



Quanta Services, Inc. and Subsidiaries
Non-GAAP Financial Measures and Certain Other Data
For the Three Months Ended March 31, 2014 and 2013
(In thousands)
(Unaudited)

The following table presents the non-GAAP financial measures of EBITA, EBITDA and Adjusted EBITDA for the three months ended March 31, 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 March 31,	
	2014	2013
<u>Reconciliation of EBITA, EBITDA and Adjusted EBITDA:</u>		
Net income attributable to common stock	\$ 54,408	\$ 72,081
Interest expense	982	502
Interest income	(1,545)	(522)
Provision for income taxes	33,053	41,941
Amortization of intangible assets	8,245	5,301
EBITA	\$ 95,143	\$ 119,303
Depreciation expense	36,865	31,880
EBITDA	\$ 132,008	\$ 151,183
Acquisition and integration costs	4,478	607
Non-cash stock-based compensation	10,298	8,036
Arbitration expense	38,848	-
Adjusted EBITDA	\$ 185,632	\$ 159,826

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.