



# PRIM Q3 2020 Earnings Call

November 6, 2020



# Disclosure Regarding Forward-Looking Statements

This presentation contains certain forward-looking statements that reflect, when made, the Company's expectations or beliefs concerning future events that involve risks and uncertainties, including with regard to the Company's future performance. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates", "believes", "could", "estimates", "expects", "intends", "may", "plans", "potential", "predicts", "projects", "should", "will", "would" or similar expressions. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, the effects of regulation and the economy, generally. Forward-looking statements inherently involve known and unknown risks, uncertainties, and other factors, which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Actual results may differ materially as a result of a number of factors, including, among other things, customer timing, project duration, weather, and general economic conditions; changes in our mix of customers, projects, contracts and business; regional or national and/or general economic conditions and demand for our services; price, volatility, and expectations of future prices of oil, natural gas, and natural gas liquids; variations and changes in the margins of projects performed during any particular quarter; increases in the costs to perform services caused by changing conditions; the termination, or expiration of existing agreements or contracts; the budgetary spending patterns of customers; increases in construction costs that we may be unable to pass through to our customers; cost or schedule overruns on fixed-price contracts; availability of qualified labor for specific projects; changes in bonding requirements and bonding availability for existing and new agreements; the need and availability of letters of credit; costs we incur to support growth, whether organic or through acquisitions; the timing and volume of work under contract; losses experienced in our operations; the results of the review of prior period accounting on certain projects; developments in governmental investigations and/or inquiries; intense competition in the industries in which we operate; failure to obtain favorable results in existing or future litigation or regulatory proceedings, dispute resolution proceedings or claims, including claims for additional costs; failure of our partners, suppliers or subcontractors to perform their obligations; cyber-security breaches; failure to maintain safe worksites; risks or uncertainties associated with events outside of our control, including severe weather conditions, public health crises and pandemics (such as COVID-19), political crises or other catastrophic events; client delays or defaults in making payments; the availability of credit and restrictions imposed by credit facilities; failure to implement strategic and operational initiatives; risks or uncertainties associated with acquisitions, dispositions and investments; possible information technology interruptions or inability to protect intellectual property; the Company's failure, or the failure of our agents or partners, to comply with laws; the Company's ability to secure appropriate insurance; new or changing legal requirements, including those relating to environmental, health and safety matters; the loss of one or a few clients that account for a significant portion of the Company's revenues; asset impairments; and risks arising from the inability to successfully integrate acquired businesses. In addition to information included in this presentation, additional information about these and other risks can be found in Part I, Item 1A "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2019, and our other filings with the Securities and Exchange Commission ("SEC"). Such filings are available on the SEC's website at [www.sec.gov](http://www.sec.gov). Given these risks and uncertainties, you should not place undue reliance on forward-looking statements. Primoris does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

# 2020 Third Quarter Key Financial Items



Record Q3 revenue of \$942.7 million



Record Q3 net income of \$43.9 million



Record Q3 fully diluted earnings per share of \$0.90



Q3 cash flow from operations of \$130.8 million

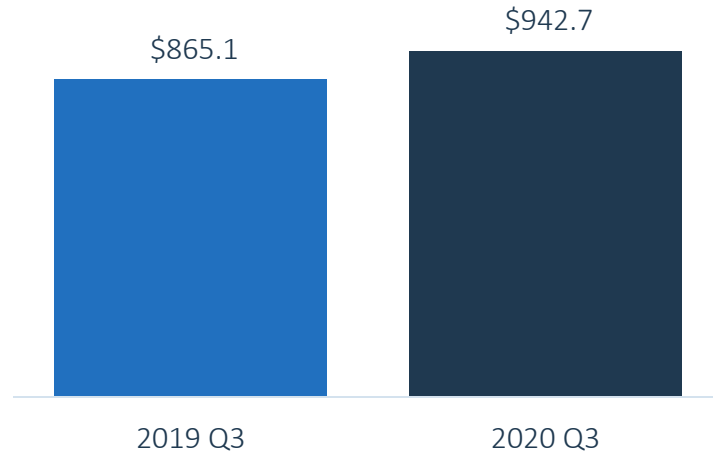


Backlog of \$3.0 Billion\*

# 2020 Third Quarter Summary

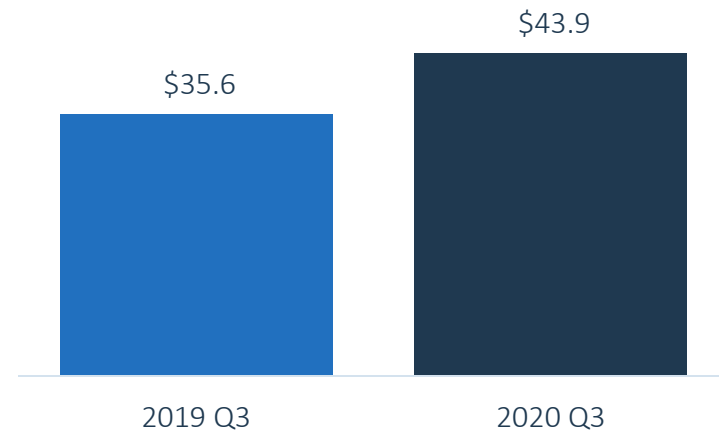
## Revenue

(in millions)



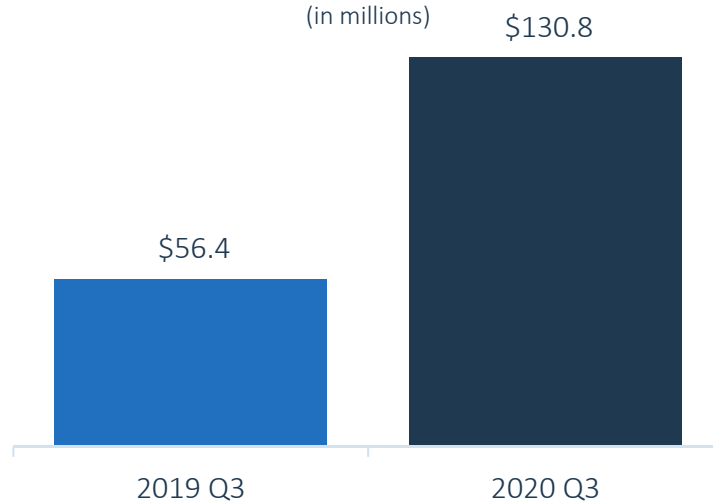
## Net Income

(in millions)



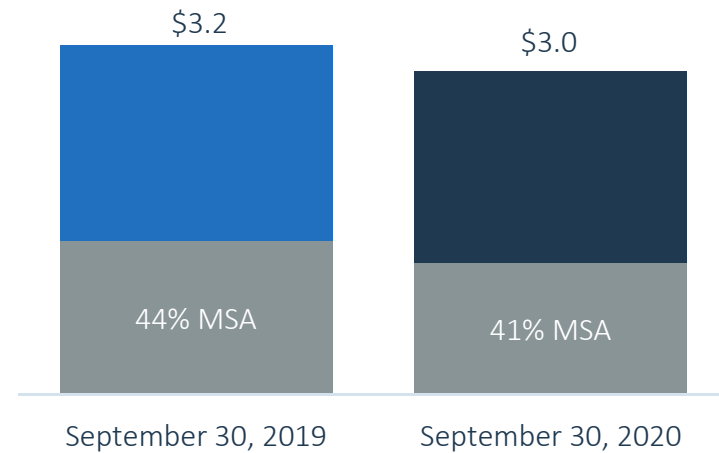
## Cash Flow from Operations

(in millions)



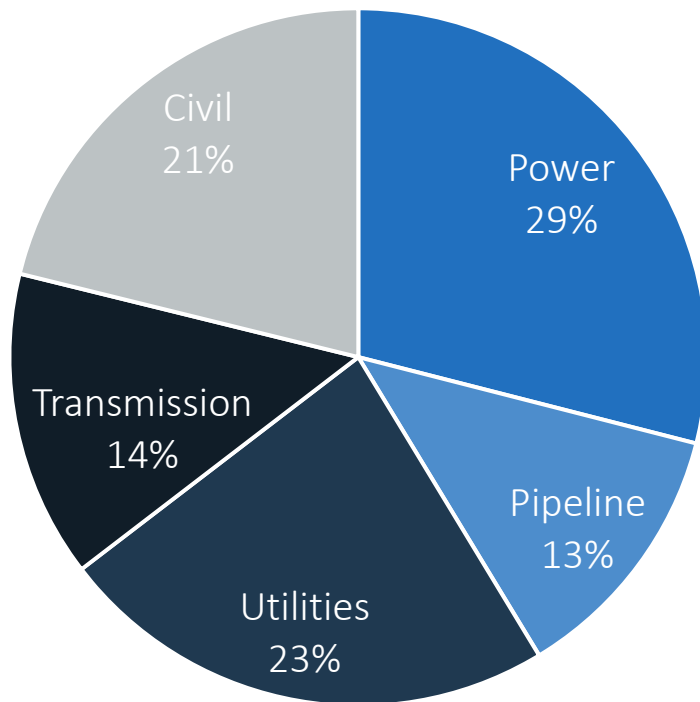
## Total Backlog\*

(in billions)

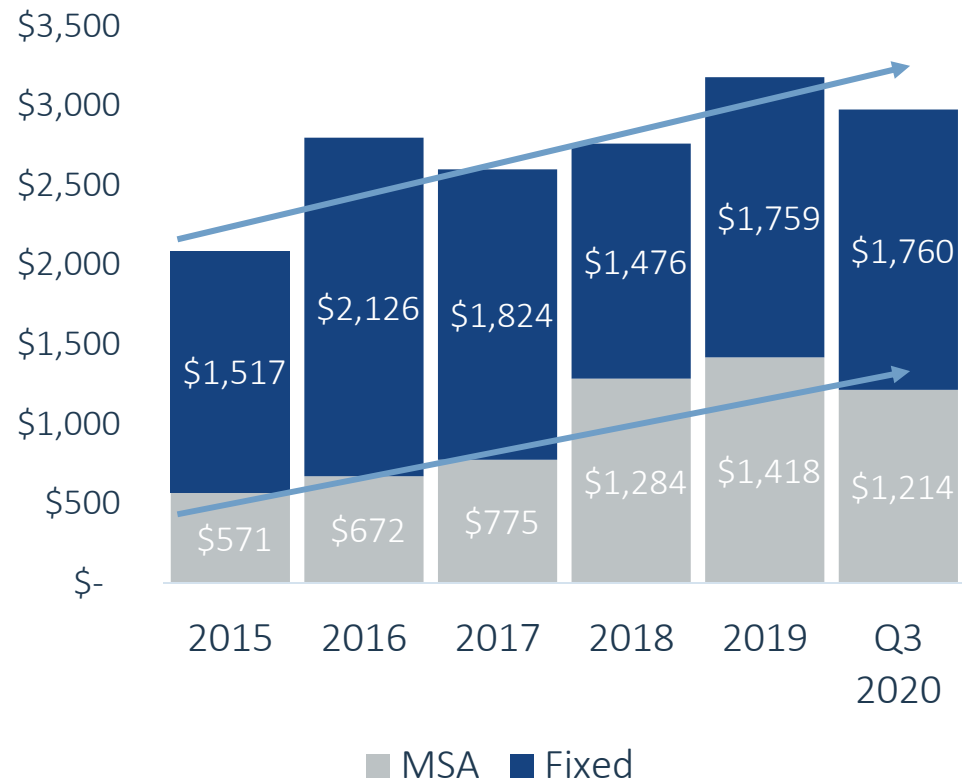


# Backlog Summary at 9/30/2020

## Backlog Mix



## Total Backlog (\$MMs)



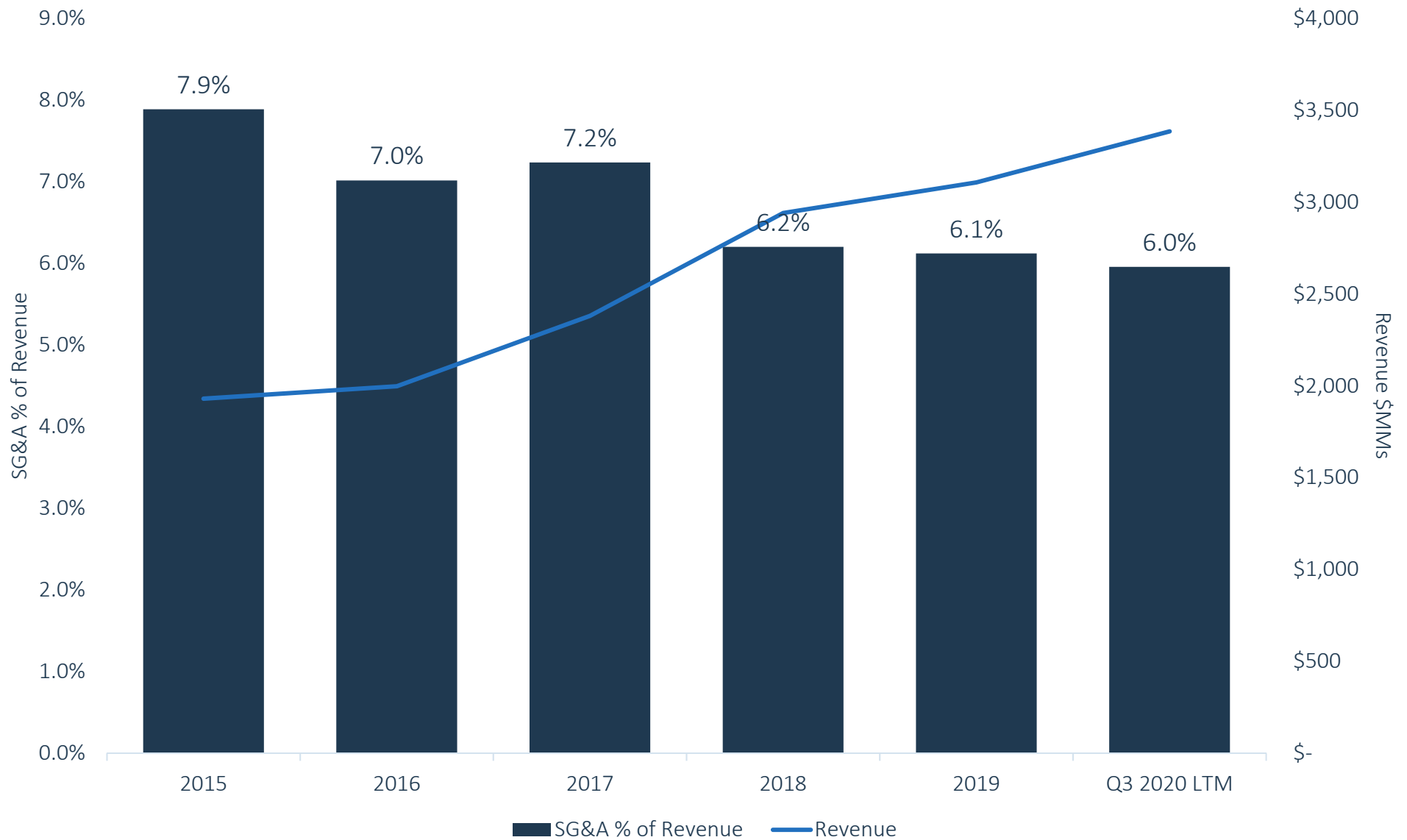
# 2020 Q3 vs. 2019 Q3 Segment Results

*\$ in thousands*

3Q 2020	Power	Pipeline	Utilities	Transmission	Civil	TOTAL
Revenue	\$ 212,557	\$ 214,380	\$ 298,984	\$ 114,221	\$ 102,558	\$942,700
Gross Profit	\$ 15,705	\$ 28,045	\$ 54,417	\$ 13,718	\$ 11,796	\$123,681
Profit Margin	7.4%	13.1%	18.2%	12.0%	11.5%	13.1%

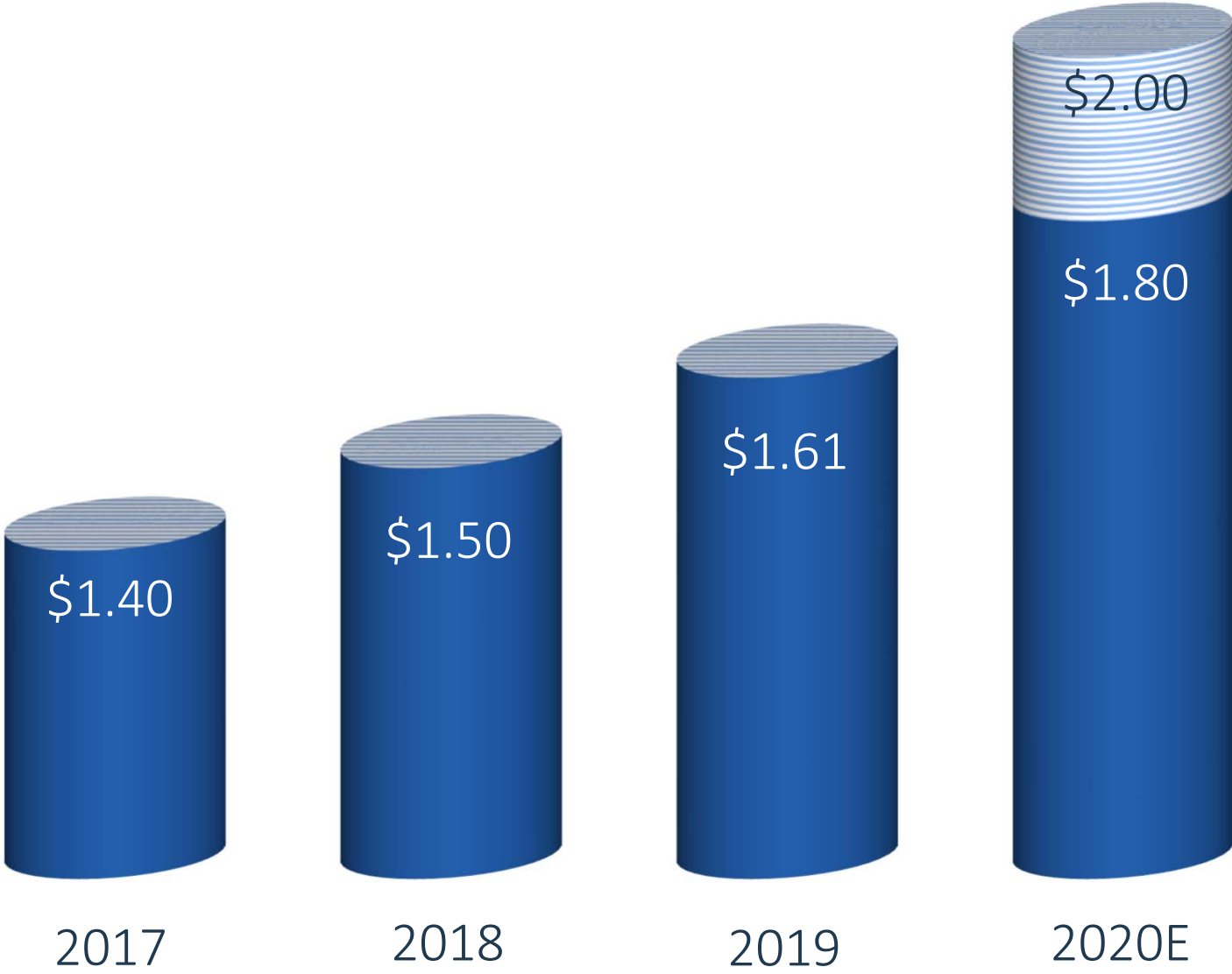
3Q 2019	Power	Pipeline	Utilities	Transmission	Civil	TOTAL
Revenue	\$ 200,657	\$ 133,590	\$ 281,561	\$ 128,784	\$ 120,472	\$865,064
Gross Profit	\$ 15,525	\$ 19,657	\$ 48,892	\$ 4,836	\$ 19,511	\$108,421
Profit Margin	7.7%	14.7%	17.4%	3.8%	16.2%	12.5%

# Growing Revenue While Controlling SG&A





# Consistent Earnings Per Share Growth





# 2020 Third Quarter Key Takeaways



Primoris had an exceptional third quarter, with record growth in both revenue and earnings.



Extremely strong cash flow and lower debt positions Primoris for organic growth and acquisitions.



Transmission segment delivers 12% profit margins – focusing on more lucrative work and cost management.



Utility and renewables driving growth into 2021.



Primoris continues to focus on the safety of our employees, customers, and communities.