DYCOM

THE PEOPLE CONNECTING AMERICA®

4th Quarter Fiscal 2017
Results Conference Call
August 30, 2017

Forward Looking Statements and Non-GAAP Financial Measures

This presentation contains “forward-looking statements”. Other than statements of historical facts, all statements contained in this presentation, including statements regarding the Company’s future financial position, future revenue, prospects, plans and objectives of management, are forward-looking statements. Words such as “outlook,” “believe,” “expect,” “anticipate,” “estimate,” “intend,” “should,” “could,” “project,” and similar expressions, as well as statements in future tense, identify forward-looking statements. You should not consider forward-looking statements as a guarantee of future performance or results. Forward-looking statements are based on information 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 risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors, assumptions, uncertainties, and risks that could cause such differences are discussed in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”) on August 31, 2016 and other filings with the SEC. The forward-looking statements in this presentation are expressly qualified in their entirety by this cautionary statement. The Company undertakes no obligation to update these forward-looking statements to reflect new information, or events or circumstances arising after such date.

This presentation includes certain “Non-GAAP” financial measures as defined by Regulation G of the SEC. As required by the SEC, we have provided a reconciliation of those measures to the most directly comparable GAAP measures on the Regulation G slides included as slides 13 through 19 of this presentation. Non-GAAP financial measures should be considered in addition to, but not as a substitute for, our reported GAAP results.

Participants and Topics

Participants

Steven E. Nielsen
President & Chief Executive Officer

Timothy R. Estes
Chief Operating Officer

H. Andrew DeFerrari
Chief Financial Officer

Richard B. Vilsoet
General Counsel

Agenda

Introduction and Q4-17 Overview

Industry Update

Financial & Operational Highlights

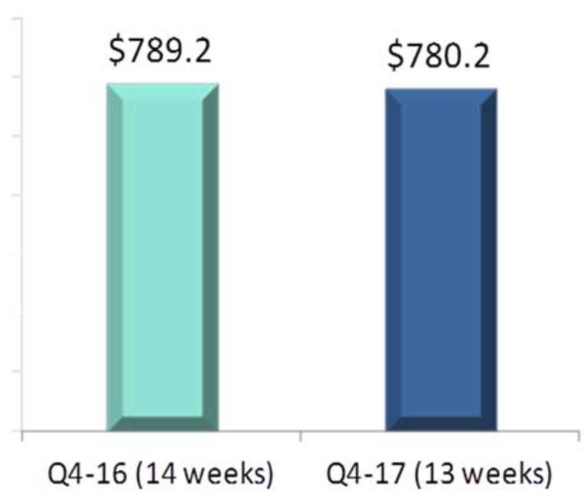
Outlook

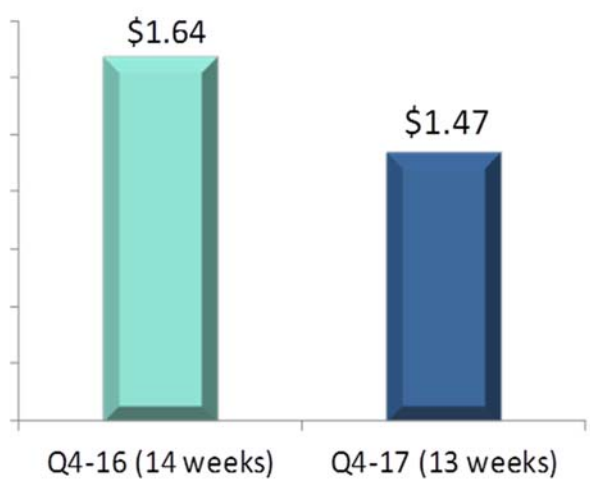
Conclusion

Q&A

Q4-17 Overview and Highlights

Financial charts - $ in millions, except earnings per share amounts





- **Increased demand and organic revenue growth during Q4-17**
  - Contract revenues of $780.2 million in Q4-17 compared to $789.2 million in Q4-16. Organic contract revenues of $760.9 million in Q4-17 compared to $727.6 million in Q4-16
  - Organic growth of 4.6% adjusts for the additional week of operations in Q4-16 and excludes contract revenues of acquired businesses not included for the entirety of Q4-17 and Q4-16
- **Operating performance producing profitable results**
  - Non-GAAP Adjusted EBITDA of $118.0 million in Q4-17, or 15.1% of revenue, compared to $126.0 million in Q4-16, or 16.0% of revenues
  - Non-GAAP Adjusted Diluted EPS of $1.47 per share in Q4-17 compared to $1.64 per share in Q4-16
- **Strong operating cash flows and liquidity**
  - Operating cash flows of $149.9 million in Q4-17
  - Liquidity of $439.9 million at the end of Q4-17 consisting of cash and availability under our credit facility. No outstanding revolver borrowings at the end of Q4-17

See "Regulation G Disclosure" slides 13-19 for a reconciliation of GAAP to Non-GAAP financial measures.

Industry Update

- ***Industry increasing network bandwidth dramatically***
  - Major industry participants deploying significant 1 gigabit wireline networks
  - Emerging wireless technologies require incremental wireline deployments
    - A complementary wireline investment cycle is fundamental to applications enabled by fully converged wireless/wireline networks
  - Industry developments are producing opportunities which in aggregate are without precedent. Converged wireless/wireline network deployments only further broaden our set of opportunities.

- ***Delivering valuable service to customers***
  - Currently providing services for 1 gigabit full deployments across the country in dozens of metropolitan areas to a number of customers
  - Have secured and are actively working on a number of converged wireless/wireline multi-use networks
  - Customers are revealing with more specificity multi-year initiatives that are being implemented and managed locally

- ***Our ability to provide integrated planning, engineering and design, procurement and construction and maintenance services provides value to industry participants with projects outside their traditional geographic service territories***

- ***Dycom's scale, market position and financial strength position it well as opportunities continue to expand***

Revenue Highlights

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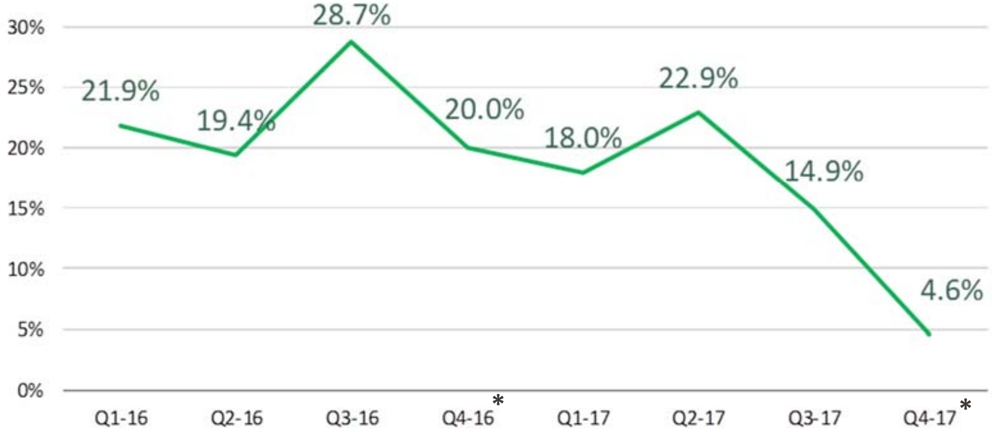
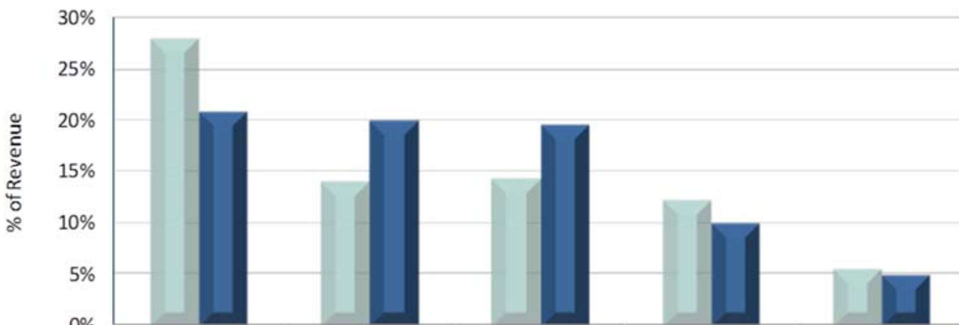
Non-GAAP Organic Growth %



*Organic % growth adjusted for additional week in Q4-16

- Q4-17 organic growth of 4.6%, 11 consecutive quarters of organic growth
- Revenues from Q4-17 top 5 customers increased 7.4% organically. All other customers decreased 3.5% organically

Revenue % of Top 5 Customers



	AT&T	CenturyLink	Comcast	Verizon	Windstream
Q4-16	28.1%	14.0%	14.3%	12.2%	5.5%
Q4-17	21.0%	20.1%	19.6%	10.0%	5.0%

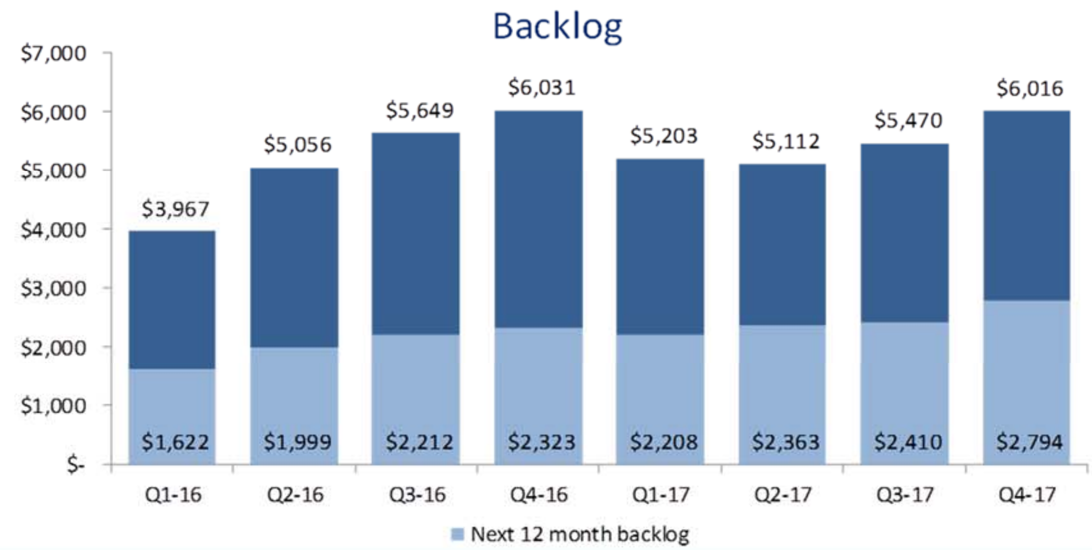
- Top 5 customers in each period represented 75.7% of revenues in Q4-17 compared to 74.1% in Q4-16
- Strong organic growth with CenturyLink at 52.8% and Comcast at 44.9%

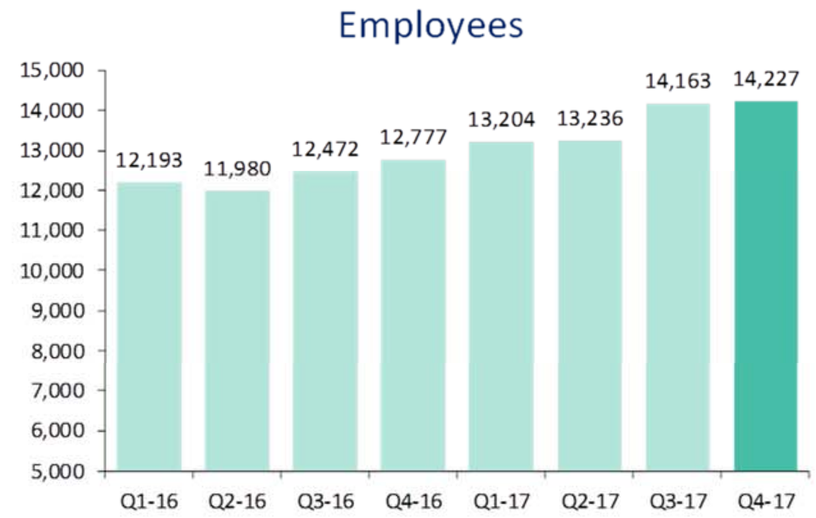
Organic growth over the last 11 consecutive quarters reflects Dycom's continued ability to gain share and expand geographic reach, meaningfully increasing the long-term value of our maintenance business

See "Regulation G Disclosure" slides 13-19 for a reconciliation of GAAP to Non-GAAP financial measures.

Backlog and Awards

Financial charts - $ in millions





Selected Current Awards and Extensions

Customers	***Description***	***Area***	***Approximate Term (in years)***
Comcast	Construction & Maintenance Services	Washington, Oregon, California, New Mexico, Colorado	2
	Construction Services	Alabama	2
AT&T	Wireless Construction Services	Texas, Kentucky, Mississippi, Alabama, Georgia, Florida	2
	Construction Services	California, Tennessee	2-3
Charter	Construction & Maintenance Services	Texas, Illinois, Tennessee, Alabama, North Carolina	3
Frontier	Construction & Maintenance Services	California	2
Various	Rural and Municipal Broadband	North Dakota, Minnesota, Virginia	1

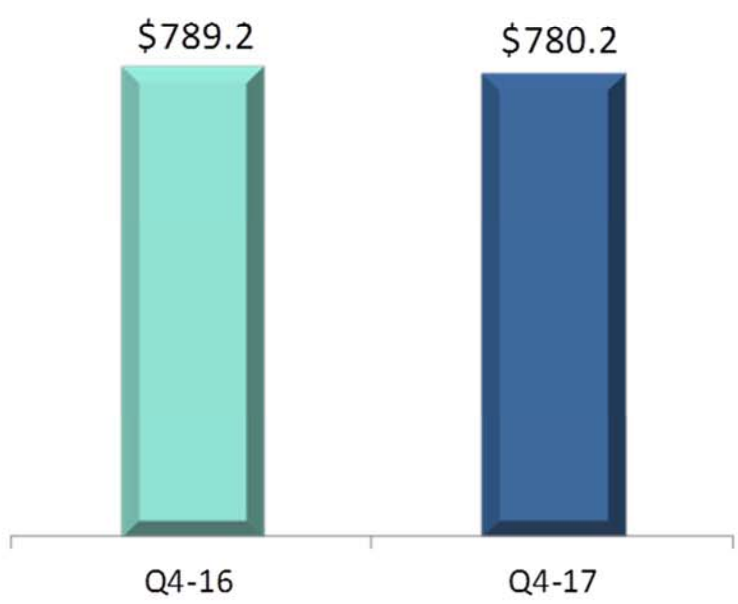
Notes: Our backlog estimates represent amounts under master service agreements and other contractual agreements for services projected to be performed over the terms of the contracts and are based on contract terms, our historical experience with customers and, more generally, our experience in similar procurements. Backlog is not a measure defined by United States generally accepted accounting principles; however, it is a common measurement used in our industry. Our methodology for determining backlog may not be comparable to the methodologies used by others.

Financial Highlights

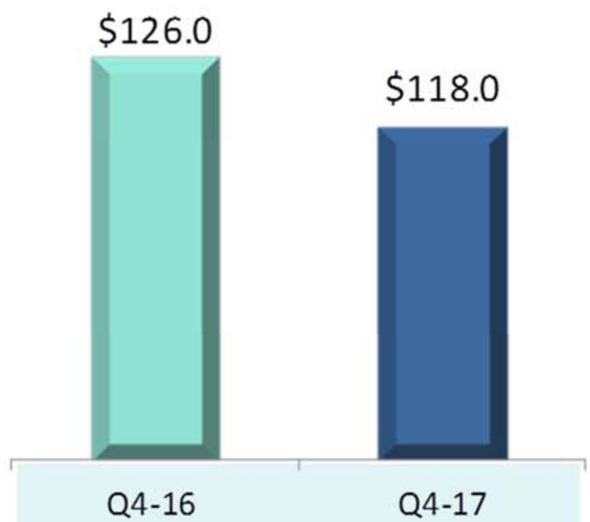
Financial charts - $ in millions, except earnings per share amounts

Q4-17 contained 13 weeks compared to 14 weeks in Q4-16 as a result of our 52/53 week fiscal year

Contract Revenues



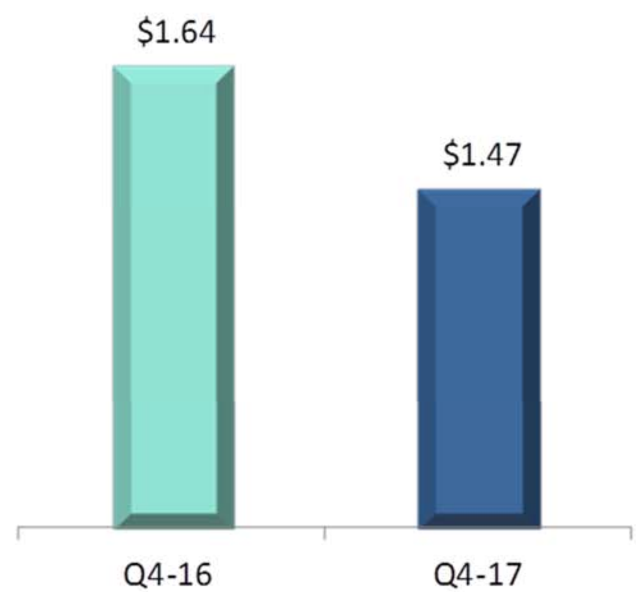
Non-GAAP Adjusted EBITDA



As a % of Contract Revenues

16.0% *15.1%*

Non-GAAP Adjusted Diluted EPS



- Revenues of $780.2 million and organic growth of 4.6%. Revenues from acquired businesses contributed $19.3 million in Q4-17 compared to $5.6 million in Q4-16. Additionally, Q4-16 included $56.0 million in revenues for the additional week as a result of our fiscal year calendar.
- Non-GAAP Adjusted EBITDA at 15.1% in Q4-17 compared to 16.0% in Q4-16
  - Gross margin down 101 basis points offset by G&A improvement
  - Non-GAAP Adjusted Diluted EPS of $1.47 in Q4-17 compared to $1.64 in Q4-16

See "Regulation G Disclosure" slides 13-19 for a reconciliation of GAAP to Non-GAAP financial measures

Liquidity Overview

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Financial tables - $ in millions

Strong balance sheet and liquidity

Liquidity Summary

	Q3-17	Q4-17
Cash and equivalents	$ 19.4	$ 38.6
Senior Credit Facility, matures April 2020:		
$450 million revolver	$ 71.0	$ -
Term Loan Facilities	367.7	367.7
0.75% Convertible Senior Notes, mature September 2021:		
Notional Value	485.0	485.0
Total Notional Amount of Debt	$ 923.7	$ 852.7
Net Debt (Notional Debt less Cash)	$ 904.3	$ 814.1
Total Notional Amount of Debt (see above)	$ 923.7	$ 852.7
Unamortized debt discount and debt fees on 0.75% Convertible Senior Notes	(97.7)	(92.8)
Debt, net of debt discount and fees	$ 826.0	$ 759.9
Availability on revolver(a)	$ 321.4	$ 401.3
Cash and availability on revolver	$ 340.8	$ 439.9

(a) Availability on Revolver presented net of $57.6 million and $48.7 million for outstanding L/C's under the Senior Credit Facility at Q3-17 and Q4-17, respectively

- Balance sheet reflects the strength of our business
- Liquidity of $439.9 million at the end of Q4-17 consisting of availability under our Credit Facility and cash on hand

Robust operating cash flows

Cash Flow Summary

	Q4-16 (14 weeks)	Q4-17 (13 weeks)
Cash provided by operating activities	$ 182.5	$ 149.9
Cash paid for acquisition	$ (108.4)	$ -
Capital expenditures, net of disposals	$ (43.2)	$ (60.1)
Repayments of credit facility	$ (17.8)	$ (71.0)
Other financing & investing activities, net	$ 1.3	$ 0.4

Days Sales Outstanding ("DSO")	Q4-16	Q3-17	Q4-17
Accounts receivable	41	40	43
CIEB*, net	44	49	44
Total DSO*	85	90	87

- Robust Q4-17 operating cash flows of $149.9 million
- Capital expenditures, net of disposals at $60.1 million in Q4-17

* Amounts may not add due to rounding. Total days sales outstanding ("DSO") is calculated as the summation of current accounts receivable, plus costs and estimated earnings in excess of billings, less billings in excess of costs and estimated earnings, ("CIEB, net") divided by average revenue per day during the respective quarter.

Q1-2018 Outlook

Financial table- $ in millions, except earnings per share amounts (% as a percent of contract revenues)

	Q1-2017 Included for comparison	*Q1-2018 Outlook and Commentary*	
Contract Revenues	$ 799.2	**$715 - $745**	➢ Near-term moderation by a large customer offset in part by solid demand from other customers ➢ 1 gigabit deployments, fiber deep cable capacity projects, and initial phases of fiber deployments for newly emerging wireless technologies ➢ Total Q1-18 revenue expected to include approximately $5 million from the business acquired in Q3-17. For organic growth calculations, there were no acquired revenues in Q1-17.
Gross Margin %	23.1%	Gross Margin % decreases from Q1-17	➢ Gross margin % pressured from near-term revenue decline compared to Q1-17 and impacted by costs associated with the initiation of customer programs
G&A Expense %	7.5%	G&A as a % of revenue increases from Q1-17	➢ G&A as a % of revenue increases compared to Q1-17 from higher share based compensation related to vesting schedule of awards and the impact on operating leverage at the lower expected level of revenue in Q1-18
Share-based compensation	$ 5.7	$ 7.4	
Depreciation & Amortization	$ 34.5	$42.0 - $42.8	➢ Higher depreciation resulting from fleet expansion that increases our capacity as well as the normal replacement cycle of fleet assets ➢ Includes amortization of approximately $6.3 million in Q1-18 compared to $6.2 million in Q1-17
Non-GAAP Adjusted Interest Expense	$ 4.8	Approximately $ 5.1	➢ Non-GAAP Adjusted Interest Expense excludes non-cash amortization of debt discount of $4.5 million in Q1-18 compared to $4.3 million in Q1-17
Other Income, net	$ 0.9	$ 3.1 - $ 3.7	➢ Other income, net primarily includes gain (loss) on sales of fixed assets
Non-GAAP Adjusted EBITDA %	16.2%	Non-GAAP Adjusted EBITDA % decreases from Q1-17	***Non-GAAP Adjusted EBITDA dollar amount decreases compared to Q1-17 result***
Non-GAAP Adjusted Diluted Earnings per Share	$ 1.67	**$ 0.81 - $ 0.96**	➢ Non-GAAP Adjusted Diluted EPS declines as a result of lower EBITDA, higher depreciation, stock-based compensation and interest, offset in part by higher other income ➢ Non-GAAP Adjusted Diluted EPS excludes non-cash amortization of debt discount on Convertible Senior Notes ("Notes"). See slide 19 for reconciliation of guidance for Non-GAAP Adjusted Diluted Earnings per Common Share.
Diluted Shares	32.2 million	31.9 million	

See "Regulation G Disclosure" slides 13-19 for a reconciliation of GAAP to Non-GAAP financial measures.

Looking Ahead to Q2-2018

Financial table- $ in millions (% as a percent of contract revenues)

	Q2-2017 Included for comparison	*Q2-2018 Outlook and Commentary*	
Contract Revenues	$ 701.1	Total revenue decline of low to mid single digits compared to Q2-17 revenues	➢ Near-term moderation by a large customer offset in part by solid demand from other customers ➢ 1 gigabit deployments, fiber deep cable capacity projects, and initial phases of fiber deployments for newly emerging wireless technologies ➢ Total Q2-18 revenue expected to include approximately $5 million from the business acquired in Q3-17. For organic growth calculations, there were no acquired revenues in Q2-17.
Gross Margin %	19.9%	Gross Margin % in line with Q2-17	➢ Margin outlook reflects expected mix of work activity and near term margin impacts as we initiate customer programs
G&A Expense %	8.3%	G&A as a % of revenue increases from Q2-17	➢ G&A as a % of revenue increases compared to Q2-17 from higher share based compensation related to vesting schedule of awards and the impact on operating leverage at the lower expected level of revenue in Q2-18
Share-based compensation	$ 5.3	$ 6.2	
Depreciation & Amortization	$ 35.7	$41.8 - $42.6	➢ Higher depreciation resulting from fleet expansion that increases our capacity as well as the normal replacement cycle of fleet assets ➢ Includes amortization of approximately $5.8 million in Q2-18 compared to $6.1 million in Q2-17
Non-GAAP Adjusted Interest Expense	$ 4.8	Approximately $ 5.2	➢ Non-GAAP Adjusted Interest Expense excludes non-cash amortization of debt discount of $4.6 million in Q2-18 compared to $4.4 million in Q2-17
Other Income, net	$ 1.0	$ 0.4 - $ 1.0	➢ Other income, net primarily includes gain (loss) on sales of fixed assets
Non-GAAP Adjusted EBITDA %	12.3%	Non-GAAP Adjusted EBITDA % decreases modestly from Q2-17	***Non-GAAP Adjusted EBITDA dollar amount decreases compared to Q2-17 result***
Diluted Shares	32.2 million	32.1 million	

See "Regulation G Disclosure" slides 13-19 for a reconciliation of GAAP to Non-GAAP financial measures.

Conclusion

Firm and strengthening end market opportunities

- Telephone companies deploying FTTH to enable video offerings and 1 gigabit connections
- Cable operators continuing to deploy fiber to small and medium businesses and enterprises with increasing urgency. Fiber deep deployments to expand capacity, new build opportunities and overall cable capital expenditures are increasing.
- Fiber deployments in contemplation of newly emerging wireless technologies have begun in many regions of the country and more are expected
- Customers are consolidating supply chains creating opportunities for market share growth and increasing the long-term value of our maintenance business. We are increasingly providing integrated planning, engineering and design, procurement and construction and maintenance services for our customers.

Encouraged that industry participants are committed to multi-year capital spending initiatives; these initiatives are increasing in numbers across a number of customers

Appendix: Regulation G Disclosure

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Explanation of Non-GAAP 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 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. In the fourth quarter of fiscal 2016 Non-GAAP Organic Contract Revenues were also adjusted for the additional week as a result of the Company's 52/53 week fiscal calendar. 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 period. Management believes organic growth 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, loss on debt extinguishment, 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 loss on debt extinguishment, non-cash amortization of the debt discount, certain non-recurring items and any tax impact related to these items.

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

- *Loss on debt extinguishment* – The Company incurred a pre-tax charge of approximately $16.3 million for early extinguishment of debt in connection with the redemption of its 7.125% senior subordinated notes during the first quarter of fiscal 2016. Management believes excluding the loss on debt extinguishment from the Company's Non-GAAP financial measures assists investors' overall understanding of the Company's current financial performance. The Company believes this type of charge is not indicative of its core operating results. The exclusion of the loss on debt extinguishment from the Company's Non-GAAP financial measures provides management with a consistent measure for assessing the current and historical financial results.

- *Acquisition transaction related costs* – The Company incurred costs of approximately $0.7 million in connection with an acquisition during the fourth quarter of fiscal 2016. The exclusion of the acquisition transaction related costs from the Company's Non-GAAP financial measures provides management with a consistent measure for assessing financial results.

- *Tax impact of adjusted results* - The tax impact of the adjusted results was calculated utilizing a Non-GAAP effective tax rate which approximates the Company's effective tax rate used for financial planning. The tax impact included in the Company's guidance for the quarter ending October 28, 2017 was calculated using an effective tax rate used for financial planning and forecasting future results.

Appendix: Regulation G Disclosure

Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures
Non-GAAP Organic Contract Revenue
Unaudited
($ in millions)

	Contract Revenues	NON-GAAP ADJUSTMENTS: *Revenues from acquired businesses*	NON-GAAP ADJUSTMENTS: *Additional week as a result of our 52/53 week fiscal year (a)*	Non-GAAP Organic Contract Revenues	Revenue Growth (Decline)%: GAAP %	Revenue Growth (Decline)%: Non-GAAP - Organic %
Q4-17 Organic Growth:						
Q4-17	$ 780.2	$ (19.3)	$ -	$ 760.9	(1.1)%	4.6%
Q4-16	$ 789.2	$ (5.6)	$ (56.0)	$ 727.6		
Prior Quarters Organic Growth:						
Q3-17	$ 786.3	$ (23.0)	$ -	$ 763.4	18.3%	14.9%
Q3-16	$ 664.6	$ -	$ -	$ 664.6		
Q2-17	$ 701.1	$ (13.4)	$ -	$ 687.7	25.3%	22.9%
Q2-16	$ 559.5	$ -	$ -	$ 559.5		
Q1-17	$ 799.2	$ (56.6)	$ -	$ 742.6	21.2%	18.0%
Q1-16	$ 659.3	$ (29.9)	$ -	$ 629.4		
Q4-16	$ 789.2	$ (44.8)	$ (53.2)	$ 691.2	36.4%	20.0%
Q4-15	$ 578.5	$ (2.4)	$ -	$ 576.1		
Q3-16	$ 664.6	$ (30.8)	$ -	$ 633.9	35.0%	28.7%
Q3-15	$ 492.4	$ -	$ -	$ 492.4		
Q2-16	$ 559.5	$ (32.9)	$ -	$ 526.6	26.8%	19.4%
Q2-15	$ 441.1	$ -	$ -	$ 441.1		
Q1-16	$ 659.3	$ (39.5)	$ -	$ 619.7	29.2%	21.9%
Q1-15	$ 510.4	$ (1.9)	$ -	$ 508.5		

(a) Q4-16 contained 14 weeks as a result of our 52/53 week fiscal year as compared to 13 weeks in all other quarterly periods presented herein. The Q4-16 Non-GAAP adjustment is calculated independently for each comparative period as (i) contract revenues less, (ii) contract revenues from acquired businesses in each applicable period, (iii) divided by 14 weeks.

Use of Non-GAAP Financial Measures

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Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures
Non-GAAP Organic Contract Revenue – certain customers
Unaudited
($ in millions)

	Total Contract Revenue		Top 5 Customers combined*		All customers (excluding Top 5 Customers)		CenturyLink		Comcast	
GAAP Contract Revenue										
Q4-17	$	780.2	$	590.8	$	189.4	$	157.0	$	153.1
Q4-16	$	789.2	$	584.4	$	204.8	$	110.7	$	112.7
GAAP Contract Revenue - % Changes		**(1.1)%**		**1.1%**		**(7.5)%**		**41.9%**		**35.8%**
Non-GAAP Adjustments										
Q4-17 - Revenue from businesses acquired in Q4-16 and Q3-17	$	(19.3)	$	(11.8)	$	(7.4)	$	-	$	(1.4)
Q4-16 - Additional week as a result of our 52/53 week fiscal year	$	(56.0)	$	(41.5)	$	(14.5)	$	(7.9)	$	(8.1)
Q4-16 - Revenue from businesses acquired in Q4-16	$	(5.6)	$	(3.9)	$	(1.7)	$	-	$	-
Non-GAAP Organic Contract Revenue										
Q4-17	$	760.9	$	578.9	$	182.0	$	157.0	$	151.7
Q4-16	$	727.6	$	539.0	$	188.6	$	102.8	$	104.7
Non-GAAP Organic Contract Revenue - % Changes										
Organic Contract Revenue % Change		**4.6%**		**7.4%**		**(3.5)%**		**52.8%**		**44.9%**

* Includes AT&T, CenturyLink, Comcast, Verizon, and Windstream in both Q4-17 and Q4-16.

Note: Amounts above may not add due to rounding.

Use of Non-GAAP Financial Measures

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Appendix: Regulation G Disclosure

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Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures
Non-GAAP Adjusted EBITDA
Unaudited
($ in 000's)

	Three Months Ended			
	July 29, 2017	July 30, 2016	October 29, 2016	January 28, 2017
	Q4-17	Q4-16	Q1-17	Q2-17
Reconciliation of net income to Non-GAAP Adjusted EBITDA:				
Net income	$ 43,708	$ 49,360	$ 51,050	$ 23,663
Interest expense, net	9,735	9,710	9,067	9,181
Provision for income taxes	26,127	29,593	30,306	14,026
Depreciation and amortization	40,244	36,010	34,546	35,705
Earnings Before Interest, Taxes, Depreciation & Amortization ("EBITDA")	119,814	124,673	124,969	82,575
Gain on sale of fixed assets	(6,645)	(3,593)	(1,443)	(1,729)
Stock-based compensation expense	4,874	4,249	5,707	5,309
Acquisition transaction related costs	-	715	-	-
Non-GAAP Adjusted EBITDA	$ 118,043	$ 126,044	$ 129,233	$ 86,155
Contract Revenues	$ 780,188	$ 789,159	$ 799,223	$ 701,131
Non-GAAP Adjusted EBITDA as a % of contract revenues	15.1%	16.0%	16.2%	12.3%

Notes: Amounts above may not add due to rounding.

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Appendix: Regulation G Disclosure

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Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures
Non-GAAP Adjusted Net Income and Non-GAAP Adjusted Diluted Earnings Per Share
Unaudited
($ in 000's, except per share amounts)

	Q4-17 Three Months Ended July 29, 2017			Q4-16 Three Months Ended July 30, 2016		
	GAAP	*Reconciling Item*	*Adjusted Non-GAAP*	*GAAP*	*Reconciling Item*	*Adjusted Non-GAAP*
Contract revenues	$ 780,188	$ -	$ 780,188	$ 789,159	$ -	$ 789,159
Cost of earned revenues, excluding depreciation and amortization	606,898	-	606,898	605,909	-	605,909
General and administrative expenses	59,519	-	59,519	62,146	(715)	61,431
Depreciation and amortization	40,244	-	40,244	36,010	-	36,010
Total	706,661	-	706,661	704,065	(715)	703,350
Interest expense, net	(9,735)	4,499	(5,236)	(9,710)	4,590	(5,120)
Other income, net	6,043	-	6,043	3,569	-	3,569
Income before income taxes	69,835	4,499	74,334	78,953	5,305	84,258
Provision for income taxes	26,127	1,675	27,802	29,593	1,995	31,588
Net income	$ 43,708	$ 2,824	$ 46,532	$ 49,360	$ 3,310	$ 52,670
Diluted earnings per share	$ 1.38	$ 0.09	$ 1.47	$ 1.54	$ 0.10	$ 1.64
Shares used in computing Diluted EPS (in 000's):	31,664		31,664	32,074		32,074

Note: Amounts above may not add due to rounding.

Use of Non-GAAP Financial Measures

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). In our quarterly results releases, trend schedules, conference calls, slide presentations, and webcasts, we may use or discuss Non-GAAP financial measures, as defined by Regulation G of the SEC. See Explanation of Non-GAAP Measures on slide 13.

Appendix: Regulation G Disclosure

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Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures
Non-GAAP Adjusted Net Income and Non-GAAP Adjusted Diluted Earnings Per Share
Unaudited
($ in 000's, except per share amounts)
For comparison purposes for slides 10 and 11

	Q1-17 Three Months Ended October 29, 2016			Q2-17 Three Months Ended January 28, 2017		
	GAAP	*Reconciling Item*	*Adjusted Non-GAAP*	*GAAP*	*Reconciling Item*	*Adjusted Non-GAAP*
Contract revenues	$ 799,223	$ -	$ 799,223	$ 701,131	$ -	$ 701,131
Cost of earned revenues, excluding depreciation and amortization	614,990	-	614,990	561,371	-	561,371
General and administrative expenses	60,204	-	60,204	58,191	-	58,191
Depreciation and amortization	34,546	-	34,546	35,705	-	35,705
Total	709,740	-	709,740	655,267	-	655,267
Interest expense, net	(9,067)	4,307	(4,760)	(9,181)	4,379	(4,802)
Other income, net	940	-	940	1,006	-	1,006
Income before income taxes	81,356	4,307	85,663	37,689	4,379	42,068
Provision for income taxes	30,306	1,611	31,917	14,026	1,631	15,657
Net income	$ 51,050	$ 2,696	$ 53,746	$ 23,663	$ 2,748	$ 26,411
Diluted earnings per share	$ 1.59	$ 0.08	$ 1.67	$ 0.74	$ 0.09	$ 0.82
Shares used in computing Diluted EPS (in 000's):	32,200		32,200	32,162		32,162

Note: Amounts above may not add due to rounding.

Use of Non-GAAP Financial Measures

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Appendix: Regulation G Disclosure

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Reconciliation of Non-GAAP Financial Measures to Comparable GAAP Financial Measures
Outlook – Non-GAAP Diluted Earnings per Common Share for the Three Months Ending October 28, 2017
Unaudited

Outlook for the Three Months Ending October 28, 2017

Diluted earnings per common share – GAAP (a)	$0.72 - $0.87
Adjustment for addback of after-tax non-cash amortization of debt discount on convertible senior notes (b)	$ 0.09
Non-GAAP Adjusted Diluted Earnings per Common Share (a)	$0.81 - $0.96

(a) Guidance for diluted earnings per common share and Non-GAAP Adjusted diluted earnings per common share for the three months ending October 28, 2017 were computed using approximately 31.9 million in diluted weighted average shares outstanding.

(b) The Company expects to recognize approximately $4.5 million in pre-tax interest expense during the three months ending October 28, 2017 for non-cash amortization of the debt discount associated with its convertible senior notes. The Company excludes the effect of this non-cash amortization of the debt discount in its Non-GAAP financial measures.

Note: Amounts above may not add due to rounding.

<u>Use of Non-GAAP Financial Measures</u>

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4th Quarter Fiscal 2017 Results Conference Call

August 30, 2017