

# Dycom Industries, Inc.

## Trend Schedule

Q1 2022



Dollars in millions

Unaudited

## Contract Revenues Summary

	Quarter Ended				Fiscal	Quarter Ended				Fiscal	Quarter Ended
	4/27/19	7/27/19	10/26/19	1/25/20	2020	4/25/20	7/25/20	10/24/20	1/30/21	2021	5/1/21
<b>Contract Revenues</b>	\$ 833.7	\$ 884.2	\$ 884.1	\$ 737.6	\$3,339.7	\$ 814.3	\$ 823.9	\$ 810.3	\$ 750.7	\$3,199.2	\$ 727.5
<b>Non-GAAP Organic Revenue Growth (Decline) %<sup>1</sup></b>	15.8 %	11.1 %	4.7 %	1.3 %	8.3 %	(1.8)%	(6.8)%	(9.4)%	(6.2)%	(6.1)%	(11.1)%
<b>Top Five Customers in each quarter presented</b>											
<b>Customer Revenues (%)</b>											
AT&T Inc.	25.1 %	20.7 %	18.4 %	18.0 %	20.6 %	18.9 %	16.3 %	14.7 %	16.8 %	16.7 %	21.4 %
Comcast Corporation	16.4 %	15.1 %	14.9 %	13.8 %	15.1 %	14.5 %	15.9 %	17.7 %	18.8 %	16.7 %	18.0 %
Verizon Communications, Inc.	21.6 %	23.2 %	20.6 %	21.9 %	21.8 %	21.6 %	19.8 %	17.9 %	15.7 %	18.8 %	12.6 %
Lumen Technologies	13.2 %	15.7 %	18.6 %	18.3 %	16.4 %	18.3 %	19.2 %	16.6 %	13.4 %	16.9 %	11.8 %
Windstream Corporation	4.1 %	3.9 %	4.8 %	5.3 %	4.5 %	5.2 %	5.3 %	4.8 %	4.8 %	5.0 %	4.4 %
All Other customers	19.6 %	21.4 %	22.7 %	22.7 %	21.6 %	21.5 %	23.5 %	28.3 %	30.5 %	25.9 %	31.8 %
Contract revenues	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
<b>Customer Revenues (\$)</b>											
AT&T Inc.	\$ 209.3	\$ 183.3	\$ 162.9	\$ 132.5	\$ 687.9	\$ 154.0	\$ 134.6	\$ 118.9	\$ 126.2	\$ 533.7	\$ 155.6
Comcast Corporation	137.1	133.2	131.3	101.6	503.2	118.0	131.4	143.6	140.9	533.9	131.1
Verizon Communications, Inc.	179.8	205.0	182.1	161.3	728.2	176.1	163.0	144.8	117.7	601.6	91.5
Lumen Technologies	109.8	138.7	164.1	135.1	547.8	148.8	158.4	134.4	100.5	542.0	85.8
Windstream Corporation	34.0	34.7	42.7	38.8	150.3	42.2	43.4	38.9	36.0	160.5	32.1
All Other customers	163.7	189.3	201.0	168.3	722.3	175.2	193.1	229.7	229.4	827.5	231.4
Contract revenues	\$ 833.7	\$ 884.2	\$ 884.1	\$ 737.6	\$3,339.7	\$ 814.3	\$ 823.9	\$ 810.3	\$ 750.7	\$3,199.2	\$ 727.5

Note: Amounts above may not add due to rounding.

Dollars in millions

Unaudited

## Non-GAAP Adjusted EBITDA

	Quarter Ended					Fiscal	Quarter Ended					Fiscal	Quarter Ended
	4/27/19	7/27/19	10/26/19	1/25/20	2020		4/25/20	7/25/20	10/24/20	1/30/21	2021		5/1/21
<b>Net income (loss)</b>	\$ 14.3	\$ 29.9	\$ 24.2	\$ (11.2)	\$ 57.2		\$ (32.4)	\$ 37.0	\$ 33.9	\$ (4.2)	\$ 34.3		\$ 0.9
Interest expense, net	12.2	12.9	13.1	12.6	50.9		12.5	7.9	4.7	4.7	29.7		5.9
(Benefit) provision for income taxes	6.2	12.7	6.6	(4.1)	21.3		2.7	12.2	12.0	(2.1)	24.9		(2.7)
Depreciation and amortization	46.3	47.2	47.4	46.6	187.6		45.9	44.1	42.3	43.6	175.9		39.1
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization ("EBITDA")</b>	79.1	102.7	91.3	43.9	317.0		28.6	101.3	93.0	42.0	264.8		43.1
Gain on sale of fixed assets	(6.7)	(4.8)	(2.2)	(1.1)	(14.9)		(1.8)	(3.4)	(4.0)	(0.8)	(10.0)		(2.9)
Stock-based compensation expense	3.5	2.3	2.7	1.6	10.0		2.3	4.4	3.8	2.3	12.8		3.7
Charges for a wages and hour litigation settlement <sup>2</sup>	—	—	—	—	—		—	—	—	2.3	2.3		—
Loss (gain) on debt extinguishment <sup>3,4,5</sup>	—	—	—	0.1	0.1		(12.5)	0.5	—	—	(12.0)		0.1
Goodwill impairment charge <sup>6</sup>	—	—	—	—	—		53.3	—	—	—	53.3		—
Charge for warranty costs <sup>7</sup>	8.2	—	—	—	8.2		—	—	—	—	—		—
Recovery of accounts receivable and contract assets <sup>8</sup>	(10.3)	—	—	—	(10.3)		—	—	—	—	—		—
<b>Non-GAAP Adjusted EBITDA<sup>1</sup></b>	\$ 73.6	\$ 100.2	\$ 91.7	\$ 44.5	\$ 310.0		\$ 69.9	\$ 102.7	\$ 92.8	\$ 45.7	\$ 311.0		\$ 44.1
<i>Non-GAAP Adjusted EBITDA % of contract revenues</i>	8.8 %	11.3%	10.4 %	6.0 %	9.3 %		8.6 %	12.5 %	11.5 %	6.1 %	9.7 %		6.1 %

### Q2-20 Non-GAAP Adjusted EBITDA, excluding contract modification<sup>9</sup>

Q2-20 Non-GAAP Adjusted EBITDA, excluding contract modification % of contract revenues<sup>9</sup>

\$ 89.2

\$ 299.1

10.2 %

9.0 %

Note: Amounts above may not add due to rounding.

Dollars and shares in millions, except per share amounts

Unaudited

### Non-GAAP Adjusted Net (Loss) Income

	Quarter Ended				Fiscal	Quarter Ended				Fiscal	Quarter
	4/27/19	7/27/19	10/26/19	1/25/20	2020	4/25/20	7/25/20	10/24/20	1/30/21	2021	Ended
<b>Contract revenues</b>	\$ 833.7	\$ 884.2	\$ 884.1	\$ 737.6	\$ 3,339.7	\$ 814.3	\$ 823.9	\$ 810.3	\$ 750.7	\$ 3,199.2	\$ 727.5
Cost of earned revenues, excluding depreciation and amortization	701.8	720.4	724.4	633.2	2,779.7	680.2	658.0	658.4	645.5	2,642.0	620.0
General and administrative	58.6	65.1	69.9	61.0	254.6	65.9	67.4	62.6	63.9	259.8	67.0
Depreciation and amortization	46.3	47.2	47.4	46.6	187.6	45.9	44.1	42.3	43.6	175.9	39.1
Goodwill impairment charge <sup>6</sup>	—	—	—	—	—	53.3	—	—	—	53.3	—
Interest expense, net	(12.2)	(12.9)	(13.1)	(12.6)	(50.9)	(12.5)	(7.9)	(4.7)	(4.7)	(29.7)	(5.9)
(Loss) gain on debt extinguishment <sup>3,4,5</sup>	—	—	—	(0.1)	(0.1)	12.5	(0.5)	—	—	12.0	(0.1)
Other income, net	5.7	4.0	1.4	0.6	11.7	1.1	3.1	3.7	0.7	8.6	2.7
(Loss) income before income taxes	20.5	42.6	30.8	(15.3)	78.5	(29.7)	49.3	46.0	(6.3)	59.2	(1.8)
(Benefit) provision for income taxes	6.2	12.7	6.6	(4.1)	21.3	2.7	12.2	12.0	(2.1)	24.9	(2.7)
<b>Net income (loss)</b>	\$ 14.3	\$ 29.9	\$ 24.2	\$ (11.2)	\$ 57.2	\$ (32.4)	\$ 37.0	\$ 33.9	\$ (4.2)	\$ 34.3	\$ 0.9
<b>Adjustments</b>											
Cost of earned revenues, excluding depreciation and amortization <sup>2,7</sup>	\$ 8.2	\$ —	\$ —	\$ —	\$ 8.2	\$ —	\$ —	\$ —	\$ 2.1	\$ 2.1	\$ —
General and administrative <sup>2,8</sup>	(10.3)	—	—	—	(10.3)	—	—	—	0.2	0.2	—
Goodwill impairment charge <sup>6</sup>	—	—	—	—	—	53.3	—	—	—	53.3	—
Interest expense, net <sup>10</sup>	4.9	5.0	5.1	5.1	20.1	4.3	1.7	0.6	0.7	7.4	0.7
Loss (gain) on debt extinguishment <sup>4,5</sup>	—	—	—	—	—	(12.5)	0.5	—	—	(12.0)	0.1
Income before income taxes	2.8	5.0	5.1	5.1	18.0	45.1	2.2	0.6	3.0	50.9	0.7
Provision for income taxes <sup>11</sup>	0.1	0.3	1.2	1.1	2.8	1.3	1.3	0.2	1.1	3.8	2.8
<b>Total adjustments, net of tax</b>	\$ 2.7	\$ 4.7	\$ 3.8	\$ 4.0	\$ 15.2	\$ 43.8	\$ 0.9	\$ 0.4	\$ 1.9	\$ 47.1	\$ (2.1)
<b>Non-GAAP Adjusted Net (Loss) Income<sup>1</sup></b>	\$ 16.9	\$ 34.6	\$ 28.1	\$ (7.2)	\$ 72.4	\$ 11.4	\$ 38.0	\$ 34.4	\$ (2.3)	\$ 81.4	\$ (1.2)

Q2-20 Non-GAAP Adjusted Net Income, excluding contract modification<sup>9</sup>

\$ 27.4 \$ 65.1

### Non-GAAP Adjusted Diluted (Loss) Earnings per Common Share

<b>Diluted earnings (loss) per common share</b>	\$ 0.45	\$ 0.94	\$ 0.76	\$ (0.35)	\$ 1.80	\$ (1.03)	\$ 1.15	\$ 1.05	\$ (0.13)	\$ 1.07	\$ 0.03
Total adjustments, net of tax	0.08	0.15	0.12	0.13	0.48	1.39	0.03	0.01	0.06	1.47	(0.07)
<b>Non-GAAP Adjusted Diluted (Loss) Earnings per Common Share<sup>1</sup></b>	\$ 0.53	\$ 1.09	\$ 0.88	\$ (0.23)	\$ 2.27	\$ 0.36	\$ 1.18	\$ 1.06	\$ (0.07)	\$ 2.54	\$ (0.04)

Q2-20 Non-GAAP Adjusted Diluted Earnings per Common Share, excluding contract modification<sup>9</sup>

\$ 0.86 \$ 2.05

### Non-GAAP Adjusted Diluted Shares

<b>Shares used in computing diluted earnings (loss) per common share</b>	31.8	31.8	31.8	31.5	31.8	31.6	32.1	32.4	31.4	32.1	31.3
Adjustment to Shares used in computing diluted (loss) earnings per common share <sup>2</sup>	—	—	—	—	—	0.2	—	—	—	—	(0.6)
<b>Shares used in computing Non-GAAP Adjusted Diluted (Loss) Earnings per Common Share<sup>1</sup></b>	31.8	31.8	31.8	31.5	31.8	31.8	32.1	32.4	31.4	32.1	30.7

Note: Amounts above may not add due to rounding.

Dollars in millions

Unaudited

## Cash and Debt

	Quarter Ended				Quarter Ended				Quarter Ended 5/1/21
	4/27/19	7/27/19	10/26/19	1/25/20	4/25/20	7/25/20	10/24/20	1/30/21	
<b>Cash and equivalents</b>	\$ 33.6	\$ 12.6	\$ 11.8	\$ 54.6	\$ 643.9	\$ 22.5	\$ 12.0	\$ 11.8	\$ 330.6
Carrying Value of Debt - Senior Credit Facility									
Revolving Facility	\$ —	\$ 65.0	\$ 103.0	\$ —	\$ 675.0	\$ 200.0	\$ 85.0	\$ 105.0	\$ —
Term Loan Facility	450.0	450.0	450.0	444.4	438.8	433.1	427.5	421.9	350.0
Unamortized issuance costs	—	—	—	—	—	—	—	—	(3.1)
Net of issuance costs	450.0	450.0	450.0	444.4	438.8	433.1	427.5	421.9	346.9
0.75% Convertible Senior Notes due 2021 (the “2021 Convertible Notes”)									
Notional value <sup>3,4</sup>	485.0	485.0	485.0	460.0	293.0	58.3	58.3	58.3	58.3
Unamortized debt discount and issuance costs	(56.4)	(50.8)	(45.3)	(37.5)	(20.4)	(3.4)	(2.6)	(1.9)	(1.1)
Net of debt discounts and issuance costs	428.6	434.2	439.7	422.5	272.6	54.9	55.6	56.4	57.1
4.50% Senior Notes due 2029 (the “2029 Notes”)									
Notional value	—	—	—	—	—	—	—	—	500.0
Unamortized issuance costs	—	—	—	—	—	—	—	—	(7.4)
Net of issuance costs	—	—	—	—	—	—	—	—	492.6
<b>Total Carrying Value of Debt</b>	\$ 878.6	\$ 949.2	\$ 992.7	\$ 866.9	\$ 1,386.4	\$ 688.0	\$ 568.1	\$ 583.3	\$ 896.7
<b>Letters of Credit outstanding</b>	\$ 52.3	\$ 52.3	\$ 52.3	\$ 52.3	\$ 52.2	\$ 52.2	\$ 52.2	\$ 52.2	\$ 46.3
<b>Liquidity<sup>13</sup></b>	\$ 358.9	\$ 289.1	\$ 219.6	\$ 337.3	\$ 390.1	\$ 474.0	\$ 587.1	\$ 570.5	\$ 477.4

## Cash Flow

	Quarter Ended				Fiscal 2020	Quarter Ended				Fiscal 2021	Quarter Ended 5/1/21
	4/27/19	7/27/19	10/26/19	1/25/20		4/25/20	7/25/20	10/24/20	1/30/21		
<b>Operating cash flow<sup>14</sup></b>	\$ (56.1)	\$ (53.6)	\$ (24.0)	\$ 191.8	\$ 58.0	\$ 85.2	\$ 82.3	\$ 111.9	\$ 102.4	\$ 381.8	\$ 41.5
Cap-ex, net of disposals	(38.4)	(32.8)	(14.5)	(15.8)	(101.5)	(18.3)	(2.5)	(3.5)	(20.4)	(44.6)	(28.6)
Other investing activity	—	0.3	—	—	0.3	—	—	—	—	—	—
<b>Net cash flow used in investing activities</b>	(38.4)	(32.5)	(14.5)	(15.8)	(101.2)	(18.3)	(2.5)	(3.5)	(20.4)	(44.6)	(28.6)
(Payments on) proceeds from Senior Credit Facility	—	65.0	38.0	(108.6)	(5.6)	669.4	(480.6)	(120.6)	14.4	82.5	(176.9)
Proceeds from issuance of 4.50% Senior Notes	—	—	—	—	—	—	—	—	—	—	500.0
Share repurchases <sup>15</sup>	—	—	—	—	—	—	—	—	(100.0)	(100.0)	—
Debt issuance costs	—	—	—	—	—	—	—	—	—	—	(11.2)
Debt extinguishment costs <sup>3,4</sup>	—	—	—	(24.2)	(24.2)	(147.0)	(223.9)	—	—	(371.0)	—
Option proceeds	0.1	0.1	0.1	0.2	0.5	0.2	3.4	1.8	0.3	5.7	0.4
Other financing activities, net	(0.8)	—	(0.3)	(0.5)	(1.7)	(0.3)	—	(0.2)	(0.2)	(0.7)	(6.4)
<b>Net cash flow provided by (used in) financing activities</b>	(0.7)	65.1	37.8	(133.2)	(31.1)	522.3	(701.2)	(119.0)	(85.5)	(383.4)	305.9
<b>Net cash flow provided by (used in) all activities</b>	\$ (95.3)	\$ (21.0)	\$ (0.7)	\$ 42.7	\$ (74.3)	\$ 589.1	\$ (621.3)	\$ (10.5)	\$ (3.6)	\$ (46.3)	\$ 318.8

Note: Amounts above may not add due to rounding.



Dollars in millions

Unaudited

### Backlog<sup>16</sup>

	4/27/19	7/27/19	10/26/19	1/25/20	4/25/20	7/25/20	10/24/20	1/30/21	5/1/21
<b>Backlog - Total</b>	\$ 7,051	\$ 6,691	\$ 6,349	\$ 7,314	\$ 6,442	\$ 6,441	\$ 5,412	\$ 6,810	\$ 6,528
<b>Backlog - Next 12 Months (included in Total Backlog)</b>	\$ 2,723	\$ 2,639	\$ 2,524	\$ 2,716	\$ 2,512	\$ 2,455	\$ 2,339	\$ 2,787	\$ 2,746

### Employees

	4/27/19	7/27/19	10/26/19	1/25/20	4/25/20	7/25/20	10/24/20	1/30/21	5/1/21
<b>Number of Employees</b>	15,278	15,301	15,382	15,230	14,292	14,054	14,154	14,276	14,331

<sup>1</sup> An explanation of Non-GAAP Financial Measures and a reconciliation of those measures to the most directly comparable GAAP measures are provided in the Company's Form 8-K filed with the Securities and Exchange Commission on May 25, 2021 and on the Company's Investor Center website.

<sup>2</sup> During the quarter ended January 30, 2021 the Company incurred a \$2.3 million pre-tax charge for a wage and hour litigation settlement. Of the \$2.3 million pre-tax charge, \$2.1 million and \$0.2 million were included in costs of earned revenues and general and administrative expenses, respectively.

<sup>3</sup> During the quarter ended January 25, 2020, the Company purchased \$25.0 million aggregate principal amount of 0.75% Convertible Senior Notes due September 2021 (the "2021 Convertible Notes") for \$24.3 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 \$0.1 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.

<sup>4</sup> 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.

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.

<sup>5</sup> During the quarter ended May 1, 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.

<sup>6</sup> 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.

<sup>7</sup> 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.

<sup>8</sup> 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 the customer.

<sup>9</sup> During the quarter ended July 27, 2019, the Company entered into a contract modification that increased revenue produced by a large customer program. As a result, the Company recognized \$11.8 million of contract revenues for services performed in prior periods, \$0.8 million of related performance-based compensation expense, and \$1.0 million of stock-based compensation. On an after-tax basis, these items contributed approximately \$7.3 million to net income, or \$0.23 per common share diluted, for the quarter ended July 27, 2019. These amounts are excluded from the calculations of Non-GAAP Adjusted EBITDA, Non-GAAP Adjusted Net Income and Non-GAAP Adjusted Diluted Earnings per Common Share for each of the quarter ended July 27, 2019 and the fiscal year ended January 25, 2020.

<sup>10</sup> Amounts represent the non-cash amortization of the debt discount associated with the Company's 2021 Convertible Notes.

<sup>11</sup> Amounts represent the tax related impact of all pre-tax adjustments as well as the tax effects of the vesting and exercise of shared-based awards. Additionally, for the quarter ended July 27, 2019, the Company recognized an income tax expense of \$1.1 million on a previous tax year filing and, 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.

<sup>12</sup> For the quarter ended May 1, 2021, shares used in the calculation of GAAP diluted earnings per common share include the dilutive impact of common stock equivalents related to share-based awards. For the calculation of Non-GAAP Adjusted Loss per Common Share, common stock equivalents related to share-based awards are excluded as their effect would be anti-dilutive.

For the quarter ended April 25, 2020 shares used in the calculation of GAAP loss per common share, exclude common stock equivalents related to share-based awards as their effect would be anti-dilutive. Shares used in the calculation of Non-GAAP Adjusted Diluted Earnings per Common Share include the dilutive impact of common stock equivalents related to share-based awards.

<sup>13</sup> 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.

<sup>14</sup> Operating cash flow represents cash provided by (used in) operating activities.

<sup>15</sup> During the quarter ended January 30, 2021, the Company repurchased 1,324,381 common shares in open market transactions for \$100.0 million at an average price of \$75.51 per share.

<sup>16</sup> 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 work 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 by its customers under existing contractual relationships.