STIFEL

Sterling Infrastructure, Inc

STRL – NASDAQ

February 11, 2026 Americas - Specialty Infrastructure Services

BUY

INITIATION OF COVERAGE

Financial Summary

Changes	Previous	Current
Rating		Buy
Target Price	—	486.00
FY26E EPS (net)	—	$12.73
FY27E EPS (net)	—	$13.91
FY26E Rev (net)	—	$2.82B
FY27E Rev (net)	—	$3.03B

Price (02/10/26):	415.19
52-Week Range:	426 - 96
Market Cap.(mm):	12,854.3
Shr.O/S-Diluted (mm):	31.0
Avg Daily Vol (3 Mo):	639,898
FYE	Dec

EPS (net)	2025E	2026E	2027E
Q1	$1.63A	$2.23	$2.46
Q2	$2.69A	$3.47	$3.77
Q3	$3.48A	$4.01	$4.37
Q4	$2.71	$3.01	$3.30
	$10.51	$12.73	$13.91

Rev (net)	2025E	2026E	2027E
Q1	$430.9A	$551.6	$593.9
Q2	$614.5A	$746.0	$801.4
Q3	$689.0A	$823.7	$888.5
Q4	$646.2	$696.3	$750.8
	$2.38B	$2.82B	$3.03B

Price Performance

We Have Hit Paydirt: Initiating Coverage of Sterling Infrastructure (STRL) with a Buy Rating and $486 Price Target

Summary

We are initiating coverage of Sterling Infrastructure (STRL) with a Buy Rating and $486 price target. STRL is the largest excavating contractor in the US with a focus on site development, highway, and concrete slab work. We like the outsized exposure to secular growth themes, including AI & cloud computing, on-shoring, and e-commerce (together >50% of revenue). These large projects have higher barriers to entry and strong profitability profiles. STRL's track record, scale, vertical integration, and technology leadership (BIM, drones, telematics) are all differentiators. We see an opportunity for the valuation discount (relative to other specialty E&C peers with similar data center and FCF conversion profiles) to close over time. Current CEO Joe Cutillo was instrumental in pivoting the business out of low-bid, heavy highway work starting a decade ago, and we believe his leadership remains a key part of the story moving forward.

Key Points

Scale, vertical integration, and technology leadership are all differentiators. STRL is the largest excavation contractor in the US with vertical integration across most site development capabilities. This vertical integration shortens project timelines, reduces execution risk, and improves margin performance (less reliance on subcontractors). STRL's focus on large projects creates barriers to entry as these projects often require ~$200M of equipment and upwards of ~$50M of working capital to start. STRL has also led adoption of technology including building information management (BIM) modeling, drones, and telematics. These increase productivity, lower costs, and decrease risk, all of which translates to higher and more consistent margin performance (EBITDA margins in the strong ~20% range).

Outsized exposure to important secular themes including AI / cloud computing, on-shoring of manufacturing, and e-commerce adoption. We believe the combined exposure of data centers, manufacturing, and distribution / warehouse work accounts for >50% of revenue (data centers are >30% of total revenue). These large and "mission critical" projects tend to have less competition, higher margin profiles, and elongated visibility into future work. These three end markets account for a vast majority of mix in the E-Infrastructure segment, which accounts for roughly three-quarters of operating income.

Visibility into 2026 and beyond. Organic backlog grew 34% y/y in 3Q25 and new awards increased 66%. Strength reflects continued growth in data centers and other "mission critical" projects as the E-infrastructure organic backlog increased 45% y/y. Note that >80% of the backlog is now "mission critical" projects, which tend to be margin accretive. While backlog was $2.6B as of the end of 3Q25, backlog + unsigned awards + future phase work (such as additional phases on large campus projects) totaled >$4B, which provides additional visibility beyond 2026. Notably, ~$3B of this work is in the E-Infrastructure segment, of which >75% is data center work.

Large and highly accretive M&A opportunity. We believe STRL has a long runway for additional consolidation as the industry remains quite fragmented (>10k competitors nationally). Deal multiples have historically been in the ~MSDx EBITDA range on average (higher multiples for specialty, lower for residential). As such, deals are highly accretive as STRL currently trades at a low-20s EBITDA multiple. We believe STRL is likely to remain opportunistic as management typically evaluates >100 deals per year.

Current CEO led successful business transformation. Current CEO Joe Cutillo and former CFO Ron Ballschmiede led the transformation of STRL away from low-bid, heavy highway work, which accounted for ~95% of revenue a decade ago (and <10% today). We believe Joe's leadership remains a key part of the story moving forward.

Valuation discount relative to specialty E&C peers, which we believe are better comps than civil peers given STRL's strong FCF conversion and outsized data center exposure. We see a path for the multiple to converge with specialty peers over time. Note, STRL currently trades at a ~1.5x turn EBITDA discount to a broader specialty group and a ~4x turn discount to the best-in-class peers.

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All relevant disclosures and certifications appear on pages 46 - 48 of this report.

Investment Thesis

We believe STRL's scale, comprehensive and vertically integrated capabilities, technology leadership, and strong execution track record on large / complex projects are sustainable competitive advantages relative to peers.

Target Price Methodology/Risks

Our target price of $486 is based on 22.0x our 2027 EBITDA estimate.

Risks: 1) data center sentiment, 2) cyclicality of end markets, 3) large project mix, 4) labor constraints, 5) project cost overruns on fixed price contracts, 6) highly competitive industry, and 7) seasonality, amongst other risks mentioned in Company filings.

Company Description

Sterling Infrastructure, Inc. provides comprehensive construction solutions to non-residential, residential, and infrastructure customers through its three segments: E-Infrastructure, Transportation Solutions, and Building Solutions. Services include site planning, preparation and development, large-scale earthmoving, drainage, and utility work, parking lot, highway, and other transportation project paving and rehabilitation, concrete slab foundations for large homebuilders, and various other plumbing, electrical and mechanical solutions. The company is headquartered in Houston, Texas.

Sterling Infrastructure (STRL)

Initiation of Coverage with Buy Rating and $486 Target Price

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Investment Highlights: Leading Site Development Contractor

- **Sterling Infrastructure (STRL) is a leading site development contractor** specializing in large and complex non-resi projects
  - STRL also has exposure to street & highway and residential (primarily pouring slabs), though importance of these end markets has diminished over time
- **Competitive advantages** include:
  1) **Scale** - one of the largest construction equipment fleets in the US
  2) **Vertical integration** – capabilities span across most aspects of site development
  3) **Technology leadership** – leader in adoption of BIM / 3D modeling, telematics, and drones
  4) **Track record -** history of completing challenging, large-scale projects on-time
- **STRL is well positioned for growth from key themes** including 1) AI / cloud computing, 2) on-shoring of manufacturing, and 3) e-commerce adoption
- **We see margin expansion opportunity** as large and more complex jobs drive favorable mix and higher margins
- **Why are we Buy rated?**
  - Outsized exposure to mega-projects including data centers, manufacturing plants, and warehouses
  - Competitive advantages that are challenging to replicate and create a path for sustainable margin performance
  - Demonstrated M&A track record with deal multiples notably below STRL's current multiple
  - Strong execution track record from current management team
  - Shares currently trade at a discount to other specialty E&Cs with strong FCF conversion and significant data center mix

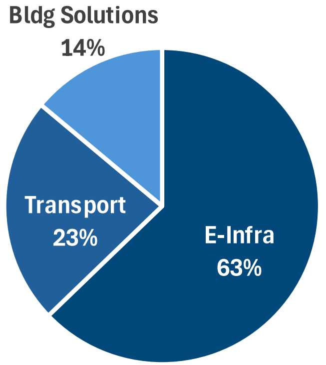
Sterling Infrastructure	
Ticker:	STRL
Share Price:	$415.19
Market Cap ($B):	$12.9
Net Debt/(Cash):	($0.1)
EV:	$12.8
Revenue (NTM):	$2.9
EBITDA Margin (NTM):	20.8%
Leverage Ratio:	(0.2x)
EV/EBITDA (NTM):	21.5x

Source: FactSet, Stifel Research; Note: financial data in billions except share price

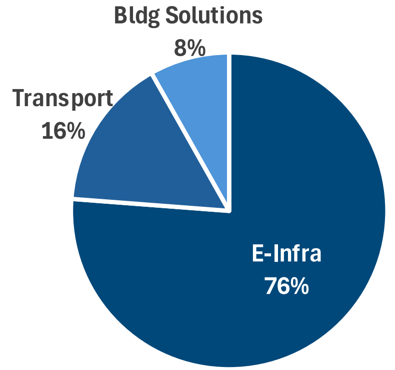
Business Overview: Outsized Exposure to Mega Projects

- STRL is headquartered in Texas and is a leading provider of site development services for large construction projects
  - Industry remains highly fragmented, we estimate >10,000 competitors across the US
- Company has ~5k employees (union ~1k) with operations spanning across the South, Northeast, Mid-Atlantic, and Rocky Mountain regions
- Company operates three reporting segments: E-Infrastructure, Transportation, and Building Solutions
  - E-infrastructure = non-resi site development primarily on the East Coast and in the Rocky Mountain regions
  - Transportation = street, highway, aviation, and rail work in the West and Texas
  - Building Solutions = concrete slabs and plumbing work for housing in Texas and Arizona

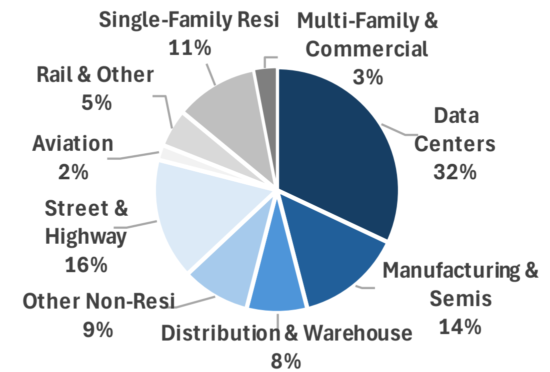
Revenue by Segment



EBIT by Segment



End Market Mix



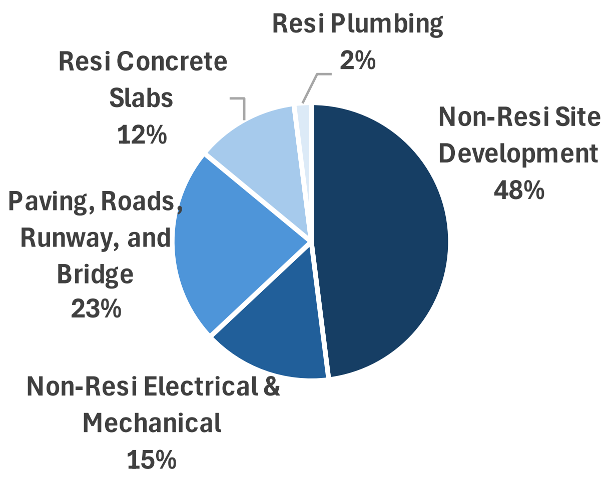
Source: FactSet, Company Data, Stifel Research

Note: Revenue, EBIT, and end market mix reflect 2026E

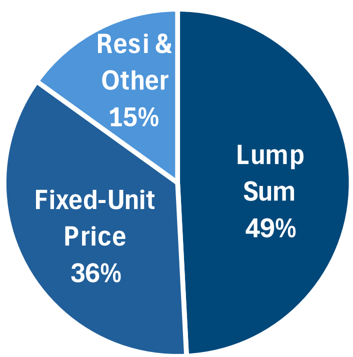
Services Overview: Non-Resi Focus But Also Have Infra & Resi Exposure

- Vertically-integrated capabilities across nearly all aspects of site development for the non-residential end market
  - Added electrical & mechanical (though primarily electrical) capabilities with acquisition of CEC in 2025
  - Infrastructure nearly a quarter of revenue, including street & highway, aviation (runways) and rail (including bridge work)
  - Residential work primarily includes pouring concrete slabs and plumbing work (rough-in, top-out, fixtures)
- Majority of revenue and backlog are derived from lump sum and fixed-unit price contracts
  - Lump sum: contract completed for a single, agreed-upon price irrespective of actual costs (skews E-Infrastructure)
  - Fixed-unit price: contract completed at a fixed price per unit for an agreed-upon quantity (skews Transportation)
  - Both contract types enable potential margin upside assuming accurate estimating and strong execution

Revenue by Type of Work



Revenue by Contract Type

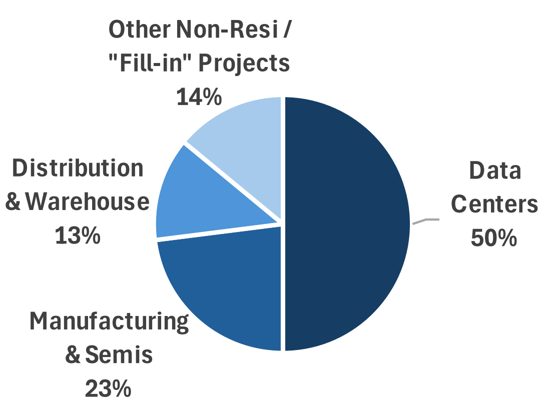


Source: Company Data, Stifel Research

Segment Overview: E-Infrastructure

- Leading provider of comprehensive large-scale site development services for non-residential end markets
  - Capabilities include demolition, clearing, burning, grinding, site clean-up, rock excavation, blasting, grading, soil stabilization, boring, tunneling, duct banks, wet utilities, dry utilities, underground electrical work, “inside” electrical work as well as paving, curb & gutter work (though capabilities are slightly different depending on the region)
  - Lot sizes often 100s of acres but can be >1,000 acres in some cases
  - Operations across the East Coast, Rocky Mountain region, and in Texas
- Platform acquisitions of Plateau Excavation (2019), Petillo (2021), and CEC (2025) effectively created the segment

E-Infra End Market Mix



Customers

amazon, Meta, HYUNDAI, FedEx, Walmart, LOWE'S, The Home Depot, Target

Example Project


400+ acre multi-phase data center project in Georgia

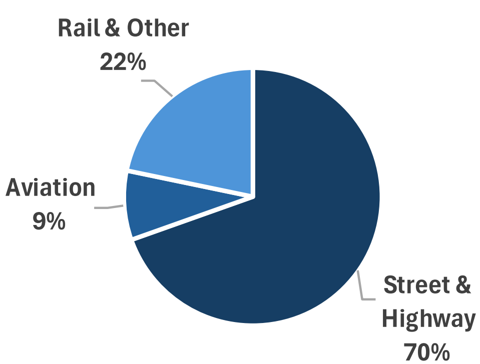
Key Subsidiaries: PLATEAU, PETILLO, CEC

Source: Company Data, Stifel Research

Segment Overview: Transportation

- Comprised primarily of heavy street & highway, aviation (primarily runways), and rail projects (including bridge work)
  - Services include comprehensive design-build, construction, and rehabilitation of infrastructure projects
  - Focus on alternative delivery projects with high-level of value-add/complexity (such as bridges and runways) as opposed to low-bid, low-margin highway work
- Customers include DOTs in Arizona, Colorado, Nevada, and Utah (~50% of segment revenue from state DOTs)
- Transportation is where the company started; subsidiary brands include Texas Sterling (purchased in 2001) Wadsworth (2009), and Baniki (2011)

Transportation End Market Mix



Customers

ARIZONA DEPARTMENT OF TRANSPORTATION
CDOT
NEVADA DOT
UDOT Keeping Utah Moving

Example Project


Example $70M design-build bridge project in Arizona

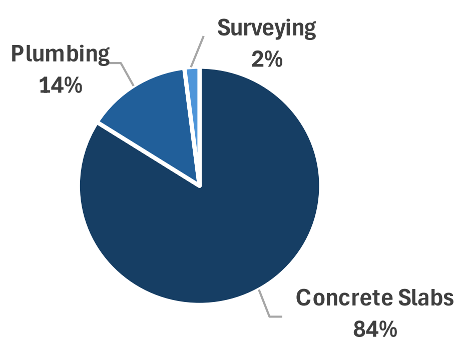
Key Subsidiaries: Texas Sterling Construction Co. | Ralph L. Wadsworth | Banicki Construction | Road and Highway Builders

Source: Company Data, Stifel Research

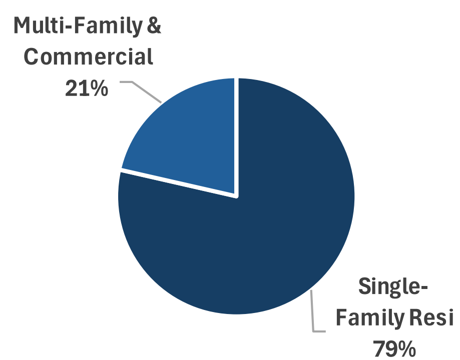
Segment Overview: Building Solutions

- Primarily concrete slab pouring, plumbing (rough-in, top-out, fixtures), and surveying for new home building
  - Customers primarily large homebuilders with exposure to DFW (~70% of revenue), Phoenix, Houston and Oklahoma
  - Commercial primarily includes foundations for multi-family housing but also design-build of parking structures
  - Plumbing generally the highest margin and multi-family / commercial is lower than segment average
  - Low capex requirements and labor is almost entirely subcontracted resulting in a high variable cost structure
- STRL entered residential in 2017 with the acquisition of Tealstone (DFW-based concrete slab placer)
  - Company has since acquired Professional Plumbers (plumbing from street to fixture in Texas) and Dowdy (land surveyors in DFW and Oklahoma), amongst others

Bldg Solutions Services Mix



Bldg Solutions End Market Mix



Example Project

Key Subsidiaries: TEALSTONE, Professional Plumbers Group, Drake Concrete, Dowdy Land Surveyors, CCS

Source: Company data, Stifel Research

Footprint: Primarily Along East Coast, Across South, and in the West

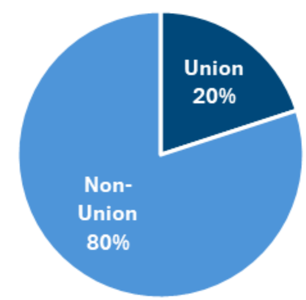
- STRL has ~5,000 employees and one of the largest construction equipment fleets in the US; operations span across the US, primarily in non-union geographies except in the Northeast

Core Operating Footprint

Select Project Exposure

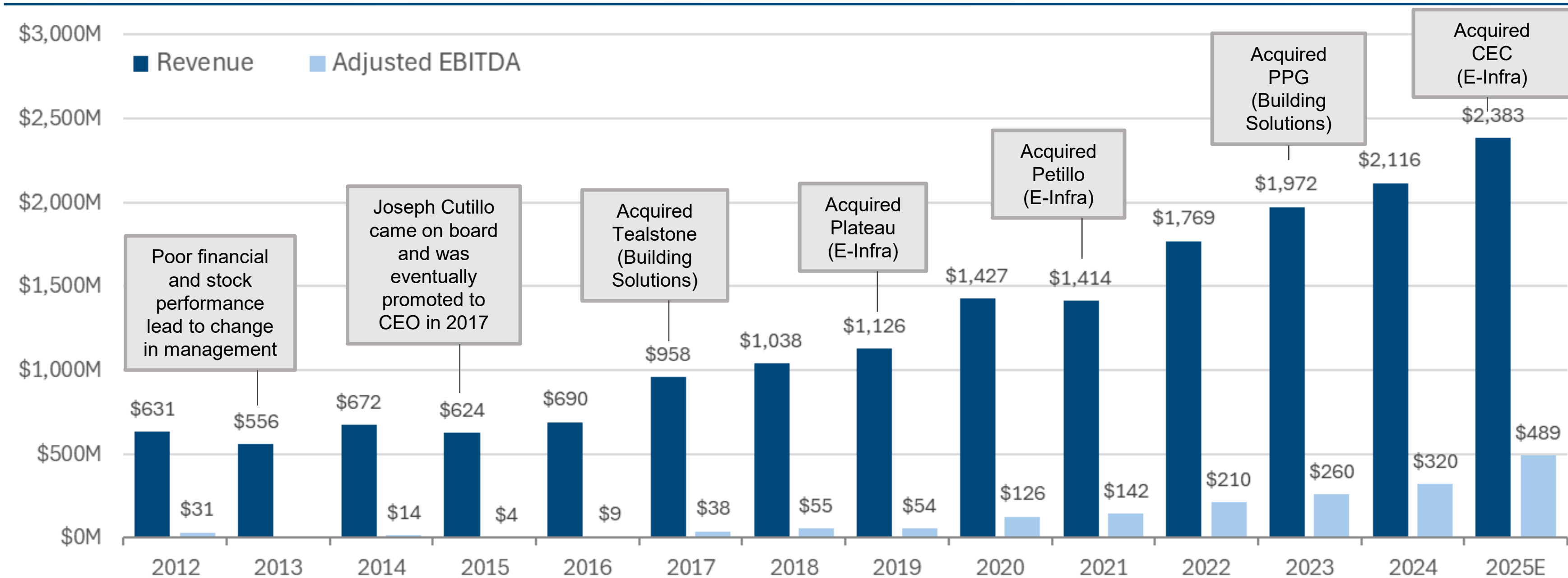
E-Infra recently expanded to Texas with CEC deal and organic expansion

Petillo is almost entirely union



Source: Company Data, Stifel Research

Thesis: Current Management Successfully Executed Transformation



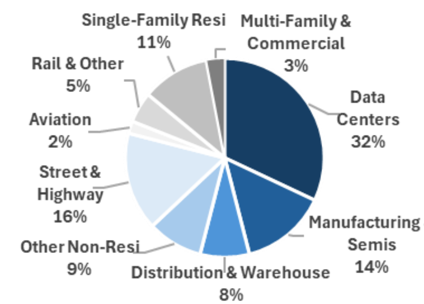
Transformation Strategy

Strategic Elements

1) Solidify the core
2) Grow high margin products and services
3) Expand into adjacent markets

Strategic Objectives

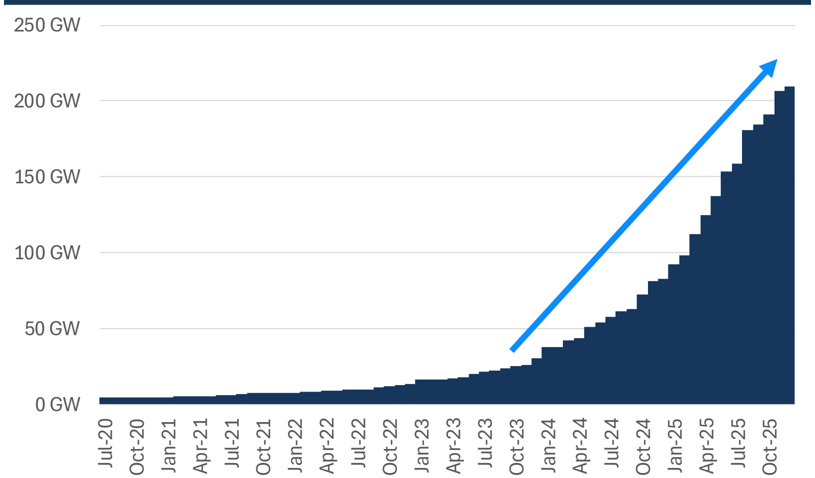
1) Risk reduction
2) Bottom-line growth
3) Exceed peer performance
4) Build a platform for future accretive growth



Thesis: Pipeline of Data Center Projects Remains Robust

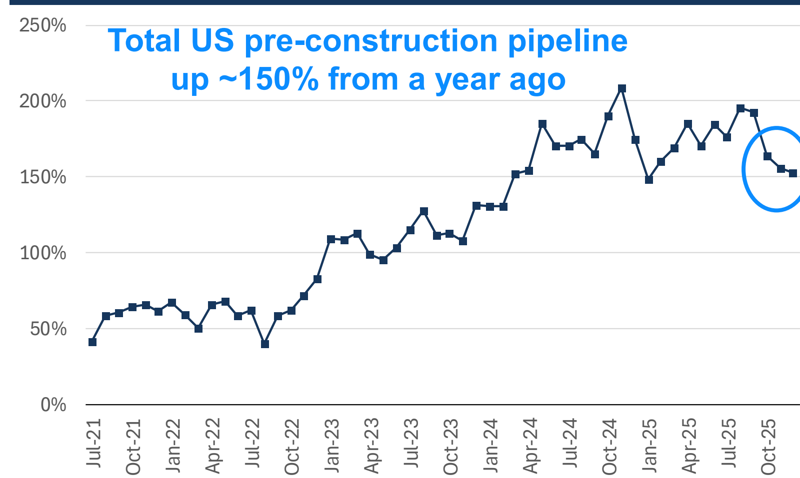
- We believe the pipeline of data center projects remains robust, a key source of growth in 2026 and beyond
- We estimate ~40% data center exposure is in Georgia but we see an opportunity for STRL to follow customers to other markets given their strong track record on large, complex data center projects
  - Note, the pipeline of data center projects in Georgia is currently up ~175% from a year ago
  - Related, STRL recently announced organic expansion into Texas where the project pipeline is up ~500% from a year ago
- We believe data center projects tend to be higher margin given the complexity of underground work and desire of hyperscaler customers to move quickly

United States Pre-Construction Pipeline



Dec-25:	209.5GW	1-Mo Ago:	206.2GW	1-Yr Ago:	82.8GW	2-Yr Ago:	30.1GW

United States Pre-Construction Pipeline Year/Year



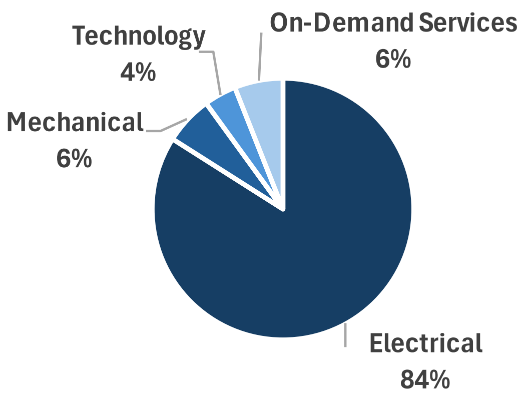
Dec-25:	152.9%	1-Mo Ago:	155.3%	1-Yr Ago:	174.9%	2-Yr Ago:	131.5%

Source: Aterio, Stifel Research

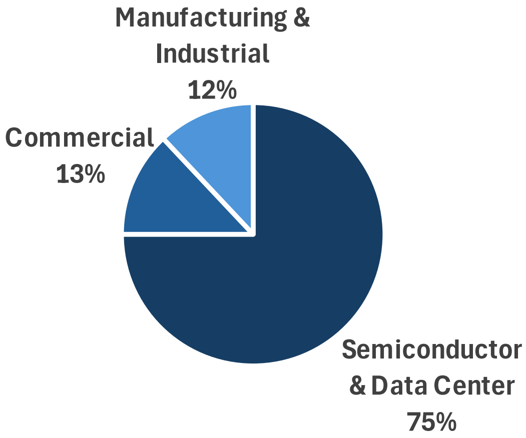
Thesis: CEC Further Differentiates Site Development Capabilities

- In 3Q25, STRL purchased CEC Facilities Group, a Texas-based specialty electrical & mechanical contractor
- CEC is a $400M+ revenue and low-teens margin business with attractive FCF generation and ~60% Texas exposure
- We expect CEC to further differentiate STRL's site development capabilities
  - By combining and coordinating site development and underground electrical (which CEC brings), STRL is able to compress the project schedule by 1-2 months (particularly important for hyperscalers)
  - We estimate that underground electrical work is ~20% of a total electrical package (inside work within the structure the remaining ~80%)
  - Opportunity for joint CEC awards to start mid-2026 (note, joint award margins in underground electrical more comparable to legacy site development margins)
  - We expect data centers to account for a majority of CEC revenue mix in 2026

CEC Service Line Mix



CEC Electrical End Market Mix

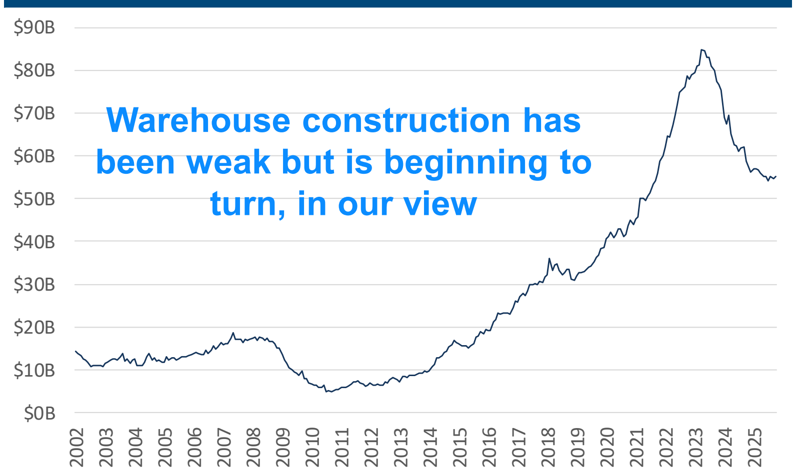


Source: Company Data, Stifel Research

Thesis: Warehouses Turning Corner Amid Investment from Amazon

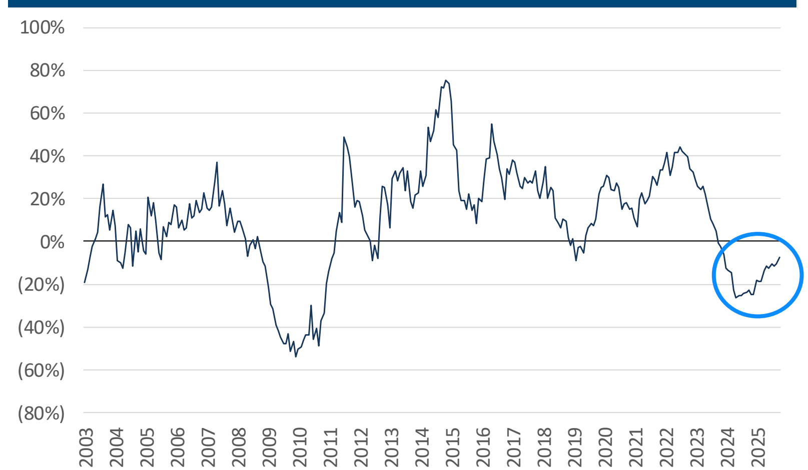
- Warehouse spending moderated post-COVID but is showing signs of bottoming due to investment plans from Amazon
  - We estimate warehouses and distribution centers represent a HSD percentage of revenue mix
- Planning activity has been strong in STRL's footprint with bidding up meaningfully in 2025 relative to 2023/2024
  - This has translated into a ~150% year/year increase in e-commerce distribution backlog in 3Q25
- Additionally, the size and scope of these projects also continues to increase, now carrying ~2.0-2.5x higher revenue per project relative to the past
  - This includes additional content to support EV charging for delivery trucks which adds to project complexity

U.S. Warehouse Construction Spending (SAAR)



Oct-25:	$55.1B	Prior Yr:	$58.7B	Max:	$84.8B	Cur/Max:	65%

U.S. Warehouse Construction Spending Year/Year



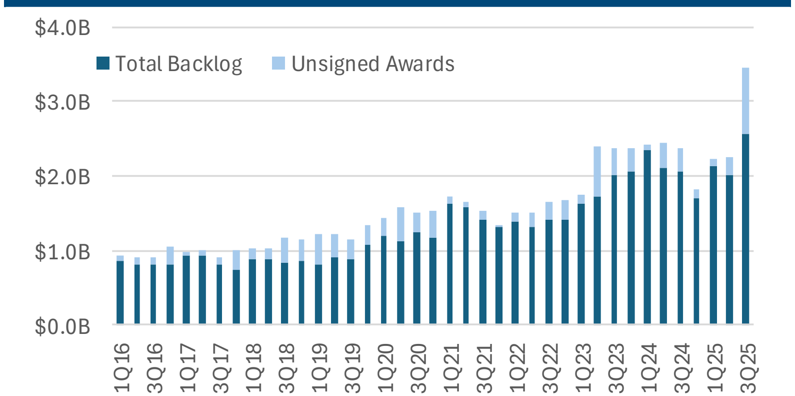
Oct-25:	(7.2%)	Prior Mo:	(10.3%)	QTD:	(7.2%)	L3M:	(9.7%)

Source: Company Data, Stifel Research

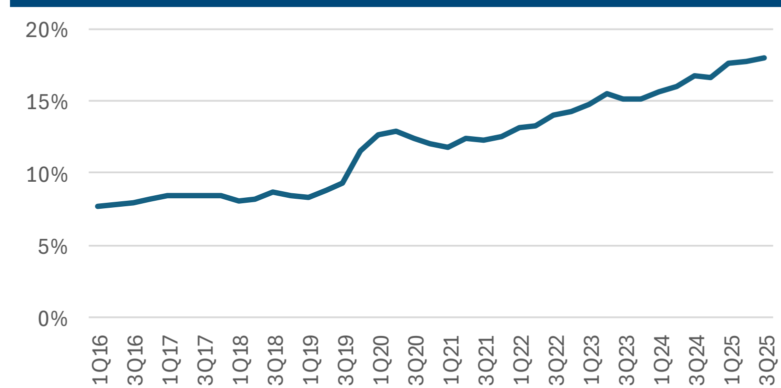
Thesis: Strong Backlog & Multi-Phase Projects Creates Demand Visibility

- Organic backlog grew 34% relative to a year ago in 3Q25 and new awards increased 66%
  - Strength reflects continued growth in data center and other “mission critical” projects as the E-infrastructure organic backlog increased 45% y/y
  - Note that >80% of the backlog is now "mission critical" projects which tend to be margin accretive
  - Contracts in backlog are typically completed in 6 to 36 months; E-Infra typically spanning 6-24 months and Transportation and Business Solutions spanning 12-26 months (though ~70% of backlog expected to convert into revenue in NTM)
- While backlog was $2.6B as of the end of 3Q25, backlog + unsigned awards + “future phase” work (such as additional phases on large campus projects) totaled >$4B which provides additional visibility
  - Notably, ~$3B of this work is in the E-Infrastructure segment of which >75% is data center work
  - These “future phase” awards arguably understate STRL’s true visibility; for example, we visited STRL at a ~2,000 acre site in late 2025 but only ~500 acres were included in backlog, unsigned awards, or future phase work at the time

Backlog and Unsigned Awards



Gross Margin in Backlog



Source: Company Data, Stifel Research
Note: Unsigned awards includes projects where STRL is the low bidder but a contract has not been formally executed by customer

Investment Thesis: Scale, Vertical Integration, Technology All Advantages

- **Vertical integration and scale creates competitive advantages.** In E-Infrastructure, STRL is vertically integrated with capabilities across demolition, clearing, burning, grinding, site clean-up, rock excavation, blasting, grading, soil stabilization, boring, tunneling, duct banks, wet utilities, dry utilities, underground electrical work, “inside” electrical work, as well as paving, curb & gutter work (though capabilities are slightly different depending on the region). We believe this vertical integration shortens project timelines, reduces execution risk, and improves margin performance (less reliance on sub-contractors).

- **Utilizing technology to increase productivity.** STRL leverages a number of technologies that are relatively unique amongst industry participants, including drones, building information management (BIM) modeling, and telematics. With drones, STRL is able to more accurately understand the terrain of a potential site, which drives more accurate estimating and bidding. STRL is also leveraging drones to monitor the job site during construction which allows project managers to identify potential challenges early and take mitigating actions. With BIM, STRL is able to build a 3D model of the complex, underground network of utility conduit and piping, which speeds construction in the field and decreases rework. We believe STRL is one of the only civil contractors leveraging BIM for site development today. With telematics, STRL is able to re-create execution of an entire job and understand improvement opportunities. We also expect STRL to lead adoption of new technologies such as autonomy. STRL also leverages large machines (such as D9 dozers) to improve productivity on large sites. By leveraging these technologies, we believe STRL is able to increase productivity and efficiency, lower costs, and decrease risk, all of which translates to higher and more consistent margin performance.

- **Schedule certainty drives share, pricing, and sticky customer relationships.** STRL frequently provides schedule certainty as part of the contract structure with customers. As an example, this often includes adding clauses to contracts automatically allowing STRL to provide soil stabilization services in the event of excess rain and/or work overtime without receiving additional approvals from the end customer (which would add time and in theory could delay a schedule). Given the 1) importance of speed amongst hyperscalers, 2) site development being the most uncertain portion of the project schedule, and 3) small delays in site development can compound into much larger delays for the entire project, we believe this scheduling certainty and “insurance policy” that STRL provides is highly valued by customers (particularly hyperscalers). This drives share, pricing (~5-8% premium on large/complex projects), and sticky relationships with customers. Overall priorities for hyperscaler customers include track record, speed, safety, and price (in that order). Note that site development is often <10% of total project costs (but can vary significantly), so a small price premium for site development only marginally impacts the total project costs.

Source: Company Data, Stifel Research

Investment Thesis: Backlog + Large Project Activity Creates Visibility

- **Healthy backlog creates visibility into 2026.** Excluding the deconsolidation of RHB and CEC acquisition, backlog grew 34% y/y in 3Q25 (combined backlog +44%) and implied new awards increased 66%. Strength reflects continued growth in data centers and other "mission critical" projects. E-infrastructure backlog increased 45% y/y excluding CEC. Note that >80% of the backlog is mission critical projects as of the end of 3Q25 (and up from historical levels), which tend to be margin accretive. Gross margins within backlog also continued to improve to 18.0%, up from 16.8% a year ago (we believe this bodes well for margin performance in 2026). Note that gross margins within backlog improved relative to a year ago despite dilution from CEC (gross margins mid-to-high teens in CEC). Additionally, while backlog was $2.6B as of the end of 3Q25, backlog + unsigned awards + future phase work (or additional phases on large campus projects) totaled more than $4B, which provides additional visibility beyond 2026. Notably, ~$3B of this work is in E-Infrastructure, of which >75% is data center work.

- **Opportunity to continue to diversify data center work outside of Georgia.** We estimate that ~40% of STRL's data center exposure is in Georgia. Other key states include Alabama, Virginia, Tennessee, South Carolina, and certain states along the Rocky Mountains. In conjunction with 3Q25 earnings, STRL highlighted recent expansion into data center work in Texas. We believe this is a notable development as Texas is arguably the most important state for the data center buildout over the next 5+ years (our data center pipeline tracker up ~500% from a year ago in Texas). We believe Texas is a particularly attractive area for hyperscalers due to the access to natural gas for behind-the-meter generation, the faster interconnection process at ERCOT, and generally lower permitting barriers. We also see potential opportunities to expand into the Northwest and Midwest (particularly Ohio) over time. We would also highlight that the data center pipeline is growing considerably in the Northeast from a low base where Petillo has a notable presence.

- **Large Micron project opportunity in New York.** We believe STRL is well positioned to compete for Micron's large, ~$100B semiconductor fab project in central New York given Petillo's presence in the Northeast. While the project has started construction, we believe that only the tree clear contractor has been awarded (not site development, which could happen in 1H26). In the event of the award going to another contractor, we expect industry capacity to tighten notably, which we believe would indirectly benefit STRL. Note that site development for the project likely takes place over a ~7-10 year timeframe.

- **Actively adding project manager capacity.** Project managers are frequently cited as being tighter from a labor availability standpoint, including for STRL. Internally, STRL has a program to recruit and train 5+ project managers annually. The program starts with internships and lasts 4+ years. By the end of the program, project mangers are able to actively manage smaller projects before building to $100M+ projects over time. As such, we believe STRL is in a position to add ~$500M+ of project manager capacity annually as this program matures. STRL also owns Sterling Academy for training in the Transportation segment, CEC University in electrical, and recently started a training school for Plateau in site development.

Source: Company Data, Stifel Research

Investment Thesis: Improving Project Mix a Margin Tailwind

- **Mega projects margin accretive for E-Infrastructure.** Given their complexity and size, “mission critical” projects (including data centers, manufacturing facilities, and e-commerce distribution warehouses) tend to be margin accretive. We believe this at least partially reflects a lack of competitors given the scale and capital (often ~$200M of equipment and ~$50M of working capital) required to successfully compete and execute on these large projects. Larger projects are also supportive of asset utilization as equipment does not have to be moved between jobs. As such, we believe the growing mix of mega projects and multi-building campuses is a tailwind for margin performance over time. Additionally, margins for a large campus tend to improve after the first phase, which should drive further margin expansion as campus projects mature (we believe there is an outsized portion of phase one projects in 2025/26). Multi-phase campuses also often create visibility into additional large project work as not all phases are awarded at once. Note that historical win rates on future phases is near 100% for STRL. Also, the size of these largest projects is also growing, in part due to power constraints and economies of scale when introducing behind-the-meter power generation. Larger projects also help from a project manager capacity standpoint. Notably, site development complexity is generally increasing over time as the easiest to develop sites are often chosen first. We also believe there is secular growth of these mission critical projects due to cloud and AI adoption, re-shoring of manufacturing (including semis, pharma, food), and growth in e-commerce.

- **Fill-in projects increase asset utilization.** In addition to “mission critical” jobs, we believe ~15% of the E-Infrastructure segment includes smaller “fill-in” jobs in the ~$10M (or less) size range and often in the industrial end market. We estimate these “fill-in” jobs have ~500 bps lower margin than large jobs. However, these jobs provide an opportunity to increase asset utilization in-between large jobs as they often only take a couple months to complete. While these jobs individually are lower margin, the increase in asset utilization is a notable offsetting margin tailwind.

- **Transportation mix improving and driving margin expansion.** STRL has de-emphasized low-bid, heavy highway work (now <10% of total revenue) and has refocused efforts on “alternative delivery” projects. While low-bid, heavy highway work involves bidding on incomplete engineering plans (which increases the risk profile for the contractor), STRL is involved in the design and construction of “alternative delivery” projects, which allows STRL to better control outcomes and lowers the risk profile. We estimate that alternative delivery projects have ~400+ bps higher margin profile than heavy highway work (which is in the ~7-8% gross margin range). STRL has also dedicated additional resources to aviation and rail projects (particularly rail bridges and rapid bridge repairs) where profitability is meaningfully higher. We believe margins are >50% higher in aviation and >3x higher in rail than heavy highway. As a result of these changes, Transportation segment margins have expanded into the mid-teens range for adjusted operating income, up from very LSDs a decade ago. Further, STRL continues to actively exit heavy highway work in Texas, which we estimate accounts for ~$70M of revenue in 2025 and ~$30M in 2026 (primarily 1H26). By exiting this work, we see potential for an additional ~200 bps of margin expansion opportunity in the segment.

Source: Company Data, Stifel Research

Investment Thesis: Multiple Growth Levers in Transportation & Building Solutions

- **Building Solutions has a highly variable cost structure and is capital light.** While Building Solutions is arguably the most cyclical business for STRL, the cost structure is highly variable as ~80% of labor is subcontracted. As such, the ability to flex costs helps smooth the margin profile of the business through the cycle. Additionally, the business is very capital light with <$1M of capex annually and ~15 day cash cycles (slab construction timeline typically two weeks or less).

- **Share opportunities in Building Solutions.** Building Solutions has strong market share in both the slab (Tealstone) and plumbing (PPG) businesses in Dallas. Given the success in Dallas, STRL expanded its slab business into Fort Worth, Houston, and Phoenix following requests from customers (and potentially plumbing down the road). Additionally, the acquisition of PPG provides meaningful cross-sale opportunities as ~90% of customers initially had no overlap with the legacy Building Solutions business (and is accretive to margins). Also note that the slab often has to wait on the rough-in plumbing work to finish, potentially providing efficiency opportunities between the businesses. We believe there are further opportunities in Building Solutions to expand geographically (such as Florida) or add additional capabilities such as electrical, HVAC, framing, and/or other residential services. We believe M&A would be the primary avenue for adding these capabilities with deal multiples likely in the LSD-MSDx EBITDA range.

- **Building Solutions has attractive geographic exposure.** Building Solutions primarily has exposure to Phoenix, Houston, and particularly DFW. We believe these are amongst the most attractive markets from a long-term population growth perspective, which should ultimately drive outsized housing demand over the course of the cycle. Phoenix saw ~1.6% average annual population growth from 2020-2024, Houston ~1.4%, and Dallas ~2.1%, all of which compare favorably to the ~0.6% growth for the entire US.

- **Optionality to repurpose assets for work in E-Infrastructure.** We believe STRL has an ongoing opportunity to repurpose portions of its yellow iron assets in the Transportation segment for site development or E-Infrastructure work. STRL has already won multiple data center project awards in the Rocky Mountain region, in part driven by this initiative. Additionally, we see an opportunity for STRL's traveling crews in the commercial portion of Building Solutions to do concrete work associated with duct banks for data center work. We believe this repurposing of existing assets has the potential to accelerate the mix shift toward E-Infrastructure and higher margin work.

Source: Company Data, Stifel Research

Investment Thesis: Deploying FCF into Accretive M&A Another Avenue for Creating Shareholder Value

- **Healthy balance sheet and strong FCF generation.** STRL is in a net cash position (even after the CEC deal) with considerable optionality for capital deployment given the ~2.5x leverage target. Additionally, STRL generates strong FCF in part due to particularly favorable working capital profiles of the Transportation and Building Solutions businesses. STRL expects operating income to be in-line with cash from operations. As such, STRL's FCF conversion as a percentage of EBITDA is forecasted to be in the mid-60% range and amongst some of the best-in-class specialty E&C peers. We expect acquisitions and buybacks to remain capital allocation priorities moving forward.

- **Vast and highly accretive M&A opportunity.** STRL has a long runway for additional consolidation in the site development and specialty E&C space. Site development remains quite fragmented (>10k competitors nationally) and we expect STRL to continue to be acquisitive with a focus on the highest margin and lowest risk portions of the market. Deal multiples are often in the ~MSDx EBITDA range depending on type of work, size, end market mix, profitability, and growth profile, amongst other factors (higher multiples for specialty, lower for housing). As such, deals are highly accretive as STRL currently trades at a low-20s EBITDA multiple. Recall, STRL acquired Plateau for ~5.6x in 2019, Petillo for ~5.0x in 2022, Drake Concrete for ~3.8x in 2025, and CEC for ~9.6x in 2025 (higher due to specialty E&M exposure). Areas of opportunity include site development or electrical tuck-ins (to repurpose for large projects), focus on additional service work, and/or mechanical work (particularly piping). STRL has also discussed potential for adding a fourth leg to the stool with exposure to positive multi-year infrastructure trends and/or recurring revenue. We expect STRL to remain opportunistic regarding M&A moving forward as management typically evaluates >100 deals per year. We expect E-Infrastructure to remain a key focus area (~95% of the M&A pipeline currently).

- **Employer of choice with strong safety track record.** We believe STRL is an employer of choice, in part due to their strong safety track record. Note that Plateau's experience modification rate (EMR) score (reflection of workers' compensation claims history) is 0.74 compared to the industry average of 1.00, which suggests a safety track record better than industry average. We believe STRL's execution track record, consistency of work, opportunity for frequent overtime work, and opportunity for employees to use the largest equipment in the industry all attract labor as well.

- **Diversified exposure across the construction cycle dampens cyclicality.** In our view, STRL is diversified across the construction cycle with exposure to residential (via Building Solutions segment), private non-residential (E-Infrastructure), and public construction (Transportation). We believe each of these end markets tends to perform slightly differently over the course of the economic cycle. For example, residential tends to outperform early and mid-cycle, private non-residential mid and late-cycle, and public late cycle and during recessionary periods. We believe this diversified exposure helps mute cyclicality of the overall business, which is arguably a tailwind for the valuation multiple, in our view.

Source: Company Data, Stifel Research

Investment Risks: Sentiment Regarding Cadence of Data Center Investment the Most Notable Risk Factor

- **Data center sentiment.** We believe positive sentiment around the data center construction outlook and related hyperscaler capex trends have been a meaningful driver of financial performance and STRL's upward valuation re-rating. We believe a shift in this sentiment is a key risk factor. Recall, STRL shares fell ~50% from peak during DeepSeek concerns in early 2025 (approximately January 22, 2025 to April 4th, 2025).
- **Project mix.** STRL's highest margins include large projects within E-Infrastructure where mix has grown meaningfully over time. A reversal in this trend represents risk to margin performance.
- **IIJA tailwinds plateauing.** Public funding is a meaningful driver of STRL's Transportation business. Incremental federal funding from the IIJA appears to be plateauing and the prospect for a follow-on infrastructure bill remains uncertain.
- **IRA created difficult battery plant construction comps.** We believe an upswing in battery plant construction in the US was in part driven by incentives from the IRA. We believe battery plant construction now faces particularly difficult comparisons.
- **Key person risk.** Given the significant transformation during the current CEO's tenure and the relatively limited tenures of other C-suite executives, we believe Joesph Cutillo represents a key person risk for STRL.
- **Cyclicality of end markets.** Construction is a cyclical end market (particularly private non-residential and housing). Total construction spending fell ~35% peak-to-trough in the US during the Global Financial Crisis. STRL is also primarily tied to new construction, which is typically more cyclical than remodel or maintenance work.
- **Labor constraints.** STRL has a labor-intensive business. Recent low unemployment rates have exacerbated labor challenges. Recent changes to immigration policy creates incremental labor shortage risk.
- **Industry is highly competitive** and fragmented across numerous local and regional companies. Price is often an important attribute for customers awarding projects.
- **Cost overruns, inflation, or delays could impact profitability** given the significant mix of fixed-price contracts. These headwinds could appear meaningful if there is a reversal of previously recorded profit due to use of cost-to-cost method of accounting. Note, STRL has contingencies in contracts to cover potential inflationary pressures (such as fuel).
- **Seasonality.** Construction is a seasonal industry with an outsized portion of work conducted during the warmer months. As such, 4Q and particularly 1Q tend to be seasonality softer quarters for STRL. Weather can be disruptive though STRL often works overtime to make up for poor weather.
- **Customer concentration.** About a third of revenue in E-Infrastructure comes from four customers (likely includes hyperscalers).

Source: Company Data, Stifel Research

Management Team: Current CEO Instrumental in Executing Turnaround

Joseph Cutillo
Chief Executive Officer

- Joined Sterling in 2015 and became CEO in 2017
- Brings 30 years of experience driving transformational changes at companies
- Previously held leadership roles at Inland Pipe, Contech, Ingersoll-Rand, and General Electric

Nicholas Grindstaff
Chief Financial Officer

- CFO of Sterling since 2025
- Has decades of financial and leadership experience across infrastructure and energy industries
- Previously held leadership roles at Cinterra, Orbital Infrastructure Group, and Quanta Services

Dan Govin
Chief Operating Officer

- COO of Sterling since 2024
- Previously held various commercial and operations management roles in the energy infrastructure industry, including Quanta Services
- Brings 30 years of experience

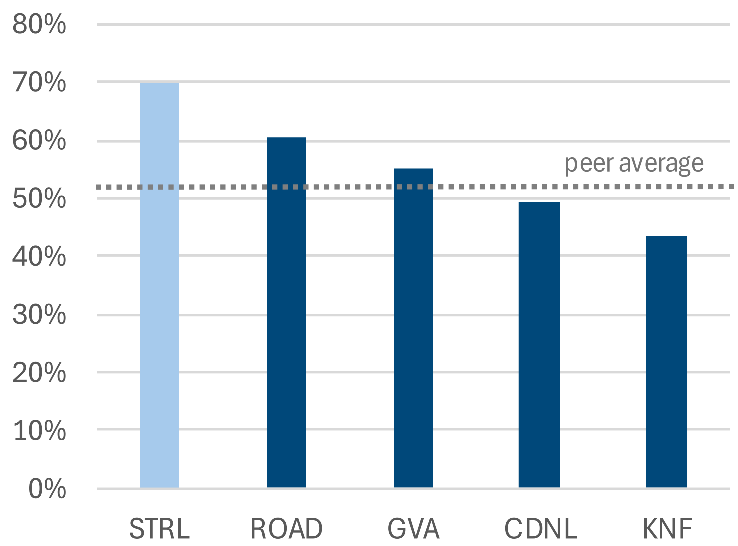
Non-Executive Board Members

Roger Cregg	• Various executive positions at public companies
William Bosway	• Former CEO of Gibraltar Industries
Julie Dill	• 40 years of experience at large public companies
Dana O’Brien	• General Counsel at Olin Corporation
Andrew Rose	• Former CEO of Worthington Enterprises
David Schulz	• Former CFO and EVP of Wesco International
Dwayne Wilson	• Various leadership positions at public companies

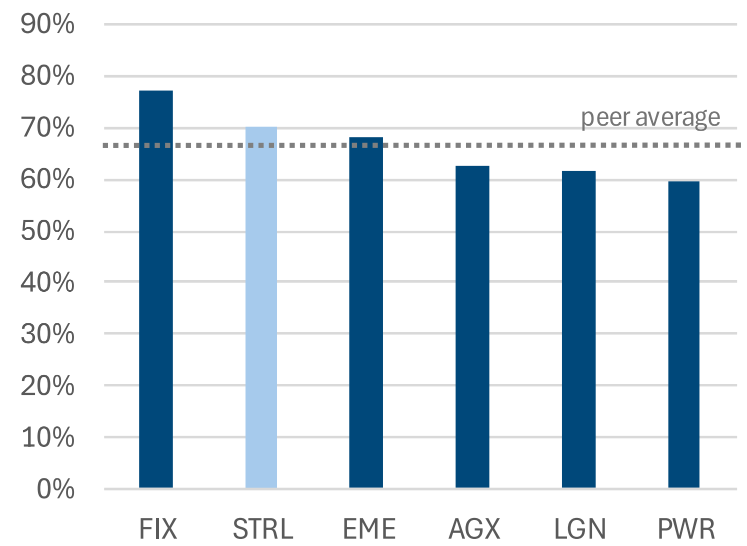
Source: Company Data, Stifel Research

FCF Conversion Consistent with Specialty & Data Center Exposed Peers

FCF Conversion vs. Civil Peers



FCF Conversion vs. Specialty Peers



- While the type of work STRL conducts is similar to other civil peers, the FCF conversion profile and data center mix is more similar to specialty E&C peers
  - Comfort Systems (FIX), Emcor (EME) and Legence (LGN) all have ~25-35% sales mix from data centers
  - Quanta (PWR) and Argan (AGX) have significant indirect exposure to data centers given meaningful power generation & power grid revenue mix

Source: FactSet, Company Data, Stifel Research

Peer Comparison: Business Fundamental Align Closer with Specialty Peers

Peer Group Valuation Table

(In millions, except per share data)

Company Name	Ticker	Closing Price	52 Week Low	52 Week High	Dividend Yield	Market Cap	EV	EV/EBITDA 2026E	EV/EBITDA 2027E	P/E 2026E	P/E 2027E	EBITDA Margin 2026E	EBITDA Margin 2027E	Capex % Rev 2027E	FCF Conversion % EBITDA 2027E
Civil Peers:															
Construction Partners, Inc. Class A	ROAD	$127.68	$64.79	$138.90	0.0%	$7,624	$9,359	17.4x	15.5x	44.0x	35.3x	15.4%	15.7%	5.2%	45.5%
Granite Construction Incorporated	GVA	$132.91	$69.08	$133.83	0.4%	$5,850	$6,849	11.1x	9.9x	21.4x	17.9x	12.6%	13.2%	3.1%	53.4%
Knife River Corporation	KNF	$79.73	$58.72	$105.99	0.0%	$4,546	$5,703	10.7x	9.7x	26.2x	23.7x	16.3%	16.9%	6.2%	32.5%
Cardinal Infrastructure Group, Inc.	CDNL	$25.50	$21.98	$29.75	0.0%	$973	$987	10.1x	9.7x	23.4x	22.2x	19.1%	19.1%	7.5%	53.0%
Group Average								**12.3x**	**11.2x**	**28.8x**	**24.8x**	**15.8%**	**16.2%**	**5.5%**	**46.1%**
Specialty Peers:															
Quanta Services, Inc.	PWR	$510.64	$227.08	$520.42	0.1%	$78,044	$83,458	26.1x	23.2x	42.5x	40.5x	10.2%	10.2%	1.9%	53.9%
Comfort Systems USA, Inc.	FIX	$1,269.63	$276.44	$1,299.94	0.2%	$47,952	$47,495	30.3x	26.8x	41.0x	35.4x	15.4%	15.7%	1.4%	75.3%
EMCOR Group, Inc.	EME	$779.09	$320.89	$792.84	0.2%	$36,193	$35,969	19.1x	17.9x	27.9x	25.4x	10.6%	10.6%	0.6%	68.3%
Legence Corp. Class A	LGN	$53.46	$26.96	$54.22	0.0%	$5,677	$6,882	18.5x	16.3x	32.8x	28.1x	10.7%	10.8%	1.6%	53.1%
Argan, Inc.	AGX	$371.47	$101.02	$400.00	0.5%	$5,681	$4,957	29.0x	22.3x	37.5x	29.4x	14.0%	14.7%	0.3%	71.6%
Group Average								**24.6x**	**21.3x**	**36.3x**	**31.7x**	**12.2%**	**12.4%**	**1.1%**	**64.5%**
Sterling Infrastructure, Inc.	**STRL**	**$415.19**	**$96.34**	**$426.09**	**0.0%**	**$13,538**	**$13,624**	**23.3x**	**19.7x**	**34.6x**	**28.2x**	**20.6%**	**22.2%**	**3.0%**	**70.2%**
Total Average								**19.6x**	**17.1x**	**33.1x**	**28.6x**	**14.5%**	**14.9%**	**3.1%**	**57.7%**
Total Median								**18.8x**	**17.1x**	**33.7x**	**28.1x**	**14.7%**	**15.2%**	**2.4%**	**53.6%**

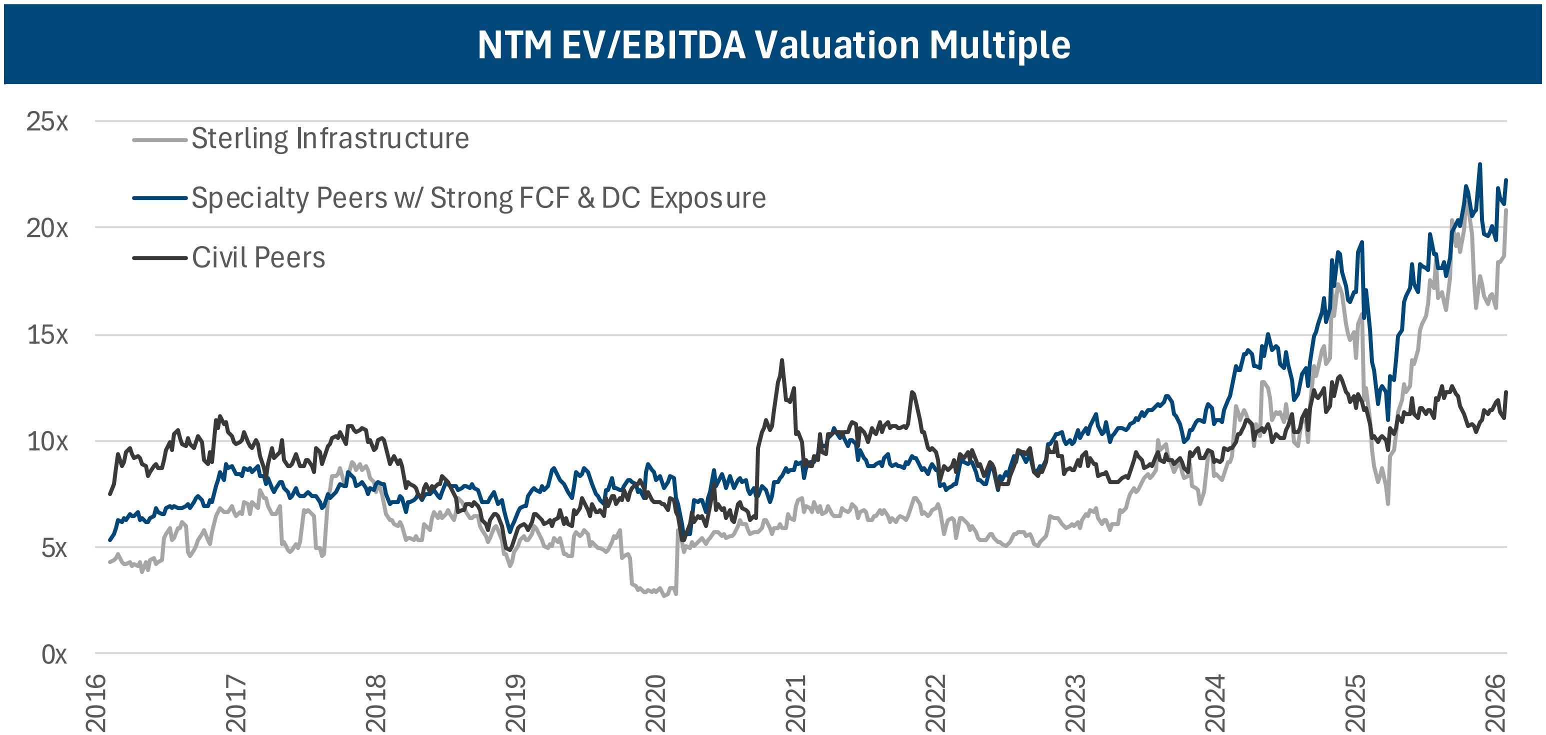
As of: 2/10/2026

- **Civil Peers** = site development, earthmoving, paving, and heavy highway
- **Specialty Peers** = strong FCF conversion and meaningful data center exposure

We believe STRL's valuation likely gravitates toward specialty E&C peers over time given strong FCF conversion and outsized DC exposure

Source: FactSet, Company Data, Stifel Research

Historical Valuation Comparison



- STRL trades at a ~7.5x premium to civil construction peers but a ~1.5x discount to specialty E&C peers with data center exposure

Source: FactSet, Company Data, Stifel Research

Model Development Process and Alternative Approaches

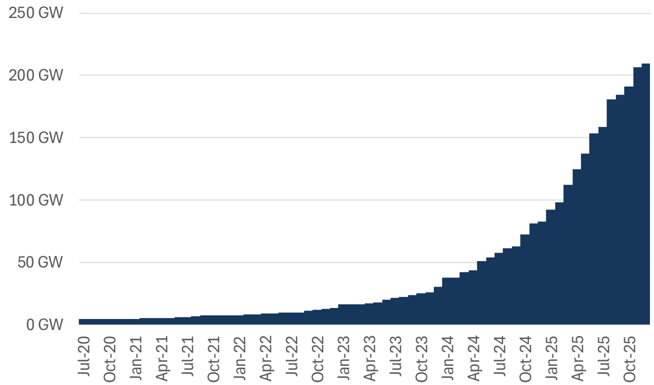
- **Model Development Process and Alternative Approaches**
  - Our model is built to replicate the company's reported financial information including the income statement, balance sheet, statement of cash flow, and select segment financial information.
- **Data**
  - Company filings and reports
  - Company presentations
  - Stifel estimates
- **Model Theory**
  - The model is built to forecast STRL's income, balance sheet, and cash flows, primarily driven by assumptions related to organic/acquisitive sales growth, incremental margin assumptions, SG&A and financial leverage assumptions, capex and D&A assumptions, and working capital assumptions, among others.
- **Model Processing Steps**
  - All key user inputs in the model are indicated by a blue font color.
- **Qualitative Overlays and Assumptions**
  - Forecasts for key assumptions are based in part on our expectations for (1) revenue growth, (2) incremental margins, (3) working capital items and uses of cash.
- **Model Limitation**
  - Research recommendations, models, and estimates are, of course, limited in their accuracy of predicting future results. Model limitations are covered based on standard disclosures contained in each published research report.

Source: Stifel Research

Appendix: Key Macro Data

E-Infrastructure Segment: Data Center Outlook in US

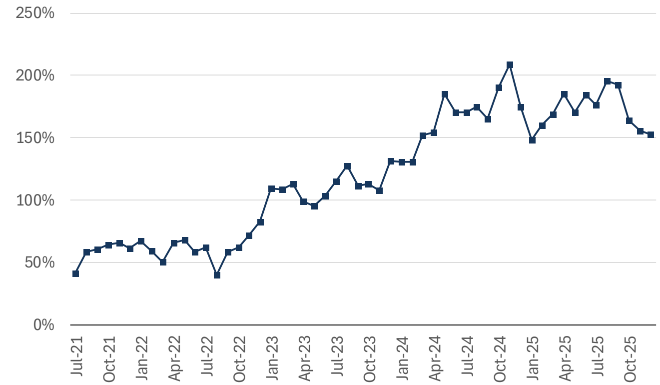
United States Pre-Construction Pipeline



Dec-25:	**209.5GW**	**1-Mo Ago:**	**206.2GW**	**1-Yr Ago:**	**82.8GW**	**2-Yr Ago:**	**30.1GW**

Source: Aterio, Stifel Research

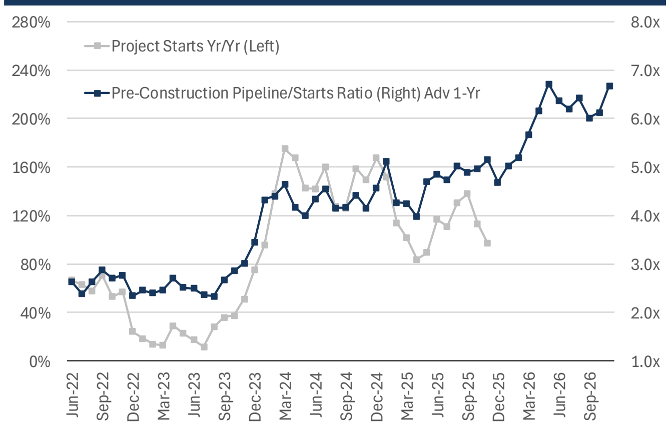
United States Pre-Construction Pipeline Year/Year



Dec-25:	**152.9%**	**1-Mo Ago:**	**155.3%**	**1-Yr Ago:**	**174.9%**	**2-Yr Ago:**	**131.5%**

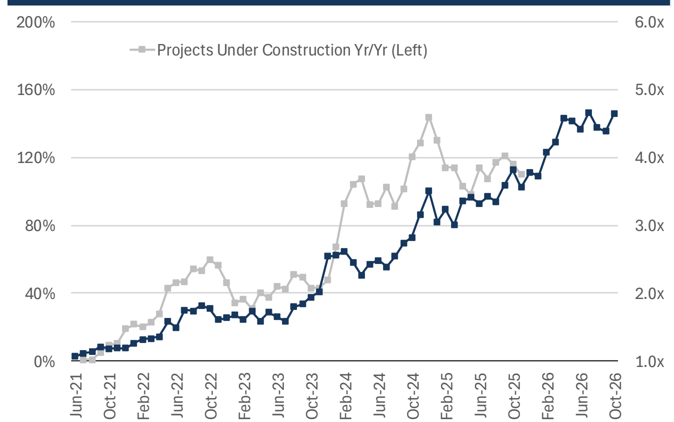
Source: Aterio, Stifel Research

Pipeline / LTM Starts Ratio vs. LTM Starts Year/Year



Source: Aterio, Stifel Research

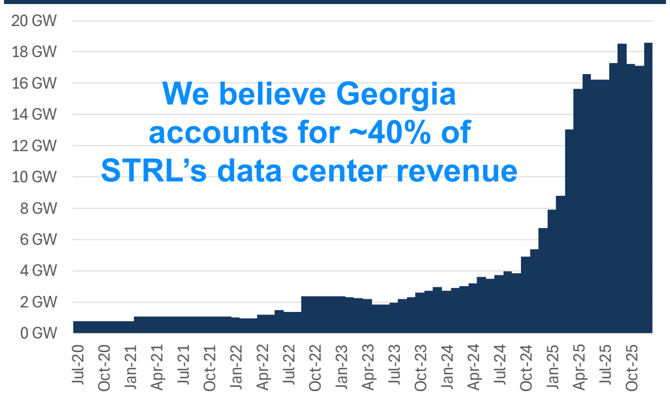
Pipeline/Under Const Ratio vs. Under Const Year/Year



Source: Aterio, Stifel Research

E-Infrastructure Segment: Data Center Outlook in Georgia

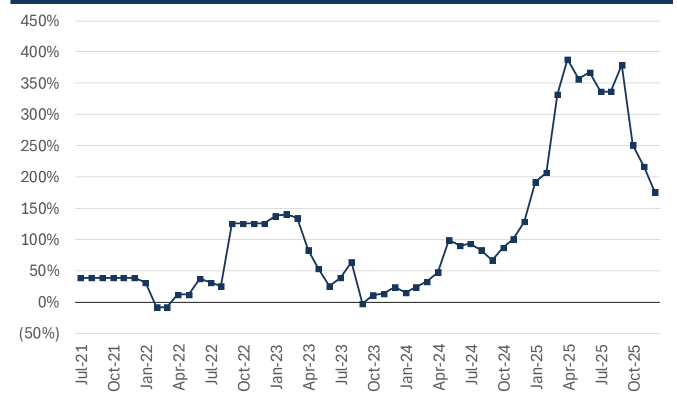
Georgia Pre-Construction Pipeline



Dec-25:	18.6GW	1-Mo Ago:	17.1GW	1-Yr Ago:	6.8GW	2-Yr Ago:	3.0GW

Source: Aterio, Stifel Research

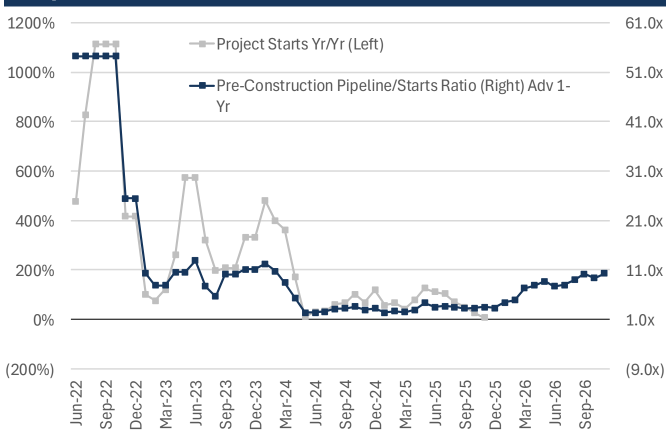
Georgia Pre-Construction Pipeline Year/Year



Dec-25:	175.1%	1-Mo Ago:	217.3%	1-Yr Ago:	128.1%	2-Yr Ago:	24.4%

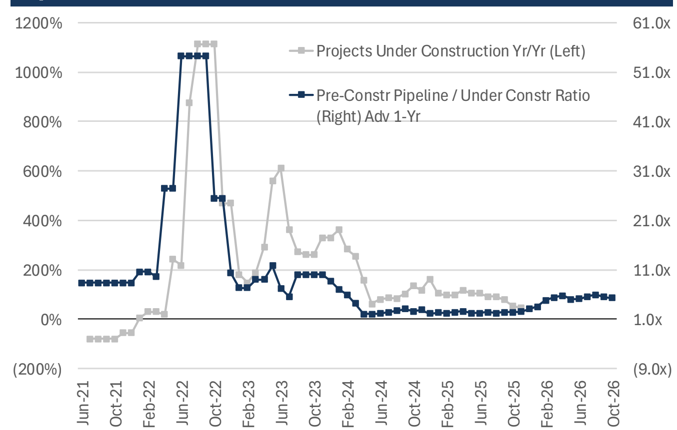
Source: Aterio, Stifel Research

Pipeline / LTM Starts Ratio vs. LTM Starts Year/Year



Source: Aterio, Stifel Research

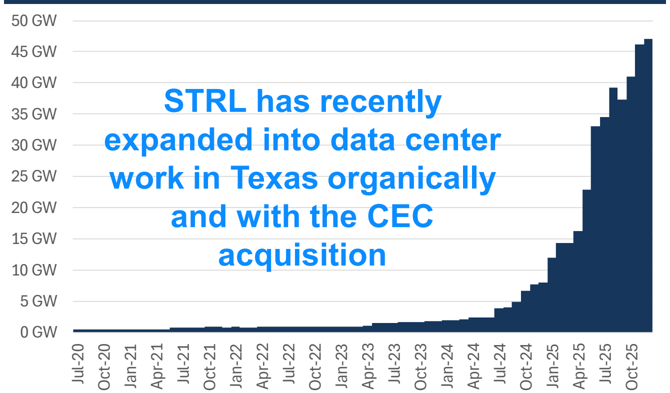
Pipeline/Under Const Ratio vs. Under Const Year/Year



Source: Aterio, Stifel Research

E-Infrastructure Segment: Data Center Outlook in Texas

Texas Pre-Construction Pipeline



Dec-25:	47.1GW	1-Mo Ago:	46.1GW	1-Yr Ago:	8.0GW	2-Yr Ago:	1.8GW

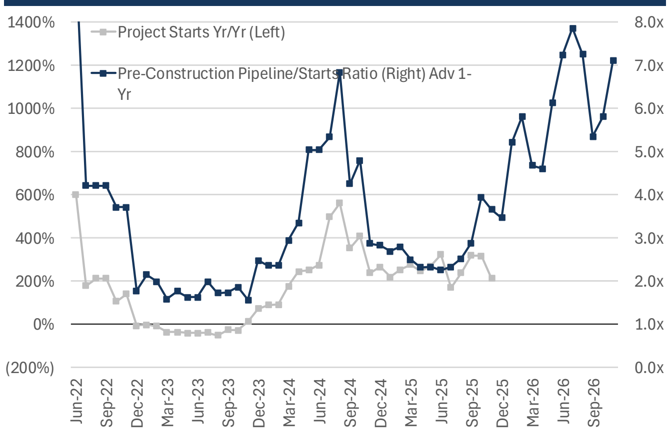
Source: Aterio, Stifel Research

Texas Pre-Construction Pipeline Year/Year

Dec-25:	491.9%	1-Mo Ago:	505.2%	1-Yr Ago:	347.7%	2-Yr Ago:	95.5%

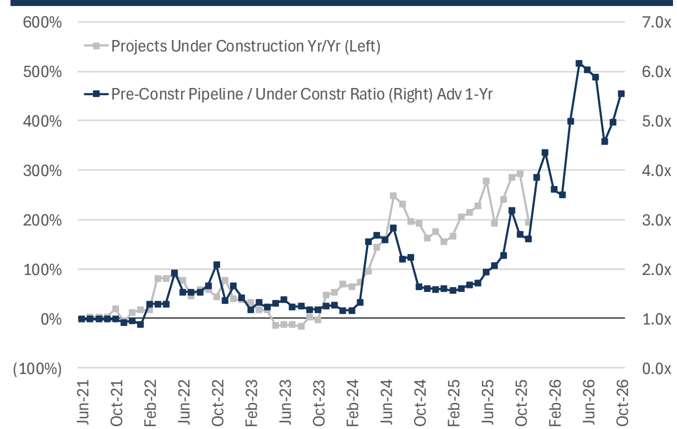
Source: Aterio, Stifel Research

Pipeline / LTM Starts Ratio vs. LTM Starts Year/Year



Source: Aterio, Stifel Research

Pipeline/Under Const Ratio vs. Under Const Year/Year

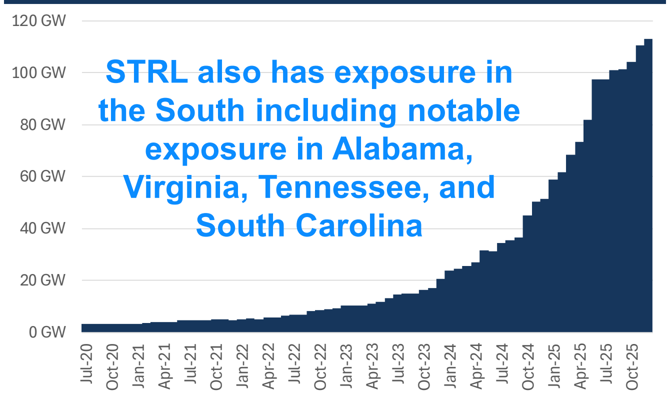


Source: Aterio, Stifel Research

STIFEL

E-Infrastructure Segment: Data Center Outlook in South

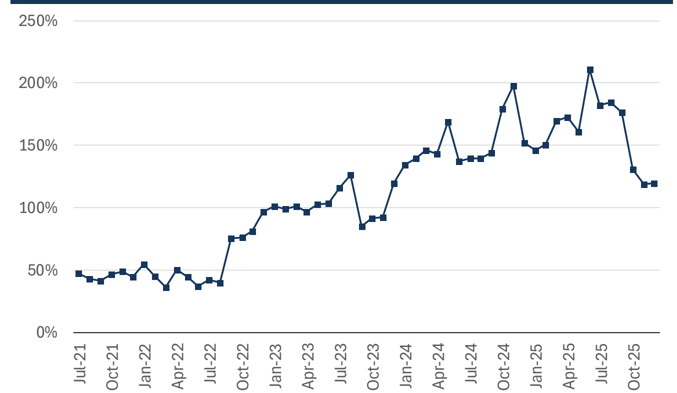
South Region Pre-Construction Pipeline



Dec-25:	112.8GW	1-Mo Ago:	110.3GW	1-Yr Ago:	51.4GW	2-Yr Ago:	20.4GW

Source: Aterio, Stifel Research

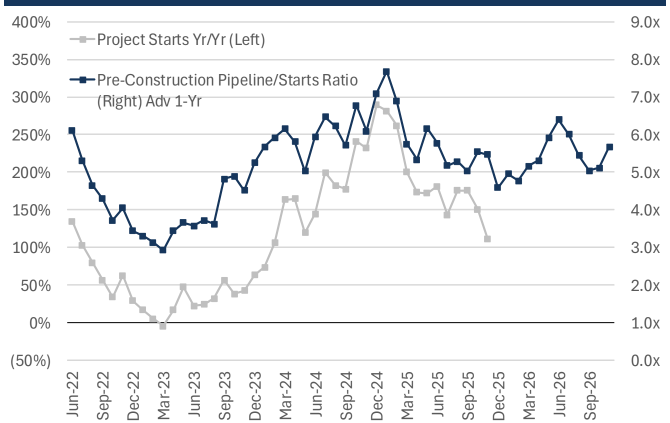
South Region Pre-Construction Pipeline Year/Year



Dec-25:	119.7%	1-Mo Ago:	118.8%	1-Yr Ago:	151.9%	2-Yr Ago:	119.8%

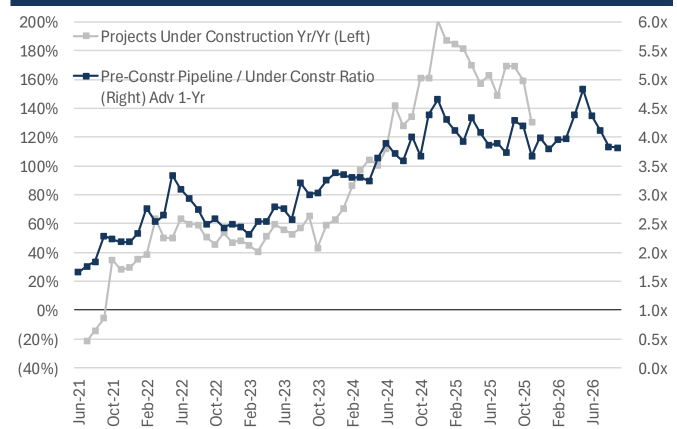
Source: Aterio, Stifel Research

Pipeline / LTM Starts Ratio vs. LTM Starts Year/Year



Source: Aterio, Stifel Research

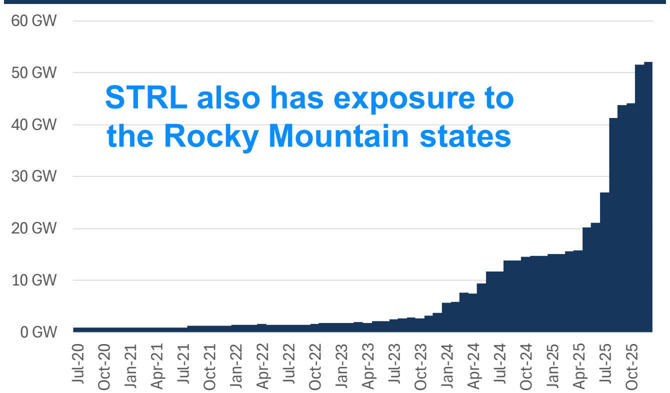
Pipeline/Under Const Ratio vs. Under Const Year/Year



Source: Aterio, Stifel Research

E-Infrastructure Segment: Data Center Outlook in West

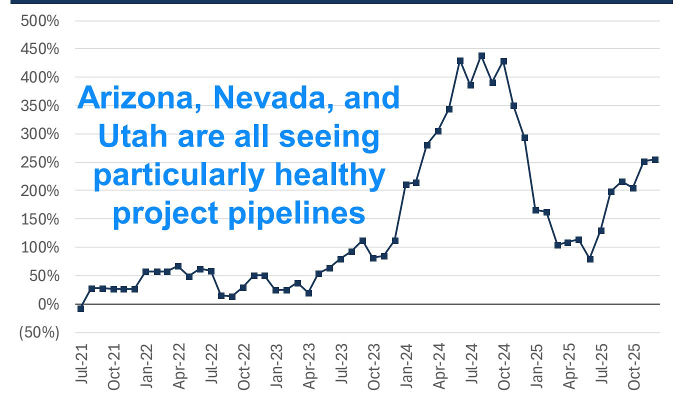
West Region Pre-Construction Pipeline



Dec-25:	52.1GW	1-Mo Ago:	51.5GW	1-Yr Ago:	14.7GW	2-Yr Ago:	3.7GW

Source: Aterio, Stifel Research

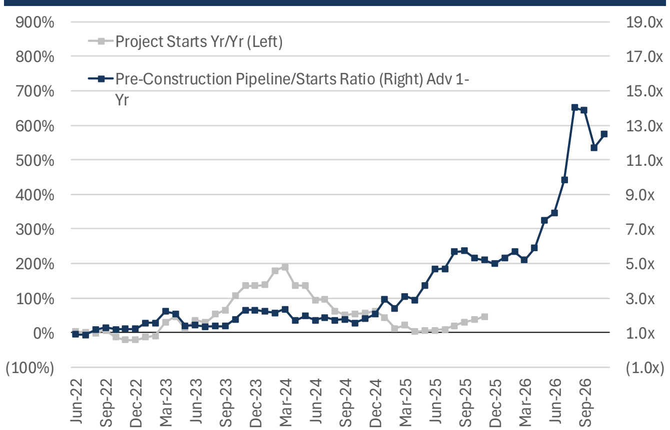
West Region Pre-Construction Pipeline Year/Year



Dec-25:	254.8%	1-Mo Ago:	251.2%	1-Yr Ago:	293.8%	2-Yr Ago:	112.1%

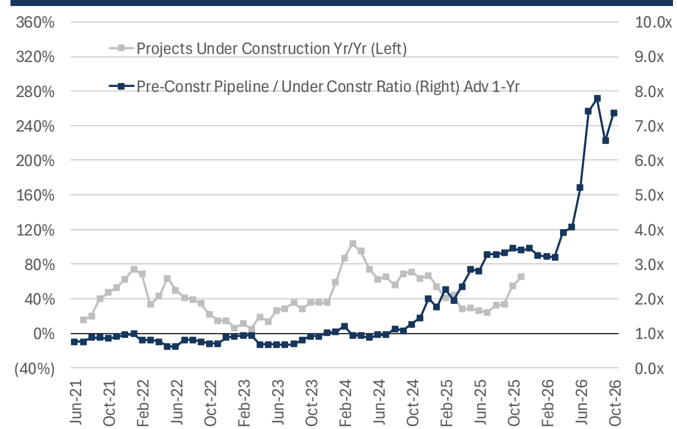
Source: Aterio, Stifel Research

Pipeline / LTM Starts Ratio vs. LTM Starts Year/Year



Source: Aterio, Stifel Research

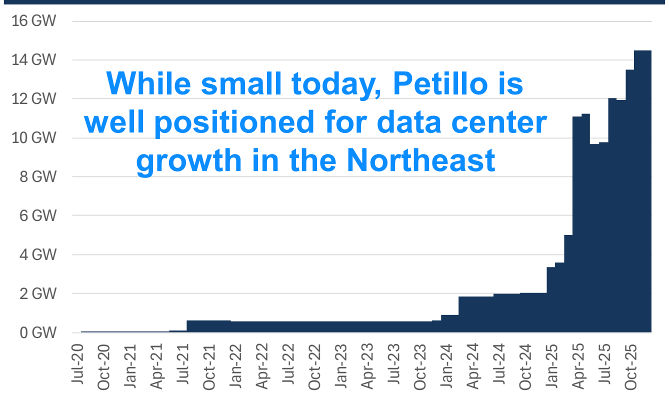
Pipeline/Under Const Ratio vs. Under Const Year/Year



Source: Aterio, Stifel Research

E-Infrastructure Segment: Data Center Outlook in Northeast

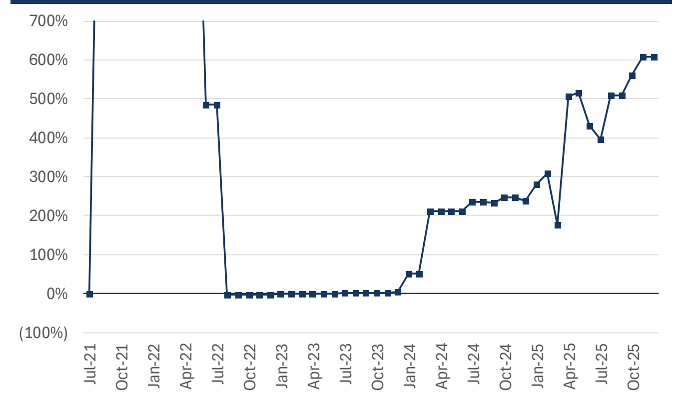
Northeast Pre-Construction Pipeline



Dec-25:	14.5GW	1-Mo Ago:	14.5GW	1-Yr Ago:	2.0GW	2-Yr Ago:	0.6GW

Source: Aterio, Stifel Research

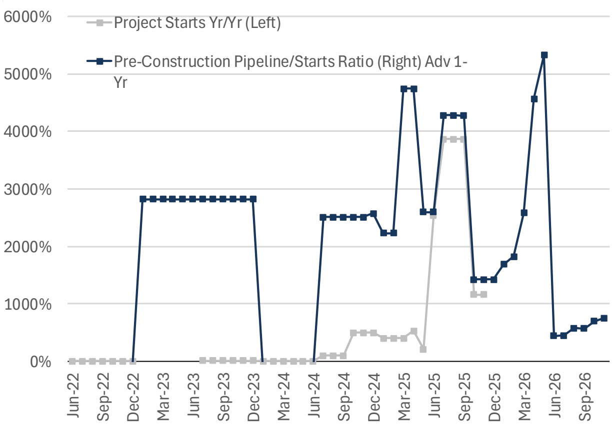
Northeast Pre-Construction Pipeline Year/Year



Dec-25:	607.5%	1-Mo Ago:	607.5%	1-Yr Ago:	238.5%	2-Yr Ago:	3.6%

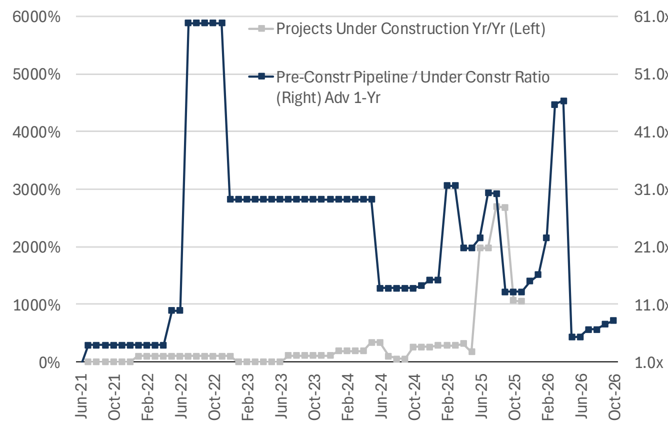
Source: Aterio, Stifel Research

Pipeline / LTM Starts Ratio vs. LTM Starts Year/Year



Source: Aterio, Stifel Research

Pipeline/Under Const Ratio vs. Under Const Year/Year



Source: Aterio, Stifel Research

Transportation Segment: Infrastructure Flow of Funds

First, states set their budgets for the upcoming fiscal year. Roughly 60% of state DOT budgets are spent on highways and bridges. A vast majority of state fiscal years start mid-year (i.e. FY24 started mid-2023).

Next, states request funds from the federal government for eligible projects. The federal government then obligates funding to the states. Federal funding accounts for ~50% of street & highway spending.

Then projects are awarded to contractors or the E&Cs, entering backlog. We estimate awards (on average) occur ~3-6 months after funding is obligated from the federal government.

Construction typically starts ~30-60 days after the project is awarded.

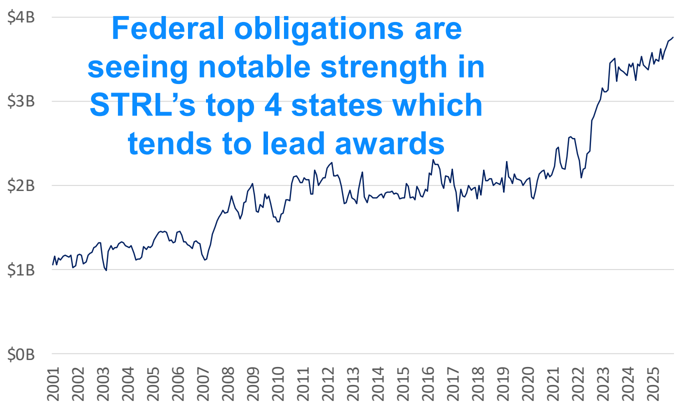
Spending on a project can last weeks or upwards of multiple years. On average, we believe spending occurs over ~18 months. Revenue recognition for construction material producers and E&Cs occurs during this phase.

After large increases in federal highway funding (IIJA a notable example), typically ~20% of incremental funds are spent in the first year, ~40% in second, ~15-20% in the third, and remainder in years 4-6.

Source: Stifel Research

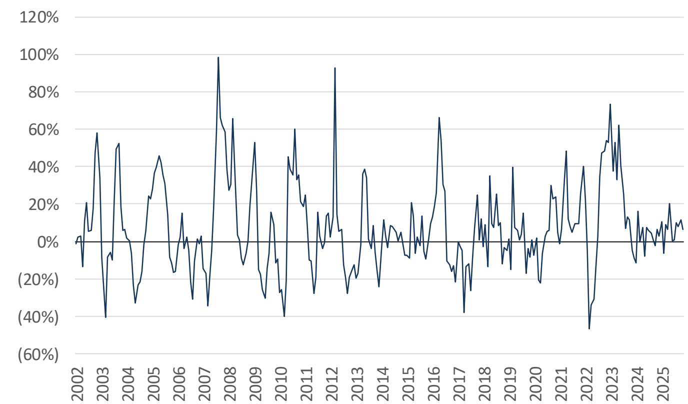
Transportation Segment: Federal Obligations + Street & Highway Awards

US Federal Highway Obligations LTM - STRL Top 4



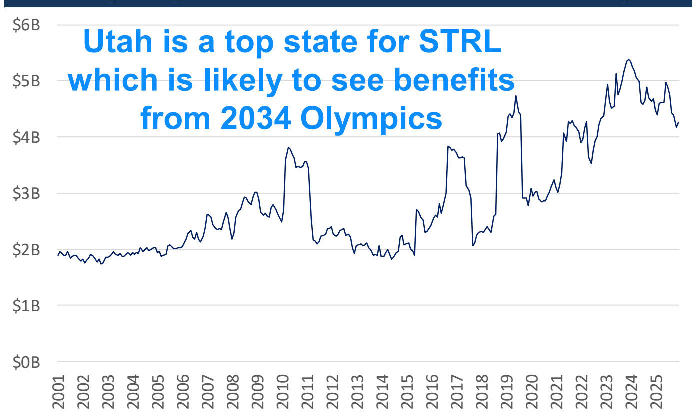
Nov-25:	$3.8B	1Yr Ago:	$3.4B	3Yr Ago:	$3.0B	5Yr Ago:	$2.1B

US Obligations L6M Year/Year - STRL Top 4



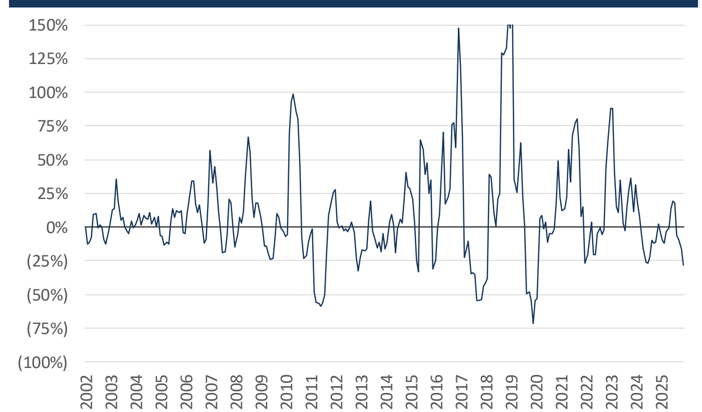
Nov-25:	31.7%	L3M:	15.0%	L6M:	6.4%	LTM:	11.3%

US Highway & Pavement Awards LTM - STRL Top 4



Dec-25:	$4.3B	1Yr Ago:	$4.7B	3Yr Ago:	$4.4B	5Yr Ago:	$3.2B

US Highway & Pavement Awards L6M Year/Year - STRL Top 4

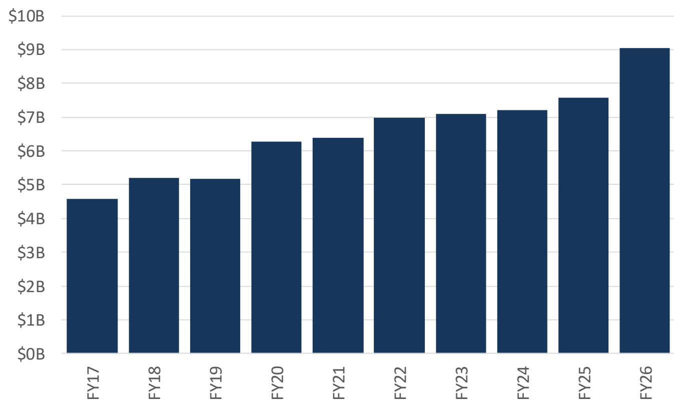


Dec-25:	33.0%	L3M:	(17.4%)	L6M:	(28.4%)	LTM:	(9.0%)

Source: ARTBA; Note: Top 4 states include AZ, UT, NV, CO

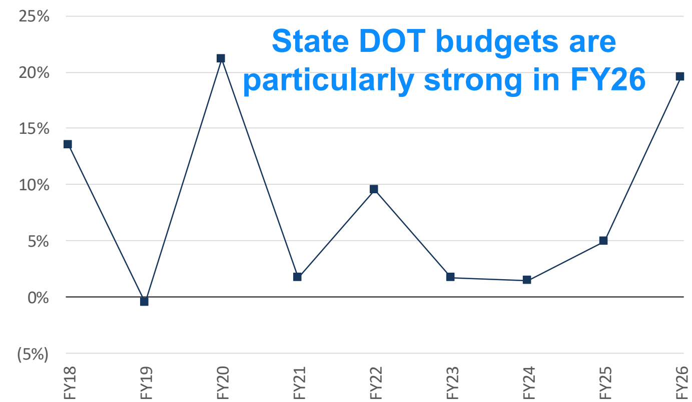
Transportation Segment: State DOT Budgets

State DOT Budgets - STRL Top 4



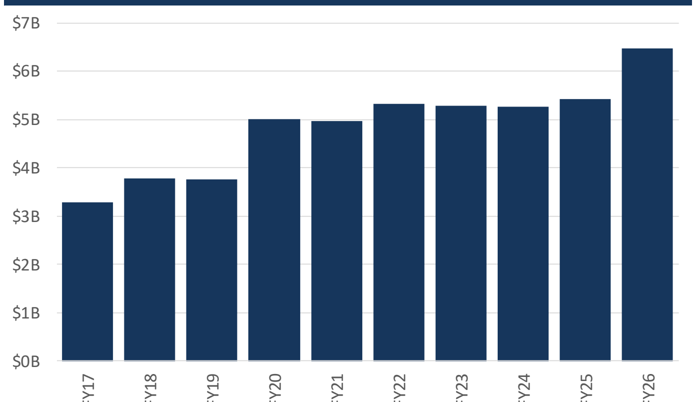
FY26:	$9.0B	1Yr Ago:	$7.5B	3Yr Ago:	$7.1B	5Yr Ago:	$6.4B

State DOT Budgets Year/Year - STRL Top 4



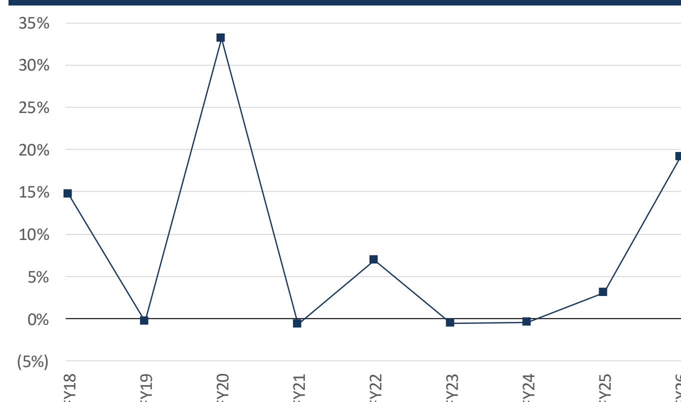
FY26:	19.5%	1Yr Ago:	4.9%	3Yr Ago:	1.7%	5Yr Ago:	1.8%

State DOT Highway & Bridge Budgets - STRL Top 4



FY26:	$6.4B	1Yr Ago:	$5.4B	3Yr Ago:	$5.3B	5Yr Ago:	$5.0B

State DOT Highway & Bridge Budgets Y/Y - STRL Top 4

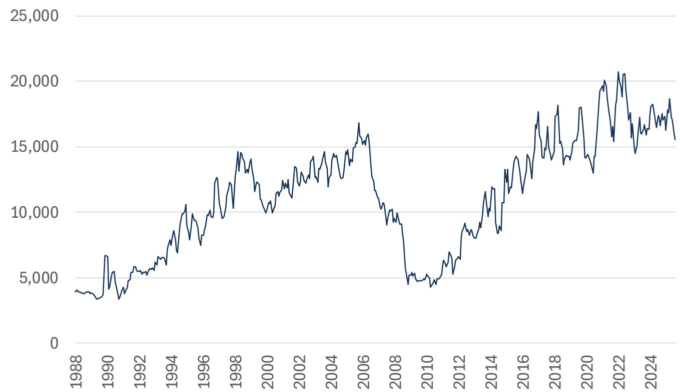


FY26:	19.2%	1Yr Ago:	3.1%	3Yr Ago:	(0.6%)	5Yr Ago:	(0.6%)

Source: ARTBA; Note: top 4 states include AZ, UT, NV, CO

Building Solutions Segment: Housing in Dallas-Fort Worth

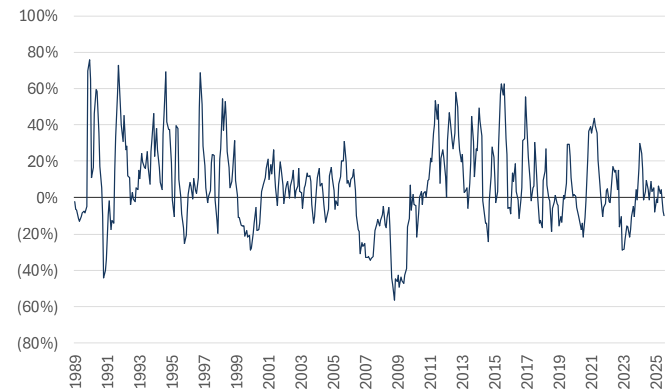
Dallas-Fort Worth Total Housing Permits L3M (SA)



Oct-25:	4,783	Prior Yr:	5,618	Max:	8,282	Cur/Max:	57.8%

Source: U.S. Census Bureau, Stifel Research

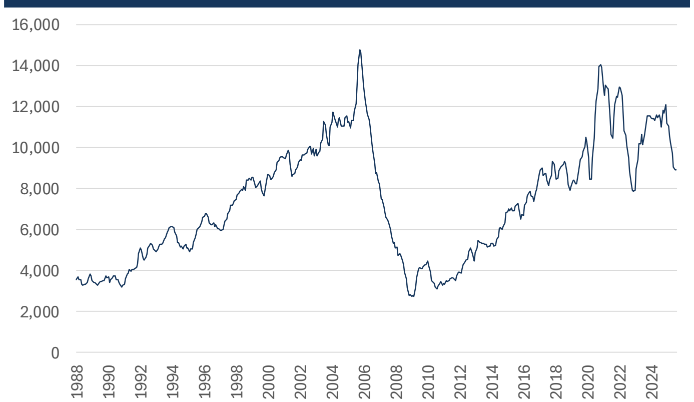
Dallas-Fort Worth Total Housing Permits L3M Y/Y



Oct-25:	(17.0%)	Prior Mo:	(0.6%)	QTD:	(17.0%)	L3M:	(9.7%)

Source: U.S. Census Bureau, Stifel Research

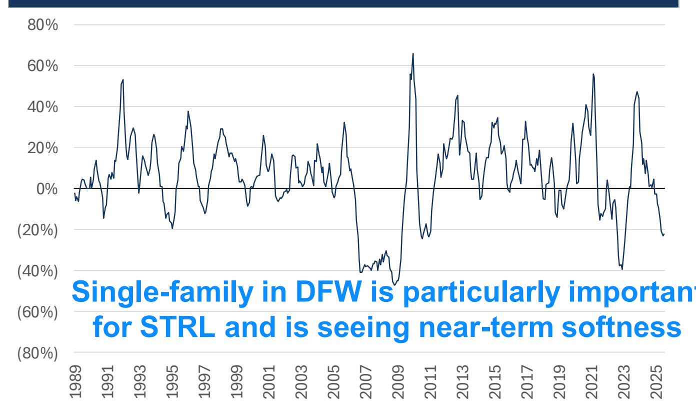
Dallas-Fort Worth Single-Family Housing Permits L3M (SA)



Oct-25:	3,103	Prior Yr:	3,865	Max:	5,388	Cur/Max:	57.6%

Source: U.S. Census Bureau, Stifel Research

Dallas-Fort Worth Single-Family Housing Permits L3M Y/Y

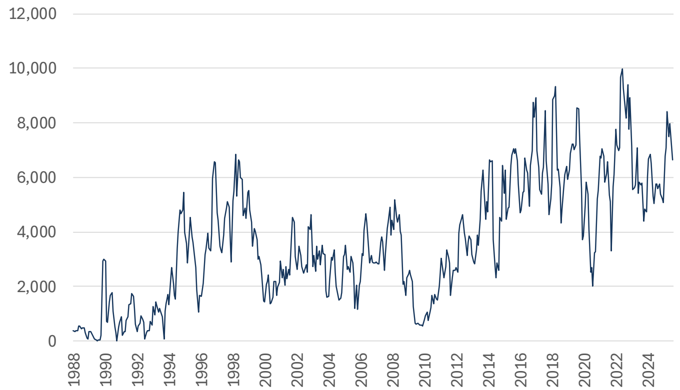


Oct-25:	(19.2%)	Prior Mo:	(16.4%)	QTD:	(19.2%)	L3M:	(22.4%)

Source: U.S. Census Bureau, Stifel Research

Building Solutions Segment: Housing in Dallas-Fort Worth

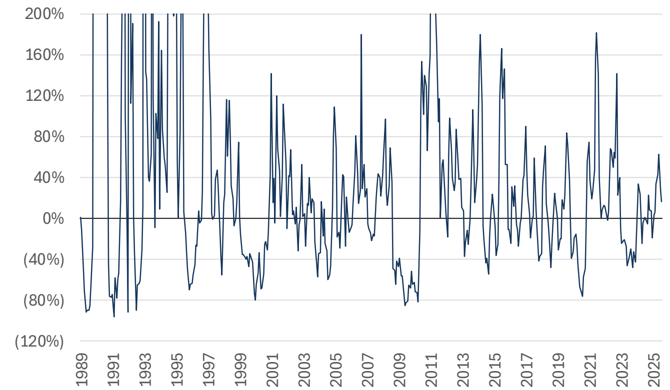
Dallas-Fort Worth Multi-Family Housing Permits L3M (SA)



Oct-25:	1,681	Prior Yr:	1,752	Max:	5,401	Cur/Max:	31.1%

Source: U.S. Census Bureau, Stifel Research

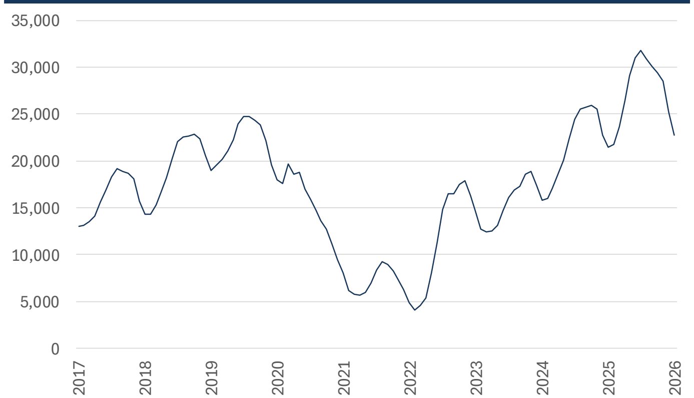
Dallas-Fort Worth Multi-Family Housing Permits L3M Y/Y



Oct-25:	25.6%	Prior Mo:	(27.9%)	QTD:	26.8%	L3M:	16.3%

Source: U.S. Census Bureau, Stifel Research

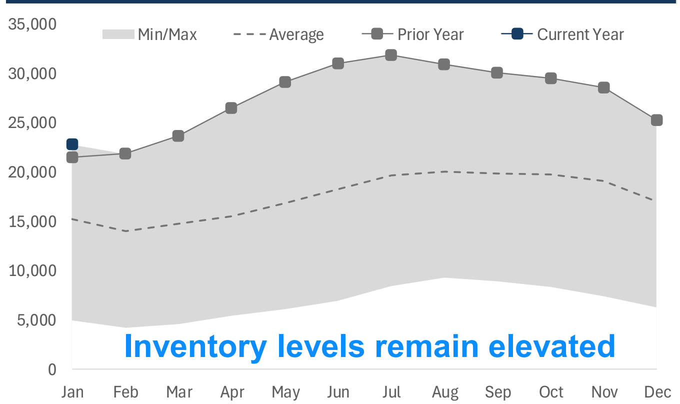
Dallas-Fort Worth Housing Inventory Active Listings



Jan-26:	22,766	Prior Mo:	25,211	Prior Yr:	21,422	Y/Y	6%

Source: Realtor.com, Stifel Research

Dallas-Fort Worth Housing Inventory Active Listings



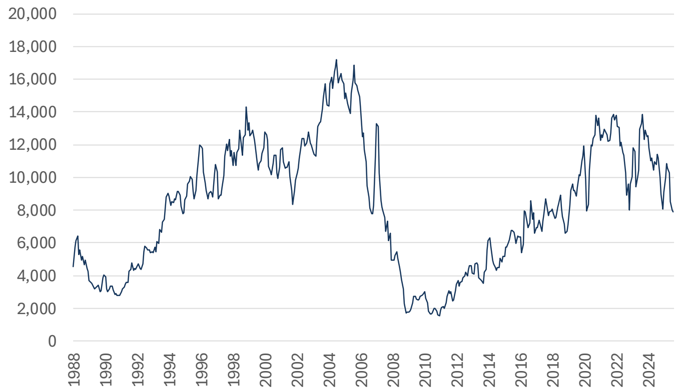
Jan-26:	22,766	Avg:	15,426	Max:	22,766	Min:	4,892

Source: Realtor.com, Stifel Research

STIFEL

Building Solutions Segment: Housing in Phoenix

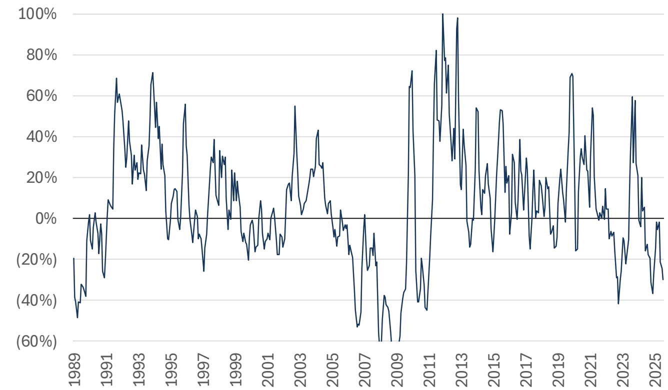
Phoenix Total Housing Permits L3M (SA)



Oct-25:	3,336	Prior Yr:	3,806	Max:	6,759	Cur/Max:	49.4%

Source: U.S. Census Bureau, Stifel Research

Phoenix Total Housing Permits L3M Y/Y



Oct-25:	(11.1%)	Prior Mo:	(25.6%)	QTD:	(11.1%)	L3M:	(29.7%)

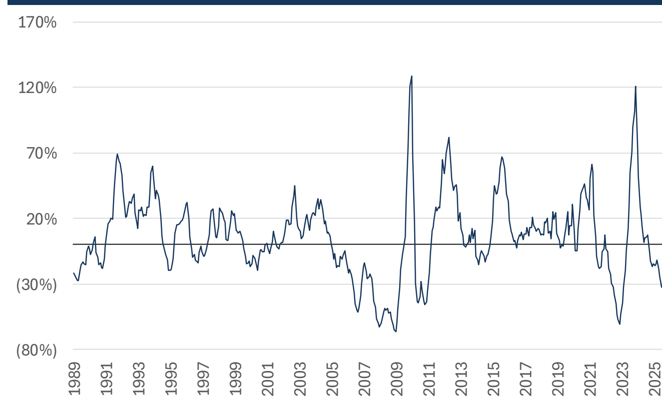
Source: U.S. Census Bureau, Stifel Research

Phoenix Single-Family Housing Permits L3M (SA)

Oct-25:	1,837	Prior Yr:	2,741	Max:	5,955	Cur/Max:	30.9%

Source: U.S. Census Bureau, Stifel Research

Phoenix Single-Family Housing Permits L3M Y/Y

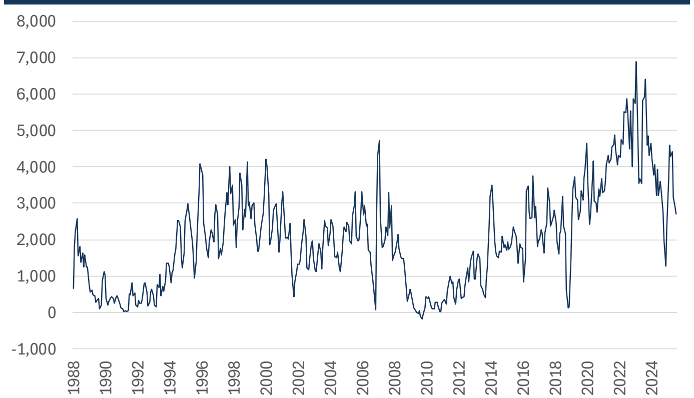


Oct-25:	(32.0%)	Prior Mo:	(31.8%)	QTD:	(32.0%)	L3M:	(32.9%)

Source: U.S. Census Bureau, Stifel Research

Building Solutions Segment: Housing in Phoenix

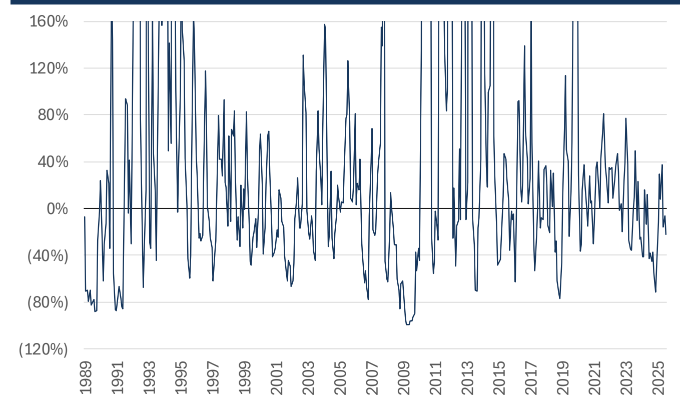
Phoenix Multi-Family Housing Permits L3M (SA)



Oct-25:	1,499	Prior Yr:	1,065	Max:	3,105	Cur/Max:	48.3%

Source: U.S. Census Bureau, Stifel Research

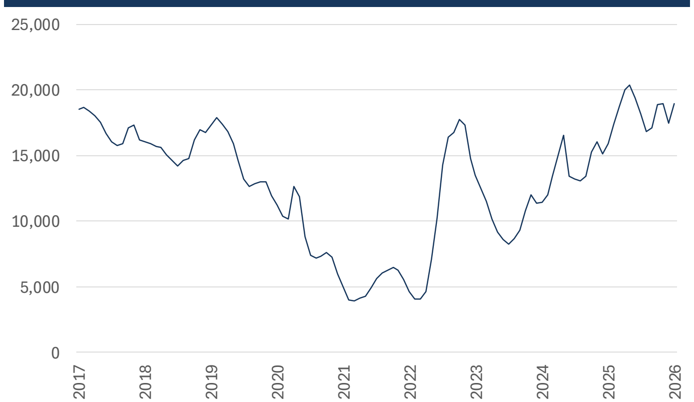
Phoenix Multi-Family Housing Permits L3M Y/Y



Oct-25:	(28.9%)	Prior Mo:	158.0%	QTD:	44.0%	L3M:	(22.3%)

Source: U.S. Census Bureau, Stifel Research

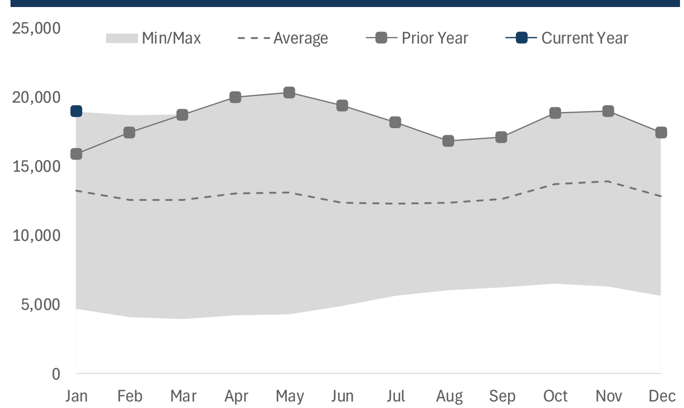
Phoenix Housing Inventory Active Listings



Jan-26:	18,939	Prior Mo:	17,442	Prior Yr:	15,864	Y/Y	19.4%

Source: Realtor.com, Stifel Research

Phoenix Housing Inventory Active Listings



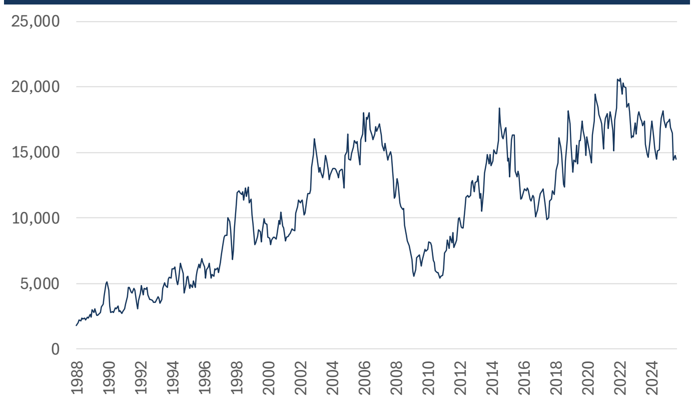
Jan-26:	18,939	Avg:	12,654	Max:	18,939	Min:	4,644

Source: Realtor.com, Stifel Research

STIFEL

Building Solutions Segment: Housing in Houston

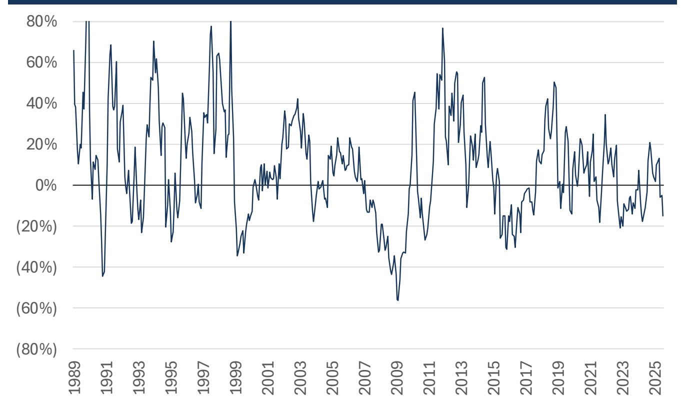
Houston Total Housing Permits L3M (SA)



Oct-25:	5,316	Prior Yr:	6,593	Max:	8,019	Cur/Max:	66.3%

Source: U.S. Census Bureau, Stifel Research

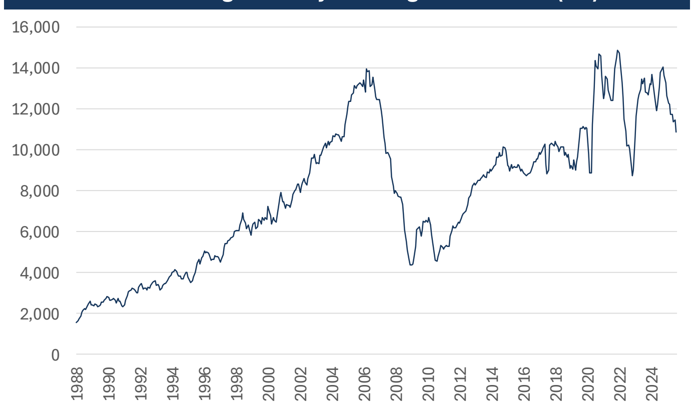
Houston Total Housing Permits L3M Y/Y



Oct-25:	(18.9%)	Prior Mo:	13.1%	QTD:	(18.9%)	L3M:	(14.8%)

Source: U.S. Census Bureau, Stifel Research

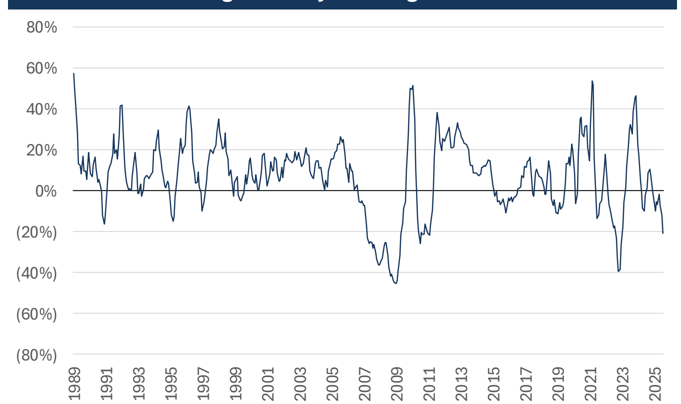
Houston Single-Family Housing Permits L3M (SA)



Oct-25:	3,540	Prior Yr:	4,896	Max:	5,620	Cur/Max:	63.0%

Source: U.S. Census Bureau, Stifel Research

Houston Single-Family Housing Permits L3M Y/Y

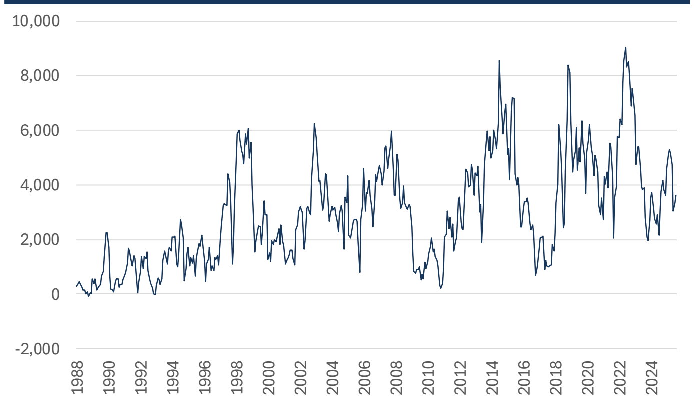


Oct-25:	(27.3%)	Prior Mo:	(19.1%)	QTD:	(27.3%)	L3M:	(20.9%)

Source: U.S. Census Bureau, Stifel Research

Building Solutions Segment: Housing in Houston

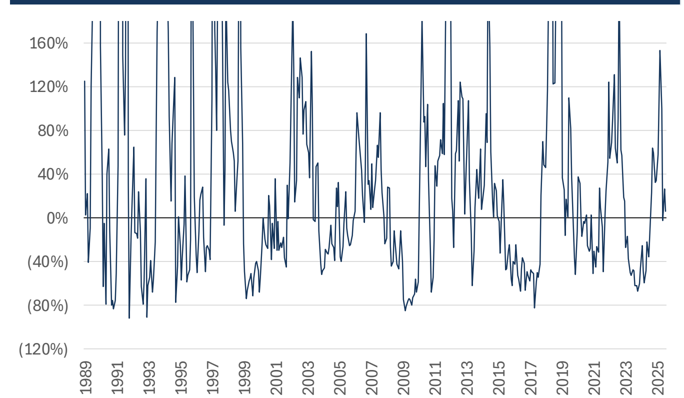
Houston Multi-Family Housing Permits L3M (SA)



Oct-25:	1,776	Prior Yr:	1,696	Max:	3,892	Cur/Max:	45.6%

Source: U.S. Census Bureau, Stifel Research

Houston Multi-Family Housing Permits L3M Y/Y



Oct-25:	159.1%	Prior Mo:	20.9%	QTD:	26.8%	L3M:	6.4%

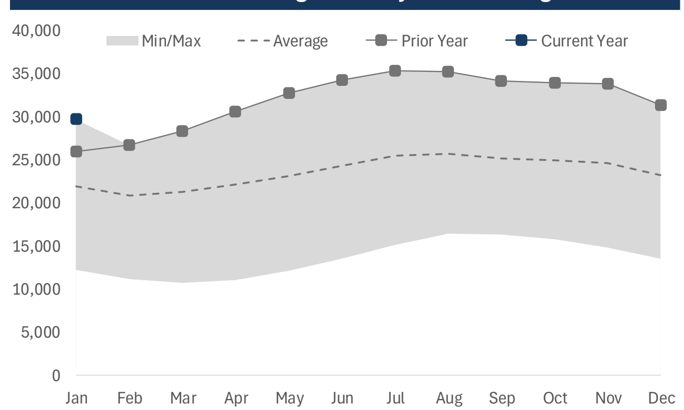
Source: U.S. Census Bureau, Stifel Research

Houston Housing Inventory Active Listings

Jan-26:	29,683	Prior Mo:	31,350	Prior Yr:	25,879	Y/Y	15%

Source: Realtor.com, Stifel Research

Houston Housing Inventory Active Listings



Jan-26:	29,683	Avg:	21,840	Max:	29,683	Min:	12,153

Source: Realtor.com, Stifel Research

Sterling Infrastructure Inc.
Income Statement (fiscal year end December)
(all figures in millions)

	2023	Mar 1Q24	Jun 2Q24	Sept 3Q24	Dec 4Q24	2024	Mar 1Q25	Jun 2Q25	Sept 3Q25	Dec 4Q25E	2025E	Mar 1Q26E	Jun 2Q26E	Sept 3Q26E	Dec 4Q26E	2026E	Mar 1Q27E	Jun 2Q27E	Sept 3Q27E	Dec 4Q27E	2027E
Revenue	**1,972.229**	**440.360**	**582.822**	**593.741**	**498.833**	**2,115.756**	**430.949**	**614.468**	**689.019**	**646.243**	**2,380.679**	**551.558**	**746.049**	**823.715**	**696.302**	**2,817.625**	**593.873**	**801.370**	**888.470**	**750.836**	**3,034.548**
Cost of revenues	1,634.591	363.456	470.079	463.942	392.156	1,689.633	336.109	471.328	518.803	501.163	1,827.403	419.871	567.629	622.070	536.306	2,145.876	450.730	608.698	670.034	576.326	2,305.787
Gross Income	**337.638**	**76.904**	**112.743**	**129.799**	**106.677**	**426.123**	**94.840**	**143.140**	**170.216**	**145.081**	**553.277**	**131.687**	**178.421**	**201.646**	**159.996**	**671.749**	**143.143**	**192.672**	**218.436**	**174.510**	**728.762**
Margin	*17.1%*	*17.5%*	*19.3%*	*21.9%*	*21.4%*	*20.1%*	*22.0%*	*23.3%*	*24.7%*	*22.4%*	*23.2%*	*23.9%*	*23.9%*	*24.5%*	*23.0%*	*23.8%*	*24.1%*	*24.0%*	*24.6%*	*23.2%*	*24.0%*
General and administrative expenses	98.703	27.298	27.856	30.672	32.598	118.424	34.631	33.987	37.585	44.007	150.210	43.289	40.784	43.223	46.208	173.504	45.453	42.824	45.384	48.518	182.179
Yr/Yr	*14.1%*	*17.1%*	*15.9%*	*21.5%*	*24.8%*	*20.0%*	*26.9%*	*22.0%*	*22.5%*	*35.0%*	*6.3%*	*25.0%*	*20.0%*	*15.0%*	*5.0%*	*6.2%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*6.0%*
As % of Revenue	*5.0%*	*6.2%*	*4.8%*	*5.2%*	*6.5%*	*5.6%*	*8.0%*	*5.5%*	*5.5%*	*6.8%*	*6.3%*	*7.8%*	*5.5%*	*5.2%*	*6.6%*	*6.2%*	*7.7%*	*5.3%*	*5.1%*	*6.5%*	*6.0%*
Intangible asset amortization	15.226	4.297	4.280	4.280	4.180	17.037	4.503	4.536	6.035	6.500	21.574	6.250	6.250	6.250	6.250	25.000	6.250	6.250	6.250	6.250	25.000
Acquisition related costs	0.873	0.036	0.101	0.072	0.212	0.421	0.179	2.495	5.349	0.212	8.235	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other operating income (expense), net	(17.041)	(3.148)	(7.772)	(7.283)	(7.416)	(25.619)	0.549	2.442	4.062	7.000	14.053	0.500	2.500	4.000	7.000	14.000	0.500	2.500	4.000	7.000	14.000
Operating income	**205.795**	**42.125**	**72.734**	**87.492**	**62.271**	**264.622**	**56.076**	**104.564**	**125.309**	**101.361**	**387.310**	**82.648**	**133.886**	**156.173**	**114.538**	**487.245**	**91.940**	**146.099**	**170.802**	**126.742**	**535.583**
Margin	*10.4%*	*9.6%*	*12.5%*	*14.7%*	*12.5%*	*12.5%*	*13.0%*	*17.0%*	*18.2%*	*15.7%*	*16.3%*	*15.0%*	*17.9%*	*19.0%*	*16.4%*	*17.3%*	*15.5%*	*18.2%*	*19.2%*	*16.9%*	*17.6%*
Interest, net	(15.180)	(0.762)	(0.208)	1.305	2.032	2.367	1.595	1.906	1.537	2.000	7.038	2.000	2.000	2.000	2.000	8.000	2.000	2.000	2.000	2.000	8.000
Loss (gain) on extinguishment of debt																					
Loss (gain) on deconsolidation of subsidiary, net					91.289	91.289															
Income before income taxes	**190.615**	**41.363**	**72.526**	**88.797**	**155.592**	**358.278**	**57.671**	**106.470**	**126.846**	**103.361**	**394.348**	**84.648**	**135.886**	**158.173**	**116.538**	**495.245**	**93.940**	**148.099**	**172.802**	**128.742**	**543.583**
Income tax expense	47.770	7.604	17.952	23.404	38.400	87.360	15.080	27.362	30.517	26.874	99.833	21.162	33.972	39.543	29.134	123.811	23.485	37.025	43.201	32.185	135.896
Tax rate	*25.1%*	*18.4%*	*24.8%*	*26.4%*	*24.7%*	*24.4%*	*26.1%*	*25.7%*	*24.1%*	*26.0%*	*25.3%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*
Net income (Loss) including noncontrolling interests	**142.845**	**33.759**	**54.574**	**65.393**	**117.192**	**270.918**	**42.591**	**79.108**	**96.329**	**76.487**	**294.515**	**63.486**	**101.915**	**118.630**	**87.403**	**371.434**	**70.455**	**111.074**	**129.602**	**96.556**	**407.687**
Net income attributable to noncontrolling interests	(4.190)	(2.711)	(2.695)	(4.072)	(3.979)	(13.457)	(3.114)	(8.117)	(4.241)	(4.000)	(19.472)	(5.000)	(5.000)	(5.000)	(5.000)	(20.000)	(5.000)	(5.000)	(5.000)	(5.000)	(20.000)
Net loss attributable to common stockholders	**138.655**	**31.048**	**51.879**	**61.321**	**113.213**	**257.461**	**39.477**	**70.991**	**92.088**	**72.487**	**275.043**	**58.486**	**96.915**	**113.630**	**82.403**	**351.434**	**65.455**	**106.074**	**124.602**	**91.556**	**387.687**
EPS	$4.44	$1.00	$1.67	$1.97	$3.64	$8.27	$1.28	$2.31	$2.97	$2.34	$8.90	$1.89	$3.13	$3.67	$2.66	$11.35	$2.11	$3.43	$4.02	$2.96	$12.52
Adjusted EPS	**$4.46**	**$1.26**	**$1.91**	**$2.20**	**$1.46**	**$6.10**	**$1.63**	**$2.69**	**$3.48**	**$2.71**	**$10.51**	**$2.23**	**$3.47**	**$4.01**	**$3.01**	**$12.73**	**$2.46**	**$3.77**	**$4.37**	**$3.30**	**$13.91**
Basic shares oustanding (shares in millions)	30.755	30.977	30.914	30.735	30.696	30.830	30.547	30.408	30.519	30.519	30.498	30.519	30.519	30.519	30.519	30.519	30.519	30.519	30.519	30.519	30.519
Diluted shares oustanding (shares in millions)	**31.208**	**31.186**	**31.145**	**31.070**	**31.121**	**31.146**	**30.881**	**30.762**	**30.960**	**30.960**	**30.891**	**30.960**	**30.960**	**30.960**	**30.960**	**30.960**	**30.960**	**30.960**	**30.960**	**30.960**	**30.960**
Adjusted EBITDA	**259.881**	**61.294**	**92.861**	**100.855**	**76.368**	**319.996**	**80.304**	**125.676**	**155.782**	**126.964**	**488.726**	**106.090**	**157.473**	**179.896**	**138.389**	**581.848**	**116.011**	**170.341**	**195.206**	**151.298**	**632.857**
Margin	*13.2%*	*13.9%*	*15.9%*	*17.0%*	*15.3%*	*15.1%*	*18.6%*	*20.5%*	*22.6%*	*19.6%*	*20.5%*	*19.2%*	*21.1%*	*21.8%*	*19.9%*	*20.7%*	*19.5%*	*21.3%*	*22.0%*	*20.2%*	*20.9%*
Incremental Margin	*24.8%*	*41.3%*	*31.9%*	*88.5%*	*58.1%*	*41.9%*	*(202.0%)*	*103.7%*	*57.6%*	*34.3%*	*63.7%*	*21.4%*	*24.2%*	*17.9%*	*22.8%*	*21.3%*	*23.4%*	*23.3%*	*23.6%*	*23.7%*	*23.5%*

Source: Company data and Stifel estimates

Sterling Infrastructure Inc.
Balance Sheet (fiscal year end December)
(all figures in millions)

	2023	Mar 1Q24	Jun 2Q24	Sept 3Q24	Dec 4Q24	2024	Mar 1Q25	Jun 2Q25	Sept 3Q25	Dec 4Q25E	2025E	Mar 1Q26E	Jun 2Q26E	Sept 3Q26E	Dec 4Q26E	2026E	Mar 1Q27E	Jun 2Q27E	Sept 3Q27E	Dec 4Q27E	2027E
Assets																					
Cash and cash equivalents	471.563	480.414	539.985	648.127	664.195	664.195	638.647	699.373	306.395	463.181	463.181	519.629	700.211	847.109	945.425	945.425	988.803	1,172.820	1,317.578	1,424.819	1,424.819
Contracts receivable, including retainage	252.435	274.010	374.771	329.882	247.050	247.050	285.751	347.661	496.058	294.761	294.761	414.635	372.414	498.126	348.861	348.861	474.088	412.358	536.364	375.720	375.720
Costs and estimated earnings in excess of billings	88.600	88.329	77.034	79.736	55.387	55.387	48.704	51.778	102.736	62.322	62.322	57.836	63.763	127.315	73.761	73.761	66.129	70.602	137.088	79.439	79.439
Inventories																					
Receivables from and equity in construction joint ventures	17.506	18.222	5.467	7.814	37.865	37.865	6.912	10.508	5.204	5.204	5.204	5.204	5.204	5.204	5.204	5.204	5.204	5.204	5.204	5.204	5.204
Other current assets	17.875	17.883	19.511	18.086	17.383	17.383	17.720	22.979	52.755	22.520	22.520	22.679	27.900	63.068	24.264	24.264	24.419	29.968	68.026	26.165	26.165
Total Current Assets	**847.979**	**878.858**	**1,016.768**	**1,083.645**	**1,021.880**	**1,021.880**	**997.734**	**1,132.299**	**963.148**	**847.988**	**847.988**	**1,019.983**	**1,169.492**	**1,540.822**	**1,397.516**	**1,397.516**	**1,558.643**	**1,690.952**	**2,064.260**	**1,911.346**	**1,911.346**
Property and equipment, net of accumulated depreciation	243.648	258.802	268.185	270.532	236.795	236.795	244.659	244.810	268.033	278.131	278.131	280.639	283.002	285.229	287.329	287.329	290.307	293.115	295.761	298.254	298.254
Investment in unconsolidated subsidiary					107.400	107.400	109.291	109.040	108.512	108.512	108.512	108.512	108.512	108.512	108.512	108.512	108.512	108.512	108.512	108.512	108.512
Operating lease right-of-use assets	57.235	55.169	58.970	54.748	52.668	52.668	48.264	44.470	64.232	64.232	64.232	64.232	64.232	64.232	64.232	64.232	64.232	64.232	64.232	64.232	64.232
Goodwill	281.117	281.363	281.363	281.363	264.597	264.597	283.664	283.664	580.564	580.564	580.564	580.564	580.564	580.564	580.564	580.564	580.564	580.564	580.564	580.564	580.564
Intangibles	328.397	324.100	319.820	315.540	316.390	316.390	333.694	329.158	561.716	555.216	555.216	548.966	542.716	536.466	530.216	530.216	523.966	517.716	511.466	505.216	505.216
Deferred tax asset	0.000					0.000															
Other assets, net	18.808	19.204	19.444	17.757	17.044	17.044	17.233	17.449	16.062	22.081	22.081	22.056	21.186	19.202	23.791	23.791	23.748	22.756	20.711	25.654	25.654
Total Non-Current Assets	**929.205**	**938.638**	**947.782**	**939.940**	**994.894**	**994.894**	**1,036.805**	**1,028.591**	**1,599.119**	**1,608.736**	**1,608.736**	**1,604.969**	**1,600.212**	**1,594.205**	**1,594.644**	**1,594.644**	**1,591.329**	**1,586.895**	**1,581.246**	**1,582.433**	**1,582.433**
Total Assets	**1,777.184**	**1,817.496**	**1,964.550**	**2,023.585**	**2,016.774**	**2,016.774**	**2,034.539**	**2,160.890**	**2,562.267**	**2,456.724**	**2,456.724**	**2,624.951**	**2,769.703**	**3,135.027**	**2,992.160**	**2,992.160**	**3,149.972**	**3,277.847**	**3,645.506**	**3,493.779**	**3,493.779**
Liabilities and stockholders' equity																					
Accounts payable, including retainage	145.968	135.426	163.841	160.199	130.420	130.420	128.885	159.259	198.323	151.237	151.237	181.672	170.333	202.273	177.782	177.782	206.875	187.984	216.948	190.679	190.679
Billings in excess of costs and estimated earnings	444.160	485.049	556.134	563.531	508.846	508.846	534.388	553.171	616.273	572.561	572.561	634.587	681.213	763.713	677.648	677.648	725.578	754.277	822.338	729.818	729.818
Current maturities of long-term debt	26.520	26.469	26.428	26.425	26.423	26.423	26.419	15.162	15.154	15.154	15.154	15.154	15.154	15.154	15.154	15.154	15.154	15.154	15.154	15.154	15.154
Current portion of long-term lease obligations	19.641	19.143	19.831	19.531	20.498	20.498	19.333	18.202	20.980	20.980	20.980	20.980	20.980	20.980	20.980	20.980	20.980	20.980	20.980	20.980	20.980
Income taxes payable	0.000					0.000															
Accrued compensation	27.758	19.831	29.768	43.198	36.774	36.774	24.918	36.596	62.033	41.379	41.379	29.590	45.067	76.874	48.973	48.973	33.833	49.901	82.775	52.744	52.744
Other current liabilities	14.121	19.799	24.854	26.152	18.997	18.997	22.826	13.841	54.030	24.611	24.611	29.214	16.805	64.592	26.517	26.517	31.456	18.051	69.670	28.594	28.594
Total Current Liabilities	**678.168**	**705.717**	**820.856**	**839.036**	**741.958**	**741.958**	**756.769**	**796.231**	**966.793**	**825.921**	**825.921**	**911.197**	**949.551**	**1,143.586**	**967.054**	**967.054**	**1,033.876**	**1,046.347**	**1,227.866**	**1,037.969**	**1,037.969**
Long-term debt	314.996	308.721	302.459	296.185	289.898	289.898	283.603	283.050	279.479	279.479	279.479	279.479	279.479	279.479	279.479	279.479	279.479	279.479	279.479	279.479	279.479
Long-term lease obligations	37.722	36.180	39.180	35.445	32.455	32.455	29.334	26.729	43.588	43.588	43.588	43.588	43.588	43.588	43.588	43.588	43.588	43.588	43.588	43.588	43.588
Member's interest subject to mandatory redemption and undistribute	29.108	19.097	23.811	23.417		0.000															
Deferred Taxes	76.764	78.303	80.304	82.894	109.360	109.360	110.010	114.774	118.616	119.616	119.616	119.616	119.616	119.616	119.616	119.616	119.616	119.616	119.616	119.616	119.616
Other long-term liabilities	16.573	17.261	16.926	15.666	16.625	16.625	27.896	28.733	68.796	21.538	21.538	35.703	34.886	82.245	23.206	23.206	38.442	37.473	88.710	25.024	25.024
Total Non-Current liabilities	**475.163**	**459.562**	**462.680**	**453.607**	**448.338**	**448.338**	**450.843**	**453.286**	**510.479**	**464.221**	**464.221**	**478.386**	**477.569**	**524.928**	**465.889**	**465.889**	**481.125**	**480.156**	**531.393**	**467.707**	**467.707**
Total Liabilities	**1,153.331**	**1,165.279**	**1,283.536**	**1,292.643**	**1,190.296**	**1,190.296**	**1,207.612**	**1,249.517**	**1,477.272**	**1,290.142**	**1,290.142**	**1,389.583**	**1,427.120**	**1,668.514**	**1,432.943**	**1,432.943**	**1,515.001**	**1,526.502**	**1,759.259**	**1,505.676**	**1,505.676**
Total Shareholders' Equity	**618.913**	**644.566**	**670.668**	**716.524**	**808.081**	**808.081**	**805.416**	**881.745**	**1,051.126**	**1,132.713**	**1,132.713**	**1,201.499**	**1,308.714**	**1,432.644**	**1,525.347**	**1,525.347**	**1,601.102**	**1,717.476**	**1,852.378**	**1,954.234**	**1,954.234**
Noncontrolling interests	4.940	7.651	10.346	14.418	18.397	18.397	21.511	29.628	33.869	33.869	33.869	33.869	33.869	33.869	33.869	33.869	33.869	33.869	33.869	33.869	33.869
Total Liabilities & Shareholders' Equity	**1,777.184**	**1,817.496**	**1,964.550**	**2,023.585**	**2,016.774**	**2,016.774**	**2,034.539**	**2,160.890**	**2,562.267**	**2,456.724**	**2,456.724**	**2,624.951**	**2,769.703**	**3,135.027**	**2,992.160**	**2,992.160**	**3,149.972**	**3,277.847**	**3,645.506**	**3,493.779**	**3,493.779**

Source: Company data and Stifel estimates

Sterling Infrastructure Inc.
Statement of Cash Flows (fiscal year end December)
(all figures in millions)

	2023	Mar 1Q24	Jun 2Q24	Sept 3Q24	Dec 4Q24	2024	Mar 1Q25	Jun 2Q25	Sept 3Q25	Dec 4Q25E	2025E	Mar 1Q26E	Jun 2Q26E	Sept 3Q26E	Dec 4Q26E	2026E	Mar 1Q27E	Jun 2Q27E	Sept 3Q27E	Dec 4Q27E	2027E
Cash flows from operating activities:																					
Net income including noncontrolling interests	142.845	33.759	54.574	65.393	117.192	270.918	42.591	79.108	96.329	76.487	294.515	63.486	101.915	118.630	87.403	371.434	70.455	111.074	129.602	96.556	407.687
Adjustments to reconcile net income (loss) to net cash provided by operating activities:																					
Depreciation and amortization	57.403	16.258	16.925	17.363	17.864	68.410	16.991	17.622	19.913	19.902	74.455	22.243	22.387	22.523	22.651	89.803	22.771	22.943	23.104	23.256	92.074
Amortization of debt issuance costs and non-cash interest	1.727	0.305	0.292	0.280	0.269	1.146	0.256	0.216	0.161	0.000	0.633	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Loss (gain) on disposal of property and equipment	(5.286)	(0.585)	(2.379)	(0.316)	(0.193)	(3.473)	(0.782)	(0.558)	(1.160)	(0.900)	(3.400)	(0.900)	(0.900)	(0.900)	(0.900)	(3.600)	(1.000)	(1.000)	(1.000)	(1.000)	(4.000)
Stock-based compensation expense	14.622	4.586	4.796	4.371	5.250	19.003	6.683	5.595	5.963	6.000	24.241	6.200	6.200	6.200	6.200	24.800	6.300	6.300	6.300	6.300	25.200
Impairment on building held-for-sale																					
Deferred tax expense	14.746	1.517	2.000	2.590	26.466	32.573	0.650	4.764	3.842	1.000	10.256	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other	0.000	0.000	0.000	0.000	(91.289)	(91.289)	(1.892)	6.534	0.528	0.000	5.170	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Net changes in operating assets and liabilities (net of acquisitions):																					
(Increase) decrease in accounts receivable	12.805	(21.581)	(100.762)	46.584	68.871	(6.888)	(32.233)	(61.910)	(71.748)	201.297	35.406	(119.873)	42.221	(125.712)	149.265	(54.100)	(125.226)	61.730	(124.006)	160.645	(26.858)
(Increase) decrease in contracts in progress	226.066	41.160	82.380	5.747	65.019	194.306	31.428	15.710	(0.780)	(3.298)	43.060	66.512	40.699	18.948	(32.511)	93.648	55.562	24.226	1.575	(34.871)	46.492
(Increase) decrease in inventories																					
(Increase) decrease in receivables from and equity in JV	(3.384)	(0.716)	12.755	(2.347)	(2.264)	7.428	(1.101)	22.176	5.304	0.000	26.379	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Increase (decrease) in accounts payable	10.307	(17.041)	33.589	(3.495)	(22.389)	(9.336)	(5.438)	29.962	(19.208)	(47.086)	(41.770)	30.435	(11.339)	31.940	(24.491)	26.546	29.093	(18.891)	28.964	(26.269)	12.897
Increase (decrease) in accrued compensation and other liabilities	4.841	2.010	14.053	14.888	(10.239)	20.712	(4.128)	3.465	45.536	(50.074)	(5.201)	(7.185)	3.067	79.595	(65.976)	9.501	(10.202)	2.663	84.494	(71.108)	5.847
Increase (decrease) in member's interest subject to mandatory redemption and undistributed earnings	7.511	(10.011)	4.714	(0.394)	(0.584)	(6.275)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
(Increase) decrease in other assets and liabilities	(5.619)	(0.070)	(1.967)	1.610	0.296	(0.131)	31.858	(37.256)	(1.054)	(23.042)	(29.494)	14.031	(5.167)	14.174	(24.824)	(1.786)	15.124	(5.527)	15.225	(26.768)	(1.946)
Net cash provided by (used in) operating activities	**478.584**	**49.591**	**120.970**	**152.274**	**174.269**	**497.104**	**84.883**	**85.428**	**83.626**	**180.286**	**434.250**	**74.948**	**199.082**	**165.398**	**116.817**	**556.245**	**62.877**	**203.518**	**164.258**	**126.741**	**557.393**
Cash Flows from Investing Activities:																					
Acquistion/disposition, net of cash acquired	(37.177)	(1.016)	0.000	(3.811)	(6.396)	(11.223)	(37.860)	0.000	(446.296)	0.000	(484.156)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Additions to property and equipment	(64.379)	(22.432)	(28.877)	(14.000)	(15.645)	(80.954)	(17.924)	(13.338)	(19.661)	(25.000)	(75.923)	(20.000)	(20.000)	(20.000)	(20.000)	(80.000)	(21.000)	(21.000)	(21.000)	(21.000)	(84.000)
Proceeds of sale from property and equipment	13.804	2.401	4.543	0.890	2.323	10.157	1.573	1.072	1.369	1.500	5.514	1.500	1.500	1.500	1.500	6.000	1.500	1.500	1.500	1.500	6.000
Other	0.000	0.000	0.000	0.000	(103.829)	(103.829)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Net cash provided by (used in) investing activities	**(87.752)**	**(21.047)**	**(24.334)**	**(16.921)**	**(123.547)**	**(185.849)**	**(54.211)**	**(12.266)**	**(464.588)**	**(23.500)**	**(554.565)**	**(18.500)**	**(18.500)**	**(18.500)**	**(18.500)**	**(74.000)**	**(19.500)**	**(19.500)**	**(19.500)**	**(19.500)**	**(78.000)**
Cash Flows from Financing Activities:																					
Cash received - LT debt	2.562	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Repayments - LT Debt	(93.491)	(6.678)	(6.646)	(6.607)	(6.608)	(26.539)	(6.606)	(10.669)	(3.792)	0.000	(21.067)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Cumulative daily drawdowns - Credit Facility																					
Cumulative daily repayments - Credit Facility																					
Cumulative repayments - equipment-based term loan and other																					
Cumulative drawdowns - equipment-based revolver																					
Cumulative repayments - equipment-based revolver																					
Distributions to noncontrolling interest owners	(2.450)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Net proceeds from stock																					
Repurchase of common stock	0.000	0.000	(30.142)	(20.454)	(20.000)	(70.596)	(43.846)	0.000	(4.700)	0.000	(48.546)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Debt issuance costs	(1.572)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(1.409)	0.000	(1.409)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Loss on debt extinguishment																					
Other	(9.583)	(13.015)	(0.277)	(0.150)	(8.046)	(21.488)	(5.768)	(1.767)	(2.115)	0.000	(9.650)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Net cash provided by (used in) financing activities	**(104.534)**	**(19.693)**	**(37.065)**	**(27.211)**	**(34.654)**	**(118.623)**	**(56.220)**	**(12.436)**	**(12.016)**	**0.000**	**(80.672)**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Net increase (decrease) in cash and cash equivalents	**286.298**	**8.851**	**59.571**	**108.142**	**16.068**	**192.632**	**(25.548)**	**60.726**	**(392.978)**	**156.786**	**(201.014)**	**56.448**	**180.582**	**146.898**	**98.317**	**482.245**	**43.377**	**184.018**	**144.758**	**107.241**	**479.393**
Cash and cash equivalents, and restricted cash beginning of period	**185.265**	**471.563**	**480.414**	**539.985**	**648.127**	**471.563**	**664.195**	**638.647**	**699.373**	**306.395**	**664.195**	**463.181**	**519.629**	**700.211**	**847.109**	**463.181**	**945.425**	**988.803**	**1,172.820**	**1,317.578**	**945.425**
Cash and cash equivalents, and restricted cash end of period	**471.563**	**480.414**	**539.985**	**648.127**	**664.195**	**664.195**	**638.647**	**699.373**	**306.395**	**463.181**	**463.181**	**519.629**	**700.211**	**847.109**	**945.425**	**945.425**	**988.803**	**1,172.820**	**1,317.578**	**1,424.819**	**1,424.819**
Less: Restricted Cash	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Cash and cash equivalents, end of period	**471.563**	**480.414**	**539.985**	**648.127**	**664.195**	**664.195**	**638.647**	**699.373**	**306.395**	**463.181**	**463.181**	**519.629**	**700.211**	**847.109**	**945.425**	**945.425**	**988.803**	**1,172.820**	**1,317.578**	**1,424.819**	**1,424.819**

Source: Company data and Stifel estimates

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Sterling Infrastructure, Inc (STRL) as of February 10, 2026

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The recommendation contained in this report was produced at 11 February 2026 16:05EST and disseminated at 11 February 2026 16:05EST.

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