per diluted share, for the quarter ended June 30, 2006, as compared to net income of \$4,678,000 or \$0.12 per diluted share, in the second quarter of 2005. Excluding the write off of debt costs, net income from continuing operations was \$5,362,000 or \$0.13 per diluted share for the quarter ended June 30, 2005.

Bill Murdy, Comfort Systems USA’s Chairman and CEO, said, “We are pleased with our strong second quarter results and with the strength and improvement our operations continue to demonstrate. Significant increases in profits and revenues in our second quarter build solidly on our strong first quarter, and they add to our optimism about the future.”

The Company reported revenues from continuing operations of \$264,390,000 in the current quarter, an increase of 15.2% as compared to \$229,547,000 in 2005. The Company also reported free cash flow of \$6,762,000 in the current quarter as compared to free cash flow of \$10,808,000 in 2005. Backlog as of June 30, 2006 was \$689,993,000, as compared to \$726,726,000, as of March 31, 2006 on a same store basis. Backlog as of June 30, 2005 was \$618,717,000 on a same store basis.

The Company reported net income for the six months ended June 30, 2006 of \$12,248,000 or \$0.30 per diluted share as compared to net income of \$5,207,000 or \$0.13 per diluted share in 2005. The Company reported net income from continuing operations for the six months ended June 30, 2006 of \$12,251,000 or \$0.30 per diluted share as compared to net income from continuing operations of \$6,163,000 or \$0.15 per diluted share. Excluding the write off of debt costs, net income from continuing operations was \$6,642,000 or \$0.17 per diluted share for the six months ended June 30, 2005. The Company reported revenues of \$500,775,000 from continuing operations for the first six months of 2006, as compared to \$423,647,000 in 2005.

Murdy continued, “Net income essentially doubled for the first half of 2006 as compared to the first half of 2005. Our recent very high backlog levels continued, although we experienced a decrease in backlog levels in our multi-family residential activities this quarter that resulted in a sequential decrease in total backlog, while total backlog was up significantly from the same quarter a year ago. The decrease in multi-family residential backlog more than accounted for the drop in total backlog, and thus backlog levels for commercial work actually increased during the second quarter.”

Bill Murdy concluded, “In recent years Comfort Systems USA has successfully executed a strategy of developing our team members and strengthening our core operations. Although we continue our focus on improving existing operations, we are also concentrating on making prudent investments in growth. With a strong balance sheet and continued strength in our core operations, we look forward to a busy and successful third quarter and year.”

As previously announced, the Company will host a conference call to discuss its financial results and position in more depth on Thursday, August 3, 2006 at 10:00 a.m. Central Time. The call-in number for this conference call is 1-210-234-0008. A replay of the entire call will be available until 6:00 p.m. Central Time, Thursday, August 10, 2006 by calling 1-402-220-0275.

Comfort Systems USA⁰ is a premier provider of business solutions addressing workplace comfort, with 57 locations in 51 cities around the nation. For more information, visit the Company’s website at www.comfortsystemsusa.com.

This press release 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 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, 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 and 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, 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 the Company’s reports filed with the Securities and Exchange Commission. Important factors that could cause actual results to differ are discussed under “Item 1A. Company Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2005. These forward-looking statements speak only as of the date of this release. 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 Comfort Systems USA, Inc.’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

– Financial table follows –

Comfort Systems USA, Inc.
Consolidated Statements of Operations
For the Three Months and Six Months Ended June 30, 2006 and 2005
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended June 30,				Six Months Ended June 30,			
	2006	%	2005	%	2006	%	2005	%
Revenues	\$ 264,390	100.0%	\$ 229,547	100.0%	\$ 500,775	100.0%	\$ 423,647	100.0%
Cost of services	221,926	83.9%	191,296	83.3%	421,543	84.2%	357,279	84.3%
Gross profit	42,464	16.1%	38,251	16.7%	79,232	15.8%	66,368	15.7%
SG&A	30,414	11.5%	28,565	12.4%	60,157	12.0%	54,348	12.8%
Gain on sale of assets	(49)	—	(25)	—	(69)	—	(103)	—
Income from operations	12,099	4.6%	9,711	4.2%	19,144	3.8%	12,123	2.9%
Interest expense (income), net	(416)	(0.2)%	254	0.1%	(907)	(0.2)%	501	0.1%
Write off of debt costs	—	—	870	0.4%	—	—	870	0.2%
Other expense (income)	1	—	(65)	—	(18)	—	(75)	—
Income before taxes	12,514	4.7%	8,652	3.8%	20,069	4.0%	10,827	2.6%
Income taxes	4,797		3,769		7,818		4,664	
Income from continuing operations	7,717	2.9%	4,883	2.1%	12,251	2.4%	6,163	1.5%
Discontinued operations:								
Operating loss, net of income tax benefit (expense) of \$(6), \$25, \$105, and \$415	(5)		(342)		(212)		(1,093)	
Estimated gain on disposition, including income tax benefit (expense) of \$209, \$(82), \$209, and \$(82)	209		137		209		137	
Net income	\$ 7,921		\$ 4,678		\$ 12,248		\$ 5,207	
Income per share:								
Basic-								
Income from continuing operations	\$ 0.19		\$ 0.12		\$ 0.31		\$ 0.16	
Discontinued operations -								
Loss from operations	—		—		(0.01)		(0.03)	
Estimated gain on disposition	0.01		—		0.01		—	
Net income	\$ 0.20		\$ 0.12		\$ 0.31		\$ 0.13	
Diluted -								
Income from continuing operations	\$ 0.19		\$ 0.12		\$ 0.30		\$ 0.15	
Discontinued operations -								
Loss from operations	—		—		(0.01)		(0.02)	
Estimated gain on disposition	—		—		0.01		—	
Net income	\$ 0.19		\$ 0.12		\$ 0.30		\$ 0.13	
Shares used in computing income per share:								
Basic	40,244		39,173		40,060		39,082	
Diluted	41,209		40,107		41,045		40,131	

Note 1: The diluted earnings per share data presented above reflects the dilutive effect, if any, of stock options and contingently issuable restricted stock which were outstanding during the periods presented.

Supplemental Non-GAAP Information (unaudited):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2006	%	2005	%	2006	%	2005	%
Income from continuing operations (after tax)	\$ 7,717		\$ 4,883		\$ 12,251		\$ 6,163	
Write off of debt costs (after tax)	—		479		—		479	
Income from continuing operations (after tax), excluding the write off of debt costs	\$ 7,717	2.9%	\$ 5,362	2.3%	\$ 12,251	2.4%	\$ 6,642	1.6%
Diluted earnings per share – income	\$ 0.19		\$ 0.13		\$ 0.30		\$ 0.17	

from continuing operations (after tax), excluding the write off of debt costs

Note 1: Operating results from continuing operations, excluding the write off of debt costs, is presented because the Company believes it reflects the results of the core ongoing operations of the Company, and because we believe it is responsive to frequent questions we receive about the Company from third parties. However, this measure is not considered a primary measure of an entity's financial results under generally accepted accounting principles, and accordingly, this amount should not be considered an alternative to operating results as determined under generally accepted accounting principles and as reported by the Company.

Note 2: The tax rate on this item was computed using the pro forma effective tax rate of the Company exclusive of this charge.

Supplemental Non-GAAP Information – Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”) (unaudited):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2006	%	2005	%	2006	%	2005	%
Net income	\$ 7,921		\$ 4,678		\$ 12,248		\$ 5,207	
Discontinued operations	(204)		205		3		956	
Income taxes	4,797		3,769		7,818		4,664	
Write off of debt costs	—		870		—		870	
Other expense (income)	1		(65)		(18)		(75)	
Interest (income) expense, net	(416)		254		(907)		501	
Gain on sale of assets	(49)		(25)		(69)		(103)	
Depreciation and amortization	1,289		1,025		2,515		1,979	
Adjusted EBITDA	<u>\$ 13,339</u>	5.0%	<u>\$ 10,711</u>	4.7%	<u>\$ 21,590</u>	4.3%	<u>\$ 13,999</u>	3.3%

Note 1: The Company defines adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA) as net income, excluding discontinued operations, income taxes, write off of debt costs, other expense (income), interest (income) expense, net, gain on sale of assets and depreciation and amortization. Other companies may define Adjusted EBITDA differently. Adjusted EBITDA is presented because it is a financial measure that is frequently requested by third parties. However, Adjusted EBITDA is not considered under generally accepted accounting principles as a primary measure of an entity's financial results, and accordingly, Adjusted EBITDA should not be considered an alternative to operating income, net income, or cash flows as determined under generally accepted accounting principles and as reported by the Company.

Comfort Systems USA, Inc.
Condensed Consolidated Balance Sheets
(in thousands)

	June 30, 2006 (unaudited)	December 31, 2005
Cash and cash equivalents	\$ 67,091	\$ 55,593
Accounts receivable, net	229,685	195,025
Receivable from sale of operations	—	23,800
Costs and estimated earnings in excess of billings	28,923	22,512
Assets related to discontinued operations	992	3,996
Other current assets	24,796	25,149
Total current assets	<u>351,487</u>	<u>326,075</u>
Property and equipment, net	14,063	12,705
Goodwill	62,954	62,954
Other noncurrent assets	6,421	6,949
Total assets	<u>\$ 434,925</u>	<u>\$ 408,683</u>
Current maturities of long-term debt	\$ —	\$ —
Accounts payable	76,231	71,922
Billings in excess of costs and estimated earnings	70,942	53,279
Liabilities related to discontinued operations	678	1,309
Other current liabilities	59,302	68,650
Total current liabilities	<u>207,153</u>	<u>195,160</u>
Long-term debt	—	—
Total liabilities	<u>207,153</u>	<u>195,160</u>
Total equity	<u>227,772</u>	<u>213,523</u>
Total liabilities and equity	<u>\$ 434,925</u>	<u>\$ 408,683</u>

Selected Cash Flow Data (in thousands) (unaudited):

Three Months Ended

Six Months Ended

	June 30,		June 30,	
	2006	2005	2006	2005
Cash flow from operating activities	\$ 8,586	\$ 11,929	\$ (11,922)	\$ 6,388
Cash flow from investing activities	\$ (845)	\$ (203)	\$ 21,810	\$ (4,836)
Cash flow from financing activities	\$ 989	\$ (7,725)	\$ 1,610	\$ (7,673)
Cash flow from operating activities	\$ 8,586	\$ 11,929	\$ (11,922)	\$ 6,388
Purchases of property and equipment	(1,994)	(1,184)	(4,043)	(3,227)
Proceeds from sales of property and equipment	170	63	279	211
Taxes paid related to the sale of business	—	—	7,020	—
Free cash flow	\$ 6,762	\$ 10,808	\$ (8,666)	\$ 3,372

Note 1: Free cash flow is defined as cash flow from operating activities excluding items related to sale of businesses, less customary capital expenditures, plus the proceeds from asset sales. Other companies may define free cash flow differently. Free cash flow is presented because it is a financial measure that is frequently requested by third parties. However, free cash flow is not considered under generally accepted accounting principles as a primary measure of an entity's financial results, and accordingly, free cash flow should not be considered an alternative to operating income, net income, or cash flows as determined under generally accepted accounting principles and as reported by the Company.

Quality People. Building Solutions.

**COMFORT
SYSTEMS USA**



As of August 4, 2006

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 including the inherent risk associated with self-insurance, adverse litigation results and other risks detailed in the Company’s filings with the Securities and Exchange Commission. Important factors that could cause actual results to differ are discussed under Item 1A “Company Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2005.

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

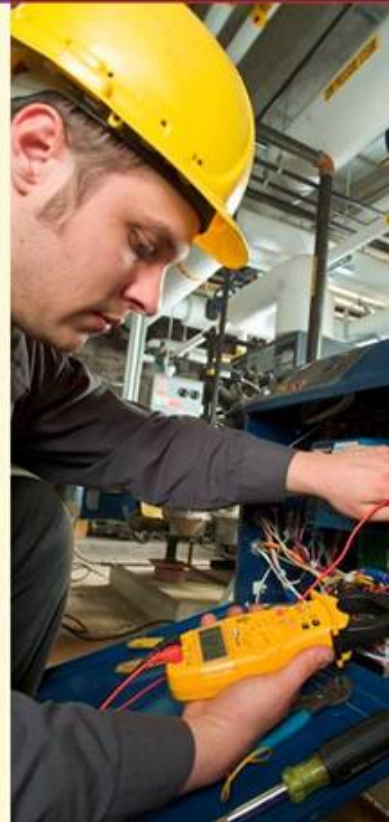


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***To provide the best value HVAC and
mechanical systems installation and
service, principally in the mid-market
commercial, industrial, and institutional
sectors, while caring for our customers,
employees and the environment and
realizing superior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

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- **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**



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Comfort Systems USA

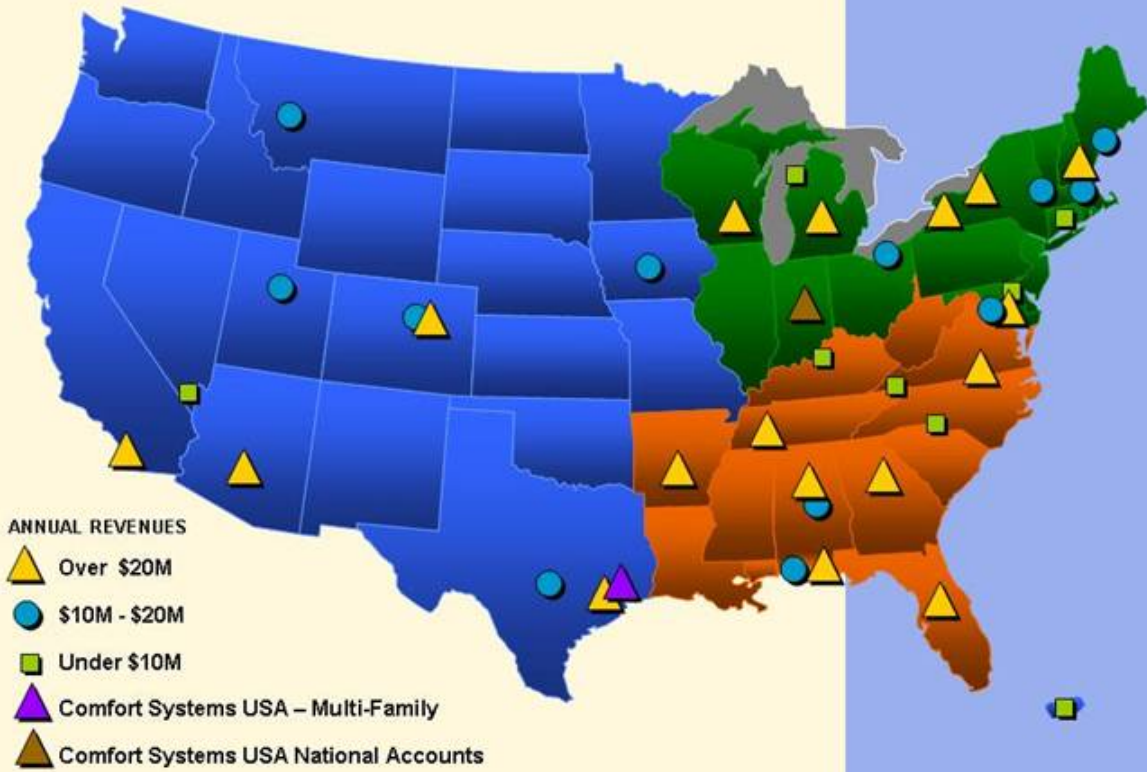
- **National**
- **Commercial, Industrial, Institutional**
- **HVAC/Piping/Plumbing**

- **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**

- **2006 - \$501 million revenues**
- **61% new construction; 39% service, repair, retrofit**
- **Current run rate approximately \$1 billion**



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What We Do

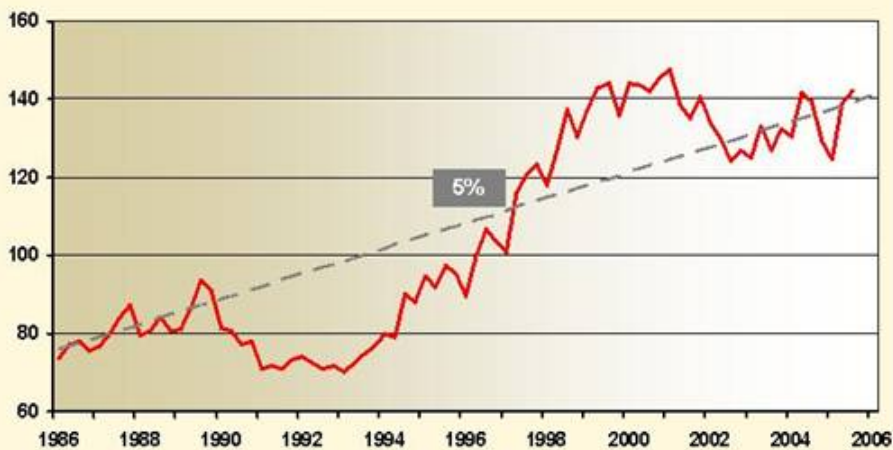


*Quality
People.
Building
Solutions.*



Long Term Industry Growth

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

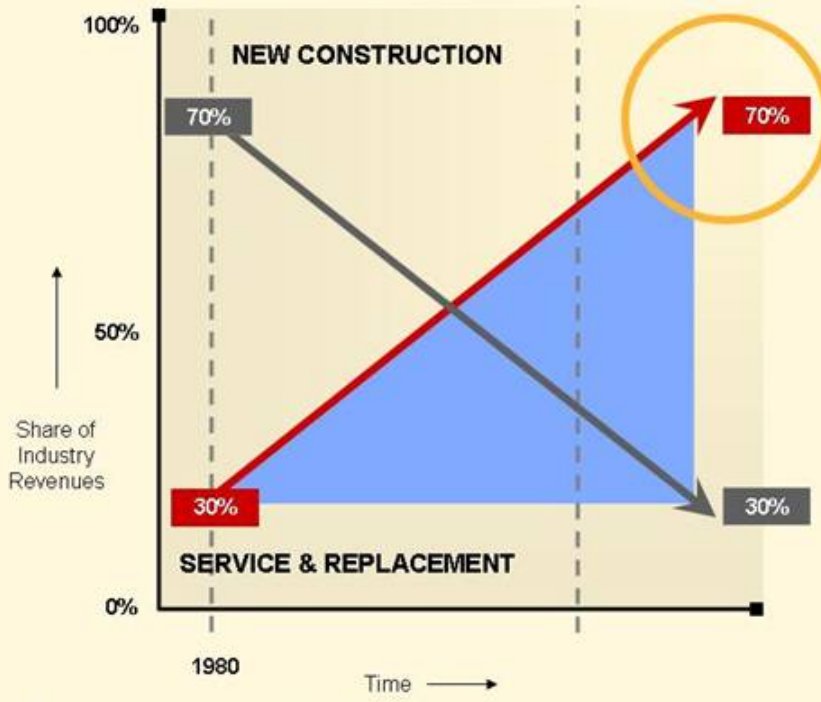


The Dodge Index for Nonresidential Building Construction
1996=100

DRIVERS

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

Industry Trend Toward Service & Replacement (Recurring Revenue)

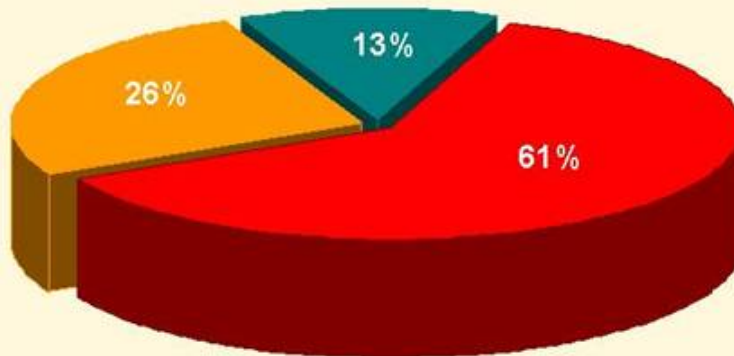


Source: The Trane Company

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

Revenues by Activity

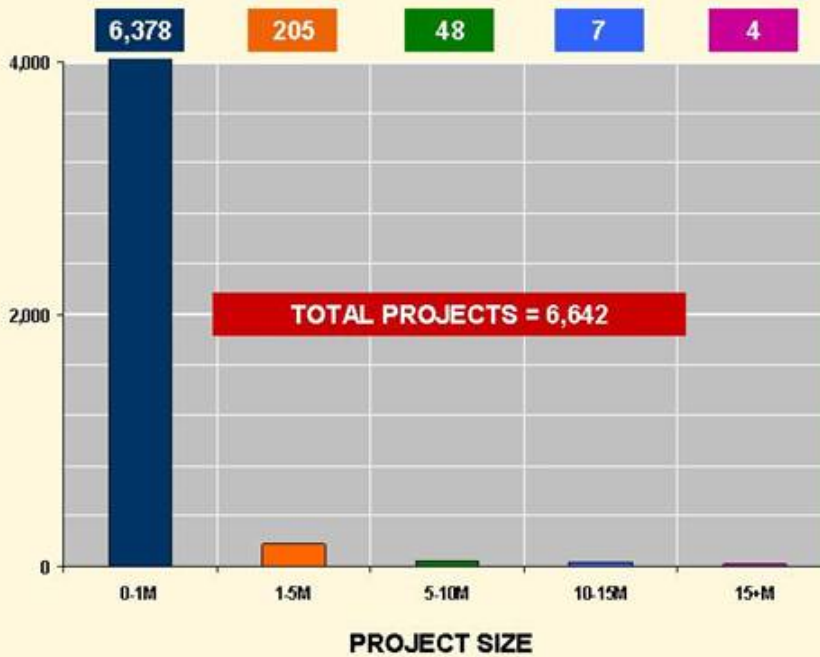
YTD June 2006



- Service and Maintenance
- New Construction/Installation
- Replacement

Diverse Project Mix

OF PROJECTS (As of June 30, 2006)



Average Project Size

\$250,000

Average Project Length

6-9 months

Value of Projects >\$1M

\$907.3M

Value of Projects <\$1M

\$756.2M

Select General Contractors



WEITZ

WHITING-TURNER

Turner

Gilbane

BRASFIELD & GORRIE
EXCEEDING EXPECTATIONS, EVERY DAY!

ROBINS & MORTON

SWINERTON
INCORPORATED

MCCARTHY

R. J. Griffin & Company
General Contractors

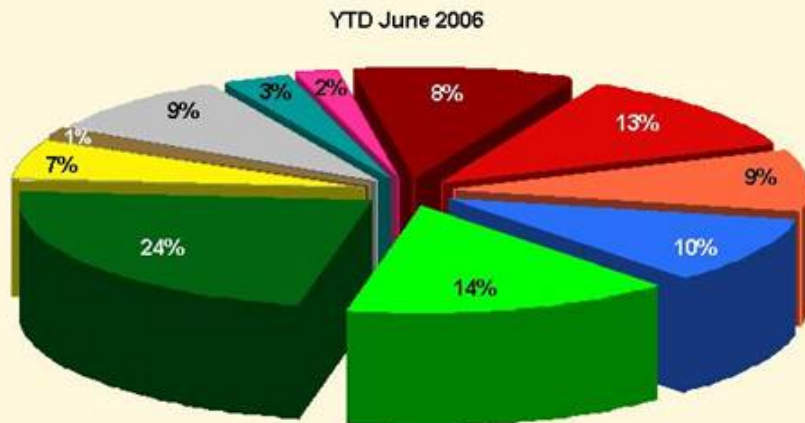
Bovis
Lend Lease

JEDUN
CONSTRUCTION

It's time to expect more.

CENTEX
CONSTRUCTION

Diverse End-Use Base



Top Ten Customers

- Served by 11 different Comfort operating units
- Largest customer = less than 4% of revenues



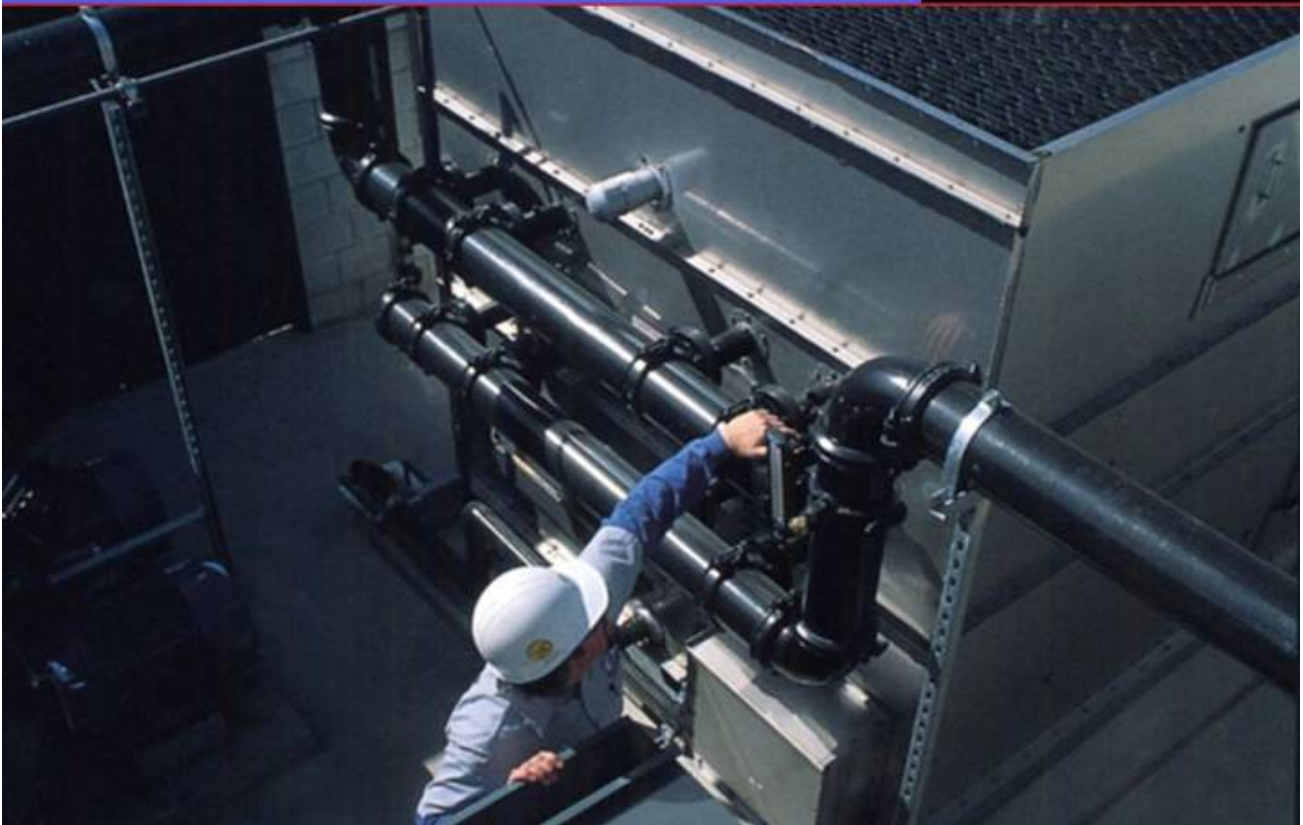
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Competitive Advantages

- 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



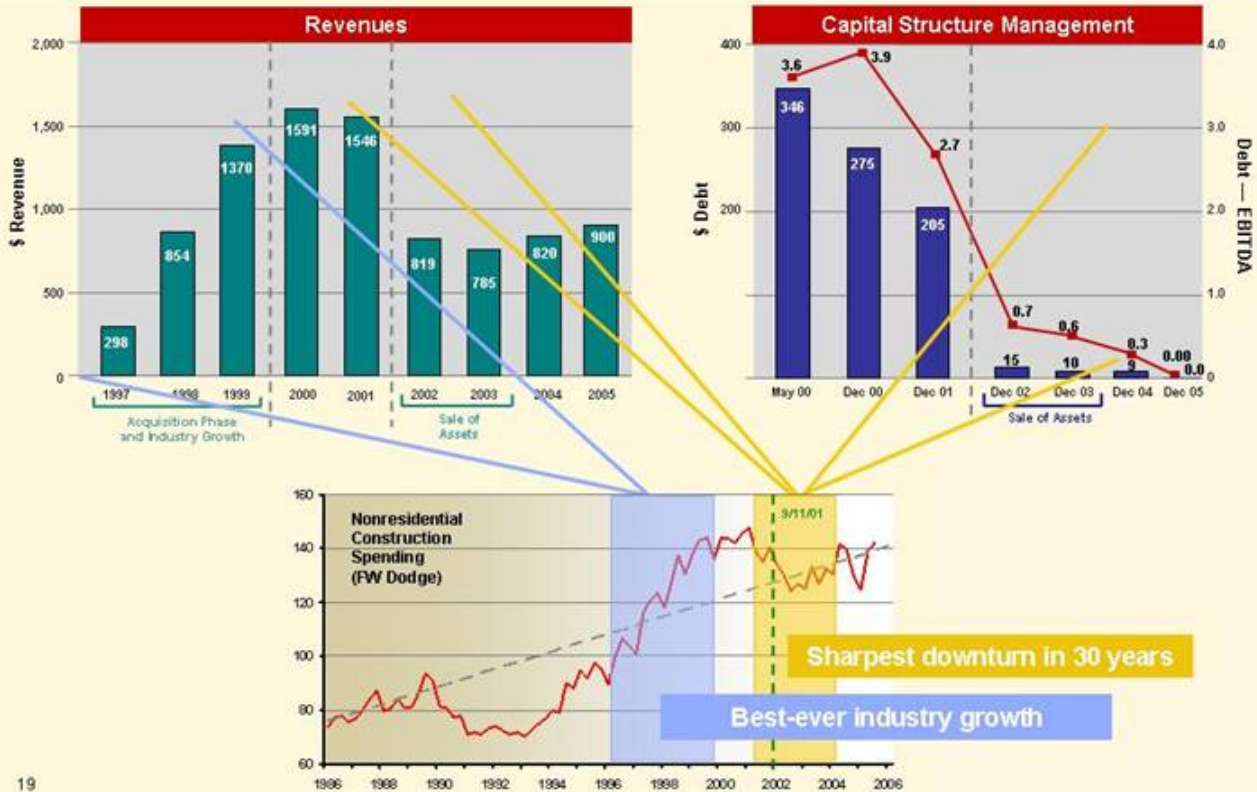
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History

- 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



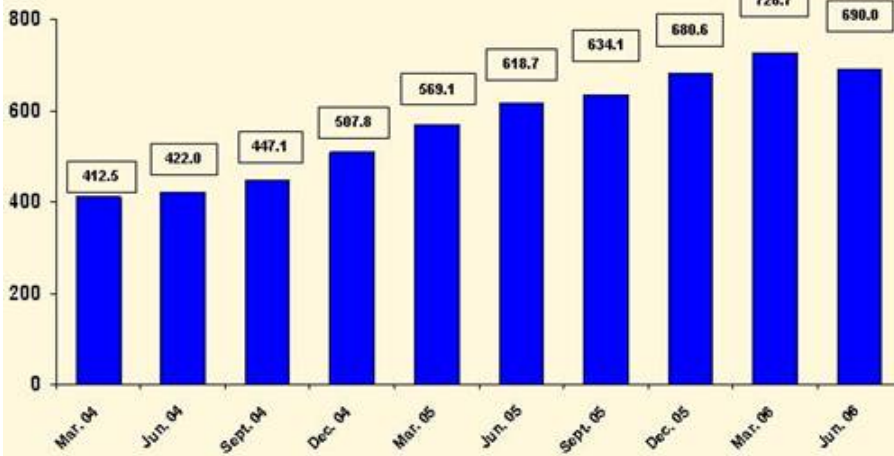


Project Review and Controls

- 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



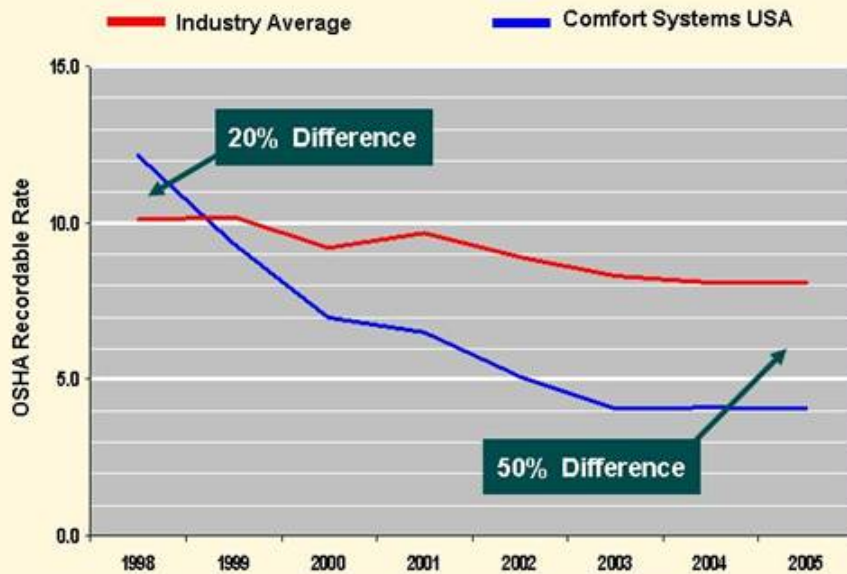
Backlog (in millions)



Note: Excludes all divested and discontinued operations

High backlog continues

Safety



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

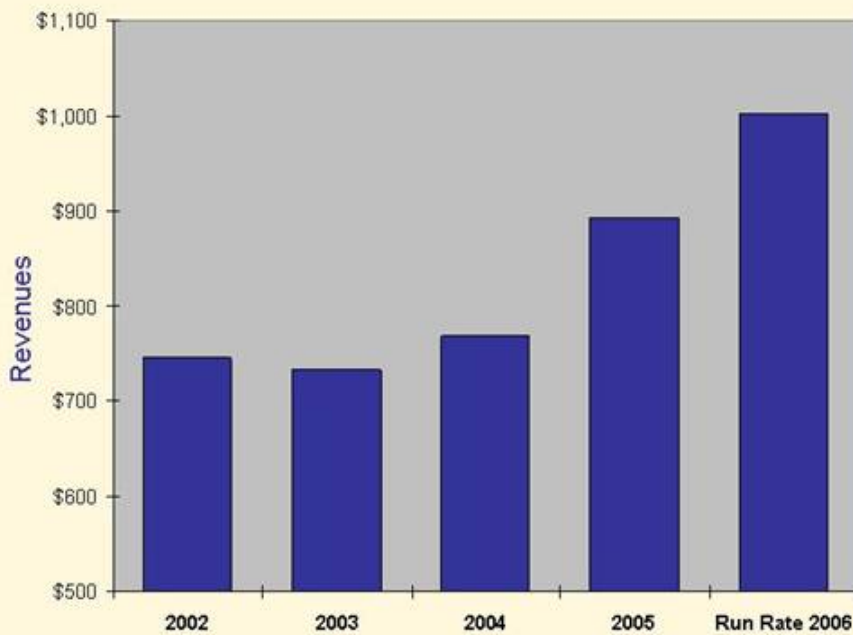
Financial Profile – Ongoing Operations



	2Q		YTD 2Q	
	06	05	06 ⁽¹⁾	05 ⁽¹⁾
Revenues.....	\$ 264.4	\$ 229.5	\$ 500.8	\$ 423.6
Adjusted EBITDA.....	\$ 13.3	\$ 10.7	\$ 21.6	\$ 14.0
% Revenue.....	5.0%	4.7%	4.3%	3.3%
Operating Income	\$ 12.1	\$ 9.7	\$ 19.1	\$ 12.1
% Revenue.....	4.6%	4.2%	3.8%	2.9%
Net Income - Contg Ops.....	\$ 7.7	\$ 4.9	\$ 12.3	\$ 6.2
% Revenue.....	2.9%	2.1%	2.4%	1.5%
Diluted EPS - Contg Ops.....	\$ 0.19	\$ 0.12	\$ 0.30	\$ 0.15
Free Cash Flow.....	\$ 6.8	\$ 10.8	\$ (8.7)	\$ 3.4
Debt	\$ 0.0	\$ 0.3		
Cash.....	\$ 67.1	\$ 26.5		
Backlog.....	\$ 690.0	\$ 618.7		

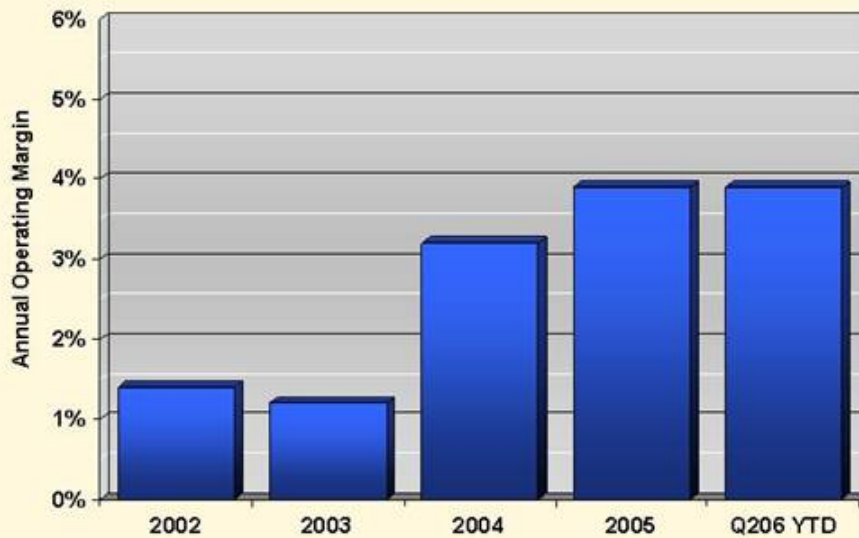
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Revenues (2002 – 2006)



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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.

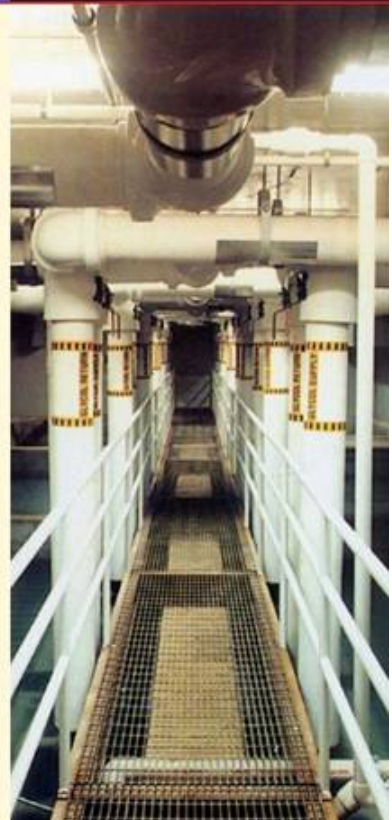
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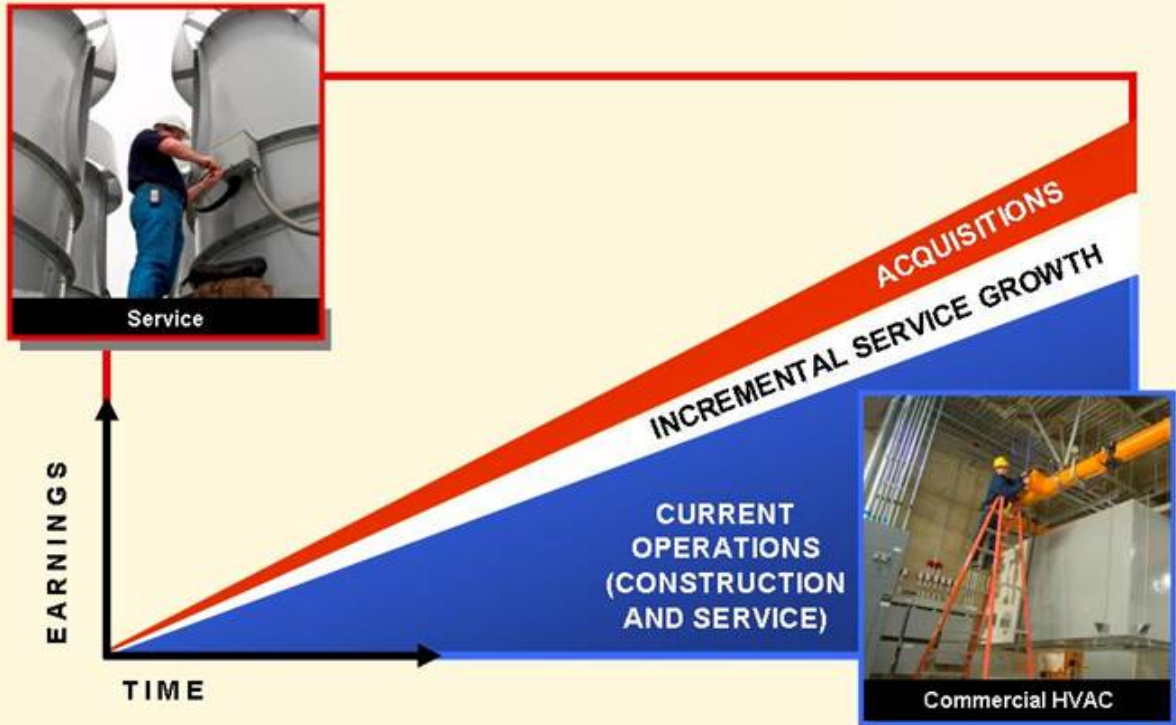


Financial Strengths

- Market share up – revenue and profit performance better than industry
- Commitment to cost containment
- \$67 million cash at 6/30/06; substantial credit capacity if needed
- Positive free cash flow for last seven calendar years

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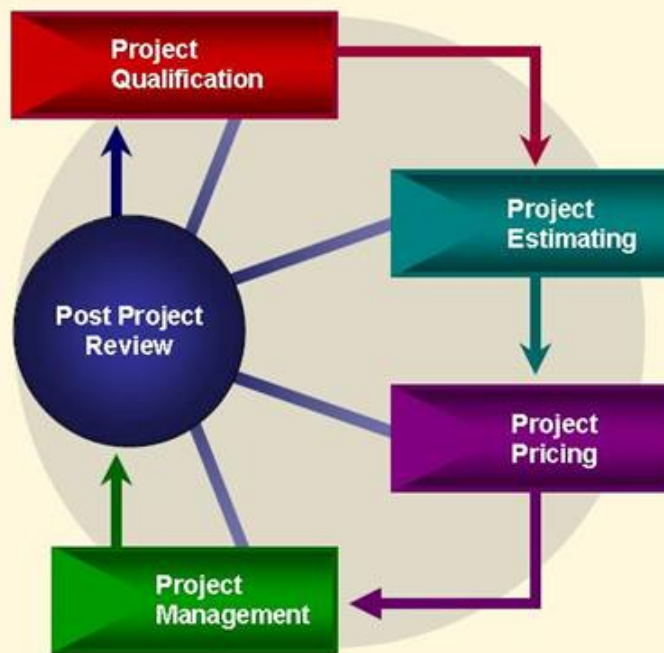




Increase Productivity

- **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





Job Loop

- Constant feedback
- Continuous improvement process

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

-Peter Drucker

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Increase Service*

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

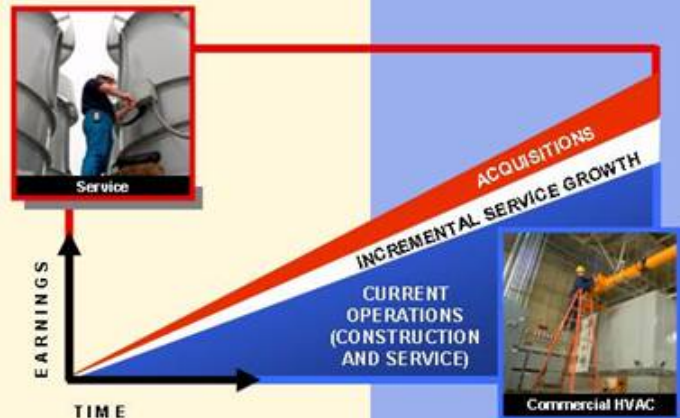
* Maintenance, service, repair, retrofit



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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**



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Grow

▪ Internal Growth

- More of what we do best
- Service

▪ Step Out Growth

- Start ups in new geographies
- New locations for existing companies
- Techs "on their own"

▪ Targeted acquisitions



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



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Target Cities

(Listed East to West)

- Boston, MA
- Providence, RI
- Norfolk, VA
- Richmond, VA
- Raleigh/Durham, NC
- Charleston, SC
- Columbia, SC
- Tampa, FL
- 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
- Los Angeles, CA
- Seattle, WA
- Portland, OR

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- **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%

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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



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Quality People. Building Solutions.

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FOR IMMEDIATE RELEASE

COMFORT SYSTEMS USA DECLARES QUARTERLY DIVIDEND

Houston, TX – August 2, 2006 – Comfort Systems USA, Inc. (NYSE: FIX), a leading provider of commercial, industrial and institutional heating, ventilation and air conditioning (“HVAC”) services, today announced that the Board of Directors declared a quarterly dividend of \$.035 per share on Comfort Systems USA, Inc. common stock. The dividend is payable on September 20, 2006 to shareholders of record at the close of business on August 31, 2006.

Comfort Systems USA[®] is a premier provider of business solutions addressing workplace comfort, with 57 locations in 51 cities around the nation. For more information, visit the Company’s website at www.comfortsystemsusa.com.

This press release 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 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, 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 and 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, 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 the Company’s reports filed with the Securities and Exchange Commission. Important factors that could cause actual results to differ are discussed under “Item 1A. Company Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2005. These forward-looking statements speak only as of the date of this release. 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 Comfort Systems USA, Inc.’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.
