



EVERUSTM
CONSTRUCTION GROUP

**THIRD QUARTER 2024
RESULTS CONFERENCE CALL**
November 7, 2024

Forward-Looking Statements

This presentation, and oral comments that Everus may make contain or incorporate by reference certain “forward-looking statements” within the meaning of the securities laws. All statements that reflect Everus’ expectations, assumptions or projections about the future, other than statements of historical facts, including, without limitation, statements regarding plans, trends, objectives, goals, business strategies, market potential, future financial performance and other matters are considered forward-looking statements. The words “believe,” “expect,” “estimate,” “could,” “should,” “would,” “intend,” “may,” “plan,” “predict,” “seek,” “anticipate,” “project” and similar expressions generally identify forward-looking statements, which speak only as of the date the statements were made. In particular, information included within this presentation contains forward-looking statements. The matters discussed in this presentation are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those projected, anticipated or implied in the forward looking statements. Although Everus believes that the expectations reflected in any forward-looking statements it makes are based on reasonable assumptions as of the date they are made, it can give no assurance that the expectation will be attained and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties. Such risks and uncertainties include, but are not limited to: seasonality and adverse weather conditions; competition in Everus’ industry; the failure to retain current customers and obtain new customer contracts; changes in prices for commodities, labor, or other production and delivery inputs; Everus’ inability to hire, develop and retain key personnel and skilled labor forces; exposure to warranty claims; economic volatility; Everus’ inability to provide surety bonds; Everus’ backlog not accurately representing future revenue; supply chain disruptions; capital market and interest rates; increased financing costs due to possible Everus credit ratings, increased insurance costs or inability to obtain insurance coverages; negative impacts from pending and/or future litigation, claims or investigations; liability resulting from Everus’ participation in multiemployer-defined benefit pension plans; increased health care plan costs; risks associated with the nonpayment and/or nonperformance of Everus’ customers and counterparties; increases or changes in income tax rates or tax-related laws; risks associated with import tariffs and/or other government mandates; new interpretations of or changes in the enforcement of the government regulatory framework; a cybersecurity incident or other disruptions in the availability of Everus’ computer systems or privacy breaches; artificial intelligence presents challenges that can impact Everus’ business by posing security risks to confidential or proprietary information and personal data; the COVID-19 pandemic and possible future pandemics and the potential impact on the United States, including the customer submarkets Everus serves and governmental responses to such pandemics; the risk of increased costs from dis-synergies, costs of restructuring transactions and other costs incurred in connection with the separation from MDU Resources Group, Inc. (MDU Resources); retention of existing management team members and the ability to obtain the necessary personnel as a result of the separation; the impact of the separation on Everus’ business, reaction of customers, employees and other parties to the separation; Everus’ leverage; risks associated with financing transactions undertaken in connection with the separation and risks associated with indebtedness incurred in connection with the separation; any failure by MDU Resources to perform its obligations under the various separation agreements to be entered into in connection with the separation and distribution; a determination by the IRS that the distribution or certain related transactions are taxable; and the impact of the separation on Everus’ businesses and the risk that the separation may be more difficult, time consuming or costly than expected, including the impact on Everus’ resources, systems, procedures and controls, diversion of management’s attention and the impact on relationships with customers, suppliers, employees and other business counterparties.

The above list of factors is not exhaustive or necessarily in order of importance. For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see the discussion under “Risk Factors” in the registration statement on Form 10 filed with the SEC. You should read this presentation completely and with the understanding that actual future results may be materially different from expectations. All forward-looking statements made in this presentation are qualified by these cautionary statements. These forward-looking statements are made only as of the date of this presentation, and Everus does not undertake any obligation, other than as may be required by law, to update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, and changes in future operating results over time or otherwise. Comparisons of results for current and any prior periods are not intended to express any future trends, or indications of future performance, unless expressed as such, and should only be viewed as historical data.

Reconciliations of the non-GAAP measures used to their respective most directly comparable GAAP measure can be found in the Appendix. All financial information presented in this presentation has been prepared in U.S. dollars in accordance with generally accepted accounting principles in the United States (“GAAP”), except for the presentation of the following non-GAAP financial measures: organic revenue, organic revenue growth, EBITDA, EBITDA margin, free cash flow, net debt and net leverage, including applicable measures by segment. Organic revenue is most comparable to the GAAP measure of revenue and is defined as the difference between current year and prior year revenues less the impact of acquired and divested companies in the past 12 months. Organic revenue growth is most comparable to the GAAP measure of revenue growth and is calculated by dividing organic revenue by prior year revenues. EBITDA is most comparable to the GAAP measure of net income and is defined as net income before interest expense, income taxes and depreciation and amortization. EBITDA margin is most comparable to the GAAP measure of net income margin and is defined as EBITDA as a percentage of operating revenues. Free cash flow is most comparable to the GAAP measure of cash flows provided by (used in) operating activities. Free cash flow is defined as net cash provided by (used in) operating activities less net capital expenditures. Net debt and net leverage are most comparable to the GAAP measure of total debt. Net debt is calculated by adding unamortized debt issuance costs to the total debt balance presented on the balance sheet, less any unrestricted cash. Net leverage is calculated by dividing net debt divided by EBITDA, as defined. Our non-GAAP financial measures are not standardized; therefore, it may not be possible to compare them with other companies’ measures of organic revenue, organic revenue growth, EBITDA, EBITDA margin, free cash flow, net debt and net leverage having the same or similar names.

Everus presents organic revenue, organic revenue growth, EBITDA, EBITDA margin, free cash flow, net debt and net leverage, including applicable measures by segment, in this presentation because it believes such measures, in addition to corresponding GAAP measures, provide investors with additional information to measure Everus’ performance and liquidity. These non-GAAP financial measures are not intended as alternatives to GAAP financial measures. Everus uses organic revenue, organic revenue growth, EBITDA and EBITDA margin, as well as the comparable GAAP measures of revenue, revenue growth, net income and net income margin, as indicators of Everus’ operating performance. Everus uses free cash flow as well as the comparable GAAP measure of cash flows provided by (used in) operating activities, as a measure of cash available to Everus to invest in the growth of Everus’ business or that will be available to Everus to meet its obligations. Everus uses net debt and net leverage as well as the comparable GAAP measure of total debt to provide a measure of how quickly Everus could repay its debt if net debt and EBITDA were constant. Net leverage also provides insight into Everus’ borrowing capacity and leverage ratio.

OUR MISSION

**Safely Building America's Future
as an industry-leading
construction services provider
while achieving sustained growth**

OUR VALUES

▲ **INTEGRITY**

▲ **RESPECT**

▲ **SAFETY**

▲ **TEAMWORK**



Third Quarter 2024 Key Messages

Performance highlighted by strong backlog growth, project execution, EBITDA margin expansion

- **Backlog increased 56% to \$2.9 billion at the end of the third quarter**
- **6% revenue growth driven by balanced growth across both E&M and T&D**
- **EBITDA of \$65 million increased 12% from prior year**
- **Strong financial position supports ability to pursue growth initiatives**

❖ **Strong Backlog Growth**

Backlog of \$2.9 billion, up 56% from Sept. 30, 2023, reflecting strong momentum in E&M business

❖ **Balanced Revenue Growth**

Revenue growth of 6% driven by balanced growth across diversified segments

❖ **EBITDA Growth**

EBITDA of \$65 million, increased 12% from 3Q 2023 with solid revenue growth and strong project execution

❖ **EBITDA Margin Expansion**

EBITDA margin improved 40 basis points to 8.5% compared to 8.1% 3Q 2023

❖ **T&D Growth**

T&D revenue increased 12% with growth in utility and transportation end markets; EBITDA increased 8%

❖ **E&M Momentum**

E&M revenue increased nearly 4% driven by continued momentum in data center work; EBITDA increased 21% from revenue growth coupled with strong execution

❖ **Free Cash Flow Conversion**

Free cash flow of \$57.8 million year-to-date, up from \$45.5 million at Sept. 30, 2023

❖ **Financial Flexibility**

Total cash and revolver availability of \$251.0 million at Oct. 31

4EVER



4EVER Value Creation Framework

Targeted Commercial Growth

- ▲ Grow share within existing end markets
- ▲ Further penetrate higher-growth submarkets
- ▲ Lead geographic expansion through satellite projects
- ▲ Accelerate growth with strategic M&A

Operational Excellence

- ▲ Strategically deploy assets in higher-margin projects and end markets
- ▲ Maintain disciplined bidding process
- ▲ Continue to implement Everus' operational playbook
- ▲ Drive operating leverage through growth initiatives

Disciplined Capital Allocation

- ▲ Invest in high-return organic growth initiatives
- ▲ Pursue strategic acquisitions
- ▲ Maintain investment-grade capital structure
- ▲ Future potential capital returns to shareholders

Driving sustainable value creation through a dedicated focus on 4EVER principles

4EVER



Employees



Value



Execution



Relationships

LONG-TERM EXPECTATIONS

5%–7%

Organic Revenue CAGR

7%–9%

EBITDA CAGR

2.0%–2.5%

CapEx as % of Revenue

1.5x–2.0x

Net Leverage

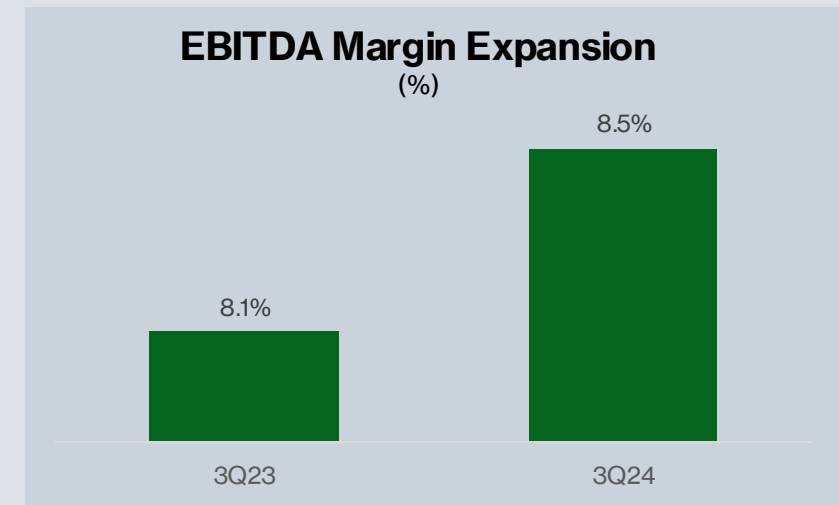
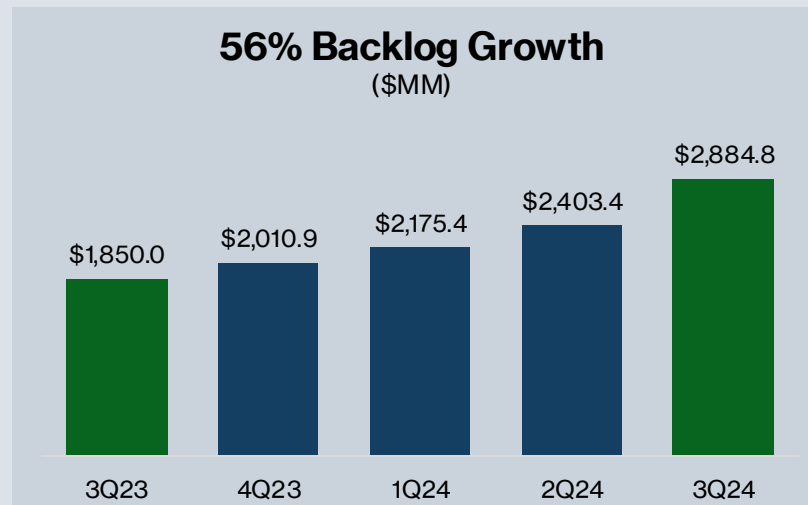
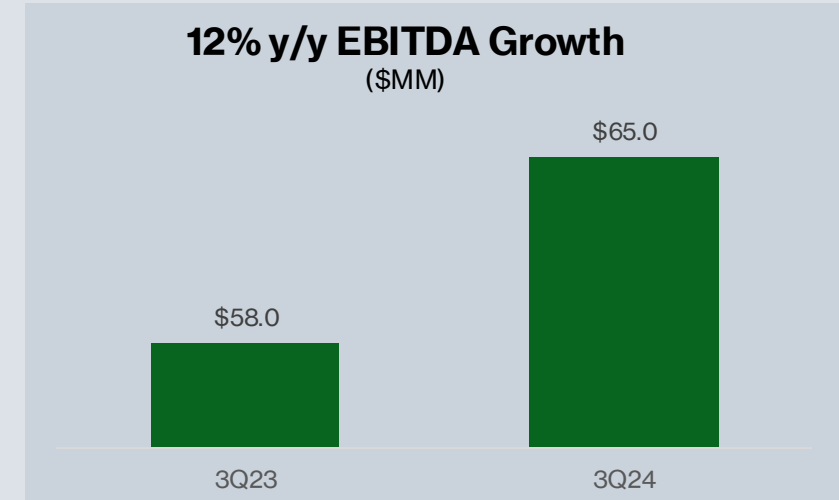
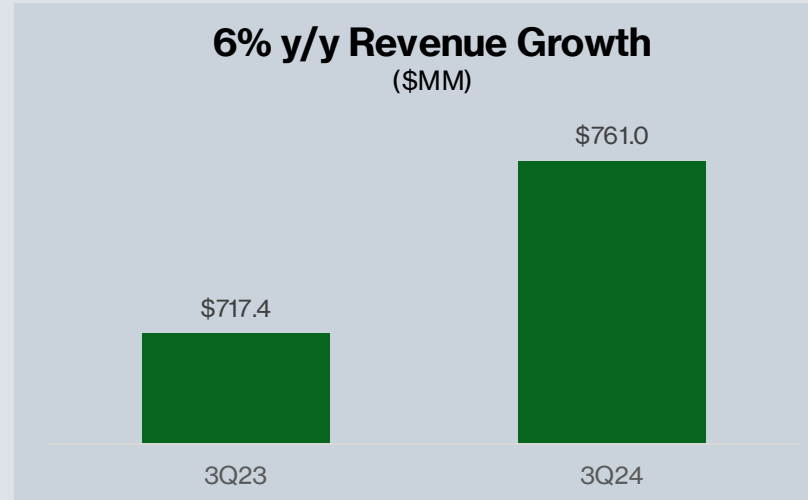


THIRD QUARTER 2024 RESULTS

3Q24 Performance Summary

Performance highlighted by strong backlog growth, project execution, EBITDA margin expansion

- 6% revenue growth driven by balanced growth across segments
- Total backlog increased 56% to \$2.9 billion y/y; E&M backlog up 68%
- EBITDA increased 12% to \$65 million; EBITDA margin increased 40 basis points on strong execution



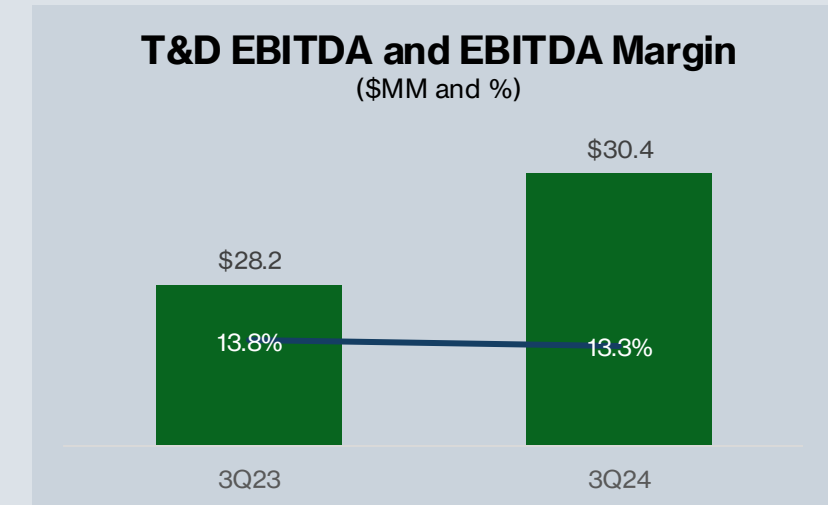
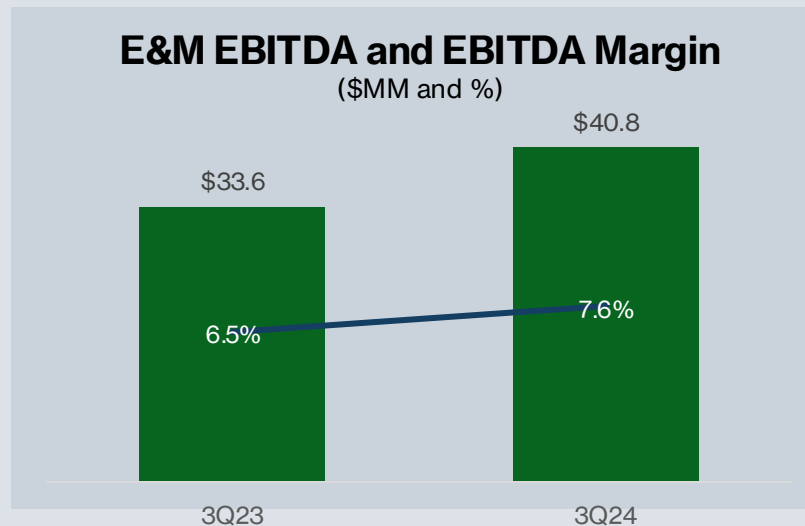
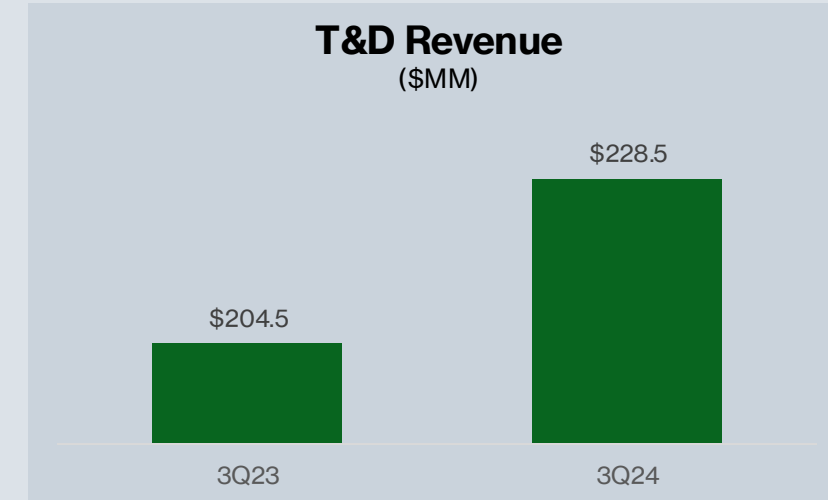
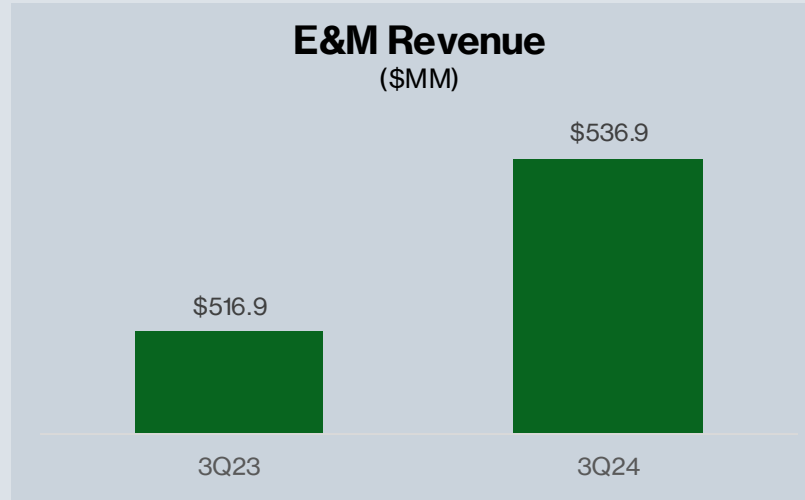
3Q24 Segment Performance Summary

E&M Highlights

- Revenue increased 4% as strength in data center submarket work was partially offset by project timing
- EBITDA increased 21% on strong execution and project efficiencies, margin up 110 bps
- Backlog increased 68%

T&D Highlights

- Revenue increased 12% due to transmission, underground, and telecommunication submarket growth
- EBITDA growth of 7.8%, margin declined 50 bps

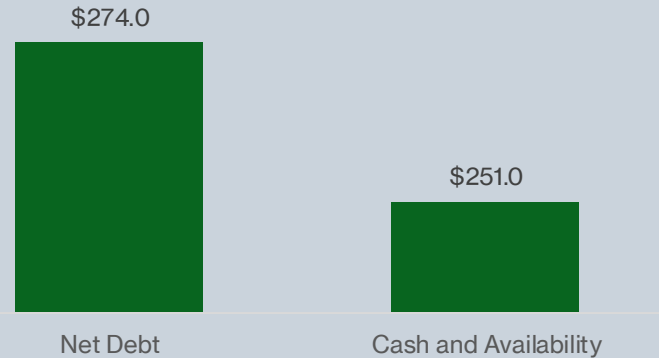


3Q24 Balance Sheet and Liquidity

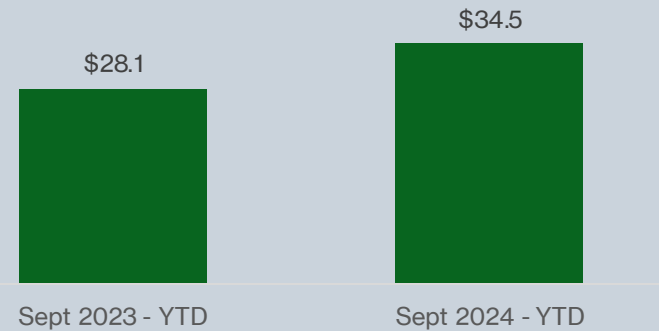
Financial flexibility to pursue strategic objectives

- Net debt of \$274.0 million; cash and availability of \$251.0 million at spinoff
- Free cash flow of \$57.8 million for nine months ended Sept. 30, up from \$45.5 million at Sept. 30, 2023
- Capital expenditures of \$34.5 million for nine months ended Sept. 30, or 1.65% of revenues

Net Debt and Availability at Spinoff Date (\$MM)



YTD Capital Expenditures (\$MM)



YTD Free Cash Flow (\$MM)



2024 Financial Guidance

Confirming 2024 Guidance

- ▲ Strong demand for E&M data center, government and education projects, and T&D utility and transportation work
- ▲ Federal funding to bolster investments in domestic manufacturing and upgrades to infrastructure
- ▲ Strong momentum, with backlog at all-time record \$2.9 billion

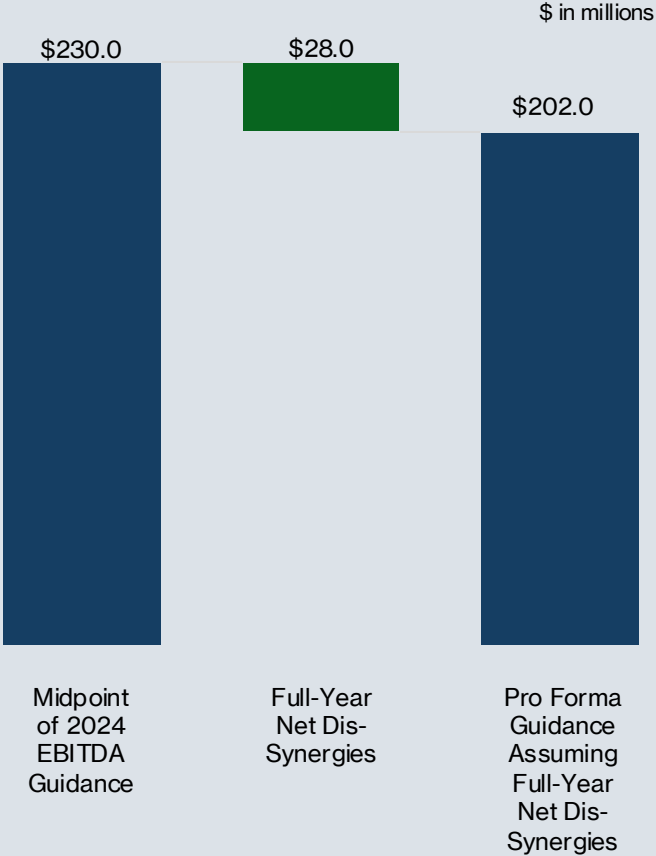
2024 Guidance⁽¹⁾

Revenue
\$2.65B – \$2.85B

EBITDA
\$220M – \$240M

EBITDA Margins
Higher than 2023

2024 EBITDA Bridge (Assuming Full-Year Dis-Synergies)



(1) EBITDA guidance before dis-synergies.

4EVER Long-Term Expectations

4EVER

Employees

Value

Execution

Relationships

Long-Term Expectations

5%–7%

Organic Revenue CAGR

7%–9%

EBITDA CAGR

2.0%–2.5%

CapEx as % of Revenue

1.5x–2.0x

Net Leverage

Compelling Investment Thesis

Benefit From Multiple Growth Drivers and Industry Megatrends



Proven Leadership Team Executing 4EVER Strategy



Scaled National Platform of Market-Leading Local Brands



Skilled Workforce, People-First Culture & Repeatable Playbook



Diversified Revenue Base & Disciplined Capital Allocation





Appendix



Non-GAAP Financial Guidance

We are unable to reconcile forward-looking non-GAAP financial guidance relating 2024 EBITDA margin and long-term targets of organic revenue, organic revenue growth and EBITDA to their nearest U.S. GAAP measure because we are unable to predict the timing of these adjustments with a reasonable degree of certainty. By their very nature, non-GAAP adjustments are difficult to anticipate with precision because they are generally associated with unexpected and unplanned events that impact our company and its financial results. Therefore, we are unable to provide a reconciliation of 2024 EBITDA margin guidance, and reconciliations of long-term organic revenue, organic revenue growth, EBITDA, and net leverage guidance.

Reconciliation of net income to EBITDA and EBITDA margin

	Three months ended September 30,			Nine months ended September 30,		
	2024	2023	% change	2024	2023	% change
	(In millions, except percentages)					
Net income	\$ 41.8	\$ 36.0	16.1 %	\$ 109.0	\$ 100.8	8.1 %
Interest	2.8	4.7	(40.4)%	8.8	13.5	(34.8)%
Income taxes	14.0	11.4	22.8 %	37.6	32.8	14.6 %
Depreciation and amortization	6.4	5.9	8.5 %	18.5	17.3	6.9 %
EBITDA	<u>\$ 65.0</u>	<u>\$ 58.0</u>	12.1 %	<u>\$ 173.9</u>	<u>\$ 164.4</u>	5.8 %
Operating revenues	761.0	717.4	6.1 %	2,090.0	2,218.7	(5.8)%
Net income margin	5.5%	5.0%	10.0 %	5.2%	4.5%	15.6 %
EBITDA margin	<u>8.5%</u>	<u>8.1%</u>	4.9 %	<u>8.3%</u>	<u>7.4%</u>	12.2 %

Reconciliation of free cash flow and net debt

Reconciliation between Operating Activities and Free Cash Flows

	<u>Nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>
(In millions)		
Net cash provided by operating activities	\$ 82.7	\$ 61.4
Purchases of property, plant and equipment	(34.5)	(28.1)
Cash proceeds from sale of property, plant and equipment	9.6	12.2
Free cash flow	<u>\$ 57.8</u>	<u>\$ 45.5</u>

Net Debt

	<u>October 31, 2024</u>
Total debt	\$ 340.0
Less: total cash & cash equivalents	66.0
Net debt	<u>\$ 274.0</u>

Reconciliation of net income to EBITDA by segment

	Three months ended September 30, 2024				Nine months ended September 30, 2024			
	E&M	T&D	Corporate and Other		E&M	T&D	Corporate and Other	
			Other	Total			and Other	Total
	(In millions)				(In millions)			
Net income	\$ 29.4	\$ 18.5	\$ (6.1)	\$ 41.8	\$ 81.7	\$ 43.5	\$ (16.2)	\$ 109.0
Interest	—	0.9	1.9	2.8	0.1	3.0	5.7	8.8
Income taxes	9.8	6.2	(2.0)	14.0	28.5	14.6	(5.5)	37.6
Depreciation and amortization	1.6	4.8	—	6.4	4.8	13.8	(0.1)	18.5
EBITDA	\$ 40.8	\$ 30.4	\$ (6.2)	\$ 65.0	\$ 115.1	\$ 74.9	\$ (16.1)	\$ 173.9

	Three months ended September 30, 2023				Nine months ended September 30, 2023			
	E&M	T&D	Corporate and Other		E&M	T&D	Corporate and Other	
			Other	Total			and Other	Total
	(In millions)				(In millions)			
Net income	\$ 23.1	\$ 16.9	\$ (4.0)	\$ 36.0	\$ 75.8	\$ 37.9	\$ (12.9)	\$ 100.8
Interest	1.4	1.4	1.9	4.7	4.7	3.2	5.6	13.5
Income taxes	7.5	5.6	(1.7)	11.4	25.2	12.0	(4.4)	32.8
Depreciation and amortization	1.6	4.3	—	5.9	4.6	12.7	—	17.3
EBITDA	\$ 33.6	\$ 28.2	\$ (3.8)	\$ 58.0	\$ 110.3	\$ 65.8	\$ (11.7)	\$ 164.4

Reconciliation of margin by segment

	Three months ended September 30,			Nine months ended September 30,		
	2024	2023	% change	2024	2023	% change
(In millions, except percentages)						
Operating revenues:						
Electrical & Mechanical	\$ 536.9	\$ 516.9	3.9 %	\$ 1,481.7	\$ 1,680.2	(11.8)%
Transmission & Distribution	228.5	204.5	11.7 %	623.8	549.5	13.5 %
Eliminations	(4.4)	(4.0)	10.0 %	(15.5)	(11.0)	40.9 %
Total operating revenues	\$ 761.0	\$ 717.4	6.1 %	\$ 2,090.0	\$ 2,218.7	(5.8)%
Net income:						
Electrical & Mechanical	\$ 29.4	\$ 23.1	27.3 %	\$ 81.7	\$ 75.8	7.8 %
Transmission & Distribution	18.5	16.9	9.5 %	43.5	37.9	14.8 %
Corporate and other	(6.1)	(4.0)	(52.5)%	(16.2)	(12.9)	(25.6)%
Total net income	\$ 41.8	\$ 36.0	16.1 %	\$ 109.0	\$ 100.8	8.1 %
EBITDA:						
Electrical & Mechanical	\$ 40.8	\$ 33.6	21.4 %	\$ 115.1	\$ 110.3	4.4 %
Transmission & Distribution	30.4	28.2	7.8 %	74.9	65.8	13.8 %
Corporate and other	(6.2)	(3.8)	(63.2)%	(16.1)	(11.7)	(37.6)%
Total EBITDA	\$ 65.0	\$ 58.0	12.1 %	\$ 173.9	\$ 164.4	5.8 %
EBITDA margin:						
Electrical & Mechanical	5.5%	4.5%	22.2 %	5.5%	4.5%	22.2 %
Transmission & Distribution	8.1%	8.3%	(2.4)%	7.0%	6.9%	1.4 %
Total EBITDA margin	5.5%	5.0%	10.0 %	5.2%	4.5%	15.6 %
EBITDA margin:						
Electrical & Mechanical	7.6%	6.5%	16.9 %	7.8%	6.6%	18.2 %
Transmission & Distribution	13.3%	13.8%	(3.6)%	12.0%	12.0%	— %
Total EBITDA margin	8.5%	8.1%	4.9 %	8.3%	7.4%	12.2 %

Reconciliation of full year 2024 EBITDA guidance

	Full Year 2024	
	Low	High
	(In millions)	
Net income	\$ 140.0	\$ 150.0
Interest expense	10.0	15.0
Income taxes	45.0	50.0
Depreciation and amortization	25.0	25.0
EBITDA	\$ 220.0	\$ 240.0



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