



Quanta Services, Inc. and Subsidiaries

Non-GAAP Financial Measures and Certain Other Data

For the Three and Nine Months Ended September 30, 2012 and 2011

(In thousands)

(Unaudited)

The following table presents the non-GAAP financial measures of EBITA, EBITDA and Adjusted EBITDA for the three and nine months ended September 30, 2012 and 2011. 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 expenses 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 September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Reconciliation of EBITA, EBITDA and Adjusted EBITDA:				
Net income attributable to common stock	\$ 96,398	\$ 51,994	\$ 207,643	\$ 66,201
Interest expense	967	738	2,510	1,248
Interest income	(384)	(226)	(1,179)	(761)
Provision for income taxes	45,353	37,341	115,291	50,306
Amortization of intangible assets	10,504	8,295	29,447	21,432
EBITA	\$ 152,838	\$ 98,142	\$ 353,712	\$ 138,426
Depreciation expense	32,443	29,135	94,086	86,499
EBITDA	\$ 185,281	\$ 127,277	\$ 447,798	\$ 224,925
Acquisition and integration costs	1,264	973	2,527	973
Non-cash stock-based compensation	7,138	4,718	21,713	16,212
Adjusted EBITDA	\$ 193,683	\$ 132,968	\$ 472,038	\$ 242,110

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.