

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 1, 2021

DYCOM INDUSTRIES, INC.

(Exact name of Registrant as specified in its charter)

Florida	001-10613	59-1277135
(State or other jurisdiction of incorporation)	(Commission file number)	(I.R.S. employer identification no.)

11780 U.S. Highway One, Suite 600
Palm Beach Gardens, FL 33408
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (561) 627-7171

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common stock, par value \$0.33 1/3 per share	DY	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- ☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On September 1, 2021, Dycom Industries, Inc. (the “Company”) issued a press release reporting fiscal 2022 second quarter results. The Company also provided forward guidance. Additionally, on September 1, 2021, the Company made available related materials to be discussed during the Company’s webcast and conference call referred to in such press release. A copy of the press release and related conference call materials are furnished as Exhibits 99.1, 99.2, and 99.3, respectively, to this Current Report on Form 8-K and are incorporated into Item 2.02 of this Current Report on Form 8-K by reference.

The information in the preceding paragraphs, as well as Exhibits 99.1, 99.2, and 99.3, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), or otherwise subject to the liabilities of that section. It may only be incorporated by reference into another filing under the Exchange Act or the Securities Act of 1933 (the “Securities Act”) if such subsequent filing specifically references this Current Report on Form 8-K.

Forward Looking Statements

This Current Report on Form 8-K, including the press release and related slide presentation and Non-GAAP reconciliations that are furnished as exhibits to this Current Report on Form 8-K, contain forward-looking statements as contemplated by the 1995 Private Securities Litigation Reform Act. These statements are subject to change. Forward-looking statements are based on management’s current expectations, estimates and projections. These statements are subject to risks and uncertainties that may cause actual results for completed periods and periods in the future to differ materially from the results projected or implied in any forward-looking statements contained in this press release. The most significant of these risks and uncertainties are described in the Company’s Form 10-K, Form 10-Q, and Form 8-K reports (including all amendments to those reports) and include the duration and severity of a pandemic caused by COVID-19, vaccination rates in the areas where we operate, any worsening of the pandemic caused by increasing infection rates triggered by new variants, future economic conditions and trends including the potential impacts of an inflationary economic environment, customer capital budgets and spending priorities, the availability and cost of materials, equipment and labor necessary to perform our work, the adequacy of the Company’s insurance and other reserves and allowances for doubtful accounts, whether the carrying value of the Company’s assets may be impaired, the future impact of any acquisitions or dispositions, adjustments and cancellations of the Company’s projects, the related impact to the Company’s backlog from project cancellations, weather conditions, the anticipated outcome of other contingent events, including litigation, liquidity and other financial needs, the availability of financing, the Company’s ability to generate sufficient cash to service its indebtedness, restrictions imposed by the Company’s credit agreement, and the other risks and uncertainties detailed from time to time in the Company’s filings with the Securities and Exchange Commission. These filings are available on a web site maintained by the Securities and Exchange Commission at <http://www.sec.gov>. The Company does not undertake to update forward-looking statements except as required by law.

Item 9.01 Financial Statement and Exhibits.

(d)	Exhibits
99.1	Press release dated September 1, 2021 by Dycom Industries, Inc. reporting fiscal 2022 second quarter results.
99.2	Slide presentation relating to the webcast and conference call to be held on September 1, 2021.
99.3	Reconciliation of Non-GAAP financial measures included in slide presentation.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: September 1, 2021

DYCOM INDUSTRIES, INC.
(Registrant)

By: /s/ Ryan F. Urness

Name: Ryan F. Urness

Title: Vice President, General Counsel and Corporate Secretary



NEWS RELEASE

September 1, 2021

DYCOM INDUSTRIES, INC. ANNOUNCES FISCAL 2022 SECOND QUARTER RESULTS

Palm Beach Gardens, Florida, September 1, 2021 - Dycom Industries, Inc. (NYSE: DY) announced today its results for the second quarter and six months ended July 31, 2021.

Second Quarter Fiscal 2022 Highlights

- Contract revenues of \$787.6 million for the quarter ended July 31, 2021, compared to \$823.9 million for the quarter ended July 25, 2020, a decrease of 4.4%.
- Non-GAAP Adjusted EBITDA of \$73.8 million, or 9.4% of contract revenues, for the quarter ended July 31, 2021, compared to \$102.7 million, or 12.5% of contract revenues, for the quarter ended July 25, 2020.
- On a GAAP basis, net income was \$18.2 million, or \$0.59 per common share diluted, for the quarter ended July 31, 2021, compared to \$37.0 million, or \$1.15 per common share diluted, for the quarter ended July 25, 2020. Non-GAAP Adjusted Net Income was \$18.5 million, or \$0.60 per common share diluted, for the quarter ended July 31, 2021, compared to \$38.0 million, or \$1.18 per common share diluted, for the quarter ended July 25, 2020.
- During the quarter ended July 31, 2021, the Company repurchased 631,638 common shares in open market transactions for \$50.0 million at an average price of \$79.16 per share. As of July 31, 2021, the Company had 30,170,076 shares outstanding, excluding the dilutive effect of stock options and unvested restricted stock.
- As of July 31, 2021, the Company had cash and equivalents of \$261.9 million, no outstanding borrowings on its revolving line of credit, \$350.0 million principal amount of term loan outstanding, \$500.0 million aggregate principal amount of 4.50% senior notes due April 2029 (the "2029 Notes") outstanding, and \$58.3 million aggregate principal amount of 0.75% convertible senior notes due September 2021 (the "2021 Convertible Notes") outstanding.

Year-to-Date Fiscal 2022 Highlights

- Contract revenues of \$1.515 billion for the six months ended July 31, 2021, compared to \$1.638 billion for the six months ended July 25, 2020. Contract revenues decreased 7.8% on an organic basis after excluding \$3.9 million in contract revenues from storm restoration services for the six months ended July 31, 2021.
- Non-GAAP Adjusted EBITDA of \$117.9 million, or 7.8% of contract revenues, for the six months ended July 31, 2021, compared to \$172.5 million, or 10.5% of contract revenues, for the six months ended July 25, 2020.
- On a GAAP basis, net income was \$19.1 million, or \$0.61 per common share diluted, for the six months ended July 31, 2021, compared to \$4.6 million, or \$0.14 per common share diluted, for the six months ended July 25, 2020. Non-GAAP Adjusted Net Income was \$17.3 million, or \$0.56 per common share diluted, for the six months ended July 31, 2021, compared to \$49.4 million, or \$1.55 per common share diluted, for the six months ended July 25, 2020.
- During the six months ended July 31, 2021, the Company issued \$500.0 million in aggregate principal amount of 2029 Notes, amended its senior credit facility to extend the maturity to April 2026 and resize capacity, and, with a portion of the net proceeds from the 2029 Notes offering and available cash, repaid \$105.0 million of revolver borrowings and \$71.9 million of term loan borrowings.

Outlook

For the quarter ending October 30, 2021, as compared to the quarter ended October 24, 2020, the Company expects contract revenues to be in-line and Non-GAAP Adjusted EBITDA to decrease as a percentage of contract revenues. For additional information regarding



the Company's outlook, please see the presentation materials available on the Company's website posted in connection with the conference call discussed below.

Use of Non-GAAP Financial Measures

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). In quarterly results releases, trend schedules, conference calls, slide presentations, and webcasts, the Company may use or discuss Non-GAAP financial measures, as defined by Regulation G of the Securities and Exchange Commission. See Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures in the press release tables that follow.

Conference Call Information and Other Selected Data

The Company will host a conference call to discuss fiscal 2022 second quarter results on Wednesday, September 1, 2021 at 9:00 a.m. Eastern time. A live webcast of the conference call and related materials will be available on the Company's Investor Center website at <https://ir.dycomind.com>. Parties interested in participating via telephone should dial (833) 519-1313 (United States) or (914) 800-3879 (International) with the conference ID 5058909, ten minutes before the conference call begins. For those who cannot participate at the scheduled time, a replay of the live webcast and the related materials will be available at <https://ir.dycomind.com> for approximately 120 days following the event.

About Dycom Industries, Inc.

Dycom is a leading provider of specialty contracting services throughout the United States. These services include program management; planning; engineering and design; aerial, underground, and wireless construction; maintenance; and fulfillment services for telecommunications providers. Additionally, Dycom provides underground facility locating services for various utilities, including telecommunications providers, and other construction and maintenance services for electric and gas utilities.

Forward Looking Information

This press release contains forward-looking statements as contemplated by the 1995 Private Securities Litigation Reform Act. These statements include those related to the outlook for the quarter ending October 30, 2021 found under the "Outlook" section of this release. These statements are subject to change. Forward-looking statements are based on management's current expectations, estimates and projections. These statements are subject to risks and uncertainties that may cause actual results for completed periods and periods in the future to differ materially from the results projected or implied in any forward-looking statements contained in this press release. The most significant of these risks and uncertainties are described in the Company's Form 10-K, Form 10-Q, and Form 8-K reports (including all amendments to those reports) and include the duration and severity of a pandemic caused by COVID-19, vaccination rates in the areas where we operate, any worsening of the pandemic caused by increasing infection rates triggered by new variants, future economic conditions and trends including the potential impacts of an inflationary economic environment, customer capital budgets and spending priorities, the availability and cost of materials, equipment and labor necessary to perform our work, the adequacy of the Company's insurance and other reserves and allowances for doubtful accounts, whether the carrying value of the Company's assets may be impaired, the future impact of any acquisitions or dispositions, adjustments and cancellations of the Company's projects, the related impact to the Company's backlog from project cancellations, weather conditions, the anticipated outcome of other contingent events, including litigation, liquidity and other financial needs, the availability of financing, the Company's ability to generate sufficient cash to service its indebtedness, restrictions imposed by the Company's credit agreement, and the other risks and uncertainties detailed from time to time in the Company's filings with the Securities and Exchange Commission. The Company does not undertake any obligation to update forward-looking statements.

For more information, contact:

Callie Tomasso, Investor Relations
Email: investorrelations@dycomind.com
Phone: (561) 627-7171

---Tables Follow---

DYCOM INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)
Unaudited

	July 31, 2021	January 30, 2021
ASSETS		
Current assets:		
Cash and equivalents	\$ 261,947	\$ 11,770
Accounts receivable, net	929,120	858,123
Contract assets	163,691	197,110
Inventories	69,685	70,849
Income tax receivable	9,709	1,706
Other current assets	43,556	29,072
Total current assets	1,477,708	1,168,630
Property and equipment, net	276,659	273,960
Operating lease right-of-use assets	66,954	63,179
Goodwill and other intangible assets, net	382,453	391,807
Other assets	38,076	46,589
Total assets	<u>\$ 2,241,850</u>	<u>\$ 1,944,165</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 173,235	\$ 158,966
Current portion of debt	66,639	81,722
Contract liabilities	13,486	14,101
Accrued insurance claims	43,783	41,736
Operating lease liabilities	26,125	24,769
Income taxes payable	197	6,387
Other accrued liabilities	124,058	120,809
Total current liabilities	447,523	448,490
Long-term debt	831,197	501,562
Accrued insurance claims - non-current	60,714	70,224
Operating lease liabilities - non-current	40,851	38,359
Deferred tax liabilities, net - non-current	54,062	47,650
Other liabilities	27,082	26,572
Total liabilities	1,461,429	1,132,857
Total stockholders' equity	780,421	811,308
Total liabilities and stockholders' equity	<u>\$ 2,241,850</u>	<u>\$ 1,944,165</u>

DYCOM INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands, except share amounts)
Unaudited

	Quarter Ended July 31, 2021	Quarter Ended July 25, 2020	Six Months Ended July 31, 2021	Six Months Ended July 25, 2020
Contract revenues	\$ 787,568	\$ 823,921	\$ 1,515,065	\$ 1,638,244
Costs of earned revenues, excluding depreciation and amortization	651,367	657,953	1,271,378	1,338,159
General and administrative ¹	64,730	67,357	131,740	133,243
Depreciation and amortization	38,462	44,129	77,542	90,001
Goodwill impairment charge ²	—	—	—	53,264
Total	754,559	769,439	1,480,660	1,614,667
Interest expense, net ³	(9,334)	(7,853)	(15,211)	(20,310)
(Loss) gain on debt extinguishment ⁴	—	(458)	(62)	12,046
Other income, net	986	3,097	3,703	4,214
Income before income taxes	24,661	49,268	22,835	19,527
Provision for income taxes ⁵	6,496	12,244	3,772	14,921
Net income	\$ 18,165	\$ 37,024	\$ 19,063	\$ 4,606
Earnings per common share:				
Basic earnings per common share	\$ 0.60	\$ 1.17	\$ 0.62	\$ 0.15
Diluted earnings per common share	\$ 0.59	\$ 1.15	\$ 0.61	\$ 0.14
Shares used in computing earnings per common share:				
Basic	30,431,143	31,750,547	30,553,381	31,677,012
Diluted	30,872,506	32,128,098	31,085,985	31,947,346

DYCOM INDUSTRIES, INC. AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
TO COMPARABLE GAAP FINANCIAL MEASURES
(Dollars in thousands)
Unaudited

CONTRACT REVENUES, NON-GAAP ORGANIC CONTRACT REVENUES, AND DECLINE %'s

	Contract Revenues - GAAP	Revenues from storm restoration services	Non-GAAP - Organic Contract Revenues	GAAP - Organic Decline %	Non-GAAP - Organic Decline %
Quarter Ended July 31, 2021	\$ 787,568	\$ —	\$ 787,568	(4.4)%	(4.4)%
Quarter Ended July 25, 2020	\$ 823,921	\$ —	\$ 823,921		
Six Months Ended July 31, 2021	\$ 1,515,065	\$ (3,869)	\$ 1,511,196	(7.5)%	(7.8)%
Six Months Ended July 25, 2020	\$ 1,638,244	\$ —	\$ 1,638,244		

NET INCOME AND NON-GAAP ADJUSTED EBITDA

	Quarter Ended July 31, 2021	Quarter Ended July 25, 2020	Six Months Ended July 31, 2021	Six Months Ended July 25, 2020
Reconciliation of net income to Non-GAAP Adjusted EBITDA:				
Net income	\$ 18,165	\$ 37,024	\$ 19,063	\$ 4,606
Interest expense, net	9,334	7,853	15,211	20,310
Provision for income taxes	6,496	12,244	3,772	14,921
Depreciation and amortization	38,462	44,129	77,542	90,001
Earnings Before Interest, Taxes, Depreciation & Amortization ("EBITDA")	72,457	101,250	115,588	129,838
Gain on sale of fixed assets	(992)	(3,418)	(3,844)	(5,206)
Stock-based compensation expense	2,309	4,373	6,049	6,694
Loss (gain) on debt extinguishment ⁴	—	458	62	(12,046)
Goodwill impairment charge ²	—	—	—	53,264
Non-GAAP Adjusted EBITDA	\$ 73,774	\$ 102,663	\$ 117,855	\$ 172,544
Non-GAAP Adjusted EBITDA % of contract revenues	9.4 %	12.5 %	7.8 %	10.5 %

DYCOM INDUSTRIES, INC. AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
TO COMPARABLE GAAP FINANCIAL MEASURES (CONTINUED)
(Dollars in thousands, except share amounts)
Unaudited

NET INCOME, NON-GAAP ADJUSTED NET INCOME, DILUTED EARNINGS PER COMMON SHARE, AND NON-GAAP ADJUSTED DILUTED EARNINGS PER COMMON SHARE

	Quarter Ended July 31, 2021	Quarter Ended July 25, 2020	Six Months Ended July 31, 2021	Six Months Ended July 25, 2020
Reconciliation of net income to Non-GAAP Adjusted Net Income:				
Net income	\$ 18,165	\$ 37,024	\$ 19,063	\$ 4,606
Pre-Tax Adjustments:				
Non-cash amortization of debt discount on 2021 Convertible Notes	666	1,748	1,329	6,089
Loss (gain) on debt extinguishment ⁴	—	458	62	(12,046)
Goodwill impairment charge ³	—	—	—	53,264
Tax Adjustments:				
Tax impact for the vesting and exercise of share-based awards	(160)	(658)	(2,792)	(208)
Tax effect from net operating loss carryback under enacted CARES Act ⁵	—	—	—	(2,631)
Tax impact of pre-tax adjustments	(180)	(607)	(376)	289
Total adjustments, net of tax	326	941	(1,777)	44,757
Non-GAAP Adjusted Net Income	<u>\$ 18,491</u>	<u>\$ 37,965</u>	<u>\$ 17,286</u>	<u>\$ 49,363</u>
Reconciliation of diluted earnings per common share to Non-GAAP Adjusted Diluted Earnings per Common Share:				
GAAP diluted earnings per common share	\$ 0.59	\$ 1.15	\$ 0.61	\$ 0.14
Total adjustments, net of tax	0.01	0.03	(0.05)	1.40
Non-GAAP Adjusted Diluted Earnings per Common Share	<u>\$ 0.60</u>	<u>\$ 1.18</u>	<u>\$ 0.56</u>	<u>\$ 1.55</u>
Shares used in computing Non-GAAP Adjusted Diluted Earnings per Common Share	<u>30,872,506</u>	<u>32,128,098</u>	<u>31,085,985</u>	<u>31,947,346</u>

Amounts in table above may not add due to rounding.

DYCOM INDUSTRIES, INC. AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
TO COMPARABLE GAAP FINANCIAL MEASURES (CONTINUED)

Explanation of Non-GAAP Financial Measures

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). In the Company's quarterly results releases, trend schedules, conference calls, slide presentations, and webcasts, it may use or discuss Non-GAAP financial measures, as defined by Regulation G of the Securities and Exchange Commission. The Company believes that the presentation of certain Non-GAAP financial measures in these materials provides information that is useful to investors because it allows for a more direct comparison of the Company's performance for the period reported with the Company's performance in prior periods. The Company cautions that Non-GAAP financial measures should be considered in addition to, but not as a substitute for, the Company's reported GAAP results. Management defines the Non-GAAP financial measures used as follows:

- *Non-GAAP Organic Contract Revenues* - contract revenues from businesses that are included for the entire period in both the current and prior year periods, excluding contract revenues from storm restoration services. Non-GAAP Organic Contract Revenue change percentage is calculated as the change in Non-GAAP Organic Contract Revenues from the comparable prior year period divided by the comparable prior year period Non-GAAP Organic Contract Revenues. Management believes Non-GAAP Organic Contract Revenues is a helpful measure for comparing the Company's revenue performance with prior periods.
- *Non-GAAP Adjusted EBITDA* - net income before interest, taxes, depreciation and amortization, gain on sale of fixed assets, stock-based compensation expense, and certain non-recurring items. Management believes Non-GAAP Adjusted EBITDA is a helpful measure for comparing the Company's operating performance with prior periods as well as with the performance of other companies with different capital structures or tax rates.
- *Non-GAAP Adjusted Net Income* - GAAP net income before the non-cash amortization of the debt discount and the related tax impact, certain tax impacts resulting from vesting and exercise of share-based awards, and certain non-recurring items. Management believes Non-GAAP Adjusted Net Income is a helpful measure for comparing the Company's operating performance with prior periods.
- *Non-GAAP Adjusted Diluted Earnings per Common Share* - Non-GAAP Adjusted Net Income divided by weighted average diluted shares outstanding.

Management excludes or adjusts each of the items identified below from *Non-GAAP Adjusted Net Income* and *Non-GAAP Adjusted Diluted Earnings per Common Share*:

- *Non-cash amortization of debt discount on 2021 Convertible Notes* - The Company's 2021 Convertible Notes were allocated between debt and equity components. The difference between the principal amount and the carrying amount of the liability component of the 2021 Convertible Notes represents a debt discount. The debt discount is being amortized over the term of the 2021 Convertible Notes but does not result in periodic cash interest payments. The Company excludes the non-cash amortization of the debt discount from its Non-GAAP financial measures because it believes it is useful to analyze the component of interest expense for the 2021 Convertible Notes that will be paid in cash. The exclusion of the non-cash amortization from the Company's Non-GAAP financial measures provides management with a consistent measure for assessing financial results.
- *Goodwill impairment charge* - During the six months ended July 25, 2020, the Company incurred a goodwill impairment charge of \$53.3 million for a reporting unit that performs installation services inside third party premises. Management believes excluding the goodwill impairment charge from the Company's Non-GAAP financial measures assists investors' overall understanding of the Company's current financial performance and provides management with a consistent measure for assessing the current and historical financial results.
- *Loss (gain) on debt extinguishment* - During the six months ended July 31, 2021, the Company recognized a loss on debt extinguishment of \$0.1 million in connection with the amendment and restatement of its credit agreement maturing in April 2026. During the six months ended July 25, 2020, the Company recognized a gain on debt extinguishment of \$12.0 million in connection with its purchase of \$401.7 million aggregate principal amount of the Company's 2021 Convertible Notes for \$371.4 million, including interest and fees. Management believes excluding the loss (gain) on debt extinguishment from the Company's Non-GAAP financial measures assists investors' overall understanding of the Company's current financial performance and provides management with a consistent measure for assessing the current and historical financial results.

- *Tax impact of the vesting and exercise of share-based awards* - The Company excludes certain tax impacts resulting from the vesting and exercise of share-based awards as these amounts may vary significantly from period to period. Excluding these amounts from the Company's Non-GAAP financial measures provides management with a more consistent measure for assessing financial results.
- *Tax effect from a net operating loss carryback under enacted CARES Act* - During the six months ended July 25, 2020, the Company recognized an income tax benefit of \$2.6 million from a net operating loss carryback under the enacted U.S. Coronavirus Aid, Relief, and Economic Security ("CARES") Act. The Company excludes this impact because the Company believes it is not indicative of the Company's underlying results or ongoing operations.
- *Tax impact of pre-tax adjustments* - The tax impact of pre-tax adjustments reflects the Company's estimated tax impact of specific adjustments and the effective tax rate used for financial planning for the applicable period.

Notes

¹ Includes stock-based compensation expense of \$2.3 million and \$4.4 million for the quarters ended July 31, 2021 and July 25, 2020, respectively, and \$6.0 million and \$6.7 million for the six months ended July 31, 2021 and July 25, 2020, respectively.

² The Company incurred a goodwill impairment charge of \$53.3 million during the six months ended July 25, 2020 for a reporting unit that performs installation services inside third party premises.

³ Includes pre-tax interest expense for non-cash amortization of the debt discount associated with the 2021 Convertible Notes of \$0.7 million and \$1.7 million for the quarters ended July 31, 2021 and July 25, 2020, respectively, and \$1.3 million and \$6.1 million for the six months ended July 31, 2021 and July 25, 2020, respectively.

⁴ During the six months ended July 31, 2021, the Company recognized a loss on debt extinguishment of \$0.1 million in connection with the amendment and restatement of its credit agreement maturing in April 2026.

During the quarter ended July 25, 2020, the Company purchased \$234.7 million aggregate principal amount of its 2021 Convertible Notes for \$224.4 million, including interest and fees. The purchase price was allocated between the debt and equity components of the 2021 Convertible Notes. Based on the net carrying amount of the 2021 Convertible Notes, the Company recognized a net loss on debt extinguishment of \$0.5 million after the write-off of associated debt issuance costs. The Company also recognized the equity component of the settlement of the 2021 Convertible Notes.

During the quarter ended April 25, 2020, the Company purchased \$167.0 million aggregate principal amount of its 2021 Convertible Notes for \$147.0 million, including interest and fees. The purchase price was allocated between the debt and equity components of the 2021 Convertible Notes. Based on the net carrying amount of the 2021 Convertible Notes, the Company recognized a net gain on debt extinguishment of \$12.5 million after the write-off of associated debt issuance costs. The Company also recognized the equity component of the settlement of the 2021 Convertible Notes.

⁵ For the quarter and six months ended July 31, 2021, the provision for income taxes includes \$0.2 million and \$2.8 million, respectively, of income tax benefit for the vesting and exercise of share-based awards. For the quarter and six months ended July 25, 2020, the provision for income taxes includes \$0.7 million and \$0.2 million, respectively, of income tax benefit for the vesting and exercise of share-based awards. Additionally, for the six months ended July 25, 2020, the Company recognized an income tax benefit of \$2.6 million from a net operating loss carryback under the enacted CARES Act.



DYCOM THE PEOPLE CONNECTING AMERICA®

Q2 2022 Results

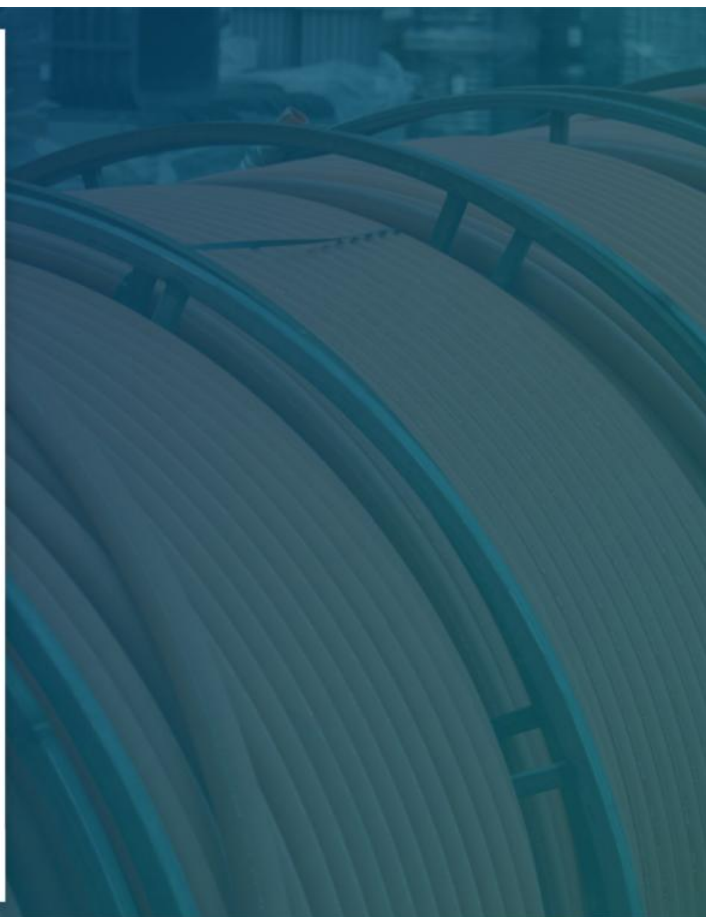
September 1, 2022

Participants

Steven E. Nielsen	<i>President & Chief Executive Officer</i>
H. Andrew DeFerrari	<i>Chief Financial Officer</i>
Ryan F. Urness	<i>General Counsel</i>

Agenda

- Q2 2022 Overview
- Industry Update
- Financial & Operational Highlights
- Outlook
- Closing Remarks
- Q&A



Important Information

Caution Concerning Forward-Looking Statements

This presentation contains forward-looking statements as contemplated by the 1995 Private Securities Litigation Reform Act. These statements include related to the outlook for the quarter ending October 30, 2021 found within this presentation. These statements are subject to change. Forward-looking statements are based on management's current expectations, estimates and projections. These statements are subject to risks and uncertainties that cause actual results for completed periods and periods in the future to differ materially from the results projected or implied in any forward-looking statements contained in this presentation. The most significant of these risks and uncertainties are described in the Company's Form 10-K, Form 10-C Form 8-K reports (including all amendments to those reports) and include the duration and severity of a pandemic caused by COVID-19, vaccination the areas where we operate, any worsening of the pandemic caused by increasing infection rates triggered by new variants, future economic conditions trends including the potential impacts of an inflationary economic environment, customer capital budgets and spending priorities, the availability and materials, equipment and labor necessary to perform our work, the adequacy of the Company's insurance and other reserves and allowances for doubtful accounts, whether the carrying value of the Company's assets may be impaired, the future impact of any acquisitions or dispositions, adjustments and cancellations of the Company's projects, the related impact to the Company's backlog from project cancellations, weather conditions, the anticipated of other contingent events, including litigation, liquidity and other financial needs, the availability of financing, the Company's ability to generate sufficient cash to service its indebtedness, restrictions imposed by the Company's credit agreement, and the other risks and uncertainties detailed from time to time to the Company's filings with the Securities and Exchange Commission. The Company does not undertake any obligation to update forward-looking statements.

Non-GAAP Financial Measures

This presentation includes certain "Non-GAAP" financial measures as defined by Regulation G of the SEC. As required by the SEC, an explanation of the GAAP financial measures and a reconciliation of those measures to the most directly comparable GAAP financial measures are provided in the Company's Form 8-K filed with the SEC on September 1, 2021 and on the Company's Investor Center website at <https://ir.dycomind.com>. Non-GAAP financial measures should be considered in addition to, but not as a substitute for, the Company's reported GAAP results.



Contract Revenues



Non-GAAP Adjusted Diluted EPS



Q2 2022 Overview

Contract Revenues

Q2 2022 contract revenues of \$787.6 million decreased 4.4%

Operating Performance

Non-GAAP Adjusted EBITDA for Q2 2022 of \$73.8 million, or 9.4% of contract revenues, compared to \$102.7 million, or 12.5% of contract revenues, for Q2 2021

Non-GAAP Adjusted Diluted Earnings per Common Share of \$0.60 for Q2 2022, compared to \$1.18 for Q2 2021

Liquidity

Solid liquidity of \$299.1 million at Q2 2022

Share Repurchases

Repurchased 631,638 common shares for \$50.0 million at average price of \$79.16 during Q2 2022

Subsequent to Q2 2022, we received a two-year award for fiber construction in a number of states valued at approximately \$400 to \$500 million

Industry Update

Industry effort to deploy high capacity fiber networks continues to meaningfully broaden our industry's set of opportunities

Major industry participants constructing or upgrading significant wireline networks across broad sections of the country generally designed to provision 1 gigabit network speeds directly to consumers or wirelessly using 5G technologies

6 of our top 10 customers have announced substantial new plans for deployments of FTTH totaling over 40 million passings; one key customer recently announced plans for a strategic divestiture whose stated purpose is to increase fiber investment in both the divested and retained service territories

Increasing access to high capacity telecommunications continues to be crucial to society, especially in rural America

Wide and active participation in the FCC RDOF auction augurs well for dramatically increased rural network investment; an increasing number of states are commencing initiatives that will provide funding for telecommunications networks separate from the FCC RDOF program

Fiber network deployment opportunities are increasing

We are currently providing services for 1 gigabit full deployments and converged wireless/wireline multi-use network deployments across the country in numerous geographic areas to multiple customers, including customers who have initiated broad fiber deployments as well as customers who have resumed broad deployments

Fiber network deployment opportunities are increasing in rural America as new industry participants respond to emerging societal incentives

We continue to provide integrated planning, engineering and design, procurement and construction and maintenance services to several industry participants

Our scale and financial strength position us well to deliver valuable services to our customers

Macro-economic effects and potential supply constraints may influence the near-term execution of some customer plans

Broad increases in demand for fiber optic cable and related equipment may impact delivery lead times in the short to intermediate term

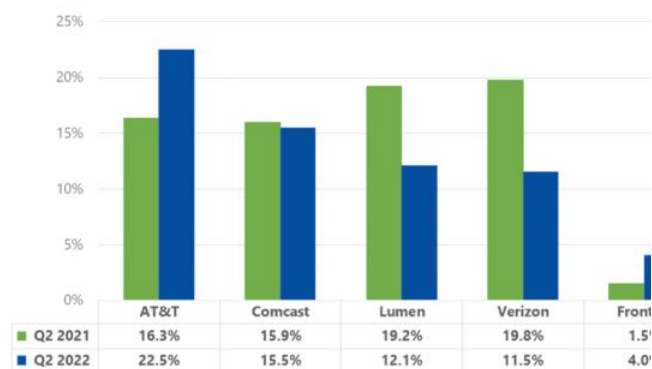
The market for labor continues to tighten in regions around the country; furthermore, the automotive supply chain is currently challenged, particularly for the large truck chassis required for specialty equipment

Contract Revenues

Non-GAAP Organic Growth (Decline) %¹



Top 5 Customers - % of Total Contract Revenues



Q2 2022 Organic Growth (Decline):

(4.4)% **(18.0)%** **39.9%**
Total Customers Top 5 Customers² All Other Customers

31.9% **161.4%**
AT&T Frontier

Top 5 customers represented **65.7%** and **76.6%** of contract revenues in Q2 2022 and Q2 2021, respectively²

Q2 2022 % of contract revenues from customers #6 through #10:

3.4% **3.2%** **2.2%** **1.9%** **1.7%**
Windstream Customer #7 Charter Zply Fiber Dominion Energy

Fiber construction revenue from electric utilities increased organically \$1.6 million year-over-year and was \$51.6 million, or 6.6% of contract revenues, in Q2 2022.

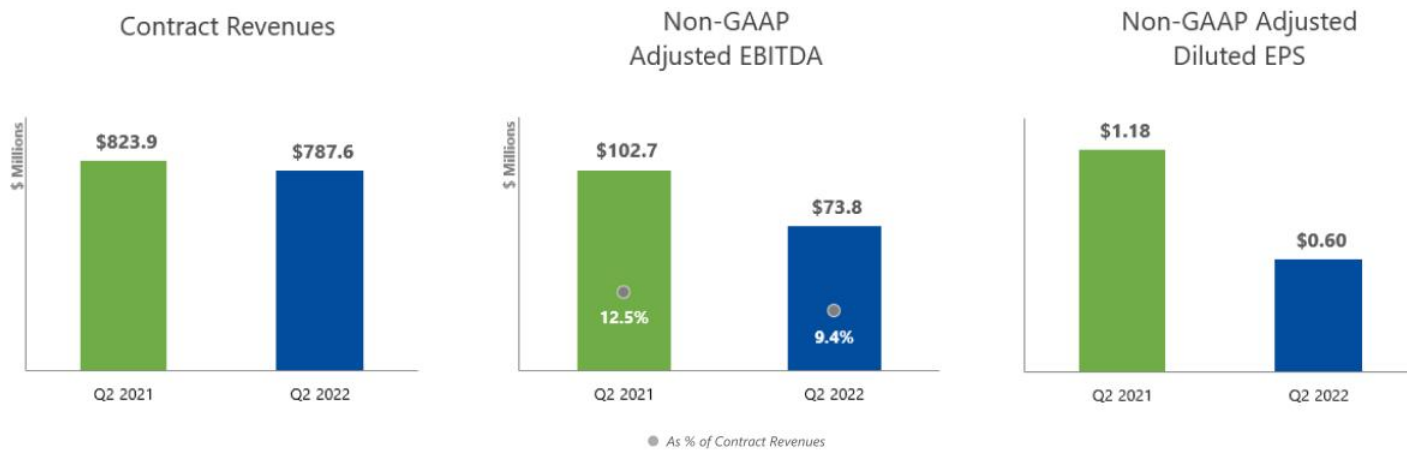
Backlog, Awards and Employees



Selected Q2 2022 Awards and Extensions:

Customer	Description of Services	Area	Term
Windstream	Construction & Maintenance	KY	3 years
AT&T	Construction & Maintenance	WI, OH	1 year
Comcast	Fulfillment	WA, IL, MI, MA, NJ, PA	1 year
Lumen	Engineering	WA, OR, ID, MT, WY, UT, AZ, CO, NJ, VA, NC	2 years
DISH Network	Wireless	NC, SC	3 years
Various Electric Utilities	Fiber Construction	MO, TN, MS, GA	1 year
Various	Rural Fiber Deployments	WI, IN, TN, SC, GA	1 year

Financial Highlights



Contact revenues of \$787.6 million in Q2 2022 decreased 4.4% compared to Q2 2021

Non-GAAP Adjusted EBITDA of \$73.8 million, or 9.4% of contract revenues, for Q2 2022

Non-GAAP Adjusted Diluted Earnings per Common Share of \$0.60 for Q2 2022

Debt and Liquidity Overview

Debt maturity profile and liquidity provide financial flexibility

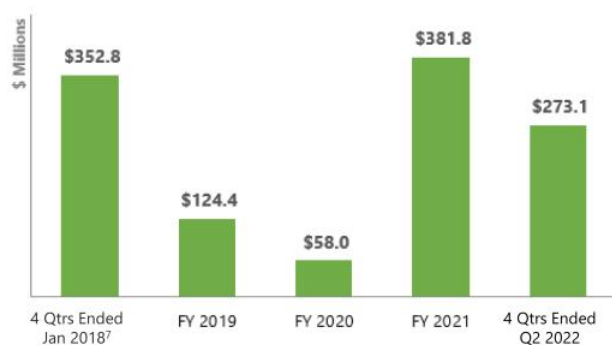
\$ Millions	Q1 2022	Q2 2022
Debt Summary		
4.50% Senior Notes, mature April 2029:	\$ 500.0	\$ 500.0
Senior Credit Facility, matures April 2026: ⁴		
Term Loan Facility	350.0	350.0
Revolving Facility	-	-
0.75% Convertible Notes, mature September 2021:	58.3	58.3
Total Notional Amount of Debt	\$ 908.3	\$ 908.3
Less: Cash and Equivalents	330.6	261.9
Notional Net Debt	\$ 577.6	\$ 646.3
 Liquidity⁵	 \$ 477.4	 \$ 299.1

Solid liquidity of \$299.1 million at Q2 2022

Capital allocation prioritizes organic growth, followed by opportunistic share repurchases and M&A, within the context of the Company's historical range of net leverage

Cash Flow Overview

Operating Cash Flow



\$ Millions

Cash Flow Summary

	Q2 2021	Q2 2022
Operating cash flow	\$ 82.3	\$ 1
Capital expenditures, net of disposals	\$ (2.5)	\$ (3)
Repayments on Senior Credit Facility	\$ (480.6)	\$
Purchase of 0.75% 2021 Convertible Notes, net of Discount	\$ (223.9)	\$
Repurchase of common stock	\$ -	\$ (5)
Other financing & investing activities, net	\$ 3.4	\$

Days Sales Outstanding ("DSO")

	Q1 2022	Q2 2022
Total DSO ⁶	128	

Solid operating cash flows

Capital expenditures, net of disposals, for fiscal 2022 expected to range from \$105 million to \$125 million

Repurchased 631,638 common shares for \$50.0 million, at an average price of \$79.16 per share during Q2 2022

Total DSOs of 125 days at Q2 2022 improved sequentially from 128 days at Q1 2022

Outlook for Quarter Ending October 30, 2021 (Q3 2022)

Q3 2022 Outlook:

Contract revenues

In-line as compared to Q3 2021

Non-GAAP Adjusted EBITDA % of contract revenues

Decreases as compared to Q3 2021

Year-over-year gross margin decline of approximately 125 bps and G&A increase of approximately 50 bps

Supplemental Q3 2022 Outlook Information:

Interest expense

\$8.8 million Non-GAAP Adjusted Interest Expense

Interest on the 2029 Notes, Term Loan, 2021 Convertible Notes coupon, letters of credit, bank fees for revolving credit facility capacity, amortization of debt issuance costs and other interest

\$0.3 million Non-Cash amortization of debt discount on 2021 Convertible Notes

\$9.1 million Total Interest Expense

Non-GAAP Adjusted Effective Income Tax Rate
(as a % of Non-GAAP Adjusted Income before Taxes)

Approximately 27.0%

Diluted shares

30.6 million

Closing Remarks

We maintain significant customer presence throughout our markets and are encouraged with the emerging breadth in our business

Our extensive market presence has allowed us to be at the forefront of evolving industry opportunities

Telephone companies are deploying FTTH to enable 1 gigabit high speed connections and, increasingly, rural electric utilities are doing the same

Cable operators are deploying fiber to small and medium businesses and enterprises, partly in anticipation of the customer sales process; deployments to expand capacity as well as new build opportunities are underway

Dramatically increased speeds to consumers are being provisioned and consumer data usage is growing, particularly upstream

Wireless construction activity in support of newly available spectrum bands is beginning and expected to increase next year

Customers are consolidating supply chains creating opportunities for market share growth and increasing the long-term value of our maintenance and operations business

A growing number of our customers are committed to multi-year capital spending initiatives



- 1) Organic growth (decline) % adjusted for revenues from storm restoration services, and for the additional week of operations during the fourth quarter as a result of the Company's 52/53 fiscal year, when applicable.
- 2) Top 5 customers included AT&T, Comcast, Lumen, Verizon, and Frontier for Q2 2022, compared to Verizon, Lumen, AT&T, Comcast, and Windstream for Q2 2021.
- 3) The Company's backlog represents an estimate of services to be performed pursuant to master service agreements and other contractual agreements over the terms of those contracts. These estimates are based on contract terms and evaluations regarding the timing of the services to be provided. In the case of master service agreements, backlog is estimated based on the services performed in the preceding 12 month period, when available. When estimating backlog for newly initiated master service agreements and other long and short-term contracts, the Company also considers the anticipated scope of the contract and information received from the customer during the procurement process. A significant majority of the Company's backlog comprises services under master service agreements and other long-term contracts. Backlog is not a measure defined by United States generally accepted accounting principles ("GAAP") and should be considered in addition to, but not as a substitute for, GAAP results. Participants in the Company's industry often disclose a calculation of their backlog; however, the Company's methodology for determining backlog may not be comparable to the methodologies used by others. Dycom utilizes the calculation of backlog to assist in measuring aggregate awards under existing contractual relationships with its customers. The Company believes its backlog disclosures will assist investors in better understanding this estimate of the services to be performed pursuant to awards from its customers under existing contractual relationships.
- 4) As of both Q1 2022 and Q2 2022, the Company had \$46.3 million of standby letters of credit outstanding under the Senior Credit Facility.
- 5) Liquidity represents the sum of the Company's availability on its revolving facility as defined by the Company's Senior Credit Facility and available cash and equivalents.
- 6) DSO is calculated as the summation of current and non-current accounts receivable (including unbilled receivables), net of allowance for doubtful accounts, plus current contract assets, contract liabilities, divided by average revenue per day during the respective quarter. Long-term contract assets are excluded from the calculation of DSO, as these amounts represent payments made to customers pursuant to long-term agreements and are recognized as a reduction of contract revenues over the period for which the related services are provided to the customers.
- 7) Due to the change in the Company's fiscal year end, the Company's fiscal 2018 six month transition period consisted of Q1 2018 and Q2 2018. Amounts provided for the Four Quarters Ended January 27, 2018 represent the aggregate of Q3 2017, Q4 2017, Q1 2018, and Q2 2018 for comparative purposes to other twelve month periods presented.

Dycom Industries, Inc.

Non-GAAP Reconciliations

Q2 2022



Explanation of Non-GAAP Financial Measures

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). In the Company's quarterly results releases, trend schedules, conference calls, slide presentations, and webcasts, it may use or discuss Non-GAAP financial measures, as defined by Regulation G of the Securities and Exchange Commission. The Company believes that the presentation of certain Non-GAAP financial measures in these materials provides information that is useful to investors because it allows for a more direct comparison of the Company's performance for the period reported with the Company's performance in prior periods. The Company cautions that Non-GAAP financial measures should be considered in addition to, but not as a substitute for, the Company's reported GAAP results. Management defines the Non-GAAP financial measures used as follows:

- *Non-GAAP Organic Contract Revenues* - contract revenues from businesses that are included for the entire period in both the current and prior year periods, excluding contract revenues from storm restoration services, adjusted for the additional week in the fourth quarter of fiscal 2021, as a result of the Company's 52/53 week fiscal year. Non-GAAP Organic Contract Revenue change percentage is calculated as the change in Non-GAAP Organic Contract Revenues from the comparable prior year period divided by the comparable prior year period Non-GAAP Organic Contract Revenues. Management believes Non-GAAP Organic Contract Revenues is a helpful measure for comparing the Company's revenue performance with prior periods.
- *Non-GAAP Adjusted EBITDA* - net income before interest, taxes, depreciation and amortization, gain on sale of fixed assets, stock-based compensation expense, and certain non-recurring items. Management believes Non-GAAP Adjusted EBITDA is a helpful measure for comparing the Company's operating performance with prior periods as well as with the performance of other companies with different capital structures or tax rates.
- *Non-GAAP Adjusted Net Income* - GAAP net income before the non-cash amortization of the debt discount and the related tax impact, certain tax impacts resulting from vesting and exercise of share-based awards, and certain non-recurring items. Management believes Non-GAAP Adjusted Net Income is a helpful measure for comparing the Company's operating performance with prior periods.
- *Non-GAAP Adjusted Diluted Earnings per Common Share* - Non-GAAP Adjusted Net Income divided by weighted average diluted shares outstanding.
- *Notional Net Debt* - Notional net debt is a Non-GAAP financial measure that is calculated by subtracting cash and equivalents from the aggregate face amount of outstanding debt. Management believes notional net debt is a helpful measure to assess the Company's liquidity.

Management excludes or adjusts each of the items identified below from *Non-GAAP Adjusted Net Income* and *Non-GAAP Adjusted Diluted Earnings per Common Share*:

- *Non-cash amortization of debt discount on 2021 Convertible Notes* - The Company's 0.75% convertible senior notes due September 2021 (the "2021 Convertible Notes") were allocated between debt and equity components. The difference between the principal amount and the carrying amount of the liability component of the 2021 Convertible Notes represents a debt discount. The debt discount is being amortized over the term of the 2021 Convertible Notes but does not result in periodic cash interest payments. The Company excludes the non-cash amortization of the debt discount from its Non-GAAP financial measures because it believes it is useful to analyze the component of interest expense for the 2021 Convertible Notes that will be paid in cash. The exclusion of the non-cash amortization from the Company's Non-GAAP financial measures provides management with a consistent measure for assessing financial results.
- *Goodwill impairment charge* - During the six months ended July 25, 2020, the Company incurred a goodwill impairment charge of \$53.3 million for a reporting unit that performs installation services inside third party premises. Management believes excluding the goodwill impairment charge from the Company's Non-GAAP financial measures assists investors' overall understanding of the Company's current financial performance and provides management with a consistent measure for assessing the current and historical financial results.
- *Loss (gain) on debt extinguishment* - During the six months ended July 31, 2021, the Company recognized a loss on debt extinguishment of \$0.1 million in connection with the amendment and restatement of its credit agreement maturing in April 2026. During the six months ended July 25, 2020, the Company recognized a gain on debt extinguishment of \$12.0 million in connection with its purchase of \$401.7 million aggregate principal amount of the Company's 2021 Convertible Notes for \$371.4 million, including interest and fees. Management believes excluding the loss (gain) on debt extinguishment from the

Company's Non-GAAP financial measures assists investors' overall understanding of the Company's current financial performance and provides management with a consistent measure for assessing the current and historical financial results.

- *Tax impact of the vesting and exercise of share-based awards* - The Company excludes certain tax impacts resulting from the vesting and exercise of share-based awards as these amounts may vary significantly from period to period. Excluding these amounts from the Company's Non-GAAP financial measures provides management with a more consistent measure for assessing financial results.
- *Tax effect from a net operating loss carryback under enacted CARES Act* - During the six months ended July 25, 2020, the Company recognized an income tax benefit of \$2.6 million from a net operating loss carryback under the enacted U.S. Coronavirus Aid, Relief, and Economic Security ("CARES") Act. The Company excludes this impact because the Company believes it is not indicative of the Company's underlying results or ongoing operations.
- *Tax impact of pre-tax adjustments* - The tax impact of pre-tax adjustments reflects the Company's estimated tax impact of specific adjustments and the effective tax rate used for financial planning for the applicable period.

Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures

Non-GAAP Organic Contract Revenues

Unaudited

(Dollars in millions)

Quarter Ended					Growth (Decline)%	
	Contract Revenues - GAAP	Revenues from storm restoration services	Additional week as a result of the Company's 52/53 week fiscal year	Non-GAAP - Organic Revenues	GAAP - Organic %	Non-GAAP - Organic %
July 31, 2021	\$ 787.6	\$ —	\$ —	\$ 787.6	(4.4)%	(4.4)%
July 25, 2020	\$ 823.9	\$ —	\$ —	\$ 823.9		
May 1, 2021	\$ 727.5	\$ (3.9)	\$ —	\$ 723.6	(10.7)%	(11.1)%
April 25, 2020	\$ 814.3	\$ —	\$ —	\$ 814.3		
January 30, 2021 ¹	\$ 750.7	\$ (5.7)	\$ (53.2)	\$ 691.8	1.8 %	(6.2)%
January 25, 2020	\$ 737.6	\$ —	\$ —	\$ 737.6		
October 24, 2020	\$ 810.3	\$ (8.9)	\$ —	\$ 801.4	(8.4)%	(9.4)%
October 26, 2019	\$ 884.1	\$ —	\$ —	\$ 884.1		
July 25, 2020	\$ 823.9	\$ —	\$ —	\$ 823.9	(6.8)%	(6.8)%
July 27, 2019	\$ 884.2	\$ —	\$ —	\$ 884.2		
April 25, 2020	\$ 814.3	\$ —	\$ —	\$ 814.3	(2.3)%	(1.8)%
April 27, 2019	\$ 833.7	\$ (4.7)	\$ —	\$ 829.0		
January 25, 2020	\$ 737.6	\$ —	\$ —	\$ 737.6	(1.5)%	1.3 %
January 26, 2019	\$ 748.6	\$ (20.4)	\$ —	\$ 728.2		
October 26, 2019	\$ 884.1	\$ —	\$ —	\$ 884.1	4.2 %	4.7 %
October 27, 2018	\$ 848.2	\$ (3.9)	\$ —	\$ 844.4		

Note: Amounts above may not add due to rounding.

Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures

Non-GAAP Adjusted EBITDA

Unaudited
(Dollars in thousands)

	Quarter Ended	
	July 31, 2021	July 25, 2020
Net income	\$ 18,165	\$ 37,024
Interest expense, net	9,334	7,853
Provision for income taxes	6,496	12,244
Depreciation and amortization	38,462	44,129
Earnings Before Interest, Taxes, Depreciation & Amortization ("EBITDA")	72,457	101,250
Gain on sale of fixed assets	(992)	(3,418)
Stock-based compensation expense	2,309	4,373
Loss on debt extinguishment ²	—	458
Non-GAAP Adjusted EBITDA	\$ 73,774	\$ 102,663
Non-GAAP Adjusted EBITDA % of contract revenues	9.4 %	12.5 %

Note: Amounts above may not add due to rounding.

Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures

Non-GAAP Adjusted Net Income and Non-GAAP Adjusted Diluted Earnings per Common Share

Unaudited

(Dollars and shares in thousands, except per share amounts)

	Quarter Ended July 31, 2021		
	GAAP	Reconciling Items	Non-GAAP Adjusted
Contract revenues	\$ 787,568	\$ —	\$ 787,568
Costs of earned revenues, excluding depreciation and amortization	651,367	—	651,367
General and administrative	64,730	—	64,730
Depreciation and amortization	38,462	—	38,462
Total	754,559	—	754,559
Interest expense, net ³	(9,334)	666	(8,668)
Other income, net	986	—	986
Income before income taxes	24,661	666	25,327
Provision for income taxes ⁴	6,496	340	6,836
Net income	\$ 18,165	\$ 326	\$ 18,491
Diluted earnings per common share	\$ 0.59	\$ 0.01	\$ 0.60
Shares used in computing diluted earnings per common share	30,873	—	30,873

	Quarter Ended July 25, 2020		
	GAAP	Reconciling Items	Non-GAAP Adjusted
Contract revenues	\$ 823,921	\$ —	\$ 823,921
Costs of earned revenues, excluding depreciation and amortization	657,953	—	657,953
General and administrative	67,357	—	67,357
Depreciation and amortization	44,129	—	44,129
Total	769,439	—	769,439
Interest expense, net ³	(7,853)	1,748	(6,105)
Loss on debt extinguishment ²	(458)	458	—
Other income, net	3,097	—	3,097
Income before income taxes	49,268	2,206	51,474
Provision for income taxes ⁴	12,244	1,265	13,509
Net income	\$ 37,024	\$ 941	\$ 37,965
Diluted earnings per common share	\$ 1.15	\$ 0.03	\$ 1.18
Shares used in computing diluted earnings per common share	32,128	—	32,128

Note: Amounts above may not add due to rounding.

Notes to Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures

¹ The Company has a 52/53 week fiscal year. All quarter periods presented contain 13 weeks except for the quarter ended January 30, 2021, which contained an additional week of operations.

The Non-GAAP adjustment for the additional week of operations for the quarter ended January 30, 2021 is calculated as (i) contract revenues less (ii) contract revenues from storm restoration services (iii) divided by 14 weeks.

² During the quarter ended July 25, 2020, the Company purchased \$234.7 million aggregate principal amount of its 2021 Convertible Notes for \$224.4 million, including interest and fees. The purchase price was allocated between the debt and equity components of the 2021 Convertible Notes. Based on the net carrying amount of the 2021 Convertible Notes, the Company recognized a net loss on debt extinguishment of \$0.5 million after the write-off of associated debt issuance costs. The Company also recognized the equity component of the settlement of the 2021 Convertible Notes.

³ Non-GAAP Adjusted Interest expense, net excludes the non-cash amortization of the debt discount associated with the 2021 Convertible Notes.

⁴ Non-GAAP Adjusted Provision for income taxes reflects the tax related impact of all pre-tax adjustments as well as the tax effects of the vesting and exercise of share-based awards. For the quarters ended July 31, 2021 and July 25, 2020 the provision for income taxes includes \$0.2 million of income tax benefit and \$0.7 million of income tax expense, respectively, for the vesting and exercise of share-based awards.