

# Dycom Industries, Inc.

## Trend Schedule

Q1 2020





Dollars in millions

Unaudited

### Contract Revenues Summary

	Quarter Ended				TTM	Quarter Ended				Fiscal	Quarter Ended
	4/29/17	7/29/17	10/28/17	1/27/18	1/27/18 <sup>2</sup>	4/28/18	7/28/18	10/27/18	1/26/19	2019	4/27/19
<b>Contract Revenues</b>	\$ 786.3	\$ 780.2	\$ 756.2	\$ 655.1	\$ 2,977.9	\$ 731.4	\$ 799.5	\$ 848.2	\$ 748.6	\$ 3,127.7	\$ 833.7
<b>Non-GAAP Organic Revenue Growth (Decline) %<sup>1</sup></b>	14.9 %	4.6 %	(8.4) %	(10.6) %	(0.2) %	(10.0) %	0.8 %	12.9 %	13.7 %	3.6 %	15.8 %
<b>Top Five Customers in each quarter presented</b>											
<b>Customer Revenues (%)</b>											
AT&T Inc.	27.1 %	21.0 %	19.0 %	22.4 %	22.4 %	24.2 %	20.7 %	19.4 %	21.0 %	21.2 %	25.1 %
Verizon Communications, Inc.	8.5 %	10.0 %	10.7 %	13.5 %	10.5 %	16.7 %	18.4 %	20.5 %	20.9 %	19.2 %	21.6 %
Comcast Corporation	19.4 %	19.6 %	21.8 %	21.3 %	20.5 %	21.8 %	21.4 %	20.8 %	19.2 %	20.8 %	16.4 %
CenturyLink, Inc. <sup>3</sup>	18.6 %	21.2 %	19.3 %	15.4 %	18.8 %	12.3 %	13.5 %	14.0 %	14.6 %	13.6 %	13.2 %
Windstream Corporation	4.8 %	5.0 %	4.1 %	3.5 %	4.4 %	3.3 %	3.6 %	3.7 %	3.9 %	3.6 %	4.1 %
Charter Communications, Inc.	3.6 %	3.9 %	4.5 %	4.0 %	4.0 %	3.9 %	3.9 %	3.5 %	3.2 %	3.6 %	2.6 %
All Other customers	18.0 %	19.3 %	20.6 %	20.0 %	19.4 %	17.8 %	18.5 %	18.1 %	17.2 %	17.9 %	17.0 %
Contract revenues	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
<b>Customer Revenues (\$)</b>											
AT&T Inc.	\$ 213.1	\$ 163.5	\$ 143.5	\$ 146.6	\$ 666.7	\$ 177.0	\$ 165.2	\$ 164.6	\$ 157.4	\$ 664.2	\$ 209.3
Verizon Communications, Inc.	66.8	78.3	80.6	88.2	313.9	122.1	147.3	174.1	156.3	599.8	179.8
Comcast Corporation	152.9	153.1	165.0	139.4	610.4	159.2	171.2	176.3	143.6	650.2	137.1
CenturyLink, Inc. <sup>3</sup>	146.2	165.2	146.1	100.9	558.5	89.7	107.6	118.8	109.6	425.6	109.8
Windstream Corporation	37.8	38.8	31.1	23.0	130.7	24.2	28.8	31.1	29.5	113.6	34.0
Charter Communications, Inc.	28.3	30.5	34.0	26.0	118.8	28.7	31.1	29.8	23.6	113.2	21.7
All Other customers	141.2	150.7	155.9	131.2	579.0	130.5	148.3	153.6	128.7	561.1	142.0
Contract revenues	\$ 786.3	\$ 780.2	\$ 756.2	\$ 655.1	\$ 2,977.9	\$ 731.4	\$ 799.5	\$ 848.2	\$ 748.6	\$ 3,127.7	\$ 833.7

Note: Amounts above may not add due to rounding.



Dollars in millions

Unaudited

**Non-GAAP Adjusted EBITDA**

	Quarter Ended				TTM	Quarter Ended				Fiscal	Quarter Ended
	4/29/17	7/29/17	10/28/17	1/27/18	1/27/18 <sup>2</sup>	4/28/18	7/28/18	10/27/18	1/26/19	2019	4/27/19
<b>Net income (loss)</b>	\$ 38.8	\$ 43.7	\$ 28.8	\$ 40.1	\$ 151.3	\$ 17.2	\$ 29.9	\$ 27.8	\$ (12.1)	\$ 62.9	\$ 14.3
Interest expense, net	9.4	9.7	9.7	9.9	38.7	10.2	10.4	11.3	12.4	44.4	12.2
Provision (benefit) for income taxes	22.7	26.1	15.6	(37.9)	26.6	6.5	11.5	10.5	(3.3)	25.1	6.2
Depreciation and amortization	37.4	40.2	42.7	42.4	162.7	43.4	44.8	45.5	45.9	179.6	46.3
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization ("EBITDA")</b>	108.3	119.8	96.7	54.4	379.3	77.2	96.7	95.1	43.0	312.0	79.1
Gain on sale of fixed assets	(5.0)	(6.6)	(6.5)	(0.7)	(18.9)	(8.4)	(4.9)	(3.9)	(2.2)	(19.4)	(6.7)
Stock-based compensation expense	4.9	4.9	7.4	5.9	23.1	4.9	6.0	7.4	1.9	20.2	3.5
Charge for (recovery of) of accounts receivable and contract assets	—	—	—	—	—	—	—	—	17.2	17.2	(10.3)
Charge for warranty costs	—	—	—	—	—	—	—	—	—	—	8.2
<b>Non-GAAP Adjusted EBITDA<sup>1</sup></b>	\$ 108.2	\$ 118.0	\$ 97.6	\$ 59.6	\$ 383.5	\$ 73.7	\$ 97.8	\$ 98.6	\$ 59.8	\$ 330.0	\$ 73.6

*Non-GAAP Adjusted EBITDA % of contract revenues*      13.8%      15.1%      12.9%      9.1%      12.9%      10.1%      12.2%      11.6%      8.0%      10.5%      8.8%

Note: Amounts above may not add due to rounding.



Dollars and shares in millions, except per share amounts

Unaudited

### Non-GAAP Adjusted Net Income

	Quarter Ended					TTM 1/27/18 <sup>2</sup>	Quarter Ended				Fiscal 2019	Quarter Ended 4/27/19
	4/29/17	7/29/17	10/28/17	1/27/18	4/28/18		7/28/18	10/27/18	1/26/19			
<b>Contract revenues</b>	\$ 786.3	\$ 780.2	\$ 756.2	\$ 655.1	\$ 2,977.9	\$ 731.4	\$ 799.5	\$ 848.2	\$ 748.6	\$ 3,127.7	\$ 833.7	
Cost of earned revenues, excluding depreciation and amortization	621.5	606.9	600.8	540.6	2,369.9	599.6	642.4	687.2	633.3	2,562.4	701.8	
General and administrative expenses	61.3	59.5	64.6	60.4	245.8	62.3	64.6	68.8	73.5	269.1	58.6	
Depreciation and amortization	37.4	40.2	42.7	42.4	162.7	43.4	44.8	45.5	45.9	179.6	46.3	
Interest expense, net	(9.4)	(9.7)	(9.7)	(9.9)	(38.7)	(10.2)	(10.4)	(11.3)	(12.4)	(44.4)	(12.2)	
Other income, net	4.8	6.0	5.9	0.3	17.1	7.7	4.2	2.8	1.2	15.8	5.7	
Income (loss) before income taxes	61.5	69.8	44.4	2.2	177.9	23.7	41.4	38.3	(15.4)	88.0	20.5	
Provision (benefit) for income taxes	22.7	26.1	15.6	(37.9)	26.6	6.5	11.5	10.5	(3.3)	25.1	6.2	
<b>Net income (loss)</b>	\$ 38.8	\$ 43.7	\$ 28.8	\$ 40.1	\$ 151.3	\$ 17.2	\$ 29.9	\$ 27.8	\$ (12.1)	\$ 62.9	\$ 14.3	
<b>Adjustments</b>												
Cost of earned revenues, excluding depreciation and amortization <sup>4</sup>	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 8.2	
General and administrative expenses <sup>5,6</sup>	—	—	—	—	—	—	—	—	15.3	15.3	(10.3)	
Interest expense, net <sup>7</sup>	4.4	4.5	4.5	4.6	18.1	4.7	4.8	4.8	4.9	19.1	4.9	
Income before income taxes	4.4	4.5	4.5	4.6	18.1	4.7	4.8	4.8	20.2	34.4	2.8	
Provision for income taxes <sup>8</sup>	1.6	1.7	1.7	40.9	46.0	1.3	1.3	1.3	4.9	8.8	0.1	
<b>Total adjustments, net of tax</b>	\$ 2.8	\$ 2.8	\$ 2.8	\$ (36.3)	\$ (27.9)	\$ 3.4	\$ 3.4	\$ 3.5	\$ 15.3	\$ 25.6	\$ 2.7	
<b>Non-GAAP Adjusted Net Income<sup>1</sup></b>	\$ 41.6	\$ 46.5	\$ 31.6	\$ 3.8	\$ 123.5	\$ 20.6	\$ 33.3	\$ 31.3	\$ 3.2	\$ 88.5	\$ 16.9	

### Non-GAAP Adjusted Diluted Earnings per Common Share

<b>Diluted earnings per common share</b>	\$ 1.22	\$ 1.38	\$ 0.90	\$ 1.24	\$ 4.74	\$ 0.53	\$ 0.94	\$ 0.87	\$ (0.38)	\$ 1.97	\$ 0.45
Total adjustments, net of tax and dilutive share effect of Notes <sup>9</sup>	0.09	0.09	0.09	(1.12)	(0.86)	0.12	0.11	0.11	0.49	0.82	0.08
<b>Non-GAAP Adjusted Diluted Earnings per Common Share<sup>1</sup></b>	\$ 1.30	\$ 1.47	\$ 0.99	\$ 0.12	\$ 3.88	\$ 0.65	\$ 1.05	\$ 0.98	\$ 0.10	\$ 2.78	\$ 0.53

### Non-GAAP Adjusted Diluted Shares

<b>Shares used in computing diluted earnings per common share</b>	31.9	31.7	31.9	32.2	31.9	32.4	32.0	31.8	31.4	32.0	31.8
Adjustment to Shares used in computing diluted earnings per common share	—	—	—	(0.4)	(0.1)	(0.6)	(0.1)	—	0.4	(0.2)	—
<b>Shares used in computing Non-GAAP Adjusted Diluted Earnings per Common Share<sup>1</sup></b>	31.9	31.7	31.9	31.8	31.8	31.8	31.8	31.8	31.8	31.8	31.8

Note: Amounts above may not add due to rounding.



Dollars in millions

Unaudited

## Cash and Debt

	Quarter Ended				Quarter Ended				Quarter Ended
	4/29/17	7/29/17	10/28/17	1/27/18	4/28/18	7/28/18	10/27/18	1/26/19	4/27/19
<b>Cash and equivalents</b>	\$ 19.4	\$ 38.6	\$ 24.5	\$ 84.0	\$ 57.9	\$ 23.9	\$ 21.5	\$ 128.3	\$ 33.6
Carrying Value of Debt - Senior Credit Facility									
Revolving Facility	\$ 71.0	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Term Loan Facilities	367.7	367.7	362.9	358.1	353.3	346.0	450.0	450.0	450.0
0.75% Convertible Senior Notes due 2021 (the "Notes")									
Notional value	485.0	485.0	485.0	485.0	485.0	485.0	485.0	485.0	485.0
Unamortized debt discount and issuance costs	(97.7)	(92.8)	(87.8)	(82.8)	(77.6)	(72.4)	(67.2)	(61.8)	(56.4)
Net of debt discounts and issuance costs	387.3	392.2	397.2	402.2	407.4	412.6	417.8	423.2	428.6
<b>Total Carrying Value of Debt</b>	\$ 826.0	\$ 759.9	\$ 760.1	\$ 760.3	\$ 760.6	\$ 758.6	\$ 867.8	\$ 873.2	\$ 878.6
<b>Letters of Credit outstanding</b>	\$ 57.6	\$ 48.7	\$ 48.7	\$ 48.6	\$ 48.6	\$ 48.6	\$ 48.6	\$ 48.6	\$ 52.3
<b>Availability on Senior Credit Agreement</b>	\$ 321.4	\$ 401.3	\$ 401.3	\$ 401.4	\$ 401.4	\$ 401.4	\$ 328.5	\$ 412.9	\$ 325.4

## Cash Flow

	Quarter Ended				TTM	Quarter Ended				Fiscal	Quarter Ended
	4/29/17	7/29/17	10/28/17	1/27/18	1/27/18 <sup>2</sup>	4/28/18	7/28/18	10/27/18	1/26/19	2019	4/27/19
<b>Net cash flow (used in) provided by operating activities</b>	\$ 42.3	\$ 149.9	\$ 56.8	\$ 103.7	\$ 352.8	\$ 24.6	\$ 12.6	\$ (55.5)	\$ 142.8	\$ 124.4	\$ (56.1)
Cap-ex, net of disposals	(52.6)	(60.1)	(47.2)	(28.8)	(188.7)	(26.5)	(39.1)	(42.6)	(33.8)	(142.0)	(38.4)
Acquisition payments	(26.4)	0.4	—	—	(26.1)	(20.9)	—	—	—	(20.9)	—
Other investing activity <sup>10</sup>	0.6	—	(0.9)	0.2	(0.1)	1.6	—	—	—	1.6	—
Net cash flow used in investing activities	(78.4)	(59.7)	(48.1)	(28.7)	(214.8)	(45.8)	(39.1)	(42.6)	(33.8)	(161.4)	(38.4)
Proceeds from (payments on) Senior Credit Facility	61.8	(71.0)	(4.8)	(4.8)	(18.8)	(4.8)	(7.2)	104.0	—	91.9	—
Share repurchases	(37.9)	—	(16.9)	—	(54.8)	—	—	—	—	—	—
Debt issuance costs	—	—	—	—	—	—	—	(6.7)	(0.6)	(7.3)	—
Option proceeds	0.9	—	0.2	0.5	1.7	0.1	0.3	0.1	0.4	0.9	0.1
Other financing activities, net	1.1	—	(1.3)	(11.2)	(11.5)	(0.1)	—	(1.7)	(2.9)	(4.7)	(0.8)
Net cash flow (used in) provided by financing activities	25.9	(71.0)	(22.8)	(15.5)	(83.4)	(4.8)	(6.9)	95.7	(3.1)	80.9	(0.7)
<b>Net cash flow (used in) provided by all activities</b>	\$ (10.1)	\$ 19.3	\$ (14.1)	\$ 59.5	\$ 54.5	\$ (26.1)	\$ (33.4)	\$ (2.4)	\$ 105.8	\$ 44.0	\$ (95.3)

Note: Amounts above may not add due to rounding.



Dollars in millions

Unaudited

### Backlog

	4/29/17	7/29/17	10/28/17	1/27/18	4/28/18	7/28/18	10/27/18	1/26/19	4/27/19
<b>Backlog - Total<sup>11</sup></b>	\$ 5,470	\$ 6,016	\$ 6,198	\$ 5,847	\$ 5,877	\$ 7,881	\$ 7,313	\$ 7,330	\$ 7,051
<b>Backlog - Next 12 Months (included in Total Backlog)</b>	\$ 2,410	\$ 2,794	\$ 3,039	\$ 3,047	\$ 2,976	\$ 2,908	\$ 2,616	\$ 2,739	\$ 2,723

### Employees

	4/29/17	7/29/17	10/28/17	1/27/18	4/28/18	7/28/18	10/27/18	1/26/19	4/27/19
<b>Number of Employees</b>	14,163	14,227	14,393	14,368	14,607	14,768	14,865	14,920	15,278

## Notes

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- 1) An explanation of Non-GAAP Financial Measures and a reconciliation of those measures to the most directly comparable GAAP measures are provided in the Company's Form 8-K filed with the Securities and Exchange Commission on May 21, 2019 and on the Company's Investor Center website.
- 2) As previously announced, the Company changed its fiscal year end from the last Saturday in July to the last Saturday in January. The unaudited selected financial information herein reflects the Trailing Twelve Month ("TTM") historical period ended January 2018.
- 3) For comparison purposes, revenues from CenturyLink, Inc. and Level 3 Communications, Inc. have been combined for periods prior to their November 2017 merger.
- 4) During the quarter ended April 27, 2019, the Company recorded an \$8.2 million pre-tax charge for estimated warranty costs for work performed for a customer in prior periods.
- 5) During the quarter ended January 26, 2019, the Company recognized a pre-tax non-cash charge for accounts receivable and contract assets of \$17.2 million related to balances owed from a customer. In February 2019, this customer filed a voluntary petition for reorganization. Partially offsetting this charge, the Company's stock-based compensation expense was reduced by approximately \$1.9 million for the quarter ended January 26, 2019 as a result of the pre-tax non-cash charge for accounts receivable and contract assets.
- 6) During the quarter ended April 27, 2019, the Company recognized \$10.3 million of pre-tax income from the recovery of previously reserved accounts receivable and contract assets for a customer that filed a voluntary petition for reorganization during February 2019, as referenced in footnote 5 above.
- 7) Non-GAAP Adjusted Interest expense, net excludes the non-cash amortization of the debt discount associated with the Notes.
- 8) Non-GAAP Adjusted Provision for income taxes excludes the tax related impact of all pre-tax adjustments as well as the tax effects of the vesting and exercise of shared-based awards. Additionally, during the quarter ended January 27, 2018, the Company recognized an income tax benefit of approximately \$32.2 million resulting from Tax Reform, primarily due to the re-measurement of the Company's net deferred tax liabilities at a lower U.S. federal corporate income tax rate.
- 9) The Company has a hedge in effect to offset the economic dilution of additional shares that would be issued in connection with the conversion of the Notes up to an average quarterly share price of \$130.43 per share. Non-GAAP Adjusted Diluted Shares excludes the GAAP dilutive share effect of the Notes. See the Company's Form 8-K previously filed with the Securities and Exchange Commission on September 28, 2015 for further information regarding the Notes and hedge.
- 10) The Company adopted Accounting Standards Update No. 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash ("ASU 2016-18"), effective January 28, 2018. ASU 2016-18 requires that restricted cash be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. Prior to the adoption of this guidance, changes in restricted cash were presented within cash flows used in investing activities.
- 11) Our backlog represents an estimate of services to be performed pursuant to master service agreements and other contractual agreements over the terms of those contracts. These estimates are based on contract terms and evaluations regarding the timing of the services to be provided. In the case of master service agreements, backlog is estimated based on the work performed in the preceding twelve-month period, when available. When estimating backlog for newly initiated master service agreements and other long and short-term contracts, we also consider the anticipated scope of the contract and information received from the customer in the procurement process. A significant majority of our backlog comprises services under master service agreements and other long-term contracts. Backlog is not a measure defined by United States generally accepted accounting principles; however, it is a common measurement used in our industry. Our methodology for determining backlog may not be comparable to the methodologies used by others.