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 June 30, 2025

☐ 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: 001-36870

TopBuild Corp.

(Exact name of Registrant as Specified in its Charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	**47-3096382** (I.R.S. Employer Identification No.)
475 North Williamson Boulevard **Daytona Beach, Florida** (Address of Principal Executive Offices)	**32114** (Zip Code)

(386) 304-2200
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	BLD	New York Stock Exchange

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

The registrant had outstanding 28,138,831 shares of Common Stock, par value $0.01 per share as of July 29, 2025.

TOPBUILD CORP.
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GLOSSARY

We use acronyms, abbreviations, and other defined terms throughout this Quarterly Report, which are defined in the glossary below:

Term	Definition
3.625% Senior Notes	TopBuild's 3.625% senior unsecured notes issued March 15, 2021 and due March 15, 2029
4.125% Senior Notes	TopBuild's 4.125% senior unsecured notes issued October 14, 2021 and due February 15, 2032
2015 LTIP	2015 Long-Term Incentive Program authorizes the Board to grant stock options, stock appreciation rights, restricted shares, restricted share units, performance awards, and dividend equivalents
2024 Repurchase Program	$1 billion share repurchase program authorized by the Board on May 3, 2024.
2025 LTIP	TopBuild Corp. Amended and Restated 2015 Long Term Stock Incentive Plan, as amended April 28, 2025
2025 Repurchase Program	$1 billion share repurchase program authorized by the Board on February 17, 2025.
Amendment No. 5	Amendment No. 5 to the Credit Agreement dated May 16, 2025
Annual Report	Annual report filed with the SEC on Form 10-K pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
Board	Board of Directors of TopBuild
BofA	Bank of America, N.A.
Brabble	Brabble Insulation, Inc.
CODM	Chief Operating Decision Maker
Cost of sales	Primarily composed of labor, material costs and overhead
Credit Agreement	Amended and Restated Credit Agreement, originally dated March 20, 2020 and amended May 16, 2025, among TopBuild, BofA as administrative agent, and the other lenders and agents party thereto
Current Report	Current report filed with the SEC on Form 8-K pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
EBITDA	Earnings before interest, taxes, depreciation, and amortization
Exchange Act	The Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
GAAP	Generally accepted accounting principles in the United States of America
Green Space	Nate's Insulation, LLC d/b/a Green Space Insulation
Insulation Works	Insulation Works, Inc.
Lenders	Bank of America, N.A., together with the other lenders party to "Credit Agreement"
Morris Black	Morris Black & Sons, Inc.
Net Leverage Ratio	As defined in the "Credit Agreement," the ratio of outstanding indebtedness, less up to $350 million of unrestricted cash, to EBITDA
NYSE	New York Stock Exchange
PCI	Pest Control Insulation, LLC
Progressive	PR Midco LLC, d/b/a Progressive Roofing
Quarterly Report	Quarterly report filed with the SEC on Form 10-Q pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
RSA	Restricted stock award
Seal-Rite	Seal-Rite Insulation Inc
SEC	United States Securities and Exchange Commission
Secured Leverage Ratio	As defined in the "Credit Agreement," the ratio of outstanding indebtedness, including letters of credit, to EBITDA
Selling, general and administrative expenses	Includes allocation of corporate overhead, bad debt, bank fees, selling expenses, employee compensation, insurance, legal and consulting, office equipment & supplies, telecommunication & subscriptions, and travel & entertainment
SOFR	Secured overnight financing rate
SPI	SPI LLC d/b/a Specialty Products & Insulation
Term Loan	TopBuild's secured borrowings under the "Credit Agreement" due May 16, 2030
Texas Insulation	EOAKIS, LLC, d/b/a Texas Insulation
TopBuild	TopBuild Corp. and its wholly-owned consolidated domestic subsidiaries

PART I – FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

TOPBUILD CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(In thousands except share data)

	As of	
	June 30, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 842,493	$ 400,318
Receivables, net of an allowance for credit losses of $24,268 at June 30, 2025, and $18,541 at December 31, 2024	752,559	751,612
Inventories	385,466	406,662
Prepaid expenses and other current assets	37,566	40,382
Total current assets	2,018,084	1,598,974
Right of use assets	180,626	189,146
Property and equipment, net	254,127	266,992
Goodwill	2,125,827	2,112,259
Other intangible assets, net	531,411	557,689
Other assets	9,743	10,366
Total assets	$ 5,119,818	$ 4,735,426
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 417,500	$ 456,446
Current portion of long-term debt	50,000	48,750
Accrued liabilities	178,709	191,786
Short-term operating lease liabilities	66,884	68,713
Short-term finance lease liabilities	1,192	1,487
Total current liabilities	714,285	767,182
Long-term debt	1,833,213	1,327,159
Deferred tax liabilities, net	237,503	240,343
Long-term portion of insurance reserves	58,339	57,700
Long-term operating lease liabilities	129,166	129,360
Long-term finance lease liabilities	1,948	2,618
Other liabilities	1,366	1,446
Total liabilities	2,975,820	2,525,808
Commitments and contingencies		
Equity:		
Preferred stock, $0.01 par value: 10,000,000 shares authorized; 0 shares issued and outstanding	-	-
Common stock, $0.01 par value: 250,000,000 shares authorized; 39,607,969 shares issued and 28,255,264 outstanding at June 30, 2025, and 39,554,033 shares issued and 29,367,087 outstanding at December 31, 2024	396	396
Treasury stock, 11,352,705 shares at June 30, 2025, and 10,186,946 shares at December 31, 2024, at cost	(2,041,581)	(1,681,230)
Additional paid-in capital	935,784	926,137
Retained earnings	3,268,508	2,993,521
Accumulated other comprehensive loss	(19,109)	(29,206)
Total equity	2,143,998	2,209,618
Total liabilities and equity	$ 5,119,818	$ 4,735,426

See notes to our unaudited condensed consolidated financial statements.

TOPBUILD CORP.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
(In thousands except share and per common share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Net sales	$ 1,297,403	$ 1,365,612	$ 2,530,681	$ 2,644,329
Cost of sales	903,360	941,690	1,785,165	1,833,257
Gross profit	394,043	423,922	745,516	811,072
Selling, general, and administrative expense	174,254	213,530	348,239	386,172
Operating profit	219,789	210,392	397,277	424,900
Other income (expense), net:				
Interest expense	(20,545)	(18,568)	(37,147)	(37,363)
Other, net	4,348	11,350	9,434	22,632
Other expense, net	(16,197)	(7,218)	(27,713)	(14,731)
Income before income taxes	203,592	203,174	369,564	410,169
Income tax expense	(51,990)	(52,451)	(94,578)	(107,065)
Net income	$ 151,602	$ 150,723	$ 274,986	$ 303,104
Net income per common share:				
Basic	$ 5.34	$ 4.81	$ 9.58	$ 9.63
Diluted	$ 5.32	$ 4.78	$ 9.53	$ 9.56
Weighted average shares outstanding:				
Basic	28,371,644	31,324,833	28,698,125	31,483,144
Diluted	28,515,554	31,524,063	28,858,719	31,693,524

See notes to our unaudited condensed consolidated financial statements.

TOPBUILD CORP.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)
(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Net income	$ 151,602	$ 150,723	$ 274,986	$ 303,104
Other comprehensive income (loss):				
Foreign currency translation adjustment	9,868	(1,836)	10,096	(5,928)
Comprehensive income	$ 161,470	$ 148,887	$ 285,082	$ 297,176

See notes to our unaudited condensed consolidated financial statements.

TOPBUILD CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(In thousands)

	Six Months Ended June 30,	
	2025	2024
Cash Flows Provided by (Used in) Operating Activities:		
Net income	$ 274,986	$ 303,104
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	71,677	69,291
Share-based compensation	9,806	9,759
Loss (gain) on sale of assets	711	(131)
Amortization of debt issuance costs	1,549	1,440
Provision for bad debt expense	8,121	9,874
Provision for inventory obsolescence	4,570	4,892
Impairment losses	8,636	—
Deferred income taxes, net	(2,668)	(72)
Change in certain assets and liabilities, net of effects of businesses acquired:		
Receivables, net	(4,988)	(58,411)
Inventories	20,146	(30,758)
Prepaid expenses and other current assets	2,884	(6,595)
Accounts payable	(39,053)	(17,480)
Accrued liabilities	(7,677)	(13,348)
Other, net	(2,421)	(2,437)
Net cash provided by operating activities	346,279	269,128
Cash Flows Provided by (Used in) Investing Activities:		
Purchases of property and equipment	(24,915)	(35,974)
Acquisition of businesses, net of cash acquired	(21,185)	(88,123)
Proceeds from sale of assets	610	2,150
Net cash used in investing activities	(45,490)	(121,947)
Cash Flows Provided by (Used in) Financing Activities:		
Proceeds from issuance of long-term debt	1,000,000	—
Repayment of long-term debt	(487,500)	(23,873)
Excise taxes paid on share repurchases	(9,444)	—
Payment of debt issuance costs	(6,970)	—
Taxes withheld and paid on employees' equity awards	(5,374)	(6,059)
Exercise of stock options	—	3,224
Repurchase of shares of common stock	(351,621)	(505,241)
Net cash provided by (used in) financing activities	139,091	(531,949)
Impact of exchange rate changes on cash	2,295	(576)
Net increase (decrease) in cash and cash equivalents	442,175	(385,344)
Cash and cash equivalents - Beginning of period	400,318	848,565
Cash and cash equivalents - End of period	$ 842,493	$ 463,221
Supplemental disclosure of noncash activities:		
Leased assets obtained in exchange for new operating lease liabilities	$ 33,978	$ 20,180
Accruals for property and equipment	353	277
Excise taxes capitalized to treasury stock	3,516	5,202

See notes to our unaudited condensed consolidated financial statements.

TOPBUILD CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Unaudited)
(In thousands except share data)

	Common Stock ($0.01 par value)	Treasury Stock at cost	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)/Income	Equity
Balance at December 31, 2024	$ 396	$ (1,681,230)	$ 926,137	$ 2,993,521	$ (29,206)	$ 2,209,618
Net income	-	-	-	123,385	-	123,385
Share-based compensation	-	-	5,042	-	-	5,042
Issuance of 51,633 restricted share awards under long-term equity incentive plan, net of forfeitures	-	-	-	-	-	-
Repurchase of 693,881 shares pursuant to the Share Repurchase Programs	-	(217,784)	-	-	-	(217,784)
14,178 shares withheld to pay taxes on employees' equity awards	-	(4,307)	(159)	-	-	(4,466)
Other comprehensive income, net of tax	-	-	-	-	229	229
Balance at March 31, 2025	$ 396	$ (1,903,321)	$ 931,020	$ 3,116,906	$ (28,977)	$ 2,116,024
Net income	-	-	-	151,602	-	151,602
Share-based compensation	-	-	4,764	-	-	4,764
Issuance of 2,303 restricted share awards under long-term equity incentive plan, net of forfeitures	-	-	-	-	-	-
Repurchase of 454,802 shares pursuant to the Share Repurchase Programs	-	(137,352)	-	-	-	(137,352)
2,898 shares withheld to pay taxes on employees' equity awards	-	(908)	-	-	-	(908)
Other comprehensive income, net of tax	-	-	-	-	9,868	9,868
Balance at June 30, 2025	$ 396	$ (2,041,581)	$ 935,784	$ 3,268,508	$ (19,109)	$ 2,143,998

	Common Stock ($0.01 par value)	Treasury Stock at cost	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Equity
Balance at December 31, 2023	$ 394	$ (699,327)	$ 906,334	$ 2,370,919	$ (14,665)	$ 2,563,655
Net income	-	-	-	152,381	-	152,381
Share-based compensation	-	-	5,127	-	-	5,127
Issuance of 51,236 restricted share awards under long-term equity incentive plan, net of forfeitures	1	-	-	-	-	1
14,965 shares withheld to pay taxes on employees' equity awards	-	(6,059)	-	-	-	(6,059)
5,757 shares issued upon exercise of stock options	-	-	1,020	-	-	1,020
Other comprehensive loss, net of tax	-	-	-	-	(4,092)	(4,092)
Balance at March 31, 2024	$ 395	$ (705,386)	$ 912,481	$ 2,523,300	$ (18,757)	$ 2,712,033
Net income	-	-	-	150,723	-	150,723
Share-based compensation	-	-	4,632	-	-	4,632
Issuance of 2,022 restricted share awards under long-term equity incentive plan, net of forfeitures	1	-	-	-	-	1
Repurchase of 1,246,182 shares pursuant to Share Repurchase Programs	-	(510,443)	-	-	-	(510,443)
10,269 shares issued upon exercise of stock options	-	-	2,204	-	-	2,204
Other comprehensive loss, net of tax	-	-	-	-	(1,836)	(1,836)
Balance at June 30, 2024	$ 396	$ (1,215,829)	$ 919,317	$ 2,674,023	$ (20,593)	$ 2,357,314

See notes to our unaudited condensed consolidated financial statements.

TOPBUILD CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

TopBuild is a Delaware corporation and trades on the NYSE under the symbol "BLD." We report our business in two segments: Installation and Specialty Distribution. Our Installation segment primarily installs insulation and other building products. Our Specialty Distribution segment primarily sells and distributes insulation and other building products. Our segments are based on our operating units, for which further discussion is included in *Note 7 – Segment Information*.

We believe the accompanying unaudited condensed consolidated financial statements contain all adjustments, of a normal recurring nature, necessary to state fairly our financial position as of June 30, 2025, our results of operations and comprehensive income for the three and six months ended June 30, 2025 and 2024, and our cash flows for the six months ended June 30, 2025 and 2024. The condensed consolidated balance sheet at December 31, 2024 was derived from our audited financial statements, but does not include all disclosures required by GAAP.

These condensed consolidated financial statements and related notes should be read in conjunction with the audited Consolidated Financial Statements included in the Company's Annual report for the year ended December 31, 2024, as filed with the SEC on February 25, 2025.

2. ACCOUNTING POLICIES

Financial Statement Presentation. Our condensed consolidated financial statements have been developed in conformity with GAAP, which requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting periods. Actual results could differ materially from these estimates. All intercompany transactions between TopBuild entities have been eliminated.

Recently Adopted Accounting Pronouncements

Segment Reporting. In November 2023, the FASB issued ASU 2023-07, "Segment Reporting (Topic 280), Improvements to Reportable Segment Disclosures". This standard amends Topic 280 to require all entities to disclose, on an annual and interim basis, significant segment expenses and an amount for other segment items by reportable segment. This standard became effective for us as of December 31, 2024. Its adoption had no impact on our consolidated results of operations, financial position or cash flows. See *Note 7 – Segment Information* for required disclosures.

Recently Issued Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740), Improvements to Income Tax Disclosures". This standard amends Topic 740 to require all entities to disclose specific categories in the rate reconciliation, income taxes paid and other income tax information. This standard is effective for fiscal years beginning after December 15, 2024, and should be applied on a prospective basis. We do not anticipate that this standard will affect our consolidated results of operations, financial position or cash flows.

In November 2024, the FASB issued ASU 2024-03, "Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)". This standard requires disclosure, in the notes to financial statements, of specified information about certain costs and expenses. This standard is effective for annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. This standard may be applied either prospectively or retrospectively. We do not anticipate that this standard will affect our consolidated results of operations, financial position or cash flows and we are assessing the impact of its adoption in our disclosures to our consolidated financial statements.

TOPBUILD CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

3. REVENUE RECOGNITION

Revenue is disaggregated between our Installation and Specialty Distribution segments and further based on market and product, as we believe this best depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

The following tables present our revenues disaggregated by market (in thousands):

	Three Months Ended June 30,							
	2025				2024			
	Installation	Specialty Distribution	Eliminations	Total	Installation	Specialty Distribution	Eliminations	Total
Residential	$ 650,925	$ 226,993	$ (68,418)	$ 809,500	$ 712,827	$ 237,604	$ (66,331)	$ 884,100
Commercial/Industrial	129,753	372,191	(14,041)	487,903	138,156	355,222	(11,866)	481,512
Net sales	$ 780,678	$ 599,184	$ (82,459)	$ 1,297,403	$ 850,983	$ 592,826	$ (78,197)	$ 1,365,612

	Six Months Ended June 30,							
	2025				2024			
	Installation	Specialty Distribution	Eliminations	Total	Installation	Specialty Distribution	Eliminations	Total
Residential	$ 1,271,886	$ 437,007	$ (129,641)	$ 1,579,252	$ 1,387,263	$ 454,001	$ (122,321)	$ 1,718,943
Commercial/Industrial	254,325	721,980	(24,876)	951,429	262,463	684,619	(21,696)	925,386
Net sales	$ 1,526,211	$ 1,158,987	$ (154,517)	$ 2,530,681	$ 1,649,726	$ 1,138,620	$ (144,017)	$ 2,644,329

The following tables present our revenues disaggregated by product (in thousands):

	Three Months Ended June 30,							
	2025				2024			
	Installation	Specialty Distribution	Eliminations	Total	Installation	Specialty Distribution	Eliminations	Total
Insulation and accessories	$ 624,743	$ 525,019	$ (72,461)	$ 1,077,301	$ 685,728	$ 525,242	$ (68,758)	$ 1,142,212
Glass and windows	60,973	-	-	60,973	62,322	-	-	62,322
Gutters	28,855	56,402	(8,888)	76,369	30,371	49,052	(7,924)	71,499
All other	66,107	17,763	(1,110)	82,760	72,562	18,532	(1,515)	89,579
Net sales	$ 780,678	$ 599,184	$ (82,459)	$ 1,297,403	$ 850,983	$ 592,826	$ (78,197)	$ 1,365,612

	Six Months Ended June 30,							
	2025				2024			
	Installation	Specialty Distribution	Eliminations	Total	Installation	Specialty Distribution	Eliminations	Total
Insulation and accessories	$ 1,221,027	$ 1,025,783	$ (136,486)	$ 2,110,324	$ 1,329,378	$ 1,015,910	$ (126,267)	$ 2,219,021
Glass and windows	120,489	-	-	120,489	120,438	-	-	120,438
Gutters	53,751	99,838	(15,962)	137,627	58,339	89,368	(15,232)	132,475
All other	130,944	33,366	(2,069)	162,241	141,571	33,342	(2,518)	172,395
Net sales	$ 1,526,211	$ 1,158,987	$ (154,517)	$ 2,530,681	$ 1,649,726	$ 1,138,620	$ (144,017)	$ 2,644,329

TOPBUILD CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table represents our contract assets and contract liabilities with customers, in thousands:

	Included in Line Item on Condensed Consolidated Balance Sheets	As of June 30, 2025	As of December 31, 2024
Contract Assets:			
Receivables, unbilled	Receivables, net	$ 64,462	$ 61,366
Contract Liabilities:			
Deferred revenue	Accrued liabilities	$ 13,430	$ 18,651

The aggregate amount remaining on uncompleted performance obligations was $314.9 million as of June 30, 2025. We expect to satisfy the performance obligations and recognize revenue on substantially all of these uncompleted contracts over the next 18 months.

On certain of our long-term contracts, a percentage of the total project cost is withheld and not invoiced to the customer and collected until satisfactory completion of the customer's project, typically within a year. This amount is referred to as retainage and is common practice in the construction industry. Retainage receivables are classified as a component of Receivables, net on our condensed consolidated balance sheets and were $69.7 million and $74.9 million as of June 30, 2025 and December 31, 2024, respectively.

4. GOODWILL AND OTHER INTANGIBLES

We have two reporting units which are also our operating and reportable segments: Installation and Specialty Distribution. Both reporting units contain goodwill. Assets acquired and liabilities assumed are assigned to the applicable reporting unit based on whether the acquired assets and liabilities relate to the operations of such unit and determination of its fair value. Goodwill assigned to the reporting unit is the excess of the fair value of the acquired business over the fair value of the individual assets acquired and liabilities assumed for the reporting unit.

In the fourth quarter of 2024, we performed an annual assessment on our goodwill resulting in no impairment and there were no indicators of impairment for the six months ended June 30, 2025.

Changes in the carrying amount of goodwill for the six months ended June 30, 2025, by segment, were as follows, in thousands:

	Gross Goodwill December 31, 2024	Additions	FX Translation Adjustment	Gross Goodwill June 30, 2025	Accumulated Impairment Losses	Net Goodwill June 30, 2025
Goodwill, by segment:						
Installation	$ 1,946,247	$ 10,332	$ -	$ 1,956,579	$ (762,021)	$ 1,194,558
Specialty Distribution	928,033	36	3,200	931,269	-	931,269
Total goodwill	$ 2,874,280	$ 10,368	$ 3,200	$ 2,887,848	$ (762,021)	$ 2,125,827

Additions during the six months ended June 30, 2025, primarily reflects the acquisition of Seal Rite on April 7, 2025, as well as measurement period adjustments to the fair value of goodwill assigned to businesses acquired in the last twelve months. See *Note 12 – Business Combinations* for further details.

TOPBUILD CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Other intangible assets, net includes customer relationships, non-compete agreements, and trademarks / trade names. The following table sets forth our other intangible assets, in thousands:

	As of	
	June 30, 2025	December 31, 2024
Gross definite-lived intangible assets	$ 876,300	$ 864,693
Accumulated amortization	(344,889)	(307,004)
Other intangible assets, net	$ 531,411	$ 557,689

The following table sets forth our amortization expense, in thousands:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Amortization expense	$ 18,406	$ 17,947	$ 36,562	$ 35,633

5. LONG-TERM DEBT

The following table reconciles the principal balances of our outstanding debt to our condensed consolidated balance sheets, in thousands:

	As of	
	June 30, 2025	December 31, 2024
3.625% Senior Notes due 2029	$ 400,000	$ 400,000
4.125% Senior Notes due 2032	500,000	500,000
Term loan due 2030	1,000,000	-
Term loan due 2026	-	487,500
Unamortized debt issuance costs	(16,787)	(11,591)
Total debt, net of unamortized debt issuance costs	1,883,213	1,375,909
Less: current portion of long-term debt	50,000	48,750
Total long-term debt	$ 1,833,213	$ 1,327,159

The following table sets forth our remaining principal payments for our outstanding debt balances as of June 30, 2025, in thousands:

	2025	2026	2027	2028	2029	Thereafter	Total
3.625% Senior Notes	$ -	$ -	$ -	$ -	$ 400,000	$ -	$ 400,000
4.125% Senior Notes	-	-	-	-	-	500,000	500,000
Term loan	25,000	50,000	50,000	50,000	50,000	775,000	1,000,000
Total	$ 25,000	$ 50,000	$ 50,000	$ 50,000	$ 450,000	$ 1,275,000	$ 1,900,000

Credit Agreement

On May 16, 2025, we entered into Amendment No. 5 to the Credit Agreement, which increased our term loan facility to an aggregate principal amount of $1.0 billion, increased the aggregate borrowing capacity on our revolving credit facility to $1.0 billion, and added a delayed draw term facility with an aggregate borrowing capacity of $250.0 million. The Company is required to pay a ticking fee on the undrawn delayed draw term facility at an annual rate ranging from 0.175% to 0.250%, depending upon the Company's consolidated secured leverage ratio, through the end of the availability period on November 12, 2025. Once drawn, the delayed draw term facility will be subject to substantially the same scheduled percentage amortization payments and maturity as the Company's existing term loan facility under Amendment No. 5 to the Credit Agreement.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table outlines the key terms of Amendment No. 5 to the Credit Agreement (dollars in thousands):

Senior secured term loan facility	$	1,000,000
Delayed draw term loan (a)	$	250,000
Revolving facility (b)	$	1,000,000
Sublimit for issuance of letters of credit under revolving facility	$	150,000
Sublimit for swingline loans under revolving facility	$	50,000
Interest rate as of June 30, 2025		5.58 %
Scheduled maturity date		May 16, 2030

(a) The delayed draw term loan has not been drawn upon as of June 30, 2025.
(b) Use of the sublimits for the issuance of letters of credit and swingline loans reduces the availability under the revolving facility.

Interest expense on borrowings under Amendment No. 5 to the Credit Agreement is based on an applicable margin rate plus, at our option, either:

- A base rate determined by reference to the highest of either (i) the federal funds rate plus 0.50 percent, (ii) BofA's "prime rate," and (iii) the SOFR rate for U.S. dollar deposits with a term of one month, plus 1.00 percent, in any case, subject to a floor of 1.00%; or
- A SOFR rate determined by reference to the costs of funds for deposits in U.S. dollars for the interest period relevant to such borrowings, subject to a floor of 0%.

The applicable margin rate is determined based on our Secured Leverage Ratio. In the case of base rate borrowings, the applicable margin rate ranges from 0.25 percent to 1.00 percent and in the case of SOFR rate borrowings, the applicable margin ranges from 1.25 percent to 2.00 percent. Borrowings under Amendment No. 5 to the Credit Agreement are prepayable at the Company's option without premium or penalty. The Company is required to make prepayments with the net cash proceeds of certain asset sales and certain extraordinary receipts.

Revolving Facility

The Company has outstanding standby letters of credit that secure our financial obligations related to our workers' compensation, general insurance, and auto liability programs. These standby letters of credit, as well as any outstanding amount borrowed under our revolving facility, reduce the availability under the revolving facility.

The following table summarizes our availability under the revolving facility, in thousands:

	As of			
	June 30, 2025		December 31, 2024	
Revolving facility	$	1,000,000	$	500,000
Less: standby letters of credit		(61,198)		(63,770)
Availability under revolving facility	$	938,802	$	436,230

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We are required to pay commitment fees to the Lenders in respect of any unutilized commitments. The commitment fees range from 0.175 percent to 0.25 percent per annum, depending on our Secured Leverage Ratio. We must also pay customary fees on outstanding letters of credit.

3.625% Senior Notes

The 3.625% Senior Notes are $400.0 million senior unsecured obligations and bear interest at 3.625% per year, payable semiannually in arrears on March 15 and September 15, beginning on September 15, 2021. The 3.625% Senior Notes mature on March 15, 2029, unless redeemed early or repurchased. If we undergo a change in control, we must make an offer to repurchase all of the 3.625% Senior Notes then outstanding at a repurchase price equal to 101% of their aggregate principal amount, plus accrued and unpaid interest (if any) to, but not including, the repurchase date.

The Company may redeem the 3.625% Senior Notes, in whole or in part, at any time on or after March 15, 2024 at the redemption prices specified in the notes plus accrued and unpaid interest if redeemed during the 12 month period commencing March 15 of the years set for: 2025 – 100.906%, 2026 and thereafter – 100.000%.

4.125% Senior Notes

The 4.125% Senior Notes are $500.0 million senior unsecured obligations and bear interest at 4.125% per year, payable semiannually in arrears on February 15 and August 15, beginning on August 15, 2022. The 4.125% Senior Notes mature on February 15, 2032, unless redeemed early or repurchased. If we undergo a change in control, we must make an offer to repurchase all of the 4.125% Senior Notes then outstanding at a repurchase price equal to 101% of their aggregate principal amount, plus accrued and unpaid interest (if any) to, but not including, the repurchase date.

The Company may redeem the 4.125% Senior Notes, in whole or in part, at any time on or after October 15, 2026 at the redemption prices specified in the notes plus accrued and unpaid interest if redeemed during the 12 month period commencing on October 15 of the years set for: 2026 – 102.063%, 2027 – 101.375%, 2028 – 100.688%, 2029 and thereafter – 100.000%. The Company may also redeem a make-whole redemption of the 4.125% Senior Notes at any time prior to October 15, 2026 at the treasury rate plus 50 basis points.

Covenant Compliance

The indentures governing our 3.625% Senior Notes and our 4.125% Senior Notes (together, our "Senior Notes") contain restrictive covenants that, among other things, generally limit the ability of the Company and certain of its subsidiaries (subject to certain exceptions) to (i) create liens, (ii) pay dividends, acquire shares of capital stock and make payments on subordinated debt, (iii) place limitations on distributions from certain subsidiaries, (iv) issue or sell the capital stock of certain subsidiaries, (v) sell assets, (vi) enter into transactions with affiliates, and (vii) effect mergers. The indentures provide for customary events of default which include (subject in certain cases to customary grace and cure periods), among others: nonpayment of principal or interest; breach of covenants or other agreements in the indenture; defaults in failure to pay certain other indebtedness; and certain events of bankruptcy or insolvency. Generally, if an event of default occurs and is continuing under the indenture, the trustee or the holders of at least 30% in aggregate principal amount of each of our Senior Notes then outstanding may declare the principal of, premium, if any, and accrued interest on the Senior Notes subject to such declaration immediately due and payable. The Senior Notes and related guarantees have not been registered under the Securities Act of 1933, and we are not required to register either the Senior Notes or the guarantees in the future.

The Credit Agreement contains certain covenants that limit, among other things, the ability of the Company to incur additional indebtedness or liens; to make certain investments or loans; to make certain restricted payments; to enter into consolidations, mergers, sales of material assets, and other fundamental changes; to transact with affiliates; to enter into agreements restricting the ability of subsidiaries to incur liens or pay dividends; or to make certain accounting changes. The Credit Agreement contains customary affirmative covenants and events of default.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The Credit Agreement requires that we maintain a Net Leverage Ratio and minimum Interest Coverage Ratio throughout the term of the agreement. The following table outlines the key financial covenants effective for the period covered by this Quarterly Report:

	As of June 30, 2025
Maximum Net Leverage Ratio	3.75:1.00
Minimum Interest Coverage Ratio	3.00:1.00
Compliance as of period end	In Compliance

6. FAIR VALUE MEASUREMENTS

The carrying values of cash and cash equivalents, receivables, net, and accounts payable are considered to be representative of their respective fair values due to the short-term nature of these instruments.

Fair value measurements were applied to our long-term debt portfolio. We believe the carrying value of our Term Loan approximates the fair market value primarily due to the fact that the non-performance risk of servicing our debt obligations, as reflected in our business and credit risk profile, has not materially changed since we assumed our debt obligations under the Credit Agreement. In addition, due to the floating-rate nature of our Term Loan, the market value is not subject to variability solely due to changes in the general level of interest rates as is the case with a fixed-rate debt obligation.

Based on market trades of our 3.625% Senior Notes and our 4.125% Senior Notes close to June 30, 2025 (Level 1 fair value measurement), we estimate the fair value of each in the table below:

	As of June 30, 2025	
	Fair Value	Gross Carrying Value
3.625% Senior Notes	$ 380,520	$ 400,000
4.125% Senior Notes	$ 465,000	$ 500,000

7. SEGMENT INFORMATION

Our business consists of two reportable segments: Installation and Specialty Distribution. We operate primarily in the U.S. and to a lesser extent Canada.

Our Installation segment installs insulation and other building products. Installation sells primarily to the residential new construction market, with increasing activity in the commercial/industrial construction market, along with repair/remodel of residential housing. In addition to insulation, it installs other building products including glass and windows, rain gutters, garage doors, closet shelving, and fireplaces, among other items.

Our Specialty Distribution segment distributes building and mechanical insulation, insulation accessories and other building product materials for the residential and commercial/industrial end markets. In addition to insulation and accessories, it distributes rain gutters, closet shelving, and roofing materials, among other items. Distributed products are sold from distribution centers in various parts of the United States and Canada, primarily to contractors and dealers (including lumber yards) serving a wide variety of commercial/industrial markets.

Intercompany sales from the Specialty Distribution segment to the Installation segment are recorded by the Specialty Distribution segment with a profit margin and by our Installation segment at cost. This intercompany profit is eliminated in consolidation.

Our CODM is our Chief Executive Officer. Our CODM measures performance for our reportable segments based on segment net sales and operating profit. Our CODM uses these measures to evaluate resource allocation and other strategic initiatives (e.g., making acquisitions and internal investments). Segment performance measures are compared to budgeted and forecasted amounts periodically to assist in evaluating performance versus expectations and to inform future allocation and strategic decisions.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Key information is presented below by segment for our profit measures for the three and six months ended June 30, 2025 and 2024, in thousands:

	Three Months Ended June 30, 2025		
	Installation	Specialty Distribution	Total
Net sales from external customers	$ 780,678	$ 516,725	$ 1,297,403
Intercompany net sales	—	82,459	82,459
Segment net sales	780,678	599,184	1,379,862
Reconciliation of Net Sales			
Elimination of intercompany net sales			(82,459)
Consolidated net sales			$ 1,297,403
Less (a):			
Cost of sales (b)	521,053	451,134	972,187
Selling, general and administrative expenses (c)	104,184	60,568	164,752
Segment operating profit	155,441	87,482	242,923
Reconciliation of Segment Operating Profit			
Elimination of intercompany profit			(13,632)
General corporate expense, net (d)			(9,502)
Other expense, net (e)			(16,197)
Consolidated income before taxes			$ 203,592

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	Three Months Ended June 30, 2024		
	Installation	Specialty Distribution	Total
Net sales from external customers	$ 850,983	$ 514,629	$ 1,365,612
Intercompany net sales	—	78,197	78,197
Segment net sales	850,983	592,826	1,443,809
Reconciliation of Net Sales			
Elimination of intercompany net sales			(78,197)
Consolidated net sales			$ 1,365,612
Less (a):			
Cost of sales (b)	565,600	441,447	1,007,047
Selling, general and administrative expenses (c)	114,665	62,006	176,671
Segment operating profit	170,718	89,373	260,091
Reconciliation of Segment Operating Profit			
Elimination of intercompany profit			(12,840)
General corporate expense, net (d)			(36,859)
Other expense, net (e)			(7,218)
Consolidated income before taxes			$ 203,174

	Six Months Ended June 30, 2025		
	Installation	Specialty Distribution	Total
Net sales from external customers	$ 1,526,211	$ 1,004,470	$ 2,530,681
Intercompany net sales	—	154,517	154,517
Segment net sales	1,526,211	1,158,987	2,685,198
Reconciliation of Net Sales			
Elimination of intercompany net sales			(154,517)
Consolidated net sales			$ 2,530,681
Less (a):			
Cost of sales (b)	1,032,490	881,633	1,914,123
Selling, general and administrative expenses (c)	208,664	120,813	329,477
Segment operating profit	285,057	156,541	441,598
Reconciliation of Segment Operating Profit			
Elimination of intercompany profit			(25,559)
General corporate expense, net (d)			(18,762)
Other expense, net (e)			(27,713)
Consolidated income before taxes			$ 369,564

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	Six Months Ended June 30, 2024		
	Installation	Specialty Distribution	Total
Net sales from external customers	$ 1,649,726	$ 994,603	$ 2,644,329
Intercompany net sales	—	144,017	144,017
Segment net sales	1,649,726	1,138,620	2,788,346
Reconciliation of Net Sales			
Elimination of intercompany net sales			(144,017)
Consolidated net sales			$ 2,644,329
Less (a):			
Cost of sales (b)	1,100,291	853,383	1,953,674
Selling, general and administrative expenses (c)	221,960	118,286	340,246
Segment operating profit	327,475	166,951	494,426
Reconciliation of Segment Operating Profit			
Elimination of intercompany profit			(23,600)
General corporate expense, net (d)			(45,926)
Other expense, net (e)			(14,731)
Consolidated income before taxes			$ 410,169

(a) The significant expense categories align with the segment-level information that is regularly provided to our CODM.

(b) Cost of sales is primarily composed of labor, material costs and overhead. Includes $12.4 million of one-time charges ($6.2 million for each of our Installation and Specialty Distribution segments) to optimize our branch footprint and align our cost structure with current demand levels during the six months ended June 30, 2025. Includes $1.1 million of adjustments to one-time charges ($0.9 million for our Installation segment and $0.2 million for our Specialty Distribution segment) during the three months ended June 30, 2025. These one-time expenses are primarily related to non-cash facility impairment and severance.

(c) Selling, general and administrative expenses include allocation of corporate overhead, bad debt, bank fees, selling expenses, employee compensation, insurance, legal and consulting, office equipment & supplies, telecommunication & subscriptions, and travel & entertainment. Includes $2.2 million of one-time charges ($1.1 million for our Installation segment, $0.6 million for our Specialty Distribution segment and $0.5 million for our Branch Support Center) to align our cost structure with current demand levels during the six months ended June 30, 2025. These one-time expenses are primarily related to severance.

(d) General corporate expense, net includes expenses for functions such as corporate human resources, finance, and legal, including salaries, benefits, and other related costs.

(e) Other expense, net is presented on the accompanying condensed consolidated statement of operations and is primarily composed of interest expense and interest income.

Key information by segment is as follows for the three and six months ended June 30, 2025 and 2024, in thousands:

	Three Months Ended June 30, 2025				
	Installation	Specialty Distribution	Total Reportable Segments	Other (a)	Consolidated Totals
Depreciation and amortization (b)	$ 19,247	$ 15,096	$ 34,343	$ 1,543	$ 35,886
Property additions (c)	7,308	3,709	11,017	1,244	12,261
Total assets	2,175,651	2,080,157	4,255,808	864,010	5,119,818

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	Three Months Ended June 30, 2024				
	Installation	Specialty Distribution	Total Reportable Segments	Other (a)	Consolidated Totals
Depreciation and amortization (b)	$ 18,712	$ 15,047	$ 33,759	$ 1,275	$ 35,034
Property additions (c)	14,219	3,079	17,298	1,984	19,282
Total assets	2,303,698	2,099,317	4,403,015	499,978	4,902,993

	Six Months Ended June 30, 2025				
	Installation	Specialty Distribution	Total Reportable Segments	Other (a)	Consolidated Totals
Depreciation and amortization (b)	$ 38,573	$ 30,097	$ 68,670	$ 3,007	$ 71,677
Property additions (c)	14,776	6,968	21,744	2,131	23,875

	Six Months Ended June 30, 2024				
	Installation	Specialty Distribution	Total Reportable Segments	Other (a)	Consolidated Totals
Depreciation and amortization (b)	$ 36,979	$ 29,883	$ 66,862	$ 2,429	$ 69,291
Property additions (c)	26,034	9,003	35,037	3,858	38,895

(a) Represents amounts held at Corporate not specifically attributed to or allocated to the segments.
(b) Represents total by segment, inclusive of amounts presented within cost of sales and selling, general and administrative expenses, as applicable.
(c) Property additions include assets acquired in business combinations in each respective year.

8. INCOME TAXES

Our effective tax rates were 25.5 percent and 25.6 percent for the three and six months ended June 30, 2025, respectively. The effective tax rates for the three and six months ended June 30, 2024, were 25.8 percent and 26.1 percent, respectively. The lower 2025 tax rate for the three months ended June 30, 2025, compared to the three months ended June 30, 2024, was primarily related to a decrease in tax expense related to share-based compensation.

A tax expense of $0.5 million and $2.1 million related to share-based compensation was recognized in our condensed consolidated statements of operations as a discrete item in income tax expense for the six months ended June 30, 2025 and 2024, respectively.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

9. NET INCOME PER SHARE

Basic net income per share is calculated by dividing net income by the weighted average shares outstanding during the period, without consideration for common stock equivalents. Diluted net income per share is calculated by adjusting weighted average shares outstanding for the dilutive effect of common stock equivalents outstanding for the period, determined using the treasury stock method.

Basic and diluted net income per share were computed as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (in thousands)	$ 151,602	$ 150,723	$ 274,986	$ 303,104
Weighted average number of common shares outstanding - basic	28,371,644	31,324,833	28,698,125	31,483,144
Dilutive effect of common stock equivalents:				
RSAs with service-based conditions	12,893	34,973	21,949	38,083
RSAs with market-based conditions	32,363	61,856	31,218	61,491
RSAs with performance-based conditions	17,918	10,885	25,500	17,474
Stock options	80,736	91,516	81,927	93,332
Weighted average number of common shares outstanding - diluted	28,515,554	31,524,063	28,858,719	31,693,524
Basic net income per common share	$ 5.34	$ 4.81	$ 9.58	$ 9.63
Diluted net income per common share	$ 5.32	$ 4.78	$ 9.53	$ 9.56

The following table summarizes shares excluded from the calculation of diluted net income per share because their effect would have been anti-dilutive:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Anti-dilutive common stock equivalents:				
RSAs with service-based conditions	9,980	—	10,053	—
RSAs with market-based conditions	24,852	—	21,101	—
RSAs with performance-based conditions	—	—	—	—
Stock options	—	—	—	—
Total anti-dilutive common stock equivalents	34,832	—	31,154	—

10. SHARE-BASED COMPENSATION

Effective July 1, 2015, our eligible employees commenced participation in the 2015 LTIP. The 2015 LTIP authorized the Board to grant stock options, stock appreciation rights, restricted shares, restricted share units, performance awards, and dividend equivalents. All grants were made by issuing new shares and no more than 4.0 million shares of common stock may be issued under the 2015 LTIP.

On February 18, 2025, the Board of Directors adopted the 2025 LTIP. Shares of our common stock remaining available for awards under the previous 2015 LTIP will continue to be authorized for future awards under the 2025 LTIP. As of June 30, 2025, we had 1.7 million shares remaining available for issuance under the 2025 LTIP.

Share-based compensation expense is included in selling, general, and administrative expense. The income tax effect associated with share-based compensation awards is included in income tax expense.

The following table presents share-based compensation amounts recognized in our condensed consolidated statements of operations, in thousands:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Share-based compensation expense	$ 4,764	$ 4,632	$ 9,806	$ 9,759
Income tax benefit/(expense)	$ 112	$ (98)	$ (549)	$ (2,107)

The following table presents a summary of our share-based compensation activity for the six months ended June 30, 2025, in thousands, except per share amounts:

	RSAs		Stock Options			
	Number of Shares	Weighted Average Grant Date Fair Value Per Share	Number of Shares	Weighted Average Grant Date Fair Value Per Share	Weighted Average Exercise Price Per Share	Aggregate Intrinsic Value
Balance December 31, 2024	176.0	$ 269.50	112.7	$ 30.10	$ 83.97	$ 25,604.9
Granted	55.9	$ 339.97	—	—	—	—
Converted/Exercised	(56.6)	$ 240.45	—	—	—	—
Forfeited/Expired	(14.7)	$ 298.21	—	—	—	—
Balance June 30, 2025	160.6	$ 301.62	112.7	$ 30.10	$ 83.97	$ 27,001.3
Exercisable June 30, 2025 (a)			112.7	$ 30.10	$ 83.97	$ 27,001.3

(a) The weighted average remaining contractual term for vested stock options is approximately 3.7 years.

We have unrecognized share-based compensation expense related to unvested awards as shown in the following table, dollars in thousands:

	As of June 30, 2025	
	Unrecognized Compensation Expense on Unvested Awards	Weighted Average Remaining Compensation Expense Period
RSAs	$ 27,167	1.1
Stock options	—	—
Total unrecognized compensation expense related to unvested awards	$ 27,167	

Our RSAs with performance-based conditions are evaluated on a quarterly basis with adjustments to compensation expense based on the likelihood of the performance target being achieved or exceeded. The following table shows the range of payouts and the related expense for our outstanding RSAs with performance-based conditions, in thousands:

		Payout Ranges and Related Expense			
RSAs with Performance-Based Conditions	Grant Date Fair Value	0%	25%	100%	200%
February 21, 2023	$ 3,780	$ -	$ 945	$ 3,780	$ 7,560
February 21, 2024	$ 4,370	$ -	$ 1,093	$ 4,370	$ 8,740
February 18, 2025	$ 4,994	$ -	$ 1,249	$ 4,994	$ 9,988

During the first quarter of 2025, RSAs with performance-based conditions that were granted on February 15, 2022 vested based on cumulative three-year achievement of 200%. Total compensation expense recognized over the three-year performance period, net of forfeitures, was $5.8 million.

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The fair value of our RSAs with a market-based condition granted under the 2015 LTIP was determined using a Monte Carlo simulation. The following are key inputs in the Monte Carlo analysis for awards granted in 2025, 2024, and 2023:

	2025	2024	2023
Measurement period (years)	2.86	2.86	2.86
Risk free interest rate	4.28 %	4.36 %	4.42 %
Dividend yield	0.00 %	0.00 %	0.00 %
Estimated fair value of market-based RSAs at grant date	$ 393.39	$ 503.68	$ 270.64

11. SHARE REPURCHASE PROGRAM

On May 3, 2024, our Board authorized the 2024 Repurchase Program, pursuant to which the Company could purchase up to $1.0 billion of our common stock. The Company completed its 2024 Repurchase Program during the first quarter of 2025 for a total of 2,685,478 shares of our common stock at a weighted average cost of $372.37 per share.

On February 17, 2025, our Board authorized the 2025 Repurchase Program, pursuant to which the Company may purchase up to $1.0 billion of our common stock. Share repurchases may be executed through various means including open market purchases, privately negotiated transactions, accelerated share repurchase transactions, or other available means. The 2025 Repurchase Program does not obligate the Company to purchase any shares and has no expiration date. Authorization for the 2025 Repurchase Program may be terminated, increased, or decreased by the Board at its discretion at any time. As of June 30, 2025, the Company has $836.4 million remaining under the 2025 Share Repurchase Program.

Effective January 1, 2023, the Inflation Reduction Act of 2022 mandated a 1% excise tax on all share repurchases. Excise tax obligations that result from our share repurchases are included in the cost of treasury stock. The Company has excise tax liabilities of $3.5 million and $9.4 million as of June 30, 2025 and December 31, 2024, respectively. Excise tax liabilities are included in accrued liabilities on our condensed consolidated balance sheets.

The following table sets forth our share repurchases under the share repurchase programs in 2025.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Number of shares repurchased	454,802	1,246,182	1,148,683	1,246,182
Share repurchase cost (in thousands) (a)	$ 137,352	$ 510,443	$ 355,136	510,443

(a) The three and six months ended June 30, 2025 includes $1.4 million and $3.5 million of excise taxes, respectively. The three and six months ended June 30, 2024 includes $5.2 million of excise taxes.

12. BUSINESS COMBINATIONS

Acquiring businesses is a key part of our ongoing strategy to grow our company and expand our offerings. Each acquisition has been accounted for as a business combination under ASC 805, "Business Combinations." Acquisition related costs were $1.4 million and $1.7 million in the three and six months ended June 30, 2025, respectively. Acquisition related costs were $26.3 million and $26.8 million in the three and six months ended June 30, 2024, respectively, which includes $23.0 million paid in the second quarter in connection with the mutual termination of our previous agreement to acquire SPI. Acquisition related costs are included in selling, general, and administrative expense in our condensed consolidated statements of operations.

On April 7, 2025, we acquired the assets of the residential and commercial insulation business Seal-Rite. This installation acquisition will enhance our presence in the Omaha and Lincoln, Nebraska markets. The purchase price of approximately $23.0 million was funded by cash on hand and we recognized $11.7 million of goodwill in connection with this acquisition.

Customer relationships related to the acquisition completed in the six months ended June 30, 2025, were assigned a total fair value of $6.6 million and are being amortized over their useful life of 12 years.

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As third-party or internal valuations are finalized, certain tax aspects of the foregoing transactions are completed, and customer post-closing reviews are concluded, adjustments may be made to the fair value of assets acquired, and in some cases total purchase price, through the end of each measurement period, generally one year following the applicable acquisition date. See *Note 4 – Goodwill and Other Intangibles* for disclosure of measurement period adjustments.

On February 15, 2024, we acquired the assets of the residential and light commercial insulation business Brabble. This installation acquisition enhanced our presence in North Carolina. The purchase price of $5.4 million was funded by cash on hand and we recognized $2.9 million of goodwill in connection with this acquisition.

On March 1, 2024, we acquired the assets of the residential insulation business Morris Black. This installation acquisition enhanced our presence in Pennsylvania. The purchase price of $3.6 million was funded by cash on hand and we recognized $2.0 million of goodwill in connection with this acquisition.

On March 1, 2024, we acquired the assets of the customized insulation products and accessories business PCI. This specialty distribution acquisition has a national customer base focused on the domestic pest control industry. The purchase price of $13.8 million was funded by cash on hand and we recognized $5.7 million of goodwill in connection with this acquisition.

On April 18, 2024, we acquired the assets of the residential and light commercial insulation business Green Space. This installation acquisition enhanced our presence in Missouri and neighboring states. The purchase price of approximately $4.3 million was funded by cash on hand and we recognized $2.7 million of goodwill in connection with this acquisition.

On May 16, 2024, we acquired the assets of the residential and light commercial insulation business Insulation Works. This installation acquisition enhanced our presence in Arkansas and extended our expertise to the agricultural business. The purchase price of approximately $25.7 million was funded by cash on hand and we recognized $15.1 million of goodwill in connection with this acquisition.

On May 31, 2024, we acquired the assets of the residential and light commercial insulation business Texas Insulation. This installation acquisition enhanced our presence in Texas. The purchase price of approximately $33.9 million was funded by cash on hand and we recognized $21.1 million of goodwill in connection with this acquisition.

Goodwill to be recognized in connection with acquisitions is attributable to the synergies expected to be realized and improvements in the businesses after the acquisitions. Primarily all of the $11.7 million and $49.6 million of goodwill recorded from acquisitions completed in the six months ended June 30, 2025 and 2024, respectively, is expected to be deductible for income tax purposes.

13. ACCRUED LIABILITIES

The following table sets forth the components of accrued liabilities, in thousands:

	As of	
	June 30, 2025	December 31, 2024
Accrued liabilities:		
Salaries, wages, and bonus/commissions	$ 58,687	$ 64,713
Short-term portion of insurance liabilities	36,850	31,013
Sales and property taxes	17,363	13,884
Deferred revenue	13,430	18,651
Interest payable on long-term debt	12,419	12,307
Customer rebates	10,951	17,898
Excise taxes	3,516	9,444
Other	25,493	23,876
Total accrued liabilities	$ 178,709	$ 191,786

See *Note 3 – Revenue Recognition* for discussion of our deferred revenue balances.

14. OTHER COMMITMENTS AND CONTINGENCIES

Litigation. We are subject to certain claims, charges, litigation, and other proceedings in the ordinary course of our business, including those arising from or related to contractual matters, intellectual property, personal injury, environmental matters, product liability, product recalls, construction defects, insurance coverage, personnel and employment disputes, antitrust, and other matters, including class actions. We believe we have adequate defenses in these matters, and we do not believe that the ultimate outcome of these matters will have a material adverse effect on us. However, there is no assurance that we will prevail in any of these pending matters, and we could in the future incur judgments, enter into settlements of claims, or revise our expectations regarding the outcome of these matters, which could materially impact our liquidity and our results of operations.

Other Matters. We enter into contracts, which include customary indemnities that are standard for the industries in which we operate. Such indemnities include, among other things, claims against our builder customers for issues relating to our workmanship. We generally exclude from our contracts with builder customers indemnity relating to product quality and warranty claims, as we pass such claims directly to the manufacturers of the products we install or distribute. In conjunction with divestitures and other transactions, we occasionally provide customary indemnities relating to various items including, among others, the enforceability of trademarks, legal and environmental issues, and asset valuations. We evaluate the probability that we may incur liabilities under these customary indemnities and appropriately record an estimated liability when deemed probable.

We also maintain indemnification agreements with our directors and officers that may require us to indemnify them against liabilities that arise by reason of their status or service as directors or officers, except as prohibited by applicable law.

15. SUBSEQUENT EVENTS

On July 4, 2025, the One Big Beautiful Bill Act ("the Act") was signed into law, enacting significant changes to tax and spending policies. We are currently assessing the Act and the potential impacts to the Company.

On July 14, 2025, we acquired Progressive, a leader in commercial roofing installation services based in Phoenix, Arizona. Progressive employs more than 1,700 people across 12 branches in the United States and serves in commercial and industrial roofing and roof maintenance. The purchase price of approximately $810.0 million was funded by a $250.0 million borrowing on our delayed draw term facility that we borrowed on July 11, 2025, and cash on hand. This acquisition will be accounted for as a business combination under ASC 805, "Business Combinations", and a preliminary purchase price allocation will be included in the third quarter 10-Q.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

TopBuild, headquartered in Daytona Beach, Florida, is a leading installer and specialty distributor of insulation and other building material products to the construction industry in the United States and Canada.

We operate in two segments: Installation and Specialty Distribution. Our Installation segment installs insulation and other building products nationwide. As of June 30, 2025, we had more than 200 Installation branches located across the United States. We install various insulation applications, including fiberglass batts and rolls, blown-in loose fill fiberglass, polyurethane spray foam, and blown-in loose fill cellulose. Additionally, we install other building products including glass and windows, rain gutters, garage doors, closet shelving, and fireplaces, among other items. We handle every stage of the installation process, including material procurement supplied by leading manufacturers, project scheduling and logistics, multi-phase professional installation, and installation quality assurance.

Our Specialty Distribution segment distributes building and mechanical insulation, insulation accessories, rain gutters, and other building product materials for the residential and commercial/industrial end markets. As of June 30, 2025, we had more than 150 distribution centers across North America including 18 distribution centers in Canada. Our Specialty Distribution customer base consists of thousands of insulation contractors of all sizes serving a wide variety of residential and commercial/industrial industries, gutter contractors, weatherization contractors, other contractors, dealers, metal building erectors, and modular home builders.

We believe that having both Installation and Specialty Distribution provides us with several distinct competitive advantages. First, the combined buying power of our two business segments, along with our scale, strengthens our ties to the major manufacturers of insulation and other building material products. This helps to ensure we are buying competitively and ensures the availability of supply to our local branches and distribution centers. The overall effect is driving efficiencies through our supply chain. Second, being a leader in both installation and specialty distribution allows us to reach a broader set of builders and contractors more effectively, regardless of their size or geographic location in the U.S. and Canada, and leverage housing and commercial/industrial construction growth wherever it occurs. Third, during housing industry downturns, many insulation contractors who buy directly from manufacturers during industry peaks return to purchasing through specialty distributors. As a result, this helps to reduce our exposure to cyclical swings in our business.

For additional details pertaining to our operating results by segment, see *Note 7 – Segment Information* to our unaudited condensed consolidated financial statements contained in Part I, Item 1 of this Quarterly Report. For additional details regarding our strategy, material trends in our business and seasonality, please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report for the year ended December 31, 2024, as filed with the SEC on February 25, 2025.

Recent Developments

In recent months, the U.S. government has announced tariffs and trade restrictions on certain goods produced outside the United States. As a result, certain jurisdictions, including China, Mexico, Canada, and the European Union, have also imposed tariffs and restrictions on certain goods produced in the United States. While we have a limited number of products that we purchase directly or indirectly from jurisdictions exposed to effected or proposed tariffs, such products represent a relatively small portion of our current material spend and we believe the direct impact for our business is minimal. We actively work with our supply base to mitigate the anticipated impact of current applicable tariffs and evaluate pricing actions to the extent we believe necessary or appropriate. The potential direct and indirect impacts of tariffs on the broad economy and, in particular, housing demand, are uncertain and we continue to closely monitor and evaluate the ongoing situation.

On July 14, the Company closed on its acquisition of Progressive, a leader in commercial roofing installation services in the United States. Progressive provides a comprehensive offering that includes re-roofing, recurring maintenance services, and new construction. The acquisition of Progressive will enable us to offer commercial customers more comprehensive building envelope solutions, increase our revenue exposure to non-discretionary demand drivers and serve as a significant growth platform for our Company. Progressive will be reflected in our financial results beginning with the third quarter of 2025.

SECOND QUARTER 2025 VERSUS SECOND QUARTER 2024

The following table sets forth our net sales, gross profit, operating profit, and margins, as reported in our condensed consolidated statements of operations, in thousands:

	Three Months Ended June 30,	
	2025	**2024**
Net sales	**$ 1,297,403**	**$ 1,365,612**
Cost of sales	903,360	941,690
Cost of sales ratio	*69.6 %*	*69.0 %*
Gross profit	**394,043**	**423,922**
Gross profit margin	*30.4 %*	*31.0 %*
Selling, general, and administrative expense	174,254	213,530
Selling, general, and administrative expense to sales ratio	*13.4 %*	*15.6 %*
Operating profit	**219,789**	**210,392**
Operating profit margin	*16.9 %*	*15.4 %*
Other expense, net	(16,197)	(7,218)
Income tax expense	(51,990)	(52,451)
Net income	**$ 151,602**	**$ 150,723**
Net margin	*11.7 %*	*11.0 %*

Sales and Operations

Net sales declined by 5.0% for the three months ended June 30, 2025, from the comparable period of 2024. The decline was primarily driven by a 7.8% decrease in volume as housing demand has softened, partially offset by 1.9% increase in sales from acquisitions, and a 0.9% impact from higher selling prices.

Gross profit margins were 30.4% and 31.0% for the three months ended June 30, 2025, and 2024, respectively. The decline in gross profit margin is primarily due to lower sales volume, and customer price pressures on residential products within our distribution business, partially offset by savings from the branch consolidations and headcount reductions we made in the first quarter of 2025.

Selling, general, and administrative expenses as a percentage of sales were 13.4% and 15.6% for the three months ended June 30, 2025 and 2024, respectively. Selling, general, and administrative expenses as a percentage of sales were lower, benefiting from headcount reductions taken in the first quarter of 2025. Additionally, the three months ended June 30, 2024 reflects a $23.0 million fee paid to terminate our previous agreement to acquire SPI.

Operating margins were 16.9% and 15.4% for the three months ended June 30, 2025, and 2024, respectively. Operating margins during the six months ended June 30, 2025 benefited from branch consolidations and headcount reductions taken in the first quarter of 2025. In addition, the three months ended June 30, 2024 reflects a $23.0 million fee paid to terminate our previous agreement to acquire SPI.

Business Segment Results

The following table sets forth our net sales and operating profit margins by business segment, in thousands:

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Percent Change
Net sales by business segment:			
Installation	$ 780,678	$ 850,983	(8.3)%
Specialty Distribution	599,184	592,826	1.1 %
Intercompany eliminations	(82,459)	(78,197)	
Net sales	$ 1,297,403	$ 1,365,612	(5.0)%
Operating profit by business segment:			
Installation	$ 155,441	$ 170,718	(8.9)%
Specialty Distribution	87,482	89,373	(2.1)%
Intercompany eliminations	(13,632)	(12,840)	
Operating profit before general corporate expense	229,291	247,251	(7.3)%
General corporate expense, net	(9,502)	(36,859)	
Operating profit	$ 219,789	$ 210,392	4.5 %
Operating profit margins:			
Installation	19.9 %	20.1 %	
Specialty Distribution	14.6 %	15.1 %	
Operating profit margin before general corporate expense	17.7 %	18.1 %	
Operating profit margin	16.9 %	15.4 %	

Installation

Sales

Sales in our Installation segment decreased $70.3 million, or 8.3%, for the three months ended June 30, 2025, as compared to the same period in 2024. The sales decline was primarily due to 10.5% lower sales volume, partially offset by 1.4% increase from acquisitions, and 0.9% from higher selling prices.

Operating margins

Operating margins in our Installation segment were 19.9% and 20.1% for the three months ended June 30, 2025 and 2024, respectively. The decline in operating margin is primarily due to lower sales volume, almost entirely offset by savings from the branch consolidations and headcount reductions we made in the first quarter of 2025.

Specialty Distribution

Sales

Sales in our Specialty Distribution segment increased $6.4 million, or 1.1%, for the three months ended June 30, 2025, as compared to the same period in 2024. Sales increased 2.3% from acquisitions and 0.8% from higher selling prices, partially offset by 2.1% decline in sales volume.

Operating margins

Operating margins in our Specialty Distribution segment were 14.6% and 15.1% for the three months ended June 30, 2025 and 2024, respectively. The decline in operating margin is primarily due to lower sales volume and price pressures on residential products within our distribution business, partially offset by savings from the branch consolidations and headcount reductions we made in the first quarter of 2025.

OTHER ITEMS

Other expense, net

Other expense, net, increased to $16.2 million from $7.2 million in the three months ended June 30, 2025, and 2024, respectively. The increase was primarily driven by $5.4 million lower interest income due to lower cash balances as well as $2.0 million higher interest expense due to the refinancing of our Term Loan during the second quarter of 2025, which increased the associated outstanding principal balance to $1.0 billion.

Income tax expense

Income tax expense was $52.0 million, an effective tax rate of 25.5 percent, for the three months ended June 30, 2025, compared to $52.4 million, an effective tax rate of 25.8 percent, for the comparable period in 2024. The tax rate for the three months ended June 30, 2025 was lower, primarily related to a decrease in tax expense related to share-based compensation.

FIRST SIX MONTHS 2025 VERSUS FIRST SIX MONTHS 2024

The following table sets forth our net sales, gross profit, operating profit, and margins, as reported in our condensed consolidated statements of operations, in thousands:

	Six Months Ended June 30,	
	2025	**2024**
Net sales	**$ 2,530,681**	**$ 2,644,329**
Cost of sales	1,785,165	1,833,257
Cost of sales ratio	*70.5 %*	*69.3 %*
Gross profit	**745,516**	**811,072**
Gross profit margin	*29.5 %*	*30.7 %*
Selling, general, and administrative expense	348,239	386,172
Selling, general, and administrative expense to sales ratio	*13.8 %*	*14.6 %*
Operating profit	**397,277**	**424,900**
Operating profit margin	*15.7 %*	*16.1 %*
Other expense, net	(27,713)	(14,731)
Income tax expense	(94,578)	(107,065)
Net income	**$ 274,986**	**$ 303,104**
Net margin	*10.9 %*	*11.5 %*

Sales and Operations

Net sales decreased 4.3% for the six months ended June 30, 2025, from the comparable period in 2024. The decline was primarily driven by a 7.6% decrease in volume as housing demand has softened, partially offset by 2.2% increase in sales from acquisitions, and a 1.1% impact from higher selling prices.

Gross profit margins were 29.5% and 30.7% for the six months ended June 30, 2025 and 2024. The decline in gross profit margin is primarily due to $12.4 million of one-time expenses incurred in connection with our branch consolidations and headcount reductions, lower sales volume, and customer price pressures on residential products within our distribution business, partially offset by savings from the branch consolidations and headcount reductions we made in the first quarter of 2025.

Selling, general, and administrative expenses as a percentage of sales were 13.8% and 14.6% for the six months ended June 30, 2025 and 2024, respectively. Selling, general, and administrative expenses as a percentage of sales were lower, benefiting from headcount reductions taken in the first quarter of 2025. Additionally, the six months ended June 30, 2024 reflects a $23.0 million fee paid to terminate our previous agreement to acquire SPI.

Operating margins were 15.7% and 16.1% for the six months ended June 30, 2025 and 2024, respectively. The decrease in operating margins was primarily due to $14.3 million of one-time expenses incurred in connection with our branch consolidations and headcount reductions, lower sales volume and customer price pressures on residential products within our distribution business. These were partially offset by savings from the branch consolidations and headcount reductions we made in the first quarter of 2025 and the $23.0 million fee paid to terminate our previous agreement to acquire SPI last year.

Business Segment Results

The following table sets forth our net sales and operating profit margins by business segment, in thousands:

	Six Months Ended June 30,		
	2025	**2024**	**Percent Change**
Net sales by business segment:			
Installation	$ 1,526,211	$ 1,649,726	(7.5)%
Specialty Distribution	1,158,987	1,138,620	1.8 %
Intercompany eliminations	(154,517)	(144,017)	
Net sales	$ 2,530,681	$ 2,644,329	(4.3)%
Operating profit by business segment (a):			
Installation	$ 285,057	$ 327,475	(13.0)%
Specialty Distribution	156,541	166,951	(6.2)%
Intercompany eliminations	(25,559)	(23,600)	
Operating profit before general corporate expense	416,039	470,826	(11.6)%
General corporate expense, net (b)	(18,762)	(45,926)	
Operating profit	$ 397,277	$ 424,900	(6.5)%
Operating profit margins:			
Installation	18.7 %	19.9 %	
Specialty Distribution	13.5 %	14.7 %	
Operating profit margin before general corporate expense	16.4 %	17.8 %	
Operating profit margin	15.7 %	16.1 %	

Installation

Sales

Sales in our Installation segment decreased $123.5 million, or 7.5%, for the six months ended June 30, 2025, as compared to the same period in 2024. The sales decline was primarily due to 10.1% lower sales volume, partially offset by a 1.6% increase from acquisitions, and 1.0% from higher selling prices.

Operating margins

Operating margins in our Installation segment were 18.7% and 19.9% for the six months ended June 30, 2025 and 2024, respectively. The decline in operating margin is primarily due to $7.3 million of one-time expenses incurred during the six months ended June 30, 2025, in connection with our branch consolidations and headcount reductions, and lower sales volume, which was partially offset by savings from the branch consolidations and headcount reductions we made in the first quarter of 2025.

Specialty Distribution

Sales

Sales in our Specialty Distribution segment increased $20.4 million, or 1.8%, for the six months ended June 30, 2025, as compared to same period in 2024. Sales increased 2.8% from acquisitions and 1.1% from higher selling prices, partially offset by a 2.1% decline in sales volume.

Operating margins

Operating margins in our Specialty Distribution segment were 13.5% and 14.7% for the six months ended June 30, 2025 and 2024, respectively. The decline in operating margin is primarily due to $6.8 million of one-time expenses incurred during the six months ended June 30, 2025, in connection with our branch consolidations and headcount reductions, lower sales volume, and price pressures on residential products within our distribution business, partially offset by savings from the branch consolidations and headcount reductions we made in the first quarter of 2025.

OTHER ITEMS

Other expense, net

Other expense, net, decreased to $27.7 million for the six months ended June 30, 2025 from $14.7 million in the six months ended June 30, 2024. The decrease was driven by $12.7 million lower interest income due to lower cash balances held prior to the refinancing of our Term Loan in the second quarter of 2025.

Income tax expense

Income tax expense was $94.6 million, an effective tax rate of 25.6 percent, for the six months ended June 30, 2025 compared to $107.1 million, an effective tax rate of 26.1 percent, for the comparable period in 2024. The tax rate for six months ended June 30, 2025 was lower, primarily related to a decrease in tax expense related to share-based compensation.

Cash Flows and Liquidity

Significant sources (uses) of cash and cash equivalents are summarized for the periods indicated, in thousands:

	Six Months Ended June 30,	
	2025	2024
Changes in cash and cash equivalents:		
Net cash provided by operating activities	$ 346,279	$ 269,128
Net cash used in investing activities	(45,490)	(121,947)
Net cash provided by (used in) financing activities	139,091	(531,949)
Impact of exchange rate changes on cash	2,295	(576)
Net increase (decrease) in cash and cash equivalents	$ 442,175	$ (385,344)

Net cash flows provided by operating activities increased $77.2 million for the six months ended June 30, 2025, as compared to the prior year period. The increase was driven by favorable changes in working capital, specifically accounts receivable and inventory, compared to the six months ended June 30, 2024. This increase was partially offset by $28.1 million lower net income.

Net cash used in investing activities was $45.5 million for the six months ended June 30, 2025, primarily composed of $24.9 million for purchases of property and equipment, mainly vehicles and equipment, and $21.2 million for our acquisitions. Net cash used in investing activities was $121.9 million for the six months ended June 30, 2024, primarily composed of $88.1 million for our acquisitions and $36.0 million for purchases of property and equipment, mainly vehicles and equipment, partially offset by $2.2 million proceeds received from the sale of assets.

Net cash provided by financing activities was $139.1 million for the six months ended June 30, 2025. During the six months ended June 30, 2025, we refinanced our Term Loan resulting in the issuance of $1.0 billion long-term debt, repayment of $487.5 million long-term debt, and payment of $7.0 million on debt issuance costs. Additionally, we used $351.6 million to repurchase shares of our common stock, paid $9.4 million of excise taxes on share repurchases, and incurred $5.4 million cash outflow related to exercise of share-based incentive awards. Net cash used in financing activities was $531.9 million for the six months ended June 30, 2024. During the six months ended June 30, 2024, we used $505.2 million to repurchase shares of our common stock, $23.9 million for debt repayments and incurred $2.8 million net cash outflow related to exercise of share-based incentive awards and stock options.

We have access to liquidity through our cash from operations and available borrowing capacity under Amendment No. 5 to our Credit Agreement, which provides for borrowing and/or standby letter of credit issuances of up to $1.0 billion under the Revolving facility. Additional information regarding our outstanding debt and borrowing capacity is incorporated by reference from *Note 5 – Long-term Debt* to our unaudited condensed consolidated financial statements contained in Part 1, Item 1 of this Quarterly Report.

The following table summarizes our liquidity, in thousands:

	As of	
	June 30, 2025	**December 31, 2024**
Cash and cash equivalents (a)	$ 842,493	$ 400,318
Revolving facility	1,000,000	500,000
Less: standby letters of credit	(61,198)	(63,770)
Availability under Revolving facility	938,802	436,230
Total liquidity	$ 1,781,295	$ 836,548

(a) Our cash and cash equivalents consist of AAA-rated money market funds as well as cash held in our demand deposit accounts.

We believe that our cash flows from operations, combined with our current cash levels and available borrowing capacity, will be adequate to support our ongoing operations and known contractual obligations including funding our debt service requirements, capital expenditures, lease obligations and working capital needs for at least the next twelve months. We also have adequate liquidity to maintain off-balance sheet arrangements for short-term leases, letters of credit, and performance and license bonds. Information regarding our outstanding bonds as of June 30, 2025, is incorporated by reference from Note 14 – *Other Commitments and Contingencies* to our unaudited condensed consolidated financial statements contained in Part I, Item 1 of this Quarterly Report.

OUTLOOK

Residential New Construction
Demand for single-family homes continues to be uneven across the country. Multi-family activity has slowed considerably as the lower housing starts of 2024 began to impact the industry in 2025. While the residential end-markets are facing near-term uncertainty around tariffs, inflation, and interest rates, we remain optimistic about the longer-term fundamentals due to underbuilding in the United States in prior years.

Commercial and Industrial Construction
Our commercial backlog is strong, our bidding activity is active, and our third quarter acquisition of Progressive, all continue to support our positive view of commercial/industrial sales at our Installation and Specialty Distribution segments. We remain optimistic that declining interest rates in the future will continue to unlock projects across many industries. In addition, recurring maintenance and repair work on industrial sites serves as a continued driver for our business.

OFF-BALANCE SHEET ARRANGEMENTS

We had no material off-balance sheet arrangements during the three months ended June 30, 2025, other than short-term leases, letters of credit, and performance and license bonds, which have been disclosed in Part 1, Item 1 of this Quarterly report.

We occasionally use performance bonds to ensure completion of our work on certain larger customer contracts that can span multiple accounting periods. Performance bonds generally do not have stated expiration dates; rather, we are released from the bonds as the contractual performance is completed. We also have bonds outstanding for license and insurance.

The following table summarizes our outstanding performance, licensing, insurance, and other bonds, in thousands:

	As of	
	June 30, 2025	**December 31, 2024**
Outstanding bonds:		
Performance bonds	$ 152,169	$ 146,479
Licensing, insurance, and other bonds	28,794	28,462
Total bonds	$ 180,963	$ 174,941

CONTRACTUAL OBLIGATIONS

There have been no material changes to our contractual obligations from those previously disclosed in our Annual Report for the year ended December 31, 2024, as filed with the SEC on February 25, 2025, except as follows:

On May 16, 2025, we entered into Amendment No. 5 to the Credit Agreement, which increased our term loan facility, increased the aggregate borrowing capacity on our revolving credit facility, and added a delayed draw term facility. See *Note 5 – Long-Term Debt* for discussion of our obligations in connection with Amendment No. 5, which is incorporated by reference to our unaudited condensed consolidated financial statements contained in Part I, Item 1 of this Quarterly Report.

CRITICAL ACCOUNTING POLICIES

We prepare our condensed consolidated financial statements in conformity with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of sales and expenses during the reporting period. Actual results could differ from those estimates. Our critical accounting policies have not changed from those previously reported in our Annual Report for the year ended December 31, 2024, as filed with the SEC on February 25, 2025.

APPLICATION OF NEW ACCOUNTING STANDARDS

Information regarding the application of new accounting standards is incorporated by reference from *Note 2 – Accounting Policies* to our unaudited condensed consolidated financial statements contained in Part I, Item 1 of this Quarterly Report.

FORWARD-LOOKING STATEMENTS

Statements contained in this report that reflect our views about future periods, including our future plans and performance, constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "will," "would," "should," "anticipate," "expect," "believe," "designed," "plan," "may," "project," "estimate" or "intend," the negative of these terms, and similar references to future periods. These views involve risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed in our forward-looking statements. We caution you against unduly relying on any of these forward-looking statements. Our future performance may be affected by the duration and impact of negative macro-economic impacts on the United States economy, specifically with respect to residential, commercial/industrial construction, our ability to collect our receivables from our customers, our reliance on residential new construction, residential repair/remodel, and commercial/industrial construction; our reliance on third-party suppliers and manufacturers; our ability to attract, develop, and retain talented personnel and our sales and labor force; our ability to maintain consistent practices across our locations; our ability to maintain our competitive position; and our ability to realize the expected benefits of our acquisitions. We discuss the material risks we face under the caption entitled "Risk Factors" in our Annual Report for the year ended December 31, 2024, as filed with the SEC on February 25, 2025, as well as under the caption entitled "Risk Factors" in subsequent reports that we file with the SEC. Our forward-looking statements in this filing speak only as of the date of this filing. Factors or events that could cause our actual results to differ may emerge from time to time and it is not possible for us to predict all of them. Unless required by law, we undertake no obligation to update publicly any forward-looking statements as a result of new information, future events, or otherwise.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We have a Term Loan outstanding with a principal balance of $1.0 billion and a revolving facility with an aggregate borrowing capacity of $1.0 billion. We also have outstanding 3.625% Senior Notes with an aggregate principal balance of $400.0 million and 4.125% Senior Notes with an aggregate principal balance of $500.0 million. The 3.625% Senior Notes and 4.125% Senior Notes bear a fixed rate of interest and therefore are excluded from the calculation below as they are not subject to fluctuations in interest rates.

Interest payable on both the aggregate Term Loan and revolving facility is based on a variable interest rate. As a result, we are exposed to market risks related to fluctuations in interest rates on this outstanding indebtedness. As of June 30, 2025, the applicable interest rate as of such date was 5.58%. Based on our outstanding borrowings as of June 30, 2025, a 100-basis point increase in the interest rate would result in a $9.8 million increase in our annualized interest expense. There was no outstanding balance under the revolving facility as of June 30, 2025.

Item 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report, we carried out an evaluation, under the supervision and with the participation of our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of June 30, 2025.

C*hanges in Internal Control over Financial Reporting*

There was no change in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) in the most recent fiscal quarter ended June 30, 2025, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

The information set forth under the caption "Litigation" in *Note 13 – Other Commitments and Contingencies* to our unaudited condensed consolidated financial statements contained in Part I, Item 1 of this Quarterly Report, is incorporated by reference herein.

Item 1A. RISK FACTORS

There have been no material changes to our risk factors as previously disclosed in our Annual Report for the year ended December 31, 2024, as filed with the SEC on February 25, 2025 which are incorporated by reference herein.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table provides information regarding the repurchase of our common stock for the three months ended June 30, 2025, in thousands, except share and per share data:

Period	Total Number of Shares Purchased	Average Price Paid per Common Share (a)	Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
April 1, 2025 - April 30, 2025	123,690	$ 300.79	123,690	$ 935,221
May 1, 2025 - May 31, 2025	80,970	281.55	80,970	$ 912,423
June 1, 2025 - June 30, 2025	250,142	303.79	250,142	$ 836,433
Total	454,802	$ 299.01	454,802	

(a) These amounts exclude the 1% excise tax mandated by the Inflation Reduction Act on share repurchases.

Excluded from this disclosure are share repurchased to settle statutory employee tax withholdings related to the vesting of stock awards.

Item 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

Item 5. OTHER INFORMATION

During the quarter ended June 30, 2025, no director or officer (as defined in Rule 16a-1(f) promulgated under the Exchange Act) of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (as each term is defined in Item 408 of Regulation S-K), except as follows:

On May 21, 2025, Alec Covington, a director of the Company, adopted a Rule 10b5-1 trading arrangement providing for the sale of up to 3,500 shares of common stock of the Company, subject to certain conditions (including a cooling-off period). The expiration date of Mr. Covington's Rule 10b5-1 trading arrangement is July 24, 2026.

Item 6. EXHIBITS

The Exhibits listed on the accompanying Index to Exhibits are filed or furnished (as noted on such Index) as part of this Quarterly Report and incorporated herein by reference.

INDEX TO EXHIBITS

		Incorporated by Reference			Filed
Exhibit No.	**Exhibit Title**	**Form**	**Exhibit**	**Filing Date**	**Herewith**
10.16	Amendment No. 5 to Amended and Restated Credit Agreement, dated as of May 16, 2025, among TopBuild Corp., Bank of America, N.A. as administrative agent, and the other guarantors, lenders and agents party thereto	8-K	10.16	5/19/2025	
10.17	Form of Restricted Stock Award Agreement for Non-Employee Directors under the 2025 LTIP				X
10.18	Form of Restricted Stock Unit Award Agreement under the 2025 LTIP				X
10.19	Form of Performance Restricted Stock Unit Award Agreement under the 2025 LTIP				X
31.1	Principal Executive Officer Certification required by Rules 13a-14 and 15d-14 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				X
31.2	Principal Financial Officer Certification required by Rules 13a-14 and 15d-14 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				X
32.1‡	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002				
32.2‡	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002				
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				X
101.SCH	Inline XBRL Taxonomy Extension Schema Document				X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document				X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				X

‡Furnished herewith

SIGNATURES

Pursuant to the requirements 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.

TOPBUILD CORP.

By: /s/ Madeline Otero
Name: Madeline Otero
Title: Vice President and Chief Accounting Officer
(Principal Accounting Officer)

August 5, 2025

By: /s/ Robert Kuhns
Name: Robert Kuhns
Title: Vice President and Chief Financial Officer
(Principal Financial Officer)

August 5, 2025

Exhibit 10.17

TOPBUILD

Terms and Conditions of
Restricted Stock Awards Under the
Non-Employee Directors Equity Program Under the
Amended and Restated 2015 Long Term Stock Incentive Plan

These Terms and Conditions apply to an award to you of restricted stock (the "Award") by TopBuild Corp. (the "Company"). The Award date, number of shares of Restricted Stock, restricted period and other details of the Award ("Award Information") are described on Exhibit A hereto. By accepting the Award on the Company's online stock administration portal, you (i) agree to accept the Award, (ii) voluntarily agree to these Terms and Conditions and the provisions of the Non-Employee Directors Equity Program (as effective on the date of this Award, the "Program") under the Company's Amended and Restated 2015 Long Term Stock Incentive Plan (as effective on the date of this Award, the "Plan"), and (iii) acknowledge that:

- you have read and understand these Terms and Conditions, and are familiar with the provisions of the Program and the Plan, including the restrictive covenants contained therein;
- you have received or have access to all of the documents referred to in these Terms and Conditions; and
- all of your rights to the Award are embodied in these Terms and Conditions, the Program, the Plan, and the Company's Dispute Resolution Policy as in effect from time to time (the "DRP"), and there are no other commitments or understandings currently outstanding with respect to any other Awards, except as may be evidenced by agreements duly executed by you and the Company.

You and the Company agree that all of the terms and conditions of the Award (including the Award Information) are set forth in these Terms and Conditions, the Program and the Plan. These Terms and Conditions together with the Award Information constitute your restricted stock award agreement (the "Award Agreement"). Please read these documents carefully. Capitalized terms that are used but not defined herein shall have the meaning ascribed to them in the Program and the Plan. Copies of the Program, the Plan and the DRP, and information about the Company, are available on the Company's online stock administration portal.

The Award is subject to certain restrictions.

Certificates for the shares of the Restricted Stock will not be issued but the shares will be registered in your name in book entry form promptly after your acceptance of this Award. You will be entitled to vote and receive any cash dividends (net of required tax withholding) on the Shares of Restricted Stock, but you will not be able to obtain a stock certificate or sell, encumber or otherwise transfer the Shares of Restricted Stock except in accordance with the Program and the Plan. Provided you have been continuously serving as a director of the Company since the date of the Award, the restrictions on the Restricted Stock will lapse at the end of the Restricted Period set forth on Exhibit A hereto.

Pursuant to Section 6(d)(ii) of the Plan, if your service to the Company is terminated by reason of your permanent and total disability, or if you should die while restrictions on the Restricted Stock remain in effect, the restrictions on the Restricted Stock will lapse and your rights to the Shares will become unrestricted on the date of such disability or death.

The restrictions on the Restricted Stock will lapse and your rights to the Shares will become unrestricted upon a Change in Control.

If your service to the Company is terminated for any reason while restrictions on the Restricted Stock remain in effect, and other than for a reason described above, all the Shares of Restricted Stock will be automatically forfeited to the Company.

You agree to the application of the Company's Dispute Resolution Policy.

Section 3 of the Plan provides, in part, that the Committee shall have the authority to interpret the Plan and Award Agreements and decide all questions and settle all controversies and disputes relating thereto. It further provides that the determinations, interpretations and decisions of the Committee are within its sole discretion and are final, conclusive and binding on all persons. In addition, you and the Company agree that if for any reason a claim is asserted against the Company or any of its subsidiaries or affiliated companies or any officer, employee or agent of the foregoing (other than a claim involving non-competition restrictions or the Company's, a subsidiary's or an affiliated company's trade secrets, confidential information or intellectual property rights) which (1) are within the scope of the DRP; (2) subverts the provisions of Section 3 of the Plan; or (3) involves any of the provisions of this Award Agreement, the Program or the Plan or the provisions of any other equity awards or other agreements relating to Company stock or the claims of yourself or any persons to the benefits thereof, in order to provide a more speedy and economical resolution, the DRP shall be the sole and exclusive remedy to resolve all disputes, claims or controversies which are set forth above, except as otherwise agreed in writing by you and the Company or a subsidiary of the Company. It is our mutual intention that any arbitration award entered under the DRP will be final and binding and that a judgment on the award may be entered in any court of competent jurisdiction. Notwithstanding the provisions of the DRP, however, the parties specifically agree that any mediation or arbitration required by this paragraph shall take place at the offices of the American Arbitration Association located in the Daytona Beach, Florida area or such other location in the Daytona Beach, Florida area as the parties might agree. The provisions of this paragraph: (a) shall survive the termination or expiration of this Award Agreement, (b) shall be binding upon the Company's and your respective successors, heirs, personal representatives, designated beneficiaries and any other person asserting a claim based upon this Award Agreement, (c) shall supersede the provisions of any prior agreement between you and the Company or its subsidiaries or affiliated companies with respect to any equity award to the extent the provisions of such other agreement requires arbitration between you and the Company, and (d) may not be modified without the consent of the Company. Subject to the exception set forth above, you and the Company acknowledge that neither of us nor any other person asserting a claim described above has the right to resort to any federal, state or local court or administrative agency concerning any such claim and the decision of the arbitrator shall be a complete defense to any action or proceeding instituted in any tribunal or agency with respect to any dispute.

The Award does not imply any service commitment by the Company.

You agree that the Award and acceptance of the Award does not imply any commitment by the Company to your continued service relationship.

You agree to comply with applicable tax requirements and to provide information as requested.

You agree to comply with the requirements of applicable federal, state and other laws with respect to withholding or providing for the payment of required taxes. You also agree to promptly provide such information with respect to Shares acquired pursuant to the Award as may be requested by the Company or any of its subsidiaries or affiliated companies.

General Provisions

These Terms and Conditions shall be governed by and interpreted in accordance with Florida law. The headings set forth herein are for information purposes only and are not a substantive part of these Terms and Conditions.

Exhibit A

[Participant Name]

Award details are listed below:

Award Date	Award Type	Award ID	Shares Awarded	Share Price	Restricted Period	Acknowledgement Date
[Grant Date]	**[Grant Type]**	**[Client Grant ID]**	**[Number of Shares Granted]**	**[Grant Date FMV]**	**[Restricted Period]**	**[Acceptance Date]**

[Signed Electronically]

EXHIBIT **10.18**

TOPBUILD CORP.
RESTRICTED STOCK UNIT AWARD AGREEMENT

TopBuild Corp. (the "Company") hereby grants to the Participant named below, subject to the provisions of the Company's Amended and Restated 2015 Long Term Stock Incentive Plan (the "Plan") and this Restricted Stock Unit Award Agreement (this "Award Agreement"), the following Award consisting of the number of Restricted Stock Units on the Award Date set forth below. Capitalized terms used but not defined in this Award Agreement shall have the meanings assigned to such terms in the Plan. The terms and conditions governing this Award are set forth herein and in the Plan. Copies of the Plan and information about the Company are available online in the Company's public filings.

1. Award.

Name of Participant:	[[FIRSTNAME]] [[LASTNAME]]
Number of Restricted Stock Units:	[[#RSUSGRANTED]] Each Restricted Stock Unit represents the contingent right to receive one Share upon vesting.
Award Date:	February [[XX]], 20[[XX]]
Vesting Dates:	This Award will vest in three annual installments of thirty-three percent (33%) on or about the first and second anniversary of the Award Date and thirty-four percent (34%) on or about the third anniversary of the Award Date.

2. Acceptance. This Award Agreement shall be effective upon acceptance by Participant by signing below, which signature may be made by electronic means. The Award will be registered in Participant's name in book entry form promptly after acceptance. Prior to vesting, the Participant will not be entitled to vote or receive any cash dividends.

3. Conditions to Vesting. Except as otherwise provided herein, rights to receive Shares granted under this Award shall become vested and nonforfeitable on the applicable Vesting Dates set out in this Award Agreement, provided that the Participant remains continuously employed by the Company or an Affiliate through the Vesting Date, except that, if a Vesting Date occurs on a day in which the NYSE is not open, the Vesting Date shall occur on the next occurring date that the NYSE is open. As used herein, "employment" or "employed" means Participant's employment by the Company or an Affiliate (provided, in the case of Substitute Awards, that Participant satisfies the Form S-8 definition of an "employee").

4. Forfeiture. If Participant's employment ends or is terminated for any reason that does not qualify as an exception as set forth below, any unvested portion of the Award will be automatically forfeited to the Company.

5. Exceptions to Forfeiture.

   a. *Death*. If Participant's employment ends due to Participant's death while the Award remains unvested, the restrictions will lapse and any remaining unvested portion of the Award will vest in full effective on the date Participant's employment ends.

b. *Disability*. If Participant's employment ends due to the Participant's disability while the Award remains unvested, the restrictions will lapse and any remaining unvested portion of the Award will vest in full effective on the date Participant's employment ends. For purposes of this Award Agreement, "disability" means that a Participant has been unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months as determined by the Company. Alternatively, the Company may deem Participant disabled if determined to be totally disabled by the Social Security Administration.

c. *Retirement*. If Participant's employment ends due to Participant's retirement while the Award remains unvested, the Award will continue to vest in the same manner as though employment had not ended subject to the other provisions of this Agreement and the Plan (except to the extent superseded by the Executive Severance Agreement, if applicable). For purposes of this Award Agreement, "retirement" means: (i) Participant's attainment of age sixty-two; (ii) Participant has achieved at least seven (7) years of employment as a full time employee of the Company or an Affiliate in any role, including all periods of employment whether or not contiguous, and any period during which Participant was employed by an acquired company to the extent such period of employment was recognized at the time of the acquisition; and (iii) Participant provides not less than six (6) months' irrevocable notice of Participant's intent to resign employment on or after attaining age 62.

d. *Change in Control*. Except to the extent superseded by the Executive Severance Agreement, with respect to this Award and each other then-outstanding Award that Participant holds, the following shall apply:

    i. The Committee shall have the full and final authority to determine whether an Award shall be considered assumed or substituted and, without limiting the foregoing, an Award which remains subject to substantially the same terms and conditions that were applicable to the Award immediately prior to the Change in Control but which confers the right to receive common stock of the acquiring entity may be considered assumed or substituted for hereunder.

        1. *Assumed or Substituted*. If this Award is assumed or substituted in connection with a Change in Control, in the event of a termination of employment with the Company or an Affiliate without CIC Cause (as defined below) during the 12-month period immediately following such Change in Control, on the date of such termination (1) the Award shall become fully vested and, if applicable, exercisable, (2) the restrictions, payment conditions, and forfeiture conditions applicable to the Award shall lapse, and (3) any performance conditions imposed with respect to the Award shall be deemed to be achieved at the actual level of performance at the time of the termination, or, if not determinable, at the applicable target level of performance.

        2. *Not Assumed or Substituted*. If this Award is not assumed or substituted in connection with a Change in Control, immediately

prior to the occurrence of the Change in Control, (1) the Award shall become fully vested and, if applicable, exercisable, (2) the restrictions, payment conditions, and forfeiture conditions applicable to the Award shall lapse, and (3) any performance conditions imposed with respect to the Award shall be deemed to be achieved at the actual level of performance at the time of the Change in Control, or, if not determinable, at the applicable target level of performance.

ii. Solely for purposes of the forgoing provisions governing treatment of Awards following a Change in Control, "CIC Cause" shall mean (x) Participant's willful and continued failure (other than any such failure resulting from disability) to perform substantially the duties and responsibilities of Participant's position with the Company or Affiliate after a written demand for substantial performance is delivered, which demand specifically identifies the manner in which the Company believes that Participant has not substantially performed such duties or responsibilities; (y) Participant's conviction by a court of competent jurisdiction for felony criminal conduct; or (z) Participant's willfully engaging in fraud or dishonesty which is demonstrably and materially injurious to the Company or its reputation, monetarily or otherwise.

6. Post-Employment Forfeiture. Notwithstanding the foregoing, if at any time following termination of employment Participant engages in an activity which in the sole judgment of the Committee is detrimental to the interests of the Company or an Affiliate, any unvested portion of the Award will be forfeited to the Company. Participant acknowledges that such activity includes, but is not limited to, "Business Activities" and "Prohibited Capacity" (as defined below).

7. Non-Competition. In addition to any other restrictive covenant agreement that Participant may have executed during employment, and in consideration for the Award, and regardless of whether restrictions on Shares subject to the Award have lapsed, while Participant is employed or retained as a consultant by the Company or an Affiliate and for the longer of (i) the amount of time the Award(s) remain outstanding; or (ii) one year following any termination of employment or, if applicable, any consulting relationship with the Company or an Affiliate, other than a termination in connection with a Change in Control (as defined in the Plan, the Executive Severance Agreement, or an applicable Change in Control Severance Agreement), Participant agrees not to engage in, and not to become associated in a "Prohibited Capacity" (as defined below) with any other entity engaged in any Business Activities; and not to encourage or assist others in encouraging any employee of the Company or an Affiliate to terminate employment or to become engaged in any such Prohibited Capacity with an entity engaged in any Business Activities.

a. "Business Activities" means the design, development, manufacture, sale, marketing or servicing of any product or provision of services competitive with the products or services of the Company or any Affiliate offered, performed, developed, or acquired at any time Participant was employed by or consulting with the Company or any Affiliate to the extent such competitive products or services are distributed or provided either (i) in the same geographic area as are such products or services of the Company or any Affiliate, or (ii) to any of the same class of customers as such products or services of the Company or any Affiliate are distributed or provided.

b. “Prohibited Capacity” means being associated with an entity as an employee, consultant, investor or in another capacity where (i) confidential business information of the Company or any Affiliate could be used in fulfilling duties or responsibilities with such other entity, (ii) duties or responsibilities are similar to or include any of those Participant had while employed or retained as a consultant by the Company or any Affiliate, or (iii) an investment by Participant in such other entity represents more than 1% of such other entity’s capital stock, partnership or other ownership interests.

8. Remedies. Participant agrees that a breach of Paragraph 6 or 7, independent of any equitable or legal remedies that the Company may have and without limiting the Company’s right to any other equitable or legal remedies, will result in Participant’s obligation to pay to the Company in cash immediately upon the demand of the Company (a) the amount of income realized for income tax purposes from this Award, net of all federal, state and other taxes payable on the amount of such income, but only to the extent such income is realized from restrictions lapsing on Restricted Stock Units or Shares on or after termination of employment or, if applicable, any consulting relationship with the Company or an Affiliate, plus (b) all costs and expenses of the Company in any effort to enforce its rights under Paragraphs 6, 7, or 8. The Company shall have the right to set off or withhold any amount owed to Participant by the Company or any Affiliate for any amount owed to the Company by Participant hereunder.

9. Incorporation of the Dispute Resolution Policy. The Plan delegates the authority to settle disputes to the Committee. Participant agrees that if a claim is asserted against the Company, its Affiliates, or any officer, employee or agent of the foregoing (other than a claim involving non-competition restrictions or the Company’s trade secrets, confidential information, or intellectual property rights) which (a) are within the scope of the Company’s Dispute Resolution Policy (the terms of which are incorporated herein, as it shall be amended from time to time, the “DRP”); (b) subverts the provisions of the Plan; or (c) involves any of the provisions of the Award Agreement, the Plan, or the provisions of any other awards, options, or other agreements relating to Shares or Participant’s personal claims or claims made by any persons to the benefits thereof, in order to provide a more speedy and economical resolution, the DRP shall be the sole and exclusive remedy to resolve all disputes, claims or controversies which are set forth above, except as otherwise agreed in writing by the parties. It is our mutual intention that any arbitration award entered under the DRP will be final and binding and that a judgment on the award may be entered in any court of competent jurisdiction. Notwithstanding the provisions of the DRP, however, the parties specifically agree that any mediation or arbitration required by this paragraph shall take place in Daytona Beach, Florida. The provisions of this paragraph: (i) shall survive the termination or expiration of this Award Agreement, (ii) shall be binding upon the Company’s and Participant’s successors, heirs, personal representatives, designated beneficiaries and any other person asserting a claim based upon the Award Agreement, (iii) shall supersede the provisions of any prior agreement between Participant and the Company with respect to any of the Company’s option, restricted stock, or other stock-based incentive plans to the extent the provisions of such other agreement requires arbitration between the parties, and (iv) may not be modified without the consent of the Company. Subject to the exception set forth above, Participant and the Company acknowledge that no person asserting a claim described above has the right to resort to any federal, state, or local court or administrative agency concerning any such claim and the decision of the arbitrator shall be a complete defense to any action or proceeding instituted in any tribunal or agency with respect to any dispute.

10. No Right to Continued Employment. Acceptance of the Award does not imply any commitment by the Company or any Affiliate to continue Participant’s employment or consulting relationship. Participant’s employment status is that of an employee-at-will. The employing

Company or Affiliate has a continuing right with or without Cause, as defined in 12.c. below, (unless otherwise specifically agreed to in writing executed by Participant and the Company) to terminate employment or other relationship at any time.

11. Tax Responsibilities. Participant agrees to comply with the requirements of applicable federal and other laws with respect to withholding or providing for the payment of required taxes. Participant also agrees to promptly provide the Company with information with respect to Shares acquired pursuant to the Award when requested.

12. Award Recovery.

a. Financial Statements and Records. Participant agrees that the Award (or any portion thereof) and any Proceeds thereof determined to be "Excess Incentive Compensation" under the Company's Incentive Compensation Recovery Policy (the "Clawback Policy") in effect on the date Participant accepts this Award Agreement are subject to recovery by the Company under the Clawback Policy. Participant acknowledges that (1) Participant has read and understands the Clawback Policy and (2) the Clawback Policy shall be interpreted, administered and enforced by the Committee in its sole discretion directly or indirectly through its delegates.

b. Covered Conduct. Participant agrees that if the Company determines Participant has engaged in Covered Conduct, the Committee may (notwithstanding any expiration of the Plan or of the rights or obligations otherwise arising under an Award) require Participant (whether or not Participant is then an employee, consultant, or director of the Company or any Affiliate) to return some or all of the Proceeds from Subject Awards (each as defined below) and/or waive, forfeit, and surrender to Company Participant's rights with respect to all or a portion of Participant's Awards which have not yet vested or become exercisable (or have not been exercised).

c. As used herein:

"Covered Conduct" means conduct that constitutes Cause. "Cause" means any of the following, as determined in the good faith, reasonable judgment of the Company:

i. Participant's failure or refusal to perform Participant's duties or comply with reasonable directions of Company's leadership;

ii. Participant's commission of (1) any felony or (2) any misdemeanor that brings the Company into public disrepute, scandal, contempt or ridicule or that shocks, insults or offends a substantial portion or group of the community or reflects unfavorably on the Company or its officers, managers, or affiliates;

iii. theft, embezzlement, dishonesty, fraud, or other willful misconduct by the Participant; or

iv. the material violation by the Participant of any lawful written policy of the Company, including, without limitation, any policy regarding employment discrimination or sexual harassment.

"Proceeds" means Shares or cash received pursuant to the vesting or exercise of the Award (or, in the event that such Shares have been disposed of, cash in an amount equal to the Fair Market Value of the Shares on the date of vesting, exercise or disposition, as determined by the Company). Proceeds with respect to options shall be determined net of the applicable exercise price.

"Subject Awards" means Awards granted under the Plan and incentive compensation awards granted under any other plan, program, or agreement, in each case to the extent such awards are granted or became vested during the three-year period preceding the latest date on which Participant engaged in Covered Conduct.

13. Governing Law. This Award Agreement shall be governed by and interpreted in accordance with Florida law.

14. Electronic Delivery. Participant agrees to electronic delivery of any documents that the Company may elect to deliver in connection with any Award made or offered under the Plan. Participant has the right at any time to request that the Company deliver written copies of materials referred to above at no charge. Participant consents to all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that an electronic signature is the same as, and shall have the same force and effect as, a manual signature. Participant consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

* * * * * * * *

IN WITNESS WHEREOF, the Company has caused this Award Agreement to be executed by its duly authorized officer as of the Award Date.

TOPBUILD CORP

____
By: [[NAME]]
Title: [[TITLE]]

I acknowledge that I have received a copy of the Plan, that I have carefully reviewed the terms of this Award Agreement, and that I wish to be eligible to receive the Award. I agree to comply with the terms of this Award Agreement.

PARTICIPANT
[[SIGNATURE]]   [[SIGNATURE_DATE]]
____
Print Name: [[FIRSTNAME]] [[LASTNAME]]

TOPBUILD CORP.
PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

TopBuild Corp. (the "Company") hereby grants to the Participant named below, subject to the provisions of the Company's Amended and Restated 2015 Long Term Stock Incentive Plan (the "Plan") and this Performance Restricted Stock Unit Award Agreement (this "Award Agreement"), the following Award consisting of the number of Restricted Stock Units on the Award Date set forth below. Capitalized terms used but not defined in this Award Agreement shall have the meanings assigned to such terms in the Plan. The terms and conditions governing this Award are set forth herein and in the Plan. Copies of the Plan and information about the Company are available online in the Company's public filings.

1. Award.

Name of Participant:	[[FIRSTNAME]] [[LASTNAME]]
Target Number of Restricted Stock Units:	[[#RSUSGRANTED]] Each Restricted Stock Unit represents the contingent right to receive one Share upon vesting.
Award Date:	February [[XX]], 20[[XX]]
Vesting Date:	This Award will vest within 30 days following the third anniversary of the Award Date in one installment which shall be 0% - 200% of the target number of Restricted Stock Units based on the terms of this Award Agreement, the Plan, Exhibit A, and Company performance.

2. Acceptance. This Award Agreement shall be effective upon acceptance by Participant by signing below, which signature may be made by electronic means. The Award will be registered in Participant's name in book entry form promptly after acceptance. Prior to vesting, the Participant will not be entitled to vote or receive any cash dividends.

3. Conditions to Vesting. Except as otherwise provided herein, rights to receive Shares granted under this Award shall become vested and nonforfeitable on the applicable Vesting Date set out in this Award Agreement, provided that the Participant remains continuously employed by the Company or an Affiliate through the Vesting Date, except that, if a Vesting Date occurs on a day in which the NYSE is not open, the Vesting Date shall occur on the next occurring date that the NYSE is open. As used herein, "employment" or "employed" means Participant's employment by the Company or an Affiliate (provided, in the case of Substitute Awards, that Participant satisfies the Form S-8 definition of an "employee").

4. Forfeiture. If Participant's employment ends or is terminated for any reason that does not qualify as an exception as set forth below, any unvested portion of the Award will be automatically forfeited to the Company.

5. Exceptions to Forfeiture.

   a. Death. If Participant's employment ends due to Participant's death while the Award remains unvested, the Participant's Award shall be calculated pro-rata based on the portion of the performance period during which the Participant was an active employee and paid or delivered on the Vesting Date in accordance with the provisions of the Plan and Exhibit A.

b. *Disability*. If Participant's employment ends due to the Participant's disability while the Award remains unvested, the Participant's Award shall be calculated pro-rata based on the portion of the performance period during which the Participant was an active employee and paid or delivered on the Vesting Date in accordance with the provisions of the Plan and Exhibit A. For purposes of this Award Agreement, "disability" means that a Participant has been unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months as determined by the Company. Alternatively, the Company may deem Participant disabled if determined to be totally disabled by the Social Security Administration.

c. *Retirement*. If Participant's employment ends due to Participant's retirement while the Award remains unvested, the Participant's Award shall be calculated pro-rata based on the portion of the performance period during which the Participant was an active employee and paid or delivered on the Vesting Date in accordance with the provisions of the Plan and Exhibit A, subject to the other provisions of this Agreement and the Plan (except to the extent superseded by the Executive Severance Agreement, if applicable). For purposes of this Award Agreement, "retirement" means: (i) Participant's attainment of age sixty-two; (ii) Participant has achieved at least seven (7) years of employment as a full time employee of the Company or an Affiliate in any role, including all periods of employment whether or not contiguous, and any period during which Participant was employed by an acquired company to the extent such period of employment was recognized at the time of the acquisition; and (iii) Participant provides not less than six (6) months' irrevocable notice of Participant's intent to resign employment on or after attaining age 62.

d. *Change in Control*. Except to the extent superseded by the Executive Severance Agreement, with respect to this Award and each other then-outstanding Award that Participant holds, the following shall apply:

    i. The Committee shall have the full and final authority to determine whether an Award shall be considered assumed or substituted and, without limiting the foregoing, an Award which remains subject to substantially the same terms and conditions that were applicable to the Award immediately prior to the Change in Control but which confers the right to receive common stock of the acquiring entity may be considered assumed or substituted for hereunder.

        1. *Assumed or Substituted*. If this Award is assumed or substituted in connection with a Change in Control, in the event of a termination of employment with the Company or an Affiliate without CIC Cause (as defined below) during the 12-month period immediately following such Change in Control, on the date of such termination (1) the Award shall become fully vested and, if applicable, exercisable, (2) the restrictions, payment conditions, and forfeiture conditions applicable to the Award shall lapse, and (3) any performance conditions imposed with respect to the Award shall be

deemed to be achieved at the actual level of performance at the time of the termination, or, if not determinable, at the applicable target level of performance.

2. *Not Assumed or Substituted*. If this Award is not assumed or substituted in connection with a Change in Control, immediately prior to the occurrence of the Change in Control, (1) the Award shall become fully vested and, if applicable, exercisable, (2) the restrictions, payment conditions, and forfeiture conditions applicable to the Award shall lapse, and (3) any performance conditions imposed with respect to the Award shall be deemed to be achieved at the actual level of performance at the time of the Change in Control, or, if not determinable, at the applicable target level of performance.

ii. Solely for purposes of the forgoing provisions governing treatment of Awards following a Change in Control, “CIC Cause” shall mean (x) Participant’s willful and continued failure (other than any such failure resulting from disability) to perform substantially the duties and responsibilities of Participant’s position with the Company or Affiliate after a written demand for substantial performance is delivered, which demand specifically identifies the manner in which the Company believes that Participant has not substantially performed such duties or responsibilities; (y) Participant’s conviction by a court of competent jurisdiction for felony criminal conduct; or (z) Participant’s willfully engaging in fraud or dishonesty which is demonstrably and materially injurious to the Company or its reputation, monetarily or otherwise.

6. <u>Post-Employment Forfeiture</u>. Notwithstanding the foregoing, if at any time following termination of employment Participant engages in an activity which in the sole judgment of the Committee is detrimental to the interests of the Company or an Affiliate, any unvested portion of the Award will be forfeited to the Company. Participant acknowledges that such activity includes, but is not limited to, “Business Activities” and “Prohibited Capacity” (as defined below).

7. <u>Non-Competition</u>. In addition to any other restrictive covenant agreement that Participant may have executed during employment, and in consideration for the Award, and regardless of whether restrictions on Shares subject to the Award have lapsed, while Participant is employed or retained as a consultant by the Company or an Affiliate and for the longer of (i) the amount of time the Award(s) remain outstanding; or (ii) one year following any termination of employment or, if applicable, any consulting relationship with the Company or an Affiliate, other than a termination in connection with a Change in Control (as defined in the Plan, the Executive Severance Agreement, or an applicable Change in Control Severance Agreement), Participant agrees not to engage in, and not to become associated in a “Prohibited Capacity” (as defined below) with any other entity engaged in any Business Activities; and not to encourage or assist others in encouraging any employee of the Company or an Affiliate to terminate employment or to become engaged in any such Prohibited Capacity with an entity engaged in any Business Activities.

a. “Business Activities” means the design, development, manufacture, sale, marketing or servicing of any product or provision of services competitive with the products or services of the Company or any Affiliate offered, performed, developed, or acquired at any time Participant was employed by or consulting with the Company or any Affiliate to the extent such competitive products or services are distributed or provided either (i) in the same geographic area as are such products or services of the Company or any Affiliate, or (ii) to any of the same class of customers as such products or services of the Company or any Affiliate are distributed or provided.

b. “Prohibited Capacity” means being associated with an entity as an employee, consultant, investor or in another capacity where (i) confidential business information of the Company or any Affiliate could be used in fulfilling duties or responsibilities with such other entity, (ii) duties or responsibilities are similar to or include any of those Participant had while employed or retained as a consultant by the Company or any Affiliate, or (iii) an investment by Participant in such other entity represents more than 1% of such other entity’s capital stock, partnership or other ownership interests.

8. Remedies. Participant agrees that a breach of Paragraph 6 or 7, independent of any equitable or legal remedies that the Company may have and without limiting the Company’s right to any other equitable or legal remedies, will result in Participant’s obligation to pay to the Company in cash immediately upon the demand of the Company (a) the amount of income realized for income tax purposes from this Award, net of all federal, state and other taxes payable on the amount of such income, but only to the extent such income is realized from restrictions lapsing on Restricted Stock Units or Shares on or after termination of employment or, if applicable, any consulting relationship with the Company or an Affiliate, plus (b) all costs and expenses of the Company in any effort to enforce its rights under Paragraphs 6, 7, or 8. The Company shall have the right to set off or withhold any amount owed to Participant by the Company or any Affiliate for any amount owed to the Company by Participant hereunder.

9. Incorporation of the Dispute Resolution Policy. The Plan delegates the authority to settle disputes to the Committee. Participant agrees that if a claim is asserted against the Company, its Affiliates, or any officer, employee or agent of the foregoing (other than a claim involving non-competition restrictions or the Company’s trade secrets, confidential information, or intellectual property rights) which (a) are within the scope of the Company’s Dispute Resolution Policy (the terms of which are incorporated herein, as it shall be amended from time to time, the “DRP”); (b) subverts the provisions of the Plan; or (c) involves any of the provisions of the Award Agreement, the Plan, or the provisions of any other awards, options, or other agreements relating to Shares or Participant’s personal claims or claims made by any persons to the benefits thereof, in order to provide a more speedy and economical resolution, the DRP shall be the sole and exclusive remedy to resolve all disputes, claims or controversies which are set forth above, except as otherwise agreed in writing by the parties. It is our mutual intention that any arbitration award entered under the DRP will be final and binding and that a judgment on the award may be entered in any court of competent jurisdiction. Notwithstanding the provisions of the DRP, however, the parties specifically agree that any mediation or arbitration required by this paragraph shall take place in Daytona Beach, Florida. The provisions of this paragraph: (i) shall survive the termination or expiration of this Award Agreement, (ii) shall be binding upon the Company’s and Participant’s successors, heirs, personal representatives, designated beneficiaries and any other person asserting a claim based upon the Award Agreement, (iii) shall supersede the provisions of any prior agreement between Participant and the Company with respect to any of the Company’s option, restricted stock, or other stock-based incentive plans to the extent the provisions of such other agreement requires arbitration between the parties, and (iv) may not be modified without the consent of the Company. Subject to the exception set forth above, Participant and the Company acknowledge that no person asserting a claim described above has the right to resort to any federal, state, or local court or administrative agency concerning any such claim and the

decision of the arbitrator shall be a complete defense to any action or proceeding instituted in any tribunal or agency with respect to any dispute.

10. No Right to Continued Employment. Acceptance of the Award does not imply any commitment by the Company or any Affiliate to continue Participant's employment or consulting relationship. Participant's employment status is that of an employee-at-will. The employing Company or Affiliate has a continuing right with or without Cause, as defined in 12.c. below, (unless otherwise specifically agreed to in writing executed by Participant and the Company) to terminate employment or other relationship at any time.

11. Tax Responsibilities. Participant agrees to comply with the requirements of applicable federal and other laws with respect to withholding or providing for the payment of required taxes. Participant also agrees to promptly provide the Company with information with respect to Shares acquired pursuant to the Award when requested.

12. Award Recovery.

a. Financial Statements and Records. Participant agrees that the Award (or any portion thereof) and any Proceeds thereof determined to be "Excess Incentive Compensation" under the Company's Incentive Compensation Recovery Policy (the "Clawback Policy") in effect on the date Participant accepts this Award Agreement are subject to recovery by the Company under the Clawback Policy. Participant acknowledges that (1) Participant has read and understands the Clawback Policy and (2) the Clawback Policy shall be interpreted, administered and enforced by the Committee in its sole discretion directly or indirectly through its delegates.

b. Covered Conduct. Participant agrees that if the Company determines Participant has engaged in Covered Conduct, the Committee may (notwithstanding any expiration of the Plan or of the rights or obligations otherwise arising under an Award) require Participant (whether or not Participant is then an employee, consultant, or director of the Company or any Affiliate) to return some or all of the Proceeds from Subject Awards (each as defined below) and/or waive, forfeit, and surrender to Company Participant's rights with respect to all or a portion of Participant's Awards which have not yet vested or become exercisable (or have not been exercised).

c. As used herein:

"Covered Conduct" means conduct that constitutes Cause. "Cause" means any of the following, as determined in the good faith, reasonable judgment of the Company:

i. Participant's failure or refusal to perform Participant's duties or comply with reasonable directions of Company's leadership;

ii. Participant's commission of (1) any felony or (2) any misdemeanor that brings the Company into public disrepute, scandal, contempt or ridicule or that shocks, insults or offends a substantial portion or group of the community or reflects unfavorably on the Company or its officers, managers, or affiliates;

iii. theft, embezzlement, dishonesty, fraud, or other willful misconduct by the Participant; or

iv. the material violation by the Participant of any lawful written policy of the Company, including, without limitation, any policy regarding employment discrimination or sexual harassment.

"Proceeds" means Shares or cash received pursuant to the vesting or exercise of the Award (or, in the event that such Shares have been disposed of, cash in an amount equal to the Fair Market Value of the Shares on the date of vesting, exercise or disposition, as determined by the Company). Proceeds with respect to options shall be determined net of the applicable exercise price.

"Subject Awards" means Awards granted under the Plan and incentive compensation awards granted under any other plan, program, or agreement, in each case to the extent such awards are granted or became vested during the three-year period preceding the latest date on which Participant engaged in Covered Conduct.

13. Governing Law. This Award Agreement shall be governed by and interpreted in accordance with Florida law.

14. Electronic Delivery. Participant agrees to electronic delivery of any documents that the Company may elect to deliver in connection with any Award made or offered under the Plan. Participant has the right at any time to request that the Company deliver written copies of materials referred to above at no charge. Participant consents to all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that an electronic signature is the same as, and shall have the same force and effect as, a manual signature. Participant consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

* * * * * * * *

IN WITNESS WHEREOF, the Company has caused this Award Agreement to be executed by its duly authorized officer as of the Award Date.

TOPBUILD CORP

____
By: [[NAME]]
Title: [[TITLE]]

I acknowledge that I have received a copy of the Plan, that I have carefully reviewed the terms of this Award Agreement, and that I wish to be eligible to receive the Award. I agree to comply with the terms of this Award Agreement.

PARTICIPANT
[[SIGNATURE]]   [[SIGNATURE_DATE]]
____
Print Name: [[FIRSTNAME]] [[LASTNAME]]

<u>EXHIBIT A</u>

[Alternate for]

Total Shareholder Return Performance Measures

The amount and vesting of performance-based Restricted Stock Units are dependent on the financial performance of TopBuild Corp. (the “Company”) over a three-year period. The accounting performance measurement period will include the Award year and the two years following the Award year.

The number of Shares applicable to your Award can be adjusted up or down based on the Company achieving a pre-defined target Relative Total Shareholder Return (“RTSR”) metric relative to a peer group of related companies, which in each case is approved by the Company’s Compensation Committee in accordance with the Plan.

The Award is issued at an expected target payout of 100% and can be adjusted to reflect the actual performance of the Company as determined by the Compensation Committee after the end of the measurement period. The Compensation Committee may authorize a partial payout or no payout if Company performance falls below threshold levels. The Compensation Committee may authorize a maximum payout of up to 200% of the target Award if the level for performance exceeds certain maximum performance. The Award will vest subject to the discretion of the Compensation Committee, the terms of this Award Agreement, and the terms of the Plan.

The Compensation Committee reserves the right to make certain assumptions and calculation decisions when calculating performance.

<u>EXHIBIT A</u>
[Alternate for]
Earnings Per Share Performance Measures

The amount and vesting of performance-based Restricted Stock Units are dependent on the financial performance of TopBuild Corp. (the “Company”) over a three-year period. The accounting performance measurement period will include the Award year and the two years following the Award year.

The number of Shares applicable to your Award can be adjusted up or down based on the Company achieving a pre-defined target cumulative Earnings Per Share (“EPS”) metric, in each case as approved by the Company’s Compensation Committee in accordance with the Plan.

The Award is issued at an expected target payout of 100% and can be adjusted to reflect the actual performance of the Company as determined by the Compensation Committee after the end of the measurement period. The Compensation Committee may authorize a partial payout or no payout if Company performance falls below threshold levels. The Compensation Committee may authorize a maximum payout of up to 200% of the target Award if the level for performance exceeds certain maximum performance. The Award will vest subject to the discretion of the Compensation Committee, the terms of this Award Agreement, and the terms of the Plan.

The Compensation Committee reserves the right to make certain assumptions and calculation decisions when calculating performance.

Exhibit 31.1

Certifications

I, Robert Buck, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TopBuild Corp.;

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 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 5, 2025

/s/ Robert Buck
Robert Buck
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

Certifications

I, Robert Kuhns, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TopBuild Corp.;

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 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 5, 2025

/s/ Robert Kuhns
Robert Kuhns
Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF PERIOD REPORT

I, Robert Buck, Chief Executive Officer and Director of TopBuild Corp. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

(1) the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2025 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); 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 5, 2025

/s/ Robert Buck
Robert Buck
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF PERIOD REPORT

I, Robert Kuhns, Vice President and Chief Financial Officer of TopBuild Corp. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

(1) the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2025 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); 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 5, 2025

/s/ Robert Kuhns
Robert Kuhns
Vice President and Chief Financial Officer
(Principal Financial Officer)