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

Form 10-Q

(Mark One)

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2023

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __ to __

Commission File Number 001-08106

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.)*
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)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, $0.10 Par Value	**MTZ**	**New York Stock Exchange**

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 ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act.) Yes ☐ No ☑

As of May 1, 2023, MasTec, Inc. had 78,859,193 shares of common stock outstanding.

MASTEC, INC.
FORM 10-Q
QUARTER ENDED MARCH 31, 2023

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

MASTEC, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited - in thousands, except per share amounts)

	For the Three Months Ended March 31, 2023	2022
Revenue	$ 2,584,659	$ 1,954,400
Costs of revenue, excluding depreciation and amortization	2,359,494	1,733,316
Depreciation	107,247	85,194
Amortization of intangible assets	41,944	25,589
General and administrative expenses	163,914	145,390
Interest expense, net	52,693	16,041
Equity in earnings of unconsolidated affiliates, net	(9,152)	(6,777)
Other (income) expense, net	(6,201)	3,754
Loss before income taxes	$ (125,280)	$ (48,107)
Benefit from income taxes	44,734	13,148
Net loss	$ (80,546)	$ (34,959)
Net (loss) income attributable to non-controlling interests	(6)	19
Net loss attributable to MasTec, Inc.	$ (80,540)	$ (34,978)
Loss per share (Note 2):		
Basic and diluted loss per share	$ (1.05)	$ (0.47)
Basic and diluted weighted average common shares outstanding	76,984	74,789

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

MASTEC, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(unaudited - in thousands)

	For the Three Months Ended March 31,	
	2023	**2022**
Net loss	$ (80,546)	$ (34,959)
Other comprehensive (loss) income:		
Foreign currency translation gains, net of tax	672	913
Unrealized (losses) gains on investment activity, net of tax	(4,177)	13,754
Comprehensive loss	$ (84,051)	$ (20,292)
Comprehensive (loss) income attributable to non-controlling interests	(6)	19
Comprehensive loss attributable to MasTec, Inc.	$ (84,045)	$ (20,311)

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

MASTEC, INC.
CONSOLIDATED BALANCE SHEETS
(unaudited - in thousands, except share information)

	March 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 141,560	$ 370,592
Accounts receivable, net of allowance	1,372,046	1,399,732
Contract assets	1,769,631	1,729,886
Inventories, net	164,917	117,969
Prepaid expenses	123,378	122,308
Other current assets	85,131	118,640
Total current assets	$ 3,656,663	$ 3,859,127
Property and equipment, net	1,730,602	1,754,101
Operating lease right-of-use assets	276,231	279,534
Goodwill, net	2,065,602	2,045,041
Other intangible assets, net	904,412	946,299
Other long-term assets	421,826	409,157
Total assets	$ 9,055,336	$ 9,293,259
Liabilities and equity		
Current liabilities:		
Current portion of long-term debt, including finance leases	$ 166,676	$ 171,916
Current portion of operating lease liabilities	96,817	96,516
Accounts payable	925,609	1,109,867
Accrued salaries and wages	198,295	181,888
Other accrued expenses	331,247	365,971
Contract liabilities	438,645	406,232
Other current liabilities	221,246	163,647
Total current liabilities	$ 2,378,535	$ 2,496,037
Long-term debt, including finance leases	3,045,526	3,052,193
Long-term operating lease liabilities	190,132	194,050
Deferred income taxes	535,531	571,401
Other long-term liabilities	257,980	238,391
Total liabilities	$ 6,407,704	$ 6,552,072
Commitments and contingencies (Note 14)		
Equity		
Preferred stock, $1.00 par value: authorized shares - 5,000,000; issued and outstanding shares – none	$ —	$ —
Common stock, $0.10 par value: authorized shares - 145,000,000; issued shares - 98,674,997 and 98,615,105 (including 1,377,480 and 2,047,130 of unvested stock awards) as of March 31, 2023 and December 31, 2022, respectively	9,867	9,862
Capital surplus	1,235,608	1,246,590
Retained earnings	2,115,202	2,195,742
Accumulated other comprehensive loss	(54,460)	(50,955)
Treasury stock, at cost: 19,813,055 and 19,933,055 shares as of March 31, 2023 and December 31, 2022, respectively	(659,913)	(663,910)
Total MasTec, Inc. shareholders' equity	$ 2,646,304	$ 2,737,329
Non-controlling interests	$ 1,328	$ 3,858
Total equity	$ 2,647,632	$ 2,741,187
Total liabilities and equity	$ 9,055,336	$ 9,293,259

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

MASTEC, INC.
CONSOLIDATED STATEMENTS OF EQUITY
(unaudited - in thousands, except shares)

	Common Stock		Treasury Stock		Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Loss	Total MasTec, Inc. Shareholders' Equity	Non-Controlling Interests	Total Equity
	Shares	Amount	Shares	Amount						
For the Three Months Ended March 31, 2023										
Balance as of December 31, 2022	98,615,105	$ 9,862	(19,933,055)	$(663,910)	$1,246,590	$2,195,742	$ (50,955)	$ 2,737,329	$ 3,858	$2,741,187
Net loss						(80,540)		(80,540)	(6)	(80,546)
Other comprehensive loss							(3,505)	(3,505)		(3,505)
Non-cash stock-based compensation					8,515			8,515		8,515
Issuance of shares in connection with acquisition	2,235	0			206			206		206
Issuance of restricted shares, net	174,833	17			(17)			—		—
Shares withheld for taxes, net of other stock issuances	(117,176)	(12)			(8,213)			(8,225)		(8,225)
Purchase of non-controlling interests			120,000	3,997	(11,473)			(7,476)	(2,524)	(10,000)
Balance as of March 31, 2023	98,674,997	$ 9,867	(19,813,055)	$(659,913)	$1,235,608	$2,115,202	$ (54,460)	$ 2,646,304	$ 1,328	$2,647,632
For the Three Months Ended March 31, 2022										
Balance as of December 31, 2021	95,371,211	$ 9,537	(18,941,926)	$(586,955)	$1,033,615	$2,162,388	$ (78,776)	$ 2,539,809	$ 4,052	$2,543,861
Net (loss) income						(34,978)		(34,978)	19	(34,959)
Other comprehensive income							14,667	14,667		14,667
Non-cash stock-based compensation					6,336			6,336		6,336
Issuance of restricted shares, net	165,010	17			(17)			—		—
Shares withheld for taxes, net of other stock issuances	(48,204)	(5)			(4,032)			(4,037)		(4,037)
Acquisition of treasury stock, at cost			(187,978)	(13,791)				(13,791)		(13,791)
Balance as of March 31, 2022	95,488,017	$ 9,549	(19,129,904)	$(600,746)	$1,035,902	$2,127,410	$ (64,109)	$ 2,508,006	$ 4,071	$2,512,077

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

MASTEC, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited - in thousands)

	For the Three Months Ended March 31,	
	2023	2022
Cash flows from operating activities:		
Net loss	$ (80,546)	$ (34,959)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation	107,247	85,194
Amortization of intangible assets	41,944	25,589
Non-cash stock-based compensation expense	8,515	6,336
(Benefit from) provision for deferred income taxes	(30,863)	1,647
Equity in earnings of unconsolidated affiliates, net	(9,152)	(6,777)
Gains on sales of assets, net	(7,818)	(2,568)
Non-cash interest expense, net	1,367	854
Other non-cash items, net	1,585	(926)
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	50,082	121,646
Contract assets	(22,011)	(104,490)
Inventories	(5,673)	(8,980)
Other assets, current and long-term portion	36,587	36,268
Accounts payable and accrued expenses	(212,714)	14,537
Contract liabilities	29,495	(13,802)
Other liabilities, current and long-term portion	5,584	11,949
Net cash (used in) provided by operating activities	$ (86,371)	$ 131,518
Cash flows from investing activities:		
Cash paid for acquisitions, net of cash acquired	(46,506)	(21,840)
Capital expenditures	(63,346)	(83,191)
Proceeds from sales of property and equipment	19,946	4,630
Payments for other investments	(205)	(960)
Proceeds from other investments	425	—
Other investing activities, net	200	—
Net cash used in investing activities	$ (89,486)	$ (101,361)
Cash flows from financing activities:		
Proceeds from credit facilities	918,000	773,500
Repayments of credit facilities	(911,188)	(855,083)
Payments of finance lease obligations	(37,047)	(41,600)
Repurchases of common stock	—	(13,791)
Payments to non-controlling interests, including acquisition of interests and distributions	(11,660)	—
Payments for stock-based awards	(13,107)	(3,996)
Other financing activities, net	1,560	(17,046)
Net cash used in financing activities	$ (53,442)	$ (158,016)
Effect of currency translation on cash	267	256
Net decrease in cash and cash equivalents	$ (229,032)	$ (127,603)
Cash and cash equivalents - beginning of period	$ 370,592	$ 360,736
Cash and cash equivalents - end of period	$ 141,560	$ 233,133
Supplemental cash flow information:		
Interest paid	$ 59,444	$ 23,178
Income tax refunds, net of payments	$ (939)	$ (740)
Supplemental disclosure of non-cash information:		
Additions to property and equipment from finance leases	$ 22,633	$ 48,604

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

Note 1 – Business, Basis of Presentation and Significant Accounting Policies

Nature of the Business

MasTec, Inc. (collectively with its subsidiaries, "MasTec" or the "Company") 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 communications, energy, utility and other infrastructure, such as: power delivery services, including transmission, distribution, environmental planning and compliance; wireless, wireline/fiber and customer fulfillment activities; power generation, primarily from clean energy and renewable sources; pipeline distribution infrastructure, including natural gas, carbon capture sequestration, water and pipeline integrity services; heavy civil; industrial infrastructure; and environmental remediation services. MasTec's customers are primarily in these industries. MasTec reports its results under five reportable segments: (1) Communications; (2) Clean Energy and Infrastructure; (3) Oil and Gas; (4) Power Delivery and (5) Other.

Basis of Presentation

The accompanying consolidated financial statements are unaudited and have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and with the instructions for Form 10-Q and Rule 10-01 of Regulation S-X. Pursuant to these rules and regulations, certain information and footnote disclosures normally included in the annual audited consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. The accompanying consolidated balance sheet as of December 31, 2022 is derived from the Company's audited financial statements as of that date. Because certain information and footnote disclosures have been condensed or omitted, these consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2022 contained in the Company's 2022 Annual Report on Form 10-K (the "2022 Form 10-K"). In management's opinion, all normal and recurring adjustments considered necessary for a fair presentation of the financial position, results of operations and cash flows for the periods presented have been included. When appropriate, prior year amounts are reclassified to conform with the current period presentation. Interim period operating results do not necessarily indicate the results that may be expected for any other interim period or for the full fiscal year. The Company believes that the disclosures made in these consolidated financial statements are adequate to make the information not misleading.

Principles of Consolidation

The accompanying consolidated financial statements include MasTec, Inc. and its subsidiaries and include the accounts of all majority owned subsidiaries over which the Company exercises control and, when applicable, entities in which the Company has a controlling financial interest. All significant intercompany balances and transactions have been eliminated in consolidation. Other parties' interests in entities that MasTec consolidates are reported as non-controlling interests within equity, except for mandatorily redeemable non-controlling interests, which are recorded within other liabilities. Net income or loss attributable to non-controlling interests is reported as a separate line item below net income or loss. Investments in entities for which the Company does not have a controlling financial interest, but over which it has the ability to exert significant influence, are accounted for under the equity method of accounting. For equity investees in which the Company has an undivided interest in the assets, liabilities and profits or losses of an unincorporated entity, but does not exercise control over the entity, the Company consolidates its proportional interest in the accounts of the entity.

Translation of Foreign Currencies

The assets and liabilities of foreign subsidiaries with a functional currency other than the U.S. dollar are translated into U.S. dollars at period-end exchange rates, with resulting translation gains or losses included within other comprehensive income or loss. Revenue and expenses are translated into U.S. dollars at average rates of exchange during the applicable period. Substantially all of the Company's foreign operations use their local currency as their functional currency. For foreign operations for which the local currency is not the functional currency, the operation's non-monetary assets are remeasured into U.S. dollars at historical exchange rates. All other accounts are remeasured at current exchange rates. Gains or losses from remeasurement are included in other income or expense, net. Currency gains or losses resulting from transactions executed in currencies other than the functional currency are included in other income or expense, net.

In these consolidated financial statements, "$" means U.S. dollars unless otherwise noted.

Management Estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP requires the use of estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. These estimates are based on historical experience and various other assumptions that management believes to be reasonable under the circumstances, including the potential future effects of macroeconomic trends and events, such as inflation and interest rate levels; uncertainty from potential recessionary effects; supply chain disruptions; climate-related matters; market, industry and regulatory factors, including permitting issues; global events, such as the ongoing military conflict in Ukraine; and public health matters. These estimates form the basis for making judgments about the Company's operating results and the carrying values of assets and liabilities that are not readily apparent from other sources. While management believes that such estimates are reasonable when considered in conjunction with the Company's consolidated financial position and results of operations taken as a whole, actual results could differ materially from these estimates.

Key estimates include: the recognition of revenue and project profit or loss, which the Company defines as project revenue less project costs of revenue, including project-related depreciation, in particular, on construction contracts accounted for under the cost-to-cost method, for which the recorded amounts require estimates of costs to complete and the amount and probability of variable consideration included in the contract transaction price; fair value estimates, including acquisition-related assets, such as goodwill and intangible assets, equity investments, long-lived and other assets; acquisition-related liabilities, including contingent consideration, other liabilities and debt obligations; allowances for credit losses; asset lives used in computing depreciation and amortization; fair values of financial instruments; self-insurance liabilities; certain other accruals and allowances; income taxes; and the estimated effects of litigation and other contingencies.

General Economic, Market and Regulatory Conditions

The Company has experienced, and may continue to experience, direct and indirect negative effects on its business and operations from negative economic, market, and regulatory conditions, including rising interest rates, recent inflationary effects on fuel prices, labor and materials costs, supply chain disruptions, and uncertainty from potential recessionary effects that could negatively affect demand for future projects and/or delay existing project timing or cause increased project costs. The extent to which general economic, market and regulatory conditions could affect the Company's business, operations and financial results is uncertain as it will depend upon numerous evolving factors that management may not be able to accurately predict, and, therefore, any future impacts on the Company's business, financial condition and/or results of operations cannot be quantified or predicted with specificity.

Significant Accounting Policies

Revenue Recognition

The Company recognizes revenue from contracts with customers when, or as, control of promised services and goods is transferred to customers. The amount of revenue recognized reflects the consideration to which the Company expects to be entitled in exchange for the services and goods transferred. The Company primarily recognizes revenue over time utilizing the cost-to-cost measure of progress, which best depicts the continuous transfer of control of goods or services to the customer, and correspondingly, when performance obligations are satisfied for the related contracts.

Contracts. The Company derives revenue primarily from construction projects performed under: (i) master service and other service agreements, which generally provide a menu of available services in a specific geographic territory that are utilized on an as-needed basis, and are typically priced using either a time and materials or a fixed price per unit basis; and (ii) contracts for specific projects requiring the construction and installation of an entire infrastructure system, or specified units within an infrastructure system, which are subject to multiple pricing options, including fixed price, unit price, time and materials, or cost plus a markup. Revenue derived from projects performed under master service and other service agreements totaled 47% and 58% of consolidated revenue for the three month periods ended March 31, 2023 and 2022, respectively.

For certain master service and other service agreements, revenue is recognized at a point in time, primarily for install-to-the-home and certain other wireless services in the Company's Communications segment, and to a lesser extent, certain revenue in the Company's Clean Energy and Infrastructure and Oil and Gas segments. Point in time revenue is recognized when the work order has been fulfilled, which for the majority of the Company's point in time revenue, is the same day it is initiated. Point in time revenue accounted for approximately 3% and 4% of consolidated revenue for the three month periods ended March 31, 2023 and 2022, respectively.

The total contract transaction price and cost estimation processes used for recognizing revenue over time under the cost-to-cost method is based on the professional knowledge and experience of the Company's project managers, engineers, operational and financial professionals. Management reviews estimates of total contract transaction price and total project costs on an ongoing basis. Changes in job performance, job conditions and management's assessment of expected variable consideration are factors that influence estimates of the total contract transaction price, total costs to complete those contracts and the Company's profit recognition. Changes in these factors could result in revisions to revenue in the period in which the revisions are determined, which revisions could materially affect the Company's consolidated results of operations for that period. Provisions for losses on uncompleted contracts are recorded in the period in which such losses are determined. For the three month period ended March 31, 2023, excluding the effects on the Company's results of operations of margin decreases for three projects within the Company's Clean Energy and Infrastructure segment totaling approximately $8.5 million, project profit was affected by less than 5% as a result of changes in contract estimates included in projects that were in process as of December 31, 2022. For the three month period ended March 31, 2022, project profit was affected by less than 5% as a result of changes in contract estimates included in projects that were in process as of December 31, 2021. Changes in recognized revenue, net, as a result of changes in total contract transaction price estimates, including from variable consideration, and/or changes in cost estimates, related to performance obligations satisfied or partially satisfied in prior periods, for the three month period ended March 31, 2023 totaled a net decrease of approximately $9.6 million, and for the three month period ended March 31, 2022, totaled a net increase of approximately $11.9 million.

Performance Obligations. A performance obligation is a contractual promise to transfer a distinct good or service to a customer. The transaction price of a contract is allocated to each distinct performance obligation and recognized as revenue when or as the performance obligation is satisfied. The majority of the Company's performance obligations are completed within one year.

Remaining performance obligations represent the amount of unearned transaction prices under contracts for which work is wholly or partially unperformed, including the Company's share of unearned transaction prices from its proportionately consolidated non-controlled joint ventures. As of March 31, 2023, the amount of the Company's remaining performance obligations was $8.4 billion. Based on current expectations, the Company anticipates it will recognize approximately $5.7 billion of its remaining performance obligations as revenue during 2023, with the majority of the remaining balance expected to be recognized in 2024.

Variable Consideration. Transaction prices for the Company's contracts may include variable consideration, which comprises items such as change orders, claims and incentives. Management estimates variable consideration for a performance obligation utilizing estimation methods that it believes best predict the amount of consideration to which the Company will be entitled. Management's estimates of variable consideration and the determination of whether to include estimated amounts in transaction prices are based largely on engineering studies and legal advice, past practices with the customer, specific discussions, correspondence or preliminary negotiations with the customer and all other relevant information that is reasonably available at the time of the estimate. To the extent unapproved change orders, claims and other variable consideration reflected in transaction prices are not resolved in the Company's favor, or to the extent incentives reflected in transaction prices are not earned, there could be reductions in, or reversals of, previously recognized revenue.

As of March 31, 2023 and December 31, 2022, the Company included approximately $285 million and $271 million, respectively, of change orders and/or claims in transaction prices for certain contracts that were in the process of being resolved in the ordinary course of business, including through negotiation, arbitration and other proceedings. These transaction price adjustments, when earned, are included within contract assets or accounts receivable, net of allowance, as appropriate. As of both March 31, 2023 and December 31, 2022, these change orders and/or claims primarily related to certain projects in the Company's Clean Energy and Infrastructure and Power Delivery segments and include amounts related to recently acquired businesses. The Company actively engages with its customers to complete the final approval process and generally expects these processes to be completed within one year. Amounts ultimately realized upon final agreement by customers could be higher or lower than such estimated amounts.

Recent Accounting Pronouncements

The discussion below describes the effects of recent accounting pronouncements, as updated from the discussion in the Company's 2022 Form 10-K.

Accounting Pronouncements Adopted in 2023

In October 2021, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers* ("ASU 2021-08") to improve consistency for revenue recognition in the post-acquisition period for acquired contracts as compared to contracts entered into subsequent to acquisition. ASU 2021-08 requires an acquirer to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606, Revenue from Contracts with Customers, rather than at fair value. ASU 2021-08, which the Company adopted in the first quarter of 2023, did not have a material effect on the Company's consolidated financial statements.

Recently Issued Accounting Pronouncements

In March 2023, the FASB issued ASU 2023-01, *Leases (Topic 842): Common Control Arrangements* ("ASU 2023-01") to improve the guidance for applying Topic 842, Leases, to arrangements between entities under common control. ASU 2023-01 improves current GAAP by clarifying the accounting for leasehold improvements associated with common control leases, thereby reducing diversity in practice. The provisions of this ASU that apply to public companies include a requirement for entities to amortize leasehold improvements associated with common control leases over the useful life to the common control group. ASU 2023-01 is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2023, with early adoption permitted. The Company is currently evaluating the effects of this ASU, however, this ASU is not expected to have a material effect on the Company's consolidated financial statements.

Note 2 – Earnings Per Share

Basic earnings or loss per share is computed by dividing net income or loss attributable to MasTec by the weighted average number of common shares outstanding for the period, which excludes non-participating unvested restricted share awards. Diluted earnings per share is computed by dividing net income attributable to MasTec by the weighted average number of fully diluted shares, as calculated primarily under the treasury stock method, which includes the potential effect of dilutive common stock equivalents, such as issued but unvested restricted shares. If the Company reports a loss, rather than income, the computation of diluted loss per share excludes the effect of dilutive common stock equivalents, as their effect would be anti-dilutive.

The following table provides details underlying the Company's earnings per share calculations for the periods indicated (in thousands):

	For the Three Months Ended March 31,	
	2023	2022
Net loss attributable to MasTec:		
Net loss - basic and diluted [(a)]	$ (80,540)	$ (34,978)
Weighted average shares outstanding:		
Weighted average shares outstanding - basic[(b)]	76,984	74,789
Dilutive common stock equivalents [(c)]	—	—
Weighted average shares outstanding - diluted	76,984	74,789

(a) Basic net income or loss is calculated as total net income or loss, less amounts attributable to non-controlling interests. Diluted net income or loss is calculated as total net income or loss, less amounts attributable to non-controlling interests, adjusted for the fair value gain or loss, if any, related to additional contingent payments to the former owners of an acquired business for which the contingency has been resolved as of the respective period. See Note 3 - Acquisitions, Goodwill and Other Intangible Assets, Net, for additional information.

(b) For the three month periods ended March 31, 2023 and 2022, basic shares include approximately 99,000 and 72,000 weighted average shares, respectively, related to additional contingent payments.

(c) Weighted average anti-dilutive common stock equivalents totaled approximately 1,330,000 and 1,321,000, for the three month periods ended March 31, 2023 and 2022, respectively. For the three month period ended March 31, 2023, weighted average anti-dilutive common stock equivalents related to additional contingent payments to the former owners of an acquired business were de minimis, and for the three month period ended March 31, 2022, such anti-dilutive common stock equivalents totaled 63,000.

Share repurchases. There were no share repurchases under the Company's share repurchase programs for the three month period ended March 31, 2023. For the three month period ended March 31, 2022, the Company repurchased 187,978 shares of its common stock, the effect of which on the Company's weighted average shares outstanding was minimal. See Note 11 - Equity for details of the Company's share repurchase transactions.

Shares issued for acquisitions. In the fourth quarter of 2022, the Company issued approximately 2,758,000 shares of its common stock in conjunction with the October 2022 acquisition of Infrastructure and Energy Alternatives, Inc. ("IEA"). In the second quarter of 2022, the Company issued 133,000 shares in connection with the December 2021 acquisition of Henkels & McCoy Holdings, Inc., formerly known as Henkels & McCoy Group, Inc. ("HMG"). See Note 3 - Acquisitions, Goodwill and Other Intangible Assets, Net for additional information.

Note 3 – Acquisitions, Goodwill and Other Intangible Assets, Net

The following table provides a reconciliation of changes in goodwill by reportable segment for the three month period ended March 31, 2023 (in millions):

	Communications	Clean Energy and Infrastructure	Oil and Gas	Power Delivery	Total Goodwill
Goodwill, gross, as of December 31, 2022	$ 606.1	$ 703.3	$ 582.2	$ 270.1	$ 2,161.7
Accumulated impairment loss [(a)]	—	—	(116.7)	—	(116.7)
Goodwill, net, as of December 31, 2022	$ 606.1	$ 703.3	$ 465.5	$ 270.1	$ 2,045.0
Additions from new business combinations	0.3	—	—	—	0.3
Measurement period adjustments [(b)]	—	19.4	0.9	—	20.3
Goodwill, net as of March 31, 2023	$ 606.4	$ 722.7	$ 466.4	$ 270.1	$ 2,065.6

(a) Accumulated impairment losses include the effects of currency translation gains and/or losses.

(b) Represents adjustments, net, to preliminary estimates of fair value within the measurement period of up to one year from the date of acquisition. Measurement period adjustments, net, for the three month period ended March 31, 2023 relate primarily to reductions in certain accounts receivable balances and increases in contingent liabilities, including for insurance and other matters.

The following table provides a reconciliation of changes in other intangible assets, net, for the period indicated (in millions):

	Other Intangible Assets, Net			
	Customer Relationships and Backlog	Trade Names [(a)]	Other [(b)]	Total
Other intangible assets, gross, as of December 31, 2022	$ 1,089.4	$ 228.9	$ 86.6	$ 1,404.9
Accumulated amortization	(388.8)	(28.9)	(40.9)	(458.6)
Other intangible assets, net, as of December 31, 2022	$ 700.6	$ 200.0	$ 45.7	$ 946.3
Amortization expense	(34.8)	(5.0)	(2.1)	(41.9)
Other intangible assets, net, as of March 31, 2023	$ 665.8	$ 195.0	$ 43.6	$ 904.4

(a) Trade names includes approximately $34.5 million of non-amortizing trade names as of both March 31, 2023 and December 31, 2022.

(b) Consists principally of pre-qualifications and non-compete agreements.

Quarterly Assessment for Indicators of Impairment. During the first quarter of 2023, the Company performed a quarterly review for indicators of impairment, which considered its results for the three month period ended March 31, 2023, together with its expectations of future results, including consideration of the potential effects of shifts in timing for projects and macroeconomic factors. In conjunction with this quarterly review, management performed a quantitative assessment of the goodwill associated with one reporting unit within the Communications segment, one reporting unit within the Oil and Gas segment and one reporting unit within the Clean Energy and Infrastructure segment. Based on the results of these assessments, management determined that the estimated fair values of these reporting units substantially exceeded their carrying values as of March 31, 2023. Significant changes in the assumptions or estimates used in management's assessment, such as a reduction in profitability and/or cash flows, changes in market conditions, including decreases in market activity levels and/or the effects of rising inflation, including on interest rates, could result in non-cash impairment charges to goodwill and indefinite-lived intangible assets in the future.

Recent Acquisitions

The Company seeks to grow and diversify its business both organically and through acquisitions and/or strategic arrangements in order to deepen its market presence, broaden its geographic reach and expand its service offerings. In 2021, the Company initiated a significant transformation of its end-market business operations to focus on the nation's transition to low-carbon energy sources and position the Company for expected future opportunities. This transformation has included significant business combination activity, including expansion of the Company's scale and capacity in renewable energy, power delivery, heavy civil and telecommunications services, which activity has resulted in significant acquisition and integration costs, both in the Company's existing and recently acquired operations. Acquisitions are funded with cash on hand, borrowings under the Company's senior unsecured credit facility and other debt financing and, for certain recent acquisitions, with shares of the Company's common stock, and are generally subject to customary purchase price adjustments.

2023 Acquisitions. For the three month period ended March 31, 2023, MasTec acquired certain of the assets of a telecommunications company specializing in wireless services that is included within the Company's Communications segment, which acquisition was effective in January and has been accounted for as a business combination under ASC 805, "*Business Combinations*." The aggregate purchase price for this entity was composed of approximately $45 million in cash, net of cash acquired. Determination of the estimated fair values of net assets acquired and consideration transferred for this acquisition was preliminary as of March 31, 2023; as a result, further adjustments to these estimates may occur.

2022 Acquisitions. During 2022, MasTec completed five acquisitions, which included all of the equity interests of the following: (i) within the Company's Clean Energy and Infrastructure segment: IEA, a leading utility-scale infrastructure solutions provider in North America, with expertise in renewable energy and heavy civil projects, as well as rail and environmental remediation services, which acquisition was effective in October; and a company that specializes in the production of concrete and aggregate products, which acquisition was effective in August; (ii) within the Company's Oil and Gas segment: an infrastructure construction company focusing on water, sewer and utility projects and with expertise in excavation and site work, which acquisition was effective in January; (iii) within the Company's Communications segment: a telecommunications company specializing in wireline services, which acquisition was effective as of the end of May; and (iv) within the Company's Power Delivery segment: a company specializing in the construction of overhead high voltage transmission lines, which acquisition was effective in July.

Determination of the estimated fair values of the net assets acquired and the estimated earn-out liabilities and consideration transferred for certain of the Company's 2022 acquisitions was preliminary as of March 31, 2023; as a result, further adjustments to such estimates may occur. The following table summarizes, as of March 31, 2023, the estimated fair values of consideration paid and net assets acquired, as adjusted, for the Company's 2022 acquisitions (in millions):

Acquisition consideration:	**IEA**	**All other**	**Total**
Cash, net of cash acquired	$ 564.5	$ 48.4	$ 612.9
Shares transferred	173.7	—	173.7
Estimated fair value of warrants	10.3	—	10.3
Estimated fair value of contingent consideration	—	2.8	2.8
Total consideration	$ 748.5	$ 51.2	$ 799.7
Identifiable assets acquired and liabilities assumed:			
Accounts receivable and contract assets	$ 584.9	$ 6.1	$ 591.0
Current assets	36.1	1.5	37.6
Property and equipment	213.0	30.2	243.2
Long-term assets, primarily operating lease right-of-use assets	36.9	0.1	37.0
Amortizing intangible assets	362.2	5.9	368.1
Accounts payable	(136.5)	(4.6)	(141.1)
Current liabilities, including current portion of operating lease liabilities	(435.8)	(2.7)	(438.5)
Long-term debt, including finance lease obligations	(330.8)	(0.2)	(331.0)
Long-term liabilities, primarily operating lease liabilities and deferred income taxes	(131.4)	(0.2)	(131.6)
Total identifiable net assets	$ 198.6	$ 36.1	$ 234.7
Goodwill	549.9	15.1	565.0
Total net assets acquired, including goodwill	$ 748.5	$ 51.2	$ 799.7

Amortizing intangible assets related to the IEA acquisition are primarily composed of customer relationships, and to a lesser extent, trade names and backlog. Customer relationship and trade name intangible assets for IEA, in the aggregate, totaled approximately $321 million, which each had a weighted average life of approximately 14 years, based on IEA's operational history and established relationships with, and the nature of, its customers, which are primarily in the renewable energy and specialty civil industries. Backlog intangible assets for IEA totaled approximately $42 million with a weighted average life of approximately 1 year, and are based on estimated cash flows expected to be derived from future work on acquired contracts with customers. The weighted average life of amortizing intangible assets in the aggregate for the IEA acquisition was 13 years. Amortizing intangible assets related to "All other" acquisitions, which are primarily composed of customer relationships, had an aggregate weighted average life of 9 years. Amortizing intangible assets are amortized in a manner consistent with the pattern in which the related benefits are expected to be consumed.

The goodwill balances for each of the respective acquisitions represent the estimated values of each acquired company's geographic presence in key markets, assembled workforce, management team's industry-specific project management expertise and synergies expected to be achieved from the combined operations of each of the acquired companies and MasTec. Approximately $39 million of the goodwill balance related to the 2022 acquisitions is expected to be tax deductible as of March 31, 2023.

The shares of MasTec common stock included in consideration transferred for IEA in the table above consist of approximately 2.7 million shares, valued at approximately $174 million based on the market price of MasTec common stock on the date of closing. Total cash paid for acquisitions, net, includes approximately $44 million of cash acquired. The long-term debt assumed in the table above includes $300 million aggregate principal balance of 6.625% senior unsecured notes assumed in connection with the acquisition of IEA. See Note 7 - Debt for additional information.

Included in consideration transferred for IEA is the value of certain warrants that were originally issued by IEA, for which the remaining warrants outstanding as of December 31, 2022 had an estimated fair value of $3.1 million. Under the terms of the IEA merger agreement, holders of the IEA warrants became entitled to receive an amount in cash and shares of MasTec common stock upon the exercise of the IEA warrants. During the first quarter of 2023, the number of MasTec shares issued in connection with exercised IEA warrants was de minimis. The remaining warrants expired unexercised on March 26, 2023. For the three month period ended March 31, 2023, the Company recorded fair value gains totaling approximately $2.8 million, related primarily to the expired warrants, which amount is reflected in other income.

The contingent consideration included in the table above is composed of earn-out liabilities, which generally equal a portion of the acquired companies' earnings before interest, taxes, depreciation and amortization ("EBITDA") in excess of thresholds agreed upon with the sellers, if applicable. The earn-out arrangements for the 2022 acquisitions are payable annually and have five-year terms, as set forth in the respective purchase agreements, and are valued at approximately $3 million in the aggregate. Earn-outs are recorded within other current and other long-term liabilities, as appropriate, in the consolidated balance sheets. See Note 4 - Fair Value of Financial Instruments for details pertaining to fair value estimates for the Company's earn-out arrangements. As of March 31, 2023, the range of remaining potential undiscounted earn-out liabilities for the 2022 acquisitions was estimated to be up to $4 million; however, there is no maximum payment amount. Current liabilities reflected in the table above include contingent liabilities for insurance and other matters.

HMG Additional Payments. The HMG purchase agreement, for which the subject acquisition was effective in December 2021, provides for certain additional payments to be made to the sellers if certain acquired receivables are collected by the Company (the "Additional Payments"). Pursuant to the terms of the purchase agreement, a portion of the Additional Payments will be made in cash, with the remainder due in shares of MasTec common stock. The estimated number of potential shares that could be issued related to such Additional Payments will be based on the amounts ultimately collected and the share price as defined within the purchase agreement. Changes in the estimated fair value of potential shares that could be issued, which result from changes in MasTec's share price as compared with the share price as defined within the purchase agreement, are reflected within other income or expense, as appropriate. An Additional Payment of approximately $29.4 million was made in May 2022, which payment was composed of approximately $18 million in cash and 133,157 shares of MasTec common stock.

As of March 31, 2023 and December 31, 2022, the estimated fair value of remaining Additional Payments was approximately $39 million and $37 million, respectively, which amounts are included within other current liabilities in the consolidated balance sheet and include the effects of unrealized fair value gains or losses related to the contingent shares. The estimated number of shares that would be paid in connection with the remaining Additional Payment liability totaled approximately 170,000 shares as of both March 31, 2023 and December 31, 2022. For the three month period ended March 31, 2023, unrealized fair value measurement activity related to the contingent shares totaled losses of approximately $1.6 million. The amount of Additional Payments due to the sellers as of both March 31, 2023 and December 31, 2022 totaled approximately $21.8 million, of which the amount due in shares totaled approximately $9.3 million and $8.4 million, respectively, or 98,800 shares, for both periods. See Note 2 - Earnings Per Share for the effect of the above referenced shares on the Company's earnings per share calculations.

Pro forma results. For the three month periods ended March 31, 2023 and 2022, unaudited supplemental pro forma revenue totaled approximately $2.6 billion and $2.3 billion, respectively, and unaudited supplemental pro forma net loss totaled approximately $83.2 million and $74.6 million, respectively. Supplemental pro forma information for the Company's first quarter 2023 acquisition has not been presented for the pre-acquisition periods due to the impracticability of obtaining accurate or reliable historical financial information for the assets of the entity that were acquired.

Acquisition-related results. For the three month periods ended March 31, 2023 and 2022, the Company's consolidated results of operations included acquisition-related revenue of approximately $400.6 million and $704.7 million, respectively. Acquisition-related revenue for the three month period ended March 31, 2023 included approximately $370.0 million for IEA, and for the three month period ended March 31, 2022 included approximately $548.1 million for HMG and INTREN in the aggregate. Acquisition-related net losses for the three month periods ended March 31, 2023 and 2022 totaled approximately $34.1 million and $4.3 million, respectively, based on the Company's consolidated effective tax rates. These acquisition-related results include amortization of acquired intangible assets and certain acquisition integration costs.

Acquisition and integration costs. The Company has incurred certain acquisition and integration costs in connection with its recent acquisitions, which costs are included within general and administrative expenses, costs of revenue, excluding depreciation and amortization, and other expense. Acquisition and integration costs include i) the costs of integrating acquired entities, such as: employee termination expenses, including employee compensation relating to the elimination of certain positions that were determined to be redundant, and other integration-type costs, including operating cost redundancies, facility consolidation expenses, lease termination expenses, losses on disposal of identified assets, system migration expenses, training and other integration costs, as well as ii) legal, professional and other fees associated with the consummation of these acquisitions, including fees paid in connection with certain transaction-related financing commitments, including, in the second half of 2022, bridge financing related to the IEA acquisition. The Company is currently in the process of integrating these acquisitions and expects to incur additional acquisition and integration expenses. For the three month period ended March 31, 2023, such acquisition and integration costs totaled approximately $17.1 million, of which $14.6 million and $2.5 million were included within general and administrative expenses and costs of revenue, excluding depreciation and amortization, respectively. Acquisition and integration costs for the three month period ended March 31, 2022 totaled approximately $13.6 million, which amount was included within general and administrative expenses. As of March 31, 2023 and December 31, 2022, approximately $1.9 million and $5.5 million, respectively, was included within current liabilities within the consolidated balance sheets related to such costs.

Note 4 – Fair Value of Financial Instruments

The Company's financial instruments are primarily composed of cash and cash equivalents, accounts and notes receivable, cash collateral deposited with insurance carriers, life insurance assets, equity investments, certain other assets and investments, deferred compensation plan assets and liabilities, accounts payable and other current liabilities, acquisition-related contingent consideration and other liabilities, mandatorily redeemable non-controlling interests and debt obligations.

Fair value is the price that would be received to sell an asset or the amount paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value guidance establishes a valuation hierarchy, which requires maximizing the use of observable inputs when measuring fair value. The three levels of inputs that may be used are: (i) Level 1 - quoted market prices in active markets for identical assets or liabilities; (ii) Level 2 - observable market-based inputs or other observable inputs; and (iii) Level 3 - significant unobservable inputs that cannot be corroborated by observable market data, which are generally determined using valuation models incorporating management estimates of market participant assumptions.

Acquisition-Related Contingent Consideration and Other Liabilities

Acquisition-related contingent consideration and other liabilities is composed of earn-outs, which represent the estimated fair value of future amounts payable for businesses, including for mandatorily redeemable non-controlling interests (together, "Earn-outs"), that are contingent upon the acquired business achieving certain levels of earnings in the future. As of March 31, 2023 and December 31, 2022, the estimated fair value of the Company's Earn-out liabilities totaled $125.4 million and $127.4 million, respectively, of which $12.3 million and $13.9 million, respectively, related to mandatorily redeemable non-controlling interests. Earn-out liabilities included within other current liabilities totaled approximately $36.0 million and $37.7 million as of March 31, 2023 and December 31, 2022, respectively. The fair values of the Company's Earn-out liabilities are estimated using income approaches such as discounted cash flows or option pricing models, both of which incorporate significant inputs not observable in the market (Level 3 inputs), including management's estimates and entity-specific assumptions, and are evaluated on an ongoing basis. Key assumptions include the discount rate, which was 12.0% as of March 31, 2023, and probability-weighted projections of earnings before interest, taxes, depreciation and amortization ("EBITDA"). Significant changes in any of these assumptions could result in significantly higher or lower potential Earn-out liabilities. The ultimate payment amounts for the Company's Earn-out liabilities will be determined based on the actual results achieved by the acquired businesses. As of March 31, 2023, the range of potential undiscounted Earn-out liabilities was estimated to be between $36 million and $149 million; however, there is no maximum payment amount.

Earn-out activity consists primarily of additions from new business combinations; changes in the expected fair value of future payment obligations; and payments. For the three month period ended March 31, 2023, there were no additions from new business combinations, and for the three month period ended March 31, 2022, additions from new business combinations totaled approximately $1.7 million. There were no measurement period adjustments for the three month period ended March 31, 2023, and for the three month period ended March 31, 2022, measurement period adjustments totaled a decrease of approximately $1.9 million and related primarily to the Company's Oil and Gas segment. For the three month period ended March 31, 2023, fair value adjustments across multiple segments totaled a decrease, net of approximately $0.3 million, and for the three month period ended March 31, 2022, there were no fair value adjustments. Earn-out payments for the three month period ended March 31, 2023 totaled approximately $1.7 million and related to mandatorily redeemable non-controlling interests. There were no Earn-out payments for the three month period ended March 31, 2022.

Equity Investments

The Company's equity investments as of March 31, 2023 include: (i) the Company's 33% equity interests in Trans-Pecos Pipeline, LLC ("TPP") and Comanche Trail Pipeline, LLC ("CTP," and together with TPP, the "Waha JVs"); (ii) a 15% equity interest in Cross Country Infrastructure Services, Inc. ("CCI"); (iii) the Company's 50% equity interests in each of FM Technology Holdings, LLC, FM USA Holdings, LLC and All Communications Solutions Holdings, LLC, collectively "FM Tech"; (iv) the Company's interests in certain proportionately consolidated non-controlled contractual joint ventures; and (v) certain other equity investments.

Investment Arrangements. From time to time, the Company may participate in selected investment or strategic arrangements, including equity interests in various business entities and participation in contractual joint ventures, some of which may involve the extension of loans or other types of financing arrangements. The Company has determined that certain of its investment arrangements are variable interest entities ("VIEs"). As of March 31, 2023, except for one individually insignificant VIE, the Company does not have the power to direct the primary activities that most significantly impact the economic performance of its VIEs, nor is it the primary beneficiary. Accordingly, except for the previously mentioned VIE, the Company's VIEs are not consolidated. The carrying values of the Company's VIEs totaled approximately $26 million and $24 million as of March 31, 2023 and December 31, 2022, respectively, which amounts are recorded within other long-term assets in the consolidated balance sheets, and management believes that the Company's maximum exposure to loss for its VIEs, inclusive of additional financing commitments, approximated $37 million for both periods.

Equity investments, other than those accounted for as equity method investments or those that are proportionately consolidated, are measured at fair value if their fair values are readily determinable. Equity investments that do not have readily determinable fair values are measured at cost, adjusted for changes from observable market transactions, if any, less impairment, which is referred to as the "adjusted cost basis." As of March 31, 2023 and December 31, 2022, the aggregate carrying value of the Company's equity investments, including equity investments measured on an adjusted cost basis, totaled approximately $307 million and $306 million, respectively. As of both March 31, 2023 and December 31, 2022, equity investments measured on an adjusted cost basis, including the Company's $15 million investment in CCI, totaled approximately $20 million. There were no impairments related to these investments in either of the three month periods ended March 31, 2023 or 2022.

The Waha JVs. The Waha JVs own and operate certain pipeline infrastructure that transports natural gas to the Mexican border for export. The Company's investments in the Waha JVs are accounted for as equity method investments. Equity in earnings related to the Company's proportionate share of income from the Waha JVs, which is included within the Company's Other segment, totaled approximately $8.0 million and $7.4 million for the three month periods ended March 31, 2023 and 2022, respectively. Distributions of earnings from the Waha JVs, which are included within operating cash flows, totaled $4.3 million and $3.1 million for the three month periods ended March 31, 2023 and 2022, respectively. Cumulative undistributed earnings from the Waha JVs, which represents cumulative equity in earnings for the Waha JVs less distributions of earnings, totaled $114.3 million as of March 31, 2023. The Company's net investment in the Waha JVs, which differs from its proportionate share of the net assets of the Waha JVs due primarily to equity method goodwill associated with capitalized investment costs, totaled approximately $262 million and $263 million as of March 31, 2023 and December 31, 2022, respectively.

The Waha JVs are party to separate non-recourse financing facilities, each of which are secured by pledges of the equity interests in the respective entities, as well as a first lien security interest over virtually all of their assets. The Waha JVs are also party to certain interest rate swaps (the "Waha JV swaps"), which are accounted for as qualifying cash flow hedges. The Company reflects its proportionate share of any unrealized fair market value gains or losses from fluctuations in interest rates associated with these swaps within other comprehensive income or loss, as appropriate. For the three month period ended March 31, 2023, the Company's proportionate share of unrecognized unrealized activity on the Waha JV swaps totaled losses of approximately $5.6 million, or $4.2 million, net of tax, and for the three month period ended March 31, 2022, unrecognized unrealized activity totaled gains of approximately $18.2 million, or $13.8 million, net of tax.

Other Investments. The Company has equity interests in certain telecommunications entities that are accounted for as equity method investments. As of March 31, 2023 and December 31, 2022, the Company had an aggregate investment of approximately $22 million and $21 million, respectively, in these entities, including $18 million for FM Tech as of both periods. The Company made no equity contributions related to its investments in telecommunications entities for the three month period ended March 31, 2023, and made equity contributions totaling approximately $0.5 million for the three month period ended March 31, 2022. Equity in earnings, net, related to the Company's proportionate share of income from these telecommunications entities totaled approximately $1.1 million for the three month period ended March 31, 2023, and for the three month period ended March 31, 2022, equity in losses, net, related to these entities totaled approximately $0.3 million.

Certain of these telecommunications entities provide services to MasTec. Expense recognized in connection with services provided by these entities totaled approximately $0.4 million and $1.0 million for the three month periods ended March 31, 2023 and 2022, respectively. As of March 31, 2023 and December 31, 2022, related amounts payable to these entities totaled approximately $0.1 million and $0.2 million, respectively. In addition, the Company had an employee leasing arrangement with one of these entities and has advanced certain amounts to these entities. For the three month period ended March 31, 2023, employee lease expenses and advances to these entities were de minimis, and for the three month period ended March 31, 2022, there were no employee lease expenses or advances to these entities. As of both March 31, 2023 and December 31, 2022, receivables related to these arrangements totaled approximately $3.8 million.

The Company has 49% equity interests in certain entities included within its Communications and Power Delivery segments that are accounted for as equity method investments, for which its aggregate investment as of both March 31, 2023 and December 31, 2022 totaled approximately $3 million. For both the three month periods ended March 31, 2023 and 2022, equity in losses, net, related to these entities totaled approximately $0.1 million. Certain of these entities provide construction services to MasTec. Expense recognized in connection with construction services provided by these entities totaled approximately $0.3 million and $3.6 million for the three month periods ended March 31, 2023 and 2022, respectively. As of March 31, 2023, related amounts payable totaled approximately $0.1 million, and as of December 31, 2022, were de minimis. In addition, the Company has line of credit arrangements with these entities, which, as of March 31, 2023 and December 31, 2022, provide for up to $3.0 million and $4.5 million, respectively, of borrowing availability. There were no borrowings as of March 31, 2023, and as of December 31, 2022, $0.6 million was drawn, which amount was included within other current assets in the consolidated balance sheets.

The Company has a 75% equity interest in Confluence Networks, LLC ("Confluence"), an undersea fiber-optic communications systems developer and VIE, which is accounted for as an equity method investment. As of March 31, 2023, a total of $2.1 million of the $2.5 million initial commitment had been funded, of which $0.2 million was funded during the three month period ended March 31, 2023. No amounts were funded for the three month period ended March 31, 2022. Equity in losses related to the Company's proportionate share of income from this investment was $0.1 million and $0.2 million for the three month periods ended March 31, 2023 and 2022, respectively.

The Company also has certain equity investments in American Virtual Cloud Technologies, Inc. ("AVCT"), in which the Company has no active involvement. AVCT filed for bankruptcy in the first quarter of 2023, during which period the Company wrote-off its remaining $0.2 million investment.

Senior Notes

As of both March 31, 2023 and December 31, 2022, the gross carrying amount of the Company's 4.50% senior notes due August 15, 2028 (the "4.50% Senior Notes") totaled $600.0 million, and their estimated fair value totaled approximately $552.0 million and $534.0 million for the respective periods. As of March 31, 2023 and December 31, 2022, the gross carrying amount of the Company's 6.625% senior notes due August 15, 2029 totaled $282.1 million and $281.2 million, respectively, which notes are composed of $225.1 million aggregate principal amount of 6.625%% IEA senior notes (the "6.625% IEA Senior Notes") and $74.9 million aggregate principal amount of 6.625% MasTec senior notes (the "6.625% MasTec Senior Notes"), collectively, the "6.625% Senior Notes"). The estimated fair value of the 6.625% Senior Notes totaled approximately $268.5 million and $280.5 million as of March 31, 2023 and December 31, 2022, respectively. The estimated fair values of the Company's 4.50% Senior Notes and 6.625% Senior Notes were determined based on an exit price approach using Level 1 inputs.

Note 5 – Accounts Receivable, Net of Allowance, and Contract Assets and Liabilities

The following table provides details of accounts receivable, net of allowance, and contract assets (together, “accounts receivable, net”) as of the dates indicated (in millions):

	March 31, 2023	December 31, 2022
Contract billings	$ 1,380.5	$ 1,408.1
Less allowance	(8.5)	(8.4)
Accounts receivable, net of allowance	$ 1,372.0	$ 1,399.7
Retainage	350.6	401.9
Unbilled receivables	1,419.0	1,328.0
Contract assets	$ 1,769.6	$ 1,729.9

Contract billings represent the amount of performance obligations that have been billed but not yet collected, whereas contract assets consist of unbilled receivables and retainage. Unbilled receivables represent the estimated value of unbilled work for projects with performance obligations recognized over time. Retainage represents a portion of the contract amount that has been billed, but for which the contract allows the customer to retain a portion of the billed amount until final contract settlement (generally, from 5% to 10% of contract billings). For the three month period ended March 31, 2023, provisions for credit losses totaled $0.5 million, and for the three month period ended March 31, 2022, provisions for credit losses were de minimis. Impairment losses on contract assets were not material in either period.

Contract liabilities consist primarily of deferred revenue. Under certain contracts, the Company may be entitled to invoice the customer and receive payments in advance of performing the related contract work. In those instances, the Company recognizes a liability for advance billings in excess of revenue recognized, which is referred to as deferred revenue. Contract liabilities also include the amount of any accrued project losses. Total contract liabilities, including accrued project losses, totaled approximately $438.6 million and $406.2 million as of March 31, 2023 and December 31, 2022, respectively, of which deferred revenue comprised approximately $423.5 million and $390.3 million, respectively. For the three month period ended March 31, 2023, the Company recognized revenue of approximately $287.6 million related to amounts that were included in deferred revenue as of December 31, 2022, resulting primarily from the advancement of physical progress on the related projects during the period, including amounts from recently acquired businesses.

The Company is party to non-recourse financing arrangements in the ordinary course of business, under which certain receivables are settled with the customer’s bank in return for a nominal fee. Discount charges related to these arrangements, which are included within interest expense, net, totaled approximately $3.8 million and $1.0 million for the three month periods ended March 31, 2023 and 2022, respectively.

Note 6 – Property and Equipment, Net

The following table provides details of property and equipment, net, including property and equipment held under finance leases as of the dates indicated (in millions):

	March 31, 2023	December 31, 2022
Land	$ 73.6	$ 73.5
Buildings and leasehold improvements	91.4	86.7
Machinery, equipment and vehicles	2,854.6	2,797.0
Office equipment, furniture and internal-use software	312.7	286.8
Construction in progress	45.0	67.4
Total property and equipment	$ 3,377.3	$ 3,311.4
Less accumulated depreciation and amortization	(1,646.7)	(1,557.3)
Property and equipment, net	$ 1,730.6	$ 1,754.1

As of March 31, 2023 and December 31, 2022, the gross amount of capitalized internal-use software totaled $202.4 million and $186.6 million, respectively, and, net of accumulated amortization, totaled $51.9 million and $39.9 million, respectively.

Note 7 – Debt

The following table provides details of the carrying values of debt as of the dates indicated (in millions):

Description	Maturity Date	March 31, 2023	December 31, 2022
Senior credit facility:	November 1, 2026		
Revolving loans		$ 905.0	$ 896.0
Term loan		347.8	350.0
4.50% Senior Notes	August 15, 2028	600.0	600.0
6.625% Senior Notes	August 15, 2029	282.1	281.2
2022 Term Loan Facility	October 7, 2025 and October 7, 2027	700.0	700.0
Finance lease and other obligations		393.9	414.5
Total debt obligations		$ 3,228.8	$ 3,241.7
Less unamortized deferred financing costs		(16.6)	(17.6)
Total debt, net of deferred financing costs		$ 3,212.2	$ 3,224.1
Current portion of long-term debt		166.7	171.9
Long-term debt		$ 3,045.5	$ 3,052.2

Senior Credit Facility

As of March 31, 2023, the Company's senior unsecured credit facility (the "Credit Facility") had aggregate borrowing commitments totaling approximately $2.25 billion, which amount is composed of $1.9 billion of revolving commitments and a term loan with an original principal amount of $350 million (the "Term Loan"). The Term Loan is subject to amortization in quarterly principal installments of approximately $2.2 million, which quarterly installments increase to approximately $4.4 million in March 2025 until maturity. Quarterly principal installments on the Term Loan are subject to adjustment, if applicable, for certain prepayments. As of March 31, 2023 and December 31, 2022, the fair values of the Credit Facility and Term Loan, as estimated based on an income approach utilizing significant unobservable Level 3 inputs including discount rate assumptions, approximated their carrying values.

Revolving loans accrued interest at weighted average rates of approximately 6.45% and 5.82% per annum as of March 31, 2023 and December 31, 2022, respectively. The Term Loan accrued interest at rates of 6.53% and 5.80% as of March 31, 2023 and December 31, 2022, respectively. Letters of credit of approximately $145.7 million and $143.1 million were issued as of March 31, 2023 and December 31, 2022, respectively. As of March 31, 2023 and December 31, 2022, letter of credit fees accrued at 0.6875% and 0.5625%, respectively, per annum for performance standby letters of credit, and accrued at 1.625% and 1.375%, respectively, per annum for financial standby letters of credit. Outstanding letters of credit mature at various dates and most have automatic renewal provisions, subject to prior notice of cancellation. As of March 31, 2023 and December 31, 2022, availability for revolving loans totaled $849.3 million and $860.9 million, respectively, or up to $504.3 million and $506.9 million, respectively, for new letters of credit. As of both March 31, 2023 and December 31, 2022, there were no borrowings denominated in foreign currencies. Revolving loan borrowing capacity included $300.0 million of availability in either Canadian dollars or Mexican pesos as of both March 31, 2023 and December 31, 2022. The unused facility fee as of March 31, 2023 and December 31, 2022 accrued at a rate of 0.225% and 0.200%, respectively, per annum.

Other Credit Facilities

The Company has other credit facilities that support the working capital requirements of its foreign operations and certain letter of credit issuances. As of March 31, 2023, outstanding borrowings under the Company's other credit facilities totaled $2.6 million, which accrued interest at a weighted average rate of 7.45%. There were no outstanding borrowings under the Company's other credit facilities as of December 31, 2022. Additionally, the Company has a separate credit facility, under which it may issue performance standby letters of credit. As of March 31, 2023 and December 31, 2022, letters of credit issued under this facility totaled $17.2 million and $23.6 million, respectively, which accrued fees at 0.90% and 0.75%, respectively, per annum.

2022 Term Loan Facility

As of March 31, 2023, the Company has $700.0 million of additional unsecured term loans entered into in connection with the acquisition of IEA, composed of a three-year term loan of $400.0 million in principal amount (the "Three-Year Tranche") maturing on October 7, 2025, and a five-year term loan of $300.0 million in principal amount (the "Five-Year Tranche") maturing on October 7, 2027 (together, the "2022 Term Loan Facility"). The Three-Year Tranche is not subject to amortization. The Five-Year Tranche is subject to amortization in quarterly principal installments of approximately $3.75 million commencing on March 31, 2024, which will increase to $7.5 million on March 31, 2026 until maturity, subject to the application of certain prepayments. As of March 31, 2023, the Three and Five-Year Tranches accrued interest at rates of 6.308% and 6.433%, respectively, and as of December 31, 2022, the Three- and Five-Year Tranches accrued interest at rates of 5.692% and 5.817%, respectively. As of March 31, 2023 and December 31, 2022, the fair value of the 2022 Term Loan Facility, as estimated based on an income approach, utilizing significant unobservable Level 3 inputs including discount rate assumptions, approximated its carrying value.

Debt Covenants

MasTec was in compliance with the provisions and covenants of its outstanding debt instruments as of both March 31, 2023 and December 31, 2022.

Additional Information

As of March 31, 2023 and December 31, 2022, accrued interest payable, which is recorded within other accrued expenses in the consolidated balance sheets, totaled $14.3 million and $24.8 million, respectively. For additional information pertaining to the Company's debt instruments, see Note 7 - Debt in the Company's 2022 Form 10-K.

Note 8 – Lease Obligations

In the ordinary course of business, the Company enters into agreements that provide financing for machinery and equipment and for other of its facility, vehicle and equipment needs, including related party leases. As of March 31, 2023, the Company's leases have remaining lease terms of up to sixteen years. Lease agreements may contain renewal clauses, which, if elected, generally extend the term of the lease for one to five years for both equipment and facility leases. Certain lease agreements may also contain options to purchase the leased property and/or options to terminate the lease. In addition, lease agreements may include periodic adjustments to payment amounts for inflation or other variables, or may require payments for taxes, insurance, maintenance or other expenses, which are generally referred to as non-lease components. The Company's lease agreements do not contain significant residual value guarantees or material restrictive covenants.

Finance Leases

The gross amount of assets held under finance leases as of March 31, 2023 and December 31, 2022 totaled $715.7 million and $720.1 million, respectively. Assets held under finance leases, net of accumulated depreciation, totaled $512.4 million and $535.3 million as of March 31, 2023 and December 31, 2022, respectively. Depreciation expense associated with finance leases totaled $28.0 million and $20.3 million for the three month periods ended March 31, 2023 and 2022, respectively.

Operating Leases

Operating lease additions for the three month periods ended March 31, 2023 and 2022 totaled $26.3 million and $26.9 million, respectively. For the three month periods ended March 31, 2023 and 2022, rent expense for leases that have terms in excess of one year totaled approximately $35.2 million and $34.0 million, respectively, of which $4.0 million and $3.0 million, respectively, represented variable lease costs. The Company also incurred rent expense for leases with terms of one year or less totaling approximately $111.1 million and $74.3 million for the three month periods ended March 31, 2023 and 2022, respectively. Rent expense for operating leases is generally consistent with the amount of the related payments, which payments are included within operating activities in the consolidated statements of cash flows.

Additional Lease Information

Future minimum lease commitments as of March 31, 2023 were as follows (in millions):

	Finance Leases	Operating Leases
2023, remaining nine months	$ 125.3	$ 78.4
2024	127.5	85.3
2025	90.9	59.4
2026	33.9	40.7
2027	4.0	18.7
Thereafter	0.5	32.1
Total minimum lease payments	$ 382.1	$ 314.6
Less amounts representing interest	(17.2)	(27.7)
Total lease obligations, net of interest	$ 364.9	$ 286.9
Less current portion	148.8	96.8
Long-term portion of lease obligations, net of interest	$ 216.1	$ 190.1

As of March 31, 2023, finance leases had a weighted average remaining lease term of 2.7 years and a weighted average discount rate of 4.1%, and non-cancelable operating leases had a weighted average remaining lease term of 4.4 years and a weighted average discount rate of 3.8%.

Note 9 – Stock-Based Compensation and Other Employee Benefit Plans

The Company has stock-based compensation plans, under which shares of the Company's common stock are reserved for issuance. Under all stock-based compensation plans in effect as of March 31, 2023, there were approximately 2,762,000 shares available for future grant. Non-cash stock-based compensation expense under all plans totaled $8.5 million and $6.3 million for the three month periods ended March 31, 2023 and 2022, respectively. Income tax benefits associated with stock-based compensation arrangements totaled $10.2 million and $2.2 million for the three month periods ended March 31, 2023 and 2022, respectively, including net tax benefits related to the vesting of share-based payment awards totaling $8.8 million and $0.9 million, respectively.

Restricted Shares

MasTec grants restricted stock awards and restricted stock units (together, "restricted shares") to eligible participants, which are valued based on the closing market share price of MasTec common stock (the "market price") on the date of grant. During the restriction period, holders of restricted stock awards are entitled to vote the shares. As of March 31, 2023, total unearned compensation related to restricted shares was approximately $66.5 million, which amount is expected to be recognized over a weighted average period of approximately 2.2 years. The fair value of restricted shares that vested, which is based on the market price on the date of vesting, totaled $77.3 million and $19.0 million for the three month periods ended March 31, 2023 and 2022, respectively.

Activity, restricted shares: [(a)]	**Restricted Shares**	**Per Share Weighted Average Grant Date Fair Value**
Non-vested restricted shares, as of December 31, 2022	2,049,280	$ 52.33
Granted	194,906	96.17
Vested	(844,483)	27.18
Canceled/forfeited	(21,223)	37.24
Non-vested restricted shares, as of March 31, 2023	1,378,480	$ 74.18

(a) Includes 1,000 and 2,150 restricted stock units as of March 31, 2023 and December 31, 2022, respectively.

Employee Stock Purchase Plans

The Company has certain employee stock purchase plans (collectively, "ESPPs"), under which shares of the Company's common stock are available for purchase by eligible participants. Under the ESPPs, eligible participants are permitted to purchase MasTec, Inc. common stock at 85% of the fair market value of the shares on the date of purchase, which occurs on the last trading day of each two week offering period. At the Company's discretion, share purchases may be satisfied by delivering either newly issued common shares, or common shares reacquired on the open market or in privately negotiated transactions.

For the three month periods ended March 31, 2023 and 2022, 21,299 shares and 24,737 shares, respectively, were purchased by participants under the Company's ESPPs for $1.7 million and $1.9 million, respectively, and were satisfied with shares reacquired by the Company on the open market. Compensation expense associated with the Company's ESPPs totaled approximately $0.3 million for both the three month periods ended March 31, 2023 and 2022.

Note 10 – Other Retirement Plans

Multiemployer Plans. Certain of MasTec's subsidiaries contribute amounts to multiemployer pension and other multiemployer benefit plans and trusts ("MEPPs"). Contributions are generally based on fixed amounts per hour per employee for employees covered under these plans. Multiemployer plan contribution rates are determined annually and are assessed on a "pay-as-you-go" basis based on union employee payrolls. Union payrolls cannot be determined for future periods because the number of union employees employed at a given time, and the plans in which they participate, vary depending upon the location and number of ongoing projects and the need for union resources in connection with those projects. Total contributions to multiemployer plans and the related number of employees covered by these plans for the periods indicated were as follows:

	Multiemployer Plans				
	Covered Employees		**Contributions (in millions)**		
For the Three Months Ended March 31:	**Low**	**High**	**Pension**	**Other Multiemployer**	**Total**
2023	6,806	7,581	$ 21.8	$ 13.4	$ 35.2
2022	6,601	6,672	$ 17.0	$ 13.2	$ 30.2

The fluctuations in the number of employees covered under multiemployer plans and associated contributions in the table above related primarily to the timing of activity for the Company's union resource-based projects, as well as the effects of the Company's recent acquisitions. For the three month period ended March 31, 2023, multiemployer plan activity was driven primarily by project work within the Company's Power Delivery operations and acquisition-related project work within the Company's Clean Energy and Infrastructure operations, whereas for the three month period ended March 31, 2022, activity was driven primarily by acquisition-related project work within the Company's Power Delivery operations.

Note 11 – Equity

Share Activity

The Company's share repurchase programs provide for the repurchase, from time to time, of MasTec common shares in open market transactions or in privately negotiated transactions in accordance with applicable securities laws. The Company's share repurchase programs do not have an expiration date and may be modified or suspended at any time at the Company's discretion. There were no share repurchases under the

Company’s share repurchase programs for the three month period ended March 31, 2023. For the three month period ended March 31, 2022, the Company repurchased 0.2 million shares of its common stock for an aggregate purchase price of approximately $13.8 million, of which 0.1 million shares were repurchased for $8.6 million under the Company’s December 2018 $100 million share repurchase program, which completed the program. The remaining 0.1 million shares were repurchased for $5.2 million under the Company’s March 2020 $150 million share repurchase program. As of March 31, 2023, $77.3 million was available for future share repurchases under the Company’s March 2020 share repurchase program.

Accumulated Other Comprehensive Loss

Unrealized foreign currency translation activity, net, for the three month periods ended March 31, 2023 and 2022 relates primarily to the Company’s operations in Canada and Mexico. Unrealized investment activity for the three month periods ended March 31, 2023 and 2022 relates to unrealized fair value gains or losses associated with the Waha JV interest rate swaps. See Note 4 - Fair Value of Financial Instruments for additional information.

Note 12 – Income Taxes

In determining the quarterly provision for income taxes, management uses an estimated annual effective tax rate based on forecasted annual pre-tax income, permanent tax differences, statutory tax rates and tax planning opportunities in the various jurisdictions in which the Company operates. The effect of significant discrete items is separately recognized in the quarter(s) in which they occur. For the three month periods ended March 31, 2023 and 2022, the Company’s consolidated effective tax rates were 35.7% and 27.3%, respectively. The Company’s effective tax rate for the three month period ended March 31, 2023 included the effects of a net tax benefit of approximately $8.8 million related to the vesting of share-based payment awards and an increase in non-deductible expenses, and for the three month period ended March 31, 2022, included a net benefit of approximately $0.9 million related to the vesting of share-based payment awards.

Note 13 – Segments and Related Information

Segment Discussion

The Company manages its operations under five operating segments, which represent its five reportable segments: (1) Communications; (2) Clean Energy and Infrastructure; (3) Oil and Gas; (4) Power Delivery and (5) Other. This structure is generally focused on broad end-user markets for the Company’s labor-based construction services. All five reportable segments derive their revenue primarily from the engineering, installation and maintenance of infrastructure, primarily in North America.

The Communications segment performs engineering, construction, maintenance and customer fulfillment activities related to communications infrastructure, primarily for wireless and wireline/fiber communications and install-to-the-home customers, as well as infrastructure for utilities, among others. The Clean Energy and Infrastructure segment primarily serves energy, utility, government and other end-markets through the installation and construction of power generation facilities, primarily from clean energy and renewable sources, such as wind, solar, biomass, natural gas and hydrogen, as well as battery storage for renewable energy; various types of heavy civil and industrial infrastructure, including rail; and environmental remediation services. The Company performs engineering, construction and maintenance services for pipeline distribution, including natural gas, carbon capture sequestration, water and pipeline integrity services for the energy and utilities industries through its Oil and Gas segment. The Power Delivery segment primarily serves the energy and utility industries through the engineering, construction and maintenance of power transmission and distribution infrastructure, including electrical and gas transmission lines, distribution network systems and substations; and environmental planning and compliance services. The Other segment includes certain equity investees, the services of which may vary from those provided by the Company’s primary segments, as well as other small business units that perform construction and other services for certain international end-markets.

Earnings before interest, taxes, depreciation and amortization (“EBITDA”) is the measure of profitability used by management to manage its segments and, accordingly, in its segment reporting. As appropriate, the Company supplements the reporting of its consolidated financial information determined in accordance with U.S. GAAP with certain non-U.S. GAAP financial measures, including EBITDA. The Company believes these non-U.S. GAAP measures provide meaningful information and help investors understand the Company’s financial results and assess its prospects for future performance. The Company uses EBITDA to evaluate its performance, both internally and as compared with its peers, because it excludes certain items that may not be indicative of the Company’s core operating results for its reportable segments, as well as items that can vary widely across different industries or among companies within the same industry. Segment EBITDA is calculated in a manner consistent with consolidated EBITDA.

Summarized financial information for MasTec’s reportable segments is presented and reconciled to consolidated financial information for total MasTec in the following tables, including a reconciliation of consolidated income before income taxes to EBITDA, all of which are presented in millions. The tables below may contain slight summation differences due to rounding.

Revenue:	For the Three Months Ended March 31, 2023	2022
Communications [a]	$ 806.6	$ 664.2
Clean Energy and Infrastructure	824.9	435.9
Oil and Gas	256.5	211.0
Power Delivery	709.4	650.5
Other	—	—
Eliminations	(12.7)	(7.2)
Consolidated revenue	$ 2,584.7	$ 1,954.4

(a) Revenue generated primarily by utilities customers represented 23.7% and 25.6% of Communications segment revenue for the three month periods ended March 31, 2023 and 2022, respectively.

EBITDA:	For the Three Months Ended March 31, 2023	2022
Communications	$ 52.8	$ 40.3
Clean Energy and Infrastructure	5.3	10.9
Oil and Gas	14.5	21.5
Power Delivery	47.4	46.1
Other	7.1	6.9
Segment EBITDA	$ 127.1	$ 125.7

For the three month period ended March 31, 2023, Communications, Clean Energy and Infrastructure and Power Delivery EBITDA included $8.9 million, $5.2 million and $1.7 million, respectively, of acquisition and integration costs related to the Company's recent acquisitions, and Corporate EBITDA included $1.3 million of such costs. For the three month period ended March 31, 2022, Communications, Oil and Gas and Power Delivery EBITDA included $0.8 million, $2.0 million and $7.0 million, respectively, of such acquisition and integration costs, and Corporate EBITDA included $3.8 million.

EBITDA Reconciliation:	For the Three Months Ended March 31, 2023	2022
Loss before income taxes	$ (125.3)	$ (48.1)
Plus:		
Interest expense, net	52.7	16.0
Depreciation	107.2	85.2
Amortization	41.9	25.6
Corporate EBITDA	50.5	47.0
Segment EBITDA	$ 127.1	$ 125.7

Depreciation and Amortization:	For the Three Months Ended March 31, 2023	2022
Communications	$ 34.6	$ 29.0
Clean Energy and Infrastructure	38.4	11.4
Oil and Gas	34.3	31.6
Power Delivery	39.3	35.7
Other	0.0	0.0
Corporate	2.6	3.1
Consolidated depreciation and amortization	$ 149.2	$ 110.8

Assets:	March 31, 2023	December 31, 2022
Communications	$ 2,504.6	$ 2,378.6
Clean Energy and Infrastructure	2,665.2	2,979.9
Oil and Gas	1,567.0	1,544.2
Power Delivery	1,901.2	1,967.9
Other	295.4	297.3
Corporate	121.9	125.4
Consolidated assets	$ 9,055.3	$ 9,293.3

Foreign Operations and Other. MasTec operates primarily in the United States and Canada, and, to a far lesser extent, in Mexico, the Caribbean and India. Revenue derived from U.S. operations totaled $2.6 billion and $1.9 billion for the three month periods ended March 31, 2023 and 2022, respectively. Revenue derived from foreign operations totaled $27.5 million and $24.5 million for the three month periods ended March 31, 2023 and 2022, respectively, which revenue was derived primarily from the Company's Canadian operations in its Oil and Gas segment. Long-lived assets held in the U.S. included property and equipment, net, of $1.7 billion as of both March 31, 2023 and December 31, 2022, and for the Company's businesses in foreign countries, totaled $20.3 million and $21.0 million, for the respective periods. Intangible assets and goodwill, net, related to the Company's U.S. operations totaled approximately $2.9 billion and $3.0 billion as of March 31, 2023 and December 31, 2022, respectively, and for the Company's businesses in foreign countries, totaled approximately $35.1 million and $35.5 million, respectively. Substantially all of the Company's long-lived and intangible assets and goodwill in foreign countries relate to its Canadian operations. As of both March 31, 2023 and December 31, 2022, amounts due from customers from which foreign revenue was derived accounted for approximately 1% of the Company's consolidated net accounts receivable position, which is calculated as accounts receivable, net, less deferred revenue. Revenue from governmental entities for the three month periods ended March 31, 2023 and 2022 totaled approximately 8% and 6%, respectively, of total revenue, substantially all of which was derived from the Company's U.S. operations.

Significant Customers

No customer represented greater than 10% of the Company's total consolidated revenue in either of the three month periods ended March 31, 2023 and 2022.

Note 14 – Commitments and Contingencies

MasTec is subject to a variety of legal cases, claims and other disputes that arise from time to time in the ordinary course of its business, including project contract price and other project disputes, other project-related liabilities and acquisition purchase price disputes. MasTec cannot provide assurance that it will be successful in recovering all or any of the potential damages it has claimed or in defending claims against the Company. The outcome of such cases, claims and disputes cannot be predicted with certainty and an unfavorable resolution of one or more of them could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

Acquired Legacy Solar Matter. On April 28, 2023, a jury found IEA and its subsidiary, IEA Constructors, LLC ("IEAC"), liable to plaintiffs H&L Farms LLC, Shaun Harris and Amie Harris following a trial in the U.S. District Court for the Middle District of Georgia, Columbus Division (the "Court"), against the IEA entities, IEAC's customer, Silicon Ranch Corporation, the owner of a solar farm project ("SRC"), and engineering firm Westwood Professional Services, Inc. The suit, filed in August 2021, arose out of a project that commenced in 2021 involving the construction by IEAC of a solar farm for SRC. The project was being constructed on SRC's property located adjacent to a 1,400 acre tract of land owned by the plaintiffs, purchased by the plaintiffs in March 2021 for approximately $3.3 million, which tract contained a 21 acre lake.

The plaintiffs brought various causes of action under Georgia law, including trespass, nuisance and negligence, arising out of the defendants' alleged failure to exercise appropriate efforts required by Georgia law to prevent and remediate soil erosion and sedimentary run-off that flowed from SRC's property into the plaintiffs' lake. Following trial, the jury awarded compensatory damages of $4.5 million for emotional distress/loss of enjoyment for each of Mr. and Mrs. Harris, and another $1.5 million in remediation costs, which damages were apportioned 30% to SRC and 70% to IEA and IEAC. The jury also awarded $25 million in punitive damages against SRC and $50 million in punitive damages against each of IEA and IEAC. The Court entered judgment on the verdict on May 3, 2023. Injunctive relief is also expected to be awarded to expedite the continued lake clean-up efforts under threat of further sanction by the Court.

IEA and IEAC believe that the compensatory damages awards are excessive and the punitive damages are both excessive and unwarranted as a matter of law because, among other reasons, the plaintiffs purchased the 1,400 acres of land for $3.3 million in March 2021 and the lake was only 21 acres; IEA has expended significant sums trying to prevent the soil erosion; and Georgia's statutory cap on punitive damages of $250,000 per plaintiff should have been applied. IEA and IEAC intend to seek an entirely new trial, a reduction or elimination of the damages awards and, if necessary, an appeal of the result of the trial to the Court of Appeals for the 11th Circuit. IEAC's insurance carrier has agreed to tender the limit of its policy of $10 million.

Other Commitments and Contingencies

Leases. In the ordinary course of business, the Company enters into non-cancelable operating leases for certain of its facility, vehicle and equipment needs, including related party leases. See Note 8 - Lease Obligations and Note 15 - Related Party Transactions.

Letters of Credit. In the ordinary course of business, the Company is required to post letters of credit for its insurance carriers and surety bond providers and in support of performance under certain contracts as well as certain obligations associated with the Company's equity investments and other strategic arrangements, including its variable interest entities. Such letters of credit are generally issued by a bank or similar financial institution. The letter of credit commits the issuer to pay specified amounts to the holder of the letter of credit under certain conditions. If this were to occur, the Company would be required to reimburse the issuer of the letter of credit, which, depending upon the circumstances, could result in a charge to earnings. As of March 31, 2023 and December 31, 2022, there were $162.9 million and $166.7 million, respectively, of letters of credit issued under the Company's credit facilities. Letter of credit claims have historically not been material. The Company is not aware of any material claims relating to its outstanding letters of credit as of March 31, 2023 or December 31, 2022.

Performance and Payment Bonds. In the ordinary course of business, MasTec is required by certain customers to provide performance and payment bonds for contractual commitments related to its projects. These bonds provide a guarantee to the customer that the Company will perform under the terms of a contract and that the Company will pay its subcontractors and vendors. If the Company fails to perform under a contract or to pay its subcontractors and vendors, the customer may demand that the surety make payments or provide services under the bond. The Company must reimburse the surety for expenses or outlays it incurs. As of March 31, 2023 and December 31, 2022, outstanding performance and payment bonds approximated $5,374.0 million and $4,855.5 million, respectively, and estimated costs to complete projects secured by these bonds totaled $1,942.2 million and $1,739.9 million, respectively. Included in these balances as of March 31, 2023 and December 31, 2022 are $254.5 million and $115.8 million, respectively, of outstanding performance and payment bonds issued on behalf of the Company's proportionately consolidated non-controlled contractual joint ventures, representing the Company's proportionate share of the total bond obligation for the related projects.

Investment and Strategic Arrangements. The Company holds undivided interests, ranging from 85% to 90%, in multiple proportionately consolidated non-controlled contractual joint ventures that provide infrastructure construction services for electrical transmission projects, as well as undivided interests ranging from 25% to 50% in four civil construction projects. Income and/or losses incurred by these joint ventures are generally shared proportionally by the respective joint venture members, with the members of the joint ventures jointly and severally liable for all of the obligations of the joint venture. The respective joint venture agreements provide that each joint venture partner indemnify the other party for any liabilities incurred by such joint venture in excess of its ratable portion of such liabilities. Thus, it is possible that the Company could be required to pay or perform obligations in excess of its share if the other joint venture partners fail or refuse to pay or perform their respective share of the obligations. As of March 31, 2023, the Company was not aware of material future claims against it in connection with these arrangements. For the three month period ended March 31, 2023, the Company provided $0.3 million of project-related financing to its contractual joint ventures, which amount was outstanding as of March 31, 2023. Included in the Company's cash balances as of March 31, 2023 and December 31, 2022 are amounts held by entities that are proportionately consolidated totaling $16.7 million and $25.7 million, respectively. These amounts are available to support the operations of those entities, but are not available for the Company's other operations.

The Company has other investment and strategic arrangements, under which it may incur costs or provide financing, performance, financial and/or other guarantees. See Note 4 - Fair Value of Financial Instruments and Note 15 - Related Party Transactions for additional information pertaining to the Company's investment and strategic arrangements.

Self-Insurance. MasTec maintains insurance policies for workers' compensation, general liability and automobile liability, which are subject to per claim deductibles. The Company is self-insured up to the amount of the deductible. The Company also maintains excess umbrella coverage. The Company manages certain of its insurance liabilities indirectly through its wholly-owned captive insurance companies, which reimburse claims up to the applicable insurance limits. Cash balances held by the Company's captive insurance companies, which totaled approximately $0.9 million and $1.1 million as of March 31, 2023 and December 31, 2022, respectively, are generally not available for use in the Company's other operations.

As of March 31, 2023 and December 31, 2022, MasTec's estimated liability for unpaid claims and associated expenses, including incurred but not reported losses related to these policies, totaled $190.1 million and $176.7 million, respectively, of which $118.8 million and $109.3 million, respectively, were reflected within other long-term liabilities in the consolidated balance sheets. MasTec also maintains an insurance policy with respect to employee group medical claims, which is subject to annual per employee maximum losses. MasTec's estimated liability for employee group medical claims totaled $4.3 million and $4.1 million as of March 31, 2023 and December 31, 2022, respectively.

The Company is required to post collateral, generally in the form of letters of credit, surety bonds and cash to certain of its insurance carriers. Insurance-related letters of credit for the Company's workers' compensation, general liability and automobile liability policies amounted to $95.6 million as of both March 31, 2023 and December 31, 2022. Outstanding surety bonds related to self-insurance programs amounted to $110.9 million as of both March 31, 2023 and December 31, 2022.

Collective Bargaining Agreements and Multiemployer Plans. As discussed in Note 10 - Other Retirement Plans, certain of MasTec's subsidiaries are party to various collective bargaining agreements with unions representing certain of their employees, which require the Company to pay specified wages, provide certain benefits and contribute certain amounts to MEPPs. The Employee Retirement Income Security Act of 1974, as amended by the Multiemployer Pension Plan Amendments Act of 1980 (collectively, "ERISA"), which governs U.S.-registered MEPPs, subjects employers to substantial liabilities in the event of an employer's complete or partial withdrawal from, or upon termination of, such plans.

The Company currently contributes, and in the past, has contributed to, plans that are underfunded, and, therefore, could have potential liability associated with a voluntary or involuntary withdrawal from, or termination of, these plans. As of March 31, 2023, the Company does not have plans to withdraw from, and is not aware of circumstances that would reasonably lead to material claims against it, in connection with the MEPPs in which it participates. There can be no assurance, however, that the Company will not be assessed liabilities in the future, including in the form of a surcharge on future benefit contributions or increased contributions on underfunded plans. The amount the Company could be obligated to pay or contribute in the future cannot be estimated, as these amounts are based on future levels of work of the union employees covered by these plans, investment returns, which could be negatively affected by economic and market conditions, and the level of underfunding of such plans. In connection with the IEA acquisition, the Company assumed a multiemployer pension plan withdrawal liability, under which IEA is obligated to make monthly payments of approximately $10,000. As of both March 31, 2023 and December 31, 2022, the remaining obligation approximated $1.9 million.

Indemnities. The Company generally indemnifies its customers for the services it provides under its contracts, as well as other specified liabilities, which may subject the Company to indemnity claims, liabilities and related litigation. As of both March 31, 2023 and December 31, 2022, the Company had accrued project close-out liabilities of approximately $40 million. The Company is not aware of any other material asserted or unasserted claims in connection with its potential indemnity obligations.

Other Guarantees. From time to time in the ordinary course of its business, MasTec guarantees the obligations of its subsidiaries, including obligations under certain contracts with customers, certain lease obligations, and in some states, obligations in connection with obtaining contractors' licenses. MasTec has also issued performance and other guarantees in connection with certain of its equity investments. MasTec also generally warrants the work it performs following substantial completion of a project. Much of the work performed by the Company is evaluated for defects shortly after the work is completed. If warranty claims occur, the Company could be required to repair or replace warrantied items, or, if customers elect to repair or replace the warrantied item using the services of another provider, the Company could be required to pay for the cost of the repair or replacement. Warranty claims have historically not been material.

Concentrations of Risk. The Company had approximately 995 customers for the three month period ended March 31, 2023. No customer represented greater than 10% of the Company's consolidated net accounts receivable position, which is calculated as accounts receivable, net, less deferred revenue, as of either March 31, 2023 or December 31, 2022. For the three month periods ended March 31, 2023 and 2022, the Company derived approximately 39% and 42%, respectively, of its revenue from its top ten customers.

Note 15 – Related Party Transactions

MasTec purchases, rents and leases equipment and purchases various types of supplies and services used in its business, including ancillary construction services, project-related site restoration and marketing, business development and administrative activities, from a number of different vendors on a non-exclusive basis, and from time to time, rents equipment to, sells certain supplies, or performs construction services on behalf of, entities in which members of subsidiary management have ownership or commercial interests. For the three month periods ended March 31, 2023 and 2022, such payments to related party entities totaled approximately $16.1 million and $6.8 million, respectively. Payables associated with such arrangements totaled approximately $3.9 million and $2.6 million as of March 31, 2023 and December 31, 2022, respectively. Revenue from such related party arrangements totaled approximately $2.2 million and $3.8 million for the three month periods ended March 31, 2023 and 2022, respectively, and related amounts receivable totaled approximately $3.5 million and $3.2 million as of March 31, 2023 and December 31, 2022, respectively.

The Company rents and leases equipment and purchases certain supplies and servicing from CCI. Juan Carlos Mas, who is the brother of Jorge Mas, Chairman of MasTec's Board of Directors, and José R. Mas, MasTec's Chief Executive Officer, serves as the chairman of CCI, and a member of management of a MasTec subsidiary and an entity that is owned by the Mas family are minority owners. MasTec paid CCI $1.0 million for both the three month periods ended March 31, 2023 and 2022. Amounts payable to CCI totaled approximately $0.1 million and $0.6 million as of March 31, 2023 and December 31, 2022, respectively.

MasTec has a leasing arrangement for an aircraft that is owned by an entity that Jorge Mas owns. For the three month periods ended March 31, 2023 and 2022, MasTec paid approximately $0.7 million and $0.6 million, respectively, related to this leasing arrangement.

MasTec has performed construction services on behalf of a professional Miami soccer franchise (the "Franchise") in which Jorge Mas and José R. Mas are majority owners. Services provided by MasTec have included the construction of a soccer facility and stadium as well as wireless infrastructure services. For the three month period ended March 31, 2023, MasTec charged approximately $0.1 million under these arrangements, which amount was outstanding as of March 31, 2023. Payments for other expenses related to the Franchise for the three month periods ended March 31, 2023 and 2022 totaled approximately $0.4 million and $0.1 million, respectively.

MasTec has a subcontracting arrangement to perform construction services for an entity, of which José R. Mas acquired a minority interest, and of which a member of management of a MasTec subsidiary owns the remaining interest. For the three month periods ended March 31, 2023 and 2022, revenue recognized by MasTec under this arrangement totaled approximately $41.8 million and $28.8 million, respectively, and as of March 31, 2023 and December 31, 2022, related amounts receivable totaled approximately $54.2 million and $42.0 million, respectively. MasTec pays a management fee to this entity in connection with the subcontracting arrangement, under which MasTec incurred approximately $0.5 million and $0.2 million for the three month periods ended March 31, 2023 and 2022, respectively. As of March 31, 2023 and December 31, 2022, related amounts receivable totaled approximately $0.2 million and $0.3 million, respectively.

During the fourth quarter of 2022, Jorge Mas and José R. Mas sold their majority interest in a company which is a MasTec customer and to which MasTec previously leased employees and provided satellite communication services. For the three month period ended March 31, 2022, charges under the prior arrangements totaled approximately $0.3 million. As of both March 31, 2023 and December 31, 2022, related amounts receivable were de minimis.

From time to time, the Company advances amounts to the former owners of acquired businesses. Such advances totaled approximately $0.1 million and $1.3 million, respectively, for the three month periods ended March 31, 2023 and 2022, and amounts receivable for such advances totaled approximately $2.1 million and $2.0 million as of March 31, 2023 and December 31, 2022, respectively. In addition, the Company has a subcontracting arrangement with an entity in which it has a 25% interest. The Company's interest in this entity is accounted for as an equity method investment. For the three month period ended March 31, 2023, the Company made no equity contributions to this entity, and for the three month period ended March 31, 2022, equity contributions totaled approximately $0.5 million. As of both March 31, 2023 and December 31, 2022, the Company's net investment in this entity was a liability of approximately $0.2 million, which net amount included approximately $2.3 million of accounts receivable, net, less deferred revenue, related to the subcontracting arrangement for both periods. Additionally, the Company has certain arrangements with an entity in which members of management have an ownership interest, including a fee arrangement in conjunction with a $15.0 million letter of credit issued by the Company on behalf of this entity. Income recognized in connection with these arrangements totaled approximately $0.2 million for both the three month periods ended March 31, 2023 and 2022. As of March 31, 2023 and December 31, 2022, related amounts receivable totaled $0.2 million and $0.4 million, respectively.

Non-controlling interests in entities consolidated by the Company represent ownership interests held by members of management of certain of the Company's subsidiaries, primarily in the Company's Oil and Gas segment. In the first quarter of 2023, the Company acquired the remaining 15% equity interests of the non-controlling interests in one of these entities from two members of subsidiary management for $10.0 million in cash, plus 120,000 shares of MasTec common stock, valued at approximately $11.6 million.

Split Dollar Agreements

MasTec has split dollar life insurance agreements with trusts, for one of which Jorge Mas is a trustee, and for the other of which José R. Mas is a trustee. There were no payments in connection with these agreements in either of the three month periods ended March 31, 2023 or 2022, and life insurance assets associated with these agreements totaled approximately $25.8 million as of both March 31, 2023 and December 31, 2022.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not historical facts but are the intent, belief, or current expectations of our business and industry and the assumptions upon which these statements are based. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those that we anticipate. All comments concerning our expectations for future revenue and operating results are based on our forecasts for our existing operations and do not include the potential impact of any future acquisitions, dispositions or other strategic arrangements. Words such as “anticipates,” “expects,” “intends,” “will,” “could,” “would,” “should,” “may,” “plans,” “believes,” “seeks,” “estimates,” “forecasts,” “targets” and variations of these words and negatives thereof and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties, assumptions and other factors, some of which are beyond our control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Additionally, many of these risks and uncertainties could be amplified by the potential effects of general economic conditions, including inflation, market uncertainty, potential recessionary concerns and rising interest rates.

These risks and uncertainties include those described in “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and elsewhere in this report and in our 2022 Annual Report on Form 10-K (“2022 Form 10-K”), including those described under “Cautionary Statement Regarding Forward-Looking Statements” and “Risk Factors,” as updated by Item 1A, “Risk Factors” in this report and other filings we make with the SEC. Forward-looking statements that were true at the time made may ultimately prove to be incorrect or false. Readers are cautioned to not place undue reliance on forward-looking statements, which reflect management’s view only as of the date of this report. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of our business, financial condition and results of operations as of and for the three month periods ended March 31, 2023 and 2022. This discussion and analysis should be read in conjunction with our consolidated financial statements and notes thereto in Item 1 of this Quarterly Report on Form 10-Q (this “Form 10-Q”), and the audited consolidated financial statements, accompanying notes and Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) contained in our 2022 Form 10-K. In this MD&A, “$” means U.S. dollars unless specified otherwise.

General Economic, Market and Regulatory Conditions

We have experienced, and may continue to experience, direct and indirect negative effects on our business and operations from economic, market and regulatory conditions, including rising interest rates, recent inflationary effects on fuel prices, labor and materials costs, supply chain disruptions and uncertainty from potential recessionary effects that could adversely affect demand for future projects, delay existing project timing and/or cause increased project costs. We expect the remainder of 2023 to continue to be a dynamic macroeconomic environment, with elevated market interest rates and levels of cost inflation, as well as recession concerns, any or all of which could adversely affect our costs and customer demand. These conditions could affect the cost of capital of both us and our customers, as well as our customers’ plans for capital investments and ongoing maintenance expenditures, which could negatively affect demand for our services. The extent to which general economic, market and regulatory conditions could affect our business, operations and financial results is uncertain as it will depend upon numerous evolving factors that we may neither be able to accurately predict nor quantify with specificity.

We believe that our financial position, cash flows and operational strengths will enable us to manage the current uncertainties resulting from general economic, market and regulatory conditions. We carefully manage our liquidity and monitor any potential effects from changing economic, market and regulatory conditions on our financial results, cash flows and/or working capital and will take appropriate actions in efforts to mitigate any impacts.

Business Overview

We are a leading infrastructure construction company operating mainly throughout North America across a range of industries. Our primary activities include the engineering, building, installation, maintenance and upgrade of communications, energy, utility and other infrastructure, such as: power delivery services, including transmission, distribution, environmental planning and compliance; wireless, wireline/fiber and customer fulfillment activities; power generation, primarily from clean energy and renewable sources; pipeline distribution infrastructure, including natural gas, carbon capture sequestration, water and pipeline integrity services; heavy civil; industrial infrastructure; and environmental remediation services. Our customers are primarily in these industries. Including our predecessor companies, we have been in business for over 90 years. For the twelve month period ended March 31, 2023, we had an average of approximately 790 locations and 31,000 employees, respectively, and as of March 31, 2023, we had approximately 830 locations and 33,000 employees, respectively. We offer our services under the MasTec® and other service marks. We have been consistently ranked among the top specialty contractors by Engineering News-Record for the past several years.

We provide our services to a diversified base of customers and a significant portion of our services are provided under master service and other service agreements, which are generally multi-year agreements. The remainder of our work is generated pursuant to contracts for specific projects or jobs that require the construction or installation of an entire infrastructure system or specified units within an infrastructure system.

We manage our operations under five operating segments, which represent our five reportable segments: (1) Communications; (2) Clean Energy and Infrastructure; (3) Oil and Gas; (4) Power Delivery; and (5) Other. This structure is generally focused on broad end-user markets for our labor-based construction services. See Note 13 - Segments and Related Information and Note 14 - Commitments and Contingencies in the notes to the consolidated financial statements, which are incorporated by reference, for additional information regarding our segment reporting and significant customer concentrations.

Backlog

Estimated backlog represents the amount of revenue we expect to realize over the next 18 months from future work on uncompleted construction contracts, including new contracts under which work has not begun, as well as revenue from change orders and renewal options. Our estimated backlog also includes amounts under master service and other service agreements and our proportionate share of estimated revenue from proportionately consolidated non-controlled contractual joint ventures. Estimated backlog for work under master service and other service agreements is determined based on historical trends, anticipated seasonal impacts, experience from similar projects and estimates of customer demand based on communications with our customers. Based on current expectations of our customers' requirements, we anticipate that we will realize approximately 62% of our estimated March 31, 2023 backlog in 2023. The following table presents 18-month estimated backlog by reportable segment as of the dates indicated:

Reportable Segment (in millions):	**March 31, 2023**	**December 31, 2022**	**March 31, 2022**
Communications	$ 5,602	$ 5,303	$ 4,920
Clean Energy and Infrastructure	3,546	3,227	1,693
Oil and Gas	2,013	1,740	1,382
Power Delivery	2,731	2,709	2,650
Other	—	—	—
Estimated 18-month backlog	$ 13,892	$ 12,979	$ 10,645

As of March 31, 2023, 56% of our backlog is estimated to be attributable to amounts under master service or other service agreements, pursuant to which our customers are not contractually committed to purchase a minimum amount of services. Most of these agreements can be canceled on short or no advance notice. Timing of revenue for construction and installation projects included in our backlog can be subject to change as a result of customer, regulatory or other delays or cancellations, including from economic or other conditions, including supply chain disruptions, inflationary effects, potential market or recessionary uncertainty, permitting delays, climate-related matters, political unrest, such as the ongoing military conflict in Ukraine, effects of public health matters and/or other project-related factors. These effects, among others, could cause estimated revenue to be realized in periods later than originally expected, or not at all. We occasionally experience postponements, cancellations and reductions in expected future work due to changes in our customers' spending plans, market volatility, changes in governmental permitting, regulatory delays and/or other factors. There can be no assurance as to our customers' requirements or that actual results will be consistent with the estimates included in our forecasts. As a result, our backlog as of any particular date is an uncertain indicator of future revenue and earnings.

Backlog is a common measurement used in our industry. Our methodology for determining backlog may not, however, be comparable to the methodologies used by others. Backlog differs from the amount of our remaining performance obligations, which are described in Note 1 - Business, Basis of Presentation and Significant Accounting Policies in the notes to the consolidated financial statements, which is incorporated by reference. As of March 31, 2023, total 18-month backlog differed from the amount of our remaining performance obligations due primarily to the inclusion of $7.7 billion of estimated future revenue under master service and other service agreements within our backlog estimates, as described above, and the exclusion of approximately $2.3 billion of remaining performance obligations and estimated future revenue under master service and other service agreements in excess of 18 months, which amount is not included in the backlog estimates above. Backlog expected to be realized in 2023 differs from the amount of remaining performance obligations expected to be recognized for the same period due primarily to the inclusion of approximately $2.9 billion of estimated future revenue under master service and other service agreements that is included within the related backlog estimate.

Economic, Industry and Market Factors

We closely monitor the effects of changes in economic, industry and market conditions on our customers, including the potential effects of inflation, recessionary and/or market concerns, regulatory and climate-related matters. Changes in general economic and market conditions can affect demand for our customers' products and services, which can increase or decrease our customers' planned capital and maintenance budgets in certain end-markets. Market, regulatory and industry factors could affect demand for our services, or the cost to provide such services, including (i) changes to our customers' capital spending plans, including any potential effects from inflation, rising interest rates, recessionary and/or market concerns, supply chain issues and/or public health matters; (ii) new or changing regulatory requirements, governmental policy changes, and/or customer or industry initiatives, including with respect to climate change, environmental or sustainability matters and/or from changes in governmental permitting; (iii) economic, political or other market developments or uncertainty, including access to capital for customers in the industries we serve and/or the ongoing military conflict in Ukraine; (iv) changes in technology, tax and other incentives; and (v) mergers, acquisitions or other business transactions among the customers we serve.

Changes in demand for, and fluctuations in market prices for, oil, gas and other energy sources can affect demand for our services. In particular, such changes can affect the level of activity in energy generation projects, including from renewable energy sources, as well as pipeline construction and carbon capture projects. The availability of transportation and transmission capacity can also affect demand for our services, including energy generation, electric grid and pipeline construction projects. These factors, as well as the highly competitive nature of our industry, can result in changes in levels of activity, project mix, and/or the profitability of the services we provide. In the face of increased pricing pressure or other market developments, we strive to maintain our profit margins through productivity improvements, cost reduction programs and/or business streamlining efforts. Market developments, including rising fuel, labor and materials costs, have had, and could continue to have, a negative effect on our profitability, to the extent that we have not been, and in the future are not able, to pass these costs through to our customers. While we actively monitor economic, industry and market factors that could affect our business, we cannot predict the effect that changes in such factors could have on our future results of operations, liquidity and cash flows, and we may be unable to fully mitigate, or benefit from, such changes.

Effect of Seasonality and Cyclical Nature of Business

Our revenue and results of operations are cyclical and can be subject to seasonal and other variations. For additional information regarding the effects of seasonality and the cyclical nature of our business, see Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our 2022 Form 10-K.

Critical Accounting Estimates

This discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of our consolidated financial statements requires the use of estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. A summary of our critical accounting estimates is included in Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our 2022 Form 10-K. We are required to make estimates and judgments in the preparation of our financial statements that affect the reported amounts of assets and liabilities, revenues and expenses and related disclosures. We continually review these estimates and their underlying assumptions to ensure they are appropriate for the circumstances. Changes in the estimates and assumptions we use could have a material impact on our financial results. During the three month period ended March 31, 2023, there were no material changes in our critical accounting estimates or policies.

For details of our first quarter 2023 quarterly review for indicators of impairment, refer to Note 3 - Acquisitions, Goodwill and Other Intangible Assets, Net, in the notes to the consolidated financial statements, which is incorporated by reference.

Results of Operations

Comparison of Quarterly Results

The following table, which may contain slight summation differences due to rounding, reflects our consolidated results of operations in dollar and percentage of revenue terms for the periods indicated (dollar amounts in millions). Our consolidated results of operations are not necessarily comparable from period to period due to the effect of recent acquisitions and certain other items, which are described in the comparison of results section below. In this discussion, "acquisition" results are defined as results from acquired businesses for the first twelve months following the dates of the respective acquisitions, with the balance of results for a particular item attributed to "organic" activity.

	For the Three Months Ended March 31,			
	2023		2022	
Revenue	$ 2,584.7	100.0 %	$ 1,954.4	100.0 %
Costs of revenue, excluding depreciation and amortization	2,359.5	91.3 %	1,733.3	88.7 %
Depreciation	107.2	4.1 %	85.2	4.4 %
Amortization of intangible assets	41.9	1.6 %	25.6	1.3 %
General and administrative expenses	163.9	6.3 %	145.4	7.4 %
Interest expense, net	52.7	2.0 %	16.0	0.8 %
Equity in earnings of unconsolidated affiliates, net	(9.2)	(0.4)%	(6.8)	(0.3)%
Other (income) expense, net	(6.2)	(0.2)%	3.8	0.2 %
Loss before income taxes	$ (125.3)	(4.8)%	$ (48.1)	(2.5)%
Benefit from income taxes	44.7	1.7 %	13.1	0.7 %
Net loss	$ (80.5)	(3.1)%	$ (35.0)	(1.8)%
Net (loss) income attributable to non-controlling interests	(0.0)	(0.0)%	0.0	0.0 %
Net loss attributable to MasTec, Inc.	$ (80.5)	(3.1)%	$ (35.0)	(1.8)%

We review our operating results by reportable segment. See Note 13 - Segments and Related Information in the notes to the consolidated financial statements, which is incorporated by reference. Our reportable segments are: (1) Communications; (2) Clean Energy and Infrastructure; (3) Oil and Gas; (4) Power Delivery; and (5) Other. Management's review of segment results includes analyses of trends in revenue, EBITDA and EBITDA margin. EBITDA for segment reporting purposes is calculated consistently with our consolidated EBITDA calculation. See the discussion of our non-U.S. GAAP financial measures, including certain adjusted non-U.S. GAAP measures, as described below, following the comparison of results discussion below. The following table presents revenue, EBITDA and EBITDA margin by segment for the periods indicated (dollar amounts in millions):

	Revenue		EBITDA and EBITDA Margin			
	For the Three Months Ended March 31,		For the Three Months Ended March 31,			
Segment:	2023	2022	2023 [(a)]		2022 [(a)]	
Communications	$ 806.6	$ 664.2	$ 52.8	6.5 %	$ 40.3	6.1 %
Clean Energy and Infrastructure	824.9	435.9	5.3	0.6 %	10.9	2.5 %
Oil and Gas	256.5	211.0	14.5	5.7 %	21.5	10.2 %
Power Delivery	709.4	650.5	47.4	6.7 %	46.1	7.1 %
Other	—	—	7.1	NM	6.9	NM
Eliminations	(12.7)	(7.2)	—	—	—	—
Segment Total	$ 2,584.7	$ 1,954.4	$ 127.1	4.9 %	$ 125.7	6.4 %
Corporate	—	—	(50.5)	—	(47.0)	—
Consolidated Total	$ 2,584.7	$ 1,954.4	$ 76.6	3.0 %	$ 78.7	4.0 %

NM - Percentage is not meaningful

(a) For the three month period ended March 31, 2023, Communications, Clean Energy and Infrastructure and Power Delivery EBITDA included $8.9 million, $5.2 million and $1.7 million, respectively, of acquisition and integration costs related to our recent acquisitions, and Corporate EBITDA included $1.3 million of such costs. For the three month period ended March 31, 2022, Communications, Oil and Gas and Power Delivery EBITDA included $0.8 million, $2.0 million and $7.0 million, respectively, of such acquisition and integration costs, and Corporate EBITDA included $3.8 million.

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022

Revenue. For the three month period ended March 31, 2023, consolidated revenue totaled $2,585 million as compared with $1,954 million for the same period in 2022, an increase of $630 million, or 32%. Revenue increased in our Clean Energy and Infrastructure segment by $389 million, or 89%, in our Communications segment by $142 million, or 21%, in our Power Delivery segment by $59 million, or 9%, and in our Oil and Gas segment by $46 million, or 22%. Acquisitions contributed $401 million of increased revenue for the three month period ended March 31, 2023, whereas organic revenue increased by approximately $230 million, or 12%, as compared with the same period in 2022.

Communications Segment. Communications revenue was $807 million for the three month period ended March 31, 2023 as compared with $664 million for the same period in 2022, an increase of $142 million, or 21%. Acquisitions contributed $19 million of revenue for the three month period ended March 31, 2023, and organic revenue increased by approximately $124 million, or 19%, as compared with the same period in 2022. The increase in organic revenue was driven primarily by higher levels of wireless and wireline project activity.

Clean Energy and Infrastructure Segment. Clean Energy and Infrastructure revenue was $825 million for the three month period ended March 31, 2023 as compared with $436 million for the same period in 2022, an increase of $389 million, or 89%. Acquisitions contributed $374 million of revenue for the three month period ended March 31, 2023, and organic revenue increased by approximately $16 million, or 4%, as compared with the same period in 2022, due primarily to higher levels of renewable project activity.

Oil and Gas Segment. Oil and Gas revenue was $257 million for the three month period ended March 31, 2023, as compared with $211 million for the same period in 2022, an increase of $46 million, or 22%, primarily due to higher levels of project activity, including midstream pipeline and pipeline integrity project work, offset, in part, by a decrease in large diameter project activity.

Power Delivery Segment. Power Delivery revenue was $709 million for the three month period ended March 31, 2023, as compared with $651 million for the same period in 2022, an increase of $59 million, or 9%. For the three month period ended March 31, 2023, acquisitions contributed $8 million of revenue, and organic revenue increased by approximately $51 million, or 8%, as compared with the same period in 2022, primarily due to higher levels of project activity, including for transmission-related project work.

Costs of revenue, excluding depreciation and amortization. Costs of revenue, excluding depreciation and amortization, increased by approximately $626 million, or 36%, to $2,359 million for the three month period ended March 31, 2023 from $1,733 million for the same period in 2022. Higher levels of revenue contributed an increase of $559 million in costs of revenue, excluding depreciation and amortization, and reduced productivity contributed an increase of approximately $67 million. Costs of revenue, excluding depreciation and amortization, as a percentage of revenue increased by approximately 260 basis points, from 88.7% of revenue for the three month period ended March 31, 2022 to 91.3% of revenue for the same period in 2023. The basis point increase was primarily due to a combination of project inefficiencies, primarily within our Clean Energy and Infrastructure, Power Delivery and Oil and Gas segments, as well as the effects of inflation on labor, fuel and materials costs across our businesses, certain acquisition and integration costs and project mix, offset, in part, by improved efficiencies within our Communications segment and the effects of certain project close-outs.

Depreciation. Depreciation was $107 million, or 4.1% of revenue, for the three month period ended March 31, 2023, as compared with $85 million, or 4.4% of revenue, for the same period in 2022, an increase of approximately $22 million, or 26%. Acquisitions contributed $14 million of depreciation for the three month period ended March 31, 2023, and organic depreciation increased by $8 million, or 10%, due primarily to capital expenditures in 2022 in support of certain prior year growth initiatives and to address prior year supply chain disruption concerns. As a percentage of revenue, depreciation decreased by approximately 20 basis points, due primarily to higher levels of revenue.

Amortization of intangible assets. Amortization of intangible assets was $42 million, or 1.6% of revenue, for the three month period ended March 31, 2023, as compared with $26 million, or 1.3% of revenue, for the same period in 2022, an increase of $16 million, or 64%. Acquisitions contributed approximately $15 million of amortization for the three month period ended March 31, 2023, and organic amortization increased by approximately $2 million, or 7%, due primarily to timing of amortization of intangible assets. As a percentage of revenue, amortization of intangible assets increased by approximately 30 basis points.

General and administrative expenses. General and administrative expenses totaled $164 million, or 6.3% of revenue, for the three month period ended March 31, 2023 as compared with $145 million, or 7.4% of revenue, for the same period in 2022, for an increase of $19 million, or 13%. Acquisitions, including certain acquisition and integration costs, contributed $33 million of general and administrative expenses for the three month period ended March 31, 2023, whereas organic general and administrative expenses decreased by approximately $14 million, or 10%, as compared with the same period in the prior year, primarily due to a reduction in compensation expense and an increase in gains on sales of assets, net. Total acquisition and integration costs included within general and administrative expenses increased from $14 million for the three month period ended March 31, 2022 to $15 million for the same period in 2023. Overall, general and administrative expenses decreased by approximately 110 basis points as a percentage of revenue for the three month period ended March 31, 2023 as compared with the same period in 2022, due, in part, to higher levels of revenue.

Interest expense, net. Interest expense, net of interest income, was approximately $53 million, or approximately 2.0% of revenue, for the three month period ended March 31, 2023, as compared with approximately $16 million, or 0.8% of revenue, for the same period in 2022, an increase of $37 million, or approximately 228%. The increase in interest expense, net, resulted primarily from credit facility activity and term loans, which increased by approximately $27 million due to higher average balances, including from indebtedness incurred in connection with acquisition activity, including $700 million of additional unsecured term loans entered into in connection with the acquisition of Infrastructure and Energy Alternatives, Inc. (“IEA”) in the fourth quarter of 2022, as well as higher average interest rates on our floating rate debt as compared with the same period in 2022. In addition, interest expense from senior notes increased by $5 million due to the assumption, exchange and issuance of $300 million aggregate principal amount of 6.625% senior notes in connection with the IEA acquisition. See Financial Condition, Liquidity and Capital Resources discussion below for details of our debt instruments. In addition, interest expense from accounts receivable financing arrangements increased by approximately $3 million due primarily to higher average interest rates, and, to a lesser extent, to higher average balances.

Equity in earnings of unconsolidated affiliates, net. Equity in earnings or losses of unconsolidated affiliates includes our share of income or losses from equity investees. For the three month periods ended March 31, 2023 and 2022, equity in earnings from unconsolidated affiliates, net, totaled approximately $9 million and $7 million, respectively, and related primarily to our investments in the Waha JVs, and, to a lesser extent, equity in earnings, net, from our investments in certain other entities.

Other (income) expense, net. Other (income) expense, net, consists primarily of gains or losses from changes to estimated Earn-out accruals and certain contingent payments to the former owners of an acquired business; certain legal/other settlements; gains or losses, or changes in estimated recoveries from certain assets, including financial instruments, and certain liabilities; certain purchase accounting adjustments, and other miscellaneous income or expense. Other income, net, was $6 million for the three month period ended March 31, 2023, as compared with other expense, net, of $4 million for the same period in 2022. For the three month period ended March 31, 2023, other income, net, included approximately $3 million of income from the final settlement and expiration of certain warrants related to the acquisition of IEA and approximately $6 million of other miscellaneous income, net, including from insurance and other settlements, offset, in part, by $2 million of expense from changes in the fair value of additional contingent payments to the former owners of an acquired business. For the three month period ended March 31, 2022, other expense, net, included approximately $5 million of expense, net, from changes in the fair value of certain investments and income from strategic arrangements.

Benefit from income taxes. Income tax benefit was $45 million for the three month period ended March 31, 2023 as compared with $13 million for the same period in the prior year. Pre-tax losses increased to $125 million for the three month period ended March 31, 2023 from $48 million for the same period in 2022. For the three month period ended March 31, 2023, our effective tax rate increased to 35.7% from 27.3% for the same period in 2022. Our effective tax rate in the first quarter of 2023 included the effects of a net tax benefit of approximately $9 million from the vesting of share-based payment awards and an increase in non-deductible expenses, whereas in the first quarter of 2022, included a net tax benefit of approximately $1 million from the vesting of share-based payment awards.

Analysis of EBITDA by Segment

Communications Segment. EBITDA for our Communications segment was $53 million, or 6.5% of revenue, for the three month period ended March 31, 2023, as compared with $40 million, or 6.1% of revenue, for the same period in 2022, an increase of approximately $12 million, or 31%. Higher levels of revenue contributed an increase in EBITDA of $9 million. As a percentage of revenue, EBITDA increased by 50 basis points, or approximately $4 million, due primarily to improved efficiencies, including the benefit of certain prior year growth initiatives, offset, in part, by the effects of inflation on labor, fuel and materials costs as well as an increase of approximately $8 million in acquisition and integration costs.

Clean Energy and Infrastructure Segment. EBITDA for our Clean Energy and Infrastructure segment was $5 million, or 0.6% of revenue, for the three month period ended March 31, 2023, as compared with EBITDA of $11 million, or 2.5% of revenue, for the same period in 2022, a decrease of approximately $6 million, or 51%. As a percentage of revenue, EBITDA decreased by approximately 190 basis points, or approximately $15 million, due primarily to project inefficiencies, including from certain acquired entities, as well as the effects of inflation on labor, fuel and materials costs and an increase of approximately $5 million in acquisition and integration costs, offset, in part, by the effect of certain project close-outs. Higher levels of revenue contributed an increase in EBITDA of $10 million.

Oil and Gas Segment. EBITDA for our Oil and Gas segment was $15 million, or 5.7% of revenue, for the three month period ended March 31, 2023, as compared with EBITDA of $22 million, or 10.2% of revenue, for the same period in 2022, a decrease of approximately $7 million, or 32%. Reduced productivity contributed a decrease in EBITDA of approximately $12 million, whereas higher levels of revenue contributed an increase in EBITDA of $5 million. EBITDA margins decreased by approximately 450 basis points due primarily to reduced efficiencies, including from a reduction in revenue on large-diameter pipeline projects as a result of regulatory delays, the effects of inflation on labor, fuel and materials costs, and project mix, offset, in part, by a reduction of approximately $2 million in acquisition and integration costs.

Power Delivery Segment. EBITDA for our Power Delivery segment was $47 million, or 6.7% of revenue, for the three month period ended March 31, 2023, as compared with EBITDA of $46 million, or 7.1% of revenue, for the same period in 2022, an increase in EBITDA of approximately $1 million, or 3%. Higher levels of revenue contributed an increase in EBITDA of $4 million. As a percentage of revenue, EBITDA decreased by approximately 40 basis points, or $3 million, primarily due to project mix, as well as project inefficiencies, including from the effects of inflation on labor, fuel and materials costs, offset, in part, by a reduction of approximately $5 million in acquisition and integration costs.

Other Segment. EBITDA from Other businesses was approximately $7 million for both the three month periods ended March 31, 2023 and 2022. EBITDA from Other businesses relates primarily to equity in earnings from our investments in the Waha JVs, offset, in part, by losses from other businesses and investments.

Corporate. Corporate EBITDA was negative $51 million for the three month period ended March 31, 2023, as compared with EBITDA of negative $47 million for the same period in 2022, for a decrease in EBITDA of approximately $4 million. Acquisition and integration costs included within general and administrative expenses decreased from $4 million for the three month period ended March 31, 2022 to $1 million for the same period in 2023. For the three month period ended March 31, 2023, Corporate EBITDA included approximately $2 million of expense from changes in the fair value of additional contingent payments to the former owners of an acquired business and $3 million of income from the final settlement and expiration of certain warrants related to the acquisition of IEA. Corporate EBITDA for the three month period ended March 31, 2022 included $5 million of expense, net, from changes in the fair value of certain investments and income from strategic arrangements. For the three month period ended March 31, 2023, Corporate expenses not related to the above-described items increased by approximately $13 million as compared with the same period in the prior year, due primarily to the effects of timing of ordinary course legal and other settlement matters.

Foreign Operations

Our foreign operations are primarily in Canada and, to a far lesser extent, in Mexico, the Caribbean and India. See Note 13 - Segments and Related Information in the notes to the consolidated financial statements, which is incorporated by reference.

Non-U.S. GAAP Financial Measures

As appropriate, we supplement our reported U.S. GAAP financial information with certain non-U.S. GAAP financial measures, including earnings before interest, income taxes, depreciation and amortization ("EBITDA"), adjusted EBITDA ("Adjusted EBITDA"), adjusted net income ("Adjusted Net Income") and adjusted diluted earnings per share ("Adjusted Diluted Earnings Per Share"). These "adjusted" non-U.S. GAAP measures exclude, as applicable to the particular periods, non-cash stock-based compensation expense; acquisition and integration costs related to our recent acquisitions; and fair value gains or losses, net, on an investment; and, for Adjusted Net Income and Adjusted Diluted Earnings Per Share, amortization of intangible assets and the tax effects of the adjusted items. These definitions of EBITDA and Adjusted EBITDA are not the same as in our Credit Facility or in the indenture governing our senior notes; therefore, EBITDA and Adjusted EBITDA as presented in this discussion should not be used for purposes of determining our compliance with the covenants contained in our debt instruments.

We use EBITDA and Adjusted EBITDA, as well as Adjusted Net Income and Adjusted Diluted Earnings Per Share to evaluate our performance, both internally and as compared with our peers, because these measures exclude certain items that may not be indicative of our core operating results, as well as items that can vary widely across different industries or among companies within the same industry. We believe that these adjusted measures provide a baseline for analyzing trends in our underlying business. Non-cash stock-based compensation expense can be subject to volatility from changes in the market price per share of our common stock or variations in the value and number of shares granted, and amortization of intangible assets is subject to acquisition activity, which varies from period to period. In 2021, we initiated a significant transformation of our end-market business operations to position the Company for expected future opportunities. This transformation has included significant acquisition activity to expand our scale and capacity in renewable energy, power delivery, heavy civil and telecommunications services, and has resulted in significant acquisition and integration costs. Beginning in the fourth quarter of 2021, due to the extent of the acquisition costs related to this acquisition activity and the extent of the integration efforts that have been, and continue to be, required in connection with such acquisitions, we are excluding acquisition and integration costs in calculating Adjusted EBITDA and Adjusted Net Income for these acquisitions. In addition, since the second quarter of 2022, we exclude fair value gains or losses, net, for our investment in American Virtual Cloud Technologies, Inc. ("AVCT") in calculating our adjusted results, with prior periods updated to conform to this presentation. We believe that fair value gains or losses for our investment in AVCT, a company in which we had no active involvement and which varied from period to period based on fluctuations in the market price of the investment, are not indicative of our core operations, and that this presentation improves comparability of our results with those of our peers. AVCT filed for bankruptcy in the first quarter of 2023, and our investment was fully written off. We exclude intangible asset amortization from our adjusted measures due to its non-operational nature and inherent volatility, as acquisition activity varies from period to period. We also believe that this presentation is common practice in our industry and improves comparability of our results with those of our peers. Each company's definitions of these adjusted measures may vary as they are not standardized and should be used in light of the provided reconciliations.

We believe that these non-U.S. GAAP financial measures provide meaningful information and help investors understand our financial results and assess our prospects for future performance. Because non-U.S. GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-U.S. GAAP financial measures having the same or similar names. These financial measures should not be considered in isolation from, as substitutes for, or alternative measures of, reported net income or diluted earnings per share, and should be viewed in conjunction with the most comparable U.S. GAAP financial measures and the provided reconciliations thereto. We believe these non-U.S. GAAP financial measures, when viewed together with our U.S. GAAP results and related reconciliations, provide a more complete understanding of our business. We strongly encourage investors to review our consolidated financial statements and publicly filed reports in their entirety and not rely on any single financial measure.

The following table presents a reconciliation of net income to EBITDA and Adjusted EBITDA in dollar and percentage of revenue terms, for the periods indicated. The tables below (dollar amounts in millions) may contain slight summation differences due to rounding.

	For the Three Months Ended March 31,			
	2023		2022	
Net loss	$ (80.5)	(3.1)%	$ (35.0)	(1.8)%
Interest expense, net	52.7	2.0 %	16.0	0.8 %
Benefit from income taxes	(44.7)	(1.7)%	(13.1)	(0.7)%
Depreciation	107.2	4.1 %	85.2	4.4 %
Amortization of intangible assets	41.9	1.6 %	25.6	1.3 %
EBITDA	$ 76.6	3.0 %	$ 78.7	4.0 %
Non-cash stock-based compensation expense	8.5	0.3 %	6.3	0.3 %
Acquisition and integration costs	17.1	0.7 %	13.6	0.7 %
Losses on fair value of investment	0.2	0.0 %	—	— %
Adjusted EBITDA	$ 102.5	4.0 %	$ 98.7	5.0 %

A reconciliation of EBITDA and EBITDA margin to Adjusted EBITDA and Adjusted EBITDA margin by segment for the periods indicated is as follows:

	For the Three Months Ended March 31,			
	2023		2022	
EBITDA	$ 76.6	3.0 %	$ 78.7	4.0 %
Non-cash stock-based compensation expense [(a)]	8.5	0.3 %	6.3	0.3 %
Acquisition and integration costs [(b)]	17.1	0.7 %	13.6	0.7 %
Losses on fair value of investment [(a)]	0.2	0.0 %	—	— %
Adjusted EBITDA	$ 102.5	4.0 %	$ 98.7	5.0 %
Segment:				
Communications	$ 61.7	7.7 %	$ 41.1	6.2 %
Clean Energy and Infrastructure	10.5	1.3 %	10.9	2.5 %
Oil and Gas	14.5	5.7 %	23.5	11.1 %
Power Delivery	49.1	6.9 %	53.2	8.2 %
Other	7.1	NM	6.9	NM
Segment Total	$ 142.9	5.5 %	$ 135.6	6.9 %
Corporate	(40.4)	—	(36.9)	—
Adjusted EBITDA	$ 102.5	4.0 %	$ 98.7	5.0 %

NM - Percentage is not meaningful

(a) Non-cash stock-based compensation expense and losses on the fair value of our investment in AVCT are included within Corporate results.

(b) For the three month period ended March 31, 2023, Communications, Clean Energy and Infrastructure and Power Delivery EBITDA included $8.9 million, $5.2 million and $1.7 million, respectively, of acquisition and integration costs related to our recent acquisitions, and Corporate EBITDA included $1.3 million of such costs. For the three month period ended March 31, 2022, Communications, Oil and Gas and Power Delivery EBITDA included $0.8 million, $2.0 million and $7.0 million, respectively, of such acquisition and integration costs, and Corporate EBITDA included $3.8 million.

The table below, which may contain slight summation differences due to rounding, reconciles reported net income and reported diluted earnings per share, the most directly comparable U.S. GAAP financial measures, to Adjusted Net Income and Adjusted Diluted Earnings Per Share.

	For the Three Months Ended March 31,			
	2023		2022	
	Net Loss (in millions)	Diluted Loss Per Share	Net Loss (in millions)	Diluted Loss Per Share
Reported U.S. GAAP measure	$ (80.5)	$ (1.05)	$ (35.0)	$ (0.47)
Adjustments:				
Non-cash stock-based compensation expense	8.5	0.11	6.3	0.08
Amortization of intangible assets	41.9	0.54	25.6	0.34
Acquisition and integration costs	17.1	0.22	13.6	0.18
Losses on fair value of investment	0.2	0.00	—	—
Total adjustments, pre-tax	$ 67.8	$ 0.88	$ 45.5	$ 0.61
Income tax effect of adjustments [(a)]	(29.2)	(0.38)	(12.5)	(0.17)
Adjusted non-U.S. GAAP measure	$ (41.9)	$ (0.54)	$ (2.0)	$ (0.03)

(a) Represents the tax effects of the adjusted items that are subject to tax, including the tax effects of non-cash stock-based compensation expense, including from the vesting of share-based payment awards. Tax effects are determined based on the tax treatment of the related item, the incremental statutory tax rate of the jurisdictions pertaining to the adjustment, and their effects on pre-tax income. For the three month period ended March 31, 2023, our consolidated effective tax rate, as reported, was 35.7%, and as adjusted, was 27.0%. For the three month period ended March 31, 2022, our consolidated effective tax rate, as reported, was 27.3%, and as adjusted, was 23.4%.

Financial Condition, Liquidity and Capital Resources

Our primary sources of liquidity are cash flows from operations, availability under our Credit Facility and our cash balances. Our primary liquidity needs are for working capital, capital expenditures, insurance and performance collateral in the form of cash and letters of credit, debt service, income taxes, earn-out obligations and equity and other investment funding requirements. We also evaluate opportunities for strategic acquisitions, investments and other arrangements from time to time, and we may consider opportunities to borrow additional funds, which may include borrowings under our Credit Facility or debt issuances, or to refinance, extend the terms of our existing indebtedness or retire outstanding debt, or to repurchase additional shares of our outstanding common stock under share repurchase authorizations, any of which may require our use of cash.

Capital Expenditures. For the three month period ended March 31, 2023, we spent approximately $63 million on capital expenditures, or $43 million, net of asset disposals, and incurred approximately $23 million of equipment purchases under finance leases. We estimate that we will spend approximately $150 million on capital expenditures, or approximately $100 million, net of asset disposals, in 2023, and we expect to incur approximately $150 million of equipment purchases under finance leases. Actual capital expenditures may increase or decrease in the future depending upon business activity levels, as well as ongoing assessments of equipment lease versus purchase decisions based on short and long-term equipment requirements.

Acquisitions and Earn-Out Liabilities. We typically utilize cash for business acquisitions and other strategic arrangements, and for the three month period ended March 31, 2023, we used $47 million of cash for this purpose. In addition, in most of our acquisitions, we have agreed to make future payments to the sellers that are contingent upon the future earnings performance of the acquired businesses, which we also refer to as "Earn-out" payments. Earn-out payments may be paid in cash or, under specific circumstances, MasTec common stock, or a combination thereof, generally at our option. The estimated total value of future Earn-out liabilities as of March 31, 2023 was approximately $125 million. Of this amount, approximately $36 million represents the liability for earned amounts. The remainder is management's estimate of Earn-out liabilities that are contingent upon future performance. Earn-out payments for the three month period ended March 31, 2023 totaled approximately $2 million. There were no Earn-out payments for the three month period ended March 31, 2022.

Our acquisition of HMG provides for certain additional payments to be made to the sellers if certain acquired receivables are collected, which we refer to as the "Additional Payments." Pursuant to the terms of the HMG purchase agreement, a portion of the Additional Payments will be made in cash, with the remainder due in shares of MasTec common stock. An Additional Payment of approximately $29.4 million was made in May 2022, which payment was composed of approximately $18 million in cash and 133,157 shares of MasTec common stock. As of March 31, 2023, the estimated fair value of remaining Additional Payments was approximately $39 million, which includes the effect of unrealized fair value losses of approximately $2 million related to the contingent shares. The number of shares that would be paid in connection with the remaining Additional Payment as of March 31, 2023 is approximately 170,000 shares. In addition, a fair value gain of $2.8 million was recognized in the first quarter of 2023 related primarily to remaining unexercised IEA warrants that expired on March 26, 2023.

Income Taxes. For both the three month periods ended March 31, 2023 and 2022, tax refunds, net of tax payments, totaled approximately $1 million. Our tax payments vary with changes in taxable income and earnings based on estimates of full year taxable income activity and estimated tax rates.

Working Capital. We need working capital to support seasonal variations in our business, primarily due to the effect of weather conditions on external construction and maintenance work and the spending patterns of our customers, both of which influence the timing of associated spending to support related customer demand. Working capital needs are generally higher during the summer and fall months due to increased demand for our services when favorable weather conditions exist in many of the regions in which we operate. Conversely, working capital needs are typically converted to cash during the winter months. These seasonal trends, however, can be offset by changes in the timing of projects, which can be affected by project delays or accelerations and/or other factors that may affect customer spending.

Working capital requirements also tend to increase when we commence multiple projects or particularly large projects because labor, including subcontractor costs, and certain other costs, including inventory, typically become payable before the receivables resulting from work performed are collected. The timing of billings and project close-outs can contribute to changes in unbilled revenue. As of March 31, 2023, we expect that substantially all of our unbilled receivables will be billed to customers in the normal course of business within the next twelve months. Total accounts receivable, which consists of contract billings, unbilled receivables and retainage, net of allowance, were generally flat at approximately $3.1 billion as of both March 31, 2023 and December 31, 2022. See below for discussion of our days sales outstanding, net of contract liabilities, which we refer to as days sales outstanding, or “DSO.”

Our payment billing terms are generally net 30 days, and some of our contracts allow our customers to retain a portion of the contract amount (generally, from 5% to 10% of billings) until the job is completed. As part of our ongoing working capital management practices, we evaluate opportunities to improve our working capital cycle time through contractual provisions and certain financing arrangements. For certain customers, we maintain inventory to meet the materials requirements of the contracts. Occasionally, certain of our customers pay us in advance for a portion of the materials we purchase for their projects or allow us to pre-bill them for materials purchases up to specified amounts. Vendor terms are generally 30 days. Our agreements with subcontractors often contain a “pay-if-paid” provision, whereby our payments to subcontractors are made only after we are paid by our customers.

Summary of Financial Condition, Liquidity and Capital Resources

Including our current assessment of general economic conditions on our results of operations and capital resource requirements, we anticipate that funds generated from operations, borrowings under our credit facilities and our cash balances will be sufficient to meet our working capital requirements, anticipated capital expenditures, debt service obligations, insurance and performance collateral requirements, letter of credit needs, earn-out obligations, required income tax payments, acquisition, strategic arrangement and investment funding requirements, share repurchase activity and other liquidity needs for the next twelve months and the foreseeable future.

Sources and Uses of Cash

As of March 31, 2023, we had approximately $1,278 million in working capital, defined as current assets less current liabilities, as compared with $1,363 million as of December 31, 2022, a decrease of approximately $85 million. Cash and cash equivalents totaled approximately $142 million and $371 million as of March 31, 2023 and December 31, 2022, respectively, for a decrease of $229 million. See discussion below for further detail regarding our cash flows.

Sources and uses of cash are summarized below (in millions):

	For the Three Months Ended March 31,	
	2023	2022
Net cash (used in) provided by operating activities	$ (86.4)	$ 131.5
Net cash used in investing activities	$ (89.5)	$ (101.4)
Net cash used in financing activities	$ (53.4)	$ (158.0)

Operating Activities. Cash flow from operations is primarily influenced by changes in the timing of demand for our services and operating margins, but can also be affected by working capital needs associated with the various types of services we provide. Working capital is affected by changes in total accounts receivable, prepaid expenses and other current assets, accounts payable and payroll tax payments, accrued expenses and contract liabilities, all of which tend to be related. These working capital items are affected by changes in revenue resulting from the timing and volume of work performed, variability in the timing of customer billings and collections of receivables, as well as settlement of payables and other obligations. Net cash used in operating activities for the three month period ended March 31, 2023 was $86 million, as compared with approximately $132 million of net cash provided by operating activities for the same period in 2022, for a decrease in net cash provided by operating activities of approximately $218 million, due primarily to a decrease in net income as well as the effect of timing-related working capital changes in assets and liabilities, net, including a reduction in accounts payable and accrued expenses.

DSO is calculated as total accounts receivable, net of allowance, less contract liabilities, divided by average daily revenue for the most recently completed quarter as of the balance sheet date. Our days sales outstanding, net of contract liabilities (“DSO”), was 94 as of March 31, 2023, and as of December 31, 2022, was 83. Our DSOs can fluctuate from period to period due to timing of billings, billing terms, collections and settlements, timing of project close-outs and retainage collections, changes in project and customer mix and the effect of working capital initiatives. The increase in DSO as of March 31, 2023 as compared with December 31, 2022 was due to timing of ordinary course billing and collection activities, as well as the effect of lower levels of organic revenue with fixed amounts of project retainage for certain projects. Other than ordinary course matters subject to litigation, we do not anticipate material collection issues related to our outstanding accounts receivable balances, nor do we believe that we have material amounts due from customers experiencing financial difficulties. Based on current information, we expect to collect substantially all of our outstanding accounts receivable balances within the next twelve months.

Investing Activities. Net cash used in investing activities decreased by approximately $12 million to $89 million for the three month period ended March 31, 2023 from $101 million for the same period in 2022. We paid $47 million related to acquisitions for the three month period ended March 31, 2023, in which period we completed one acquisition, as compared with $22 million for the same period in 2022, in which period we also completed one acquisition, for an increase of approximately $25 million of cash used in investing activities. Capital expenditures for the three month period ended March 31, 2023 totaled $63 million, or $43 million, net of asset disposals, as compared with $83 million, or $79 million, net of asset disposals, for the same period in 2022, for a decrease in cash used in investing activities of approximately $35 million, due to the effect in the prior year period of acceleration of capital expenditures to address supply chain disruption concerns.

Financing Activities. Net cash used in financing activities for the three month period ended March 31, 2023 was $53 million, as compared with $158 million for the same period in 2022, for a decrease in cash used in financing activities of $105 million. For the three month period ended March 31, 2023, we had $7 million of borrowings, net of repayments, under our credit facility and term loans, as compared with $82 million of repayments, net of borrowings for the same period in 2022, for a decrease in cash used in financing activities of approximately $88 million. In addition, share repurchases totaled $14 million for the three month period ended March 31, 2022, whereas there were no share repurchases for the same period in 2023, for a decrease in cash used in financing activities. Payments for other financing activities, net, which includes amounts paid for, and proceeds from, other borrowing and transaction-related activities, including payments of financing costs, totaled $2 million of proceeds for the three month period ended March 31, 2023, as compared with $17 million of payments for the same period in 2022, for a decrease in cash used in financing activities of approximately $19 million. The decrease in cash used in financing activities from the above described items was offset, in part, by the payment for the three month period ended March 31, 2023 of approximately $12 million to holders of our non-controlling interests, including $10 million to acquire the remaining 15% interests of one of these entities, whereas for the same period in 2022, we made no payments.

Senior Credit Facility

We have a senior unsecured credit facility (the “Credit Facility”) that matures on November 1, 2026 and has aggregate borrowing commitments totaling $2.25 billion, which amount is composed of $1.9 billion of revolving commitments and a Term Loan totaling $350 million in original principal amount. Aggregate outstanding borrowings under the Credit Facility as of March 31, 2023 totaled approximately $1.3 billion. Borrowings under the Credit Facility are used for working capital requirements, capital expenditures and other corporate purposes, including potential acquisitions, equity investments or other strategic arrangements, and/or the repurchase or prepayment of indebtedness, among other corporate borrowing requirements, including potential share repurchases.

We are dependent upon borrowings and letters of credit under our Credit Facility to fund our operations. Should we be unable to comply with the terms and conditions of our Credit Facility, we would be required to obtain modifications to the Credit Facility or obtain an alternative source of financing to continue to operate, neither of which may be available to us on commercially reasonable terms, or at all. The Credit Facility is subject to certain provisions and covenants, as more fully described in Note 7 - Debt in the notes to the audited consolidated financial statements included in our 2022 Form 10-K.

4.50% Senior Notes

We have $600 million aggregate principal amount of 4.50% Senior Notes due August 15, 2028 (the “4.50% Senior Notes”). The 4.50% Senior Notes are subject to certain provisions and covenants, as more fully described in Note 7 - Debt in the notes to the audited consolidated financial statements included in our 2022 Form 10-K.

6.625% Senior Notes

We have $300 million aggregate principal amount of 6.625% Senior Notes due August 15, 2029, which amount is composed of $225.1 million aggregate principal amount of 6.625%% IEA senior notes (the “6.625% IEA Senior Notes”) and $74.9 million aggregate principal amount of 6.625% MasTec senior notes (the “6.625% MasTec Senior Notes”). The 6.625% IEA Senior Notes are structurally subordinated to all indebtedness and other liabilities, including trade payables, of the Company’s subsidiaries and are effectively subordinated to any secured indebtedness of IEA Energy Services LLC, the issuer of the IEA 6.625% Senior Notes, to the extent of the value of the collateral securing such indebtedness. The 6.625% MasTec Senior Notes are general senior unsecured obligations of the Company, and rank equal in right of payment with all of the Company’s existing and future senior unsecured indebtedness and senior in right of payment to any of the Company’s future subordinated indebtedness. The 6.625% MasTec Senior Notes are effectively subordinated to all secured indebtedness of the Company to the extent of the value of the assets securing such indebtedness, and are structurally subordinated to all obligations of the subsidiaries of the Company, including trade payables and the 6.625% IEA Senior Notes. The 6.625% Senior Notes are subject to certain provisions and covenants, as more fully described in Note 7 - Debt in the notes to the audited consolidated financial statements included in our 2022 Form 10-K.

2022 Term Loan Facility

We have $700.0 million of unsecured term loans that were entered into in connection with the IEA acquisition, composed of $400.0 million in principal amount of three-year loans maturing on October 7, 2025, and $300.0 million in principal amount of five-year loans maturing on October 7, 2027 (together, the “2022 Term Loan Facility”). The obligations under the 2022 Term Loan Facility are unsecured and are not guaranteed by any of the Company or its subsidiaries. The 2022 Term Loan Facility is subject to certain provisions and covenants, as more fully described in Note 7 - Debt in the notes to the audited consolidated financial statements included in our 2022 Form 10-K

Debt Covenants

We were in compliance with the provisions and covenants contained in our outstanding debt instruments as of March 31, 2023.

Additional Information

For detailed discussion and additional information pertaining to our debt instruments, see Note 7 - Debt in the notes to the audited consolidated financial statements included in our 2022 Form 10-K. Also, see Note 7 - Debt in the notes to the consolidated financial statements in this Form 10-Q, which is incorporated by reference, for current period balances and discussion.

Off-Balance Sheet Arrangements

As is common in our industry, we have entered into certain off-balance sheet arrangements in the ordinary course of business. Our significant off-balance sheet transactions include liabilities associated with non-cancelable operating leases with durations of less than twelve months, letter of credit obligations, surety and performance and payment bonds entered into in the normal course of business, self-insurance liabilities, liabilities associated with multiemployer pension plans, liabilities associated with potential funding obligations and indemnification and/or guarantee arrangements relating to our equity and other investment arrangements, including our variable interest entities. These off-balance sheet arrangements have not had, and are not reasonably likely to have, a material impact on our financial condition, revenues or expenses, results of operations, liquidity, cash requirements or capital resources in the next twelve months or in the foreseeable future. Refer to Note 14 - Commitments and Contingencies, Note 4 - Fair Value of Financial Instruments and Note 15 - Related Party Transactions in the notes to the consolidated financial statements, which are incorporated by reference.

Impact of Inflation

Over the last year, inflation, supply chain and labor constraints have had a significant impact on the global economy, including on the construction industry in the United States. The primary inflationary factors directly affecting our operations are labor, fuel and material costs. Inflation has caused an increase in consumer prices and regulatory actions to increase interest rates, thereby elevating the risk of a recession. At the same time, the labor market remains at historically low levels of unemployment, creating further pressure on the supply of skilled labor. In times of low unemployment and/or high inflation, our labor costs may increase due to shortages in the supply of skilled labor and increases in compensation rates generally. Although most project materials are provided by our customers, increases in the cost of materials could negatively affect the economic viability of our customers' projects, and accordingly, demand for our services. Material and commodity prices are subject to unexpected fluctuations due to events outside of our control, including fluctuations in global supply and demand, climate-related effects, and geopolitical events, such as the ongoing conflict in Ukraine, which events have recently caused market volatility, particularly in the oil and gas markets, among others. Recent increases in labor, fuel and materials costs, to the extent that we have been unable to pass such increases along to our customers, have negatively affected our project margins, and could continue to affect our profitability in the future if we are unable to pass these costs along to our customers. Such market volatility can also affect our customers' investment decisions and subject us to project cancellations, deferrals or unexpected changes in the timing of project work. Market prices for goods can also be affected by supply chain disruptions. Additionally, as discussed within "Interest Rate Risk" below, the current inflationary environment has also resulted in an increase in market interest rates, which has increased the rates of interest on our variable rate debt, which rates may continue to increase depending on further monetary and fiscal actions taken to reduce inflation.

We closely monitor inflationary factors, including current rates of inflation, and any potential effects they may have on our business operations, operating results and/or financial condition. While the impact of these factors cannot be fully eliminated, we proactively work to mitigate the effects of inflation; however, continued inflationary pressures and related interest rate increases could adversely affect our business operations in the future.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

As of March 31, 2023, our variable interest rate debt was primarily related to our Credit Facility and our term loans. Outstanding borrowings under our Credit Facility bear interest, at the Company's option, at a rate equal to either (a) Term Secured Overnight Financing Rate ("SOFR"), as defined in the Credit Facility, plus a margin of 1.125% to 1.625%, or (b) a Base Rate, as defined in the Credit Facility, plus a margin of 0.125% to 0.625%. As of March 31, 2023, we had $905 million aggregate principal amount of outstanding revolving loans under our Credit Facility with a weighted average interest rate of 6.45% and a Term Loan with a balance of $348 million and an interest rate of 6.53%. The current year interest rates for outstanding revolving loans under our Credit Facility and Term Loan reflect basis point increases of approximately 485 and 482, respectively, over the comparable period in 2022.

Outstanding loans under the $400 million Three-Year Tranche of our 2022 Term Loan Facility bear interest, at the Company's option, at a rate equal to either (a) SOFR, as defined in the 2022 Term Loan Facility, plus a margin of 1.125% to 1.500%, or (b) a Base Rate, as defined in the 2022 Term Loan Facility, plus a margin of 0.125% to 0.500%. Outstanding loans under the $300 million Five-Year Tranche of our 2022 Term Loan Facility bear interest, at the Company's option, at a rate equal to either (a) Term SOFR plus a margin of 1.250% to 1.625%, or (b) a Base Rate, plus a margin of 0.250% to 0.625%. As of March 31, 2023, the Three-Year Tranche and Five-Year Tranche term loans accrued interest at weighted average rates of 6.308% and 6.433%, respectively.

Our interest expense is affected by the overall interest rate environment. Our variable rate interest debt subjects us to risk from increases in prevailing interest rates. This risk increases in the current inflationary environment, in which the Federal Reserve has increased interest rates, resulting in an increase in our variable interest rates and related interest expense. We manage interest rate risk by maintaining a mix of fixed and variable rate debt obligations. An additional 100 basis point increase in the applicable interest rates under our Credit Facility and term loans would have increased our interest expense by approximately $5 million for the three month period ended March 31, 2023.

As of March 31, 2023, our fixed interest rate debt primarily included $600 million aggregate principal amount of 4.50% Senior Notes, $300 million aggregate principal amount of 6.625% Senior Notes and $365 million of finance lease obligations, which accrued interest at a weighted average interest rate of approximately 4.1%. None of this debt subjects us to interest rate risk, but we may be subject to changes in interest rates if and when we refinance this debt at maturity or otherwise.

Foreign Currency Risk

Certain of our consolidated revenue and operating expenses are in foreign currencies. Our foreign operations are primarily in Canada. Revenue generated from foreign operations represented 1% of our total revenue for the three month period ended March 31, 2023. Revenue and expense related to our foreign operations are, for the most part, denominated in the functional currency of the foreign operation, which minimizes the impact that fluctuations in exchange rates would have on net income or loss. We are, however, subject to fluctuations in foreign currency exchange rates when transactions are denominated in currencies other than the functional currencies and for our foreign operations with a functional currency other than the local currency. Such activity was not material to our operations for the three month period ended March 31, 2023. Translation gains or losses, which are recorded in other comprehensive income or loss, result from translation of the assets and liabilities of our foreign subsidiaries into U.S. dollars. For the three month period ended March 31, 2023, foreign currency translation gains, net, totaled approximately $1 million and related to our operations in Canada and Mexico.

Our exposure to fluctuations in foreign currency exchange rates could increase in the future if we continue to expand our operations outside of the United States. We seek to manage foreign currency exposure by minimizing our consolidated net asset and liability positions in currencies other than the functional currency, which exposure was not significant to our consolidated financial position as of March 31, 2023. We may enter into foreign currency derivative contracts in the future to manage such exposure.

Other Market Risk

As discussed in Note 4 - Fair Value of Financial Instruments in the notes to the consolidated financial statements, which is incorporated by reference, we have certain investments that may be subject to market risk and could be subject to volatility based on market conditions.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. As of the end of the period covered by this Quarterly Report on Form 10-Q, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)). We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported within time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure. In conducting the evaluation of disclosure controls and procedures and internal control over financial reporting as of December 31, 2022, as described in the 2022 Form 10-K, we identified the following material weaknesses in our internal control over financial reporting:

- Design and operating effectiveness of controls over the order to cash cycle predominantly related to the assessment of certain 2021 acquired entities that underwent initial controls evaluation in 2022 (the “2021 Acquired Entities”).
- Operating effectiveness of controls related to the initial purchase price allocation of the 2022 IEA acquisition.
- Design of the precision level for a variance analysis management review control within the period end reporting cycle.

In addition, for certain 2021 Acquired Entities, we identified control deficiencies that, when aggregated, constitute material weaknesses as follows:

- Design and operating effectiveness of information technology general computer controls (“ITGCs”) in the areas of user access and program change-management for certain information technology systems (the “affected IT systems”) that are critical to capturing, processing, and reporting financial transactions. These ineffective information technology controls contributed to (i) improper segregation of duties among certain business process controls and (ii) ineffective data validation of spreadsheets and system-generated reports.
- Design and operating effectiveness of business process controls in each of the following business cycles: procure to pay, asset management, hire to pay, and period-end reporting.

As a result, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective at the reasonable assurance level as of March 31, 2023.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Notwithstanding the material weaknesses in our internal control over financial reporting, the consolidated financial statements included in this Quarterly Report on Form 10-Q fairly present, in all material respects, our financial position, results of operations, and cash flows for the periods presented in conformity with accounting principles generally accepted in the United States of America. In addition, the material weaknesses did not result in any restatements of the Company’s audited or unaudited consolidated financial statements and disclosures for any prior period previously reported by the Company.

To the extent permitted under SEC guidance, the disclosure controls and procedures of three entities acquired in 2022, including IEA, and of one entity acquired in 2023, were excluded from the evaluation of effectiveness of the Company’s disclosure controls and procedures as of March 31, 2023 due to the timing of the acquisitions. These four acquisitions’ total assets constituted approximately 20% of the Company’s total assets as of March 31, 2023, and represented approximately 15% of the Company’s revenue for the three month period then ended.

Management’s Plans for Remediation of Material Weaknesses. Management has implemented and continues to implement measures designed to ensure that control deficiencies contributing to the material weaknesses are remediated, such that these controls are designed, implemented, and operating effectively. These remediation actions are ongoing and include or are expected to include the following actions, predominately at 2021 Acquired Entities: (i) expanding functions of IT compliance from the existing, effective ITGC environment at the enterprise level to the 2021 Acquired Entities; (ii) developing a training program addressing ITGCs and IT policies with appropriate IT personnel; (iii) implementing procedures to ensure enforcement of proper segregation of duties; (iv) enhancing IT management review and testing plans to monitor

ITGCs and (v) adding resources and training programs addressing the design, implementation and documentary evidence requirements of control procedures over the order to cash, procure to pay, asset management, hire to pay, initial acquisition purchase price allocation and period-end reporting processes for appropriate personnel. We may take additional measures to remediate the underlying control deficiencies identified or modify the remediation plans described above. Although we believe that these actions will remediate the material weaknesses, the weaknesses will not be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Changes in Internal Control Over Financial Reporting**.** There have been no changes in the Company's internal control over financial reporting during the quarter ended March 31, 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting other than identification of the material weaknesses identified above, along with related remediation efforts.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Refer to Note 14 - Commitments and Contingencies in the notes to our consolidated financial statements included in this Quarterly Report on Form 10-Q, which is incorporated by reference in this Item 1, for a discussion of any recent material developments related to our legal proceedings since the filing of our 2022 Form 10-K.

MasTec has elected to use a $1 million threshold for disclosing proceedings arising under federal, state or local environmental laws, which proceedings involve potential monetary sanctions, and in which a governmental authority is a party. MasTec believes proceedings under this threshold are not material to its business and financial condition.

ITEM 1A. RISK FACTORS

There have been no material changes to either the cautionary statement regarding forward-looking statements or to any of the risk factors disclosed in our 2022 Form 10-K, as updated by our Quarterly Report on Form 10-Q and other filings we make with the SEC.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table provides information about repurchases of our common stock during the quarter ended March 31, 2023:

Period	Total Number of Shares Purchased (a)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet be Purchased under the Program (b)
January 1 through January 31	6,397	$ 96.02	—	$ 77,326,434
February 1 through February 28	7,899	$ 94.94	—	$ 77,326,434
March 1 through March 31	7,372	$ 92.28	—	$ 77,326,434
Total	21,668		—	

(a) Includes 6,397, 7,530 and 7,372 shares reacquired by the Company on the open market pursuant to the Amended ESPPs in January, February and March of 2023, respectively, and 369 shares withheld for income tax purposes in connection with shares issued under compensation and benefit programs in February of 2023.

(b) As of March 31, 2023, the remaining amount available for share repurchases under our March 2020 $150 million share repurchase program, which was publicly announced on March 19, 2020, totaled $77.3 million.

ITEM 4. MINE SAFETY DISCLOSURES

The information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95.1 to this Quarterly Report on Form 10-Q.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

The Exhibit Index below contains a list of exhibits filed or furnished with this Form 10-Q.

Exhibits	Description
10.1*	Employment Agreement, dated March 30, 2023, by and between MasTec, Inc. and Paul DiMarco
10.2*	Amended and Restated Employment Agreement, dated March 31, 2023, by and between MasTec, Inc. and George Pita
10.3*	Amendment to the MasTec, Inc. Amended and Restated 2011 Employee Stock Purchase Plan
10.4*	Amendment to the MasTec, Inc. Amended and Restated Bargaining Units ESPP
31.1*	Certifications required by Section 302(a) of the Sarbanes-Oxley Act of 2002.
31.2*	Certifications required by Section 302(a) of the Sarbanes-Oxley Act of 2002.
32.1**	Certifications required by Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certifications required by Section 906 of the Sarbanes-Oxley Act of 2002.
95.1*	Mine Safety Disclosures.
101.INS	Inline XBRL Instance Document - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	The cover page of MasTec, Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, formatted in Inline XBRL (included with the Exhibit 101 attachments).

* Filed herewith.

** Furnished herewith.

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 4, 2023

/s/ JOSÉ R. MAS

José R. Mas
Chief Executive Officer
(Principal Executive Officer)

/s/ PAUL DIMARCO

Paul DiMarco
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.1

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is entered into on this 30th day of March, 2023 (the "Effective Date"), by and between **MASTEC, INC.**, a Florida corporation (the "Company"), and **PAUL DIMARCO** ("Employee").

Recitals

The Company desires to employ Employee and Employee desires to be employed by the Company on the terms and subject to the conditions set forth in this Agreement.

ACCORDINGLY, in consideration of the mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Company and Employee (each, a "Party" and together, the "Parties") agree as follows:

Terms

1. **Employment**. The Company employs Employee and Employee desires to be employed by the Company on the terms and subject to the conditions set forth in this Agreement.

2. **Term**. The term of Employee's employment under this Agreement will commence on the Effective Date and shall continue until terminated in accordance with this Agreement ("Term").

3. **Duties**.

a. Position. During the Term, Employee will serve as Executive Vice President and Chief Financial Officer of the Company. Subject to the direction of the Chief Executive Officer of the Company ("CEO"), Employee will perform all duties commensurate with his position and such other tasks as may be assigned to him by the CEO or the Board of Directors of the Company (the "Board"). If requested by the Company, Employee will serve as an officer or director of any subsidiary of the Company, without additional compensation; provided, however, that if Employee is asked to serve as a director of any subsidiary of the Company, Employee may refuse to accept, or resign from, such appointment without causing a breach of this Agreement by Employee. If asked to serve as an officer or director of a subsidiary of the Company, Employee will be provided those officer and director indemnifications provided to other officers and directors of the Company and any such subsidiary.

b. Full Time and Attention. During the Term, Employee will devote his full business time and energies to the business and affairs of the Company and its subsidiaries and will use his best efforts, skills and abilities solely to promote the interests of the Company and its subsidiaries and to diligently and competently perform his duties, all in a manner in compliance with all applicable laws and regulations and in accordance with applicable policies and procedures adopted or amended from time to time by the Company, including, without limitation, the *Employee Handbook* and MasTec's *Code of Business Conduct and Ethics*, copies of which Employee acknowledges having received. Notwithstanding the foregoing, Employee may serve as a director on up to two, and not more than two, boards of directors of other companies, so long as such service does not create an actual or apparent conflict with the Company's interest and does not interfere with Employee's performance of Employee's duties to the Company. Employee's primary place of employment shall be at the Company's primary place of business in Miami-Dade County, Florida; however, Employee agrees and acknowledges that a material part of the time devoted to his duties and position hereunder will require that Employee travel on behalf of the Company.

4. **Compensation and Benefits**.

a. Base Salary. During the Term, Employee will be paid, as compensation for services rendered pursuant to this Agreement and Employee's observance and performance of all of the provisions of this Agreement, the amount of Five Hundred Thousand Dollars ($500,000.00) per annum (the "Base Salary"). The Base Salary will be payable in period installments in accordance with the normal payroll procedures of the Company as in effect from time to time. The Board or the Compensation Committee of the Board may, in its sole discretion, elect to increase the Base Salary.

b. Benefits. During the Term, Employee will be entitled to participate in or benefit from, in accordance with the eligibility and other provisions thereof, such life, health, medical, accident, dental and disability insurance and such other benefit plans as the Company may make generally available to, or have in effect for, other employees of the Company at the same general level as Employee. The Company retains the right to terminate or amend any such plans from time to time in its sole discretion. During the Term, Employee shall also be reimbursed for Employee's dues at a country club of the Employee's choosing, and the Company shall provide Employee with a non-accountable automobile allowance of Two Thousand Dollars ($2,000.00) per month or Employee shall be entitled to the use of a Company automobile, in lieu of receiving such non-accountable automobile allowance.

c. Performance Bonus. Employee shall be entitled to participate in the Company's bonus plan for senior management (the "SMBP") and shall be eligible to receive an annual bonus in an amount up to one hundred percent (100%) of Employee's Base Salary so long as Executive continues to provide active, full-time service through the applicable SMPB bonus period and the date the SMBP is paid. To the extent Employee is not actively employed as a full-time employee for the entire SMPB bonus period due to a disability or approved leave of absence under the Family and Medical Leave Act, Employee shall remain eligible for a pro-rata bonus at the sole discretion of the Compensation Committee of the Board. The amount of the annual bonus payable to Employee for a year (if any) shall be based upon the achievement of certain performance goals established by the Compensation Committee of the Board, in its sole discretion. The Compensation Committee of the Board, in its sole discretion, can pay Employee additional compensation for outstanding performance or achievement. Any bonuses payable pursuant to this Section 4(c) shall be referred to herein as "Performance Bonuses." If the Employee's employment shall terminate prior to December 31 of any year for the grounds specified in

Sections 11(d), 11(e), or 11(h), Employee shall remain eligible for a pro-rata bonus for such partial calendar year at the sole discretion of the Compensation Committee of the Board.

d. Expenses. The Company will reimburse Employee, in accordance with the Company's expense reimbursement policies as may be established from time to time by the Company, for all reasonable travel and other expenses actually incurred or paid by him during the Term in the performance of his services under this Agreement, upon presentation of expense statements or vouchers or such other supporting information as the Company may require.

e. Withholding. All payments under this Agreement will be subject to applicable taxes and required withholdings.

f. **Equity**. After Employee's employment is terminated and so long as Employee's employment is not terminated for Cause (as defined in Section 11(c) hereof) and has not breached any of his obligations set forth in Sections 6, 7 and 8 hereof, any restricted stock issuances or stock options grants Employee currently has or may have in the future shall continue to vest until they are fully vested and all existing and future stock option grants will remain exercisable by Employee for the full term of the grant. The Restricted Stock will be subject to the terms and conditions of the Company's incentive plans, as in effect and as may be amended from time to time in the Company's sole discretion.

5. **Representations of Employee**. Employee represents and warrants that he is not, (i) a party to any enforceable employment agreement or other arrangement, whether written or oral, with any past employer, that would prevent or restrict Employee's employment with the Company; (ii) a party to or bound by any agreement, obligation or commitment, or subject to any restriction, including, but not limited to, confidentiality agreements, restrictive covenants or non-compete and non-solicitation covenants, except for agreements with the Company or its affiliates; or (iii) involved with any professional endeavors which in the future may possibly adversely affect or interfere with the business of the Company, the full performance by Employee of his duties under this Agreement or the exercise of his best efforts hereunder.

6. **Confidentiality.**

a. Confidential Information. Employee acknowledges that as a result of his employment with the Company, Employee will gain knowledge of, and access to, proprietary and confidential information and trade secrets of the Company and its subsidiaries and affiliates, including, without limitation, (1) the identity of customers, suppliers, subcontractors and others with whom they do business; (2) their marketing methods and strategies; (3) contract terms, pricing, margin, cost information and other information regarding the relationship between them and the persons and entities with which they have contracted; (4) their services, products, software, technology, developments, improvements and methods of operation; (5) their results of operations, financial condition, projected financial performance, sales and profit performance and financial requirements; (6) the identity of and compensation paid to their employees, including Employee; (7) their business plans, models or strategies and the information contained therein (8) their sources, leads or methods of obtaining new business; and (9) all other confidential information of, about or concerning the business of the Company and its subsidiaries and affiliates (collectively, the "Confidential Information"). Employee further acknowledges that such information, even though it may be contributed, developed or acquired by Employee, and whether or not the foregoing information is actually novel or unique or is actually known by others, constitutes valuable assets of the Company developed at great expense which are the exclusive property of the Company or its subsidiaries and affiliates. Accordingly, Employee will not, at any time, either during or subsequent to the Term, in any fashion, form or manner, directly or indirectly, (i) use, divulge, disclose, communicate, provide or permit access to any person or entity, any Confidential Information of any kind, nature or description, or (ii) remove from the Company's or its subsidiaries or affiliates' premises any notes or records relating thereto, or copies or facsimiles thereof (whether made by electronic, electrical, magnetic, optical, laser acoustic or other means) except in the case of both (i) and (ii), (A) as reasonably required in the performance of his services to the Company under this Agreement, (B) to responsible officers and employees of the Company who are in a contractual or fiduciary relationship with the Company and who have a need for such information for purposes in the best interests of the Company, (C) for such information which is or becomes generally available to the public other than as a result of an unauthorized disclosure by Employee, and (D) or as otherwise necessary to comply with the requirements of law, after providing the Company with not less than five (5) days prior written notice of Employee's intent to disclose. Employee acknowledges that the Company would not enter into this Agreement without assurance that all Confidential Information will be used for the exclusive benefit of the Company. Pursuant to 18 U.S.C. § 1833(b), Employee will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or its subsidiaries or affiliates that (A) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to Employee's attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney and use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.

b. Return of Confidential Information. Upon request by the Company, Employee will promptly deliver to the Company all drawings, manuals, letters, notes, notebooks, reports and copies thereof, including all originals and copies contained in computer hard drives or other electronic or machine readable format, all Confidential Information and other materials relating to the Company's business, including, without limitation, any materials incorporating Confidential Information, which are in Employee's possession or control.

7. **Intellectual Property**. Any and all material eligible for copyright or trademark protection and any and all ideas and inventions ("Intellectual Property"), whether or not patentable, in any such case solely or jointly made, developed, conceived or reduced to practice by Employee (whether at the request or suggestion of any officer or employee of the Company or otherwise, whether alone or in conjunction with others, and whether during regular hours of work or otherwise) during the Term which arise from the fulfillment of Employee's duties hereunder and which may be directly or indirectly useful in the business of the Company will be promptly and fully disclosed in writing to the Company. The Company will have the entire right, title and interest (both domestic and foreign) in all such Intellectual Property, which is the sole property of the Company. All papers, drawings, models, data and other materials relating to any such idea, material or invention will be included in the definition of Confidential Information, will remain the sole property of the Company, and Employee will return to the Company all such papers, and all copies thereof, including all originals and copies contained in computer hard drives or other electronic or machine readable format, upon the earlier of the

Company's request thereof, or the expiration or termination of Employee' employment hereunder. Employee will execute, acknowledge and deliver to the Company any and all further assignments, contracts or other instruments the Company deems necessary or expedient, without further compensation, to carry out and effectuate the intents and purposes of the Agreement and to vest in the Company each and all of the rights of the Company in the Intellectual Property.

8. **Covenants**

a. Non-Competition and Non-Solicitation. Employee acknowledges and agrees that Company's and its subsidiary and affiliated companies (collectively, the "Companies") existing or contemplated businesses (collectively, the "Business") are conducted throughout the United States of America and the Commonwealth of Canada (including their possessions, protectorate, and territories, the "Territory"). Until one (1) year following the date of the termination of Employee's employment with the Company (the "Period of Non-competition" and within the territory), Employee will not (whether or not then employed by the Company for any reason), without the Company's prior written consent:

(i) directly or indirectly own, manage, operate, control, be employed by, act as agent, consultant or advisor for, or participate in the ownership, management, operation or control of, or be connected in any manner through the investment of capital, lending of money, or rendering of services or otherwise, with, any business of the type and character engaged in and competitive with the Business. For these purposes, ownership of securities of one percent (1%) or less of any class of securities of a public company will not be considered to be competition with the Business;

(ii) solicit, persuade or attempt to solicit or persuade or cause or authorize directly or indirectly to be solicited or persuaded any existing customer or client, or potential customer or client to which the Companies have made a presentation or with which the Companies have been having discussions, to cease doing business with or decrease the amount of business done with or not to hire the Companies, or to commence doing Business with or increase the amount of Business done with or hire another company;

(iii) solicit, persuade or attempt to solicit or persuade or cause or authorize directly or indirectly to be solicited or persuaded the business of any person or entity that is a customer or client of the Companies, or was their customer or client within two (2) years prior to cessation of Employee's employment by any of the Companies or any of their subsidiaries, for the purpose of competing with the Companies in the Business; or

(iv) solicit, persuade or attempt to solicit or persuade or cause or authorize directly or indirectly to be solicited or persuaded for employment, or employ or cause or authorize directly or indirectly to be employed, on behalf of Employee or any other person or entity, any individual who is or was at any time within six (6) months prior to cessation of Employee's employment by the Companies, an employee of any of the Companies.

If Employee breaches or violates any of the provisions of this Section 8, the running of the Period of Non-Competition (but not of any of Employee's obligations under this Section 8) will be tolled with respect to Employee during the continuance of any actual breach or violation. In addition to any other rights or remedies the Company may have under this Agreement or applicable law, the Company will be entitled to receive from Employee reimbursement for all attorneys' and paralegal fees and expenses and court costs incurred by the Companies in enforcing this Agreement and will have the right and remedy to require Employee to account for and pay over to the Company all compensation, profit, monies, accruals or other benefits derived or received, directly or indirectly, by Employee from the action constituting a breach or violation of this Section 8.

b. Exceptions. Utilities and Telecommunications operators (such as NextEra, Verizon, AT&T), cable companies and other non-construction or installation customers of the Company shall not be considered engaged in and competitive with the Business.

c. Consulting. Employee agrees to provide consulting or other services as reasonably requested by the Company and at mutually agreed-upon rates upon his termination of employment with the Company. The terms of any consulting relationship will be governed by a mutually agreed upon consulting agreement signed by the Parties.

9. **Reasonable Restrictions**. The Parties acknowledge and agree that the restrictions set forth in Sections 6, 7, and 8 of this Agreement are reasonable for the purpose of protecting the value of the business and goodwill of the Companies. It is the desire and intent of the Parties that the provisions of Sections 6, 7, and 8 be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. If any particular provision or portions of Sections 6, 7 or 8 are adjudicated to be invalid or unenforceable, then such section will be deemed amended to delete such provision or portion adjudicated to be invalid or unenforceable; provided, however, that such amendments to apply only with the respect to the operation of such section in the particular jurisdiction in which such adjudication is made.

10. **Breach or Threatened Breach**. The Parties acknowledge and agree that the performance of the obligations under Sections 6, 7 and 8 by Employee are special, unique and extraordinary in character, and that in the event of the breach or threatened breach by Employee of the terms and conditions of Sections 6, 7 or 8, the Companies will suffer irreparable injury and that monetary damages would not provide an adequate remedy at law and that no remedy at law may exist. Accordingly, in the event of such breach or threatened breach, the Company will be entitled, if it so elects and without the posting of any bond or security, to institute and prosecute proceedings in any court of competent jurisdiction, in law and in equity, to obtain damages for any breach of Sections 6, 7 or 8 or to enforce the specific performance of this Agreement by Employee or to enjoin Employee from breaching or attempting to breach Sections 6, 7 or 8. In the event the Company believes that the Employee has breached Employee's obligations under Sections 6, 7 or 8, or threatens to do so, it shall promptly provide the Employee written notice of such belief setting forth the basis for its belief and, (unless under exigent circumstances, as determined by the Company at its sole discretion, it would harm the Companies to delay the institution of legal proceedings) five (5) business days to respond to the notice, prior to the initiation of legal proceedings.

11. **Termination**. The Employee's employment under this Agreement may be terminated upon the occurrence of any of the events described in, and subject to the terms of, this Section 11:

a. Death. Immediately and automatically upon the death of Employee.

b. Disability. At the Company's option, immediately upon written notice if Employee suffers a "permanent disability", meaning any incapacity, illness or disability of Employee which renders Employee mentally or physically unable to perform his duties under this Agreement, with or without reasonable accommodation as required by the Americans with Disabilities Act, for a continuous period of one hundred (100) days, or one hundred twenty (120) days (whether or not consecutive), during the Term, as reasonably determined by the Company.

c. Termination for Cause. At the Company's option, immediately upon notice to Employee, upon the occurrence of any of the following events (each "Cause"), (i) Employee being convicted of any felony (whether or not against the Company or its subsidiaries or affiliates); (ii) a material failure of Employee to perform Employee's responsibilities after ten (10) days' written notice given by an executive officer of the Company to Employee, which notice shall identify the Employee's failure in sufficient detail and grant Employee an opportunity to cure such failure within such thirty (30) day period; (iii) a breach by Employee of any of his obligations under Sections 6, 7 or 8 hereof; (iv) any material act of dishonesty or other misconduct by Employee which is or could potentially be materially injurious to the Company or any of its subsidiaries or affiliates; (v) a material violation by Employee of any of the policies or procedures of the Company or any of its subsidiaries or affiliates, including without limitation the *Code of Business Conduct and Ethics* and the *Company Handbook*, provided, however, that if such violation is curable, then Employee will be given thirty (30) days written notice and the opportunity to cure such violation; or (vi) Employee voluntarily terminates this Agreement or leaves the employ of the Company or its subsidiaries or affiliates for any reason, other than Good Reason as defined in this Section 11.

d. Termination Without Cause. At the Company's option for any reason other than for Cause or Disability, or no reason, upon five (5) days' written notice to Employee given by the CEO.

e. Termination With Good Reason. At Employee's option, Employee may terminate this Agreement and Employee's employment hereunder with Good Reason upon the occurrence of any of the following: (i) a material diminution in the Employee's base compensation or benefits (other than a general reduction of benefits that affects all similarly situated executives in substantially the same proportions); (ii) a material adverse diminution in the Employee's authority, duties, or responsibilities; (iii) a material diminution in the budget over which the Employee retains authority; (iv) a change in the geographic location to one outside Miami-Dade County at which the Employee must perform the services under this Agreement; or (v) any other action or inaction that constitutes a material breach by the Company of this Agreement. For purposes of this Agreement, Good Reason shall not be deemed to exist unless the Employee delivers notice to the Company within ninety (90) days following the initial existence of one of the conditions specified in clauses (i) through (v) above. The Company shall have a period of thirty (30) days following the Company's receipt of such notice for the Company to cure the circumstances giving rise to Good Reason. If the Parties cannot agree that the condition alleged to have given rise to Good Cause has been cured, Employee's employment will terminate on the earlier of the date elected by the Company or the 30th day after notice is received by the Company.

f. Payments After Termination. If Employee's employment hereunder is terminated for the reasons set forth in Sections 11(a) or 11(b), then Employee or Employee's estate will receive the Base Salary and any Performance Bonus he may be deemed eligible for in the Compensation Committee of the Board's sole discretion through the date of death or disability, and all of Employee's stock options and restricted stock shall immediately vest. If the Company terminates Employee's employment hereunder for the reasons set forth in Section 11(c), then (i) Employee will receive his Base Salary through the date of termination and (ii) Employee will not have been deemed to have earned, and will forfeit, any eligibility and entitlement that Employee may have to receive any Performance Bonus. If Employee's employment hereunder is terminated for the reason set forth in Section 11(d) or Section 11(e), then (i) Employee will receive his Base Salary, his Average Performance Bonus (as defined below) and benefits set forth in Section 4(b) hereof (collectively, with the payment of the Base Salary and Average Performance Bonus, the "Severance Benefits"), over a period of twelve (12) months from the date of termination (the "Severance Period"). The "Average Performance Bonus" shall mean the average of the Performance Bonuses the Employee has received during the last three complete calendar years for which Employee was an employee of the Company. Notwithstanding the foregoing, the performance bonus paid to Employee in 2023 with respect to the 2022 calendar year, if applicable, shall be treated as a Performance Bonus for purposes of determining the Average Performance Bonus. The Severance Benefit shall be payable in accordance with the Company's payroll procedures and subject to applicable withholdings, and subject to Employee complying with the obligations set forth in Sections 6, 7 and 8. Any Severance Benefits payable to Employee also shall be conditioned upon Employee's execution of a general release of claims in a form to be provided by the Company, and the release becoming effective within 45 days after the date on which Employee's employment terminates. Payment of any Severance Benefits shall be delayed until the 46th day following the date on which Employee's employment terminates (the "Payment Commencement Date"), and any Severance Benefits that are so delayed shall be paid on the Payment Commencement Date.

g. General. Notwithstanding anything to the contrary set forth in this Agreement, the provision of payments after termination in accordance with the provisions of Section 11(f) or 11(h), shall not be a bar to the Employee's continued entitlement from the Company of (i) reimbursements of proper expenses, (ii) expense allowances, (iii) vested benefit and welfare entitlements; (iv) unemployment compensation, (v) workers compensation benefits, (vi) accrued vacation time (if consistent with Company policy), (vii) Base Salary through date of termination, and (viii) and continued vesting of options and restricted stock as may be provided in accordance with the provisions of this Agreement or any incentive plan. Notwithstanding anything in this Agreement to the contrary, if Employee is employed by the Company for an entire calendar year (e.g., the 2023 calendar year) and is terminated for any reason prior to the payment of the Performance Bonus for that year, if any, the Company hereby agrees to pay Employee any Performance Bonus that he would have otherwise been entitled to for that prior year, simultaneous with the payment of such bonuses to the Company's employees. Upon payment by the Company of the amounts described in Section 11 (as applicable), Employee will not be entitled to receive any further compensation or benefits from the Company.

h. Change in Control. If within twelve (12) months following a Change in Control, as defined in the attached **Schedule A**, Employee's employment hereunder is terminated for the reason set forth in Section 11(d) or Section 11(e), then and in that case only, will Employee be entitled to the following:

(1) all Employee's stock options and restricted stock then outstanding shall immediately vest, and

(2) a lump sum equal to the sum of (A) 1.5 times his Base Salary and (B) 1.5 times his Average Performance Bonus; and

(3) Employee shall continue to receive normal benefits as set out in Section 4(b).

All payments and benefits under this Section 11(h) shall be payable in accordance with the Company's payroll procedures and subject to applicable withholdings, and subject to Employee complying with the obligations set forth in Sections 6, 7 and 8. All payments and benefits under this Section 11(h) payable to Employee also shall be conditioned upon Employee's execution of a general release of claims in a form to be provided by the Company, and the release becoming effective within 45 days after the date on which Employee's employment terminates. Payment of all payments and benefits under this Section 11(h) shall be delayed until the 46th day following the date on which Employee's employment terminates, and any payments and benefits under this Section 11(h) that are so delayed shall be paid on the 46th day following the date on which Employee's employment terminates. For the avoidance of doubt, if Employee is eligible for payments and benefits under this Section 11(h), Employee shall not be entitled to the Severance Benefits on account of termination of Employee's employment hereunder for the reasons set forth in Section 11(d) or Section 11(e).

12. **Compliance with Section 409A:**

a. General. It is the intention of both the Company and the Employee that the benefits and rights to which the Employee could be entitled pursuant to this Agreement comply with Section 409A of the Internal Revenue Code and the Treasury Regulations and other guidance promulgated or issued thereunder ("Section 409A"), to the extent that the requirements of Section 409A are applicable thereto, and the provisions of this Agreement shall be construed in a manner consistent with that intention. If the Employee or the Company believes, at any time, that any such benefit or right that is subject to Section 409A does not so comply, it shall promptly advise the other and shall negotiate reasonably and in good faith to amend the terms of such benefits and rights such that they comply with Section 409A (with the most limited possible economic effect on the Employee and on the Company). Notwithstanding the foregoing, the Company does not make any representation to the Employee that the payments or benefits provided under this Agreement are exempt from, or satisfy, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless the Employee or any beneficiary of the Employee for any tax, additional tax, interest or penalties that the Employee or any beneficiary of the Employee may incur in the event that any provision of this Agreement, or any amendment or modification thereof, or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A.

b. Distributions on Account of Separation from Service. If and to the extent required to comply with Section 409A, no payment or benefit required to be paid under this Agreement on account of termination of the Employee's employment shall be made unless and until the Employee incurs a "separation from service" within the meaning of Section 409A.

c. 6 Month Delay for Specified Employees.

(i) If the Employee is a "specified employee", then no payment or benefit that is payable on account of the Employee's "separation from service", as that term is defined for purposes of Section 409A, shall be made before the date that is six months after the Employee's "separation from service" (or, if earlier, the date of the Employee's death) if and to the extent that such payment or benefit constitutes deferred compensation (or may be nonqualified deferred compensation) under Section 409A and such deferral is required to comply with the requirements of Section 409A. Any payment delayed by reason of the prior sentence, and interest on any such delayed payment determined at the rate being paid by the Company on its senior credit facility determined as of the date of termination of the Employee's employment, shall be paid in a single lump sum at the end of such required delay period in order to catch up to the original payment schedule, and any benefits delayed by reason of the prior sentence, shall be provided at the end of such required delay period.

(ii) For purposes of this provision, the Employee shall be considered to be a "specified employee" if, at the time of his or her separation from service, the Employee is a "key employee", within the meaning of Section 416(i) of the Code, of the Company (or any person or entity with whom the Company would be considered a single employer under Section 414(b) or Section 414(c) of the Code) any stock in which is publicly traded on an established securities market or otherwise.

d. No Acceleration of Payments. Neither the Company nor the Employee, individually or in combination, may accelerate any payment or benefit that is subject to Section 409A, except in compliance with Section 409A and the provisions of this Agreement, and no amount that is subject to Section 409A shall be paid prior to the earliest date on which it may be paid without violating Section 409A.

e. Treatment of Each Installment as a Separate Payment. For purposes of applying the provisions of Section 409A to this Agreement, each separately identified amount to which the Employee is entitled under this Agreement shall be treated as a separate payment. In addition, to the extent permissible under Section 409A, any series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

f. Taxable Reimbursements and In-Kind Benefits.

(i) Any reimbursements by the Company to the Employee of any eligible expenses under this Agreement that are not excludable from the Employee's income for Federal income tax purposes (the "Taxable Reimbursements") shall be made by no later than the earlier of the date on which they would be paid under the Company's normal policies and the last day of the taxable year of the Employee following the year in which the expense was incurred.

(ii) The amount of any Taxable Reimbursements, and the value of any in-kind benefits to be provided to the Employee, during any taxable year of the Employee shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year of the Employee.

(iii) The right to any Taxable Reimbursement, or in-kind benefits, shall not be subject to liquidation or exchange for another benefit.

g. Tax Gross-Ups. Payment of any tax reimbursements under this Agreement must be made by no later than the end of the taxable year of the Employee following the taxable year of the Employee in which the Employee remits the related taxes.

13. **Potential Section 280G Reductions.**

a. Anything in this Agreement to the contrary notwithstanding, in the event that it shall be determined that any payment, distribution, or other action by the Company to or for the benefit of the Employee, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (a "Payment"), would result in an "excess parachute payment" within the meaning of Section 280G(b)(i) of the Internal Revenue Code of 1986, as amended (the "Code"), and the value determined in accordance with Section 280G(d)(4) of the Code of the Payments, net of all taxes imposed on the Employee (the "Net After-Tax Amount") that the Employee would receive would be increased if the Payments were reduced, then the Payments shall be reduced by an amount (the "Reduction Amount") so that the Net After-Tax Amount after such reduction is greatest. For purposes of determining the Net After-Tax Amount, the Employee shall be deemed to (i) pay federal income taxes at the highest marginal rates of federal income taxation for the calendar year in which the Payment is to be made, and (ii) pay applicable state and local income taxes at the highest marginal rate of taxation for the calendar year in which the Payment is to be made, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes.

b. Subject to the provisions of this Section 13, all determinations required to be made under this Section 13, including the Net After-Tax Amount, the Reduction Amount and the Payments that are to be reduced pursuant to Section 13(a) and the assumptions to be utilized in arriving at such determinations, shall be made by a nationally accredited accounting firm chosen by the Company in its sole discretion (the "Accounting Firm"), which shall promptly provide detailed supporting calculations both to the Company and the Employee upon request by the Company. The Accounting Firm's decision as to which Payments are to be reduced shall be made (i) only from Payments that the Accounting Firm determines reasonably may be characterized as "parachute payments" under Section 280G of the Code; (ii) only from Payments that are required to be made in cash, (iii) only with respect to any amounts that are not payable pursuant to a "nonqualified deferred compensation plan" subject to Section 409A of the Code, until those payments have been reduced to zero, and (iv) in reverse chronological order, to the extent that any Payments subject to reduction are made over time (*e.g*., in installments). In no event, however, shall any Payments be reduced if and to the extent such reduction would cause a violation of Section 409A of the Code or other applicable law. All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any determination by the Accounting Firm shall be binding upon the Company and the Employee.

14. **Miscellaneous**.

a. Survival. The provisions Sections 6, 7, 8, 9, 10, 11, 12, 13, and 14 will survive the termination or expiration of this Agreement for any reason.

b. Entire Agreement. This Agreement constitutes the entire agreement of the parties pertaining to its subject matter and supersedes all prior or contemporaneous agreements or understandings between the parties pertaining to the subject matter of this Agreement, and there are no promises, agreements, conditions, undertakings, warranties, or representations, whether written or oral, expressed or implied, between the parties other than as set forth in this Agreement.

c. Modification. This Agreement may not be amended or modified, or any provision waived, unless in writing and signed by both parties.

d. Waiver. Failure of a party to enforce one or more of the provisions of this Agreement or to require at any time performance of any of the obligations of this Agreement will not be construed to be a waiver of such provisions by such party nor to in any way affect the validity of this Agreement or such party's right thereafter to enforce any provision of this Agreement, nor to preclude such party from taking any other action at any time which it would legally be entitled to take.

e. Successors and Assigns. This Agreement may not be assigned, or the duties delegated unless in writing and signed by both parties, except for any assignment by the Company occurring by operation of law or the transfer of substantially all of the Company's assets. Subject to the foregoing, this Agreement will inure to the benefit of, and be binding upon, the parties and their heirs, beneficiaries, personal representatives, successors and permitted assigns.

f. Notices. Any notice, demand, consent, agreements, request, or other communication required or permitted under this Agreement will be in writing and will be, (i) mailed by first-class mail, registered or certified, return receipt requested, postage prepaid, (ii) delivered personally by independent courier, or (iii) transmitted by facsimile, to the parties at the addressee as follows (or at such other addresses as will be specified by the parties by like notice). If to Employee, then to:

If to the Company, then to:

MasTec, Inc.
Douglas Entrance, 12th Floor
800 Douglas Road
Coral Gables, Florida
Attn: Legal Department
Facsimile: 305-406-1907

If to the Employee, then to:

Paul DiMarco
2506 North Greenway Drive
Coral Gables, FL 33134

Each party may designate by notice in writing a new address to which any notice, demand, consent, agreement, request or communication may thereafter be given, served or sent. Each notice, demand, consent, agreement, request or communication that is mailed, hand delivered or transmitted in the manner described above will be deemed received for all purposes at such time as it is delivered to the addresses (with the return receipt, the courier delivery receipt or the telecopier answer back confirmation being deemed conclusive evidence of such delivery) or at such time as deliver is refused by the addressee upon presentation.

g. Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then such invalidity or unenforceability will not affect the validity and enforceability of the other provisions of this Agreement and the provision held to be invalid or unenforceable will be enforced as nearly as possible according to its original terms and intent to eliminate such invalidity or unenforceability.

h. Counterparts. This Agreement may be executed in any number of counterparts, and all counterparts will collectively be deemed to constitute a single binding agreement.

i. Governing Law; Venue. This Agreement will be governed by the laws of the State of Florida, without regard to its conflicts of law principles. Employee consents to the jurisdiction of any state or federal court located within Miami-Dade County, State of Florida, agrees that such courts shall be the exclusive jurisdiction for any suit, action, or legal proceeding arising directly or indirectly out of this Agreement, and consents that all service of process may be made by registered or certified mail directed to Employee at the address in Section 13(f) of this Agreement. Employee waives any objection which Employee may have based on lack of personal jurisdiction or improper venue or forum non conveniens to any suit or proceeding instituted by the Company under this Agreement in any state or federal court located within Miami-Dade County, Florida and consents to the granting of such legal or equitable relief as is deemed appropriate by the court. This provision is a material inducement for the Company to enter into this Agreement with Employee.

j. Participation of Parties. The parties acknowledge that this Agreement and all matters contemplated herein have been negotiated between both of the parties and their respective legal counsel and that both parties have participated in the drafting and preparation of this Agreement from the commencement of negotiations at all times through execution. Therefore, the parties agree that this Agreement will be interpreted and construed without reference to any rule requiring that this Agreement be interpreted or construed against the party causing it to be drafted.

k. Injunctive Relief. It is possible that remedies at law may be inadequate and, therefore, the parties will be entitled to equitable relief including, without limitation, injunctive relief, specific performance or other equitable remedies in addition to all other remedies provided hereunder or available to the parties hereto at law or in equity.

l. Waiver of Jury Trial. BOTH THE COMPANY AND EMPLOYEE IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THE PROVISIONS OF THIS AGREEMENT.

m. Right to Setoff. The Company will be entitled, in its discretion and in addition to any other remedies it may have in law or in equity, to set-off against any amounts payable to Employee under this Agreement or otherwise the amount of any obligations of Employee to the Company under this Agreement that are not paid by Employee when due. In the event of any such setoff, the Company will promptly provide the Employee with a written explanation of such setoff, and an opportunity to register a written protest thereof.

n. Indemnification. The Company will indemnify, defend and hold harmless the Employee of and from all costs, judgments, fines, penalties and expenses (including attorneys' fees and court costs) which the Employee incurs or for which Employee becomes liable in connection with any third party cause of action, complaint, action or proceeding (collectively, "Claims") arising out of or relating to Employee's performance of services for the Company or any of its subsidiaries or affiliated companies, except to the extent such Claims arise out of or relate to the Employee's misconduct, fraud or gross negligence. The Company agrees that during the Term, it shall maintain Directors & Officers liability insurance in an amount comparable to coverage currently held by the Company to meet its indemnification obligations under this section. To the fullest extent permitted by law, the Company shall reimburse Employee for any reasonable and necessary costs and expenses incurred by Employee in connection with defending such third-party claims, provided that Employee is entitled to be reimbursed for such costs and expenses under the terms of this Section 14(n).

o. Litigation: **Prevailing Party**. In the event of any litigation, administrative proceeding, arbitration, mediation or other proceeding with regard to this Agreement, the prevailing party will be entitled to receive from the non-prevailing party all court costs and all reasonable fees and expenses of counsel and paralegals for the prevailing party as determined by a court of competent jurisdiction.

p. Descriptive Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

EXECUTED as of the date set forth in the first paragraph of this Agreement.

EMPLOYEE

/s/ Paul DiMarco

Paul DiMarco

MASTEC, INC.

By: /s/ Jose Mas

Jose Mas, Chief Executive Officer

SCHEDULE A

"Change in Control" shall mean the occurrence of one of the following events:

(a) Acquisition By Person of Substantial Percentage. The acquisition by a Person (including "affiliates" and "associates" of such Person, but excluding the Company, and "parent" or "subsidiary" of the Company, or any employee benefit plan of the Company) of a sufficient number of shares of the Common Stock, or securities convertible into the Common Stock, and whether through direct acquisition of shares or by merger, consolidation, share exchange, reclassification of securities or recapitalization of or involving the Company or any "parent" or "subsidiary" of the Company, to constitute actual or beneficial owner of 51% or more of the Common Stock;

(b) Disposition of Assets. Any sale, lease, transfer, exchange, mortgage, pledge or other disposition, in one transaction or a series of transactions, of all or substantially all of the assets of the Company or of any "subsidiary" of the Company to a Person described in subsection (a) above, but only if such transaction occurs without approval or ratification by a majority of the members of the Board; or

(c) Substantial Change of Board Members. During any fiscal year of the Company, individuals who at the beginning of such year constitute the Board cease for any reason to constitute at least a majority thereof, unless the election of each director who was not a director at the beginning of such period has been approved in advance by a majority of the directors in office at the beginning of the fiscal year.

For purposes of this Section, the terms "affiliate," "associate," "parent" and "subsidiary" shall have the respective meanings ascribed to such terms in Rule 12b-2 under Section 12 of the 1934 Act.

Exhibit 10.2

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the "Agreement") is entered into on March 31, 2023 and is effective as of April 1, 2023 (the "Effective Date"), unless the Agreement is revoked by Employee pursuant to Section 14(b)(vi) hereof, by and between MASTEC, INC., a Florida corporation (the "Company"), and **GEORGE PITA** ("Employee").

Recitals

WHEREAS, the Company and Employee previously entered into that certain Employment Agreement, effective January 23, 2014 and as amended effective March 31, 2014 (the "Prior Agreement"); and

WHEREAS, Employee is voluntarily terminating his role as the Company's Executive Vice President and Chief Financial Officer, effective March 31, 2023 and accepting a role as a non-executive employee of the Company, effective April 1, 2023; and

WHEREAS, this Agreement amends and restates, in its entirety, the Prior Agreement, in order to reflect certain agreement changes to the terms of the Prior Agreement between the Company and Employee on account of Employee's voluntary transition to a non-executive employee of the Company, effective April 1, 2023.

ACCORDINGLY, in consideration of the mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Company and Employee agree as follows:

Terms

1. **Employment**. The Company employs Employee and Employee desires to be employed by the Company on the terms and subject to the conditions set forth in this Agreement.

2. **Term**. The term of Employee's employment under this Agreement will commence on January 23, 2014 and shall continue until terminated in accordance with this Agreement ("Term").

3. **Duties**.

a. Position. During the Term, Employee will provide services to the Company as a non-executive employee of the Company, subject to the direction of the Chief Executive Officer of the Company ("CEO"), and Employee will perform all duties commensurate with his position and such other tasks as may be assigned to him by the CEO or the Board of Directors of the Company (the "Board"). If requested by the Company, Employee will serve as an officer or director of any subsidiary of the Company, without additional compensation, provided, however, that if Employee is asked to serve as a director of any subsidiary of the Company, Employee may refuse to accept, or resign from, such appointment without causing a breach of this Agreement by Employee. If asked to serve as an officer or director of a subsidiary of the Company, Employee will be provided those officer and director indemnifications provided to other officers and directors of the Company and any such subsidiary.

b. Time and Attention. During the Term, Employee will devote such business time and energies to the business and affairs of the Company and its subsidiaries as necessary in order to perform the required services under this Agreement and will use his best efforts, skills and abilities to promote the interests of the Company and its subsidiaries and to diligently and competently perform his duties, all in a manner in compliance with all applicable laws and regulations and in accordance with applicable policies and procedures adopted or amended from time to time by the Company, including, without limitation, the *Employee Handbook*, a copy of which Employee acknowledges having received.

4. **Compensation and Benefits**.

a. Base Salary. During the Term, Employee will be paid, as compensation for services rendered pursuant to this Agreement and Employee's observance and performance of all of the provisions of this Agreement, the amount of Four Hundred Thousand Dollars ($400,000.00) per annum (the "Base Salary"). The Base Salary will be payable in accordance with the normal payroll procedures of the Company as in effect from time to time.

b. Benefits. During the Term, Employee will be entitled to participate in or benefit from, in accordance with the eligibility and other provisions thereof, such life, health, medical, accident, dental and disability insurance and such other benefit plans as the Company may make generally available to, or have in effect for, other employees of the Company at the same general level as Employee. The Company retains the right to terminate or amend any such plans from time to time in its sole discretion. During the Term, Employee shall also be reimbursed for Employee's golf membership dues at a country club and the Company shall provide Employee with a non-accountable automobile allowance of One Thousand Five Hundred Fifty Dollars ($1,550) per month or Employee shall be entitled to the use of a Company automobile, in lieu of receiving such non-accountable automobile allowance.

c. Performance Bonus. Employee shall not be entitled to participate in the Company's bonus plan for senior management or any other performance or bonus plans or arrangements maintained by the Company for the benefit of its employees.

d. Expenses. The Company will reimburse Employee, in accordance with the Company's expense reimbursement policies as may be established from time to time by the Company, for all reasonable travel and other expenses actually incurred or paid by him during the Term in the performance of his services under this Agreement, upon presentation of expense statements or vouchers or such other supporting information as the Company may require.

e. Withholding. All payments under this Agreement will be subject to applicable taxes and required withholdings.

f. Equity. All restricted shares of the Company's common stock granted to Employee as of the Effective Date, which were granted effective March 18, 2021, March 24, 2022 and March 10, 2023 (collectively, the "Prior Equity Grants"), shall continue to be subject to terms and conditions set forth under the applicable grant documents, and the terms and conditions of the Company's incentive plans, as in effect and as may be amended from time to time in the Company's sole discretion. For the avoidance of doubt, the "Employment Agreement", as defined in the applicable grant documents for the Prior Equity Grants and used for references to certain sections and defined terms in the "Employment Agreement", shall refer to this Agreement.

5. **Representations of Employee**. Employee represents and warrants that he is not, (i) a party to any enforceable employment agreement or other arrangement, whether written or oral, with any past employer, that would prevent or restrict Employee's employment with the Company; (ii) a party to or bound by any agreement, obligation or commitment, or subject to any restriction, including, but not limited to, confidentiality agreements, restrictive covenants or non-compete and non-solicitation covenants, except for agreements with the Company or its affiliates; or (iii) involved with any professional endeavors which in the future may possibly adversely affect or interfere with the business of the Company, the full performance by Employee of his duties under this Agreement or the exercise of his best efforts hereunder.

6. **Confidentiality**.

a. Confidential Information. Employee acknowledges that as a result of his employment with the Company, Employee may gain knowledge of, and access to, proprietary and confidential information and trade secrets of the Company and its subsidiaries and affiliates, including, without limitation, (1) the identity of customers, suppliers, subcontractors and others with whom they do business; (2) their marketing methods and strategies; (3) contract terms, pricing, margin, cost information and other information regarding the relationship between them and the persons and entities with which they have contracted; (4) their services, products, software, technology, developments, improvements and methods of operation; (5) their results of operations, financial condition, projected financial performance, sales and profit performance and financial requirements; (6) the identity of and compensation paid to their employees, including Employee; (7) their business plans, models or strategies and the information contained therein (8) their sources, leads or methods of obtaining new business; and (9) all other confidential information of, about or concerning the business of the Company and its subsidiaries and affiliates (collectively, the "Confidential Information"). Employee further acknowledges that such information, even though it may be contributed, developed or acquired by Employee, and whether or not the foregoing information is actually novel or unique or is actually known by others, constitutes valuable assets of the Company developed at great expense which are the exclusive property of the Company or its subsidiaries and affiliates. Accordingly, Employee will not, at any time, either during or subsequent to the Term, in any fashion, form or manner, directly or indirectly, (i) use, divulge, disclose, communicate, provide or permit access to any person or entity, any Confidential Information of any kind, nature or description, or (ii) remove from the Company's or its subsidiaries or affiliates' premises any notes or records relating thereto, or copies or facsimiles thereof (whether made by electronic, electrical, magnetic, optical, laser acoustic or other means) except in the case of both (i) and (ii), (A) as reasonably required in the performance of his services to the Company under this Agreement, (B) to responsible officers and employees of the Company who are in a contractual or fiduciary relationship with the Company and who have a need for such information for purposes in the best interests of the Company, (C) for such information which is or becomes generally available to the public other than as a result of an unauthorized disclosure by Employee, and (D) or as otherwise necessary to comply with the requirements of law, after providing the Company with not less than five (5) days prior written notice of Employee's intent to disclose. Employee acknowledges that the Company would not enter into this Agreement without assurance that all Confidential Information will be used for the exclusive benefit of the Company. Pursuant to 18 U.S.C. § 1833(b), Employee will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or its subsidiaries or affiliates that (A) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to Employee's attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney and use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.

b. Return of Confidential Information. Upon request by the Company, Employee will promptly deliver to the Company all drawings, manuals, letters, notes, notebooks, reports and copies thereof, including all originals and copies contained in computer hard drives or other electronic or machine readable format, all Confidential Information and other materials relating to the Company's business, including, without limitation, any materials incorporating Confidential Information, which are in Employee's possession or control.

7. **Intellectual Property**. Any and all material eligible for copyright or trademark protection and any and all ideas and inventions ("Intellectual Property"), whether or not patentable, in any such case solely or jointly made, developed, conceived or reduced to practice by Employee (whether at the request or suggestion of any officer or employee of the Company or otherwise, whether alone or in conjunction with others, and whether during regular hours of work or otherwise) during the Term which arise from the fulfillment of Employee's duties hereunder and which may be directly or indirectly useful in the business of the Company will be promptly and fully disclosed in writing to the Company. The Company will have the entire right, title and interest (both domestic and foreign) in all such Intellectual Property, which is the sole property of the Company. All papers, drawings, models, data and other materials relating to any such idea, material or invention will be included in the definition of Confidential Information, will remain the sole property of the Company, and Employee will return to the Company all such papers, and all copies thereof, including all originals and copies contained in computer hard drives or other electronic or machine readable format, upon the earlier of the Company's request thereof, or the expiration or termination of Employee' employment hereunder. Employee will execute, acknowledge and deliver to the Company any and all further assignments, contracts or other instruments the Company deems necessary or expedient, without further compensation, to carry out and effectuate the intents and purposes of the Agreement and to vest in the Company each and all of the rights of the Company in the Intellectual Property.

8. **Covenants**.

a. Non-Competition and Non-Solicitation. Employee acknowledges and agrees that Company's and its subsidiary and affiliated companies (collectively, the "Companies") existing or contemplated businesses (collectively, the "Business") are conducted throughout the United States of America and the Commonwealth of Canada. Until the later of (1) one (1) year following the date of the termination of Employee's employment with the Company, or (2) March 10, 2026 (the "Period of Non-competition" and within the United States of America and the Commonwealth of Canada (including their possessions, protectorate and territories, the "Territory"), Employee will not (whether or not then employed by the Company for any reason), without the Company's prior written consent:

(i) directly or indirectly own, manage, operate, control, be employed by, act as agent, consultant or advisor for, or participate in the ownership, management, operation or control of, or be connected in any manner through the investment of capital, lending of money, or rendering of services or otherwise, with, any business of the type and character engaged in and competitive with the Business. For these purposes, ownership of securities of one percent (1%) or less of any class of securities of a public company will not be considered to be competition with the Business;

(ii) solicit, persuade or attempt to solicit or persuade or cause or authorize directly or indirectly to be solicited or persuaded any existing customer or client, or potential customer or client to which the Companies have made a presentation or with which the Companies have been having discussions, to cease doing business with or decrease the amount of business done with or not to hire the Companies, or to commence doing Business with or increase the amount of Business done with or hire another company;

(iii) solicit, persuade or attempt to solicit or persuade or cause or authorize directly or indirectly to be solicited or persuaded the business of any person or entity that is a customer or client of the Companies, or was their customer or client within two (2) years prior to cessation of Employee's employment by any of the Companies or any of their subsidiaries, for the purpose of competing with the Companies in the Business; or

(iv) solicit, persuade or attempt to solicit or persuade or cause or authorize directly or indirectly to be solicited or persuaded for employment, or employ or cause or authorize directly or indirectly to be employed, on behalf of Employee or any other person or entity, any individual who is or was at any time within six (6) months prior to cessation of Employee's employment by the Companies, an employee of any of the Companies.

If Employee breaches or violates any of the provisions of this Section 8, the running of the Period of Non-Competition (but not of any of Employee's obligations under this Section 8) will be tolled with respect to Employee during the continuance of any actual breach or violation. In addition to any other rights or remedies the Company may have under this Agreement or applicable law, the Company will be entitled to receive from Employee reimbursement for all attorneys' and paralegal fees and expenses and court costs incurred by the Companies in enforcing this Agreement and will have the right and remedy to require Employee to account for and pay over to the Company all compensation, profit, monies, accruals or other benefits derived or received, directly or indirectly, by Employee from the action constituting a breach or violation of this Section 8.

b. Exceptions. Utilities and Telecommunications operators (such as NextEra, Verizon, AT&T), cable companies and other non-construction or installation customers of the Company shall not be considered engaged in and competitive with the Business. Notwithstanding the foregoing or any other provision of this Agreement, it shall not be a breach or violation of this Agreement for the Employee to serve on corporate, civic or charitable boards, which have been approved by the Company's Chief Executive Officer and such approval shall not be unreasonably withheld.

c. Consulting. Employee agrees to provide consulting or other services as reasonably requested by the Company and at mutually agreed-upon rates upon his termination of employment with the Company.

9. **Reasonable Restrictions**. The parties acknowledge and agree that the restrictions set forth in Sections 6, 7, and 8 of this Agreement are reasonable for the purpose of protecting the value of the business and goodwill of the Companies. It is the desire and intent of the parties that the provisions of Sections 6, 7, and 8 be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. If any particular provisions or portions of Sections 6, 7 or 8 are adjudicated to be invalid or unenforceable, then such section will be deemed amended to delete such provision or portion adjudicated to be invalid or unenforceable; provided, however, that such amendments to apply only with the respect to the operation of such section in the particular jurisdiction in which such adjudication is made.

10. **Breach or Threatened Breach**. The parties acknowledge and agree that the performance of the obligations under Sections 6, 7 and 8 by Employee are special, unique and extraordinary in character, and that in the event of the breach or threatened breach by Employee of the terms and conditions of Sections 6, 7 or 8, the Companies will suffer irreparable injury and that monetary damages would not provide an adequate remedy at law and that no remedy at law may exist. Accordingly, in the event of such breach or threatened breach, the Company will be entitled, if it so elects and without the posting of any bond or security, to institute and prosecute proceedings in any court of competent jurisdiction, in law and in equity, to obtain damages for any breach of Sections 6, 7 or 8 or to enforce the specific performance of this Agreement by Employee or to enjoin Employee from breaching or attempting to breach Sections 6, 7 or 8. In the event the Company believes that the Employee has breached Employee's obligations under Sections 6, 7 or 8, or threatens to do so, it shall promptly provide the Employee written notice of such belief setting forth the basis for its belief and, (unless under exigent circumstances, as determined by the Company at its sole discretion, it would harm the Companies to delay the institution of legal proceedings) five (5) business days to respond to the notice, prior to the initiation of legal proceedings.

11. **Termination**. The Employee's employment under this Agreement may be terminated upon the occurrence of any of the events described in, and subject to the terms of, this Section 11:

a. Death. Immediately and automatically upon the death of Employee.

b. Disability. At the Company's option, immediately upon written notice if Employee suffers a "permanent disability", meaning any incapacity, illness or disability of Employee which renders Employee mentally or physically unable to perform his duties under this Agreement for a continuous period of sixty (60) days, or one hundred twenty (120) days (whether or not consecutive), during the Term, as reasonably determined by the Company.

c. Termination for Cause. At the Company's option, immediately upon notice to Employee, upon the occurrence of any of the following events (each "Cause"), (i) Employee being convicted of any felony (whether or not against the Company or its subsidiaries or affiliates); (ii) a material failure of Employee to perform Employee's responsibilities after ten (10) days' written notice given by an executive officer of the Company to Employee, which notice shall identify the Employee's failure in sufficient detail and grant Employee an opportunity to cure such failure within such ten (10) day period; (iii) a breach by Employee of any of his obligations under Sections 6, 7 or 8 hereof; (iv) any material act of dishonesty or other misconduct by Employee against the Company or any of its subsidiaries or affiliates; (v) a material violation by Employee of any of the policies or procedures of the Company or any of its subsidiaries or affiliates, including without limitation the *Company Handbook*, provided, however, that if such violation is curable, then Employee will be given ten (10) days written notice and the opportunity to cure such violation; or (vi) Employee voluntarily terminates this Agreement or leaves the employ of the Company or its subsidiaries or affiliates for any reason, other than Good Reason.

d. Termination Without Cause. At the Company's option for any reason, or no reason, upon five (5) days' written notice to Employee given by the CEO.

e. Termination With Good Reason. At Employee's option, upon the occurrence of any of the following: (i) a material diminution in the Employee's Base Salary or Performance Bonus opportunity or Benefits; (ii) a material diminution in the Employee's authority, duties, or responsibilities; (iii) a material diminution in the budget over which the Employee retains authority; (iv) a change in the geographic location to one outside Miami-Dade County at which the Employee must perform the services under this Agreement; or (v) any other action or inaction that constitutes a material breach by the Company of this Agreement. For purposes of this Agreement, Good Reason shall not be deemed to exist unless the Employee's termination of employment for Good Reason occurs within 2 years following the initial existence of one of the conditions specified in clauses (i) through (v) above, the Employee provides the Company with written notice of the existence of such condition within 90 days after the initial existence of the condition, and the Company fails to remedy the condition within 30 days after its receipt of such notice.

f. Payments After Termination. If Employee's employment hereunder is terminated for the reasons set forth in Sections 11(a), 11(b), 11(c), 11(d) or 11(e), then Employee or Employee's estate will receive the unpaid Base Salary earned through the date of death, Disability or termination of employment, as applicable.

g. General. Notwithstanding anything to the contrary set forth in this Agreement, the provision of payments after termination in accordance with the provisions of Section 11(f) above, shall not be a bar to the Employee's continued entitlement from the Company of (i) reimbursements of proper expenses and Benefits, (ii) expense allowances, (iii) vested benefit and welfare entitlements; (iv) unemployment compensation, (v) workers compensation benefits, (vi) accrued vacation time (if consistent with Company policy), (vii) Base Salary earned through date of termination, and (viii) and continued vesting restricted stock as may be provided in accordance with the provisions of the applicable grant documents for the Prior Equity Grants or any incentive plan. Upon payment by the Company of the amounts described in Section 11(f) and this Section 11(g), Employee will not be entitled to receive any further compensation or benefits from the Company.

h. Potential Section 280G Reductions.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that it shall be determined that any payment, distribution, or other action by the Company to or for the benefit of the Employee, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (a "Payment"), would result in an "excess parachute payment" within the meaning of Section 280G(b)(i) of the Internal Revenue Code of 1986, as amended (the "Code"), and the value determined in accordance with Section 280G(d)(4) of the Code of the Payments, net of all taxes imposed on the Employee (the "Net After-Tax Amount") that the Employee would receive would be increased if the Payments were reduced, then the Payments shall be reduced by an amount (the "Reduction Amount") so that the Net After-Tax Amount after such reduction is greatest. For purposes of determining the Net After-Tax Amount, the Employee shall be deemed to (i) pay federal income taxes at the highest marginal rates of federal income taxation for the calendar year in which the Payment is to be made, and (ii) pay applicable state and local income taxes at the highest marginal rate of taxation for the calendar year in which the Payment is to be made, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes.

(ii) Subject to the provisions of this Section 11(h), all determinations required to be made under this Section 11(h), including the Net After-Tax Amount, the Reduction Amount and the Payments that are to be reduced pursuant to Section 11(h)(i) and the assumptions to be utilized in arriving at such determinations, shall be made by a nationally accredited accounting firm chosen by the Company in its sole discretion (the "Accounting Firm"), which shall promptly provide detailed supporting calculations both to the Company and the Employee upon request by the Company. The Accounting Firm's decision as to which Payments are to be reduced shall be made (i) only from Payments that the Accounting Firm determines reasonably may be characterized as "parachute payments" under Section 280G of the Code; (ii) only from Payments that are required to be made in cash, (iii) only with respect to any amounts that are not payable pursuant to a "nonqualified deferred compensation plan" subject to Section 409A of the Code, until those payments have been reduced to zero, and (iv) in reverse chronological order, to the extent that any Payments subject to reduction are made over time (e.g., in installments). In no event, however, shall any Payments be reduced if and to the extent such reduction would cause a violation of Section 409A of the Code or other applicable law. All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any determination by the Accounting Firm shall be binding upon the Company and the Employee.

12. **Compliance with Section 409A**:

a. General. It is the intention of both the Company and the Employee that the benefits and rights to which the Employee could be entitled pursuant to this Agreement comply with Section 409A of the Internal Revenue Code and the Treasury Regulations and other guidance promulgated or issued thereunder ("Section 409A"), to the extent that the requirements of Section 409A are applicable thereto, and the provisions of this Agreement shall be construed in a manner consistent with that intention. If the Employee or the Company believes, at any time, that any such benefit or right that is subject to Section 409A does not so comply, it shall promptly advise the other and shall negotiate reasonably and in good faith to amend the terms of such benefits and rights such that they comply with Section 409A (with the most limited possible economic effect on the Employee and on the Company). Notwithstanding the foregoing, the Company does not make any representation to the Employee that the payments or benefits provided under this Agreement are exempt from, or satisfy, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless the Employee or any beneficiary of the Employee for any tax, additional tax, interest or penalties that the Employee or any beneficiary of the Employee may incur in the event that any provision of this Agreement, or any amendment or modification thereof, or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A.

b. Distributions on Account of Separation from Service. If and to the extent required to comply with Section 409A, no payment or benefit required to be paid under this Agreement on account of termination of the Employee's employment shall be made unless and until the Employee incurs a "separation from service" within the meaning of Section 409A.

c. 6 Month Delay for Specified Employees.

(i) If the Employee is a "specified employee", then no payment or benefit that is payable on account of the Employee's "separation from service", as that term is defined for purposes of Section 409A, shall be made before the date that is six months after the Employee's "separation from service" (or, if earlier, the date of the Employee's death) if and to the extent that such payment or benefit constitutes deferred compensation (or may be nonqualified deferred compensation) under Section 409A and such deferral is required to comply with the requirements of Section 409A. Any payment delayed by reason of the prior sentence, and interest on any such delayed payment determined at the rate being paid by the Company on its senior credit facility determined as of the date of termination of the Employee's employment, shall be paid in a single lump sum at the end of such required delay period in order to catch up to the original payment schedule, and any benefits delayed by reason of the prior sentence, shall be provided at the end of such required delay period.

(ii) For purposes of this provision, the Employee shall be considered to be a "specified employee" if, at the time of his or her separation from service, the Employee is a "key employee", within the meaning of Section 416(i) of the Code, of the Company (or any person or entity with whom the Company would be considered a single employer under Section 414(b) or Section 414(c) of the Code) any stock in which is publicly traded on an established securities market or otherwise.

d. No Acceleration of Payments. Neither the Company nor the Employee, individually or in combination, may accelerate any payment or benefit that is subject to Section 409A, except in compliance with Section 409A and the provisions of this Agreement, and no amount that is subject to Section 409A shall be paid prior to the earliest date on which it may be paid without violating Section 409A.

e. Treatment of Each Installment as a Separate Payment. For purposes of applying the provisions of Section 409A to this Agreement, each separately identified amount to which the Employee is entitled under this Agreement shall be treated as a separate payment. In addition, to the extent permissible under Section 409A, any series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

f. Taxable Reimbursements and In-Kind Benefits.

(i) Any reimbursements by the Company to the Employee of any eligible expenses under this Agreement that are not excludable from the Employee's income for Federal income tax purposes (the "Taxable Reimbursements") shall be made by no later than the earlier of the date on which they would be paid under the Company's normal policies and the last day of the taxable year of the Employee following the year in which the expense was incurred.

(ii) The amount of any Taxable Reimbursements, and the value of any in-kind benefits to be provided to the Employee, during any taxable year of the Employee shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year of the Employee.

(iii) The right to any Taxable Reimbursement, or in-kind benefits, shall not be subject to liquidation or exchange for another benefit.

g. Tax Gross-Ups. Payment of any tax reimbursements under this Agreement must be made by no later than the end of the taxable year of the Employee following the taxable year of the Employee in which the Employee remits the related taxes.

13. **Miscellaneous**.

a. Survival. The provisions Sections 6, 7, 8, 9, 10, 11, 12, 13 and 14 will survive the termination or expiration of this Agreement for any reason.

b. Entire Agreement. This Agreement constitutes the entire agreement of the parties pertaining to its subject matter and supersedes all prior or contemporaneous agreements or understandings between the parties pertaining to the subject matter of this Agreement (including, without limitation, the Prior Agreement), and there are no promises, agreements, conditions, undertakings, warranties, or representations, whether written or oral, expressed or implied, between the parties other than as set forth in this Agreement.

c. Modification. This Agreement may not be amended or modified, or any provision waived, unless in writing and signed by both parties.

d. Waiver. Failure of a party to enforce one or more of the provisions of this Agreement or to require at any time performance of any of the obligations of this Agreement will not be construed to be a waiver of such provisions by such party nor to in any way affect the validity of this Agreement or such party's right thereafter to enforce any provision of this Agreement, nor to preclude such party from taking any other action at any time which it would legally be entitled to take.

e. Successors and Assigns. This Agreement may not be assigned or the duties delegated unless in writing and signed by both parties, except for any assignment by the Company occurring by operation of law or the transfer of substantially all of the Company's assets. Subject to the foregoing, this Agreement will inure to the benefit of, and be binding upon, the parties and their heirs, beneficiaries, personal representatives, successors and permitted assigns.

f. Notices. Any notice, demand, consent, agreements, request, or other communication required or permitted under this Agreement will be in writing and will be, (i) mailed by first-class mail, registered or certified, return receipt requested, postage prepaid, (ii) delivered personally by independent courier, or (iii) transmitted by facsimile, to the parties at the addressee as follows (or at such other addresses as will be specified by the parties by like notice).

If to Employee, then to:

4045 Ensenada Ave
Miami, FL 33133
georgepita@hotmail.com
(305) 613-7272

If to the Company, then to:

MasTec, Inc.
Douglas Entrance, 12th Floor
800 Douglas Road
Coral Gables, Florida
Attn: Legal Department
Facsimile: 305-406-1907

Each party may designate by notice in writing a new address to which any notice, demand, consent, agreement, request or communication may thereafter be given, served or sent. Each notice, demand, consent, agreement, request or communication that is mailed, hand delivered or transmitted in the manner described above will be deemed received for all purposes at such time as it is delivered to the addresses (with the return receipt, the courier delivery receipt or the telecopier answer back confirmation being deemed conclusive evidence of such delivery) or at such time as deliver is refused by the addressee upon presentation.

g. Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then such invalidity or unenforceability will not affect the validity and enforceability of the other provisions of this Agreement and the provision held to be invalid or unenforceable will be enforced as nearly as possible according to its original terms and intent to eliminate such invalidity or unenforceability.

h. Counterparts. This Agreement may be executed in any number of counterparts, and all counterparts will collectively be deemed to constitute a single binding agreement.

i. Governing Law; Venue. This Agreement will be governed by the laws of the State of Florida, without regard to its conflicts of law principles. Employee consents to the jurisdiction of any state or federal court located within Miami-Dade County, State of Florida, agrees that such courts shall be the exclusive jurisdiction for any suit, action, or legal proceeding arising directly or indirectly out of this Agreement, and consents that all service of process may be made by registered or certified mail directed to Employee at the address in Section 13(f) of this Agreement. Employee waives any objection which Employee may have based on lack of personal jurisdiction or improper venue or forum non conveniens to any suit or proceeding instituted by the Company under this Agreement in any state or federal court located within Miami-Dade County, Florida and consents to the granting of such legal or equitable relief as is deemed appropriate by the court. This provision is a material inducement for the Company to enter into this Agreement with Employee.

j. Participation of Parties. The parties acknowledge that this Agreement and all matters contemplated herein have been negotiated between both of the parties and their respective legal counsel and that both parties have participated in the drafting and preparation of this Agreement from the commencement of negotiations at all times through execution. Therefore, the parties agree that this Agreement will be interpreted and construed without reference to any rule requiring that this Agreement be interpreted or construed against the party causing it to be drafted.

k. Injunctive Relief. It is possible that remedies at law may be inadequate and, therefore, the parties will be entitled to equitable relief including, without limitation, injunctive relief, specific performance or other equitable remedies in addition to all other remedies provided hereunder or available to the parties hereto at law or in equity.

l. Waiver of Jury Trial. EACH OF THE COMPANY AND EMPLOYEE IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THE PROVISIONS OF THIS AGREEMENT.

m. Right to Setoff. The Company will be entitled, in its discretion and in addition to any other remedies it may have in law or in equity, to set-off against any amounts payable to Employee under this Agreement or otherwise the amount of any obligations of Employee to the Company under this Agreement that are not paid by Employee when due. In the event of any such setoff, the Company will promptly provide the Employee with a written explanation of such setoff, and an opportunity to register a written protest thereof.

n. Litigation: Prevailing Party. In the event of any litigation, administrative proceeding, arbitration, mediation or other proceeding with regard to this Agreement, the prevailing party will be entitled to receive from the non-prevailing party and the non-prevailing party will pay upon demand all court costs and all reasonable fees and expenses of counsel and paralegals for the prevailing party.

o. Descriptive Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

14. **Release**.

a. Employee's General Release and Waiver of Claims. In exchange for the consideration provided in this Agreement, the Employee and the Employee's heirs, executors, representatives, administrators, agents, insurers, and assigns (collectively, the "Releasors") irrevocably and unconditionally fully and forever waive, release, and discharge the Company and its subsidiaries, and other corporate affiliates, and each of their respective present and former employees, officers, directors, owners, shareholders, and agents, individually and in their official capacities (collectively, the "Released Parties"), from any and all claims, demands, actions, causes of actions, judgments, rights, fees, damages, debts, obligations, liabilities, and expenses (inclusive of attorneys' fees) of any kind whatsoever, whether known or unknown, that Releasors may have or have ever had against the Released Parties, or any of them, arising out of, or in any way related to the Employee's hire, benefits, compensation, employment, termination, or separation from employment with the Company by reason of any actual or alleged act, omission, transaction, practice, conduct, occurrence, or other matter from the beginning of time up to and including the date of the Employee's execution of this Agreement, including, but not limited to: any and all claims under Title VII of the Civil Rights Act of 1964 (Title VII), the Americans with Disabilities Act (ADA), the Family and Medical Leave Act (FMLA), the Fair Labor Standards Act (FLSA), the Equal Pay Act, the Employee Retirement Income Security Act (ERISA) (regarding unvested benefits), the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Fair Credit Reporting Act (FCRA), the Worker Adjustment and Retraining Notification (WARN) Act, the Age Discrimination in Employment Act (ADEA), the Older Workers Benefit Protection Act (OWBPA), the Uniform Services Employment and Reemployment Rights Act (USERRA), the Genetic Information Nondiscrimination Act (GINA), the Immigration Reform and Control Act (IRCA), the Florida Private Whistleblower's Act, all including any amendments and their respective implementing regulations, and any other federal, state, local, or foreign law (statutory, regulatory, or otherwise) that may be legally waived and released; however, the identification of specific statutes is for purposes of example only, and the omission of any specific statute or law shall not limit the scope of this general release in any manner.

b. Acknowledgement. By signing this Agreement, the Employee hereby acknowledges and confirms that:

(i) the Employee has read this Agreement in its entirety and understands all of its terms;

(ii) by this Agreement, the Employee has been advised in writing to consult with an attorney of the Employee's choosing before signing this Agreement;

(iii) the Employee knowingly, freely, and voluntarily agrees to all of the terms and conditions set out in this Agreement including, without limitation, the waiver, release, and covenants contained in it;

(iv) the Employee is signing this Agreement, including the waiver and release, in exchange for good and valuable consideration in addition to anything of value to which the Employee is otherwise entitled;

(v) the Employee was given at least twenty-one (21) days to consider the terms of this Agreement and consult with an attorney of the Employee's choice, although the Employee may sign it sooner if desired and changes to this Agreement, whether material or immaterial, do not restart the running of the 21-day period;

(vi) the Employee understands that the Employee has seven (7) days after signing this Agreement to revoke the Agreement by delivering notice of revocation to Virginia Pagliery, Esq. Associate General Counsel of MasTec, Inc. via email at virginia.pagliery@mastec.com before the end of this seven-day period;

(vii) the Employee understands that the release contained in this paragraph does not apply to rights and claims that may arise after the Employee signs this Agreement; and

(viii) the Employee has not commenced, and will not pursue, any claim that the Employee has released under this Agreement, except that the Employee may challenge the knowing and voluntary nature of that release under the OWBPA and the ADEA before a court, the Equal Employment Opportunity Commission ("EEOC"), or any other federal, state or local agency charged with the enforcement of any employment laws.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

EXECUTED as of the date set forth in the first paragraph of this Agreement.

EMPLOYEE

/s/ George Pita

George Pita

MASTEC, INC.

By: /s/ Jose Mas

Jose Mas, Chief Executive Officer

EXHIBIT A

"Change in Control" shall mean:

(a) Acquisition By Person of Substantial Percentage. The acquisition by a Person (including "affiliates" and "associates" of such Person, but excluding the Company, and "parent" or "subsidiary" of the Company, or any employee benefit plan of the Company) of a sufficient number of shares of the Common Stock, or securities convertible into the Common Stock, and whether through direct acquisition of shares or by merger, consolidation, share exchange, reclassification of securities or recapitalization of or involving the Company or any "parent" or "subsidiary" of the Company, to constitute actual or beneficial owner of 51% or more of the Common Stock;

(b) Disposition of Assets. Any sale, lease, transfer, exchange, mortgage, pledge or other disposition, in one transaction or a series of transactions, of all or substantially all of the assets of the Company or of any "subsidiary" of the Company to a Person described in subsection (a) above, but only if such transaction occurs without approval or ratification by a majority of the members of the Board; or

(c) Substantial Change of Board Members. During any fiscal year of the Company, individuals who at the beginning of such year constitute the Board cease for any reason to constitute at least a majority thereof, unless the election of each director who was not a director at the beginning of such period has been approved in advance by a majority of the directors in office at the beginning of the fiscal year.

For purposes of this Section, the terms "affiliate," "associate," "parent" and "subsidiary" shall have the respective meanings ascribed to such terms in Rule 12b-2 under Section 12 of the 1934 Act.

Exhibit 10.3

AMENDMENT TO THE MASTEC, INC.
AMENDED AND RESTATED
2011 EMPLOYEE STOCK PURCHASE PLAN

WHEREAS, MasTec, Inc. (the "***Company***") maintains the MasTec, Inc. Amended and Restated 2011 Employee Stock Purchase Plan (the "***Plan***"), established effective as of July 1, 2011, and as most recently amended and restated effective January 1, 2021; and

WHEREAS, capitalized terms used herein and not herein defined shall have the respective meanings ascribed thereto in the Plan; and

WHEREAS, the Company desires to amend the Plan to credit service performed for any entity or business the Company or any subsidiary acquires whether by asset or stock purchase, but only with respect to individuals who are employees of the acquired entity at the time of the acquisition.

NOW THEREFORE, the Plan is hereby amended, effective as of January 1, 2023, as follows:

1. Section 3(b) of the Plan is hereby amended and restated, in its entirety, as follows:

   "(b) *Subsequent Offering Dates.* Any individual who is an Employee as of the first Offering Date to occur in a given calendar month (the "First Eligible Offering Date") and has been employed by the Company or any Subsidiary (or any predecessor) or any entity or business the Company or any Subsidiary acquires whether by asset or stock purchase, but only with respect to individuals who are employees of the acquired entity at the time of the acquisition, for one full calendar month preceding the first day of the calendar month in which the First Eligible Offering Date occurs, shall be eligible to become a Participant as of the First Eligible Offering Date. For example, subject to the limitations set forth in Section 5(c), an individual that first became an Employee on January 22, 2021 would be eligible to become a Participant on the Offering Date occurring on March 11, 2021, provided that the individual remained an Employee on March 11, 2021."

2. Except as amended herein, all other provisions of the Plan remain unchanged and in full force and effect.

Exhibit 10.4

**AMENDMENT TO THE MASTEC, INC.
AMENDED AND RESTATED
BARGAINING UNITS ESPP**

WHEREAS, MasTec, Inc. (the "***Company***") maintains the MasTec, Inc. Amended and Restated Bargaining Units ESPP (the "***Plan***"), established effective as of July 1, 2013, and as most recently amended and restated effective January 1, 2021; and

WHEREAS, capitalized terms used herein and not herein defined shall have the respective meanings ascribed thereto in the Plan; and

WHEREAS, the Company desires to amend the Plan to credit service performed for any entity or business the Company or any subsidiary acquires whether by asset or stock purchase, but only with respect to individuals who are employees of the acquired entity at the time of the acquisition.

NOW THEREFORE, the Plan is hereby amended, effective as of January 1, 2023, as follows:

1. Section 3(b) of the Plan is hereby amended and restated, in its entirety, as follows:

   "(b) *Subsequent Offering Dates.* Any individual who is an Employee as of the first Offering Date to occur in a given calendar month (the "First Eligible Offering Date") and has been employed by the Company or any Subsidiary (or any predecessor) or any entity or business the Company or any Subsidiary acquires whether by asset or stock purchase, but only with respect to individuals who are employees of the acquired entity at the time of the acquisition, for one full calendar month preceding the first day of the calendar month in which the First Eligible Offering Date occurs, shall be eligible to become a Participant as of the First Eligible Offering Date. For example, subject to the limitations set forth in Section 5(c), an individual that first became an Employee on January 22, 2021 would be eligible to become a Participant on the Offering Date occurring on March 11, 2021, provided that the individual remained an Employee on March 11, 2021."

2. Except as amended herein, all other provisions of the Plan remain unchanged and in full force and effect.

Exhibit 31.1

CERTIFICATIONS REQUIRED BY SECTION 302(a)
OF SARBANES-OXLEY ACT OF 2002

I, José R. Mas, certify that:

I have reviewed this quarterly report on Form 10-Q of MasTec, Inc.;

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2023

/s/ JOSÉ R. MAS
José R. Mas
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

**CERTIFICATIONS REQUIRED BY SECTION 302(a)
OF SARBANES-OXLEY ACT OF 2002**

I, Paul DiMarco, certify that:

I have reviewed this quarterly report on Form 10-Q of MasTec, Inc.;

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2023

/s/ PAUL DIMARCO
Paul DiMarco
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of MasTec, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, José R. Mas, Chief Executive Officer of MasTec, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 4, 2023

/s/ JOSÉ R. MAS
José R. Mas
Chief Executive Officer
(Principal Executive Officer)

The certification set forth above is being furnished as an exhibit solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and is not being filed as part of the Quarterly Report on Form 10-Q for the period ended March 31, 2023, or as a separate disclosure document of the Company or the certifying officers.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of MasTec, Inc. (the “Company”) on Form 10-Q for the period ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Paul DiMarco, Executive Vice President and Chief Financial Officer of MasTec, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 4, 2023

/s/ PAUL DIMARCO
Paul DiMarco
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

The certification set forth above is being furnished as an exhibit solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and is not being filed as part of the Quarterly Report on Form 10-Q for the period ended March 31, 2023, or as a separate disclosure document of the Company or the certifying officers.

Exhibit 95.1

MINE SAFETY DISCLOSURES

We operate aggregate mines that are subject to regulation by the federal Mine Safety and Health Administration ("MSHA") under the Federal Mine Safety and Health Act of 1977, 30 U.S.C. § 801 *et seq*. (the "Mine Act"). Set forth below is the required information regarding certain mining safety and health matters for the quarter ended March 31, 2023. Citations and orders may be contested and appealed, and in that process, may be reduced in severity and amount, and are sometimes dismissed. The table below includes references to specific sections of the Mine Act.

The information in the table below is presented by mine, consistent with the manner in which we maintain safety and compliance information about our mining operations.

Mine Name / ID	Section 104 Citations[(a)]	Section 104(b) Orders[(b)]	Section 104(d) Citations and Orders[(c)]	Section 110(b)(2) Violations[(d)]	Section 107(a) Orders[(e)]	Proposed Assessments[(f)]	Fatalities[(g)]	Pending Legal Action[(h)]
FNF Crushing 1 / 02-03091	—	—	—	—	—	$—	—	—
FNF Crushing 2 / 02-02622	—	—	—	—	—	$—	—	—
FNF Crushing 3 / 02-02774	—	—	—	—	—	$—	—	—
FNF Crushing 4 / 02-03036	—	—	—	—	—	$—	—	—
FNF Crushing 5 / 29-02226	—	—	—	—	—	$—	—	—
FNF Crushing 6 / 02-02589	—	—	—	—	—	$—	—	—
FNF Crushing 7 / 02-03079	—	—	—	—	—	$—	—	—
FNF Crushing 8 / 02-03035	—	—	—	—	—	$—	—	—
Topaz Mine 26-02440	2	—	—	—	—	$—	—	—
Mesquite Wash Plant 26-02774	—	—	—	—	—	$—	—	—
WCC Airport Pit 1102988	—	—	—	—	—	$—	—	—
WCC State St Quarry 1103011	—	—	—	—	—	$—	—	—
Gurley Quarry 0103463	—	—	—	—	—	$—	—	—
Total	2	—	—	—	—	$—	—	—

(a) The total number of violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a coal or other mine safety or health hazard under Section 104 of the Mine Act for which the operator received a citation from the MSHA.

(b) The total number of orders issued under Section 104(b) of the Mine Act.

(c) The total number of citations and orders for unwarrantable failure of the mine operator to comply with mandatory health or safety standards under Section 104(d) of the Mine Act.

(d) The total number of flagrant violations under Section 110(b)(2) of the Mine Act.

(e) The total number of imminent danger orders issued under Section 107(a) of the Mine Act.

(f) The total dollar value of proposed assessments from the MSHA under the Mine Act.

(g) The total number of mining-related fatalities.

(h) Any pending legal action before the Federal Mine Safety and Health Review Commission involving the applicable mine(s).

During the quarter ended March 31, 2023, our aggregate mines did not receive any written notices of a pattern of violations of mandatory health or safety standards, or of the potential to have such a pattern of violations, that are of such nature as could have significantly and substantially contributed to the cause and effect of coal or other mine health or safety hazards under Section 104(e) of the Mine Act.