



Quanta Services, Inc. and Subsidiaries
Non-GAAP Financial Measures and Certain Other Data
 For the Three and Six Months Ended June 30, 2014 and 2013
 (In thousands)
 (Unaudited)

The following table presents the non-GAAP financial measures of EBITA, EBITDA and Adjusted EBITDA for the three and six months ended June 30, 2014 and 2013. Management believes that EBITA, or earnings before interest, taxes and amortization, EBITDA and Adjusted EBITDA, which is earnings before interest, taxes, depreciation, amortization and certain other items as described below, provide useful information to investors, analysts and management in evaluating Quanta's operating results period to period or in comparison with the results of Quanta's competitors. These measures should not be considered as an alternative to cash flow from operating activities or as a measure of liquidity or as an alternative to net income or other measures of performance that are derived in accordance with GAAP.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Reconciliation of EBITA, EBITDA and Adjusted EBITDA:				
Net income attributable to common stock	\$ 81,082	\$ 70,237	\$ 135,490	\$ 142,318
Interest expense	1,128	503	2,110	1,005
Interest income	(599)	(569)	(2,144)	(1,091)
Provision for income taxes	46,187	42,161	79,240	84,102
Amortization of intangible assets	8,615	5,079	16,860	10,380
EBITA	\$ 136,413	\$ 117,411	\$ 231,556	\$ 236,714
Depreciation expense	37,996	33,040	74,861	64,920
EBITDA	\$ 174,409	\$ 150,451	\$ 306,417	\$ 301,634
Acquisition and integration costs	1,162	1,121	5,640	1,728
Non-cash stock-based compensation	10,384	12,042	20,682	20,078
Arbitration expense	-	-	38,848	-
Adjusted EBITDA	\$ 185,955	\$ 163,614	\$ 371,587	\$ 323,440

Definition of Days Sales Outstanding:

Days Sales Outstanding is calculated by using the sum of current accounts receivable, net of allowance (which include retainage and unbilled balances), plus costs and estimated earnings in excess of billings on uncompleted contracts less billings in excess of costs and estimated earnings on uncompleted contracts, divided by average revenues per day during the quarter.