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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 1999

Commission File Number 0-3797

MASTEC, INC.
(Exact name of registrant as specified in its charter)

Florida	65-0829355
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3155 N.W. 77th Avenue, Miami, FL	33122-1205
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (305) 599-1800

Former name, former address and former fiscal year, if changed since last report: Not Applicable

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No.

As of May 11, 1999, MasTec, Inc. had 27,362,785 shares of common stock, $0.10 par value, outstanding.

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MASTEC, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended March 31, 1999	Three Months Ended March 31, 1998 (1)
Revenue	$ 206,797	$ 186,095
Costs of revenue	162,097	152,966
Depreciation and amortization	12,647	8,229
General and administrative expenses	19,391	38,499
Operating income (loss)	12,662	(13,599)
Interest expense	(6,231)	(5,056)
Interest income	2,109	1,433
Other income, net	123	243
Income (loss) before (provision) benefit for income taxes, equity in earnings of unconsolidated companies and minority interest	8,663	(16,979)
(Provision) benefit for income taxes	(3,670)	5,311
Equity in earnings of unconsolidated companies	--	422
Minority interest	(640)	(853)
Net income (loss)	$ 4,353	$ (12,099)
Weighted average common shares outstanding	27,328	27,677
Basic earnings (loss) per share	$ 0.16	$ (0.44)
Weighted average common shares outstanding	27,755	27,677
Diluted earnings (loss) per share	$ 0.16	$ (0.44)

(1) 1998 results include the Company's Spanish operations which were sold effective December 31, 1998.

The accompanying notes are an integral part of these consolidated financial statements.

MASTEC, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands)

	March 31, 1999 (Unaudited)	December 31, 1998
Assets		
Current assets:		
Cash and cash equivalents	$ 25,560	$ 19,864
Accounts receivable, unbilled revenue and retainage, net	253,075	284,575
Inventories	15,816	13,423
Assets held for sale	54,168	49,973
Other current assets	36,869	59,601
Total current assets	385,488	427,436
Property and equipment, net	147,190	142,897
Investments in unconsolidated companies	5,886	5,886
Intangibles, net	138,537	140,461
Other assets	18,199	18,806
Total assets	$ 695,300	$ 735,486
Liabilities and Shareholders' Equity		
Current liabilities:		
Current maturities of debt	$ 12,395	$ 11,143
Accounts payable and accrued expenses	67,329	84,372
Other current liabilities	61,642	87,417
Total current liabilities	141,366	182,932
Other liabilities	32,716	37,592
Long-term debt	323,250	310,689
Commitments and contingencies (Note 5)		
Shareholders' equity:		
Common stock	2,742	2,738
Capital surplus	149,589	149,479
Retained earnings	60,830	56,477
Foreign currency translation adjustments	(15,193)	(4,421)
Total shareholders' equity	197,968	204,273
Total liabilities and shareholders' equity	$ 695,300	$ 735,486

The accompanying notes are an integral part of these consolidated financial statements.

MASTEC, INC.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(In thousands)
(Unaudited)

	Common Stock Shares	Common Stock Amount	Capital Surplus	Retained Earnings	Foreign Currency Translation Adjustments	Total
Balance December 31, 1998	27,382	$ 2,738	$ 149,479	$ 56,477	$ (4,421)	$ 204,273
Net income	-	-	-	4,353	-	4,353
Foreign currency translation adjustments	-	-	-	-	(10,772)	(10,772)
Stock issued	40	4	110	-	-	114
Balance March 31, 1999	27,422	$ 2,742	$ 149,589	$ 60,830	$(15,193)	$ 197,968

The accompanying notes are an integral part of these consolidated financial statements.

MASTEC, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31, 1999	Three Months Ended March 31, 1998
Cash flows from operating activities:		
Net income (loss)	$ 4,353	$ (12,099)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	12,647	8,229
Minority interest	640	853
Equity in earnings of unconsolidated companies	--	(422)
Loss on sale of assets	--	104
Changes in assets and liabilities net of effect of acquisitions:		
Accounts receivables, unbilled revenue and retainage, net	7,801	(761)
Inventories and other current assets	11,728	(2,314)
Other assets	(3,106)	(10,003)
Accounts payable and accrued expenses	(4,903)	1,902
Other current liabilities	(19,602)	2,038
Other liabilities	(5,387)	(7,218)
Net cash provided by (used in) operating activities	4,171	(19,691)
Cash flows from investing activities:		
Capital expenditures	(15,813)	(16,458)
Cash paid for acquisitions (net of cash acquired) and contingent consideration	(2,956)	(44,605)
Investment in unconsolidated companies held for sale	(2,685)	(1,346)
Proceeds from sale of assets	11,372	487
Net cash used in investing activities	(10,082)	(61,922)
Cash flows from financing activities:		
Proceeds (repayments), net from revolving credit facilities	16,615	78,786
Proceeds from Senior Notes	--	199,724
Debt repayments	(3,102)	(95,722)
Proceeds from issuance of common stock	114	1,586
Financing costs	--	(4,993)
Net cash provided by financing activities	13,627	179,381
Net increase in cash and cash equivalents	7,716	97,768
Effect of translation on cash	(2,020)	(37)
Cash and cash equivalents - beginning of period	19,864	6,063
Cash and cash equivalents - end of period	$ 25,560	$ 103,794

The accompanying notes are an integral part of these consolidated financial statements.

MASTEC, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In thousands)
(Unaudited)

Supplemental disclosure of non-cash investing and financing activities:

On February 26, 1999, MasTec acquired certain assets from Directional Advantage Boring, Inc., headquartered in Minnesota, in a transaction accounted for as a purchase. The fair value of the assets acquired amounted to $600.

During the three months ended March 31, 1998, MasTec completed certain acquisitions which have been accounted for as a purchase. The fair value of the net assets acquired amounted to $34,293. The $21,549 excess of the purchase price over the net assets acquired was allocated to goodwill.

The accompanying notes are an integral part of these consolidated financial statements.

Note 1 - Basis for Presentation of Consolidated Financial Statements

The accompanying unaudited consolidated financial statements of MasTec, Inc. ("MasTec") have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions for Form 10-Q and Rule 10-01 of Regulation S-X. They do not include all information and notes required by generally accepted accounting principles for complete financial statements and should be read in conjunction with the audited financial statements and notes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 1998. The balance sheet data as of December 31, 1998 was derived from audited financial statements but does not include all disclosures required by generally accepted accounting principles. The financial information furnished reflects all adjustments, consisting only of normal recurring accruals, which are, in the opinion of management, necessary for a fair presentation of the financial position, results of operations and cash flows for the quarterly periods presented. The results of operations for the periods presented are not necessarily indicative of future results of operations of MasTec for the entire year. During the second quarter of 1998, the Company's management applied purchase accounting to two 1997 acquisitions previously accounted for using pooling-of-interests. The change in accounting resulted in an increase to capital surplus and intangible assets of $53 million. As a result, first quarter results in 1998 include amortization expense of $333,000 related to the change in accounting method.

MasTec's comprehensive loss for the three months ended March 31, 1999 and 1998 was $6.4 million and $11.7 million, respectively. The components of comprehensive loss are net income (loss) and foreign currency translation adjustments.

Note 2 - Acquisitions and Investing Activities

During the quarter ended March 31, 1999, MasTec acquired certain assets from Directional Advantage Boring, Inc., headquartered in Minnesota. This acquisition has been accounted for under the purchase method of accounting. The most significant adjustments to the balance sheet resulting from the acquisition are disclosed in the supplemental disclosure of non-cash investing and financing activities in the accompanying statement of cash flows. Subsequent to March 31, 1999, MasTec completed two additional external network services acquisitions and has also signed a letter of intent to acquire an internal network services company.

Note 3 - Debt

Debt is comprised of the following (in thousands):

	March 31, 1999	December 31, 1998
Revolving credit facility, weighted average rate of 7.02% at March 31, 1999 and 7.06% at December 31, 1998 ...	$ 119,267	$ 106,300
Other bank facilities at LIBOR plus 1.25% (6.44% at March 31, 1999 and 6.31% at December 31, 1998)	7,933	6,206
Notes payable for equipment, at interest rates from 7.5% to 8.5% due in installments through the year 2000	6,752	6,145
Notes payable for acquisitions, at interest rates from 7.0% to 8.0% due in installments through February 2000	1,937	3,431
Senior Notes, 7.75% due February 2008	199,756	199,750
Total debt	335,645	321,832
Less current maturities	(12,395)	(11,143)
Long-term debt	$ 323,250	$ 310,689

MasTec has a revolving line of credit with a group of banks (as amended, the "Credit Facility") that provides for borrowings up to an aggregate amount of $165.0 million. Amounts outstanding under the revolving credit facility mature on June 9, 2000. Upon written request by MasTec and at the bank's sole discretion, the maturity date of the Credit Facility may be extended for successive annual periods up to a final maturity date of June 9, 2002. MasTec is required to pay an unused facility fee ranging from .25% to .50% per annum on the facility, depending upon certain financial covenants.

The Credit Facility is secured by a pledge of shares of certain of MasTec's subsidiaries. Interest under the Credit Facility accrues at rates based, at MasTec's option, on the agent bank's Base Rate plus a margin of up to .50% depending on certain financial covenants or 1% above the overnight federal funds effective rate, whichever is higher, or its LIBOR Rate (as defined in the Credit Facility) plus a margin of 1.00% to 2.25%, depending on certain financial covenants.

On January 30, 1998, MasTec issued $200.0 million, 7.75% senior subordinated notes (the "Senior Notes") due in February 2008 with interest due semi-annually. The net proceeds were used primarily for acquisitions and other corporate purposes.

The Credit Facility and the Senior Notes contain customary events of default and covenants which prohibit, among other things, making investments in excess of a specified amount, incurring additional indebtedness in excess of a specified amount, paying dividends in excess of a specified amount, making capital expenditures in excess of a specified amount, creating liens, prepaying other indebtedness, including the Senior Notes, and engaging in certain mergers or combinations without the prior written consent of the lenders. The Credit Facility also provides that MasTec must maintain certain financial ratio coverage, requiring, among other things minimum ratios at the end of each fiscal quarter of debt to earnings and earnings to interest expense.

Note 4 - Operations by Segments and Geographic Areas

The following table set forth, for the three months ended March 31, 1999 and 1998, certain information about segment results of operations and segment assets (in thousands).

1999	External Network Services	Internal Network Services	External Network Power	International	Other(1)	Consolidated
Revenue	$128,878	$ 21,303	$ 36,950	$ 18,575	$ 1,091	$206,797
Operating income (loss) ..	13,461	586	3,051	794	(5,230)	12,662
Depreciation and amortization	7,934	615	2,835	875	388	12,647
Total assets	315,629	57,126	92,122	49,187	181,236	695,300
Capital expenditures	10,978	165	4,051	542	77	15,813

1998	External Network Services	Internal Network Services	External Network Power	International (2)	Other(1)	Consolidated
Revenue	$ 71,864	$ 17,628	$ 16,149	$ 75,693	$ 4,761	$186,095
Operating income (loss) ..	4,072	(3,990)	769	(10,531)	(3,919)	(13,599)
Depreciation and amortization	4,806	347	1,641	896	539	8,229
Total assets	218,277	56,400	47,766	266,879	251,318	840,640
Capital expenditures	14,653	543	797	465	-	16,458

(1) Consists of non-core construction operations and corporate expenses.
(2) International for 1998 includes the results of the Company's Spanish operations which were sold effective December 31, 1998.

There are no significant transfers between geographic areas and segments. Operating income consists of revenue less operating expenses, and does not include interest expense, interest and other income, equity in earnings of unconsolidated companies, minority interest and income taxes. Consolidated operating income is net of corporate general and administrative expenses. Total assets are those assets used in MasTec's operations in each segment. Corporate assets include cash and cash equivalents, investments in unconsolidated companies, assets held for sale and notes receivable.

Note 5 - Commitments and Contingencies

MasTec is currently providing financing to a customer in connection with the sale of its services. As of March 31, 1999, MasTec had $48.9 million outstanding under this agreement which was due April 30, 1999. In exchange for certain additional consideration, MasTec extended the financing agreement through June 30, 1999 and received $27.0 million in reduction of the outstanding balance.

MasTec has committed to continue developing a PCS cellular phone system in Paraguay. MasTec anticipates investing approximately $10.0 million for the development of this system over the next nine months. Commercial operation of the system was required to be initiated no later than May 10, 1999. MasTec has filed a request for extension of this date. MasTec expects that the PCS system will be operational within the next six months.

MasTec's current and future operations and investments in certain foreign countries are generally subject to greater risks of monetary, political, economic or social instability, including the possibility of expropriation, confiscatory taxation, hyper-inflation or other adverse regulatory or legislative developments, or limitations on the repatriation of investment income, capital and other assets. During January 1999 the Brazilian government allowed its currency to trade freely against other currencies resulting in an immediate devaluation of the Brazilian reais. The impact on the devaluation on an operation depends on the devaluation's effect on the local economy and the ability of an operation to raise prices and/or reduce expenses. Additionally, the economies of other countries in Latin America could be adversely impacted by Brazil's economic and monetary problems. The likelihood and extend of further devaluation and deteriorating economic conditions in Brazil and other Latin America countries and the resulting impacts on MasTec's results of operations, financial position and cash flows cannot now be determined. Further, economic conditions in these countries may make it more difficult for these operations to satisfy debt service and other obligations. MasTec is monitoring conditions in these countries to determine their impact, if any, on MasTec's results of operations, financial position and cash flows. MasTec also monitors its currency exchange risk but currently does not hedge against this risk. There can be no assurance that currency exchange fluctuations or other economic events will not adversely affect MasTec's results of operations, financial position and cash flows.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Reference is made to cautionary statements contained in this Quarterly Report and in Mastec's other filings with the Securities and Exchange Commission regarding any forward-looking statements contained in this Quarterly Report. Except for historical information contained herein, the matters discussed below are forward looking statements made pursuant to the safe harbor provisions for forward-looking statement described in the Private Securities Litigation Reform Act of 1995.

Overview

MasTec is one of the preeminent builders of internal and external voice, video, data, internet and other computer and communications networks for leading telecommunications service providers, cable television operators, Fortune 500 corporations and power companies. MasTec designs, installs, constructs and maintains aerial, underground and buried copper, coaxial and fiber optic cable networks as well as wireless antenna networks ("external network services"). Clients for MasTec's external network services include major domestic and international telecommunication service providers, incumbent and competitive local exchange carriers, cable television operators, long-distance carriers and wireless phone companies. MasTec also provides external network services to the electric power industry ("power") that are similar to the services it provides to telecommunications customers. Additionally, MasTec designs, installs and maintains integrated local and wide area networks and provides systems integration and other value added services ("internal network services") for corporate customers and other organizations with multiple locations.

Results of Operations

Revenue is generated primarily from external and internal network services. Services are provided to telephone companies, public utilities, cable television operators, other telecommunications providers, governmental agencies and private businesses. Costs of revenue include operations payroll and employee benefits, subcontractor costs and expenses, materials not supplied by the customer, fuel, equipment rental and insurance. General and administrative expenses include management salaries and benefits, rent, travel, telephone and utilities, professional fees and clerical and administrative overhead.

The following tables set forth income statement data and its related percentage of revenue by geographic region for the three months ended March 31, 1999 and 1998.

	Three Months Ended March 31,			
North America	1999		1998	
Revenue	$188,222	100.0%	$110,402	100.0%
Costs of revenue	147,076	78.1%	90,170	81.7%
Depreciation and amortization	11,772	6.3%	7,333	6.6%
General and administrative expenses	17,506	9.3%	15,967	14.5%
Operating income (loss)	$ 11,868	6.3%	$ (3,068)	(2.8)%

Three Months Ended March 31, 1999 Operating Income Compared to Three Months Ended March 31, 1998 Operating Loss

MasTec's North American revenue was $188.2 million for the three months ended March 31, 1999, compared to $110.4 million for the same period in 1998, representing an increase of $77.8 million or 70.5%. The increase in North American revenue was due primarily to revenue generated from internal growth and to favorable weather conditions during the three months ended March 31, 1999 when compared to the same period in 1998.

MasTec's North American costs of revenue were $147.1 million or 78.1% of revenue for the three months ended March 31, 1999, compared to $90.2 million or 81.7% of revenue for the same period in 1998, representing an increase of $56.9 million or 63.1%. The improved margins resulted from MasTec's ability to perform work at attractive margins in certain extended geographic areas due to favorable weather conditions during the three months ended March 31, 1999, when compared to the same period in 1998.

Depreciation and amortization expense was $11.8 million or 6.3% of revenue for the three months ended March 31, 1999, compared to $7.3 million or 6.6% of revenue for the same period in 1998. The increased depreciation and amortization expense resulted from MasTec's investment in its fleet to support revenue growth and from intangibles related to acquisitions consummated in 1998.

General and administrative expenses were $17.5 million or 9.3% of revenue for the three months ended March 31, 1999, compared to $16.0 million or 14.5% of revenue for the same period in 1998, representing an increase of $1.5 million or 9.6%. The decline in general and administrative expenses as a percent of revenue for the three months ended March 31, 1999 was due primarily to increased revenue. During the three months ended March 31, 1998, MasTec recorded $4.0 million related to integration costs and provision for bad debts.

	Three Months Ended March 31,			
CALA	1999		1998	
Revenue	$ 18,575	100.0%	$ 29,750	100.0%
Costs of revenue	15,021	80.9%	25,036	84.2%
Depreciation and amortization	875	4.7%	283	1.0%
General and administrative expenses	1,885	10.1%	2,401	8.0%
Operating income	$ 794	4.3%	$ 2,030	6.8%

Three Months Ended March 31, 1999 Operating Income Compared to Three Months Ended March 31, 1998 Operating Income

Approximately 85% of the CALA region operations were comprised of MasTec's Brazilian operations whose functional currency is the Brazilian reais. The remaining CALA operations were conducted primarily in Mexican pesos and U.S. dollars.

MasTec's CALA revenue was $18.6 million for the three months ended March 31, 1999, compared to $29.8 million for the same period in 1998, representing a decrease of $11.2 million 37.6%. MasTec's CALA revenue decreased primarily due to the devaluation of the Brazilian reais and to a reduction in work performed. The CALA region had revenue of R$26.8 million reais during the three months ended March 31, 1999, compared to R$33.5 million reais for the same period in 1998, representing a decrease of 20%.

MasTec's CALA costs of revenue was $15.0 million or 80.9% of revenue for the three months ended March 31, 1999, compared to $25.0 million or 84.2% of revenue for the same period in 1998, representing a decrease of $10.0 million or 40.0%. Costs of revenue were 80.9% of revenue in 1999, compared to 84.2% in 1998.

Depreciation and amortization expense was $0.9 million or 4.7% of revenue for the three months ended March 31, 1999 compared to $0.3 million or 1.0% of revenue for the same period in 1998. Depreciation and amortization relates primarily to an intangible asset resulting from one acquisition completed in early 1998 that is being amortized over a five year period.

General and administrative expenses were $1.9 million or 10.1% of revenue for the three months ended March 31, 1999, compared to $2.4 million or 8.0% of revenue for the same period in 1998, representing a decrease of $0.5 million or 20.8%. General and administrative expenses were R$2.0 million reais or 7.5% of reais revenue during the three months ended March 31, 1999, compared to R$2.2 million reais or 6.6% of reais revenue for the same period in 1998. The increase in general and administrative expenses as a percentage of revenue in both dollar and reais terms was due primarily to costs of establishing an infrastructure to support anticipated additional work following the privatization of Telebras, which took place in July 1998, as well as decreased revenue resulting from reduction in work performed. Due to recent economic conditions in Brazil, it is uncertain when, if at all, such additional work will materialize.

Spain

	Three Months Ended March 31, 1998	
Revenue	$ 45,943	100.0%
Costs of revenue	37,760	82.2%
Depreciation and amortization	613	1.3%
General and administrative expenses	20,131	43.8%
Operating loss	(12,561)	(27.3%)
Interest expense	(944)	(2.1%)
Other income	192	0.4%
Loss before benefit from income taxes, equity in earnings of unconsolidated companies and minority interest	(13,313)	(29.0%)
Benefit from income taxes	3,900	8.5%
Equity in earnings of unconsolidated companies	71	0.2%
Minority interest	1	0.0%
Net loss	$ (9,341)	(20.3%)

Effective December 31, 1998, MasTec sold 87% of its Spanish operations.

Consolidated Results

The following table sets forth for the three months ended March 31, 1999 and 1998 certain consolidated income statement data and its related percentage of consolidated revenue.

	Three Months Ended March 31,			
	1999		1998 (1)	
Operating income (loss)	$ 12,662	6.1%	$ (1,038)	(0.7)%
Interest expense	(6,231)	(3.0%)	(3,915)	(2.8)%
Interest income	2,109	1.0%	1,236	0.9%
Other income, net	123	0.1%	51	0.0%
Income (loss) before (provision) benefit for income taxes, equity in earnings (losses) of unconsolidated companies and minority interest	8,663	4.2%	(3,666)	(2.6%)
(Provision) benefit for income taxes	(3,670)	(1.8%)	1,411	1.0%
Equity in earnings (losses) of unconsolidated companies and minority interest	(640)	(0.3%)	(503)	(0.4%)
Net income (loss)	$ 4,353	2.1%	$ (2,758)	(2.0%)

(1) Adjusted to exclude MasTec's Spanish operations which were sold effective December 31, 1998.

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998

For a discussion of revenue, costs of revenue, depreciation and amortization and general and administrative expenses, see "North America" and "CALA" above.

Interest expense was $6.2 million for the three months ended March 31, 1999, compared to $3.9 million for the same period in 1998, representing an increase of $2.3 million or 59.0%. The increase in interest expense was due primarily to increased indebtedness resulting from the issuance of the Senior Notes in early 1998, the proceeds of which were used primarily for acquisitions and to fund international operations investments. See Note 3 of Notes to Consolidated Financial Statements.

Financial Condition, Liquidity and Capital Resources

MasTec's primary liquidity needs are for working capital, capital expenditures, acquisitions and investments, and debt service. MasTec's primary sources of liquidity are cash flows from operations, borrowings under revolving lines of credit and the proceeds from the sale of investments and other assets held for sale.

Net cash provided by operating activities was $4.2 million for the three months ended March 31, 1999, compared to net cash used in operating activities of $19.7 million for the same period in 1998.

Working capital at March 31, 1999, excluding the below described items was $98.3 million for domestic operations compared to $83.1 million at December 31, 1998. Excluded for purposes of calculating working capital as of March 31, 1999, were current assets consisting of $49.2 million related to a customer financing and $54.2 million of assets held for sale.

During the three months ended March 31, 1999, MasTec made capital expenditures of $15.8 million, primarily for machinery and equipment used in the production of revenue, compared to $16.5 million for the same period in 1998. MasTec invested cash in one acquisition $0.3 million and paid $2.7 million as additional consideration for acquisitions made in previous years. MasTec also funded $2.7 million for construction of its PCS system in Paraguay. MasTec anticipates investing an additional $10.0 million for the development of this system for the remainder of 1999. Commercial operation of the system was required to be initiated no later than May 10, 1999. MasTec has filed a request for extension of this date. MasTec expects that the PCS system will be operational within the next six months.

MasTec is currently providing financing to a customer in connection with the sale of its services. As of March 31, 1999, MasTec had $48.9 million outstanding under this agreement due April 30, 1999. In exchange for certain additional consideration, MasTec extended the financing agreement through June 30, 1999 and received $27.0 million in reduction of the outstanding balance.

In December 1998, MasTec increased its existing credit facility from $125.0 million to $165.0 million (as amended, the "Credit Facility") with a group of financial institutions led by BankBoston, N.A. Amounts outstanding under the Credit Facility mature on June 9, 2000. Upon written request by MasTec at the bank's sole discretion, the maturity date of the Credit Facility may be extended for successive annual periods up to a final maturity date of June 9, 2002. MasTec is required to pay an unused facility fee ranging from .25% to .50% per annum on the facility, depending upon certain financial covenants.

The Credit Facility and the Senior Notes contain customary events of default and covenants which prohibit, among other things, making certain investments in excess of a specified amount, incurring additional indebtedness in excess of a specified amount, paying dividends in excess of a specified amount, making capital expenditures in excess of a specified amount, creating liens, prepaying other indebtedness, including the Senior Notes, and engaging in certain mergers or combinations without the prior written consent of the lenders. The Credit Facility also provides that MasTec must maintain certain financial ratio coverages, requiring, among other things minimum ratios at the end of each fiscal quarter of debt to earnings and earnings to interest expense.

MasTec expects to finance its current working capital needs, capital expenditures, acquisitions and investments, debt service obligations and other commitments from cash generated from operations, borrowings under its existing Credit Facility and the sale of other assets. During 1999, MasTec has acquired certain external network services contractors for $9.1 million in cash and $1.1 million in notes. The acquisitions were financed from cash provided by operations and from financing activities. MasTec has also signed a letter of intent to acquire an internal network services company. MasTec has also divested certain assets held for sale for approximately $1.9 million. MasTec anticipates that available cash, cash flows from operations and from the sale of assets and investments and borrowing availability under the Credit Facility will be sufficient to satisfy MasTec's liquidity and working capital requirements for the foreseeable future; however, to the extent that MasTec should desire to increase its financial flexibility and capital resources or require or choose to fund future capital commitments from sources other than operating cash or from borrowings under its existing Credit Facility, MasTec may consider raising additional capital by increasing its Credit Facility or through the offering of equity and/or debt securities in the public or private markets. There can be no assurance, however, that additional capital will be available to MasTec on acceptable terms, or at all.

MasTec's current and future operations and investments in certain foreign countries are generally subject to greater risks of monetary, political, economic or social instability, including the possibility of expropriation, confiscatory taxation, hyper-inflation or other adverse regulatory or legislative developments, or limitations on the repatriation of investment income, capital and other assets. During January 1999 the Brazilian government allowed its currency to trade freely against other currencies resulting in an immediate devaluation of the Brazilian reais. The impact on the devaluation on an operation depends on the devaluation's effect on the local economy and the ability of an operation to raise prices and/or reduce expenses. Additionally, the economies of other countries in Latin America could be adversely impacted by Brazil's economic and monetary problems. The likelihood and extent of further devaluation and deteriorating economic conditions in Brazil and other Latin America countries and the resulting impacts on MasTec's results of operations, financial position and cash flows cannot now be determined. Further, economic conditions in these countries may make it more difficult for these operations to satisfy debt service and other obligations. Mastec is monitoring conditions in these countries to determine their impact, if any, on MasTec's results of operations, financial position and cash flows. MasTec also monitors its currency exchange risk but currently does not hedge against this risk. There can be no assurance that currency exchange fluctuations or other economic events will not adversely affect MasTec's results of operations, financial position and cash flows.

Year 2000

The Year 2000 issue is the result of computer programs using two digits rather than four to define the applicable year. Any of MasTec's computer programs that have time-sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure, disruption of operations and/or a temporary inability to conduct normal business activities.

MasTec has undertaken a Year 2000 project which includes an assessment of telecommunications equipment, computer equipment, software, database, data services, network infrastructure, and telephone equipment. MasTec's Year 2000 plan addresses the Year 2000 issue in four phases: (1) inventory and assessment; (2) impact analysis and implementation planning; (3) implementation and testing; and (4) on-going and monitoring. As each phase is completed, project progress will be tracked against planned targets, and resource adjustments made as necessary. At this time, a majority of MasTec's information systems and embedded devices have been inventoried and assessed, and MasTec has begun impact analysis and implementation planning, as well as some implementation and testing. The project is estimated to be complete by the end of 1999, prior to any anticipated impact on MasTec's operating systems. MasTec believes that with upgrades to existing software, conversions to new software and replacement of certain products and equipment, the Year 2000 issue will not pose significant operational problems. Based on its current assessment efforts, MasTec does not believe that Year 2000 issues will have a material adverse effect on its financial condition or results of operations. If, however, necessary upgrades, replacements and conversions are not made or are not completed on a timely basis, the Year 2000 issue may have a material adverse effect on MasTec's business, financial condition and results of operations. MasTec's Year 2000 issues and any potential business interruptions, costs, damages or losses related thereto, are dependent, to a certain degree, upon the Year 2000 readiness of third parties such as vendors and suppliers. As part of MasTec's Year 2000 efforts, formal communications with all significant vendors, suppliers, banks and clients are being pursued to determine the extent to which related interfaces with MasTec's systems are vulnerable if these third parties fail to remediate their Year 2000 issues. There cannot be any assurance that any such third parties will address any Year 2000 issues that they have or that such third parties' systems will not materially adversely affect MasTec's systems and operations.

MasTec continues to assess the Year 2000 issue with respect to internal business systems, and has initiated the implementation of corrective measures to address the issue. MasTec is evaluating the need for contingency planning at this time of its system and embedded devices. The assessment of third parties external to MasTec is underway, and may reveal the need for contingency planning based on the progress and findings of the Year 2000 project.

MasTec will utilize both internal and external resources to complete and test the Year 2000 project. Through March 31, 1999, related costs incurred were not material, and MasTec does not expect that the total cost of its Year 2000 project will be material to its financial position or results of operations. Project costs and the targeted completion date will be based on management's best estimates, which will be derived from utilizing numerous assumptions of future events, including the continued availability of certain resources, the ability to locate and correct all relevant computer codes, third party modification plans and other factors. There can be no assurance these estimates will be achieved or that the actual results will not differ materially from those anticipated.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See Notes 3 and 5 of Notes to Consolidated Financial Statements for disclosure about market risk.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits

Exhibit No.	Description
27	Financial Data Schedule

(b) Reports on Form 8-K

On January 14, 1999, MasTec filed a Current Report on Form 8-K dated December 31, 1998 with the Securities and Exchange Commission reporting information under Item 2, Acquisition or Disposition of Assets.

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.

MASTEC, INC.

Date: May 14, 1999

/s/ CARMEN M. SABATER

Carmen M. Sabater
Senior Vice President - Director of Finance
(Principal Financial Officer)

Date: May 14, 1999

/s/ ARLENE VARGAS

Arlene Vargas
Vice President and Controller
(Principal Accounting Officer)

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3-MOS
DEC-31-1999
JAN-01-1999
MAR-31-1999
25,560
0
269,013
15,938
15,816
385,488
223,580
76,390
695,300
141,366
199,756
0
0
2,742
195,226
197,968
206,797
206,797
162,097
32,038
(123)
0
6,231
8,663
3,670
4,353
0
0
0
4,353
0.16
0.16