
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): August 11, 2014

MASTEC, INC.

(Exact Name of Registrant as Specified in Its Charter)

Florida

(State or Other Jurisdiction of Incorporation)

Florida
(State or other jurisdiction
of incorporation)

001-08106
(Commission
File Number)

65-0829355
(IRS Employer
Identification No.)

800 S. Douglas Road, 12th Floor, Coral Gables, Florida 33134
(Address of Principal Executive Offices) (Zip Code)

(305) 599-1800
(Registrant's Telephone Number, Including Area Code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 2.02 Results of Operations and Financial Condition.

The information contained in Item 7.01 of this Current Report on Form 8-K is incorporated by reference in this Item 2.02.

ITEM 7.01 Regulation FD Disclosure.

On August 11, 2014, MasTec, Inc., a Florida corporation (the “Company”), announced its financial results for the quarter ended June 30, 2014. In addition, the Company issued guidance for the quarter ending September 30, 2014 and for the year ending December 31, 2014, in each case as set forth in the earnings press release. A copy of the Company’s earnings press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference in this Item 7.01. The information contained in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed “filed” with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the Company under the Securities Act of 1933, as amended.

ITEM 9.01 Financial Statements and Exhibits.*(d) Exhibits*

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|--------------------------------------|
| 99.1 | Press Release, dated August 11, 2014 |

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 hereunto duly authorized.

Date: August 11, 2014

MASTEC, INC.

By: /s/ Alberto de Cardenas

Name: Alberto de Cardenas

Title: Executive Vice President, General
Counsel and Secretary

EXHIBIT INDEX

**Exhibit
Number**

Description

99.1

Press Release, dated August 11, 2014

**Contact:**

J. Marc Lewis, Vice President-Investor Relations
305-406-1815
305-406-1886 fax
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For Immediate Release

MasTec Announces Second Quarter Results In-line with Guidance

- Q2 Revenue of \$1.1 Billion
- Q2 Continuing Operations Adjusted EBITDA of \$106 Million
- Q2 Continuing Operations Adjusted Diluted EPS of \$0.40
- Issues Guidance for the remainder of 2014

Coral Gables, FL (August 11, 2014) — MasTec, Inc. (NYSE: MTZ) today announced 2014 second quarter financial results in-line with guidance issued in June 2014.

Second quarter 2014 revenue increased 13% to \$1.1 billion from \$978 million for the prior year quarter. The quarterly revenue increase was driven by a 23% increase in the Oil & Gas segment, a 49% increase in the Power Generation segment and a 6% increase in the Communications segment, reflecting lower wireless project revenue growth levels as indicated in the Company's June 2014 guidance. Net income from continuing operations was \$32.1 million, or \$0.37 per diluted share compared to \$35.5 million, or \$0.42 per diluted share for the second quarter of 2013.

Second quarter 2014 adjusted net income from continuing operations, a non-GAAP measure, was \$34.7 million compared to \$39.9 million in 2013. Second quarter 2014 continuing operations adjusted diluted earnings per share, a non-GAAP measure, was \$0.40, compared to \$0.47 last year. Second quarter 2014 continuing operations adjusted EBITDA, also a non-GAAP measure, was \$106 million compared to \$110 million in 2013.

Adjusted net income from continuing operations, continuing operations adjusted diluted earnings per share and continuing operations adjusted EBITDA, non-GAAP measures, exclude the impact of discontinued operations, loss on extinguishment of debt from the 2013 refinancing of our senior notes due 2017, the 2013 Sintel litigation charge and non-cash stock based compensation expense. Reconciliations of these and other non-GAAP measures to GAAP-reported measures are attached.

Jose R. Mas, MasTec's Chief Executive Officer, commented, "We had a challenging second quarter, primarily because of slowdown in revenue growth of wireless projects. Our guidance for the second half of 2014 reflects reduced levels of expected wireless project revenue, when compared to prior year, and we have taken and will continue to take steps to mitigate the impact of these reduced revenue levels. We anticipate a return to a more normalized level of wireless project revenue in 2015."

Mr. Mas continued, “We are very encouraged by the long term outlook in all our businesses. The recently completed acquisition of Pacer Construction will be an important part of MasTec’s future expansion in the growing Canadian energy infrastructure market, including oil sands, oil and gas, high-voltage electrical infrastructure and LNG markets.

Mr. Mas concluded, “We see unprecedented bidding opportunity in multiple markets. We continue to see excellent growth opportunities in oil & gas, electrical transmission, wireless, power generation and 1-gigabit fiber expansion. In fact, subsequent to quarter end, we were awarded a contract for approximately a quarter of a billion dollars of 1-gigabit fiber deployment work, which was not included in our second quarter backlog number. In short, we are well positioned for growth in numerous markets throughout North America and expect 2015 to be a strong year for both revenue growth and profit margin expansion.”

George Pita, MasTec’s Executive Vice President and CFO, added, “We improved cash flow from operations during the second quarter, and expect strong cash flow from operations during the second half of the year. During the second quarter, we retired our \$115 million principal amount of senior convertible notes that matured in June and expanded our senior credit facility to \$1 billion, while adding the capability to borrow in Mexican pesos. These transactions both lower our financing costs on a rate basis and further strengthen our financial flexibility to pursue strategic growth opportunities in the markets we serve across North America.”

The Company currently estimates fiscal year 2014 revenue of \$4.4 to \$4.5 billion. 2014 continuing operations adjusted EBITDA, a non-GAAP measure, is estimated at \$420- \$425 million, with continuing operations adjusted diluted earnings per share, a non-GAAP measure, at \$1.55 to \$1.58.

For the third quarter of 2014, the Company expects revenue of approximately \$1.30 - \$1.35 billion. Third quarter 2014 continuing operations adjusted EBITDA, a non-GAAP measure, is estimated at \$132 million with continuing operations adjusted diluted earnings per share, a non-GAAP measure, of approximately \$0.56.

Reconciliations of these and other non-GAAP measures to GAAP-reported measures are attached.

Management will hold a conference call to discuss these results on Tuesday, August 12, 2014 at 9:00 a.m. Eastern time. The call-in number for the conference call is (913) 312-0687 and the replay number is (719) 457-0820, with a pass code of 6006689. The replay will be available for 30 days. Additionally, the call will be broadcast live over the Internet and can be accessed and replayed through the Investors section of the Company’s website at www.mastec.com.

Summary financial statements for the quarters are as follows:

Condensed Unaudited Consolidated Statements of Operations
(In thousands, except per share amounts)

| | For the Three Months Ended June 30, | |
|---|--|------------------|
| | 2014 | 2013 |
| Revenue | \$ 1,104,556 | \$ 977,624 |
| Costs of revenue, excluding depreciation and amortization | 950,889 | 822,655 |
| Depreciation and amortization | 36,755 | 33,602 |
| General and administrative expenses | 54,237 | 51,900 |
| Interest expense, net | 12,949 | 11,838 |
| Other (income) expense, net | (2,051) | 322 |
| Income from continuing operations before income taxes | \$ 51,777 | \$ 57,307 |
| Provision for income taxes | (19,714) | (21,776) |
| Net income from continuing operations | \$ 32,063 | \$ 35,531 |
| Discontinued operations: | | |
| Net loss from discontinued operations | \$ (149) | \$ (484) |
| Net income | \$ 31,914 | \$ 35,047 |
| Net (loss) income attributable to non-controlling interests | (136) | 106 |
| Net income attributable to MasTec, Inc. | \$ 32,050 | \$ 34,941 |
| Earnings per share: | | |
| Basic earnings (loss) per share: | | |
| Continuing operations | \$ 0.41 | \$ 0.46 |
| Discontinued operations | (0.00) | (0.01) |
| Total basic earnings per share | \$ 0.41 | \$ 0.46 |
| Basic weighted average common shares outstanding | 78,269 | 76,741 |
| Diluted earnings (loss) per share: | | |
| Continuing operations | \$ 0.37 | \$ 0.42 |
| Discontinued operations | (0.00) | (0.01) |
| Total diluted earnings per share | \$ 0.37 | \$ 0.41 |
| Diluted weighted average common shares outstanding | 86,730 | 84,558 |

Condensed Unaudited Consolidated Balance Sheets
(In thousands)

| | June 30, 2014 | December 31, 2013 |
|--|---------------------------|----------------------------|
| Assets | | |
| Current assets, including discontinued operations | \$ 1,489,652 | \$ 1,307,026 |
| Property and equipment, net | 618,672 | 488,132 |
| Goodwill and other intangibles, net | 1,213,725 | 1,067,650 |
| Long-term assets, including discontinued operations | 73,821 | 60,390 |
| Total assets | <u>\$3,395,870</u> | <u>\$ 2,923,198</u> |
| Liabilities and Equity | | |
| Current liabilities, including discontinued operations | \$ 868,474 | \$ 829,225 |
| Acquisition-related contingent consideration, net of current portion | 116,929 | 112,370 |
| Long-term debt | 1,088,666 | 765,425 |
| Long-term deferred tax liabilities, net | 186,538 | 154,763 |
| Other liabilities | 43,949 | 40,357 |
| Equity | 1,091,314 | 1,021,058 |
| Total liabilities and equity | <u>\$3,395,870</u> | <u>\$ 2,923,198</u> |

Condensed Unaudited Consolidated Statements of Cash Flows
(In thousands)

| | For the Six Months Ended June 30, | |
|---|--------------------------------------|-------------------------|
| | 2014 | 2013 |
| Net cash provided by operating activities | \$ 55,319 | \$ 22,857 |
| Net cash used in investing activities | (221,142) | (168,017) |
| Net cash provided by financing activities | 159,167 | 132,272 |
| Net decrease in cash and cash equivalents | (6,656) | (12,888) |
| Net effect of currency translation on cash | (347) | (274) |
| Cash and cash equivalents – beginning of period | 22,927 | 26,767 |
| Cash and cash equivalents – end of period | 15,924 | 13,605 |
| Cash and cash equivalents of discontinued operations | — | 310 |
| Cash and cash equivalents of continuing operations | <u>\$ 15,924</u> | <u>\$ 13,295</u> |

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures – Unaudited
(In millions, except for percentages and per share amounts)

| Segment Information | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|--|-----------------|--------------------------------------|-------------------|
| | 2014 | 2013 | 2014 | 2013 |
| Revenue by Reportable Segment | | | | |
| Communications | \$ 528.1 | \$ 496.6 | \$ 975.2 | \$ 921.6 |
| Oil and Gas | 365.7 | 296.9 | 745.5 | 615.7 |
| Electrical Transmission | 114.5 | 118.6 | 194.6 | 203.1 |
| Power Generation and Industrial | 94.5 | 63.3 | 148.8 | 152.2 |
| Other | 2.7 | 3.4 | 5.4 | 5.7 |
| Eliminations | (0.9) | (1.2) | (0.9) | (2.0) |
| Consolidated revenue | \$ 1,104.6 | \$ 977.6 | \$ 2,068.6 | \$ 1,896.3 |
| | | | | |
| EBITDA by Reportable Segment – Continuing Operations | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
| | 2014 | 2013 | 2014 | 2013 |
| Communications | \$ 57.9 | \$ 63.4 | \$ 101.4 | \$ 109.8 |
| Oil and Gas | 35.7 | 51.2 | 70.6 | 93.6 |
| Electrical Transmission | 17.0 | 11.5 | 20.5 | 14.9 |
| Power Generation and Industrial | 4.0 | (8.0) | 4.5 | (8.2) |
| Other | 0.3 | 0.4 | 0.5 | 0.4 |
| Corporate | (13.4) | (15.8) | (24.4) | (34.3) |
| EBITDA – continuing operations | \$ 101.5 | \$ 102.7 | \$ 173.1 | \$ 176.2 |
| Non-cash stock-based compensation expense | 4.2 | 4.3 | 7.5 | 6.6 |
| Loss on debt extinguishment | — | — | — | 5.6 |
| Sintel legal settlement | — | 2.8 | — | 2.8 |
| Adjusted EBITDA – continuing operations | \$ 105.7 | \$ 109.8 | \$ 180.6 | \$ 191.2 |
| | | | | |
| EBITDA Margin by Reportable Segment – Continuing Operations | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
| | 2014 | 2013 | 2014 | 2013 |
| Communications | 11.0% | 12.8% | 10.4% | 11.9% |
| Oil and Gas | 9.8% | 17.2% | 9.5% | 15.2% |
| Electrical Transmission | 14.9% | 9.7% | 10.5% | 7.3% |
| Power Generation and Industrial | 4.2% | (12.6)% | 3.0% | (5.4)% |
| Other | 11.3% | 10.5% | 8.5% | 7.8% |
| Corporate | NA | NA | NA | NA |
| EBITDA margin – continuing operations | 9.2% | 10.5% | 8.4% | 9.3% |
| Non-cash stock-based compensation expense | 0.4% | 0.4% | 0.4% | 0.3% |
| Loss on debt extinguishment | — | — | — | 0.3% |
| Sintel legal settlement | — | 0.3% | — | 0.1% |
| Adjusted EBITDA margin – continuing operations | 9.6% | 11.2% | 8.7% | 10.1% |

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures – Unaudited
(In millions, except for percentages and per share amounts)

| | For the Three Months Ended | | For the Six Months Ended |
|--|----------------------------|-----------------|--------------------------|
| | March 31, 2014 | June 30, 2014 | June 30, 2014 |
| EBITDA and Adjusted EBITDA Reconciliation – Continuing Operations | | | |
| Net income from continuing operations | \$ 16.2 | \$ 32.1 | \$ 48.3 |
| Interest expense, net | 12.0 | 12.9 | 25.0 |
| Provision for income taxes | 9.9 | 19.7 | 29.6 |
| Depreciation and amortization | 33.5 | 36.8 | 70.2 |
| EBITDA – continuing operations | \$ 71.6 | \$ 101.5 | \$ 173.1 |
| Non-cash stock-based compensation expense | 3.3 | 4.2 | 7.5 |
| Adjusted EBITDA – continuing operations | \$ 74.9 | \$ 105.7 | \$ 180.6 |

| | | | |
|---|-------------|-------------|-------------|
| EBITDA and Adjusted EBITDA Margin Reconciliation – Continuing Operations | | | |
| Net income from continuing operations | 1.7% | 2.9% | 2.3% |
| Interest expense, net | 1.2% | 1.2% | 1.2% |
| Provision for income taxes | 1.0% | 1.8% | 1.4% |
| Depreciation and amortization | 3.5% | 3.3% | 3.4% |
| EBITDA margin – continuing operations | 7.4% | 9.2% | 8.4% |
| Non-cash stock-based compensation expense | 0.3% | 0.4% | 0.4% |
| Adjusted EBITDA margin – continuing operations | 7.8% | 9.6% | 8.7% |

| | For the Three Months Ended | | For the Six Months Ended |
|--|----------------------------|-----------------|--------------------------|
| | March 31, 2013 | June 30, 2013 | June 30, 2013 |
| EBITDA and Adjusted EBITDA Reconciliation – Continuing Operations | | | |
| Net income from continuing operations | \$ 19.3 | \$ 35.5 | \$ 54.9 |
| Interest expense, net | 10.0 | 11.8 | 21.9 |
| Provision for income taxes | 12.3 | 21.8 | 34.1 |
| Depreciation and amortization | 31.8 | 33.6 | 65.4 |
| EBITDA – continuing operations | \$ 73.5 | \$ 102.7 | \$ 176.2 |
| Non-cash stock-based compensation expense | 2.4 | 4.3 | 6.6 |
| Loss on debt extinguishment | 5.6 | — | 5.6 |
| Sintel legal settlement | — | 2.8 | 2.8 |
| Adjusted EBITDA – continuing operations | \$ 81.4 | \$ 109.8 | \$ 191.2 |

| | | | |
|---|-------------|--------------|--------------|
| EBITDA and Adjusted EBITDA Margin Reconciliation – Continuing Operations | | | |
| Net income from continuing operations | 2.1% | 3.6% | 2.9% |
| Interest expense, net | 1.1% | 1.2% | 1.2% |
| Provision for income taxes | 1.3% | 2.3% | 1.8% |
| Depreciation and amortization | 3.5% | 3.4% | 3.4% |
| EBITDA margin – continuing operations | 8.0% | 10.5% | 9.3% |
| Non-cash stock-based compensation expense | 0.3% | 0.4% | 0.3% |
| Loss on extinguishment of debt | 0.6% | — | 0.3% |
| Sintel legal settlement | — | 0.3% | 0.1% |
| Adjusted EBITDA margin – continuing operations | 8.9% | 11.2% | 10.1% |

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures – Unaudited
(In millions, except for percentages and per share amounts)

| | For the Three Months Ended | | For the Six Months Ended |
|---|----------------------------|----------------|--------------------------|
| | March 31, 2014 | June 30, 2014 | June 30, 2014 |
| Adjusted Net Income Reconciliation | | | |
| Net income from continuing operations | \$ 16.2 | \$ 32.1 | \$ 48.3 |
| Non-cash stock-based compensation expense, net of tax | 2.0 | 2.6 | 4.6 |
| Adjusted net income from continuing operations | \$ 18.2 | \$ 34.7 | \$ 52.9 |
| Loss from discontinued operations, net of tax | (0.1) | (0.1) | (0.3) |
| Adjusted net income | \$ 18.1 | \$ 34.5 | \$ 52.6 |

| | For the Three Months Ended | | For the Six Months Ended |
|--|----------------------------|----------------|--------------------------|
| | March 31, 2014 | June 30, 2014 | June 30, 2014 |
| Adjusted Diluted EPS Reconciliation | | | |
| Diluted earnings per share – continuing operations | \$ 0.19 | \$ 0.37 | \$ 0.56 |
| Non-cash stock-based compensation expense, net of tax | 0.02 | 0.03 | 0.05 |
| Adjusted diluted earnings per share – continuing operations | \$ 0.21 | \$ 0.40 | \$ 0.61 |
| Diluted loss per share – discontinued operations | (0.00) | (0.00) | (0.00) |
| Adjusted diluted earnings per share | \$ 0.21 | \$ 0.40 | \$ 0.61 |

| | For the Three Months Ended | | For the Six Months Ended |
|---|----------------------------|----------------|--------------------------|
| | March 31, 2013 | June 30, 2013 | June 30, 2013 |
| Adjusted Net Income Reconciliation | | | |
| Net income from continuing operations | \$ 19.3 | \$ 35.5 | \$ 54.9 |
| Non-cash stock-based compensation expense, net of tax | 1.4 | 2.6 | 4.1 |
| Loss on debt extinguishment, net of tax | 3.4 | — | 3.5 |
| Sintel legal settlement, net of tax | — | 1.7 | 1.7 |
| Adjusted net income from continuing operations | \$ 24.2 | \$ 39.9 | \$ 64.1 |
| Loss from discontinued operations, net of tax | (0.9) | (0.5) | (1.4) |
| Adjusted net income | \$ 23.2 | \$ 39.4 | \$ 62.7 |

| | For the Three Months Ended | | For the Six Months Ended |
|--|----------------------------|----------------|--------------------------|
| | March 31, 2013 | June 30, 2013 | June 30, 2013 |
| Adjusted Diluted EPS Reconciliation | | | |
| Diluted earnings per share – continuing operations | \$ 0.23 | \$ 0.42 | \$ 0.65 |
| Non-cash stock-based compensation expense, net of tax | 0.02 | 0.03 | 0.05 |
| Loss on debt extinguishment, net of tax | 0.04 | — | 0.04 |
| Sintel legal settlement, net of tax | — | 0.02 | 0.02 |
| Adjusted diluted earnings per share – continuing operations | \$ 0.29 | \$ 0.47 | \$ 0.76 |
| Diluted loss per share – discontinued operations | (0.01) | (0.01) | (0.02) |
| Adjusted diluted earnings per share | \$ 0.28 | \$ 0.47 | \$ 0.74 |

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures – Unaudited
(In millions, except for percentages and per share amounts)

| | Guidance for the Three Months Ended September 30, 2014 Est. | For the Three Months Ended September 30, 2013 |
|---|--|--|
| EBITDA and Adjusted EBITDA Reconciliation – Continuing Operations | | |
| Net income from continuing operations | \$ 45 | \$ 49.9 |
| Interest expense, net | 13 | 12.7 |
| Provision for income taxes | 28 | 31.7 |
| Depreciation and amortization | 42 | 37.8 |
| EBITDA – continuing operations | \$ 128 | \$ 132.1 |
| Non-cash stock-based compensation expense | 4 | 3.0 |
| Adjusted EBITDA – continuing operations | \$ 132 | \$ 135.1 |
| EBITDA and Adjusted EBITDA Margin Reconciliation – Continuing Operations | | |
| Net income from continuing operations | 3.3% - 3.5% | 3.9% |
| Interest expense, net | 0.9% - 1.0% | 1.0% |
| Provision for income taxes | 2.0% - 2.1% | 2.5% |
| Depreciation and amortization | 3.1% - 3.3% | 3.0% |
| EBITDA margin – continuing operations | 9.5% - 9.8% | 10.4% |
| Non-cash stock-based compensation expense | 0.3% | 0.2% |
| Adjusted EBITDA margin – continuing operations | 9.8% - 10.2% | 10.6% |
| Adjusted Net Income from Continuing Operations and Adjusted Diluted EPS – Continuing Operations Reconciliation | | |
| Adjusted Net Income from Continuing Operations Reconciliation | | |
| Net income from continuing operations | \$ 45 | \$ 49.9 |
| Non-cash stock-based compensation expense, net of tax | 3 | 1.8 |
| Adjusted net income from continuing operations | \$ 48 | \$ 51.8 |
| Adjusted Diluted EPS Reconciliation – Continuing Operations | | |
| Diluted earnings per share – continuing operations | \$ 0.52 | \$ 0.59 |
| Non-cash stock-based compensation expense, net of tax | 0.03 | 0.02 |
| Adjusted diluted earnings per share—continuing operations | \$ 0.56 | \$ 0.61 |

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures – Unaudited
(In millions, except for percentages and per share amounts)

| | <u>Guidance for the Year Ended December 31, 2014 Est.</u> | <u>For the Year Ended December 31, 2013</u> | <u>For the Year Ended December 31, 2012</u> |
|--|---|---|---|
| EBITDA and Adjusted EBITDA Reconciliation – Continuing Operations | | | |
| Net income from continuing operations | \$ 123 - 126 | \$ 147.7 | \$ 116.6 |
| Interest expense, net | 50 | 46.4 | 37.4 |
| Provision for income taxes | 76 - 77 | 92.5 | 76.1 |
| Depreciation and amortization | 156 | 140.9 | 92.0 |
| EBITDA – continuing operations | \$ 404 - 409 | \$ 427.6 | \$ 322.1 |
| Non-cash stock-based compensation expense | 16 | 12.9 | 4.4 |
| Loss on debt extinguishment | — | 5.6 | — |
| Sintel legal settlement | — | 2.8 | 9.6 |
| Adjusted EBITDA – continuing operations | \$ 420 - 425 | \$ 448.9 | \$ 336.1 |

| EBITDA and Adjusted EBITDA Margin Reconciliation – Continuing Operations | | | |
|---|--------------------|--------------|-------------|
| Net income from continuing operations | 2.8% | 3.4% | 3.1% |
| Interest expense, net | 1.1% | 1.1% | 1.0% |
| Provision for income taxes | 1.7% | 2.1% | 2.0% |
| Depreciation and amortization | 3.5% | 3.3% | 2.5% |
| EBITDA margin – continuing operations | 9.1% - 9.2% | 9.9% | 8.6% |
| Non-cash stock-based compensation expense | 0.4% | 0.3% | 0.1% |
| Loss on debt extinguishment | — | 0.1% | — |
| Sintel legal settlement | — | 0.1% | 0.3% |
| Adjusted EBITDA margin – continuing operations | 9.5% - 9.6% | 10.4% | 9.0% |

| | <u>Guidance for the Year Ended December 31, 2014 Est.</u> | <u>For the Year Ended December 31, 2013</u> | <u>For the Year Ended December 31, 2012</u> |
|--|---|---|---|
| Adjusted Net Income from Continuing Operations and Adjusted Diluted EPS – Continuing Operations Reconciliations | | | |
| Adjusted Net Income from Continuing Operations Reconciliation | | | |
| Net income from continuing operations | \$ 123 - 126 | \$ 147.7 | \$ 116.6 |
| Non-cash stock-based compensation expense, net of tax | 10 | 8.0 | 2.7 |
| Loss on debt extinguishment, net of tax | — | 3.5 | — |
| Sintel legal settlement, net of tax | — | 1.7 | 5.8 |
| Adjusted net income from continuing operations | \$ 133 - 136 | \$ 160.8 | \$ 125.1 |

| | <u>Guidance for the Year Ended December 31, 2014 Est.</u> | <u>For the Year Ended December 31, 2013</u> | <u>For the Year Ended December 31, 2012</u> |
|--|---|---|---|
| Adjusted Diluted EPS Reconciliation – Continuing Operations | | | |
| Diluted earnings per share – continuing operations | \$ 1.43 - 1.47 | \$ 1.74 | \$ 1.42 |
| Non-cash stock-based compensation expense, net of tax | 0.12 | 0.09 | 0.03 |
| Loss on debt extinguishment, net of tax | — | 0.04 | — |
| Sintel legal settlement, net of tax | — | 0.02 | 0.07 |
| Adjusted diluted earnings per share – continuing operations | \$ 1.55 - 1.58 | \$ 1.90 | \$ 1.53 |

Tables may contain differences due to rounding.

MasTec, Inc. is a leading infrastructure construction company operating mainly throughout North America across a range of industries. The Company's primary activities include the engineering, building, installation, maintenance and upgrade of energy, utility and communications infrastructure, such as: electrical utility transmission and distribution; natural gas and petroleum pipeline infrastructure; wireless, wireline and satellite communications; power generation, including renewable energy infrastructure; and industrial infrastructure. MasTec's customers are primarily in these industries. The Company's corporate website is located at www.mastec.com. The Company's website should be considered as a recognized channel of distribution, and the Company may periodically post important, or supplemental, information regarding contracts, awards or other related news on the Presentations/Webcasts page in the Investors section therein. Jose Mas, CEO of MasTec, has led the Company since April of 2007.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act. These statements are based on management's current expectations and are subject to a number of risks, uncertainties, and assumptions, including the effect of economic downturns on demand for our services, reduced capital expenditures by our customers, reduced financing availability, customer consolidation and technological and regulatory changes in the industries we serve; market conditions, technological developments and regulatory changes that affect us or our customers' industries; trends in electricity, oil, natural gas and other energy source prices; our ability to accurately estimate the costs associated with our fixed price and other contracts, including any material changes in estimates for completion of projects, and performance on such projects; customer disputes related to our performance of services; disputes with, or failures of, our subcontractors to deliver agreed-upon supplies or services in a timely fashion; any material changes in estimates for legal costs or case settlements or adverse determinations on any claim, lawsuit or proceeding; our ability to replace non-recurring projects with new projects; the timing and extent of fluctuations in geographic, weather, equipment and operational factors affecting the industries in which we operate; our ability to attract and retain qualified personnel, key management and skilled employees, including from acquired businesses, and our ability to enforce any noncompetition agreements, integrate acquired businesses within expected timeframes and achieve the revenue, cost savings and earnings levels from such acquisitions at or above the levels projected; any exposure related to divested businesses; any exposure resulting from system or information technology interruptions or data security breaches; the impact of U.S. federal, local or state tax legislation and other regulations affecting renewable energy, electricity prices, electrical transmission, oil and gas production, broadband and related projects and expenditures; the effect of state and federal regulatory initiatives, including costs of compliance with existing and future environmental requirements; increases in fuel, maintenance, materials, labor and other costs; fluctuations in foreign currencies; risks associated with operating in international markets, which could restrict our ability to expand globally and harm our business and prospects or any failure to comply with laws applicable to our foreign activities; the highly competitive nature of our industry; our dependence on a limited number of customers; the ability of our customers, including our largest customers, to terminate or reduce the amount of work, or in some cases, the prices paid for services on short or no notice under our contracts; the impact of any unionized workforce on our operations, including labor availability and relations; liabilities associated with multi-employer pension plans, including underfunding and withdrawal liabilities, for our operations that employ unionized workers; the adequacy of our insurance, legal and other reserves and allowances for doubtful accounts; the collectability of amounts owed us by our customers; restrictions imposed by our credit facility, senior notes, convertible notes and any future loans or securities; our ability to obtain performance and surety bonds; the outcome of our plans for future operations, growth and services, including business development efforts and cost reduction measures, backlog, acquisitions and dispositions; any dilution or stock price volatility that shareholders may experience in connection with shares we may issue as consideration for earn-out obligations or as purchase consideration in connection with past or future acquisitions, or as a result of conversions of convertible notes or other stock issuances; liabilities associated with our participation in joint ventures and other losses associated with non-consolidated investees; our ability to settle conversions of our convertible notes in cash due to contractual restrictions, including those contained in our credit facility, and the availability of cash; as well as other risks detailed in our filings with the Securities and Exchange Commission. Actual results may differ significantly from results expressed or implied in these statements. We do not undertake any obligation to update forward-looking statements.