



Dycom Lowers Second Quarter Revenue And Earnings Expectations; Company To Hold Conference Call At 9:00 A.M. (EST) January 26, 2001

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PALM BEACH GARDENS, Fla.

Dycom Industries, Inc. announced today that revenue and earnings for its second quarter ending January 27, 2001 will be below market expectations.

Revenue for the second quarter is expected to be between \$190.0 million and \$195.0 million, approximately 8 to 10 percent below expectations, but approximately 7 to 10 percent above the same quarter last year. Earnings per fully diluted share are expected to be between \$0.28 and \$0.31, approximately eight to eleven cents below expectations, and nine to eighteen percent down from the same quarter last year. Actual results will be announced at approximately 4:15 PM on February 26, 2001.

Results during the quarter were impacted by year-end budgeting issues with several customers. These issues, which were anticipated, did not resolve themselves favorably in January as had been expected. Specifically, a cable operator's announced spending reacceleration, which was originally to begin in January, is now not forecast to resume until the second calendar quarter of 2001 at the earliest. Seemingly in sympathy with this cable operator, several other operators have been slow in authorizing 2001 budgets, although these delays appear to be abating at the end of January. Additionally, issues specific to two cable overbuilders resulted in a project delay in one instance and in another, an outright project cancellation. Generally cable operators, with some exceptions, appear to be executing their still substantial capital expenditure programs, although with somewhat less intensity than in prior quarters. In contrast, local telephone companies remained busy during the quarter with solid outlooks for 2001.

Compounding these customer related issues, weather during the quarter has been significantly more difficult compared to the year ago period. Major snowfalls and rains have combined with colder temperatures to reduce the number of available workdays and hamper field productivity.

Reduced revenue from all of the factors above caused fixed costs such as depreciation and amortization, as well as general and administrative expenses to increase as a percentage of revenue and net profit margins to decrease. This reduction in margin, when combined with lower revenues, resulted in reduced earnings per share.

While disappointed by these results, Dycom retains strong, long standing customer relationships and a robust balance sheet, leaving it well positioned to exploit future business opportunities. Dycom remains very confident in the long term strength of the telecommunications infrastructure services industry, and its ability to expand its market leadership.

Dycom has scheduled a conference call for Friday, January 26, at 9:00 a.m. (EST). To participate in the conference call dial 800-230-1074 ten minutes before the conference call begins and ask for the "Dycom" conference call. A live webcast of the conference call will be available at <http://www.dycomind.com/>. If you are unable to attend the conference call at the scheduled time, a replay of the live webcast will also be available at <http://www.dycomind.com/> until the second quarter's conference call is posted to the website.

Dycom is a leading provider of engineering, construction, and maintenance services to telecommunication providers throughout the United States. Additionally, the Company provides similar services related to the installation of integrated voice, data, and video local and wide area networks within office buildings and similar structures. Dycom also provides underground utility locating and mapping and electric utility construction services. Visit our web site at <http://www.dycomind.com/> for additional corporate information.

This Press Release may contain forward-looking statements. These statements are based on Dycom's expectations and are subject to risks and uncertainties that may cause the actual results in the future to differ significantly from the results expressed or implied in any forward-looking statements contained in this Press Release. Such forward-looking statements are within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Dycom is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

SOURCE: Dycom Industries, Inc.

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