UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission file number 001-13783

IES Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**76-0542208**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

13131 Dairy Ashford Rd., Suite 500, Sugar Land, Texas 77478
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (713) 860-1500

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $0.01 per share	IESC	NASDAQ Global Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

On July 31, 2025, there were 19,854,463 shares of common stock outstanding.

IES HOLDINGS, INC. AND SUBSIDIARIES
INDEX

PART I. FINANCIAL INFORMATION

DEFINITIONS

In this Quarterly Report on Form 10-Q, the words "IES", the "Company", the "Registrant", "we", "our", "ours" and "us" refer to IES Holdings, Inc. and, except as otherwise specified herein, to our subsidiaries.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q includes certain statements that may be deemed "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, all of which are based upon various estimates and assumptions that the Company believes to be reasonable as of the date hereof. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "could," "should," "expect," "plan," "project," "intend," "anticipate," "believe," "seek," "estimate," "predict," "potential," "pursue," "target," "continue," the negative of such terms or other comparable terminology. These statements involve risks and uncertainties that could cause the Company's actual future outcomes to differ materially from those set forth in such statements. Such risks and uncertainties include, but are not limited to:

- a general reduction in the demand for our products or services;
- changes in general economic conditions, including supply chain constraints, high rates of inflation, tariffs, changes in consumer sentiment, elevated interest rates, and market disruptions resulting from a number of factors, including geo-political events such as the Ukraine-Russia war, the conflict in the Middle East, and trade tensions between the U.S. and China;
- competition in the industries in which we operate, both from third parties and former employees, which could result in the loss of one or more customers or lead to lower margins on new projects;
- our ability to successfully manage and execute projects, the cost and availability of qualified labor and the ability to maintain positive labor relations, and our ability to pass along increases in the cost of commodities used in our business, in particular, copper, aluminum, steel, fuel, electronic components and certain plastics;
- our ability to enter into, and the terms of, future contracts;
- the existence of a small number of customers from whom we derive a meaningful portion of our revenues;
- reliance on third parties, including subcontractors and suppliers, to complete our projects;
- the inability to carry out plans and strategies as expected, including the inability to identify and complete acquisitions that meet our investment criteria in furtherance of our corporate strategy, or the subsequent underperformance of those acquisitions;
- challenges integrating new businesses into the Company or new types of work, products or processes into our segments;
- backlog that may not be realized or may not result in profits;
- failure to adequately recover on contract change orders or claims against customers;
- closures or sales of our facilities resulting in significant future charges, including potential warranty losses or other unexpected liabilities, or a significant disruption of our operations;
- the impact of future epidemics or pandemics on our business, including the potential for new or continued job site closures or work stoppages, supply chain disruptions, delays in awarding new project bids, construction delays, reduced demand for our services, delays in our ability to collect from our customers, or illness of management or other employees;
- an increased cost of surety bonds affecting margins on work and the potential for our surety providers to refuse bonding or require collateral at their discretion;
- the impact of seasonality, adverse weather conditions, and climate change;
- fluctuations in operating activity due to factors such as cyclicality, downturns in levels of construction or the housing market, and differing regional economic conditions;
- difficulties in managing our billings and collections;
- accidents resulting from the physical hazards associated with our work and the potential for accidents;

- the possibility that our current insurance coverage may not be adequate or that we may not be able to obtain policies at acceptable rates;
- the effect of litigation, claims and contingencies, including warranty losses, damages or other latent defect claims in excess of our existing reserves and accruals;
- costs and liabilities under existing or potential future laws and regulations, including those laws and regulations related to the environment and climate change, as well as the inability to transfer, renew and obtain electrical and other professional licenses;
- interruptions to our information systems and cybersecurity or data breaches;
- expenditures to conduct environmental remediation activities required by certain environmental laws and regulations;
- loss of key personnel, ineffective transition of new management, or general labor constraints;
- credit and capital market conditions, including changes in interest rates that affect the cost of construction financing and mortgages, and the inability of some of our customers to obtain sufficient financing at acceptable rates, which could lead to project delays or cancellations;
- limitations on our ability to access capital markets and generate cash from operations to fund our working capital needs and capital expenditures, to complete acquisitions, and for debt service;
- the impact on our effective tax rate or cash paid for taxes from changes in tax positions we have taken or changes in tax laws;
- difficulty in fulfilling the covenant terms of our revolving credit facility, which could result in a default and acceleration of any indebtedness under such revolving credit facility;
- reliance on certain estimates and assumptions that may differ from actual results in the preparation of our financial statements;
- uncertainties inherent in the use of percentage-of-completion accounting, which could result in the reduction or elimination of previously recorded revenues and profits;
- the recognition of potential goodwill, long-lived assets and other investment impairments;
- the existence of a controlling shareholder, who has the ability to take action not aligned with other shareholders or to dispose of all or a significant portion of the shares of our common stock it holds, which may trigger certain change of control provisions in a number of our material agreements, including our financing and surety arrangements and our executive severance plan;
- the relatively low trading volume of our common stock, which could increase the volatility of our stock price and could make it more difficult for shareholders to sell a substantial number of shares for the same price at which shareholders could sell a smaller number of shares;
- the possibility that we issue additional shares of common stock, preferred stock or convertible securities that will dilute the percentage ownership interest of existing stockholders and may dilute the value per share of our common stock;
- the potential for substantial sales of our common stock, which could adversely affect our stock price;
- the impact of increasing scrutiny and changing expectations from investors and customers, or new or changing regulations, with respect to environmental, social and governance practices;
- the cost or effort required for our shareholders to bring certain claims or actions against us, as a result of our designation of the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings;
- the possibility that our internal controls over financial reporting and our disclosure controls and procedures may not prevent all possible errors that could occur; and
- other factors discussed elsewhere in this Quarterly Report on Form 10-Q.

You should understand that the foregoing, as well as other risk factors discussed in this document, including those listed in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended September 30, 2024, could cause future outcomes to differ materially from those experienced previously or those expressed in such forward-looking statements. We undertake no obligation to publicly update or revise any information, including information concerning our controlling shareholder, borrowing availability or cash position, or any forward-looking statements to reflect events or circumstances that may arise after the date of this report. Forward-looking statements are provided in this Quarterly Report on Form 10-Q pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 and should be evaluated in the context of the estimates, assumptions, uncertainties and risks described herein.

Item 1. ***Financial Statements***

IES HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(In Thousands, Except Share Information)

	June 30, 2025	September 30, 2024
	(Unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 101,445	$ 100,832
Restricted cash	7,003	—
Marketable securities	66,815	35,003
Accounts receivable:		
Trade, net of allowance of $2,209 and $1,818, respectively	535,541	469,833
Retainage	98,455	89,793
Inventories	108,775	101,728
Costs and estimated earnings in excess of billings	74,744	60,139
Prepaid expenses and other current assets	20,076	14,366
Total current assets	1,012,854	871,694
Property and equipment, net	164,362	134,197
Goodwill	95,295	93,960
Intangible assets, net	38,877	45,890
Investments	44,900	—
Deferred tax assets	22,410	22,458
Operating right of use assets	77,169	61,956
Other non-current assets	13,855	13,871
Total assets	$ 1,469,722	$ 1,244,026
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	391,770	363,582
Billings in excess of costs and estimated earnings	154,803	158,972
Total current liabilities	546,573	522,554
Long-term debt	20,000	—
Operating long-term lease liabilities	52,668	40,445
Other tax liabilities	17,748	16,677
Other non-current liabilities	10,315	12,241
Total liabilities	647,304	591,917
Noncontrolling interest	40,977	40,996
COMMITMENTS AND CONTINGENCIES (NOTE 12)		
STOCKHOLDERS' EQUITY:		
Preferred stock, $0.01 par value, 10,000,000 shares authorized, none issued and outstanding	—	—
Common stock, $0.01 par value, 100,000,000 shares authorized; 22,049,529 issued and 19,854,416 and 19,971,670 outstanding, respectively	220	220
Treasury stock, at cost, 2,195,113 and 2,077,859 shares, respectively	(127,700)	(90,325)
Additional paid-in capital	208,594	203,458
Retained earnings	700,327	497,760
Total stockholders' equity	781,441	611,113
Total liabilities and stockholders' equity	$ 1,469,722	$ 1,244,026

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

IES HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income
(In Thousands, Except Share Information)
(Unaudited)

	Three Months Ended June 30,	
	2025	2024
Revenues	$ 890,158	$ 768,415
Cost of services	650,561	573,634
Gross profit	239,597	194,781
Selling, general and administrative expenses	127,334	104,694
Contingent consideration	338	43
Loss (gain) on sale of assets	23	(132)
Operating income	111,902	90,176
Interest and other expense:		
Interest expense	534	395
Other expense, net	2,617	570
Income from operations before income taxes	108,751	89,211
Provision for income taxes	29,464	22,572
Net income	79,287	66,639
Net income attributable to noncontrolling interest	(2,057)	(4,539)
Comprehensive income attributable to IES Holdings, Inc.	$ 77,230	$ 62,100
Earnings per share attributable to common stockholders of IES Holdings, Inc.:		
Basic	$ 3.86	$ 2.71
Diluted	$ 3.81	$ 2.67
Shares used in the computation of earnings per share:		
Basic	19,856,289	20,224,102
Diluted	20,104,257	20,496,870

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

IES HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income
(In Thousands, Except Share Information)
(Unaudited)

	Nine Months Ended June 30,	
	2025	2024
Revenues	$ 2,473,665	$ 2,108,592
Cost of services	1,847,172	1,598,394
Gross profit	626,493	510,198
Selling, general and administrative expenses	346,417	285,816
Contingent consideration	1,016	78
Gain on sale of assets	(156)	(1,576)
Operating income	279,216	225,880
Interest and other (income) expense:		
Interest expense	1,318	1,198
Other (income) expense, net	(7,199)	313
Income from operations before income taxes	285,097	224,369
Provision for income taxes	75,537	57,342
Net income	209,560	167,027
Net income attributable to noncontrolling interest	(5,375)	(11,062)
Comprehensive income attributable to IES Holdings, Inc.	$ 204,185	$ 155,965
Earnings per share attributable to common stockholders of IES Holdings, Inc.:		
Basic	$ 10.16	$ 6.92
Diluted	$ 10.03	$ 6.84
Shares used in the computation of earnings per share:		
Basic	19,938,694	20,216,981
Diluted	20,188,035	20,462,856

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

IES HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Stockholders' Equity (unaudited)
(In Thousands, Except Share Information)

	Three Months Ended June 30, 2025						
	Common Stock		Treasury Stock		Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
BALANCE, March 31, 2025	22,049,529	$ 220	(2,161,213)	$ (122,372)	$ 204,278	$ 623,657	$ 705,783
Acquisition of treasury stock	—	—	(33,900)	(5,328)	—	—	(5,328)
Non-cash compensation	—	—	—	—	4,316	—	4,316
Increase in noncontrolling interest	—	—	—	—	—	(560)	(560)
Net income attributable to IES Holdings, Inc.	—	—	—	—	—	77,230	77,230
BALANCE, June 30, 2025	22,049,529	$ 220	(2,195,113)	$ (127,700)	$ 208,594	$ 700,327	$ 781,441

	Three Months Ended June 30, 2024						
	Common Stock		Treasury Stock		Additional Paid - In Capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
BALANCE, March 31, 2024	22,049,529	$ 220	(1,806,071)	$ (50,428)	$ 204,088	$ 380,926	$ 534,806
Acquisition of treasury stock	—	—	(157,505)	(21,102)	—	—	(21,102)
Non-cash compensation	—	—	—	—	1,407	—	1,407
Increase in noncontrolling interest	—	—	—	—	—	(7,333)	(7,333)
Change in IES Holdings, Inc.'s ownership interest in consolidated subsidiaries	—	—	—	—	(2,356)	—	(2,356)
Net income attributable to IES Holdings, Inc.	—	—	—	—	—	62,100	62,100
BALANCE, June 30, 2024	22,049,529	$ 220	(1,963,576)	$ (71,530)	$ 203,139	$ 435,693	$ 567,522

	Nine Months Ended June 30, 2025						
	Common Stock		Treasury Stock		Additional Paid - In Capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
BALANCE, September 30, 2024	22,049,529	$ 220	(2,077,859)	$ (90,325)	$ 203,458	$ 497,760	$ 611,113
Issuances under compensation plans	—	—	94,752	4,218	(4,218)	—	—
Acquisition of treasury stock	—	—	(212,006)	(41,593)	—	—	(41,593)
Non-cash compensation	—	—	—	—	9,354	—	9,354
Increase in noncontrolling interest	—	—	—	—	—	(1,618)	(1,618)
Net income attributable to IES Holdings, Inc.	—	—	—	—	—	204,185	204,185
BALANCE, June 30, 2025	22,049,529	$ 220	(2,195,113)	$ (127,700)	$ 208,594	$ 700,327	$ 781,441

	Nine Months Ended June 30, 2024						
	Common Stock		Treasury Stock		Additional Paid - In Capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
BALANCE, September 30, 2023	22,049,529	$ 220	(1,855,311)	$ (49,450)	$ 203,431	$ 295,784	$ 449,985
Issuances under compensation plans	—	—	82,180	2,213	(2,213)	—	—
Acquisition of treasury stock	—	—	(191,445)	(24,320)	—	—	(24,320)
Options exercised	—	—	1,000	27	(19)	—	8
Non-cash compensation	—	—	—	—	4,296	—	4,296
Increase in noncontrolling interest	—	—	—	—	—	(16,056)	(16,056)
Change in IES Holdings, Inc's ownership interest in consolidated subsidiaries	—	—	—	—	(2,356)	—	(2,356)
Net income attributable to IES Holdings, Inc.	—	—	—	—	—	155,965	155,965
BALANCE, June 30, 2024	22,049,529	$ 220	(1,963,576)	$ (71,530)	$ 203,139	$ 435,693	$ 567,522

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

IES HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(In Thousands)
(Unaudited)

	Nine Months Ended June 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 209,560	$ 167,027
Adjustments to reconcile net income to net cash provided by operating activities:		
Bad debt expense	679	514
Deferred financing cost amortization	323	212
Depreciation and amortization	34,699	26,051
Gain on sale of assets	(156)	(1,576)
Non-cash compensation expense	9,416	4,333
Deferred income tax expense and other non-cash tax adjustments, net	477	3,823
Unrealized (gain) loss on trading securities	(4,098)	3,342
Changes in operating assets and liabilities:		
Marketable securities	(27,714)	—
Accounts receivable	(64,223)	(80,266)
Inventories	4,467	(11,200)
Costs and estimated earnings in excess of billings	(14,605)	(699)
Prepaid expenses and other current assets	(14,275)	(37,262)
Other non-current assets	(1,368)	208
Accounts payable and accrued expenses	24,047	31,299
Billings in excess of costs and estimated earnings	(4,169)	34,790
Other non-current liabilities	1,035	1,025
Net cash provided by operating activities	154,095	141,621
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(47,270)	(30,891)
Proceeds from sale of assets	680	2,572
Purchases of equity investments	(44,900)	(380)
Cash paid in conjunction with business combinations, net of cash acquired	(22,609)	(67,698)
Net cash used in investing activities	(114,099)	(96,397)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of debt	996,400	2,089,870
Repayments of debt	(976,400)	(2,089,870)
Cash paid for finance leases	(3,251)	(2,978)
Settlement of contingent consideration liability	—	(4,074)
Purchase of noncontrolling interest	—	(31,200)
Distribution to noncontrolling interest	(7,536)	(13,533)
Purchase of treasury stock	(41,593)	(24,320)
Options exercised	—	8
Net cash used in financing activities	(32,380)	(76,097)
INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	7,616	(30,873)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, beginning of period	100,832	75,770
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, end of period	$ 108,448	$ 44,897

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

1. BUSINESS AND ACCOUNTING POLICIES

Description of the Business

IES Holdings, Inc. designs and installs integrated electrical and technology systems and provides infrastructure products and services to a variety of end markets, including data centers, residential housing and commercial and industrial facilities. Our operations are organized into four business segments, based upon the nature of our services:

- Communications – Nationwide provider of technology infrastructure services, including the design, build, and maintenance of the communications infrastructure within data centers for co-location and managed hosting customers, for both large corporations and independent businesses.
- Residential – Regional provider of electrical installation services for single-family housing and multi-family apartment complexes, as well as heating, ventilation and air conditioning (HVAC) and plumbing installation services in certain markets.
- Infrastructure Solutions – Provider of electro-mechanical solutions for industrial operations, including apparatus repair and custom-engineered products such as generator enclosures used in data centers and other industrial applications.
- Commercial & Industrial – Provider of electrical and mechanical design, construction, and maintenance services to the commercial and industrial markets in various regional markets and nationwide in certain areas of expertise, such as the power infrastructure market and data centers.

The words “IES”, the “Company”, “we”, “our”, and “us” refer to IES Holdings, Inc. and, except as otherwise specified herein, to our consolidated subsidiaries.

Seasonality and Quarterly Fluctuations

Results of operations from our Residential segment can be seasonal, depending on weather trends, with typically higher revenues generated during spring and summer and lower revenues generated during fall and winter. The Commercial & Industrial, Communications and Infrastructure Solutions segments of our business are less subject to seasonal trends, as work in these segments generally is performed inside structures protected from the weather, although weather can still impact these businesses, especially in the early stages of projects. From quarter to quarter, results for our Communications, Residential, and Commercial & Industrial segments may be materially affected by the timing of new construction projects, and our volume of business may be adversely affected by declines in construction projects resulting from adverse regional or national economic conditions. Quarterly results for our Infrastructure Solutions segment may be affected by the timing of outages or capital projects at our customers’ facilities. Accordingly, operating results for any fiscal period are not necessarily indicative of results that may be achieved for any subsequent fiscal period.

Basis of Financial Statement Preparation

The accompanying unaudited Condensed Consolidated Financial Statements include the accounts of IES, our wholly-owned subsidiaries, and entities that we control due to ownership of a majority of voting interest and have been prepared in accordance with the instructions to interim financial reporting as prescribed by the United States Securities and Exchange Commission (the “SEC”). The results for the interim periods are not necessarily indicative of results for the entire year. These interim financial statements do not include all disclosures required by U.S. generally accepted accounting principles (“GAAP”) and should be read in conjunction with the consolidated financial statements and notes thereto filed with the SEC in our Annual Report on Form 10-K for the fiscal year ended September 30, 2024. In the opinion of management, the unaudited Condensed Consolidated Financial Statements contained in this report include all known accruals and adjustments necessary for a fair presentation of the financial position, results of operations, and cash flows for the periods reported herein. Any such adjustments are of a normal recurring nature.

Income Taxes

On July 4, 2025, the U.S. enacted the One Big Beautiful Bill Act (“Act”), a comprehensive legislative package that includes significant changes to federal tax policy. The Act, among other corporate provisions, includes the permanent extension of 100% bonus depreciation and the repeal of mandatory capitalization of domestic research and experimental expenditures. The Company is currently assessing the impact the Act will have on our overall financial results, financial position, and cash flows.

Equity Method Investments

We account for investments using the equity method of accounting if the investment gives us the ability to exercise significant influence over an investee but does not grant us control. Significant influence generally exists when an investor owns 20% or more of the voting stock of an incorporated investee or a more than 3% to 5% interest in an unincorporated investee. Under the equity method of accounting, the carrying amount of an investment is initially recorded at cost basis and is subsequently adjusted for our proportionate share of earnings or losses, additional investments in the entity, and distributions. Our proportionate share of earnings or losses is recorded in earnings on our Condensed Consolidated Statements of Comprehensive Income.

Noncontrolling Interest

In connection with our acquisitions of Edmonson Electric, LLC ("Edmonson Electric") and Bayonet Plumbing, Heating & Air-Conditioning, LLC ("Bayonet") in fiscal 2021, and NEXT Electric, LLC in fiscal 2017, we acquired an 80 percent interest in each of the entities, with the remaining 20 percent interest in each such entity being retained by the respective third-party seller. The interests retained by those third-party sellers are identified on our Condensed Consolidated Balance Sheets as "Noncontrolling interest," classified outside of permanent equity. On June 28, 2024, we acquired the remaining 20 percent noncontrolling interest in Bayonet for $32,000.

Under the terms of each entity's operating agreement, after five years from the date of the acquisition, we may elect to purchase, or the third-party seller may require us to purchase, part or all of the remaining 20 percent interest in the applicable entity. In each case, the purchase price is variable, based on a multiple of earnings as defined in the applicable operating agreement. Therefore, each noncontrolling interest is carried at the greater of the balance determined under Accounting Standards Codification ("ASC") 810 and the redemption amounts assuming the noncontrolling interest was redeemable at the balance sheet date. If all of the noncontrolling interests remaining outstanding at June 30, 2025 had been redeemable at that date, the aggregate redemption amount would have been $40,977.

The activity in redeemable noncontrolling interest for the nine months ended June 30, 2025 and 2024 is summarized in the table below.

	Nine Months Ended June 30,	
	2025	2024
Balance at beginning of period	$ 40,996	$ 49,951
Net income attributable to noncontrolling interests	5,375	11,062
Distributions to noncontrolling interests	(7,536)	(14,474)
Adjustments to record noncontrolling interests at redemption value	2,142	21,260
Adjustment to record noncontrolling interests at value of consideration paid to acquire ownership interest	—	3,120
Purchase of ownership interest from noncontrolling interests	—	(32,000)
Balance at end of period	$ 40,977	$ 38,919

On July 1, 2025, we acquired the remaining 20 percent noncontrolling interest in Edmonson Electric for $40,000.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of estimates and assumptions by management in determining the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates are primarily used in our revenue recognition of construction in progress, fair value assumptions in accounting for business combinations, stock-based compensation, reserves for legal matters, and realizability of deferred tax assets and unrecognized tax benefits.

Accounting Standards Recently Adopted

In October 2021, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update No. 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers ("ASU 2021-08"). This standard amends the existing guidance under ASC 805 to add contract assets and contract liabilities to the list of exceptions to the recognition and measurement principles that apply to business combinations. Under this standard, the acquirer of a business is expected to recognize and measure acquired contract assets and contract liabilities as if the acquirer entered into the original contract on the same date with the same terms in accordance with ASC 606 rather than at fair value on the date of acquisition. This update is effective for fiscal years beginning after December 15, 2022 and for interim periods within that year. We adopted this standard on October 1, 2023 using the prospective method. ASU 2021-08 impacts how we account for business combinations completed after its adoption.

Recent Accounting Pronouncements and Disclosure Rules Not Yet Adopted

In November 2023, the FASB issued Accounting Standard Update No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures (“ASU 2023-07”). This standard requires disclosure of significant segment expenses, other segment items, and additional information about the chief operating decision maker (“CODM”). This update is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted, and retrospective application is required. We are evaluating the impact this update will have on our annual disclosures; however, it will not impact our financial condition, results of operations, or cash flows.

In December 2023, the FASB issued Accounting Standard Update No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures (“ASU 2023-09”). This standard requires more detailed disclosure within the tax rate reconciliation table, as well as additional information about cash taxes paid. This update is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. We are evaluating the impact this update will have on our annual disclosures; however, it will not impact our financial condition, results of operations, or cash flows.

In November 2024, the FASB issued Accounting Standard Update No. 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (“ASU 2024-03”). This standard requires additional disclosures of certain expenses, including purchases of inventory, employee compensation, depreciation, intangible asset amortization, and other specific expense categories. This standard also requires disclosure of the total amount of selling expenses and the Company's definition of selling expenses. This update is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. We are evaluating the impact this update will have on our annual disclosures; however, it will not impact our financial condition, results of operations, or cash flows.

2. CONTROLLING STOCKHOLDER

Tontine Associates, L.L.C. (“Tontine Associates”), together with its affiliates (collectively, “Tontine”), is the Company’s controlling stockholder, owning approximately 55 percent of the Company’s outstanding common stock based on a Form 4 filed by Tontine with the SEC on June 13, 2025 and the Company's shares outstanding as of July 31, 2025. Accordingly, Tontine has the ability to exercise significant control over our affairs, including the election of directors and most actions requiring the approval of stockholders.

While Tontine is subject to certain restrictions under federal securities laws on sales of its shares as an affiliate, the Company has filed a shelf registration statement to register all of the shares of IES common stock owned by Tontine at the time of registration. As long as the shelf registration statement remains effective and the Company remains eligible to use it, Tontine has the ability to resell any or all of its registered shares from time to time in one or more offerings, as described in the shelf registration statement and in any prospectus supplement filed in connection with an offering pursuant to the shelf registration statement.

Should Tontine sell or otherwise dispose of all or a significant portion of its position in IES, a change in control of IES could occur. A change of control would trigger the change of control provisions in a number of our material agreements, including our credit agreement, bonding agreements with our sureties and our executive severance plan.

Jeffrey L. Gendell was appointed as Chief Executive Officer of the Company effective October 1, 2020, having served as the Company's Interim Chief Executive Officer since July 31, 2020. Mr. Gendell also serves as Chairman of the Board of Directors, a position he has held since November 2016. Effective July 1, 2025, Mr. Gendell transitioned from Chief Executive Officer to Executive Chairman. He is the managing member and founder of Tontine, and the brother of David B. Gendell, who has served as a member of our Board of Directors since February 2012, and who previously served as Interim Director of Operations from November 2017 to January 2019, as Vice Chairman of the Board from November 2016 to November 2017 and as Chairman of the Board from January 2015 to November 2016. David B. Gendell was an employee of Tontine from 2004 until January 2018.

The Company is party to a sublease agreement with Tontine Associates for corporate office space in Greenwich, Connecticut. On August 1, 2024, the Company entered into an amendment of the sublease agreement, which was set to terminate on August 31, 2024, to extend the term of the agreement through September 30, 2025 effective September 1, 2024, while maintaining monthly payments due in the amount of approximately $9. Payments by the Company are at a rate consistent with that paid by Tontine Associates to its landlord.

On December 6, 2018, the Company entered into a Board Observer Letter Agreement (the "Observer Agreement") with Tontine Associates in order to assist Tontine in managing its investment in the Company. Subject to the terms and conditions set forth in the Observer Agreement, the Company granted Tontine the right, at any time that Tontine holds at least 20% of the outstanding common stock of the Company, to appoint a representative to serve as an observer to the Board (the “Board Observer”). The Board Observer, who must be reasonably acceptable to those members of the Board who are not affiliates of Tontine, shall have no voting rights or other decision making authority. Subject to the terms and conditions set forth in the Observer Agreement, so long as Tontine has the right to appoint a Board Observer, the Board Observer will have the right to attend and participate in meetings of the Board and the committees thereof, subject to confidentiality requirements, and to receive reimbursement for reasonable out-of-pocket expenses incurred in his or her capacity as a Board Observer and such rights to coverage under the Company's directors' and officers' liability insurance policy as are available to the Company's directors.

3. REVENUE RECOGNITION

Contracts

Our revenue is derived from contracts with customers, and we determine the appropriate accounting treatment for each contract at its inception. Our contracts primarily relate to electrical and mechanical contracting services, technology infrastructure products and services, and electro-mechanical solutions for industrial operations. Revenue is earned based upon an agreed fixed price or actual costs incurred plus an agreed upon percentage.

We account for a contract when: (i) it has approval and commitment from both parties, (ii) the rights of the parties are identified, (iii) payment terms are identified, (iv) the contract has commercial substance, and (v) collectability of consideration is probable. We consider the start of a project to be when the above criteria have been met and we have written authorization from the customer to proceed.

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. Given the nature of the Company's services, our contracts with customers have historically been comprised of a single performance obligation.

We recognize revenue over time for the majority of the services we perform as (i) control continuously transfers to the customer as work progresses at a project location controlled by the customer and (ii) we have the right to bill the customer as costs are incurred. Within our Infrastructure Solutions Custom Engineered Solutions business, we often perform work inside our own facilities, where control does not continuously transfer to the customer as work progresses. In such cases, we evaluate whether the work performed creates an asset with alternative use to the Company and whether we have the right to bill the customer as costs are incurred. Where we are creating an asset with no alternative use and we have a contractual right to payment for work performed to date, we recognize revenue over time. If we do not have such a right, we recognize revenue upon completion of the contract, when control of the work transfers to the customer.

For arrangements where we recognize revenue over time, we generally use the percentage of completion method of accounting under which revenue recognized is measured principally by the costs incurred and accrued to date for each contract as a percentage of the estimated total cost for each contract at completion. Contract costs include all direct material, labor and indirect costs related to contract performance. Changes in job performance, job conditions, estimated contract costs and profitability and final contract settlements may result in revisions to costs and income, and the effects of these revisions are recognized in the period in which the revisions are determined. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. This measurement and comparison process requires updates to the estimate of total costs to complete the contract, and these updates may include subjective assessments and judgments. Certain divisions in the Residential and Infrastructure Solutions segments recognize revenue under the right to invoice practical expedient because the duration of their contracts is short. We recognize revenue on such contracts when amounts are billable to the customer, generally when the project is complete.

Variable Consideration

The transaction price for our contracts may include variable consideration, which includes changes to transaction price for approved and unapproved change orders, claims and incentives. Change orders, claims, and incentives are generally not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as a modification of the existing contract. We estimate variable consideration at the probability weighted value we expect to receive (or the most probable amount we expect to incur in the case of liquidated damages, if any), utilizing estimation methods that best predict the amount of consideration to which we will be entitled (or will be incurred in the case of liquidated damages, if any). We include variable consideration in the estimated transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur or when the uncertainty associated with the variable consideration is resolved. Our estimates of variable consideration and determination of whether to include estimated amounts in transaction price are based largely on an assessment of our anticipated performance and all information (historical, current and forecasted) that is reasonably available to us. The effect of variable consideration on the transaction price of a performance obligation is recognized as an adjustment to revenue on a cumulative catch-up basis. To the extent unapproved change orders and claims reflected in transaction price (or accounted for as a reduction of the transaction price in the case of liquidated damages) are not resolved in our favor, or to the extent incentives reflected in transaction price are not earned, there could be reductions in, or reversals of, previously recognized revenue.

Disaggregation of Revenue

We disaggregate our revenue from contracts with customers by activity and contract type, as these categories reflect how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors. Our consolidated revenue for the three and nine months ended June 30, 2025 and 2024 was derived from the following activities. Certain prior period amounts have been reclassified to conform with the current period presentation, where applicable. See details in the following tables:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2025	2024	2025	2024
Communications	$ 299,213	$ 192,303	$ 805,189	$ 556,554
Residential				
Single-family Electrical	171,792	195,677	501,074	540,265
Single-family Plumbing & HVAC	86,329	89,534	239,680	243,805
Multi-family and Other	87,917	92,325	243,221	248,694
Total Residential	346,038	377,536	983,975	1,032,764
Infrastructure Solutions				
Industrial Services	23,708	11,786	71,553	34,960
Custom Engineered Solutions	105,780	90,236	283,680	205,739
Total Infrastructure Solutions	129,488	102,022	355,233	240,699
Commercial & Industrial	115,419	96,554	$ 329,268	278,575
Total revenue	$ 890,158	$ 768,415	$ 2,473,665	$ 2,108,592

	Three Months Ended June 30, 2025				
	Communications	Residential	Infrastructure Solutions	Commercial & Industrial	Total
Fixed-price	$ 211,644	$ 346,038	$ 118,930	$ 102,855	$ 779,467
Time-and-material	87,569	—	10,558	12,564	110,691
Total revenue	$ 299,213	$ 346,038	$ 129,488	$ 115,419	$ 890,158

	Three Months Ended June 30, 2024				
	Communications	Residential	Infrastructure Solutions	Commercial & Industrial	Total
Fixed-price	$ 131,536	$ 377,536	$ 93,138	$ 75,540	$ 677,750
Time-and-material	60,767	—	8,884	21,014	90,665
Total revenue	$ 192,303	$ 377,536	$ 102,022	$ 96,554	$ 768,415

	Nine Months Ended June 30, 2025				
	Communications	Residential	Infrastructure Solutions	Commercial & Industrial	Total
Fixed-price	$ 580,389	$ 983,975	$ 325,607	$ 287,474	$ 2,177,445
Time-and-material	224,800	—	29,626	41,794	296,220
Total revenue	$ 805,189	$ 983,975	$ 355,233	$ 329,268	$ 2,473,665

	Nine Months Ended June 30, 2024				
	Communications	Residential	Infrastructure Solutions	Commercial & Industrial	Total
Fixed-price	$ 397,903	$ 1,032,764	$ 227,561	$ 232,422	$ 1,890,650
Time-and-material	158,651	—	13,138	46,153	217,942
Total revenue	$ 556,554	$ 1,032,764	$ 240,699	$ 278,575	$ 2,108,592

Accounts Receivable

Accounts receivable include amounts that we have billed or have an unconditional right to bill our customers. As of June 30, 2025, Accounts receivable included $13,639 of unbilled receivables for which we have an unconditional right to bill.

Contract Assets and Liabilities

Project contracts typically provide for a schedule of billings on percentage of completion of specific tasks inherent in the fulfillment of our performance obligation(s). The schedules for such billings usually do not precisely match the schedule on which costs are incurred. As a result, contract revenue recognized in the statement of operations can and usually does differ from amounts that can be billed to the customer at any point during the contract. Amounts by which cumulative contract revenue recognized on a contract as of a given date exceeds cumulative billings and unbilled receivables to the customer under the contract are reflected as a current asset in our Condensed Consolidated Balance Sheets under the caption “Costs and estimated earnings in excess of billings”. Amounts by which cumulative billings to the customer under a contract as of a given date exceed cumulative contract revenue recognized are reflected as a current liability in our Condensed Consolidated Balance Sheets under the caption “Billings in excess of costs and estimated earnings”.

During the nine months ended June 30, 2025 and 2024, we recognized revenue of $145,991 and $96,889 related to our contract liabilities at September 30, 2024 and 2023, respectively.

Remaining Performance Obligations

Remaining performance obligations represent the unrecognized revenue value of our contract commitments. New awards represent the total expected revenue value of new contract commitments undertaken during a given period, as well as additions to the scope of existing contract commitments. Our new performance obligations vary significantly each reporting period based on the timing of our major new contract commitments. At June 30, 2025, we had remaining performance obligations of $1,295,207. The Company expects to recognize revenue on approximately $940,247 of the remaining performance obligations over the next 12 months, with the remainder recognized thereafter.

For the three and nine months ended June 30, 2025, net revenue recognized from our performance obligations satisfied in previous periods was not material.

4. DEBT

Prior to January 21, 2025, we were a party to the Third Amended and Restated Credit and Security Agreement (the “Third Credit Agreement”), which provided for a maximum borrowing amount of $150,000 under our revolving credit facility. Borrowings were limited by a borrowing base determined based on available collateral. The Third Credit Agreement, which was scheduled to mature on September 30, 2026, contained customary affirmative, negative and financial covenants.

Fourth Amended and Restated Credit and Security Agreement

On January 21, 2025 we entered into the Fourth Amended and Restated Credit Agreement (the “Amended Credit Agreement”). Pursuant to the Amended Credit Agreement, our revolver amount increased from $150,000 to $300,000, and the maturity date was extended from September 30, 2026, to January 21, 2030. In addition, the limitation on borrowings based on available collateral was eliminated under the Amended Credit Agreement.

Under the Amended Credit Agreement, the Company is subject to certain financial covenants including a maximum Consolidated Total Leverage Ratio (as defined in the Amended Credit Agreement) of 3.00 to 1.00 and a minimum Consolidated Interest Coverage Ratio (as defined in the Amended Credit Agreement) of 3.00 to 1.00. As of June 30, 2025, the Company was in compliance with the financial covenants under the Amended Credit Agreement.

At June 30, 2025, we had $20,000 in borrowings under our revolving credit facility, and we had no outstanding borrowings under our revolving credit facility at September 30, 2024. At June 30, 2025, we had $5,545 in outstanding letters of credit and our total availability under the revolving credit facility was $274,455.

Amounts outstanding bear interest at a rate equal to either (1) the Base Rate (which is the greater of the Federal Funds Rate (as defined in the Amended Credit Agreement) and the Prime Rate (as defined in the Amended Credit Agreement)), (2) the Daily Simple SOFR (as defined in the Amended Credit Agreement) or (3) Term SOFR (as defined in the Amended Credit Agreement), plus, in each case, an interest rate margin, which is determined quarterly based on our Consolidated Total Leverage Ratio, in accordance with the following thresholds:

Pricing Level	Consolidated Total Leverage Ratio	Interest Margin applicable to Daily Simple SOFR/Term SOFR	Interest Margin applicable to Base Rate
I	Greater than or equal to 2.50 to 1.00	2.25 percentage points	1.25 percentage points
II	Greater than or equal to 1.75 to 1.00, but less than 2.50 to 1.00	2.00 percentage points	1.00 percentage points
III	Greater than or equal to 1.00 to 1.00, but less than 1.75 to 1.00	1.75 percentage points	0.75 percentage points
IV	Less than 1.00 to 1.00	1.50 percentage points	0.50 percentage points

In addition, we are charged monthly in arrears for an unused commitment fee of 0.25% to 0.35% per annum on any unused portion of the revolving credit facility based on the Company's Consolidated Total Leverage Ratio.

The Amended Credit Agreement restricts certain types of transactions when the Company’s Consolidated Total Leverage Ratio, after giving pro forma effect thereto, exceeds 2.75 to 1.00. The Amended Credit Agreement continues to contain other customary affirmative and negative covenants as well as events of default.

5. PER SHARE INFORMATION

The following table reconciles the components of basic and diluted earnings per share for the three and nine months ended June 30, 2025 and 2024:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2025	2024	2025	2024
Numerator:				
Net income attributable to IES Holdings, Inc.	$ 77,230	$ 62,100	$ 204,185	$ 155,965
Increase in noncontrolling interest	(560)	(7,333)	(1,618)	(16,056)
Net income attributable to common stockholders of IES Holdings, Inc.	$ 76,670	$ 54,767	$ 202,567	$ 139,909
Denominator:				
Weighted average common shares outstanding — basic	19,856,289	20,224,102	19,938,694	20,216,981
Effect of dilutive stock options and non-vested securities	247,968	272,768	249,341	245,875
Weighted average common and common equivalent shares outstanding — diluted	20,104,257	20,496,870	20,188,035	20,462,856
Earnings per share attributable to common stockholders of IES Holdings, Inc.:				
Basic	$ 3.86	$ 2.71	$ 10.16	$ 6.92
Diluted	$ 3.81	$ 2.67	$ 10.03	$ 6.84
Potentially dilutive securities excluded from the computation of diluted earnings per share as the effect of their inclusion would have been anti-dilutive:				
Employee phantom stock units	—	187	20,552	796

For the three and nine months ended June 30, 2024, the average price of our common shares exceeded the exercise price of all of our outstanding stock options. As a result, all of our outstanding stock options were included in the computation of diluted earnings per share. We had no remaining outstanding unvested stock options during the three and nine months ended June 30, 2025.

6. OPERATING SEGMENTS

We manage and measure performance of our business in four distinct operating segments: Communications, Residential, Infrastructure Solutions, and Commercial & Industrial. These segments are reflective of how the Company's CODM reviews operating results for the purpose of allocating resources and assessing performance. The Company’s CODM is its Chief Executive Officer.

Transactions between segments, if any, are eliminated in consolidation. Our corporate office provides general and administrative services, as well as support services, to each of our four operating segments. Management allocates certain shared costs among segments for selling, general and administrative expenses and depreciation expense.

Segment information for the three and nine months ended June 30, 2025 and 2024 is as follows:

	Three Months Ended June 30, 2025					
	Communications	Residential	Infrastructure Solutions	Commercial & Industrial	Corporate	Total
Revenues	$ 299,213	$ 346,038	$ 129,488	$ 115,419	$ —	$ 890,158
Cost of services	226,089	248,726	83,329	92,417	—	650,561
Gross profit	73,124	97,312	46,159	23,002	—	239,597
Selling, general and administrative	25,416	63,932	13,114	10,055	14,817	127,334
Contingent consideration	—	—	338	—	—	338
Loss (gain) on sale of assets	(14)	4	35	(2)	—	23
Operating income (loss)	$ 47,722	$ 33,376	$ 32,672	$ 12,949	$ (14,817)	$ 111,902
Other data:						
Depreciation and amortization expense	$ 1,403	$ 5,937	$ 3,338	$ 752	$ 234	$ 11,664
Capital expenditures	$ 6,370	$ 3,019	$ 4,230	$ 2,709	$ 820	$ 17,148
Total assets	$ 371,190	$ 371,752	$ 344,026	$ 104,406	$ 278,348	$ 1,469,722

	Three Months Ended June 30, 2024					
	Communications	Residential	Infrastructure Solutions	Commercial & Industrial	Corporate	Total
Revenues	$ 192,303	$ 377,536	$ 102,022	$ 96,554	$ —	$ 768,415
Cost of services	155,184	272,224	71,366	74,860	—	573,634
Gross profit	37,119	105,312	30,656	21,694	—	194,781
Selling, general and administrative	16,122	61,662	10,886	8,717	7,307	104,694
Contingent consideration	—	—	43	—	—	43
Gain on sale of assets	(7)	(70)	(3)	(52)	—	(132)
Operating income (loss)	$ 21,004	$ 43,720	$ 19,730	$ 13,029	$ (7,307)	$ 90,176
Other data:						
Depreciation and amortization expense	$ 931	$ 5,282	$ 3,656	$ 517	$ 227	$ 10,613
Capital expenditures	$ 6,319	$ 5,279	$ 4,862	$ 801	$ 271	$ 17,532
Total assets	$ 262,677	$ 400,539	$ 289,619	$ 97,741	$ 104,760	$ 1,155,336

	Nine Months Ended June 30, 2025					
	Communications	Residential	Infrastructure Solutions	Commercial & Industrial	Corporate	Total
Revenues	$ 805,189	$ 983,975	$ 355,233	$ 329,268	$ —	$ 2,473,665
Cost of services	620,211	727,863	234,801	264,297	—	1,847,172
Gross profit	184,978	256,112	120,432	64,971	—	626,493
Selling, general and administrative	69,095	176,395	36,869	29,143	34,915	346,417
Contingent consideration	—	—	1,016	—	—	1,016
Loss (gain) on sale of assets	(73)	(159)	105	(29)	—	(156)
Operating income (loss)	$ 115,956	$ 79,876	$ 82,442	$ 35,857	$ (34,915)	$ 279,216
Other data:						
Depreciation and amortization expense	$ 3,861	$ 17,261	$ 10,953	$ 1,937	$ 687	$ 34,699
Capital expenditures	$ 17,422	$ 9,108	$ 9,340	$ 7,840	$ 3,560	$ 47,270
Total assets	$ 371,190	$ 371,752	$ 344,026	$ 104,406	$ 278,348	$ 1,469,722

	Nine Months Ended June 30, 2024					
	Communications	Residential	Infrastructure Solutions	Commercial & Industrial	Corporate	Total
Revenues	$ 556,554	$ 1,032,764	$ 240,699	$ 278,575	$ —	$ 2,108,592
Cost of services	444,225	763,351	168,107	222,711	—	1,598,394
Gross profit	112,329	269,413	72,592	55,864	—	510,198
Selling, general and administrative	48,011	168,298	25,798	24,271	19,438	285,816
Contingent consideration	—	35	43	—	—	78
Gain on sale of assets	(27)	(1,427)	(3)	(105)	(14)	(1,576)
Operating income (loss)	$ 64,345	$ 102,507	$ 46,754	$ 31,698	$ (19,424)	$ 225,880
Other data:						
Depreciation and amortization expense	$ 2,520	$ 15,256	$ 6,112	$ 1,477	$ 686	$ 26,051
Capital expenditures	$ 8,255	$ 12,067	$ 6,897	$ 3,019	$ 653	$ 30,891
Total assets	$ 262,677	$ 400,539	$ 289,619	$ 97,741	$ 104,760	$ 1,155,336

7. STOCKHOLDERS' EQUITY

Equity Incentive Plan

The Company's 2006 Equity Incentive Plan, as amended and restated (the "Equity Incentive Plan"), provides for grants of phantom stock units, performance awards and stock options as well as grants of stock, including restricted stock. The Equity Incentive Plan was amended and restated effective February 20, 2025 following approval by stockholders at the Company's 2025 Annual Meeting of Stockholders to, among other things, authorize the issuance of an additional 750,000 shares under the Equity Incentive Plan and extend its term to February 19, 2035. As of June 30, 2025, approximately 3.75 million shares of common stock were authorized for issuance under the Equity Incentive Plan, of which approximately 1,265,795 shares were available for issuance.

Stock Repurchase Program

On July 31, 2024, our Board authorized a stock repurchase program for the purchase from time to time of up to $200,000 of the Company's common stock after the previous stock repurchase program was fully utilized. Share purchases are made for cash in open market transactions at prevailing market prices or in privately negotiated transactions or otherwise. The timing and amount of purchases under the program are determined based upon prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. All or part of the repurchases may be implemented under a Rule 10b5-1 trading plan, which allows repurchases under predetermined terms at times when the Company might otherwise be prevented from purchasing under insider trading laws or because of self-imposed blackout periods. The program does not require the Company to purchase any specific number of shares and may be modified, suspended, reinstated, or terminated at any time at the Company's discretion and without notice. We repurchased 33,900 and 173,262 shares of our common stock during the three and nine months ended June 30, 2025 in open market transactions at an average price of $157.16 and $174.25 per share, respectively. We repurchased 157,505 shares of our common stock during the three and nine months ended June 30, 2024 in open market transactions at an average price of $132.92.

Treasury Stock

During the nine months ended June 30, 2025, we issued 94,752 shares of common stock from treasury stock to employees and repurchased 38,744 shares of common stock from our employees to satisfy statutory tax withholding requirements upon the vesting of certain phantom stock units under the Equity Incentive Plan.

During the nine months ended June 30, 2024, we issued 82,180 shares of common stock from treasury stock to employees and repurchased 33,940 shares of common stock from our employees to satisfy statutory tax withholding requirements upon the vesting of certain phantom stock units under the Equity Incentive Plan. During the nine months ended June 30, 2024, we issued 1,000 unrestricted shares to satisfy the exercise of certain outstanding option awards under the Equity Incentive Plan.

Director Phantom Stock Units

Director phantom stock units ("Director PSUs") are granted to the members of the Board of Directors as part of their overall compensation. The Director PSUs are contractual rights to receive one share of the Company's common stock and are paid via unrestricted stock grants to each director upon their departure from the Board of Directors, or upon a change in control. We record compensation expense for the full value of the grant on the date of grant.

Employee Phantom Stock Units

An employee phantom stock unit (an "Employee PSU") is a contractual right to receive one share of the Company's common stock. Depending on the terms of each grant, Employee PSUs may vest upon the achievement of certain specified performance objectives and continued performance of services, or may vest based on continued performance of services through the vesting date.

A summary of Employee PSU activity for the nine months ended June 30, 2025 is provided in the table below:

Unvested at September 30, 2024	300,301
Granted	103,599
Vested	(94,752)
Forfeited	(1,803)
Unvested at June 30, 2025	307,345

A summary of the compensation expense related to our stock awards recognized during the three and nine months ended June 30, 2025 and 2024 is provided in the table below:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2025	2024	2025	2024
Director PSUs	$ 173	$ 134	$ 492	$ 364
Employee PSUs	$ 4,157	$ 1,274	$ 8,924	$ 3,969

8. INVESTMENTS

Investments in Marketable Securities

Investments in marketable equity and debt securities classified as trading securities, which were included in "Marketable securities" in our Condensed Consolidated Balance Sheets, are measured at fair value on a recurring basis and classified within Level 1 of the fair value hierarchy, because we use quoted prices of identical assets in active markets. For more information, refer to Note 9, "Fair Value Measurements." The balance of our marketable securities was as follows:

	June 30, 2025	September 30, 2024
Marketable equity securities	$ 66,815	$ 31,639
Marketable debt securities	—	3,364
Marketable securities	$ 66,815	$ 35,003

Gains and losses to measure our investments in marketable equity and debt securities at fair value were included in "Other (income) expense, net" on our Condensed Consolidated Statements of Comprehensive Income. Our unrealized net gains (losses), which are calculated as total net gains (losses) recognized during the period less net gains (losses) recognized on securities sold during the period, were as follows:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2025	2024	2025	2024
Unrealized gain (loss) on marketable equity securities	$ (3,764)	$ (1,497)	$ 4,098	$ (3,349)
Unrealized gain (loss) on marketable debt securities	—	(55)	—	7
Total unrealized gain (loss) on trading securities	$ (3,764)	$ (1,552)	$ 4,098	$ (3,342)

Equity Method Investments

On December 2, 2024, we paid $44,900 to acquire a 12.5% membership interest in Jett Texas Company LLC ("Jett"), an investment company, as part of the financing of Jett's investment in the CB&I storage solutions business, a designer and builder of storage facilities, tanks and terminals for energy and industrial markets, formerly owned by McDermott International, Ltd. Our investment, which was included in "Investments" on our Condensed Consolidated Balance Sheets, is measured using the equity method of accounting, wherein the carrying value of our investment is initially recorded at cost basis and subsequently adjusted for our proportionate share of earnings or losses, additional investments, and distributions. We recorded no earnings or loss on our investment in Jett in the three and nine months ended June 30, 2025 and the carrying value of our investment in Jett was $44,900 at June 30, 2025.

9. FAIR VALUE MEASUREMENTS

Fair Value Measurement Accounting

Fair value is considered the price to sell an asset, or transfer a liability, between market participants on the measurement date. Fair value measurements assume that (1) the asset or liability is exchanged in an orderly manner, (2) the exchange is in the principal market for that asset or liability, and (3) the market participants are independent, knowledgeable, and able and willing to transact an exchange. Fair value accounting and reporting establishes a framework for measuring fair value by creating a hierarchy for observable independent market inputs and unobservable market assumptions and expands disclosures about fair value measurements. Judgment is required to interpret the market data used to develop fair value estimates. As such, the estimates presented herein are not necessarily indicative of the amounts that could be realized in a current exchange. The use of different market assumptions and/or estimation methods could have a material effect on the estimated fair value.

The carrying values of cash and cash equivalents, restricted cash, accounts receivable, accounts payable, and contract assets and liabilities approximate fair values due to their short-term nature. The carrying value of borrowings under our revolving credit facility approximates fair value as its effective interest rate is variable and approximates market rates.

At June 30, 2025 and September 30, 2024, financial assets and liabilities measured at fair value on a recurring basis were limited to investments in marketable equity and debt securities classified as trading securities, our executive savings plan, under which certain employees are permitted to defer a portion of their base salary and/or bonus for a Plan Year (as defined in the plan), and contingent consideration liabilities related to certain of our acquisitions.

Financial assets (liabilities) measured at fair value on a recurring basis as of June 30, 2025 and September 30, 2024, are summarized in the following tables by the type of inputs applicable to the fair value measurements:

	June 30, 2025		
	Total Fair Value	Quoted Prices (Level 1)	Significant Unobservable Inputs (Level 3)
Marketable equity securities	$ 66,815	$ 66,815	$ —
Executive savings plan assets	1,051	1,051	—
Executive savings plan liabilities	(919)	(919)	—
Contingent consideration liability	(4,484)	—	(4,484)
Total	$ 62,463	$ 66,947	$ (4,484)

	September 30, 2024		
	Total Fair Value	Quoted Prices (Level 1)	Significant Unobservable Inputs (Level 3)
Marketable equity securities	$ 31,639	$ 31,639	$ —
Marketable debt securities	3,364	3,364	—
Executive savings plan assets	986	986	—
Executive savings plan liabilities	(852)	(852)	—
Contingent consideration liability	(3,468)	—	(3,468)
Total	$ 31,669	$ 35,137	$ (3,468)

On April 1, 2024, we entered into a contingent consideration arrangement under which we are obligated to pay up to $5,000 upon achievement of certain future earnings targets in connection with the acquisition of Greiner Industries, Inc. (“Greiner”) valued at $2,790 on the acquisition date. The fair value of this liability, which was included in “Other non-current liabilities” in our Condensed Consolidated Balance Sheets, is measured on a recurring basis classified within Level 3 of the fair value hierarchy. Net adjustments to its fair value were included in “Contingent consideration” in our Condensed Consolidated Statements of Comprehensive Income.

The table below presents the change in fair value of liabilities measured using significant unobservable inputs (Level 3).

	Contingent consideration liability
Fair value at September 30, 2024	$ (3,468)
Net adjustments to fair value included in “Contingent consideration”	(1,016)
Fair value at June 30, 2025	$ (4,484)

10. INVENTORY

Inventories consist of the following components:

	June 30, 2025	September 30, 2024
Raw materials	$ 26,446	$ 14,078
Work in process	13,016	12,494
Finished goods	6,893	4,389
Parts and supplies	62,420	70,767
Total inventories	$ 108,775	$ 101,728

11. GOODWILL AND INTANGIBLE ASSETS

Goodwill

The following summarizes changes in the carrying value of goodwill by segment during the nine months ended June 30, 2025:

	Communications	Residential	Infrastructure Solutions	Commercial & Industrial	Total
Goodwill at September 30, 2024	$ 2,816	$ 51,370	$ 39,774	$ —	$ 93,960
Acquisitions	—	—	1,335 (1)	—	1,335
Goodwill at June 30, 2025	$ 2,816	$ 51,370	$ 41,109	$ —	$ 95,295

(1) On January 31, 2025, the Company acquired all of the equity interests of Arrow Engine Company for a purchase price of $22,406. As of the date of this report, the fair value of the total consideration for this transaction and the amount of goodwill acquired are pending our final valuation of the net deferred tax liability acquired.

Intangible Assets

Intangible assets consist of the following:

		June 30, 2025		
	Estimated Useful Lives (in Years)	Gross Carrying Amount	Accumulated Amortization	Net
Trademarks/trade names	5 - 20	$ 15,121	$ (8,121)	$ 7,000
Technical library	20	400	(236)	164
Customer relationships	1 - 15	94,746	(63,247)	31,499
Backlog and construction contracts	1 - 2	750	(536)	214
Total intangible assets		$ 111,017	$ (72,140)	$ 38,877

		September 30, 2024		
	Estimated Useful Lives (in Years)	Gross Carrying Amount	Accumulated Amortization	Net
Trademarks/trade names	5 - 20	$ 13,821	$ (6,964)	$ 6,857
Technical library	20	400	(221)	179
Customer relationships	1 - 15	92,796	(54,478)	38,318
Backlog and construction contracts	1 - 2	750	(214)	536
Total intangible assets		$ 107,767	$ (61,877)	$ 45,890

12. COMMITMENTS AND CONTINGENCIES

Legal Matters

From time to time, we are a party to various claims, lawsuits and other legal proceedings that arise in the ordinary course of business. We maintain various insurance coverages to minimize financial risk associated with these proceedings. None of these proceedings, separately or in the aggregate, are expected to have a material adverse effect on our financial position, results of operations or cash flows. With respect to all such proceedings, we record reserves when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. We expense routine legal costs related to these proceedings as they are incurred.

In the course of performing work as a subcontractor, from time to time we may be involved in projects which are the subject of contractual disputes between the general contractor and project owner, or between us and the general contractor. In such cases, payment of amounts owed to us by the general contractor may be delayed as contractual disputes are resolved through mediation, arbitration, or litigation. Such disputes may cause us to incur legal fees and other expenses to enforce our contractual rights, and we may not prevail in recovering all amounts to which we believe we are contractually entitled.

Risk Management

We retain the risk for workers' compensation, employer's liability, automobile liability, construction defects, general liability and employee group health claims, as well as pollution coverage, resulting from uninsured deductibles per accident or occurrence which are generally subject to annual aggregate limits. Our general liability program provides coverage for bodily injury and property damage. In many cases, we insure third parties, including general contractors, as additional insured parties under our insurance policies. Losses are accrued based upon our known claims incurred and an estimate of claims incurred but not reported. As a result, many of our claims are effectively self-insured. Many claims against our insurance are in the form of litigation. At June 30, 2025 and September 30, 2024, we had $11,435 and $11,158, respectively, accrued for self-insurance liabilities. Because the reserves are based on judgment and estimates and involve variables that are inherently uncertain, such as the outcome of litigation and an assessment of insurance coverage, there can be no assurance that the ultimate liability will not be higher or lower than such estimates.

Some of the underwriters of our casualty insurance program require us to post letters of credit as collateral. This is common in the insurance industry. To date, we have not had a situation where an underwriter has had reasonable cause to effect payment under a letter of credit. At June 30, 2025 and September 30, 2024, $5,545 and $4,756, respectively, of our outstanding letters of credit was utilized to collateralize our insurance program.

Surety

As of June 30, 2025, the estimated cost to complete our bonded projects was approximately $142,193. We evaluate our bonding requirements on a regular basis, including the terms offered by our sureties. We believe the bonding capacity presently provided by our current sureties is adequate for our current operations and will be adequate for our operations for the foreseeable future.

Other Commitments and Contingencies

Some of our customers and vendors require us to post letters of credit, or provide intercompany guarantees, as a means of guaranteeing performance under our contracts and ensuring payment by us to subcontractors and vendors. If our customer has reasonable cause to effect payment under a letter of credit, we would be required to reimburse our creditor for the letter of credit.

From time to time, we may enter into firm purchase commitments for materials, such as copper or aluminum wire, which we expect to use in the ordinary course of business. These commitments are typically for terms of less than one year and require us to buy minimum quantities of materials at specific intervals at a fixed price over the term. As of June 30, 2025, we did not have any such firm commitments to purchase materials outstanding.

13. SUPPLEMENTAL CASH FLOW INFORMATION

The following provides a reconciliation of the components of cash, cash equivalents and restricted cash to the amounts reported on our Condensed Consolidated Balance Sheets as of June 30, 2025 and September 30, 2024, which sum to the amounts shown in our Condensed Consolidated Statements of Cash Flows for the nine months ended June 30, 2025.

	June 30, 2025	September 30, 2024
Cash and cash equivalents	$ 101,445	$ 100,832
Restricted cash	7,003	—
Cash, cash equivalents and restricted cash	$ 108,448	$ 100,832

Additional cash and noncash activities in the nine months ended June 30, 2025 and 2024 were as follows:

	Nine Months Ended June 30,	
	2025	2024
SUPPLEMENTAL DISCLOSURE OF CASH ACTIVITIES:		
Cash paid for interest	$ 564	$ 405
Cash paid for income taxes, net	$ 94,078	$ 57,790
SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES:		
Right-of-use assets obtained in exchange for new operating lease liabilities	$ 35,328	$ 12,691
Right-of-use assets obtained in exchange for new finance lease liabilities	$ 663	$ 1,268

14. SUBSEQUENT EVENTS

Purchase of Remaining Ownership Interest in Edmonson Electric

On July 1, 2025, we acquired the remaining 20 percent noncontrolling interest in Edmonson Electric for $40,000.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following discussion and analysis should be read in conjunction with our Consolidated Financial Statements and the notes thereto, set forth in Part II, Item 8. *"Financial Statements and Supplementary Data"* as set forth in our Annual Report on Form 10-K for the fiscal year ended September 30, 2024, and the Condensed Consolidated Financial Statements and notes thereto included in Part I, Item 1 of this Quarterly Report on Form 10-Q. The following discussion may contain forward looking statements. For additional information, see *"Disclosure Regarding Forward Looking Statements"* in Part I of this Quarterly Report on Form 10-Q.

OVERVIEW

Executive Overview

Please refer to Part I, Item 1. *"Business"* of our Annual Report on Form 10-K for the fiscal year ended September 30, 2024, for a discussion of the Company's services and corporate strategy. IES Holdings, Inc., a Delaware corporation, designs and installs integrated electrical and technology systems and provides infrastructure products and services to a variety of end markets, including data centers, residential housing, and commercial and industrial facilities. Our operations are organized into four business segments: Communications, Residential, Infrastructure Solutions and Commercial & Industrial.

Current Market and Operating Conditions

Throughout the first nine months of fiscal 2025, our business has benefited from strong demand continuing across many of our key end markets. However, our business segments each have their own unique set of factors influencing demand for our services. Housing affordability challenges from elevated mortgage rates and inflation, as well as the impact of overall economic uncertainty on consumer confidence, have persisted throughout the spring and into the summer, which is typically an active time for home sales. In response to this, many large home builders have increased their offerings of customer incentives as they focus on maintaining volume through fluctuations in consumer demand. These incentives have put pressure on our revenues and gross margins in our single-family business. Current tariff policy could exacerbate these housing affordability and consumer confidence issues, which could further impact our single-family business. In the multi-family residential business, higher borrowing costs for project owners during fiscal 2024 resulted in a reduction in backlog entering fiscal 2025, which in turn drove a reduction in multi-family residential revenues for fiscal 2025 to date. Backlog across our business segments as a whole remains high, reflecting strong demand in key end markets. Demand with respect to data centers, a key end market served by our Communications, Infrastructure Solutions, and Commercial & Industrial segments, remains particularly strong. However, availability of labor and capacity could constrain the rate at which we are able to grow our business in this end market.

RESULTS OF OPERATIONS

We report our operating results across our four operating segments: Communications, Residential, Infrastructure Solutions, and Commercial & Industrial. Expenses associated with our corporate office are classified separately. The following table presents selected historical results of operations of IES Holdings, Inc., including the results of acquired businesses from the dates acquired.

	Three Months Ended June 30,			
	2025		2024	
	$	%	$	%
	(Dollars in thousands, Percentage of revenues)			
Revenues	$ 890,158	100.0 %	$ 768,415	100.0 %
Cost of services	650,561	73.1	573,634	74.7
Gross profit	239,597	26.9	194,781	25.3
Selling, general and administrative expenses	127,334	14.3	104,694	13.6
Contingent consideration	338	—	43	—
Loss (gain) on sale of assets	23	—	(132)	—
Operating income	111,902	12.6	90,176	11.7
Interest and other expense, net	3,151	0.4	965	0.1
Income from operations before income taxes	108,751	12.2	89,211	11.6
Provision for income taxes	29,464	3.3	22,572	2.9
Net income	79,287	8.9	66,639	8.7
Net income attributable to noncontrolling interest	(2,057)	(0.2)	(4,539)	(0.6)
Net income attributable to IES Holdings, Inc.	$ 77,230	8.7 %	$ 62,100	8.1 %

Consolidated revenues for the three months ended June 30, 2025, were $121.7 million higher than for the three months ended June 30, 2024, an increase of 15.8%, with increases at our Communications, Infrastructure Solutions and Commercial & Industrial segments and a decrease at our Residential segment. See further discussion below of changes in revenues for our individual segments.

Consolidated gross profit for the three months ended June 30, 2025 increased $44.8 million compared to the three months ended June 30, 2024. Our overall gross profit percentage was 26.9% during the three months ended June 30, 2025, as compared to 25.3% during the three months ended June 30, 2024. Gross profit as a percentage of revenue increased at our Communications, Residential and Infrastructure Solutions segments and decreased at our Commercial & Industrial segment. See further discussion below of changes in gross margin for our individual segments.

Selling, general and administrative expenses include costs not directly associated with performing work for our customers. These costs consist primarily of compensation and benefits related to corporate, segment and branch management (including incentive-based compensation), occupancy and utilities, training, professional services, information technology costs, consulting fees, travel and certain types of depreciation and amortization. We allocate certain corporate selling, general and administrative costs across our segments as we believe this more accurately reflects the costs associated with operating each segment.

During the three months ended June 30, 2025, our selling, general and administrative expenses were $127.3 million, an increase of $22.6 million, or 21.6%, over the three months ended June 30, 2024, driven by increased personnel costs across our operating segments to support their growth and increased incentive compensation in connection with higher earnings than in the prior fiscal year. As a percentage of revenue, selling, general and administrative expenses increased from 13.6% for the three months ended June 30, 2024 to 14.3% for the three months ended June 30, 2025.

	Nine Months Ended June 30,			
	2025		2024	
	$	%	$	%
	(Dollars in thousands, Percentage of revenues)			
Revenues	$ 2,473,665	100.0 %	$ 2,108,592	100.0 %
Cost of services	1,847,172	74.7	1,598,394	75.8
Gross profit	626,493	25.3	510,198	24.2
Selling, general and administrative expenses	346,417	14.0	285,816	13.6
Contingent consideration	1,016	—	78	—
Gain on sale of assets	(156)	—	(1,576)	(0.1)
Operating income	279,216	11.3	225,880	10.7
Interest and other (income) expense, net	(5,881)	(0.2)	1,511	0.1
Income from operations before income taxes	285,097	11.5	224,369	10.6
Provision for income taxes	75,537	3.1	57,342	2.7
Net income	209,560	8.5	167,027	7.9
Net income attributable to noncontrolling interest	(5,375)	(0.2)	(11,062)	(0.5)
Net income attributable to IES Holdings, Inc.	$ 204,185	8.3 %	$ 155,965	7.4 %

Consolidated revenues for the nine months ended June 30, 2025, were $365.1 million higher than for the nine months ended June 30, 2024, an increase of 17.3%, with increases at our Communications, Infrastructure Solutions and Commercial & Industrial segments and a decrease at our Residential segment. See further discussion below of changes in revenues for our individual segments.

Consolidated gross profit for the nine months ended June 30, 2025 increased $116.3 million compared to the nine months ended June 30, 2024. Our overall gross profit percentage increased to 25.3% during the nine months ended June 30, 2025, as compared to 24.2% during the nine months ended June 30, 2024. Gross profit as a percentage of revenue increased at our Communications and Infrastructure Solutions segments and decreased at our Residential and Commercial & Industrial segments. See further discussion below of changes in gross margin for our individual segments.

During the nine months ended June 30, 2025, our selling, general and administrative expenses were $346.4 million, an increase of $60.6 million, or 21.2%, over the nine months ended June 30, 2024, driven primarily by increased personnel costs across our operating segments to support their growth and increased incentive compensation in connection with higher earnings than in the prior fiscal year. Selling, general and administrative expenses as a percentage of revenue increased from 13.6% for the nine months ended June 30, 2024 to 14.0% for the nine months ended June 30, 2025.

Communications

	Three Months Ended June 30,			
	2025		2024	
	$	%	$	%
	(Dollars in thousands, Percentage of revenues)			
Revenues	$ 299,213	100.0 %	$ 192,303	100.0 %
Cost of services	226,089	75.6	155,184	80.7
Gross profit	73,124	24.4	37,119	19.3
Selling, general and administrative expenses	25,416	8.5	16,122	8.4
Gain on sale of assets	(14)	—	(7)	—
Operating income	$ 47,722	15.9 %	$ 21,004	10.9 %

Revenues. Our Communications segment's revenues increased by $106.9 million during the three months ended June 30, 2025, or 55.6%, compared to the three months ended June 30, 2024. The increase primarily resulted from an increase in demand, particularly in the data center market.

Gross Profit. Our Communications segment's gross profit during the three months ended June 30, 2025 increased by $36.0 million, or 97.0%, compared to the three months ended June 30, 2024. Gross profit as a percentage of revenue was 24.4% in the three months ended June 30, 2025 compared to 19.3% in the three months ended June 30, 2024. The increase in gross profit and gross margin primarily reflects strong demand as discussed above and successful project execution.

Selling, General and Administrative Expenses. Our Communications segment's selling, general and administrative expenses increased by $9.3 million, or 57.6%, during the three months ended June 30, 2025 compared to the three months ended June 30, 2024. The increase primarily reflects higher personnel cost to support business growth and higher incentive compensation as a result of higher earnings. Selling, general and administrative expenses as a percentage of revenue was 8.5% during the three months ended June 30, 2025, compared to 8.4% during the three months ended June 30, 2024 as the increase in selling, general and administrative expenses was generally consistent with the Communications segment's revenue growth during the period.

	Nine Months Ended June 30,			
	2025		2024	
	$	%	$	%
	(Dollars in thousands, Percentage of revenues)			
Revenues	$ 805,189	100.0 %	$ 556,554	100.0 %
Cost of services	620,211	77.0	444,225	79.8
Gross profit	184,978	23.0	112,329	20.2
Selling, general and administrative expenses	69,095	8.6	48,011	8.6
Gain on sale of assets	(73)	—	(27)	—
Operating income	$ 115,956	14.4 %	$ 64,345	11.6 %

Revenues. Our Communications segment's revenues increased by $248.6 million, or 44.7%, during the nine months ended June 30, 2025, compared to the nine months ended June 30, 2024. The increase primarily resulted from an increase in demand, particularly in the data center market.

Gross Profit. Our Communications segment's gross profit during the nine months ended June 30, 2025 increased by $72.6 million, or 64.7%, as compared to the nine months ended June 30, 2024. Gross profit as a percentage of revenue increased from 20.2% to 23.0%. The increase in gross profit and gross margin primarily reflects strong demand as discussed above and successful project execution.

Selling, General and Administrative Expenses. Our Communications segment's selling, general and administrative expenses increased by $21.1 million, or 43.9%, during the nine months ended June 30, 2025, compared to the nine months ended June 30, 2024. The increase primarily reflects higher personnel cost to support business growth and higher incentive compensation as a result of higher earnings. Selling, general and administrative expenses as a percentage of revenue was 8.6% during the nine months ended both June 30, 2025 and 2024 as the increase in selling, general and administrative expenses was generally consistent with the Communications segment's revenue growth during the period.

Residential

	Three Months Ended June 30,			
	2025		2024	
	$	%	$	%
	(Dollars in thousands, Percentage of revenues)			
Revenues	$ 346,038	100.0 %	$ 377,536	100.0 %
Cost of services	248,726	71.9	272,224	72.1
Gross profit	97,312	28.1	105,312	27.9
Selling, general and administrative expenses	63,932	18.5	61,662	16.3
(Gain) loss on sale of assets	4	—	(70)	—
Operating income	$ 33,376	9.6 %	$ 43,720	11.6 %

Revenues. Our Residential segment's revenues decreased by $31.5 million, or 8.3%, during the three months ended June 30, 2025 compared to the three months ended June 30, 2024. Our single-family electrical revenues decreased by $23.9 million and our single-family plumbing and HVAC revenues decreased by $3.2 million compared to the prior year period, with expansion of the plumbing and HVAC trades into new markets partly offsetting the impact of slowing demand. Consumer demand in the single-family housing market was impacted by concerns over housing affordability and general economic conditions, leading to a decline in construction volumes and pressure on pricing during the period. Our multi-family revenues also decreased by $4.4 million, or 4.8%, driven by a reduction in backlog from fiscal years 2023 and 2024 due to the impact of continued elevated interest rates on demand.

Gross Profit. During the three months ended June 30, 2025, our Residential segment's gross profit decreased by $8.0 million, or 7.6%, compared to the three months ended June 30, 2024, driven primarily by lower volume as discussed above. Gross profit as a percentage of revenue increased to 28.1% during the three months ended June 30, 2025, compared to 27.9% for the three months ended June 30, 2024 as reduced material costs and improved project execution in our multi-family business resulting from improved procurement and other processes offset the impact of lower volume.

Selling, General and Administrative Expenses. Our Residential segment's selling, general and administrative expenses increased by $2.3 million, or 3.7%, during the three months ended June 30, 2025, compared to the three months ended June 30, 2024. The increase was primarily driven by higher personnel and other administrative costs to support the future growth of our business. Selling, general and administrative expenses as a percentage of revenue in the Residential segment increased to 18.5% during the three months ended June 30, 2025, compared to 16.3% in the three months ended June 30, 2024. The increase as a percentage of revenue was primarily driven by the decrease in revenues as discussed above.

	Nine Months Ended June 30,			
	2025		2024	
	$	%	$	%
	(Dollars in thousands, Percentage of revenues)			
Revenues	$ 983,975	100.0 %	$ 1,032,764	100.0 %
Cost of services	727,863	74.0	763,351	73.9
Gross profit	256,112	26.0	269,413	26.1
Selling, general and administrative expenses	176,395	17.9	168,298	16.3
Contingent consideration	—	—	35	(0.1)
Gain on sale of assets	(159)	—	(1,427)	(0.1)
Operating income	$ 79,876	8.1 %	$ 102,507	9.9 %

Revenues. Our Residential segment's revenues decreased by $48.8 million, or 4.7%, during the nine months ended June 30, 2025, compared to the nine months ended June 30, 2024. The decrease in revenues was primarily driven by a decrease of $39.2 million, or 7.3%, in our single-family electrical business revenues compared to the prior year period as consumer demand in the single-family housing market was impacted by concerns over housing affordability and general economic conditions, leading to a decline in construction volumes and pressure on pricing during the period.

Gross Profit. During the nine months ended June 30, 2025, our Residential segment's gross profit decreased by $13.3 million, or 4.9%, compared to the nine months ended June 30, 2024. The decrease in gross profit reflects the decline in volume as discussed above and reduced pricing to our customers, partially offset by reduced material costs and improved project execution in our multi-family business. Gross profit as a percentage of revenue was 26.0% during the nine months ended June 30, 2025, compared to 26.1% during the nine months ended June 30, 2024.

Selling, General and Administrative Expenses. Our Residential segment's selling, general and administrative expenses increased by $8.1 million, or 4.8%, during the nine months ended June 30, 2025, compared to the nine months ended June 30, 2024. The increase was primarily driven by higher personnel and other administrative costs to support the future growth of our business. Selling, general and administrative expenses as a percentage of revenue increased to 17.9% during the nine months ended June 30, 2025, compared to 16.3% during the nine months ended June 30, 2024. The increase as a percentage of revenue was primarily driven by the decrease in revenues as discussed above.

Infrastructure Solutions

	Three Months Ended June 30,			
	2025		2024	
	$	%		%
	(Dollars in thousands, Percentage of revenues)			
Revenues	$ 129,488	100.0 %	$ 102,022	100.0 %
Cost of services	83,329	64.4	71,366	70.0
Gross profit	46,159	35.6	30,656	30.0
Selling, general and administrative expenses	13,114	10.1	10,886	10.7
Contingent consideration	338	0.3	43	—
(Gain) loss on sale of assets	35	—	(3)	—
Operating income	$ 32,672	25.2 %	$ 19,730	19.3 %

Revenues. Revenues in our Infrastructure Solutions segment increased by $27.5 million during the three months ended June 30, 2025, an increase of 26.9% compared to the three months ended June 30, 2024, driven primarily by continued strong demand in our custom engineered solutions manufacturing businesses, including generator enclosures for data center customers, as well as expansion of our field services offerings. Arrow Engine Company ("Arrow"), which was acquired on January 31, 2025, contributed $5.3 million in revenues in the three months ended June 30, 2025.

Gross Profit. Our Infrastructure Solutions segment's gross profit during the three months ended June 30, 2025 increased $15.5 million, or 50.6%, compared to the three months ended June 30, 2024, and gross profit as a percentage of revenue increased from 30.0% to 35.6%. The improvement in gross profit and gross margin was primarily driven by higher volumes, improved pricing, operating efficiencies at our facilities, and the impact of investments to increase capacity we have made over the last several years.

Selling, General and Administrative Expenses. Our Infrastructure Solutions segment's selling, general and administrative expenses during the three months ended June 30, 2025 increased by $2.2 million, or 20.5%, compared to the three months ended June 30, 2024, primarily as a result of increased employee compensation cost to support growth in the business, higher incentive compensation as a result of higher earnings, and $0.8 million of expense incurred at Arrow. Selling, general and administrative expenses as a percentage of revenue decreased from 10.7% for the three months ended June 30, 2024 to 10.1% for the three months ended June 30, 2025 as we benefited from the scale of our operations.

	Nine Months Ended June 30,			
	2025		2024	
	$	%	$	%
	(Dollars in thousands, Percentage of revenues)			
Revenues	$ 355,233	100.0 %	$ 240,699	100.0 %
Cost of services	234,801	66.1	168,107	69.8
Gross profit	120,432	33.9	72,592	30.2
Selling, general and administrative expenses	36,869	10.4	25,798	10.7
Contingent consideration	1,016	0.3	43	—
(Gain) loss on sale of assets	105	—	(3)	—
Operating income	$ 82,442	23.2 %	$ 46,754	19.4 %

Revenues. Revenues in our Infrastructure Solutions segment increased by $114.5 million, or 47.6%, during the nine months ended June 30, 2025 compared to the nine months ended June 30, 2024. The increase in revenue was driven primarily by continued strong demand in our custom engineered solutions manufacturing businesses, including generator enclosures for data center customers, as well as expansion of our field services offerings. Greiner Industries, Inc. ("Greiner"), which was acquired on April 1, 2024, and Arrow contributed $47.3 million in revenue in the nine months ended June 30, 2025, compared to $15.3 million in revenue at Greiner in the nine months ended June 30, 2024.

Gross Profit. Our Infrastructure Solutions segment's gross profit during the nine months ended June 30, 2025 increased by $47.8 million, or 65.9%, compared to the nine months ended June 30, 2024, and gross profit as a percentage of revenue increased to 33.9% for the nine months ended June 30, 2025 compared to 30.2% for the nine months ended June 30, 2024. The improvement in gross profit and gross margin was primarily driven by higher volumes, improved pricing, operating efficiencies at our facilities, and the impact of investments to increase capacity we have made over the last several years.

Selling, General and Administrative Expenses. Our Infrastructure Solutions segment's selling, general and administrative expenses during the nine months ended June 30, 2025 increased by $11.1 million, or 42.9%, compared to the nine months ended June 30, 2024, primarily as a result of $6.4 million of expense incurred at Greiner and Arrow in the nine months ended June 30, 2025 compared to $0.9 million incurred at Greiner in the nine months ended June 30, 2024, increased employee compensation cost to support growth in the business and higher incentive compensation as a result of higher earnings. Selling, general and administrative expenses as a percentage of revenue decreased from 10.7% for the nine months ended June 30, 2024 to 10.4% for the nine months ended June 30, 2025 as we benefited from the scale of our operations.

Commercial & Industrial

	Three Months Ended June 30,			
	2025		2024	
	$	%		%
	(Dollars in thousands, Percentage of revenues)			
Revenues	$ 115,419	100.0 %	$ 96,554	100.0 %
Cost of services	92,417	80.1	74,860	77.5
Gross profit	23,002	19.9	21,694	22.5
Selling, general and administrative expenses	10,055	8.7	8,717	9.0
Gain on sale of assets	(2)	—	(52)	(0.1)
Operating income	$ 12,949	11.2 %	$ 13,029	13.5 %

Revenues. Revenues in our Commercial & Industrial segment increased by $18.9 million, or 19.5%, during the three months ended June 30, 2025, compared to the three months ended June 30, 2024. The increase was primarily driven by increased activity in the education and healthcare end markets, continued strong demand and successful execution of backlog, particularly in the data center end market, and expansion of one of our operations in the Midwest market.

Gross Profit. Our Commercial & Industrial segment's gross profit during the three months ended June 30, 2025 increased by $1.3 million, or 6.0%, compared to the three months ended June 30, 2024. Gross profit as a percentage of revenue decreased from 22.5% for the quarter ended June 30, 2024 to 19.9% for the quarter ended June 30, 2025. While we benefited from improved volumes, project execution and bid margins in the quarter ended June 30, 2025, gross profit as a percentage of revenue for the quarter ended June 30, 2024 reflected a strong contribution from a large data center project where we completed additions to the original scope of work at favorable margins.

Selling, General and Administrative Expenses. Our Commercial & Industrial segment's selling, general and administrative expenses during the three months ended June 30, 2025 increased by $1.3 million, or 15.3%, compared to the three months ended June 30, 2024 primarily as a result of increased employee compensation cost, including higher incentive compensation as a result of successful project execution. Selling, general and administrative expenses as a percentage of revenue decreased from 9.0% for the three months ended June 30, 2024 to 8.7% for the three months ended June 30, 2025 as we benefited from the scale of our operations.

	Nine Months Ended June 30,			
	2025		2024	
	$	%	$	%
	(Dollars in thousands, Percentage of revenues)			
Revenues	$ 329,268	100.0 %	$ 278,575	100.0 %
Cost of services	264,297	80.3	222,711	79.9
Gross profit	64,971	19.7	55,864	20.1
Selling, general and administrative expenses	29,143	8.9	24,271	8.7
Gain on sale of assets	(29)	—	(105)	—
Operating income	$ 35,857	10.9 %	$ 31,698	11.4 %

Revenues. Revenues in our Commercial & Industrial segment increased by $50.7 million, or 18.2%, during the nine months ended June 30, 2025, compared to the nine months ended June 30, 2024. The increase was primarily driven by continued strong demand and successful execution of backlog, particularly in the data center end market, increased activities in the education and healthcare end markets, and expansion of one of our operations in the Midwest market.

Gross Profit. Our Commercial & Industrial segment's gross profit during the nine months ended June 30, 2025 increased by $9.1 million, or 16.3%, compared to the nine months ended June 30, 2024. Gross profit as a percentage of revenue was 20.1% for the nine months ended June 30, 2024 compared to 19.7% for the nine months ended June 30, 2025. While we benefited from improved volumes, project execution and bid margins in the nine months ended June 30, 2025, gross profit as a percentage of revenue for the nine months ended June 30, 2024 reflected a strong contribution from a large data center project where we completed additions to the original scope of work at favorable margins.

Selling, General and Administrative Expenses. Our Commercial & Industrial segment's selling, general and administrative expenses during the nine months ended June 30, 2025 increased by $4.9 million, or 20.1%, compared to the nine months ended June 30, 2024 primarily as a result of increased employee compensation cost, including higher incentive compensation as a result of successful project execution. Selling, general and administrative expenses as a percentage of revenue was 8.7% for the nine months ended June 30, 2024 compared to 8.9% for the nine months ended June 30, 2025.

INTEREST AND OTHER EXPENSE, NET

	Three Months Ended June 30,	
	2025	2024
	(In thousands)	
Interest expense	$ 388	$ 323
Deferred financing charges	146	72
Total interest expense	534	395
Interest income	(435)	(1,044)
Other expense, net	3,052	1,614
Total other expense, net	2,617	570
Total interest and other expense, net	$ 3,151	$ 965

During the three months ended June 30, 2025, we incurred interest expense of $0.5 million primarily comprised of interest on our finance lease agreements and fees on an average letter of credit balance of $5.5 million under our revolving credit facility and an average unused line of credit balance of $292.2 million. This compares to interest expense of $0.4 million for the three months ended June 30, 2024, primarily comprised of interest on our finance lease agreements and fees on an average letter of credit balance of $5.6 million under our revolving credit facility and an average unused line of credit balance of $142.9 million.

The increase in total other expense, net for the three months ended June 30, 2025, compared to the three months ended June 30, 2024 is primarily the result of unrealized losses on investments in trading securities of $3.8 million in the three months ended June 30, 2025 compared to unrealized losses of $1.6 million on investments in trading securities in the three months ended June 30, 2024.

	Nine Months Ended June 30,	
	2025	2024
	(In thousands)	
Interest expense	$ 995	$ 986
Deferred financing charges	323	212
Total interest expense	1,318	1,198
Interest income	(2,055)	(3,311)
Other (income) expense, net	(5,144)	3,624
Total other (income) expense, net	(7,199)	313
Total interest and other (income) expense, net	$ (5,881)	$ 1,511

During the nine months ended June 30, 2025, we incurred interest expense of $1.3 million primarily comprised of interest on our finance lease agreements and fees on an average letter of credit balance of $5.5 million under our revolving credit facility and an average unused line of credit balance of $233.3 million. This compares to interest expense of $1.2 million for the nine months ended June 30, 2024, primarily comprised of interest on our finance lease agreements and fees on an average letter of credit balance of $5.5 million under our revolving credit facility and an average unused line of credit balance of $142.7 million.

The change in total other (income) expense, net for the nine months ended June 30, 2025, compared with June 30, 2024 is primarily the result of unrealized gains on investments in trading securities of $4.1 million in the nine months ended June 30, 2025 compared to unrealized losses on investments in trading securities of $3.3 million in the nine months ended June 30, 2024, partially offset by a decrease in interest income from $3.3 million in the nine months ended June 30, 2024 to $2.1 million in the nine months ended June 30, 2025.

PROVISION FOR INCOME TAXES

We recorded income tax expense of $29.5 million for the three months ended June 30, 2025, compared to $22.6 million for the three months ended June 30, 2024, driven primarily by increased pretax income.

We recorded income tax expense of $75.5 million for the nine months ended June 30, 2025, compared to $57.3 million for the nine months ended June 30, 2024, driven primarily by increased pretax income.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management's discussion and analysis of financial condition and results of operations is based on our Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q, which have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of our Condensed Consolidated Financial Statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities known to exist as of the date of the Condensed Consolidated Financial Statements, and the reported amounts of revenues and expenses recognized during the periods presented. We review all significant estimates affecting our Condensed Consolidated Financial Statements on a recurring basis and record the effect of any necessary adjustments prior to their publication. Judgments and estimates are based on our beliefs and assumptions derived from information available at the time such judgments and estimates are made. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of financial statements. There can be no assurance that actual results will not differ from those estimates. For a discussion of our significant accounting policies, please see our Annual Report on Form 10-K for the fiscal year ended September 30, 2024. Some of the more significant estimates include revenue recognition, business combinations, and income taxes.

There have been no significant changes to our accounting policies as disclosed in our Annual Report on Form 10-K for the fiscal year ended September 30, 2024.

REMAINING PERFORMANCE OBLIGATIONS AND BACKLOG

Remaining performance obligations represent the unrecognized revenue value of our contractual commitments. While backlog is not a defined term under GAAP, it is a common measurement used in our industry, and we believe it improves our ability to forecast future results and identify operating trends that may not otherwise be apparent. Backlog is a measure of revenue that we expect to recognize from work that has yet to be performed on uncompleted contracts and from work that has been contracted but has not started, exclusive of short-term projects. While all of our backlog is supported by documentation from customers, backlog is not a guarantee of future revenues, as contractual commitments may change and our performance may vary. Not all of our work is performed under contracts included in backlog; for example, most of the apparatus repair work that is completed by our Infrastructure Solutions segment is performed under master service agreements on an as-needed basis. Additionally, electrical, plumbing and HVAC installation services for single-family housing at our Residential segment are completed on a short-term basis and are therefore excluded from backlog. The table below summarizes our remaining performance obligations and backlog (in thousands):

	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Remaining performance obligations	$ 1,295,207	$ 1,225,985	$ 1,214,828	$ 1,175,695
Agreements without an enforceable obligation (1)	771,593	586,724	539,164	610,459
Backlog	$ 2,066,800	$ 1,812,709	$ 1,753,992	$ 1,786,154

(1) Our backlog contains signed agreements and letters of intent, which we do not have a legal right to enforce prior to work starting. These arrangements are excluded from remaining performance obligations until work begins.

WORKING CAPITAL

During the nine months ended June 30, 2025, working capital exclusive of cash, cash equivalents and restricted cash increased by $109.6 million from September 30, 2024, reflecting a $133.6 million increase in current assets excluding cash partially offset by a $24.0 million increase in current liabilities during the period.

During the nine months ended June 30, 2025, our current assets exclusive of cash, cash equivalents and restricted cash increased to $904.5 million, as compared to $770.9 million as of September 30, 2024. The increase was primarily driven by a $74.4 million increase in accounts receivable including retainage due to higher overall volume of sales and the timing of customer billings and project execution at the end of the period. Marketable securities also increased by $31.8 million as a portion of our excess cash was invested in trading securities. In addition, costs and estimated earnings in excess of billings increased by $14.6 million, driven by the timing of contract billings, and inventory increased by $7.0 million primarily due to the acquisition of Arrow during the nine months ended June 30, 2025.

During the nine months ended June 30, 2025, our total current liabilities increased by $24.0 million to $546.6 million, compared to $522.6 million as of September 30, 2024, primarily driven by a $28.2 million increase in accounts payable and accrued expenses as our volume of sales increased.

Surety

We believe the bonding capacity provided by our sureties is adequate for our current operations and will be adequate for our operations for the foreseeable future. As of June 30, 2025, the estimated cost to complete our bonded projects was approximately $142.2 million.

LIQUIDITY AND CAPITAL RESOURCES

The Revolving Credit Facility

On January 21, 2025 we entered into the Fourth Amended and Restated Credit Agreement (the “Amended Credit Agreement”). Pursuant to the Amended Credit Agreement, our maximum revolver amount increased from $150 million to $300 million, and the maturity date was extended from September 30, 2026 to January 21, 2030. In addition, the limitation on borrowings based on available collateral under the previous credit agreement was eliminated under the Amended Credit Agreement.

Under the Amended Credit Agreement, the Company is subject to certain financial covenants including a maximum Consolidated Total Leverage Ratio (as defined in the Amended Credit Agreement) of 3.00 to 1.00 and a minimum Consolidated Interest Coverage Ratio (as defined in the Amended Credit Agreement) of 3.00 to 1.00. As of June 30, 2025, the Company was in compliance with the financial covenants under the Amended Credit Agreement.

Amounts outstanding bear interest at a rate equal to either (1) the Base Rate (which is the greater of the Federal Funds Rate (as defined in the Amended Credit Agreement) and the Prime Rate (as defined in the Amended Credit Agreement)), (2) the Daily Simple SOFR (as defined in the Amended Credit Agreement) or (3) Term SOFR (as defined in the Amended Credit Agreement), plus, in each case, an interest rate margin, which is determined quarterly based on our Consolidated Total Leverage Ratio, in accordance with the following thresholds:

Pricing Level	Consolidated Total Leverage Ratio	Interest Margin applicable to Daily Simple SOFR/Term SOFR	Interest Margin applicable to Base Rate
I	Greater than or equal to 2.50 to 1.00	2.25 percentage points	1.25 percentage points
II	Greater than or equal to 1.75 to 1.00, but less than 2.50 to 1.00	2.00 percentage points	1.00 percentage points
III	Greater than or equal to 1.00 to 1.00, but less than 1.75 to 1.00	1.75 percentage points	0.75 percentage points
IV	Less than 1.00 to 1.00	1.50 percentage points	0.50 percentage points

In addition, we are charged monthly in arrears for an unused commitment fee of 0.25% to 0.35% per annum on any unused portion of the revolving credit facility based on the Company's Consolidated Total Leverage Ratio.

The Amended Credit Agreement restricts certain types of transactions when the Company’s Consolidated Total Leverage Ratio, after giving pro forma effect thereto, exceeds 2.75 to 1.00. The Amended Credit Agreement continues to contain other customary affirmative and negative covenants as well as events of default.

Under the Amended Credit Agreement, if in the future our Consolidated Total Leverage Ratio is greater than 3.00:1.00, or our Consolidated Interest Coverage Ratio is less than 3.00:1.00, or if we otherwise fail to perform or otherwise comply with certain of our covenants or other agreements under the Amended Credit Agreement, it would result in an event of default under the Amended Credit Agreement, which could result in some or all of our then-outstanding indebtedness becoming immediately due and payable.

At June 30, 2025, we had $5.5 million in outstanding letters of credit and $20.0 million of outstanding borrowings under our revolving credit facility.

Operating Activities

Our cash flow from operations is not only influenced by cyclicality, demand for our services, operating margins and the type of services we provide, but can also be influenced by working capital needs such as the timing of our receivable collections. Working capital needs are generally lower during our fiscal first and second quarters due to the seasonality that we experience in many regions of the country; however, a seasonal decline in working capital may be offset by needs associated with higher growth or acquisitions. Currently, our working capital needs are higher than they have been historically, as a result of growth of our business and elevated commodity prices.

Net cash provided by operating activities was $154.1 million during the nine months ended June 30, 2025, as compared to $141.6 million in the nine months ended June 30, 2024. The increase in operating cash flow resulted from increased earnings in the nine months ended June 30, 2025, partially offset by an increase in cash used in working capital, including $26.9 million of investments, net of sales, in marketable securities securities, during the nine months ended June 30, 2025 as compared with the nine months ended June 30, 2024.

Investing Activities

Net cash used in investing activities was $114.1 million for the nine months ended June 30, 2025, compared to $96.4 million used in investing activities in the nine months ended June 30, 2024. During the nine months ended June 30, 2025, we paid $44.9 million to acquire a membership interest in Jett Texas Company LLC ("Jett"), an investment company, as part of the financing of Jett's investment in the CB&I storage solutions business formerly owned by McDermott International, Ltd. We also made capital expenditures of $47.3 million as we continued to purchase new assets instead of entering into new lease agreements at our Communications segment and made other capital expenditures to support the growth of our business. Additionally, we paid $22.6 million in conjunction with business combinations, primarily related to the acquisition of Arrow in January 2025. During the nine months ended June 30, 2024, we completed the acquisition of Greiner for $67.7 million and used $30.9 million for capital expenditures to support the growth of our business.

Financing Activities

Net cash used in financing activities for the nine months ended June 30, 2025 was $32.4 million, compared to $76.1 million for the nine months ended June 30, 2024. Net cash used in financing activities for the nine months ended June 30, 2025 included $41.6 million used to repurchase our common stock, including repurchases to satisfy statutory withholding requirements upon the vesting of employee stock compensation, and $7.5 million in distributions to noncontrolling interests under operating agreements in connection with certain acquisitions. Net cash used in financing activities for the nine months ended June 30, 2024 included $31.2 million paid to acquire the noncontrolling interest in Bayonet, $24.3 million used to repurchase our common stock, including repurchases to satisfy statutory withholding requirements upon the vesting of employee stock compensation, $13.5 million in distributions to noncontrolling interests under operating agreements in connection with certain acquisitions, and $4.1 million to settle our contingent consideration liability related to prior year acquisitions.

Stock Repurchase Program

On July 31, 2024, our Board authorized a stock repurchase program for the purchase from time to time of up to $200.0 million of the Company's common stock after the previous stock repurchase program was fully utilized. Share purchases are made for cash in open market transactions at prevailing market prices or in privately negotiated transactions or otherwise. The timing and amount of purchases under the program are determined based upon prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. All or part of the repurchases may be implemented under a Rule 10b5-1 trading plan, which allows repurchases under pre-set terms at times when the Company might otherwise be prevented from purchasing under insider trading laws or because of self-imposed blackout periods. The program does not require the Company to purchase any specific number of shares and may be modified, suspended, reinstated, or terminated at any time at the Company's discretion and without notice. We repurchased 173,262 shares pursuant to our repurchase programs during the nine months ended June 30, 2025.

MATERIAL CASH REQUIREMENTS

From time to time, we may enter into firm purchase commitments for materials, such as copper or aluminum wire, which we expect to use in the ordinary course of business. These commitments are typically for terms of less than one year and require us to buy minimum quantities of materials at specific intervals at a fixed price over the term. As of June 30, 2025, we did not have any such firm commitments to purchase materials outstanding. In connection with expected growth in our business, we are planning to expand capacity in certain areas. In the second quarter of fiscal 2025 we updated our capital expenditure expectations for the current fiscal year to a range of $70 million to $80 million, compared to $45.2 million for the year ended September 30, 2024. There have been no other material changes in our material cash requirements from those disclosed in our Annual Report on Form 10-K for the fiscal year ended September 30, 2024. We expect that cash and cash equivalents, cash flow from operations and availability under our revolving credit facility will be sufficient to satisfy cash requirements during at least the next 12 months.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

Management is actively involved in monitoring exposure to market risk and continues to develop and utilize appropriate risk management techniques. Our exposure to significant market risks includes fluctuations in labor costs and commodity prices. We are also exposed to interest rate risk with respect to any debt obligations we may incur our revolving credit facility. For additional information see *"Disclosure Regarding Forward-Looking Statements"* in Part I of this Quarterly Report on Form 10-Q and our risk factors in Part I, Item 1A. "*Risk Factors"* in our Annual Report on Form 10-K for the fiscal year ended September 30, 2024.

Commodity Risk

Our exposure to significant market risks includes fluctuations in commodity prices for, among other things, copper, aluminum, steel, electrical components, certain plastics, and fuel. Commodity price risks may have an impact on our results of operations due to the fixed-price nature of many of our contracts. Over the long term, we expect to be able to pass along a portion of these costs to our customers, as market conditions in the industries we serve will allow.

Investment Risk

We are exposed to market price volatility for our investments in marketable securities which are carried at fair value measured using market prices, with gains and losses included in "Other expense, net" on our Condensed Consolidated Statements of Comprehensive Income. Changes in the market value of these investments could create volatility in our reported earnings from period to period, and a decline in value of our investments could have an adverse impact on our reported earnings. Changes in market value of these investments measured at fair value resulted in an unrealized gain of $4.1 million in the nine months ended June 30, 2025. As of June 30, 2025, we had investments in marketable securities with a fair value of $66.8 million, and a 10% increase or decrease in the market value of these investments would cause a $6.7 million increase or decrease, respectively, to the carrying value of our investments in marketable securities and our pre-tax income. The hypothetical 10% increase or decrease does not represent the maximum extent to which the fair value of our investments could be affected by changes in market conditions. Our investments could decline in value by a far greater amount as a result of volatility in the equity markets and the concentrated nature of our investment portfolio.

Interest Rate Risk

Floating rate debt, where the interest rate fluctuates periodically, exposes us to short-term changes in market interest rates. Any long-term debt that may be outstanding from time to time under our revolving credit facility is structured on floating rate terms. We currently do not maintain any hedging contracts that would limit our exposure to variable rates of interest when we have outstanding borrowings under our revolving credit facility. Under the Amended Credit Agreement, we have the option to use SOFR as the benchmark for establishing the interest rate charged on our borrowings. If we choose to use SOFR to establish the interest rate on our borrowings and SOFR were to increase, our interest payment obligations on any then-outstanding borrowings would increase, having a negative effect on our cash flow and financial condition. A one percentage point increase in the interest rate on our long-term debt outstanding under the credit facility as of June 30, 2025 would cause a $0.2 million pre-tax annual increase in interest expense.

Item 4. ***Controls and Procedures***

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. In the fiscal year ended September 30, 2024, we began planning and preparing for our phased implementation of a new enterprise resource planning ("ERP") system, which will replace and upgrade many of our existing financial systems and processes. The ERP system is designed to accurately maintain our financial records and provide timely information to management to be used in operating the business. The first phase was implemented in the quarter ended December 31, 2024 and the Company has continued working toward the next phase of the implementation throughout the second and third quarters of fiscal 2025. Upon the first phase implementation, the Company updated its internal controls as appropriate. As the implementation activities take place, we will continue to monitor the impact of the implementation on our financial reporting business processes and evaluate each quarter whether there are changes that affect our internal control over financial reporting.

Disclosure Controls and Procedures

In accordance with Rules 13a-15 and 15d-15 of the Exchange Act, we carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2025, to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Our disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

PART II. OTHER INFORMATION

Item 1. ***Legal Proceedings***

For information regarding legal proceedings, see Note 12, "Commitments and Contingencies – Legal Matters" in the Notes to our Condensed Consolidated Financial Statements set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q, which is incorporated herein by reference.

Item 1A. ***Risk Factors***

There have been no material changes to the risk factors disclosed under Part I, Item 1A. *"Risk Factors"* in our Annual Report on Form 10-K for the fiscal year ended September 30, 2024.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds***

Date	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of a Publicly Announced Plan	Maximum Dollar Value of Shares That May Yet Be Purchased Under the Publicly Announced Plan (2)
April 1, 2025 – April 30, 2025	33,900	$ 157.16	33,900	$ 167,950,925
May 1, 2025 – May 31, 2025	—	$ —	—	$ 167,950,925
June 1, 2025 – June 30, 2025	—	$ —	—	$ 167,950,925
Total	33,900	$ 157.16	33,900	$ 167,950,925

(1) The total number of shares purchased includes shares purchased pursuant to the program described in footnote (2) below.

(2) On July 31, 2024, the Board authorized a new stock repurchase program for the purchase of up to $200 million of the Company's common stock from time to time.

Item 3. ***Defaults Upon Senior Securities***

None.

Item 4. ***Mine Safety Disclosures***

None.

Item 5. ***Other Information***

Rule 10b5-1 Trading Arrangements

From time to time, members of the Company's Board of Directors and officers of the Company may enter into Rule 10b5-1 trading plans, which allow for the purchase or sale of common stock under pre-established terms at times when directors and officers might otherwise be prevented from trading under insider trading laws or because of self-imposed blackout periods. Such trading plans are intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act and comply with the Company's Insider Trading Policy. During the three months ended June 30, 2025, none of the Company's directors or officers adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" as each term is defined under Item 408 of Regulation S-K.

Item 6. ***Exhibits***

Exhibit No.		Description
3.1	—	Second Amended and Restated Certificate of Incorporation of IES Holdings, Inc., as amended by the Certificate of Amendment thereto, effective May 24, 2016 (composite). (Incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q filed on August 8, 2016).
3.2	—	Amended and Restated Bylaws of IES Holdings, Inc., effective April 28, 2021. (Incorporated by reference to Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q filed on April 30, 2021).
4.1	—	Specimen common stock certificate. (Incorporated by reference to Exhibit 4.1 to the Company's Annual Report on Form 10-K filed on December 9, 2016).
31.1	—	Rule 13a-14(a)/15d-14(a) Certification of Matthew J. Simmes, President and Chief Executive Officer (1)
31.2	—	Rule 13a-14(a)/15d-14(a) Certification of Tracy A. McLauchlin, Senior Vice President, Chief Financial Officer and Treasurer (1)
32.1	—	Section 1350 Certification of Matthew J. Simmes, President and Chief Executive Officer (2)
32.2	—	Section 1350 Certification of Tracy A. McLauchlin, Senior Vice President, Chief Financial Officer and Treasurer (2)
101.INS		Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document (1)
101.SCH		XBRL Schema Document (1)
101.LAB		XBRL Label Linkbase Document (1)
101.PRE		XBRL Presentation Linkbase Document (1)
101.DEF		XBRL Definition Linkbase Document (1)
101.CAL		XBRL Calculation Linkbase Document (1)
104		Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

(1) Filed herewith.
(2) Furnished herewith.
All exhibits not otherwise designated are incorporated by reference to a prior filing with the SEC as indicated.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on August 1, 2025.

IES HOLDINGS, INC.

By: /s/ TRACY A. MCLAUCHLIN

Tracy A. McLauchlin

Senior Vice President, Chief Financial Officer and Treasurer

(Principal Financial Officer and Authorized Signatory)

Exhibit 31.1

CERTIFICATION

I, Matthew J. Simmes, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of IES Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: August 1, 2025

/s/ MATTHEW J. SIMMES

Matthew J. Simmes
President and Chief Executive Officer as Principal Executive Officer

Exhibit 31.2

CERTIFICATION

I, Tracy A. McLauchlin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of IES Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: August 1, 2025

/s/ TRACY A. MCLAUCHLIN

Tracy A. McLauchlin
Senior Vice President, Chief Financial Officer and Treasurer
as Principal Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report of IES Holdings, Inc. (the “Company”) on Form 10-Q for the period ending June 30, 2025 (the “Report”), I, Matthew J. Simmes, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 1, 2025	By:	/s/ MATTHEW J. SIMMES
		Matthew J. Simmes
		President and Chief Executive Officer as Principal Executive Officer

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this Quarterly Report of IES Holdings, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2025 (the "Report"), I, Tracy A. McLauchlin, Senior Vice President, Chief Financial Officer and Treasurer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 1, 2025	By:	/s/ TRACY A. MCLAUCHLIN
		Tracy A. McLauchlin Senior Vice President, Chief Financial Officer and Treasurer as Principal Financial Officer