

Comfort Systems USA Inc (FIX) Price on 14 May \$30.88 [£21.50]

Comfort Systems USA, Inc. (Comfort Systems) provides heating, ventilation and air conditioning (HVAC) installation, maintenance, repair and replacement services within the mechanical services industry.

Company Facts [web site](#)

Ticker	Market Cap	Sector	Exchange	Currency	Indices
FIX	£2.bn	Construction	NYSE	US Dollar	n/a

Key Features

- Comfort Systems USA went public in June 1997, with the intention of becoming a nationwide provider of building systems installation and maintenance. Its mission to become America's leader in installation and service for building mechanical systems
- The company has grown to 36 companies nationwide, with revenues of \$1.3 billion.
- It operates in the commercial, industrial and institutional HVAC markets and offers services for the industrial, healthcare, education, office, technology, retail and government facilities. In addition to standard HVAC services,
- the Company provides specialized applications such as building automation control systems, fire protection, process cooling, electronic monitoring and process piping. Its installation business related to newly constructed facilities involves the design, engineering, integration, installation and start-up of HVAC.
- Its maintenance, repair and replacement business also involves the replacement, reconfiguration and monitoring of HVAC systems and industrial process piping. Certain locations also provide related activities such as electrical service and plumbing.
- A solution based company in areas of construction, building, Retrofit & Replacement, Building automation systems and energy services
- Multi diversity in many areas of construction including Healthcare, Government, commercial gaming/hospitality, Multi unit residential and commercial property
- Substantive project management completions including University of Arkansas for Medical Sciences District Energy System, Bush Intercontinental Airport Piping Project, Quechan Casino Resort, West Atlanta Downtown Hotel & Residences
- Multiplicity of Awards including Forbes Most Trusted Companies 2014, 2015 and Houston Chronicle's Top 100 Leading Companies in 2014. Energy Star® partner and a member of the United States Green Building Council, with LEED® accredited professionals in all of their companies
- Broad nationwide footprint - Its operates throughout the United States with widespread operational involvement in the East with more than 94 locations in 85 cities with 7000 employees
- Positive free cash flow for 17 consecutive years
- Year on year share performance increase 53%.7 (17 Mar 2015 \$19.56 17 Mar 2016 \$30.06)

Recent News

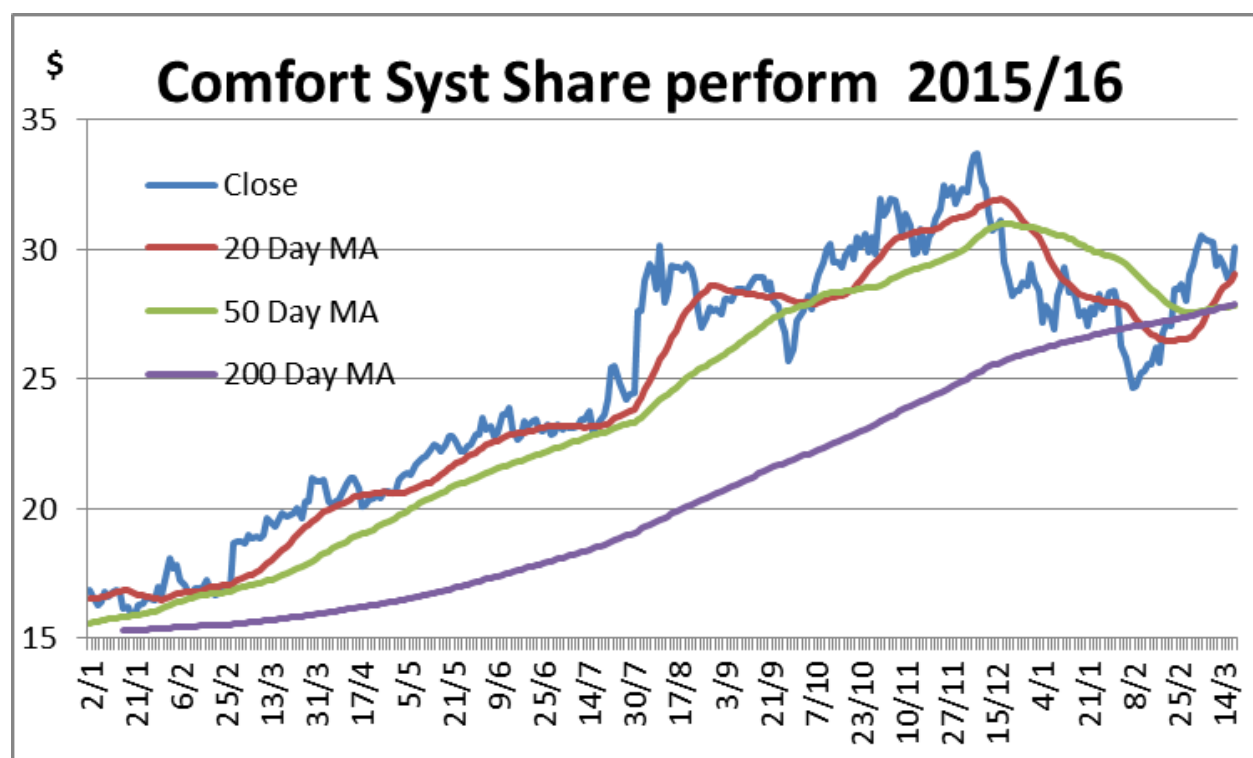
- Comfort Systems USA Extends Debt Facility - Facility Increased to \$325 million and Extended to 2021 -- HOUSTON--(BUSINESS WIRE)-- -- Comfort Systems, announced on Feb. 23, 2016 that it has amended its existing senior debt facility to increase the credit commitment amount to \$325,000,000 and to extend the term to February 22, 2021. Wells Fargo

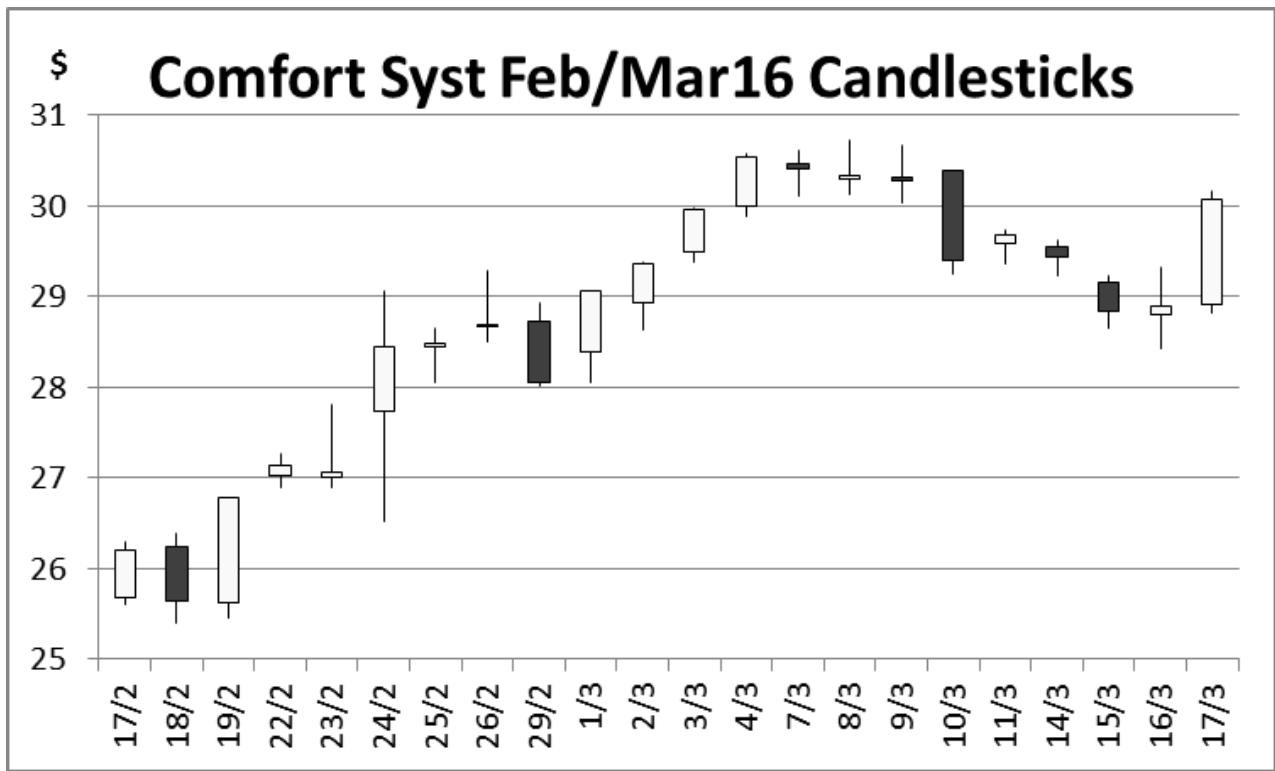
Financial Performance

- [Fourth quarter 2015 and Full year reports](#)
- [Review Statement](#)
- [Analyst estimates](#)

<u>Company fundamentals</u>	2014	2015	change
	\$m	\$m	%
Revenue	1410.8	1580.52	12
Net Income Before Tax	40.23	88.68	120
EPS	0.61	1.32	116
DPS	0.61	1.30	113
Total Assets	655.94	691.59	5.43
Total Equity	306.28	346.72	13.20
Cash	32.06	56.46	76.11
			Score
Piotroski F Score (Good)			7
Beneish M Score (Good)			-2.68
Altman Z Score (Good)			4.82

TECHNICAL ANALYSIS – Technical Diagnosis – Moving averages give a good indication of the vitality of the share in the long run. For 2015 share performance was robust with upward sloping share price and moving averages. From Jan 2016 to Mid Feb 2015 share price and moving averages were in decline retracing back to a level at July 2015. Since Feb the share has rebounded where a golden cross appeared in March with the 50 day moving average crossing above its 200 day Moving Average. The resurgence of the share price seems to be confirmed by Feb/March candlesticks where bullish candlesticks have been the norm. The 10 to 16 March pullback seems to be a temporary retracement given the recent spinning top and kicker bullish Marubozu candlestick on the 17 March normally a sign of future positive share price escalation. If the share continues to respond positively it may break to the upside from an artificial resistance level of \$30 a share In response to what I considered to be a undervalued opportunity I purchased 220 shares at \$29.49 [£20.68] on 17 March 2016 in support of conviction that the share has upside potential. **Please note this analysis is not advice but interpretation of potential market moves.** Past performance is no guide to the future. First Share Reviewed on 18 March 2016 at \$30.02 Current Price 14 May 2016 \$30.88 (Close)





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