



Quanta Services, Inc. and Subsidiaries
Non-GAAP Financial Measures and Certain Other Data
For the Three and Six Months Ended June 30, 2015 and 2014
(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, 2015 and 2014. 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,	
	2015	2014	2015	2014
Reconciliation of EBITA, EBITDA and Adjusted EBITDA:				
Net income from continuing operations attributable to common stock	\$ 32,007	\$ 73,453	\$ 79,696	\$ 120,895
Interest expense	1,675	1,128	3,075	2,110
Interest income	(319)	(599)	(772)	(2,141)
Provision for income taxes	31,584	41,220	62,185	70,074
Equity in earnings (losses) of unconsolidated affiliates	314	332	314	332
Amortization of intangible assets	8,731	8,202	17,024	16,035
EBITA	\$ 73,992	\$ 123,736	\$ 161,522	\$ 207,305
Depreciation expense	41,030	33,907	80,428	66,754
EBITDA	\$ 115,022	\$ 157,643	\$ 241,950	\$ 274,059
Acquisition and integration costs	2,203	1,162	3,682	5,640
Non-cash stock-based compensation	9,714	10,012	19,185	19,852
Arbitration expense	-	-	-	38,848
Adjusted EBITDA	\$ 126,939	\$ 168,817	\$ 264,817	\$ 338,399

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.