



Quanta Services, Inc. and Subsidiaries
Non-GAAP Financial Measures and Certain Other Data
For the Three and Nine Months Ended September 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 nine months ended September 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 September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Reconciliation of EBITA, EBITDA and Adjusted EBITDA:				
Net income attributable to common stock	\$ 94,648	\$ 92,906	\$ 230,138	\$ 235,224
Interest expense	1,321	475	3,431	1,480
Interest income	(902)	(1,139)	(3,046)	(2,230)
Provision for income taxes	42,100	42,509	121,340	126,611
Amortization of intangible assets	9,538	7,026	26,398	17,406
EBITA	\$ 146,705	\$ 141,777	\$ 378,261	\$ 378,491
Depreciation expense	40,828	33,873	115,689	98,793
EBITDA	\$ 187,533	\$ 175,650	\$ 493,950	\$ 477,284
Acquisition and integration costs	1,633	2,449	7,273	4,177
Non-cash stock-based compensation	7,772	7,669	28,454	27,747
Provision for long-term contract receivable	52,542	-	52,542	-
Arbitration expense	-	-	38,848	-
Adjusted EBITDA	\$ 249,480	\$ 185,768	\$ 621,067	\$ 509,208

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.