MasTec Announces Fourth Quarter and Calendar 2002 Results

March 10, 2003

MIAMI, March 10 /PRNewswire-FirstCall/ -- MasTec, Inc. (NYSE: MTZ) today announced results for the fourth quarter and year ended December 31, 2002. During the fourth quarter of 2002, the Company incurred a number of non- recurring reserves and charges, including marking inventory and assets held for sale to fair value, increasing allowances for doubtful accounts, costs associated with severance, exiting leases and the accrual of expenses for closed operations. As previously disclosed, these "Project 2100" activities were substantially implemented in the fourth quarter of 2002.

For the quarter ended December 31, 2002, the net loss was $108.5 million on revenue of $189.5 million, compared with a net loss of $18.2 million on revenue of $252.9 million for the comparable quarter of 2001. Net loss per share was $2.26 and $0.38 for the quarters ended December 31, 2002 and 2001, respectively. Included in the loss for the fourth quarter of 2002 is a $79.7 million non-cash charge related to periodic SFAS 142 goodwill impairment evaluations as a result of a previously disclosed change of accounting method.

For the year ended December 31, 2002, the net loss was $128.8 million ($2.69 per share) on revenue of $838.1 million, compared with a net loss of $92.4 million ($1.93 per share) on revenue of $1.22 billion for the prior year. The net loss for 2002 included the increases in reserves and costs from the Project 2100 efforts along with a first quarter charge of $25.7 million for the cumulative effect of an accounting change as the Company adopted SFAS 142. The net loss for 2001 included a reserve for bad debts of $182.2 million and $11.5 million in severance costs.

Effective in December 2002, the Company's $125 million revolving credit agreement was amended to provide MasTec with additional flexibility by easing the requirements under the financial covenants. MasTec had no outstanding draws on the credit facility at December 31, 2002. The Company's long-term debt declined by $70 million, year over year, and its liquidity position has been enhanced by a $22 million Federal income tax refund received in the first quarter of 2003.

Austin J. Shanfelter, MasTec's President and CEO stated, "The actions taken in the fourth quarter of 2002 will position the company for improved performance going forward. We have cut our costs, made our operations more efficient, and are well positioned to continue providing high-quality service to our customers."

Looking forward to the next few quarters, MasTec expects earnings per share in the first quarter 2003 to range between break-even and a $0.03 loss. This is due in part to adverse weather in January and February and certain project delays by customers. However, we expect revenue and profits to accelerate in the second and third quarters as we enter the seasonal peak of our operations. Revenue for 2003 is expected to range from $750 to $850 million and EPS is expected to range from $0.18 to $0.28 per share.

CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands except per share amounts)

	Year Ended December 31,		Three Months Ended December 31,	
	2002	2001	2002	2001
Revenue	$838,055	$1,222,580	$189,474	$252,905
Costs of revenue	745,178	988,198	200,970	202,696
Depreciation	35,063	51,707	8,781	12,563
Amortization	883	10,810	499	2,785
Goodwill impairment	79,710	--	79,710	--
General and administrative expenses	117,395	290,040	56,854	63,540
Interest expense	19,237	20,426	4,824	5,215
Interest income	1,069	5,775	161	257
Other income (expense), net	(10,129)	(14,618)	(15,327)	1,211
Income (loss) before (provision) benefit for income taxes, minority interest and cumulative effect of				

accounting change	(168,471)	(147,444)	(177,330)	(32,426)
(Provision) benefit for income taxes	65,473	54,858	68,953	14,072
Minority interest	(137)	232	(154)	107
Income before cumulative effect of accounting change	(103,135)	(92,354)	(108,531)	(18,247)
Cumulative effect of accounting change, net of tax	(25,671)	--	--	--
Net income (loss)	$(128,806)	$(92,354)	$(108,531)	$(18,247)
Basic weighted average common shares outstanding	47,922	47,790	47,942	47,876
Basic and diluted earnings per share before cumulative effect of accounting change	(2.15)	(1.93)	(2.26)	(0.38)
Cumulative effect of accounting change	(0.54)	--	--	--
Basic and diluted earnings (loss) per share	$(2.69)	$(1.93)	$(2.26)	$(0.38)

CONSOLIDATED BALANCE SHEETS
(In thousands)

	December 31, 2002	2001
Assets		
Current assets	$267,742	$393,872
Property and equipment, net	118,475	151,774
Intangibles, net	150,984	264,826
Other assets	45,077	40,900
Total assets	$582,278	$851,372
Liabilities and Shareholders' Equity		
Current liabilities	$88,881	$145,810
Other liabilities	22,214	30,902
Long-term debt	197,435	267,857
Shareholders' equity	273,748	406,803
Total liabilities and shareholders' equity	$582,278	$851,372

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Years Ended December 31, 2002	2001
Net cash provided by (used in) operating activities	$56,972	$54,812
Net cash used in investing activities	(23,797)	(83,342)
Net cash (used in) provided by financing activities	(70,797)	59,791
Net increase (decrease) in cash and cash equivalents	(37,622)	31,261
Net effect of translation on cash	(2,126)	(1,240)

Cash and cash equivalents -- beginning of period	48,478	18,457
Cash and cash equivalents -- end of period	$8,730	$48,478

Executives of MasTec will hold a conference call with the investment community on Tuesday, March 11, 2003 at 9:00 a.m. eastern time, to discuss fourth quarter and year-end results. The call in number for the conference call is (913) 981-5510 and the replay is (719) 457-0820, pass code 518541. The replay will run from March 11 to March 25, utilizing the same passcode. Additionally, the call will be broadcast live over the Internet at http://www.firstcallevents.com/service/ajwz376183448gf12.html or through the investor relations section of the Company's website at www.mastec.com .

MasTec <www.mastec.com> is a leading communications, intelligent traffic and energy infrastructure service provider in North America and Brazil. The Company designs, builds, installs, maintains and monitors internal and external networks for leading telecommunications, broadband, energy and Fortune 1000 companies and for state departments of transportation.

This press release and any accompanying documents contain forward-looking statements, such as statements regarding MasTec's future growth and profitability, growth strategy, and anticipated trends in the industries and economies in which MasTec operates. These forward-looking statements are based on MasTec's current expectations and are subject to a number of risks, uncertainties, and assumptions, including that our revenue and profits may differ from that projected, that we may be further impacted by slowdowns in our clients' businesses or in the economy in general, that our reserves for receivables may be inadequate and that we may experience increased costs associated with realigning our business or may be unsuccessful in those efforts. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from results expressed or implied in any forward-looking statements made by MasTec in this press release. These and other risks are detailed in this press release or documents filed by MasTec with the Securities and Exchange Commission. MasTec does not undertake any obligation to revise these forward-looking statements to reflect future events or circumstances.

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