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): May 19, 2020

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-4c))

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 May 19, 2020, Dycom Industries, Inc. (the "Company") issued a press release reporting fiscal 2021 first quarter results. Additionally, on May 19, 2020, 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.

The information included in this Current Report on Form 8-K, including the information furnished in the exhibits, does not constitute an offer to purchase nor a solicitation of an offer to sell the Company's convertible notes. The Company filed a Tender Offer Statement on Schedule TO with the Securities and Exchange Commission (the "SEC") on May 5, 2020 related to a tender offer for its outstanding convertible notes. The tender offer is being made only pursuant to such Offer to Purchase and other related materials filed with the SEC as part of the Schedule TO, in each case as may be amended or supplemented. The Tender Offer Statement (including an Offer to Purchase and other tender offer documents) contain important information, including the terms and conditions of the tender offer, that should be read carefully before any decision is made with respect to the tender offer. Those materials are available to holders of the Company's convertible notes at no expense upon request directed to the information agent for the tender offer, D.F. King & Co., Inc., by calling (866) 530-8635 (toll-free), (212) 269-5550 (collect) or by email at dycom@dfking.com. In addition, all of the materials (and all other tender offer documents filed with the SEC) are available at no charge on the SEC's website at www.sec.gov.

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. 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 Current Report on Form 8-K. 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 impact of the COVID-19 pandemic on our business operating results, cash flows and/or financial condition and the impacts of the measures we have taken in response to the COVID-19 pandemic, business and economic conditions and trends in the telecommunications industry affecting the Company's customers, fluctuations in customer capital budgets and spending priorities, 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, preliminary purchase price allocations of acquired businesses, expected benefits and synergies of acquisitions, the future impact of any acquisitions or dispositions, adjustments and cancellations related to the Company's backlog, weather conditions, the anticipated outcome of other contingent events, including litigation, liquidity and other financial needs, the availability of financing, whether the proposed tender offer for our convertible notes will occur on the terms currently contemplated, if at all, and the other risks and uncertainties detailed from time to time in our 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 May 19, 2020 by Dycom Industries, Inc. reporting fiscal 2021 first quarter results.
99.2	Slide presentation relating to the webcast and conference call to be held on May 19, 2020.
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: May 19, 2020

DYCOM INDUSTRIES, INC.
(Registrant)

By:	/s/ Ryan F. Urness
Name:	Ryan F. Urness
Title:	Vice President, General Counsel and Corporate Secretary

11780 U.S. Highway 1, Suite 600, Palm Beach Gardens, FL 33408
Phone: (561) 627-7171

NEWS RELEASE

FOR IMMEDIATE RELEASE

Contact: Steven E. Nielsen, President and CEO
H. Andrew DeFerrari, Senior Vice President and CFO
Callie A. Tomasso, Investor Relations
(561) 627-7171

May 19, 2020

DYCOM INDUSTRIES, INC. ANNOUNCES FISCAL 2021 FIRST QUARTER RESULTS

Palm Beach Gardens, Florida, May 19, 2020 - Dycom Industries, Inc. (NYSE: DY) announced today its results for the first quarter ended April 25, 2020.

First Quarter Fiscal 2021 Highlights

- Contract revenues of $814.3 million for the quarter ended April 25, 2020, compared to $833.7 million for the quarter ended April 27, 2019. Contract revenues for the quarter ended April 25, 2020 decreased 1.8% on an organic basis after excluding $4.7 million in contract revenues from storm restoration services for the quarter ended April 27, 2019.

- Non-GAAP Adjusted EBITDA of $69.9 million, or 8.6% of contract revenues, for the quarter ended April 25, 2020, compared to $73.6 million, or 8.8% of contract revenues, for the quarter ended April 27, 2019.

- On a GAAP basis, net loss was $32.4 million, or a loss of $1.03 per common share, for the quarter ended April 25, 2020, compared to net income of $14.3 million, or $0.45 per common share diluted, for the quarter ended April 27, 2019. Non-GAAP Adjusted Net Income was $11.4 million, or $0.36 per Non-GAAP Adjusted Diluted Share, for the quarter ended April 25, 2020, compared to Non-GAAP Adjusted Net Income of $16.9 million, or $0.53 per common share diluted, for the quarter ended April 27, 2019.

  Net loss on a GAAP basis for the quarter ended April 25, 2020 includes a pre-tax goodwill impairment charge of $53.3 million for a reporting unit that generated revenue of less than 4% of Dycom's consolidated revenue and did not incur losses in fiscal 2020. This reporting unit generates a substantial portion of its revenue and operating results from installation services inside third party premises. In response to the impact of the COVID-19 pandemic, certain of the Company's customers have modified their protocols to increase the self-installation of customer premise equipment by their subscribers. This is expected to result in a downturn in customer demand for the Company's in-home installation services for the duration of the COVID-19 pandemic, and possibly longer.

  Net loss on a GAAP basis for the quarter ended April 25, 2020 also includes a pre-tax gain of approximately $12.5 million related to the purchase of $167.0 million of principal amount of the Company's 0.75% convertible senior notes due September 2021 (the "Notes") for $147.0 million.

- As of April 25, 2020, the Company had cash and equivalents of approximately $643.9 million, borrowings on its revolving line of credit of $675.0 million, $438.8 million of term loans outstanding and $293.0 million principal amount of Notes outstanding. On May 5, 2020, the Company announced a tender offer to purchase any and all of its outstanding Notes. The Company expects to fund purchases of the Notes tendered in the tender offer with cash on hand.

COVID-19

During the COVID-19 pandemic, Dycom's services have generally been considered essential in nature and have not been materially interrupted. As the situation continues to evolve, the Company is closely monitoring the impact of the COVID-19 pandemic on all aspects of its business, including how it impacts the Company's customers, subcontractors, suppliers, vendors and employees, in addition to how the COVID-19 pandemic impacts the Company's ability to provide services to its customers. The Company believes the ultimate impact of the COVID-19 pandemic on its operating results, cash flows and financial condition is likely to be determined by factors which are uncertain, unpredictable and outside of its control. Given the significant uncertainty related to the duration and scope of the impact of COVID-19, the Company is not providing detailed financial guidance for the quarter ending July 25, 2020 or subsequent quarters at this time.

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 2021 first quarter results on Tuesday, May 19, 2020 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 (844) 721-7239 (United States) or (409) 207-6953 (International) with the participant code 8819885 ten minutes before the conference call begins and ask for the “Dycom Results” conference call. 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 until Thursday, June 18, 2020.

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. 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 projected impact of COVID-19 on the Company’s business operating results, cash flows and/or financial condition and the impacts of the measures the Company has taken in response to COVID-19, business and economic conditions and trends in the telecommunications industry affecting the Company’s customers, customer capital budgets and spending priorities, 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, preliminary purchase price allocations of acquired businesses, expected benefits and synergies of acquisitions, the future impact of any acquisitions or dispositions, adjustments and cancellations related to the Company’s backlog, weather conditions, the anticipated outcome of other contingent events, including litigation, liquidity and other financial needs, the availability of financing, 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.

The information included in this press release does not constitute an offer to purchase nor a solicitation of an offer to sell the Company’s convertible notes. The Company filed a Tender Offer Statement on Schedule TO with the Securities and Exchange Commission (the “SEC”) on May 5, 2020 related to a tender offer for its outstanding convertible notes. The tender offer is being made only pursuant to such Offer to Purchase and other related materials filed with the SEC as part of the Schedule TO, in each case as may be amended or supplemented. The Tender Offer Statement (including an Offer to Purchase and other tender offer documents) contain important information, including the terms and conditions of the tender offer, that should be read carefully before any decision is made with respect to the tender offer. Those materials are available to holders of the Company’s convertible notes at no expense upon request directed to the information agent for the tender offer, D.F. King & Co., Inc., by calling (866) 530-8635 (toll-free), (212) 269-5550 (collect) or by email at dycom@dfking.com. In addition, all of the materials (and all other tender offer documents filed with the SEC) are available at no charge on the SEC’s website at www.sec.gov.

---Tables Follow---

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

	April 25, 2020	January 25, 2020
ASSETS		
Current assets:		
Cash and equivalents	$ 643,876	$ 54,560
Accounts receivable, net	870,791	817,245
Contract assets	275,001	253,005
Inventories	92,622	98,324
Income tax receivable	—	3,168
Other current assets	48,585	31,991
Total current assets	1,930,875	1,258,293
Property and equipment, net	350,452	376,610
Operating lease right-of-use assets	71,680	69,596
Goodwill and other intangible assets, net	407,187	465,694
Other	52,670	47,438
Total non-current assets	881,989	959,338
Total assets	$ 2,812,864	$ 2,217,631
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 194,417	$ 119,612
Current portion of debt	22,500	22,500
Contract liabilities	24,566	16,332
Accrued insurance claims	41,977	38,881
Operating lease liabilities	29,392	26,581
Income taxes payable	8,694	344
Other accrued liabilities	106,748	98,775
Total current liabilities	428,294	323,025
Long-term debt	1,363,857	844,401
Accrued insurance claims - non-current	66,913	56,026
Operating lease liabilities - non-current	42,964	43,606
Deferred tax liabilities, net - non-current	66,041	75,527
Other liabilities	10,901	6,442
Total liabilities	1,978,970	1,349,027
Total stockholders' equity	833,894	868,604
Total liabilities and stockholders' equity	$ 2,812,864	$ 2,217,631

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

	Quarter Ended April 25, 2020	Quarter Ended April 27, 2019
Contract revenues	$ 814,322	$ 833,743
Costs of earned revenues, excluding depreciation and amortization[1]	680,206	701,767
General and administrative[2,3]	65,887	58,622
Depreciation and amortization	45,871	46,341
Goodwill impairment charge[4]	53,264	—
Total	845,228	806,730
Interest expense, net[5]	(12,457)	(12,233)
Gain on debt extinguishment[6]	12,504	—
Other income, net	1,118	5,698
(Loss) income before income taxes	(29,741)	20,478
Provision for income taxes[7]	2,677	6,199
Net (loss) income	$ (32,418)	$ 14,279
(Loss) earnings per common share:		
Basic (loss) earnings per common share	$ (1.03)	$ 0.45
Diluted (loss) earnings per common share	$ (1.03)	$ 0.45
Shares used in computing (loss) earnings per common share:		
Basic	31,603,498	31,451,809
Diluted[8]	31,603,498	31,786,459

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 acquired businesses[10]	Revenues from storm restoration services	Non-GAAP - Organic Contract Revenues	GAAP - Decline %	Non-GAAP - Organic Decline %
Quarter Ended April 25, 2020	$ 814,322	$ —	$ —	$ 814,322	(2.3)%	(1.8)%
Quarter Ended April 27, 2019	$ 833,743	$ —	$ (4,716)	$ 829,027		

NET (LOSS) INCOME AND NON-GAAP ADJUSTED EBITDA

	Quarter Ended April 25, 2020	Quarter Ended April 27, 2019
Reconciliation of net (loss) income to Non-GAAP Adjusted EBITDA:		
Net (loss) income	$ (32,418)	$ 14,279
Interest expense, net	12,457	12,233
Provision for income taxes	2,677	6,199
Depreciation and amortization	45,871	46,341
Earnings Before Interest, Taxes, Depreciation & Amortization ("EBITDA")	28,587	79,052
Gain on sale of fixed assets	(1,788)	(6,738)
Stock-based compensation expense	2,322	3,479
Goodwill impairment charge[4]	53,264	—
Gain on debt extinguishment[6]	(12,504)	—
Charge for warranty costs[1]	—	8,200
Recovery of previously reserved accounts receivable and contract assets[3]	—	(10,345)
Non-GAAP Adjusted EBITDA	$ 69,881	$ 73,648
Contract revenues	$ 814,322	$ 833,743
Non-GAAP Adjusted EBITDA % of contract revenues	*8.6%*	*8.8%*

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 (LOSS) INCOME, NON-GAAP ADJUSTED NET INCOME, DILUTED (LOSS) EARNINGS PER COMMON SHARE, NON-GAAP ADJUSTED DILUTED EARNINGS PER COMMON SHARE, AND NON-GAAP ADJUSTED DILUTED SHARES

	Quarter Ended April 25, 2020	Quarter Ended April 27, 2019
Reconciliation of net (loss) income to Non-GAAP Adjusted Net Income:		
Net (loss) income	$ (32,418)	$ 14,279
Pre-Tax Adjustments:		
Non-cash amortization of debt discount on Notes	4,341	4,932
Goodwill impairment charge[4]	53,264	—
Gain on debt extinguishment[6]	(12,504)	—
Charge for warranty costs[1]	—	8,200
Recovery of previously reserved accounts receivable and contract assets[3]	—	(10,345)
Tax Adjustments:		
Tax expense for the vesting and exercise of share-based awards	450	638
Tax effect from net operating loss carryback under enacted CARES Act[7]	(2,631)	—
Tax effect of pre-tax adjustments	896	(766)
Total adjustments, net of tax	43,816	2,659
Non-GAAP Adjusted Net Income	$ 11,398	$ 16,938
Reconciliation of diluted (loss) earnings per common share to Non-GAAP Adjusted Diluted Earnings per Common Share:		
GAAP diluted (loss) earnings per common share	$ (1.03)	$ 0.45
Total adjustments, net of tax	1.39	0.08
Non-GAAP Adjusted Diluted Earnings per Common Share	$ 0.36	$ 0.53
Shares used in computing Non-GAAP Adjusted Diluted Earnings per Common Share:		
GAAP diluted shares	31,603,498	31,786,459
Adjustment for dilutive common stock equivalents[8]	163,118	—
Non-GAAP Adjusted Diluted Shares	31,766,616	31,786,459

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 growth is calculated as the percentage change in Non-GAAP Organic Contract Revenues over those of the comparable prior year periods. Management believes organic growth is a helpful measure for comparing the Company’s revenue performance with prior periods.

- *Non-GAAP Adjusted EBITDA* - net income (loss) 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 (loss) 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.

- *Non-GAAP Adjusted Diluted Earnings per Common Share* and *Non-GAAP Adjusted Diluted Shares* - Non-GAAP Adjusted Net Income divided by Non-GAAP Adjusted Diluted Shares outstanding. Non-GAAP Adjusted Diluted Shares includes the dilutive impact of common stock equivalents related to share-based awards that are excluded from the computation of net loss per common share on a GAAP basis as their effect would be anti-dilutive.

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 Notes* - The Company’s Notes were allocated between debt and equity components. The difference between the principal amount and the carrying amount of the liability component of the Notes represents a debt discount. The debt discount is being amortized over the term of the 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 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* - 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.

- *Gain on debt extinguishment* - The Company incurred a pre-tax gain of approximately $12.5 million related to the purchase of $167.0 million of principal amount of the Company’s 0.75% convertible senior notes due September 2021 for $147.0 million during the quarter ended April 25, 2020. Management believes excluding the 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.

- *Charge for warranty costs* - During the quarter ended April 27, 2019, the Company recorded an $8.2 million pre-tax charge for estimated warranty costs for work performed for a customer in prior periods. The Company excludes the impact of this charge from its Non-GAAP financial measures because the Company believes it is not indicative of its underlying results in the current period.

- *Recovery of previously reserved accounts receivable and contract assets* - During the quarter ended April 27, 2019, the Company recognized $10.3 million of pre-tax income from the recovery of previously reserved accounts receivable and contract assets based on collections from a customer. The Company excludes the impact of this recovery from its Non-GAAP financial measures because the Company believes it is not indicative of its underlying 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* - For the quarter ended April 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] During the quarter ended April 27, 2019, the Company recorded an $8.2 million pre-tax charge for estimated warranty costs for work performed for a customer in prior periods.

[2] Includes stock-based compensation expense of $2.3 million and $3.5 million for the quarters ended April 25, 2020 and April 27, 2019, respectively.

[3] During the quarter ended April 27, 2019, the Company recognized $10.3 million of pre-tax income from the recovery of previously reserved accounts receivable and contract assets based on collections from a customer.

[4] The Company incurred a goodwill impairment charge of $53.3 million during the quarter ended April 25, 2020 for a reporting unit that performs installation services inside third party premises.

[5] Includes pre-tax interest expense for non-cash amortization of the debt discount associated with the Notes of $4.3 million and $4.9 million for the quarters ended April 25, 2020 and April 27, 2019, respectively.

[6] During the quarter ended April 25, 2020, the Company recognized a gain on debt extinguishment of $12.5 million in connection with its purchase of $167.0 million aggregate principal amount of its 0.75% convertible senior notes due September 2021 for $147.0 million.

[7] For the quarter ended April 25, 2020, the Company recognized an income tax benefit of $2.6 million from a net operating loss carryback under the enacted CARES Act. For the quarters ended April 25, 2020 and April 27, 2019, the provision for income taxes also includes $0.5 million and $0.6 million, respectively, of income tax expense for the vesting and exercise of share-based awards.

[8] Diluted shares for the quarter ended April 25, 2020 excludes common stock equivalents related to share-based awards as their effect would be anti-dilutive.

Dycom Q1 2021 Results

May 19, 2020

Participants

Steven E. Nielsen
President & Chief Executive Officer

H. Andrew DeFerrari
Chief Financial Officer

Ryan F. Urness
General Counsel

Agenda

- Dycom's COVID-19 Response
- Industry Impacts from the COVID-19 Pandemic
- Q1 2021 Overview
- Financial & Operational Highlights
- Outlook
- Closing Remarks
- Q&A

Important Information

Caution Concerning Forward-Looking Statements

This presentation contains "forward-looking statements". Other than statements of historical facts, all statements contained in this presentation, including statement regarding the Company's future financial position, future revenue, prospects, plans and objectives of management, are forward-looking statements. Words such as " "believe," "expect," "anticipate," "estimate," "intend," "should," "could," "project," and similar expressions, as well as statements in future tense, identify forward-looki statements. You should not consider forward-looking statements as a guarantee of future performance or results. Forward-looking statements are based on informa available at the time those statements are made and/or management's good faith belief at that time with respect to future events. Such statements are subject to ris uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. These risks uncertainties include those related to the impact of the COVID-19 pandemic on operating results, cash flows and/or financial condition and the impacts of the meas in response to the COVID-19 pandemic, whether the proposed tender offer for our convertible notes will occur on the terms currently contemplated, if at all, as well other risks and uncertainties discussed within Item 1, Business, Item 1A, Risk Factors, and Item 7, Management's Discussion and Analysis of Financial Condition and F Operations, of our Annual Report on Form 10-K for fiscal 2020, filed with the U.S. Securities and Exchange Commission ("SEC") on March 2, 2020, as well as our past future filings with the SEC. The forward-looking statements in this presentation are expressly qualified in their entirety by this cautionary statement and are only mac the date of this presentation. The Company undertakes no obligation to update these forward-looking statements to reflect new information, or events or circumsta arising after such date.

The information included in this presentation does not constitute an offer to purchase nor a solicitation of an offer to sell the Company's convertible notes. A Tende Statement on Schedule TO was filed with the SEC on May 5, 2020 related to a tender offer for its outstanding convertible notes, which is only being made only pursu tender offer materials filed with the SEC. The materials filed with SEC contain important information, including the terms and conditions of the tender offer, that shou read carefully before any decision is made with respect to the tender offer. All of the tender offer materials are available at no charge on the SEC's website at www.se

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 Non-GAAP fi 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 SI May 19, 2020 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 substitute for, the Company's reported GAAP results.

Employees

Keeping employees safe our first priority

Adopted enhanced protection protocols and PPE guidelines for all employees and facilities

Instituted work from home policies

Responded rapidly to the limited number of incidents we have experienced

Customers

Intense focus remained unchanged

Continued to serve our customers as they provide critical infrastructure

Generally considered an essential business provider under state and local pandemic mitigation orders

Limited impact on operations from sporadic, geographically disparate and limited municipal issues

Operating Plans

Decisive and proactive adjustm

Reduced general and administrativ expenses including executive comp

Aggressively improved working ca efficiency through re-norming of v payment terms and improving DSC

Tightly managed capital expenditu

Significantly enhanced our operational and financial flexibility during Q1 2021

Intermediate to Longer Term Impacts

Prior investments by major industry participants to construct or upgrade wireline networks have enabled astounding increases in peak demands on telecommunication networks; programs are likely to accelerate

Our customers' continued commitments to wireline and wireless network investments evident in their recent commentary

Social distancing measures tangibly highlighted the costs of physical proximity and connections throughout the economy

High capacity/low latency networks are key to enabling safe virtual connections throughout society increasing the value of our customers' networks and further creating additional possible new drivers for network investment

Social equity will demand that access to distance learning, tele-medicine and other newly essential applications be unencumbered by rural geography or socio-economic status

Near Term Impacts

Macro-economic uncertainty over the balance of this year may influence some customer plans

Customers are focused on the possible direct impacts on their businesses including increased consumer and enterprise demands, SMB dislocations, a potential decline in new housing formation, overall consumer customer credit deterioration, and reduced churn and new subscriber additions

Some disruptions may be expected to the overall municipal environment as authorities re-engineer application and inspection processes and weigh needed jobsite access against increased social/economic openness

On balance, we expect the COVID-19 pandemic will reinforce and eventually accelerate pre-pandemic industry trends

Contract Revenues

Non-GAAP Adjusted Diluted EPS

Q1 2021 Overview

Contract Revenues

Reflected increased demand from 2 of the Company's top 5 customers despite challenging eco backdrop

Operating performance

Non-GAAP Adjusted EBITDA for Q1 2021 of $69.9 million, or 8.6% of contract revenues, compa $73.6 million, or 8.8% of contract revenues, for Q1 2020

Non-GAAP Adjusted Diluted Earnings per Common Share of $0.36 for Q1 2021 compared to $0 Q1 2020

Liquidity

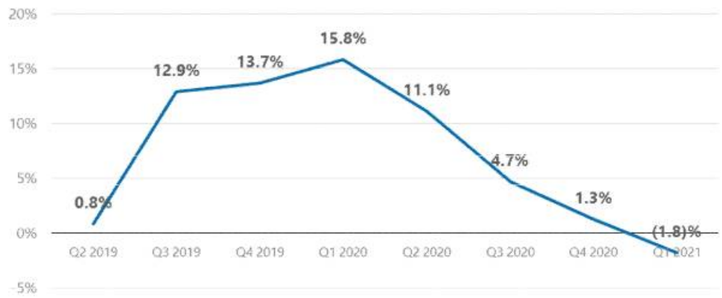
Cash and equivalents of $644 million and outstanding revolver borrowings of $675 million at Q

Reduced net debt by $86.9 million during Q1 2021

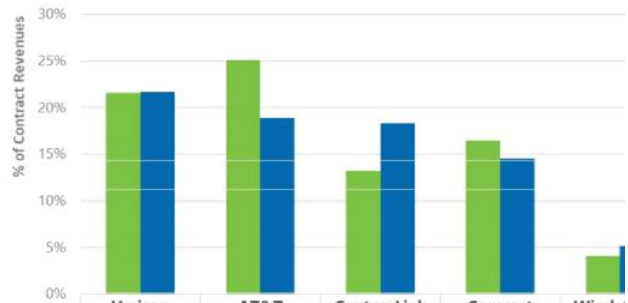
Ample liquidity of $390.1 million at Q1 2021

Contract Revenues

Non-GAAP Organic Growth (Decline) %[1]



Top 5 Customers



	Verizon	AT&T	CenturyLink	Comcast	Windst
Q1 2020	21.6%	25.1%	13.2%	16.4%	4.1
Q1 2021	21.6%	18.9%	18.3%	14.5%	5.2

Q1 2021 Organic growth (decline):

(1.8)% Total Customers

(3.9)% Top 5 Customers

7.0% All Other Customers

40.8% CenturyLink

26.1% Windstream

Top 5 customers represented 78.5% and 80.4% of cor
revenues in Q1 2021 and Q1 2020, respectively

Q1 2021 % of contract revenues from customers #6 through

2.6% Charter

1.7% Dominion Energy

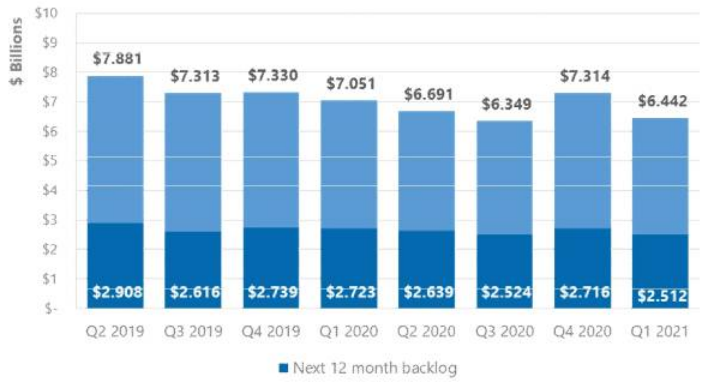
1.5% Frontier

0.8% Edison International

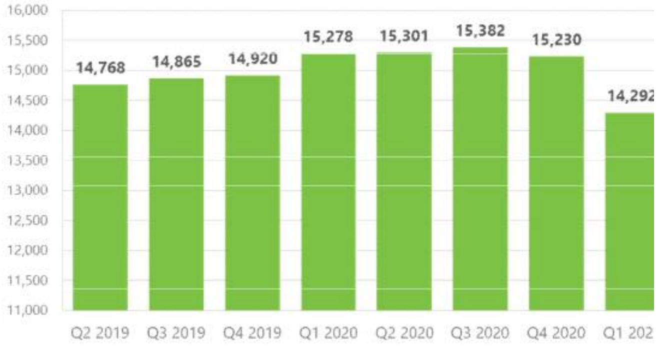
0.8% NiSourc

Backlog and Awards

Backlog[2]



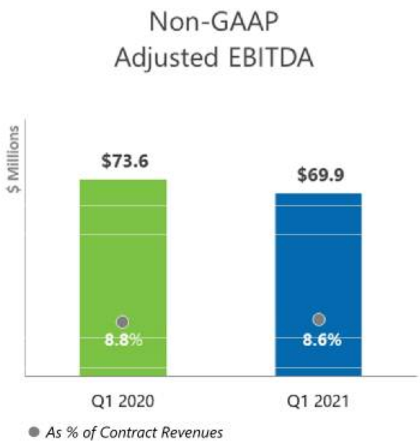
Employee Headcount



Selected Q1 2021 Awards and Extensions:

Customer	Description	Area	Term
CenturyLink	Engineering Services	OR, MT, AZ, NJ, PA, VA, NC	1 year
AT&T	Construction & Maintenance Services	AL	3 years
Verizon	Engineering & Construction Services	Various	3 years
Charter	Construction & Maintenance Services	CA, TX, NC, FL	2 years
Portland General Electric	Locating Services	OR	5 years
Various	Rural Fiber Services	OK, WI, AR, TN	1 year

Financial Highlights



Revenues of $814.3 million in Q1 2021 decreased organically 1.8% from the comparable prior period after excluding $4.7 million in prior year storm restoration services during Q1 2020

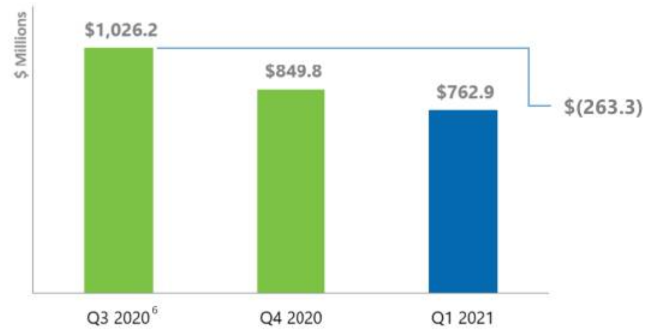
Revenues reflected increased demand from 2 of our top 5 customers despite challenging economic backdrop

Actions taken to reduce administrative costs responsive to current economic conditions

Non-GAAP Adjusted EBITDA and Non-GAAP Adjusted Diluted EPS exclude impact of $53.3 million goodwill impairment charge incurred in Q1 2021 reporting unit that performs installation services inside third party premises

Liquidity Overview

Net Debt Reduction



$ Millions		Q4 2020		Q1 20
Net Debt Summary				
0.75% Convertible Senior Notes, mature Sept 2021:	$	460.0	$	
Senior Credit Facility, matures Oct 2023:[3]				
Term Loan Facilities		444.4		
Revolving Facility		-		
Total Notional Amount of Debt	**$**	**904.4**	**$**	**1**
Less: Cash and equivalents		**54.6**		
Net Debt	**$**	**849.8**	**$**	

$ Millions		Q1 2020		Q1 20
Cash Flow Summary				
Cash (used in) provided by operating activities	$	(56.1)	$	
Capital expenditures, net of disposals	$	(38.4)	$	
Borrowings on Senior Credit Facility	$	-	$	
Purchase of 0.75% Convertible Senior Notes, net of discount	$	-	$	
Other financing & investing activities, net	$	(0.7)	$	
Total Days Sales Outstanding ("DSO")[5]		108		

Reduced net debt by $86.9 million during Q1 2021 and by $263.3 million since Q3 2020; during Q1-2021:

- Generated solid free cash flow
- Borrowed $675 million on Revolver in light of economic uncertainty
- Repaid $5.6 million of Term Loan borrowings
- Purchased $167 million principal amount of Notes for $147 million

Ample liquidity[4] of $390.1 million as of April 25, 2020

Announced Tender Offer in May 2020 to purchase any and all outstanding Notes

Robust operating cash flows during Q1 2020 from prudent working capi management

DSOs of 125 at Q1 2021 improved sequentially from 130 at Q4 2020

Capital expenditures, net of disposals for fiscal 2021 anticipated at $60 - a reduction of $60 million from prior outlook

Closely monitoring impact of COVID-19 pandemic on all aspects of our business

We have taken proactive measures to maintain business continuity, manage costs and preserve the solid financial position of our company

Encouraged by Q1 2021 performance after the onset of the pandemic

Seeing stable overall demand for our services as we look ahead to Q2 2021 and anticipate Non-GAAP Adjusted EBITDA % which is broadly consistent with the Q2 2021 outlook provided in February 2020

Given the difficulty to project our revenue and results of operations during this period of greater economic uncertainty, the Company is not providing detailed financial guidance for Q2 2021 or subsequent quarters at this time

Ultimate impact of the pandemic on our operating results, cash flows and financial condition is likely to be determined by factors which are uncertain, unpredictable and outside of our control

Firm end market activity despite challenging economic backdrop

Fiber deployments enabling new wireless technologies are underway in many regions of the country

Wireless construction activity in support of expanded coverage and capacity continued to grow through the deployment of enhanced macro cells and new small cells

Recently completed or have begun work associated with several thousand 5G small cell sites across 13 states

Telephone companies are deploying FTTH to enable 1 gigabit high speed connections

Fiber deep deployments to expand capacity are underway

Dramatically increased speeds to consumers are being provisioned and consumer data usage is growing dramatically

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

Dycom is increasingly providing integrated planning, engineering and design, procurement and construction and maintenance services for wired and converged wireless/wireline networks

Remain encouraged that Dycom's major customers continue to be committed to multi-year capital spending initiatives

Notes

1) Organic growth (decline) % adjusted for revenues from acquired businesses and storm restoration services, when applicable.
2) 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 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 work performed in the preceding 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 cor 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 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 C 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 calc 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 es the services to be performed pursuant to awards by its customers under existing contractual relationships.
3) As of April 25, 2020 and January 25, 2020, the Company had $52.2 million and $52.3 million, respectively, of standby letters of credit outstanding under the Senior Credit Facility. The Senior Credit Facility n October 2023.
4) As of both April 25, 2020 and January 25, 2020, Liquidity represents the sum of the Company's availability on its revolving facility, including the incremental amount of eligible cash and equivalents above $ as permitted by the Company's Senior Credit Facility and other available cash and equivalents.
5) 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, less contract (formerly referred to as billings in excess of costs and estimated earnings) divided by average revenue per day during the respective quarter. Long-term contract assets are excluded from the calculation c 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 provic customers.
6) Net debt as of Q3 2020 consisted of $485.0 million 0.75% Convertible Senior Notes due September 2021, $450.0 million Term Loan Facilities and $103.0 million Revolving Facility, offset by $11.8 million in equivalents.

Dycom Industries, Inc.
Non-GAAP Reconciliations
Q1 2021

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 growth (decline) is calculated as the percentage change in Non-GAAP Organic Contract Revenues over those of the comparable prior year periods. Management believes organic growth (decline) is a helpful measure for comparing the Company's revenue performance with prior periods.

- *Non-GAAP Adjusted EBITDA* - net income (loss) 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 (loss) 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.

- *Non-GAAP Adjusted Diluted Earnings per Common Share* and *Non-GAAP Adjusted Diluted Shares* - Non-GAAP Adjusted Net Income divided by Non-GAAP Adjusted Diluted Shares outstanding. Non-GAAP Adjusted Diluted Shares includes the dilutive impact of common stock equivalents related to share-based awards that are excluded from the computation of net loss per common share on a GAAP basis as their effect would be anti-dilutive.

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 Notes* - The Company's 0.75% convertible senior notes due September 2021 (the "Notes") were allocated between debt and equity components. The difference between the principal amount and the carrying amount of the liability component of the Notes represents a debt discount. The debt discount is being amortized over the term of the Notes but does not result in periodic cash interest payments. The Company has excluded 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 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* - 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.

- *Gain on debt extinguishment* - The Company incurred a pre-tax gain of approximately $12.5 million related to the purchase of $167.0 million of principal amount of the Company's 0.75% convertible senior notes due September 2021 for $147.0 million during the quarter ended April 25, 2020. Management believes excluding the 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.

- *Charge for warranty costs* - During the quarter ended April 27, 2019, the Company recorded an $8.2 million pre-tax charge in the first quarter for estimated warranty costs for work performed for a customer in prior periods. The Company excludes the impact of this charge from its Non-GAAP financial measures because the Company believes it is not indicative of its underlying results in the current period.

- *Recovery of previously reserved accounts receivable and contract assets* - During the quarter ended April 27, 2019, the Company recognized $10.3 million of pre-tax income from the recovery of previously reserved accounts receivable and contract assets based on collections from a customer. The Company excludes the impact of this recovery from its Non-GAAP financial measures because the Company believes it is not indicative of its underlying 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 net a operating loss carryback under enacted CARES Act* - For the quarter ended April 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	Contract Revenues - GAAP	Revenues from acquired businesses[1]	Revenues from storm restoration services	Non-GAAP - Organic Revenues	Growth (Decline)% GAAP %	Growth (Decline)% Non-GAAP - Organic %
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		
July 27, 2019	$ 884.2	$ —	$ —	$ 884.2	10.6 %	11.1 %
July 28, 2018	$ 799.5	$ —	$ (3.8)	$ 795.7		
April 27, 2019	$ 833.7	$ (6.1)	$ (4.7)	$ 822.9	14.0 %	15.8 %
April 28, 2018	$ 731.4	$ (5.8)	$ (14.8)	$ 710.7		
January 26, 2019	$ 748.6	$ (5.9)	$ (20.4)	$ 722.3	14.3 %	13.7 %
January 27, 2018	$ 655.1	$ —	$ (19.8)	$ 635.3		
October 27, 2018	$ 848.2	$ (8.8)	$ (3.9)	$ 835.6	12.2 %	12.9 %
October 28, 2017	$ 756.2	$ —	$ (15.9)	$ 740.3		
July 28, 2018	$ 799.5	$ (9.1)	$ (3.8)	$ 786.6	2.5 %	0.8 %
July 29, 2017	$ 780.2	$ —	$ —	$ 780.2		

Note: Amounts above may not add due to rounding.

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

Non-GAAP Organic Contract Revenues - Certain Customers
Unaudited
(Dollars in millions)

Quarter Ended	Contract Revenues - GAAP	Revenues from storm restoration services	Non-GAAP - Organic Revenues	Growth (Decline)%	
				GAAP %	Non-GAAP - Organic %
CenturyLink					
April 25, 2020	$ 148.8	$ —	$ 148.8	35.5 %	40.8 %
April 27, 2019	$ 109.8	$ (4.1)	$ 105.7		
Windstream					
April 25, 2020	$ 42.2	$ —	$ 42.2	24.0 %	26.1 %
April 27, 2019	$ 34.0	$ (0.5)	$ 33.4		
Top 5 Customers[2]					
April 25, 2020	$ 639.0	$ —	$ 639.0	(4.6)%	(3.9)%
April 27, 2019	$ 669.9	$ (4.7)	$ 665.2		
All Other Customers (excluding Top 5 Customers)					
April 25, 2020	$ 175.3	$ —	$ 175.3	7.0 %	7.0 %
April 27, 2019	$ 163.8	$ —	$ 163.8		

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	
	April 25, 2020	April 27, 2019
Net (loss) income	$ (32,418)	$ 14,279
Interest expense, net	12,457	12,233
Provision for income taxes	2,677	6,199
Depreciation and amortization	45,871	46,341
Earnings Before Interest, Taxes, Depreciation & Amortization (“EBITDA”)	28,587	79,052
Gain on sale of fixed assets	(1,788)	(6,738)
Stock-based compensation expense	2,322	3,479
Goodwill impairment charge[3]	53,264	—
Gain on debt extinguishment[4]	(12,504)	—
Charge for warranty costs[5]	—	8,200
Recovery of previously reserved accounts receivable and contract assets[6]	—	(10,345)
Non-GAAP Adjusted EBITDA	$ 69,881	$ 73,648
Contract revenues	$ 814,322	$ 833,743
Non-GAAP Adjusted EBITDA % of contract revenues	*8.6%*	*8.8%*

Note: Amounts above may not add due to rounding.

DYCOM INDUSTRIES INC.

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

Non-GAAP Adjusted Net (Loss) Income and Non-GAAP Adjusted Diluted (Loss) Earnings Per Share

Unaudited

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

	Quarter Ended April 25, 2020		
	GAAP	Reconciling Items	Non-GAAP Adjusted
Contract revenues	$ 814,322	$ —	$ 814,322
Costs of earned revenues, excluding depreciation and amortization	680,206	—	680,206
General and administrative	65,887	—	65,887
Depreciation and amortization	45,871	—	45,871
Goodwill impairment charge[3]	53,264	(53,264)	—
Total	845,228	(53,264)	791,964
Interest expense, net[7]	(12,457)	4,341	(8,116)
Gain on debt extinguishment[4]	12,504	(12,504)	—
Other income, net	1,118	—	1,118
(Loss) income before income taxes	(29,741)	45,101	15,360
Provision for income taxes[8]	2,677	1,285	3,962
Net (loss) income	$ (32,418)	$ 43,816	$ 11,398
(Loss) earnings per common share	$ (1.03)	$ 1.39	$ 0.36
Shares used in computing (loss) earnings per common share[9]	31,603	163	31,767

	Quarter Ended April 27, 2019		
	GAAP	Reconciling Items	Non-GAAP Adjusted
Contract revenues	$ 833,743	$ —	$ 833,743
Costs of earned revenues, excluding depreciation and amortization[5]	701,767	(8,200)	693,567
General and administrative[6]	58,622	10,345	68,967
Depreciation and amortization	46,341	—	46,341
Total	806,730	2,145	808,875
Interest expense, net[7]	(12,233)	4,932	(7,301)
Other income, net	5,698	—	5,698
Income before income taxes	20,478	2,787	23,265
Provision for income taxes[8]	6,199	128	6,327
Net income	$ 14,279	$ 2,659	$ 16,938
Diluted earnings per common share	$ 0.45	$ 0.08	$ 0.53
Shares used in computing diluted earnings per common share	31,786	—	31,786

Note: Amounts above may not add due to rounding.

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

[1] Amounts represent contract revenues from acquired businesses that were not owned for the full period in both the current and comparable prior periods, including any contract revenues from storm restoration services for these acquired businesses.

[2] Top 5 Customers included Verizon, AT&T, CenturyLink, Comcast and Windstream for the quarters ended April 25, 2020 and April 27, 2019.

[3] The Company incurred a goodwill impairment charge of $53.3 million during the quarter ended April 25, 2020 for a reporting unit that performs installation services inside third party premises.

[4] During the quarter ended April 25, 2020, the Company recognized a gain on debt extinguishment of $12.5 million in connection with its purchase of $167.0 million aggregate principal amount of its 0.75% convertible senior notes due September 2021 for $147.0 million.

[5] During the quarter ended April 27, 2019, the Company recorded an $8.2 million pre-tax charge for estimated warranty costs for work performed for a customer in prior periods.

[6] During the quarter ended April 27, 2019, the Company recognized $10.3 million of pre-tax income from the recovery of previously reserved accounts receivable and contract assets based on collections from a customer.

[7] Non-GAAP Adjusted Interest expense, net excludes the non-cash amortization of the debt discount associated with the Notes.

[8] 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. Additionally, for the quarter ended April 25, 2020, the Company recognized an income tax benefit of $2.6 million from a net operating loss carryback under the enacted CARES Act.

[9] GAAP diluted shares for the quarter ended April 25, 2020 exclude common stock equivalents related to share-based awards as their effect would be anti-dilutive.