



# Quanta Services (NYSE: PWR)

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# An Introduction to Quanta



Quanta is the largest infrastructure provider for electric, renewables, and underground utility with a dominant market position, double-digit revenue growth, stable margins, and a tenured management team that has positioned the company for the future.

## What Do They Do?

Quanta is an infrastructure provider for utility, renewable energy, communications, pipeline, and energy companies

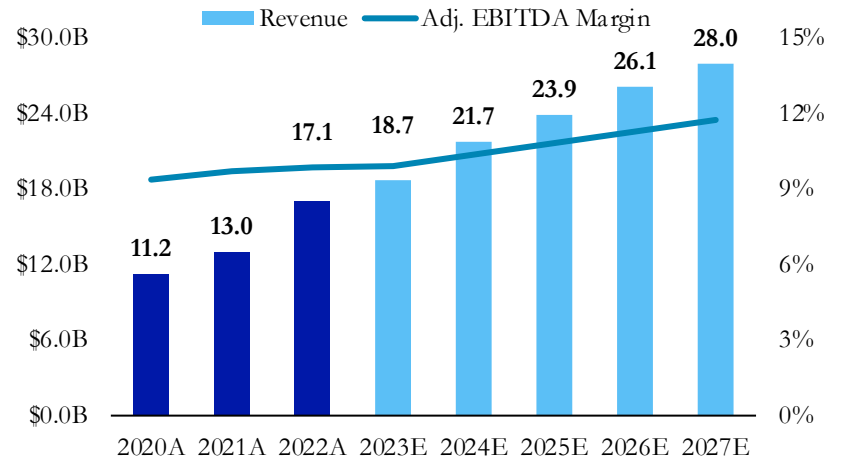
Quanta has three segments: Electric Power, Renewable Energy, and Underground Utility

Quanta establishes contracts with their customers, and is paid as their services are provided

## Quantitative Comparison (TTM)

Metric	PWR	MTZ
Gross Margin	14.5%	11.8%
EBITDA Margin	8.2%	6.9%
Revenue Growth	18.6%	28.0%
Leverage Ratio	1.7x	2.8x

## Revenue & EBITDA Margin (\$B)



## Management Team



### Duke Austin – CEO

- Has been with Quanta for 14 years
- ~65% of compensation is performance-based



### Jayshree Desai – CFO

- 15 years of industry experience
- ~85% of compensation is performance-based

Quanta's leadership manages street expectations well and has overseen the focus shift from underground utility to electric power and renewable infrastructure solutions

# Competitive Differentiation



Quanta is better than MasTec because of their operations, management, renewable focus, and positioning. Quanta prevents outside players from adjacent verticals from entering through the lack of crossover, expertise, engineering, and access to capital.

## Why Quanta Over MasTec?

**Operations**

**Management**

**Renewable Focus**

**Positioning**

## What's Stopping Others?

**Lack Of Crossover**

**Expertise**

**Engineering**

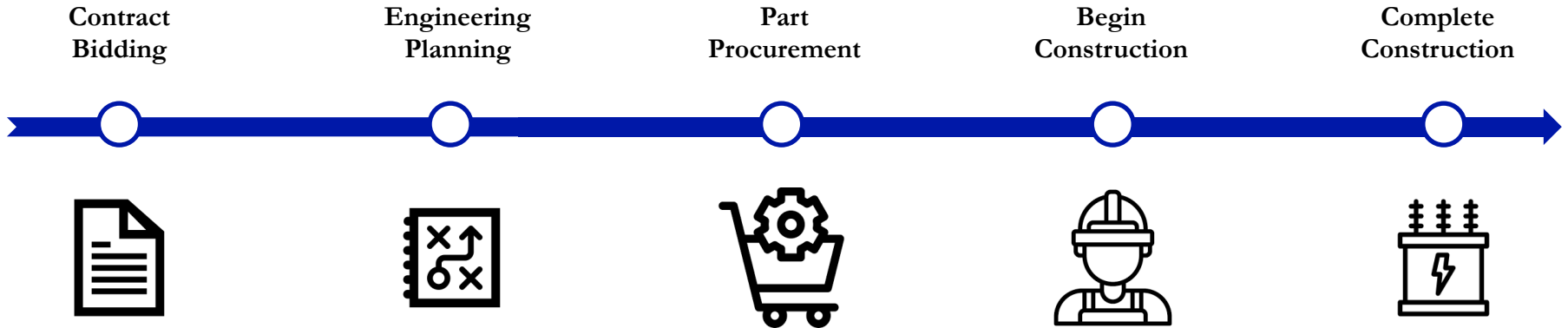
**Access To Capital**

# How Quanta Makes Money

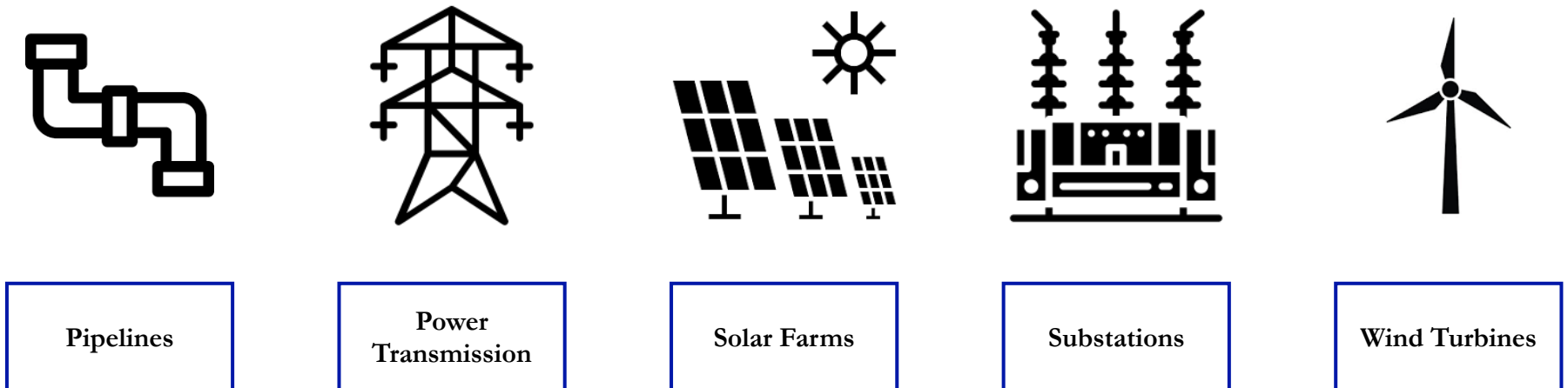


Quanta's operations consist of winning contracts, planning construction, gathering necessary components, and constructing their products, which include pipelines, transmission infrastructure, solar farms, and wind farms.

## Operational Process



## Quanta's Core Products

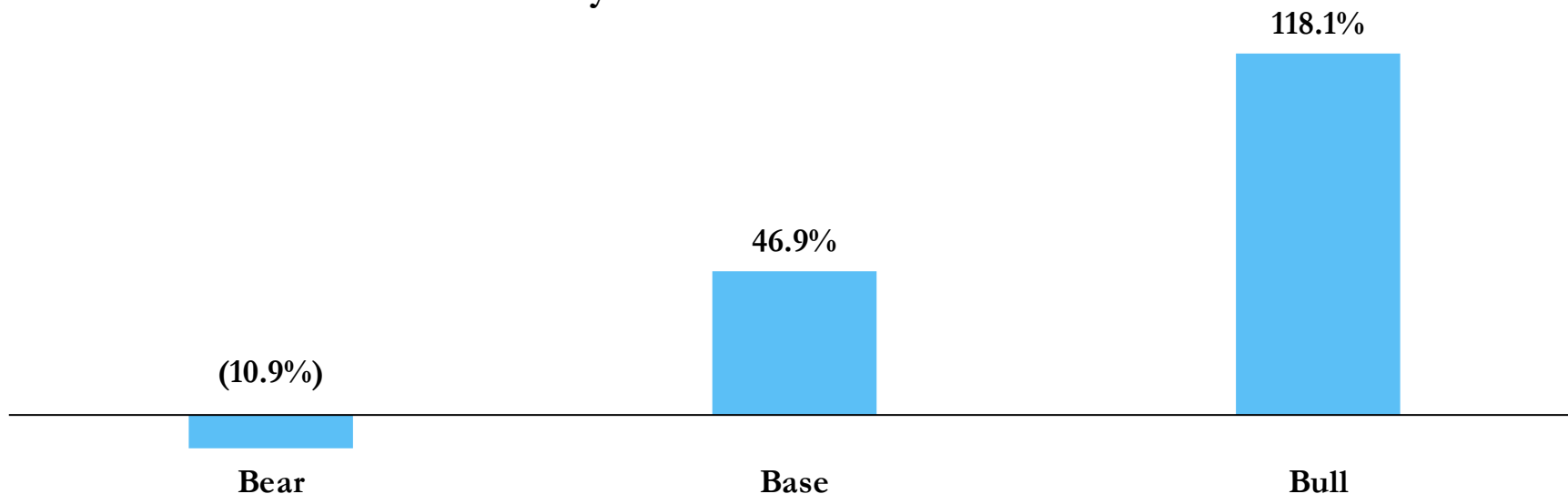


## Investment Thesis

Quanta Services is uniquely positioned to benefit from the shift from hydrocarbon to renewable energy sources, particularly because of Quanta's financial resilience, long-term structural tailwinds, and recent legislation

**Price Target**  
**\$292.77**  
46.9% upside to \$199.24

## Asymmetric Risk & Return

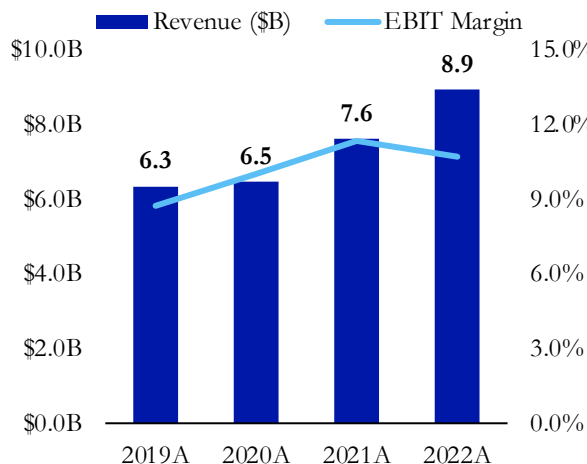


# Revenue Breakdown & Backlog Information

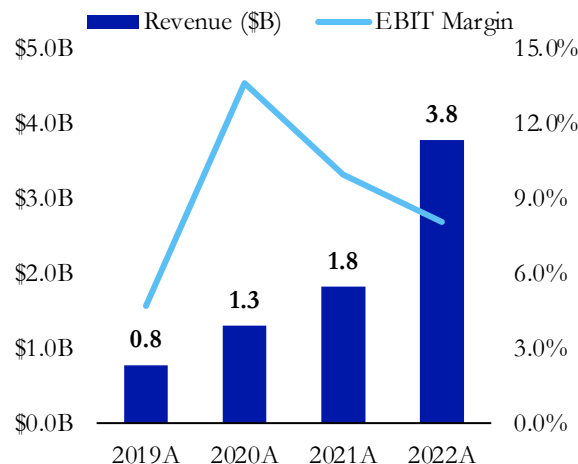


Quanta's Electric Power and Renewable Energy segments have grown considerably in the last four years, while Underground Utility has lagged. Quanta's backlog has also grown significantly over the last nine fiscal quarters.

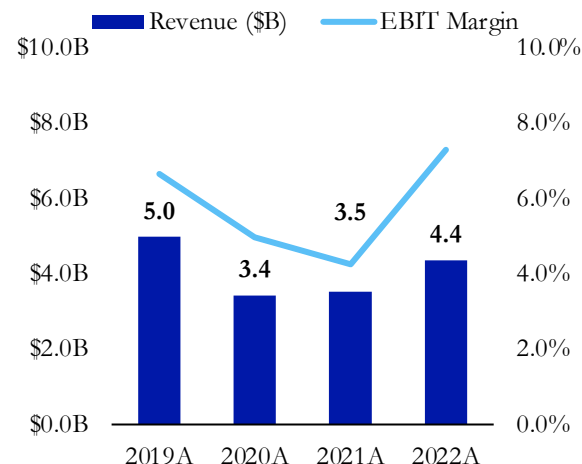
## Electric Power



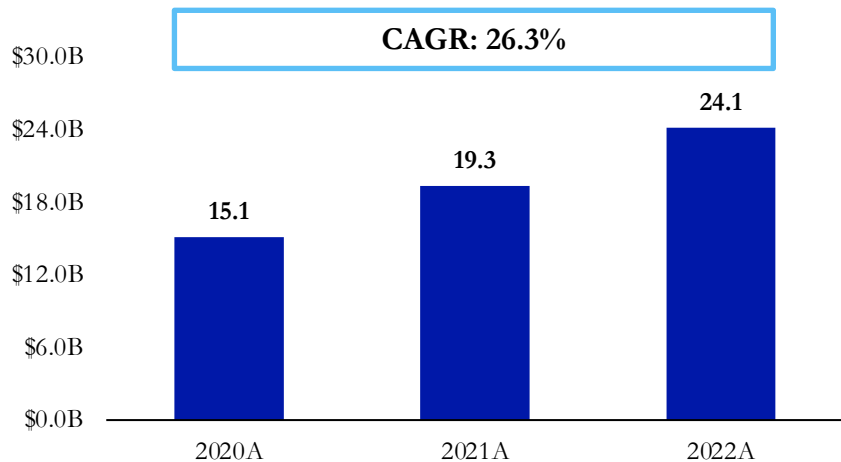
## Renewable Energy



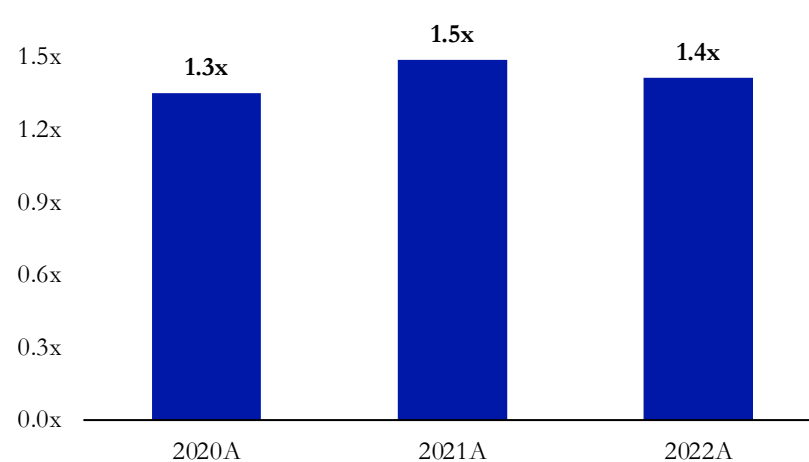
## Underground Utility



## Project Backlog



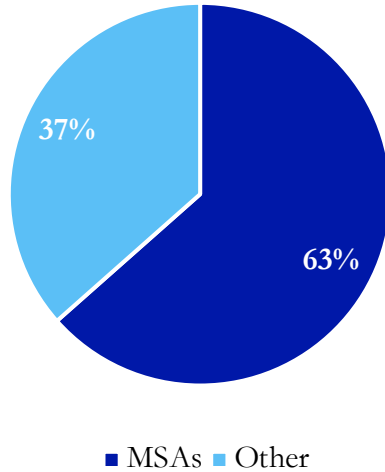
## Book-To-Bill Ratio (Backlog / Revenue)



Outside of their project backlog, Quanta exhibits financial resilience through their Master Service Agreements, which provide revenue stability, and utilities as their primary customer, which provides margin stability.

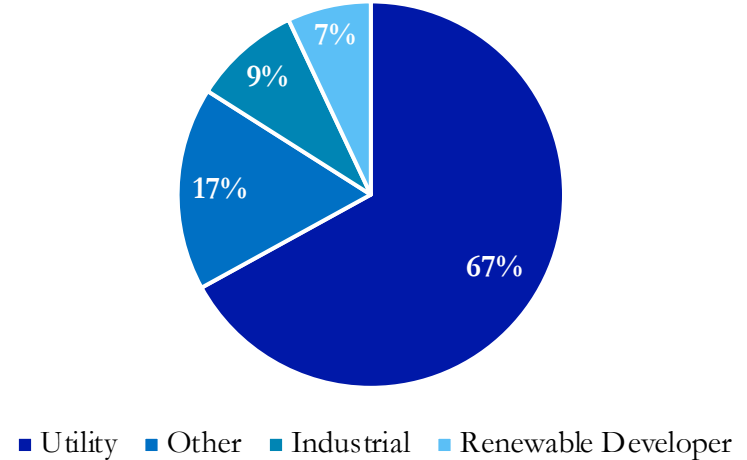
## Master Service Agreements (MSAs)

### Portion of Backlog by Contract Type



## Customer Base Provides Stability

### Revenue Share by Customer Type



**63%** of Quanta's total project backlog is through Master Service Agreement (MSAs) contracts

Quanta's MSAs require customers to work with Quanta on **future projects** in a region for a certain length of time

**67%** of Quanta's revenues come from utility companies, which provide **dollar-profit margin stability**

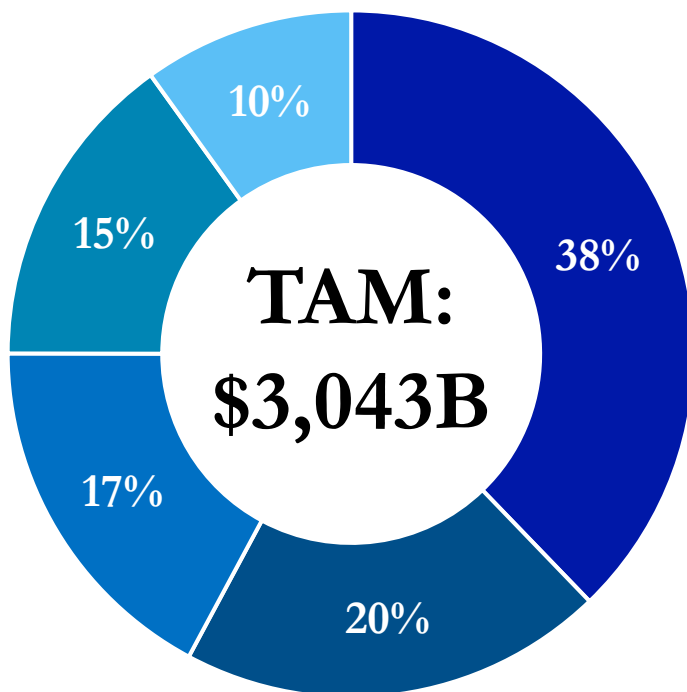
Utilities get a fixed profit margin regardless of input cost, providing Quanta with a **synthetic cost-pass through**

# Why This Opportunity Exists



Quanta is supported by secular tailwinds and recent legislation, which require and drive demand for Quanta's services, presenting a significant opportunity to accelerate Quanta's growth.

## Annual Required CapEx For Net-Zero Emissions Goals



**TAM:**  
**\$3,043B**

Renewables

Energy Efficiency

Electricity Grids

Electrification

## BIL & IRA

### Bipartisan Infrastructure Law

**\$8B**

For EV charging network construction

**\$65B**

For investment in power infrastructure

### Inflation Reduction Act

**\$400B**

For clean energy, transmission, and transportation

**\$43B**

For consumer tax credits for EVs, residential solar, etc.

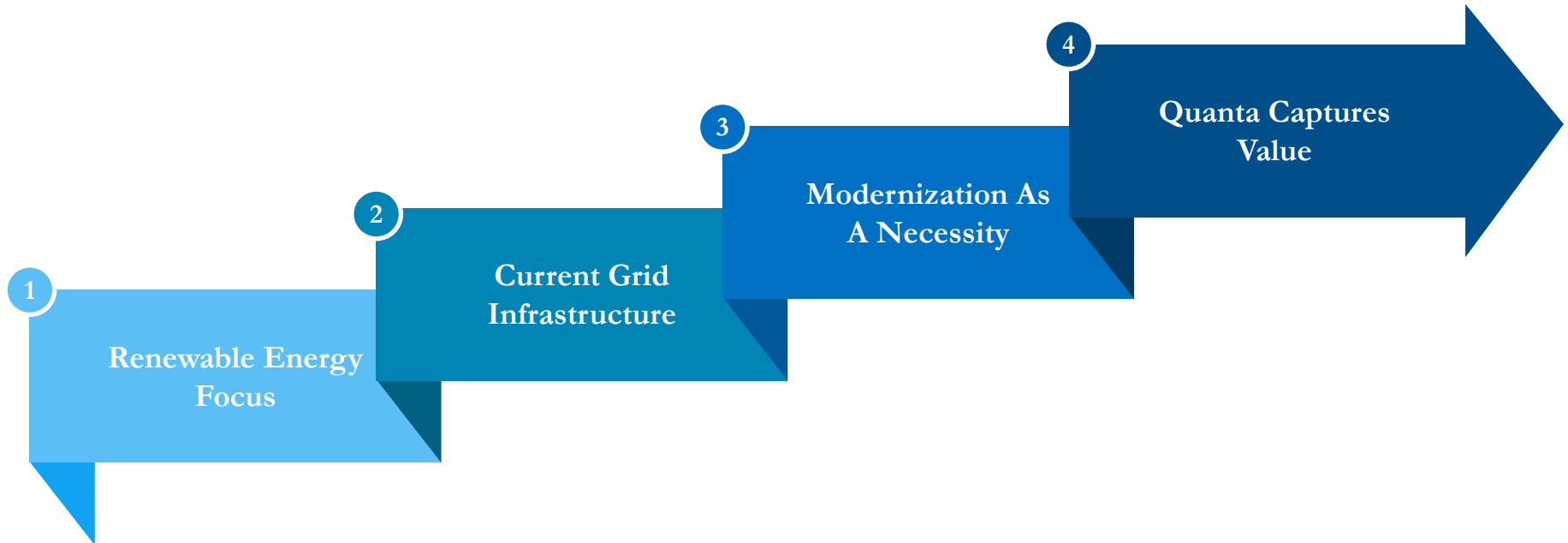
These infrastructure spending initiatives fuel demand for Quanta's services on two parts of the value chain



# What Does The Energy Transition Do For Quanta



The energy transition benefits Quanta in two ways. First, they can benefit from constructing the renewable infrastructure necessary to support this transition, and second, they can benefit from making the necessary grid modernizations.



The energy transition drives demand for two of Quanta's main services: 1) renewable infrastructure construction and 2) grid modernization and hardening initiatives. Effectively, Quanta has many nearly-guaranteed projects that have yet to be announced or included in project backlog, serving as a long-term growth driver for the company

# Capital Deployment Strategy



Quanta follows a traditional capital deployment pecking order, focused on service expansion and labor development. Quanta has also consistently returned capital to shareholders over the last three years, and management plans to continue this strategy.

## Capital Deployment Pecking Order

### Organic Expansion

- Greater investment in efficiency and expansion of services
- Strategic initiatives to improve margins across business mix
- Labor development programs

### Inorganic Expansion

- Strategic acquisitions of companies that expand services
- Past M&A has opened doors to new markets
- Quanta has made four new acquisitions year-to-date

### Return Of Capital To Shareholders

- Has increased and plans to continue increasing dividends
- Initiated quarterly dividend in 1Q19 – increased 100% since
- ~\$345M available for repurchases as of March 31<sup>st</sup>, 2023

## Case Study: Blattner

Quanta Acquires Blattner

Quanta acquires Blattner in order to establish a stronger presence in the renewables space

Blattner Expands Service Portfolio

Blattner's expertise in renewable construction and existing customer relationships drive growth

Quanta Announces SunZia Projects

As a result of the Blattner acquisition, Quanta announces the largest clean energy infrastructure project

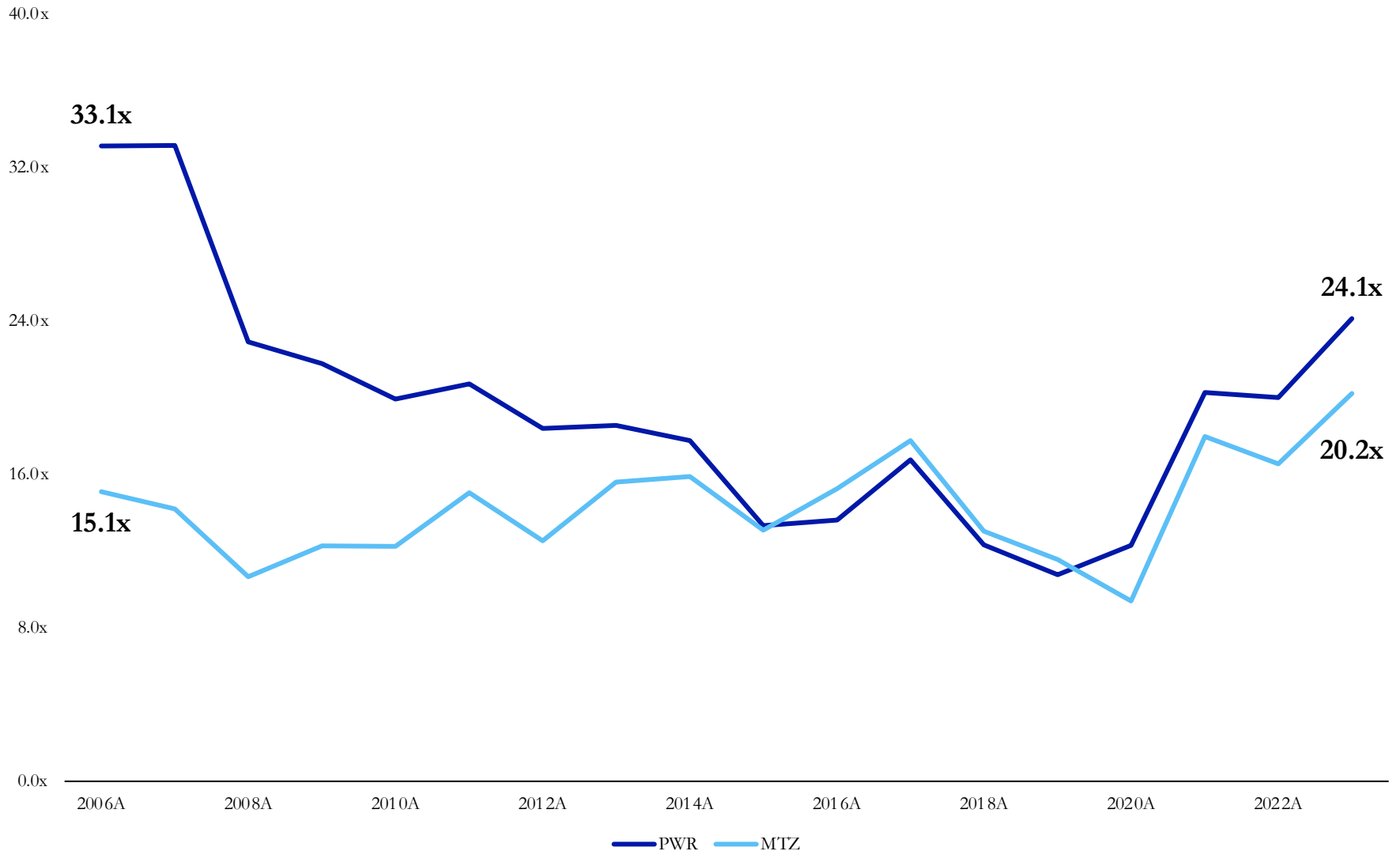
Expected Completion: FYE25

Quanta expects to begin construction on the SunZia projects in late FY23, with project completion by FYE25

# Multiple Trends



Quanta has seen multiple expansion in the last two years on a Forward P/E basis, although they have significant room before they reach all time high valuations, despite having much better earnings visibility and improved growth outlook.



# Revenue Build Overview

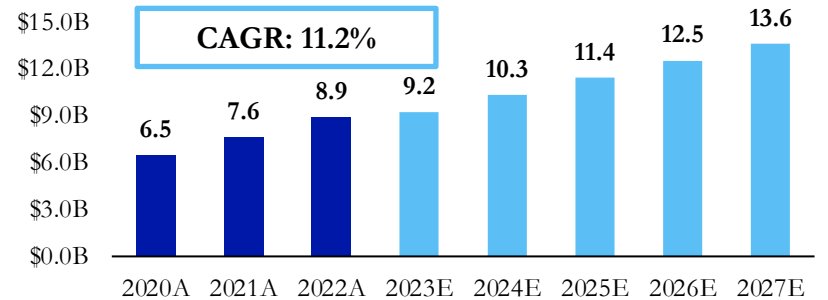


Our revenue build is based on a backlog and recognition projection for each of Quanta's three segments. In our base case, we project revenue growing ~11% per year, or just below consensus estimates.

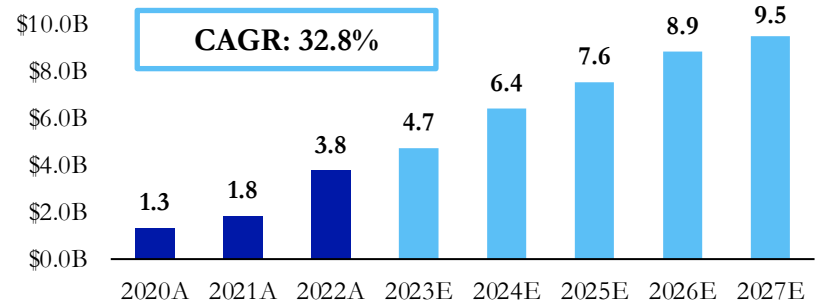
## Revenue Build Assumptions & Rationale

- 1 Our revenue build is based on backlog at the end of the prior year multiplied by a revenue recognition rate. Our projected revenue recognition rate decreases over time, as backlog gets larger
- 2 For Electric Power, we project low double-digit backlog growth and revenue recognition decreasing slightly over time, as the acceleration of the energy transition drives grid hardening and modernization spending
- 3 For Renewable Energy, we project significant backlog increases in the first few years resulting from the SunZia project, with slower growth over the final two years of our projection period
- 4 For Underground Utility, we project slower growth in the segment resulting from management's conscious shift away from the segment due to unattractive regulatory and permitting issues surrounding pipeline construction

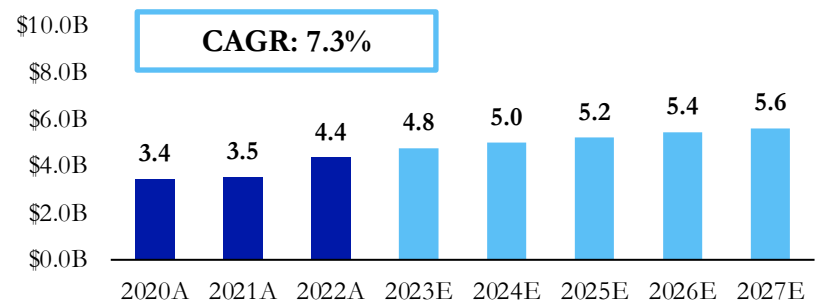
## Electric Power (\$B)



## Renewable Energy (\$B)



## Underground Utility (\$B)



# Key Model Assumptions



In addition to the revenue assumptions described in the previous slide, we forecast slight margin expansion of 180bps over the forecast period. We arrived at a WACC of 8.7%, in line with Bloomberg WACC estimates of 9.0%.

For Fiscal Year Ending	2023E	2024E	2025E	2026E	2027E
<i>\$ in millions, unless otherwise noted</i>					
<b>Total Revenue</b>	<b>18,718.0</b>	<b>21,741.0</b>	<b>24,201.6</b>	<b>26,807.0</b>	<b>28,715.3</b>
(-) Cost Of Services	(15,536.0)	(17,936.3)	(19,845.3)	(21,847.7)	(23,259.4)
<b>Gross Profit</b>	<b>3,182.1</b>	<b>3,804.7</b>	<b>4,356.3</b>	<b>4,959.3</b>	<b>5,455.9</b>
(-) SG&A Expense	(1,460.0)	(1,706.7)	(1,911.9)	(2,131.2)	(2,297.2)
(-) Other Operating Expense	36.8	42.8	47.6	52.7	56.5
(-) Depreciation	(347.4)	(403.5)	(449.1)	(497.5)	(532.9)
(-) Amortization Of Intangibles	(388.1)	(450.7)	(501.7)	(555.8)	(595.3)
<b>EBIT</b>	<b>1,023.4</b>	<b>1,286.6</b>	<b>1,541.1</b>	<b>1,827.6</b>	<b>2,086.9</b>
(-) Taxes	(276.9)	(348.1)	(417.0)	(494.5)	(564.7)
<b>NOPAT</b>	<b>746.5</b>	<b>938.5</b>	<b>1,124.1</b>	<b>1,333.1</b>	<b>1,522.3</b>
(+) D&A Expense	735.4	854.2	950.9	1,053.3	1,128.2
(-) Capital Expenditures	(468.8)	(544.5)	(606.1)	(671.4)	(719.2)
(-) Change in Net Working Capital	(234.4)	(324.5)	(287.0)	(299.7)	(235.5)
(-) Stub Year	(552.6)				
<b>Unlevered Free Cash Flow</b>	<b>226.2</b>	<b>923.7</b>	<b>1,181.9</b>	<b>1,415.3</b>	<b>1,695.9</b>
WACC	8.7%	8.7%	8.7%	8.7%	8.7%
Discount Period	0.29	1.29	2.29	3.29	4.29
Discount Factor	0.98	0.90	0.83	0.76	0.70
<b>Present Value Of Unlevered Free Cash Flow</b>	<b>220.8</b>	<b>829.5</b>	<b>976.6</b>	<b>1,076.0</b>	<b>1,186.3</b>

- Over the course of our projection period, we forecast 180bps of EBIT margin expansion, driven by the recovering Chinese supply chain and realization of labor development programs, which reduce COGS
- Our WACC reflects a cost of debt of 1.8%, which is fair given that Quanta's debt is primarily fixed rate senior notes, with 80% being due in 2030 or later. Our cost of equity was found with a risk-free rate of 5.3%, an equity risk premium of 4.0%, and a beta of 1.08

# Valuation Overview



Our valuation assumes multiple parity. A higher multiple could be a result of large-scale project accumulation. Our conservative estimates are based on Quanta's history of proper management of Wall Street expectations, and potential delays.

## Our Valuation

Sensitivity Analysis: Exit Multiple Method

	13.6x	15.6x	17.6x	19.6x	21.6x
6.7%	\$247.48	\$282.65	\$317.81	\$352.97	\$388.14
7.7%	\$237.29	\$271.08	\$304.86	\$338.65	\$372.43
8.7%	\$227.59	\$260.06	\$292.53	\$325.00	\$357.47
9.7%	\$218.34	\$249.56	\$280.78	\$312.00	\$343.22
10.7%	\$209.51	\$239.54	\$269.57	\$299.60	\$329.63

## Exit Multiple Method

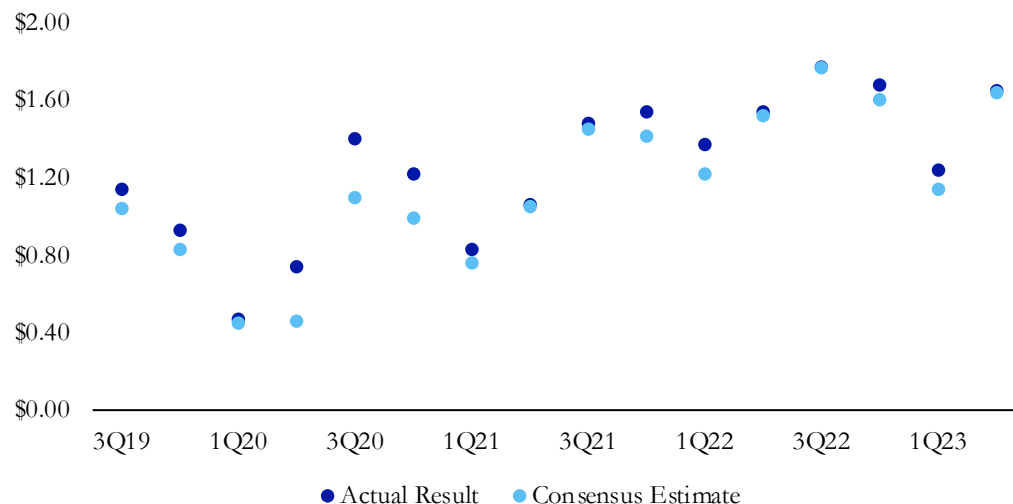
2027E EBITDA	3,372.7
Terminal Multiple	17.6x
<b>Terminal Value</b>	<b>59,359.1</b>
Discount Factor	0.7
<b>PV Of Terminal Value</b>	<b>41,523.1</b>
Sum Of Cash Flows	4,289.2
<b>Total Enterprise Value</b>	<b>45,812.3</b>
(-) Debt	(3,729.9)
(+) Cash	428.5
<b>Equity Value</b>	<b>42,510.9</b>
Shares Outstanding	145.2
<b>Implied Share Price</b>	<b>\$292.77</b>
<i>Upside / Downside</i>	<i>46.9%</i>

Our valuation assumes zero multiple expansion over the course of the five-year DCF

## Why We Think We're Right

- 1 On the off chance that Quanta misses 3Q23 earnings, there should be little effect to our forecasts
- 2 If the SunZia project is delayed, there will be minimal difference, as we did not incorporate significant revenue into our FY'23 projections
- 3 Instead, our FY'24 projections account for much of the revenue, incorporating potential delays

## Actual Adj. EPS vs. Consensus Adj. EPS



# Return Drivers: Scenario Analysis



Quanta has several avenues to generate superior returns, with minimal downside. We are confident in Quanta's abilities to capitalize on megatrends in order to generate these superior returns.

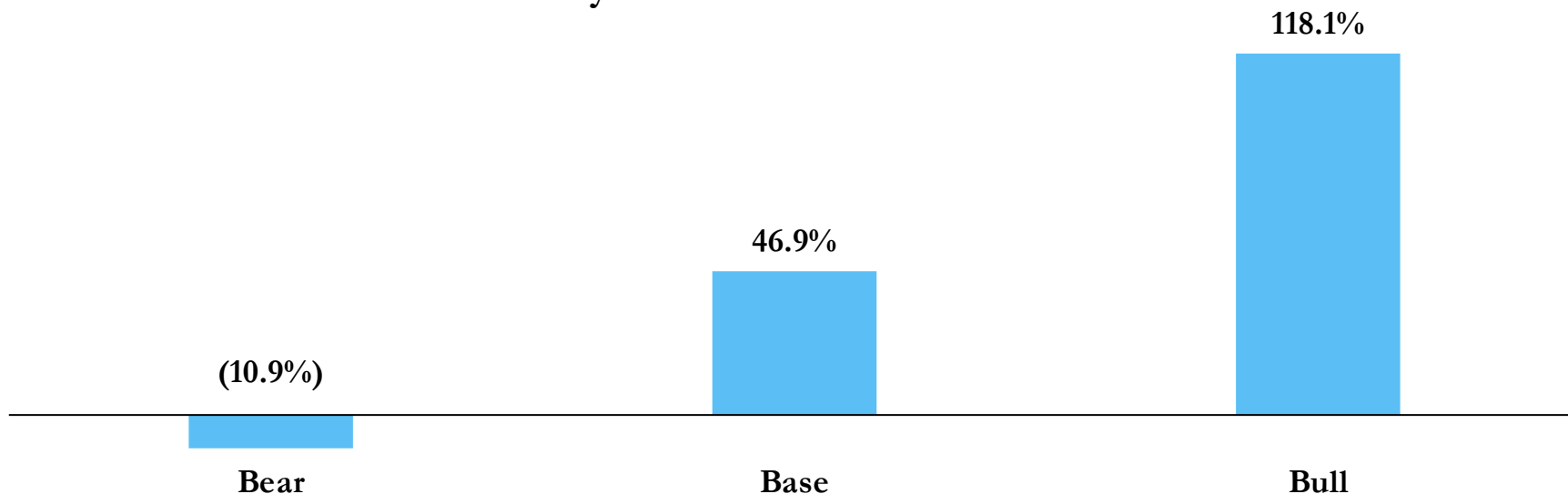
	Bear Case	Base Case	Bull Case
1	Labor Shortage + Slower Renewable Investment	Expected Labor Gains + Expected Renewable Investment	Positive Labor Gain Surprise + Full Realization Of BIL & IRA
2		Continued Earnings Beats	Continued Earnings Beats
3		~24% Average GAAP EPS Growth	~24% Average GAAP EPS Growth
4			Announcement Of Large Projects Drive Multiple Expansion 17.6x → 19.6x

## Investment Thesis

Quanta Services is uniquely positioned to benefit from the shift from hydrocarbon to renewable energy sources, particularly because of Quanta's financial resilience, long-term structural tailwinds, and recent legislation

**Price Target**  
**\$292.77**  
46.9% upside to \$199.24

## Asymmetric Risk & Return





# Appendix

# MasTec Company Overview



MasTec is Quanta's closest competitor, although they have a substantially different business mix. Additionally, MasTec is significantly less reliable operationally, and have struggled with meeting street expectations.

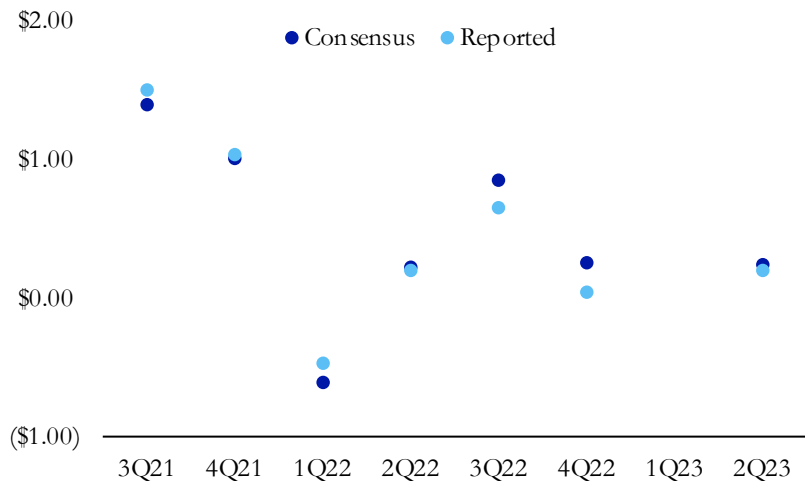
## What Do They Do?

MasTec is similar to Quanta, however, they focus significantly more on telecom customers as opposed to utilities

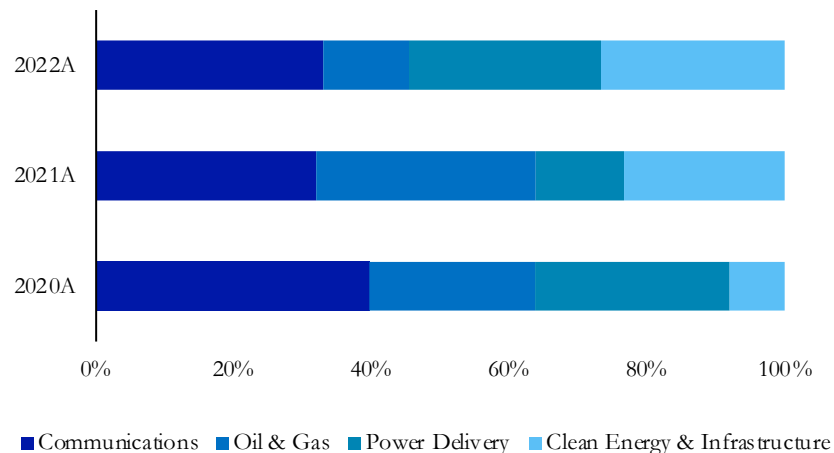
MasTec, like Quanta, is shifting away from oil and gas and towards renewable infrastructure

MasTec is significantly more reliant on developments within 5G wireless services

## GAAP Earnings History



## Business Mix



## Management Team



### Jose R. Mas – CEO

- Has been with MasTec for 6 years
- ~70% of compensation is performance-based



### Robert E. Apple – COO

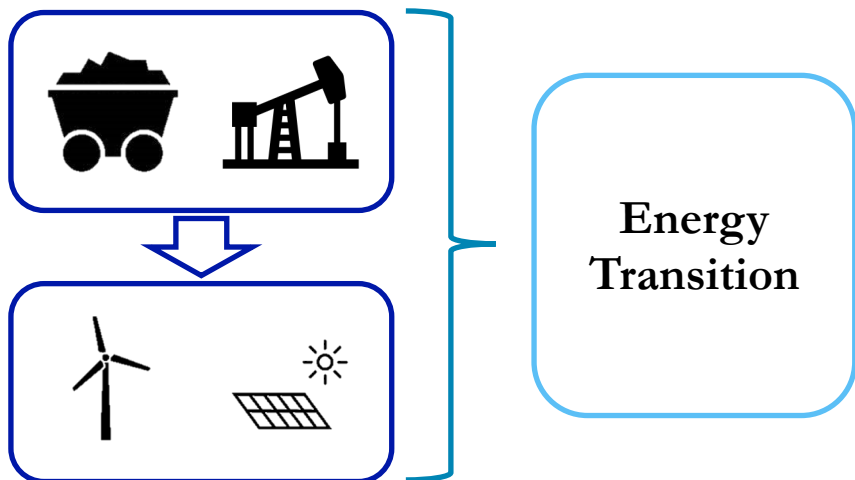
- Has been with MasTec for 18 years
- ~65% of compensation is performance-based

MasTec's leadership team is not as strong at managing street expectations as Quanta, which leads to less consistent earnings beats

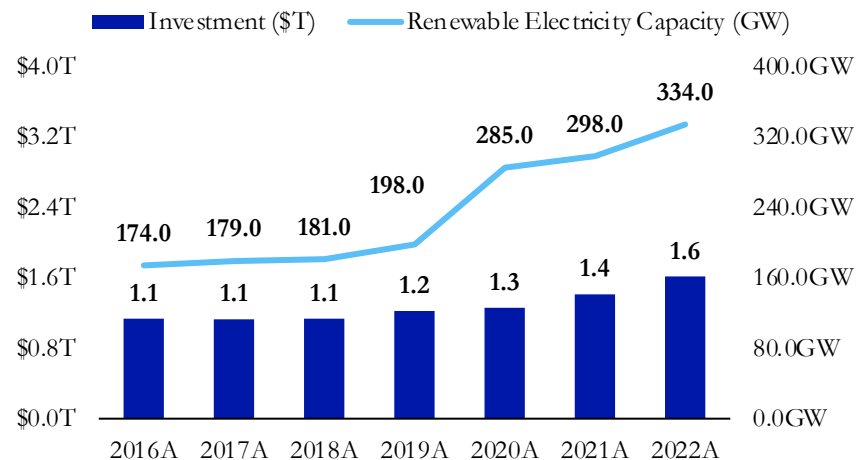
# Energy Transition Overview

The energy transition is the shift from hydrocarbon fuel sources, like coal and oil, to renewables, like wind and solar. Renewable investment and capacity, and electrified vehicles have grown tremendously and are projected to accelerate over the next decade.

## What Is The Energy Transition?

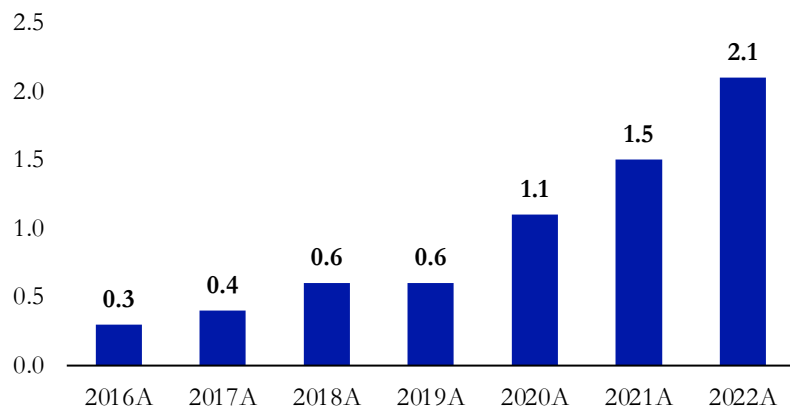


## Renewable Investment (\$T) & Renewable Capacity (GW)



## EV Adoption & Penetration

### USA Electric Car Stock (M)



- 1 Electrified vehicles include full-electric, plugin, and full hybrid vehicles
- 2 UBS Chief Investment Office (CIO) estimates that 25% of global new vehicle sales will be electrified by 2025
- 3 According to analysts in the UBS CIO, the amount should increase to 60-70% of global new vehicle sales by 2030

# BIL & IRA Legislation



The Bipartisan Infrastructure Law and Inflation Reduction Act provide \$500B+ in funding and serve as growth drivers for Quanta's services. Through grants and tax benefits, this legislation guarantees high single-digit returns.

## What Is The Bipartisan Infrastructure Law?



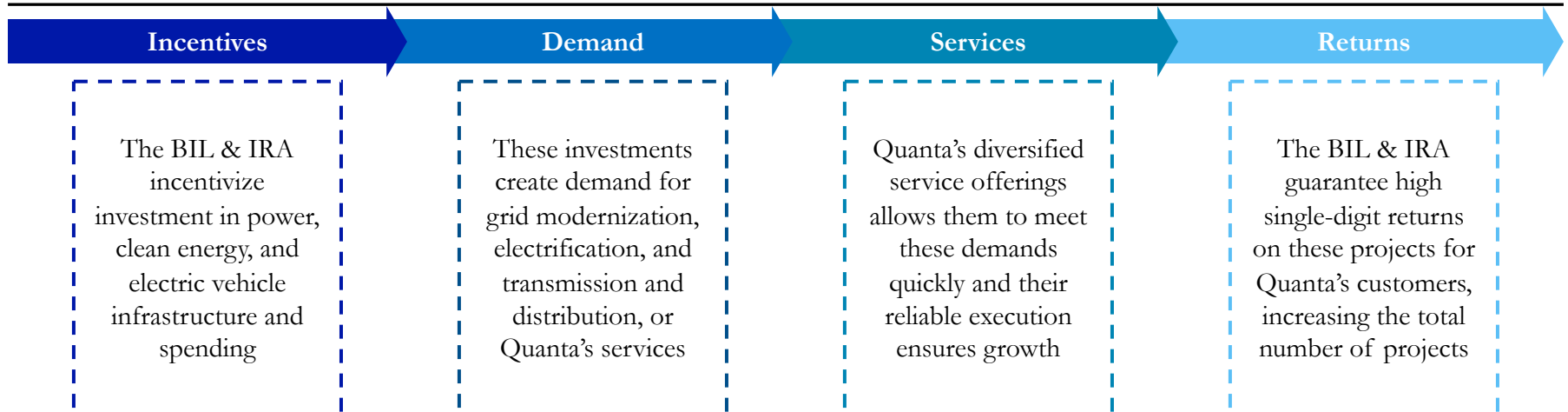
## What Is The Inflation Reduction Act?



Funding for new programs to support development, demonstration, and deployment of cutting-edge clean energy technologies to accelerate the energy transition

Incentives for infrastructure spending fuel demand for grid modernization and hardening, electrification, renewable generation, and transmission/distribution efforts

## Why Is This Good For Quanta?



# Acquisition Of Blattner



Blattner is a prime example of Quanta's inorganic growth strategy and has driven organic renewable infrastructure segment growth. Additionally, the Blattner acquisition has led to Quanta's contract for the largest renewables project in US history.

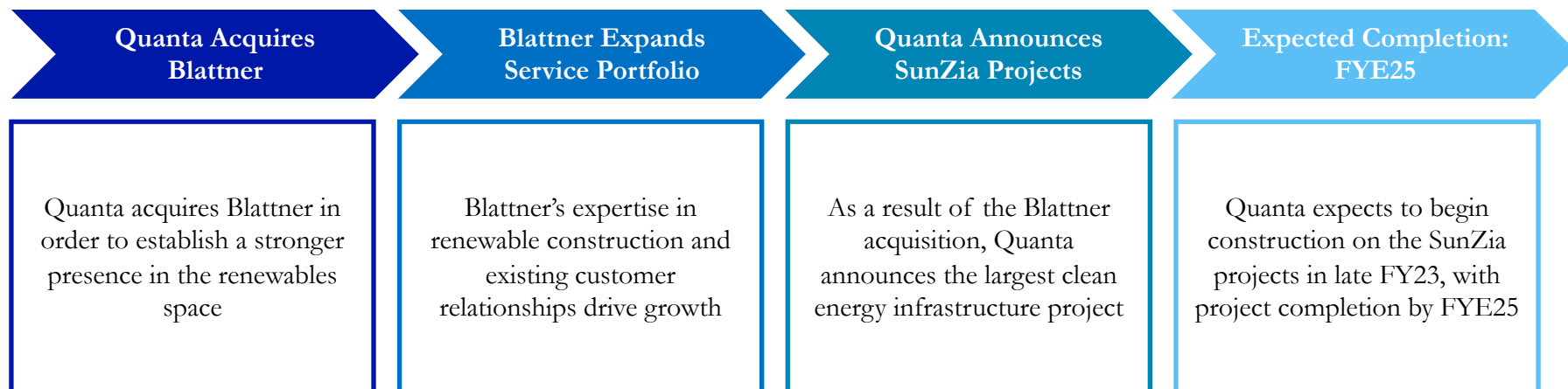
## General Overview

- 1 Blattner is a renewable infrastructure provider that has installed 26% of all renewable infrastructure in the US
- 2 Aligns with energy transition megatrends and allowance for Quanta's strong entrance into wind and solar
- 3 Expected to provide significant multi-year growth, enhanced efficiency, and highly visible revenue backlog

## Acquisition Details & How It's Going

Acquisition Date	October 14 <sup>th</sup> , 2021
Deal Structure	\$2.4B Cash & \$0.3B Equity
Debt Issuance	\$750M Senior Secured
Incremental Revenue	+\$1.5B In Revenue

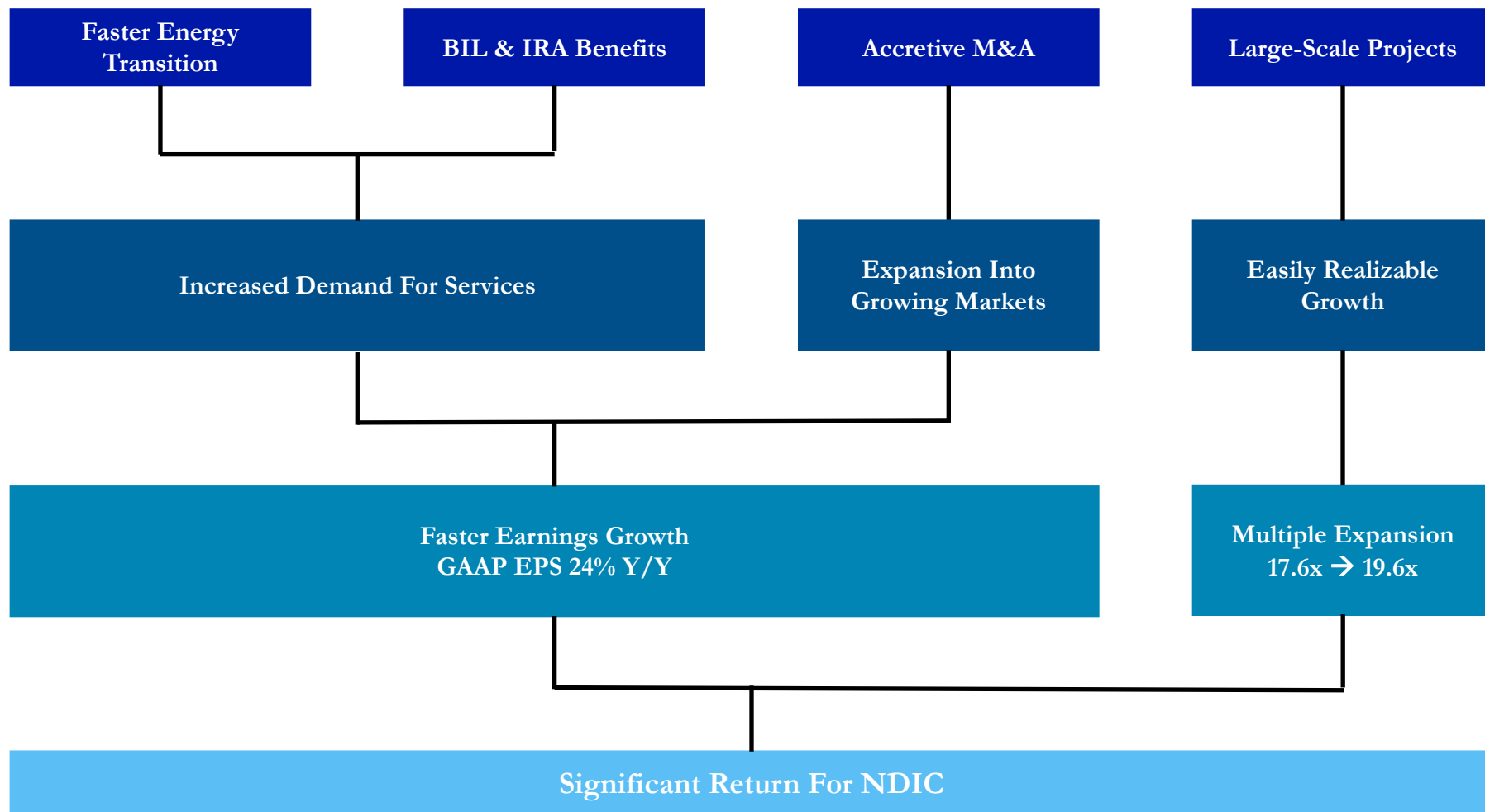
## Case Study: SunZia Wind & Transmission



# Catalysts & Generating Return



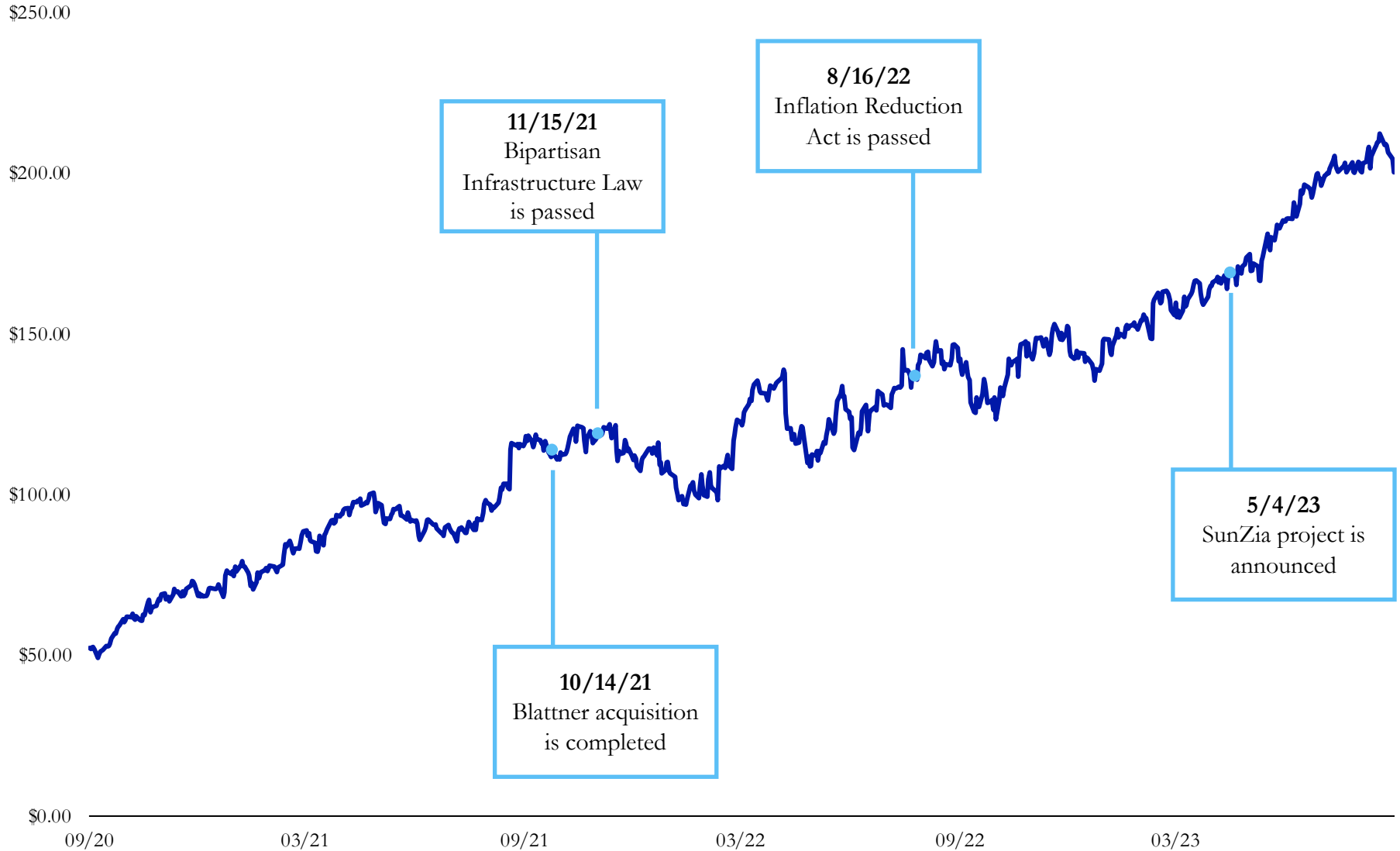
There are four main catalysts – accelerated energy transition, realization of BIL & IRA benefits, accretive acquisitions, and large contracts. Quanta also plans to return capital through dividends and repurchases, generating a significant return for NDIC.



# Annotated Stock Chart



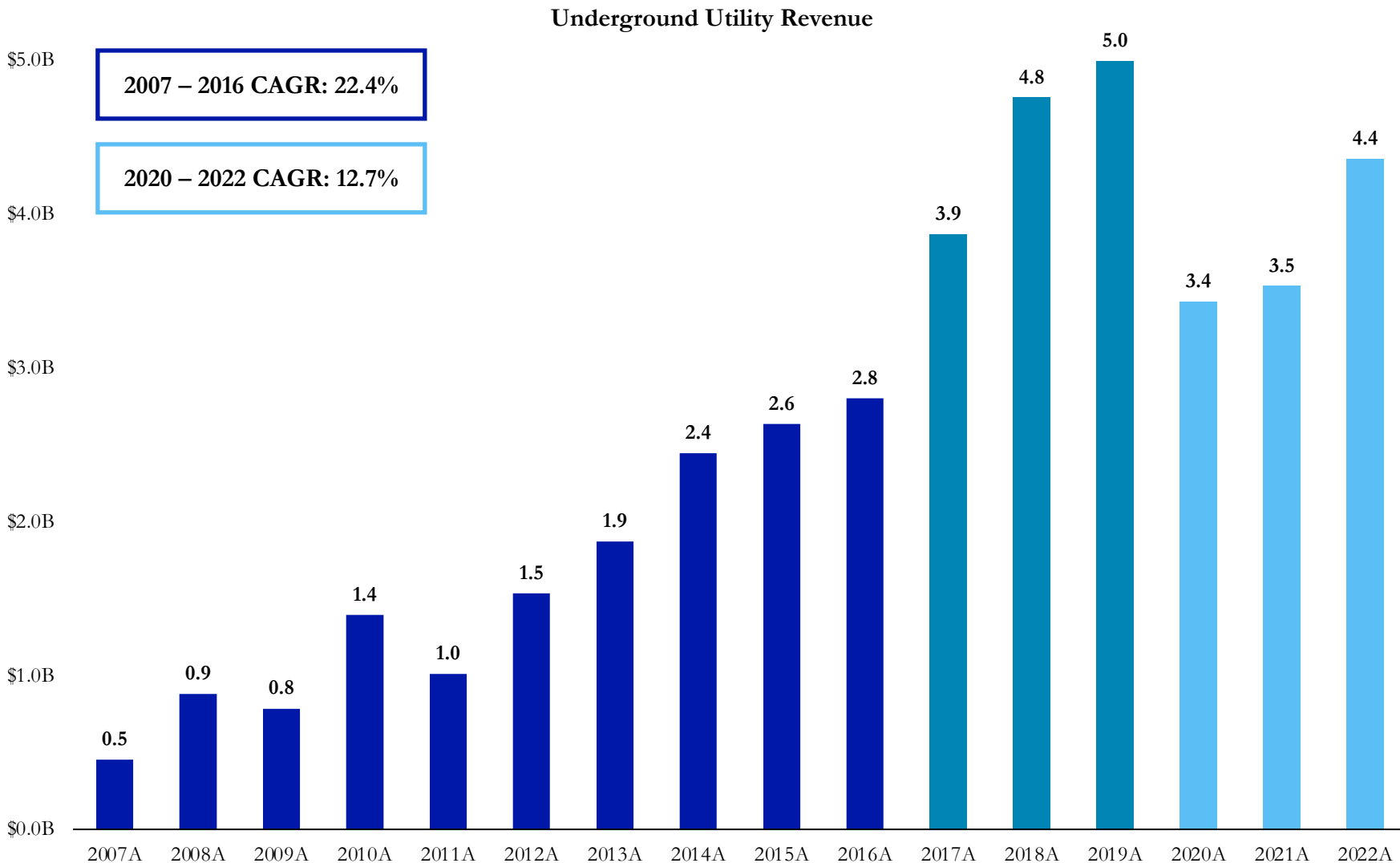
Quanta has seen significant share price gains in the last three years, largely driven by their increased presence in the renewable energy infrastructure vertical.



# Segment Historicals: Underground Utility



Quanta's Underground Utility segment has seen significant growth historically, with a large spike in 2017-2019 associated with the acquisition of Stronghold. Since management's conscious shift away from the segment in 2019, revenues have declined.



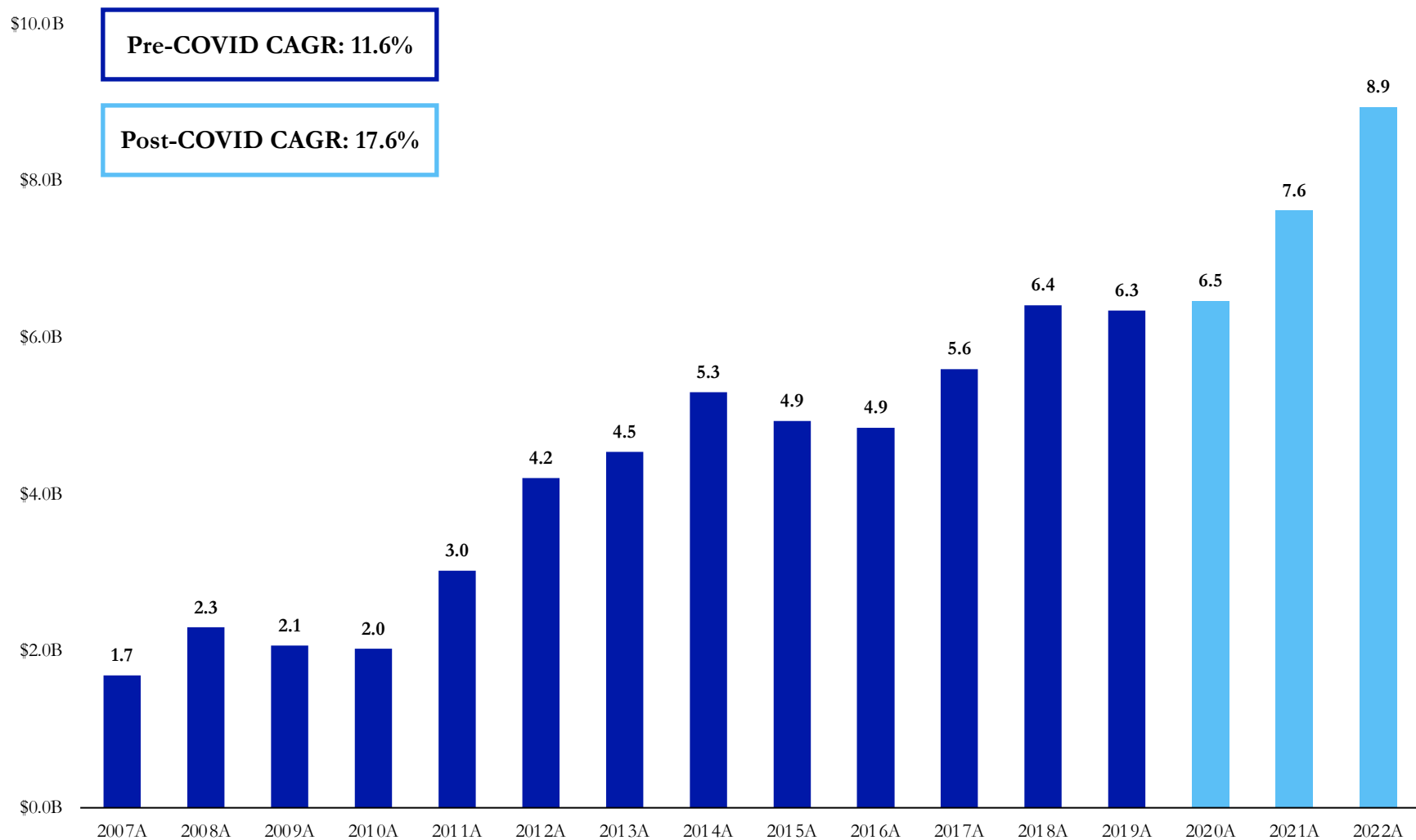


# Segment Historicals: Electric Power



Quanta's Electric Power segment has grown significantly in the past 15 years, with much of this growth occurring post-COVID, primarily resulting from the beginning of the energy transition's acceleration.

### Electric Power Revenues

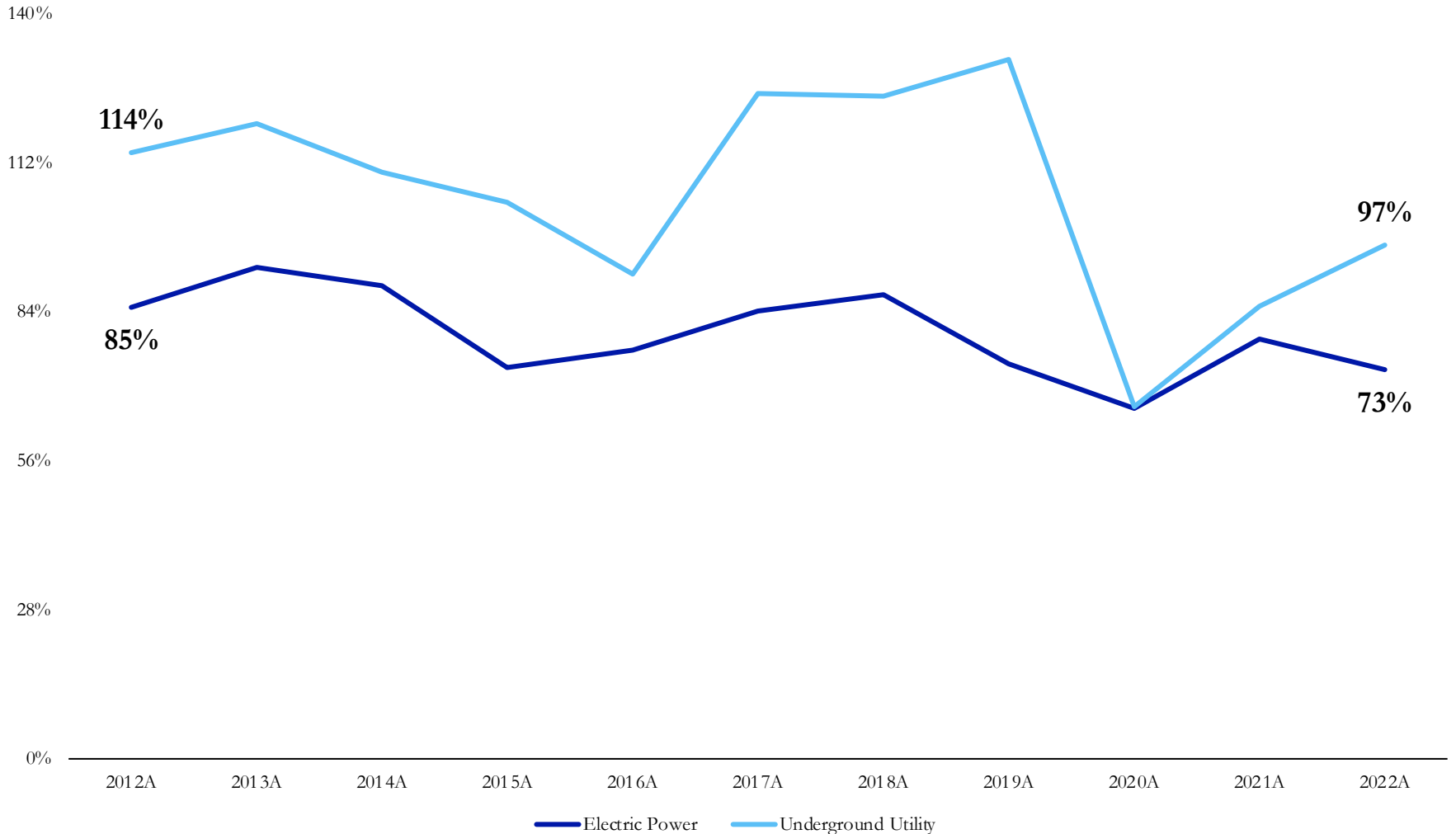


# Historical Revenue Recognition By Segment



Quanta's Electric Power segment has grown significantly in the past 15 years, with much of this growth occurring post-COVID, primarily resulting from the beginning of the energy transition's acceleration.

### Historical Segment Revenue Recognition

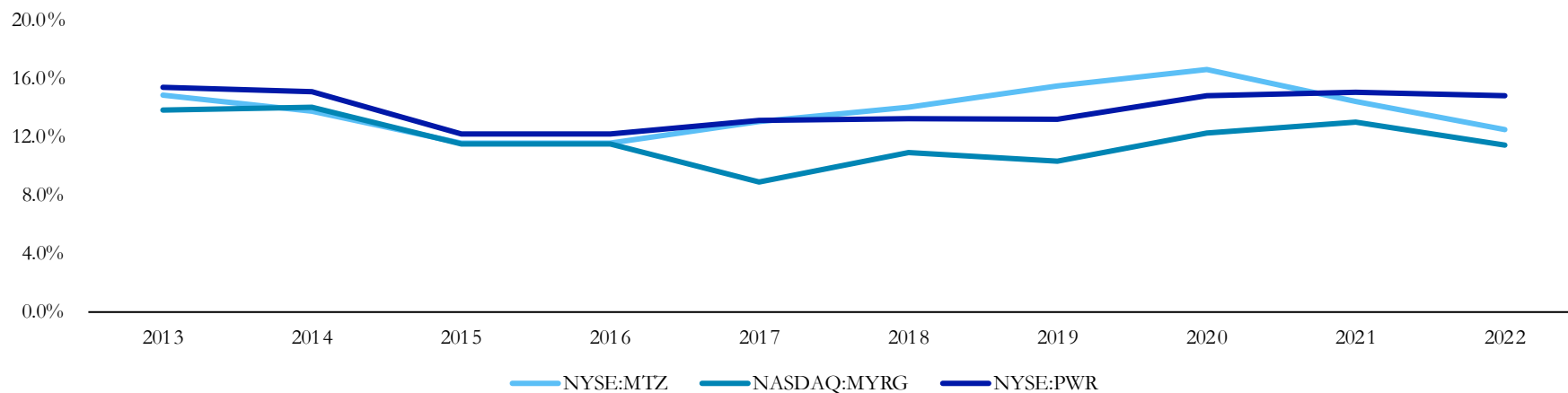


# Historical Margin Profile

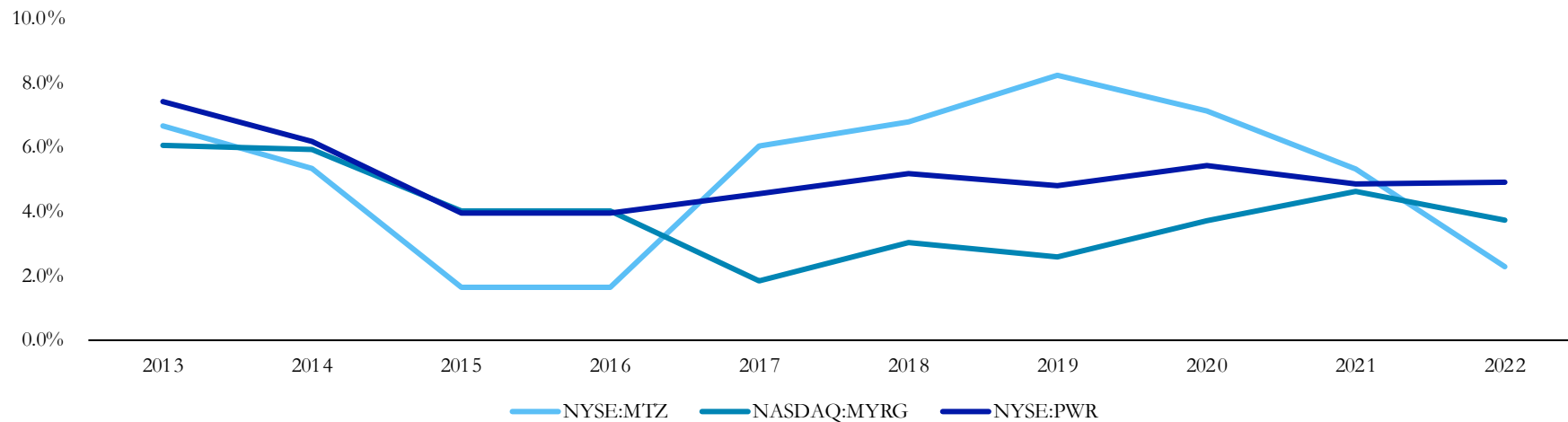


Over the past ten years, Quanta's margin profile on a gross profit and EBIT basis have stayed relatively stable in between their two biggest competitors.

## Gross Profit Margin



## EBIT Margin

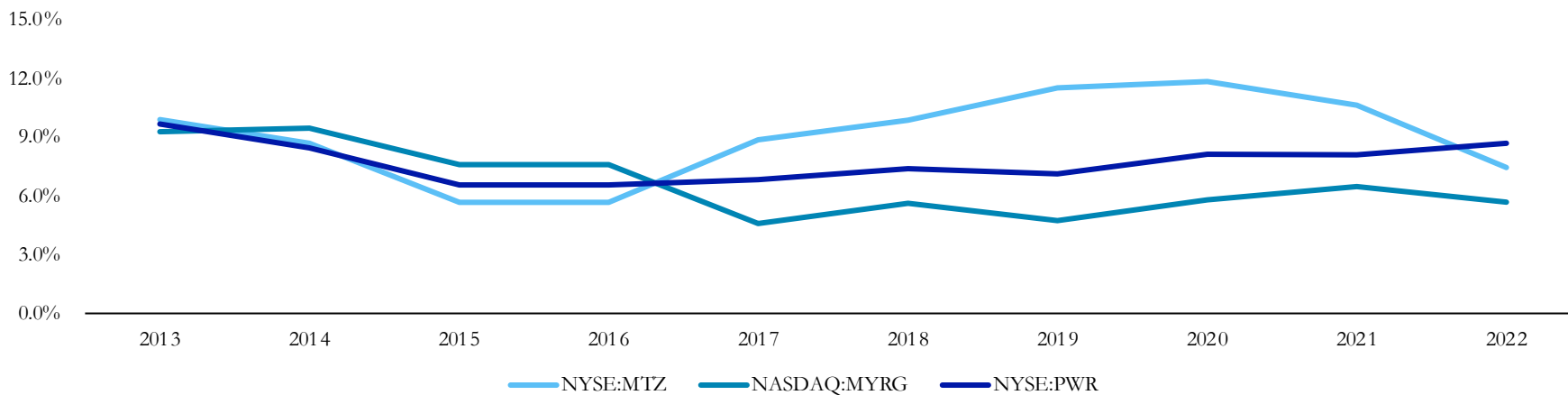


# Historical Margin Profile

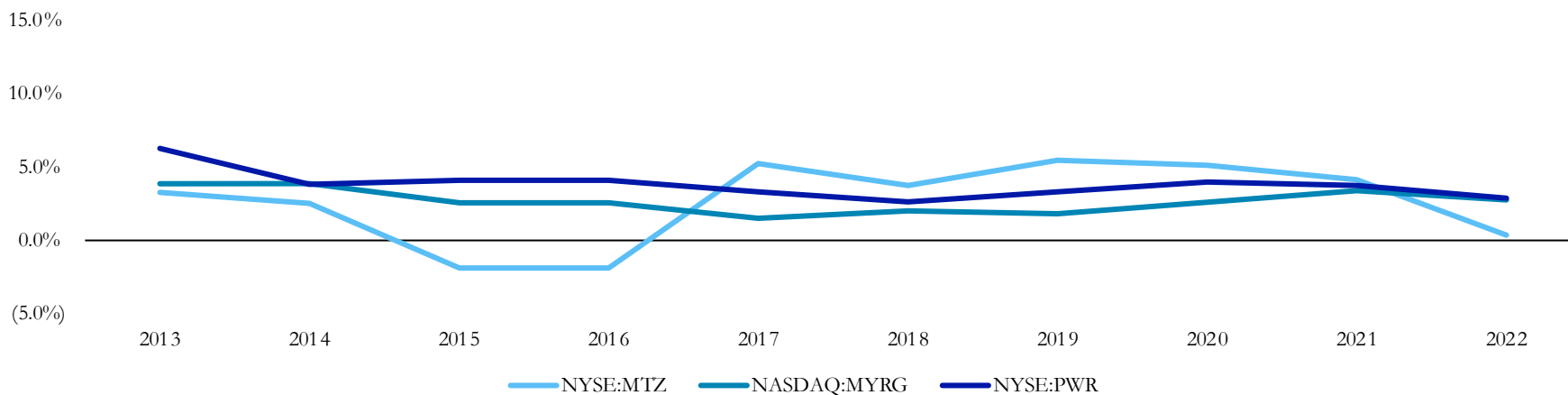


Over the past ten years, Quanta's margin profile on an EBITDA and net income basis have stayed relatively stable in between their two biggest competitors.

## EBITDA Margin



## Net Income Margin

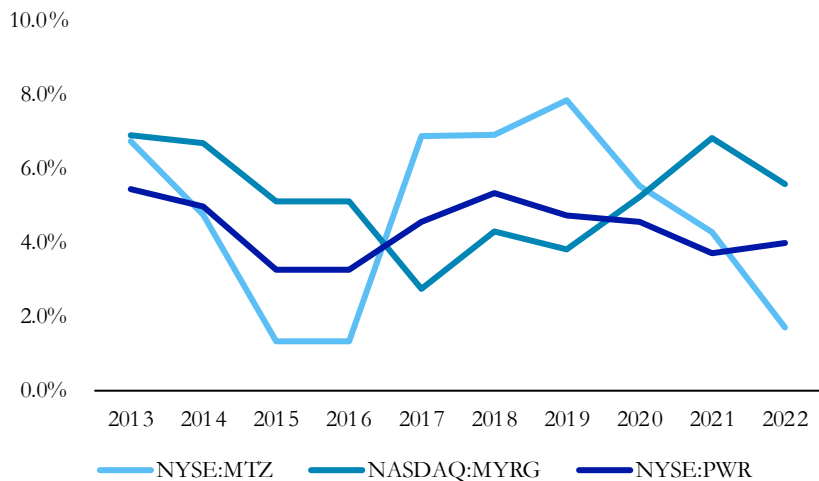


# Profitability Ratios

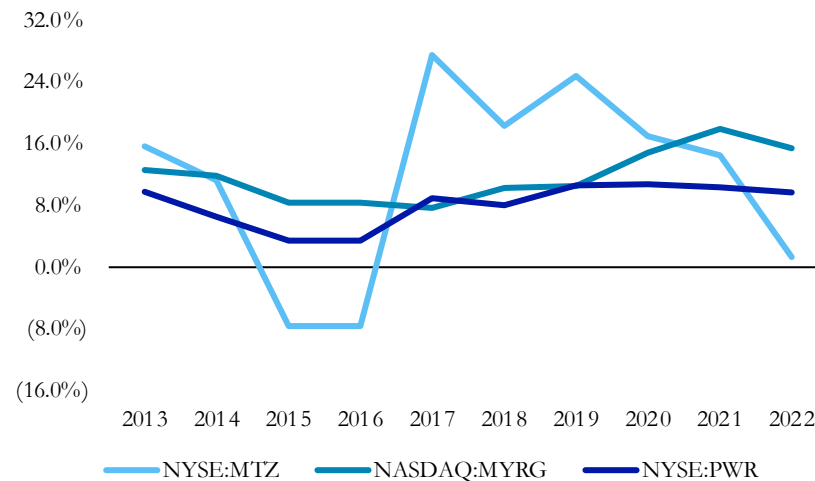


Quanta's return on assets, equity, and invested capital have stayed relatively constant over the last ten years. Quanta's ROIC is slightly lower than their competitors primarily due to less debt financing.

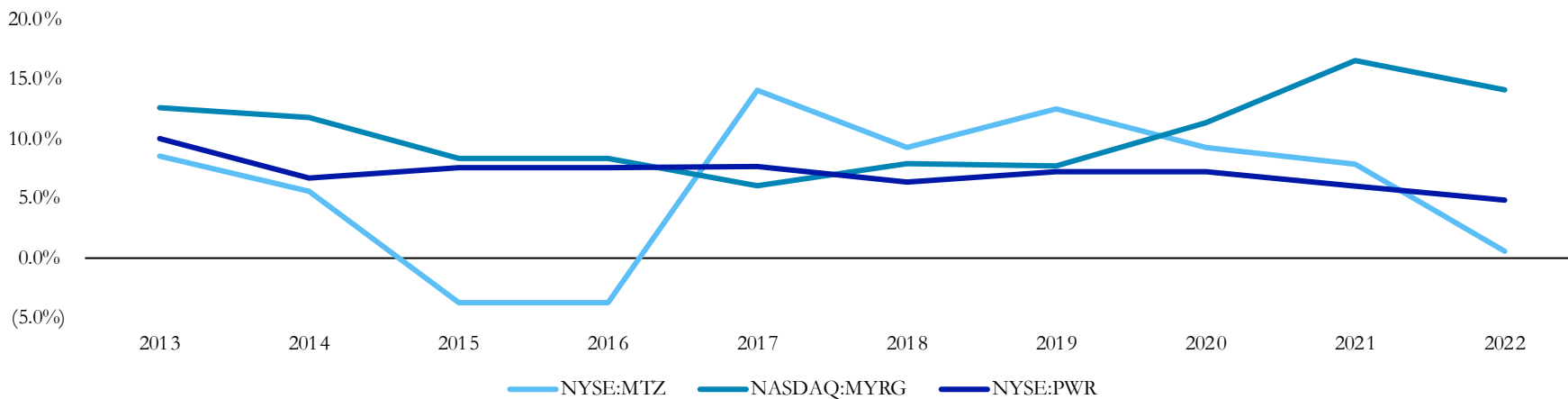
### Return On Assets



### Return On Equity



### Return On Invested Capital

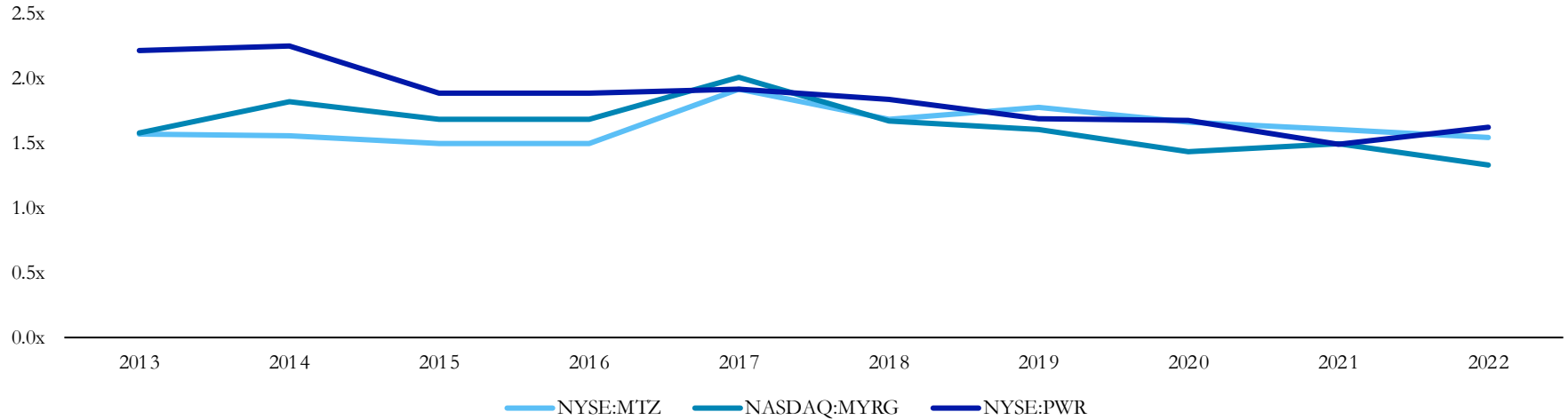


# Liquidity Ratios

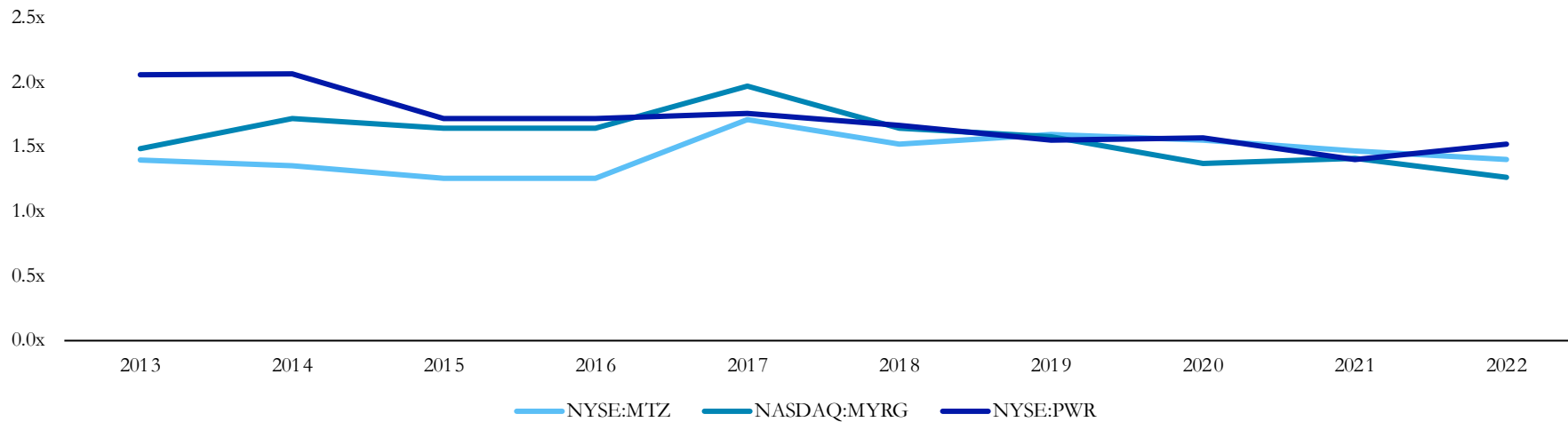


Both Quanta's current and quick ratio have remained stable relative to their competitors, with Quanta being in the middle consistently.

## Current Ratio



## Quick Ratio

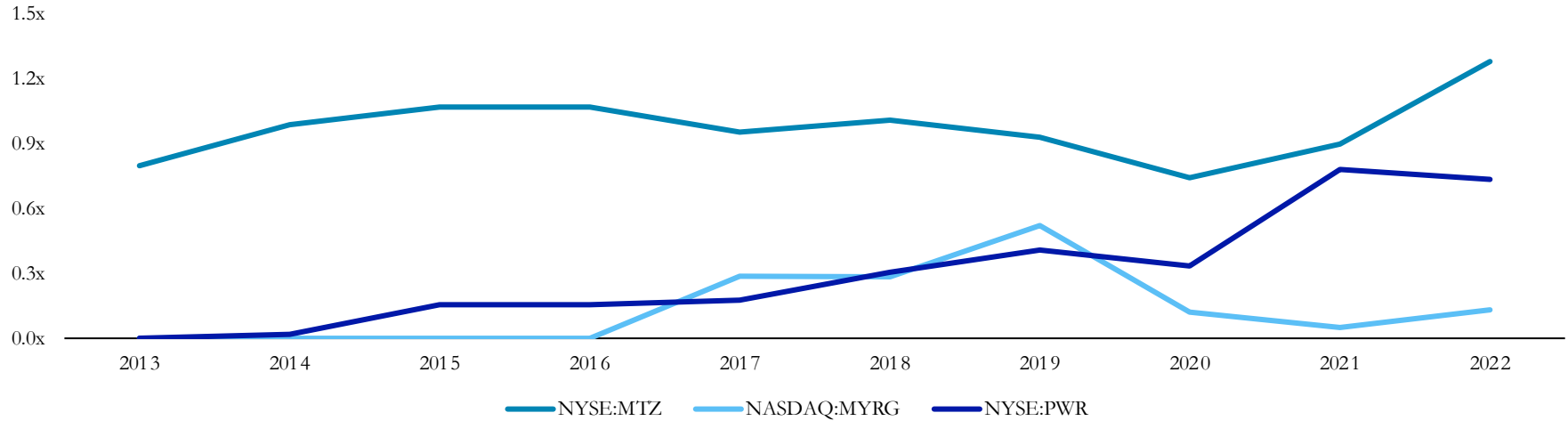


# Solvency Ratios

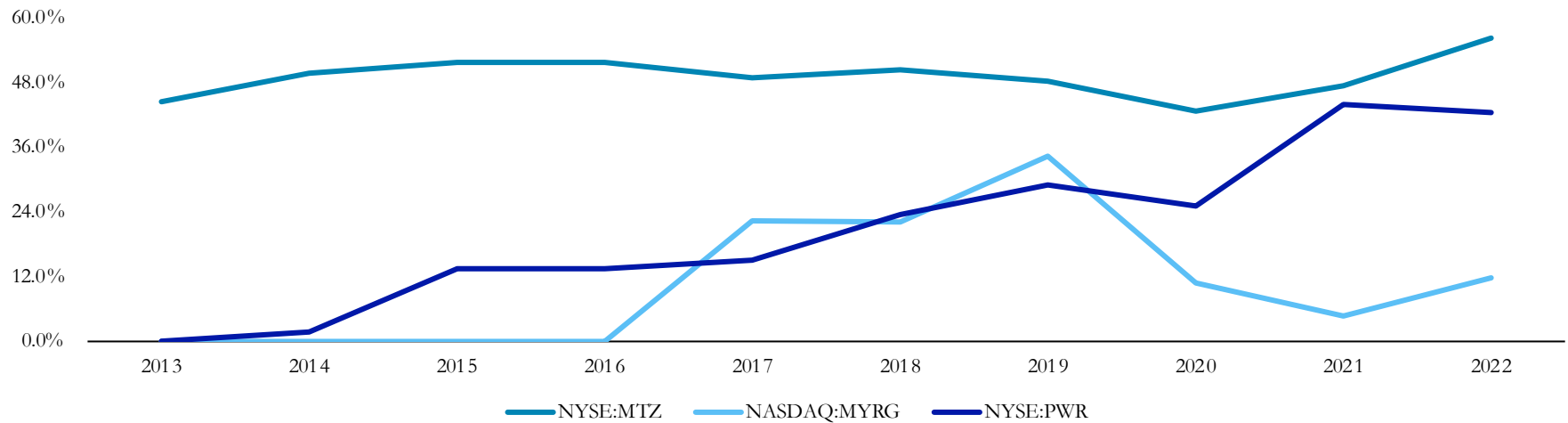


Both Quanta's debt to equity and debt to capital ratios have risen significantly in the last ten years, and they remain in the middle of their competitor list.

## Debt / Equity



## Debt / Capital

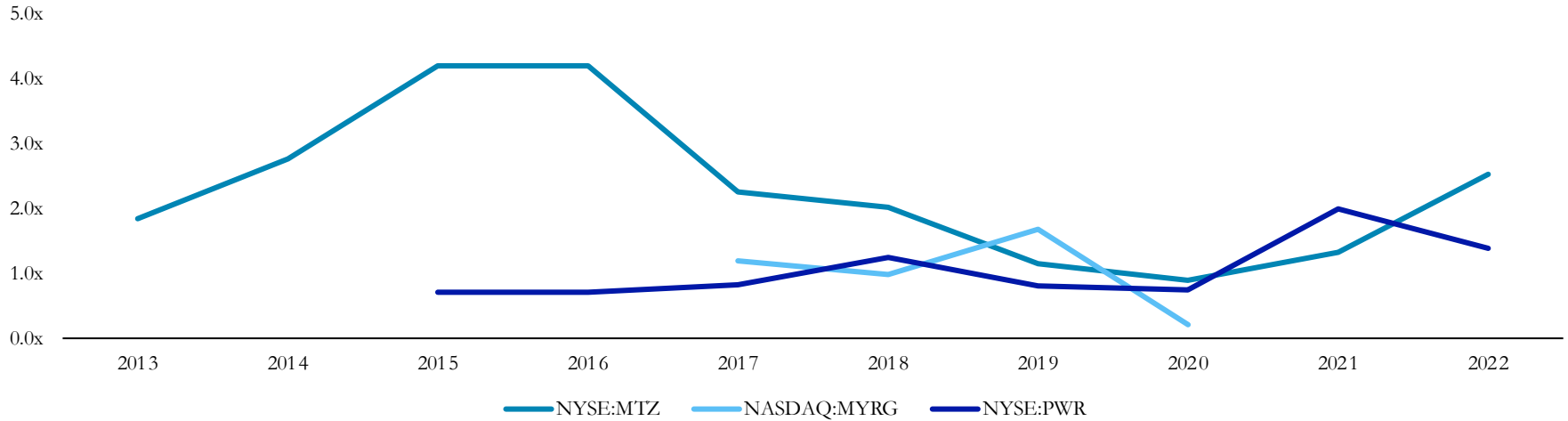


# Credit Ratios

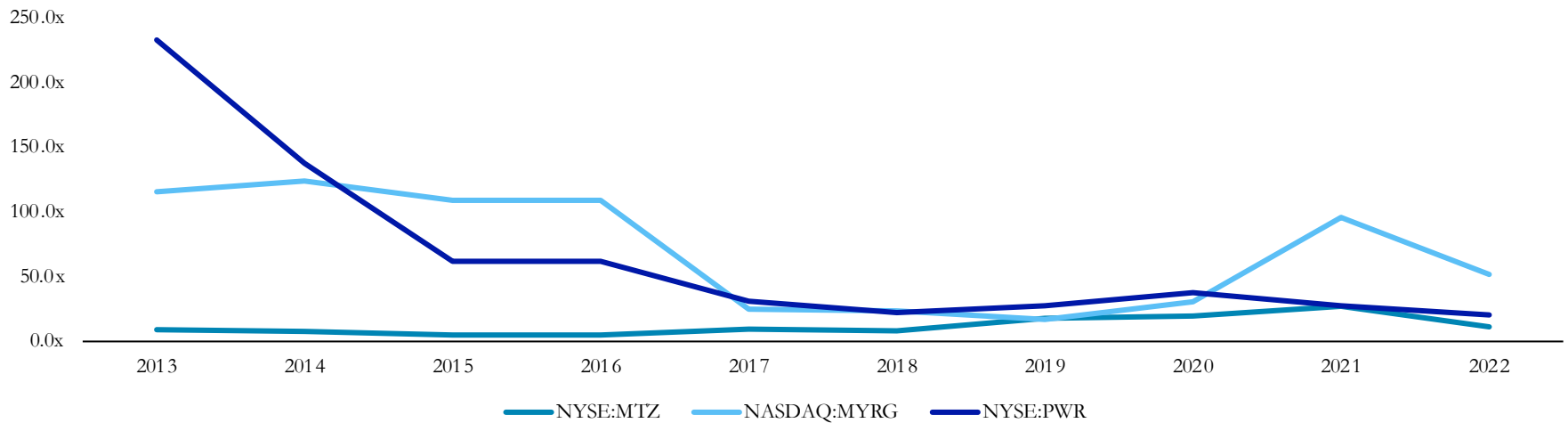


Both Quanta's net leverage and interest coverage signify strong balance sheet and financial health, and they are consistently in the middle of their competitor set.

## Net Leverage Ratio



## Interest Coverage





# Income Statement



For Fiscal Year Ending	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E
<i>\$ in millions, unless otherwise noted</i>										
<b>Revenues</b>	<b>11,171.4</b>	<b>12,112.2</b>	<b>11,202.7</b>	<b>12,980.2</b>	<b>17,073.9</b>	<b>18,718.0</b>	<b>21,741.0</b>	<b>24,201.6</b>	<b>26,807.0</b>	<b>28,715.3</b>
Cost Of Services	(9,488.9)	(10,293.8)	(9,316.6)	(10,771.4)	(14,254.1)	(15,536.0)	(17,936.3)	(19,845.3)	(21,847.7)	(23,259.4)
Depreciation	(202.5)	(218.1)	(225.3)	(255.5)	(290.6)	(347.4)	(403.5)	(449.1)	(497.5)	(532.9)
<b>Gross Profit</b>	<b>1,480.0</b>	<b>1,600.3</b>	<b>1,660.8</b>	<b>1,953.3</b>	<b>2,529.2</b>	<b>2,834.7</b>	<b>3,401.2</b>	<b>3,907.2</b>	<b>4,461.8</b>	<b>4,923.0</b>
<i>% margin</i>	<i>13.2%</i>	<i>13.2%</i>	<i>14.8%</i>	<i>15.0%</i>	<i>14.8%</i>	<i>15.1%</i>	<i>15.6%</i>	<i>16.1%</i>	<i>16.6%</i>	<i>17.1%</i>
SG&A Expense	(857.6)	(956.0)	(975.1)	(1,156.0)	(1,336.7)	(1,460.0)	(1,706.7)	(1,911.9)	(2,131.2)	(2,297.2)
Amortization Of Intangibles	(44.0)	(62.1)	(76.7)	(165.4)	(354.0)	(388.1)	(450.7)	(501.7)	(555.8)	(595.3)
Other Operating Expenses	(60.6)	(27.3)	2.3	31.6	33.6	36.8	42.8	47.6	52.7	56.5
<b>EBIT</b>	<b>517.8</b>	<b>554.9</b>	<b>611.4</b>	<b>663.5</b>	<b>872.1</b>	<b>1,023.4</b>	<b>1,286.6</b>	<b>1,541.1</b>	<b>1,827.6</b>	<b>2,086.9</b>
<i>% margin</i>	<i>4.6%</i>	<i>4.6%</i>	<i>5.5%</i>	<i>5.1%</i>	<i>5.1%</i>	<i>5.5%</i>	<i>5.9%</i>	<i>6.4%</i>	<i>6.8%</i>	<i>7.3%</i>
Interest Expense	(36.9)	(66.9)	(45.0)	(68.9)	(124.4)	(78.7)	(118.2)	(137.4)	(158.6)	(176.7)
Interest Income	1.6	0.9	2.4	3.2	2.6	3.7	12.7	22.8	34.7	47.5
Other Expense, Net	(47.2)	83.4	2.5	25.1	(46.4)	3.5	3.5	3.5	3.5	3.5
<b>EBT</b>	<b>435.2</b>	<b>572.3</b>	<b>571.3</b>	<b>622.9</b>	<b>703.9</b>	<b>951.9</b>	<b>1,184.6</b>	<b>1,430.0</b>	<b>1,707.2</b>	<b>1,961.2</b>
Provision For Income Tax	(161.7)	(165.5)	(119.4)	(130.9)	(192.2)	(257.6)	(320.5)	(386.9)	(461.9)	(530.7)
<i>% effective tax rate</i>	<i>37.1%</i>	<i>28.9%</i>	<i>20.9%</i>	<i>21.0%</i>	<i>27.3%</i>	<i>27.1%</i>	<i>27.1%</i>	<i>27.1%</i>	<i>27.1%</i>	<i>27.1%</i>
<b>Net Income</b>	<b>273.5</b>	<b>406.8</b>	<b>452.0</b>	<b>492.0</b>	<b>511.6</b>	<b>694.3</b>	<b>864.1</b>	<b>1,043.1</b>	<b>1,245.3</b>	<b>1,430.6</b>
<i>% margin</i>	<i>2.4%</i>	<i>3.4%</i>	<i>4.0%</i>	<i>3.8%</i>	<i>3.0%</i>	<i>3.7%</i>	<i>4.0%</i>	<i>4.3%</i>	<i>4.6%</i>	<i>5.0%</i>
Minority Interest	(2.7)	(4.8)	(6.4)	(6.0)	(20.5)	(8.1)	(8.1)	(8.1)	(8.1)	(8.1)
<b>Net Income Attributable To Common Stock</b>	<b>270.9</b>	<b>402.0</b>	<b>445.6</b>	<b>486.0</b>	<b>491.2</b>	<b>686.3</b>	<b>856.0</b>	<b>1,035.0</b>	<b>1,237.2</b>	<b>1,422.5</b>

# Balance Sheet



For Fiscal Year Ending	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E
<i>\$ in millions, unless otherwise noted</i>										
<b>ASSETS</b>										
Cash & Equivalents	78.7	164.8	184.6	229.1	428.5	606.1	2,094.9	3,762.6	5,715.7	7,830.8
Accounts Receivables	2,354.7	2,747.9	2,716.1	3,400.3	3,674.5	4,102.6	4,765.2	5,304.5	5,875.5	6,293.8
Contract Assets	576.9	601.3	453.8	803.5	1,080.2	1,184.2	1,375.5	1,531.2	1,696.0	1,816.7
Inventories	107.7	55.7	50.5	84.7	103.3	124.0	144.1	160.4	177.6	190.3
Other Current Assets	208.1	261.3	183.4	215.1	249.6	273.6	317.8	353.8	391.8	419.7
<b>Total Current Assets</b>	<b>3,326.1</b>	<b>3,831.0</b>	<b>3,588.4</b>	<b>4,732.6</b>	<b>5,536.1</b>	<b>6,290.5</b>	<b>8,697.3</b>	<b>11,112.3</b>	<b>13,856.7</b>	<b>16,551.3</b>
Property, Plant & Equipment	1,276.0	1,386.7	1,560.7	1,919.7	2,030.5	2,151.9	2,292.9	2,450.0	2,623.9	2,810.2
Intangibles & Goodwill	2,180.1	2,436.4	2,556.7	5,330.1	5,045.4	4,657.3	4,206.6	3,704.8	3,149.1	2,553.8
Other Non-Current Assets	293.6	677.6	692.6	872.8	852.4	934.5	1,085.4	1,208.3	1,338.4	1,433.6
<b>Total Assets</b>	<b>7,075.8</b>	<b>8,331.7</b>	<b>8,398.3</b>	<b>12,855.2</b>	<b>13,464.3</b>	<b>14,034.3</b>	<b>16,282.3</b>	<b>18,475.4</b>	<b>20,968.0</b>	<b>23,348.9</b>
<b>LIABILITIES &amp; EQUITY</b>										
Accounts Payable	1,314.5	1,489.6	1,509.8	2,254.7	2,153.1	2,362.5	2,738.2	3,021.2	3,325.1	3,531.7
Contract Liabilities	426.0	606.1	528.9	802.9	1,141.5	1,251.4	1,453.5	1,618.1	1,792.3	1,919.8
Short-Term Debt	33.4	6.5	4.2	15.7	-	-	-	-	-	-
Current Portion of Long-Term Debt	32.2	68.3	10.5	13.4	37.5	41.3	50.2	58.3	67.4	75.1
Other Current Liabilities	-	92.5	85.1	78.3	74.1	97.2	112.9	125.7	139.3	149.2
<b>Total Current Liabilities</b>	<b>1,806.1</b>	<b>2,263.0</b>	<b>2,138.6</b>	<b>3,165.0</b>	<b>3,406.2</b>	<b>3,752.4</b>	<b>4,354.9</b>	<b>4,823.3</b>	<b>5,323.9</b>	<b>5,675.7</b>
Long-Term Debt, Net of Current Portion	1,040.5	1,292.2	1,174.3	3,724.5	3,692.4	3,198.0	3,888.8	4,520.6	5,219.0	5,815.9
Other Non-Current Liabilities	623.7	722.6	736.5	848.8	966.9	1,060.0	1,231.2	1,370.5	1,518.1	1,626.1
<b>Total Liabilities</b>	<b>3,470.3</b>	<b>4,277.9</b>	<b>4,049.3</b>	<b>7,738.3</b>	<b>8,065.5</b>	<b>8,010.4</b>	<b>9,474.9</b>	<b>10,714.5</b>	<b>12,061.1</b>	<b>13,117.7</b>
Common Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Treasury Stock	(554.4)	(586.8)	(857.8)	(980.3)	(1,188.1)	(1,328.1)	(1,490.8)	(1,671.9)	(1,872.5)	(2,087.4)
Retained Earnings	2,477.3	2,854.3	3,265.0	3,714.8	4,163.2	4,804.5	5,608.2	6,585.0	7,757.8	9,111.2
Minority Interest	1.3	3.5	4.8	4.6	15.4	23.4	31.5	39.5	47.6	55.6
Other Equity	1,681.3	1,782.8	1,937.0	2,377.7	2,408.3	2,524.1	2,658.5	2,808.2	2,974.0	3,151.6
<b>Total Equity</b>	<b>3,605.5</b>	<b>4,053.8</b>	<b>4,349.0</b>	<b>5,116.9</b>	<b>5,398.8</b>	<b>6,023.8</b>	<b>6,807.4</b>	<b>7,760.9</b>	<b>8,906.9</b>	<b>10,231.1</b>
<b>Total Liabilities &amp; Equity</b>	<b>7,075.8</b>	<b>8,331.7</b>	<b>8,398.3</b>	<b>12,855.2</b>	<b>13,464.3</b>	<b>14,034.3</b>	<b>16,282.3</b>	<b>18,475.4</b>	<b>20,968.0</b>	<b>23,348.9</b>
<i>Balance Check</i>	-	-	-	-	-	-	-	-	-	-

# Cash Flow Statement



For Fiscal Year Ending	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E
<i>\$ in millions, unless otherwise noted</i>										
<b>Net Income</b>	296.0	406.8	452.0	492.0	511.6	686.3	856.0	1,035.0	1,237.2	1,422.5
Depreciation	202.5	218.1	225.3	255.5	290.6	347.4	403.5	449.1	497.5	532.9
Amortization Of Intangibles & Goodwill	44.0	62.1	76.7	165.4	354.0	388.1	450.7	501.7	555.8	595.3
Stock-Based Compensation	52.5	52.0	91.6	88.3	105.6	115.8	134.5	149.7	165.8	177.6
Change In Net Working Capital	(400.5)	(156.8)	327.4	(457.7)	(229.7)	(234.4)	(324.5)	(287.0)	(299.7)	(235.5)
Other Operating Activities	164.3	(55.7)	(57.0)	38.9	98.2	-	-	-	-	-
<b>Cash Flow From Operations</b>	<b>358.8</b>	<b>526.6</b>	<b>1,116.0</b>	<b>582.4</b>	<b>1,130.3</b>	<b>1,303.1</b>	<b>1,520.2</b>	<b>1,848.6</b>	<b>2,156.6</b>	<b>2,492.9</b>
Capital Expenditures	(293.6)	(261.8)	(260.1)	(385.9)	(427.6)	(468.8)	(544.5)	(606.1)	(671.4)	(719.2)
Other Investing Activities	(109.1)	(355.8)	(239.3)	(2,512.8)	(189.6)	(82.1)	(150.9)	(122.8)	(130.1)	(95.3)
<b>Cash Flow From Investing</b>	<b>(402.7)</b>	<b>(617.6)</b>	<b>(499.3)</b>	<b>(2,898.6)</b>	<b>(617.2)</b>	<b>(550.9)</b>	<b>(695.4)</b>	<b>(729.0)</b>	<b>(801.5)</b>	<b>(814.5)</b>
Senior Credit Facility Drawdown	4,491.8	6,175.6	2,983.5	5,316.0	9,300.1	-	-	-	-	-
Senior Credit Facility Paydown	(4,076.5)	(5,903.1)	(4,187.6)	(4,265.5)	(9,323.5)	(786.9)	-	-	-	-
Short-Term Debt Issuance (Repayment)	33.8	(28.3)	(4.8)	11.4	(15.7)	-	-	-	-	-
Long-Term Debt Issuance (Repayment)	(1.3)	(2.2)	987.2	1,483.8	(9.0)	296.3	699.7	640.0	707.4	604.5
Common Stock Issuance	-	-	-	-	-	-	-	-	-	-
Common Stock Repurchase	(443.2)	(20.1)	(247.2)	(66.7)	(127.8)	(140.1)	(162.7)	(181.1)	(200.6)	(214.9)
Common Dividends Paid	-	(23.2)	(28.9)	(34.0)	(41.1)	(45.0)	(52.3)	(58.2)	(64.5)	(69.1)
Minority Interest	(4.0)	(2.5)	(5.4)	(6.4)	(9.7)	8.1	8.1	8.1	8.1	8.1
Other Financing Activities	(17.2)	(18.5)	(98.0)	(77.8)	(84.6)	93.1	171.2	139.3	147.5	108.1
<b>Cash Flow From Financing</b>	<b>(16.6)</b>	<b>177.7</b>	<b>(601.4)</b>	<b>2,360.9</b>	<b>(311.1)</b>	<b>(574.6)</b>	<b>664.0</b>	<b>548.1</b>	<b>598.0</b>	<b>436.7</b>
Foreign Exchange Adjustment	(0.1)	(0.2)	1.8	0.4	(0.7)	-	-	-	-	-
<b>Net Change In Cash</b>	<b>(60.5)</b>	<b>86.5</b>	<b>17.1</b>	<b>45.1</b>	<b>201.3</b>	<b>177.6</b>	<b>1,488.7</b>	<b>1,667.7</b>	<b>1,953.1</b>	<b>2,115.1</b>

# EPS & Adjusted EBITDA Reconciliation



EPS Reconciliation										
Net Income Attributable To Common Stock	270.9	402.0	445.6	486.0	491.2	686.3	856.0	1,035.0	1,237.2	1,422.5
Weighted Average Diluted Shares	154.2	147.5	145.2	145.4	148.0	148.0	148.0	148.0	148.0	148.0
<b>GAAP Earnings Per Share</b>	<b>\$ 1.76</b>	<b>\$ 2.73</b>	<b>\$ 3.07</b>	<b>\$ 3.34</b>	<b>\$ 3.32</b>	<b>\$ 4.64</b>	<b>\$ 5.78</b>	<b>\$ 6.99</b>	<b>\$ 8.36</b>	<b>\$ 9.61</b>
<i>% growth</i>		55.2%	12.6%	8.9%	(0.7%)	39.7%	24.7%	20.9%	19.5%	15.0%
<b>GAAP P/E</b>					<b>60.4x</b>	<b>43.2x</b>	<b>34.6x</b>	<b>28.6x</b>	<b>24.0x</b>	<b>20.8x</b>
EBITDA Reconciliation										
Net Income Attributable To Common Stock	270.9	402.0	445.6	486.0	491.2	686.3	856.0	1,035.0	1,237.2	1,422.5
Interest Expense	36.9	66.9	45.0	68.9	124.4	78.7	118.2	137.4	158.6	176.7
Interest Income	(1.6)	(0.9)	(2.4)	(3.2)	(2.6)	(3.7)	(12.7)	(22.8)	(34.7)	(47.5)
Provision For Income Tax	161.7	165.5	119.4	130.9	192.2	257.6	320.5	386.9	461.9	530.7
Depreciation Expense	202.5	218.1	225.3	255.5	290.6	347.4	403.5	449.1	497.5	532.9
Amortization Of Intangibles	44.0	62.1	76.7	165.4	354.0	388.1	450.7	501.7	555.8	595.3
Interest, Taxes, & D&A In Earnings Of Affiliates		-	3.2	9.7	14.3	6.8	6.8	6.8	6.8	6.8
<b>EBITDA</b>	<b>714.4</b>	<b>913.7</b>	<b>912.7</b>	<b>1,113.2</b>	<b>1,464.1</b>	<b>1,761.1</b>	<b>2,143.0</b>	<b>2,494.2</b>	<b>2,883.1</b>	<b>3,217.4</b>
<i>% margin</i>	<del>5-3\$</del>	<del>6-4\$</del>	<del>7-0\$</del>	<del>7-5\$</del>	<del>7-5\$</del>	<del>8-3\$</del>	<del>8-8\$</del>	<del>0/-2\$</del>	<del>0/-7\$</del>	<del>00-1\$</del>
Stock-Based Compensation		52.0	91.6	88.3	105.6	115.8	134.5	149.7	165.8	177.6
Acquisition & Integration Costs		24.8	19.8	47.4	47.4					
Equity In Earnings Of Affiliates		(76.8)	10.0	(2.1)	(20.3)	(22.3)	(22.3)	(22.3)	(22.3)	(22.3)
Loss From Mark-To-Market Adjustment		-	-	-	91.5					
Gains On Sales Of Investments		-	-	-	(22.2)					
Asset Impairment Charges		13.9	8.3	5.7	14.5					
Change In Fair Value Of Contingent Liabilities		13.4	0.7	6.7	4.4					
Other Historical Adjustments	110.5	0.9	6.8	-	-					
<b>Adjusted EBITDA</b>	<b>825.0</b>	<b>941.9</b>	<b>1,050.0</b>	<b>1,259.3</b>	<b>1,685.0</b>	<b>1,854.6</b>	<b>2,255.2</b>	<b>2,621.7</b>	<b>3,026.7</b>	<b>3,372.8</b>
<i>% margin</i>	<del>6-3\$</del>	<del>6-7\$</del>	<del>8-3\$</del>	<del>8-6\$</del>	<del>8-8\$</del>	<del>8-8\$</del>	<del>0/-3\$</del>	<del>0/-7\$</del>	<del>00-2\$</del>	<del>00-6\$</del>

# Revenue Build



For Fiscal Year Ending	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E	Step
<i>\$ in millions, unless otherwise noted</i>										
<b>Total Revenues</b>		11,202.7	12,980.2	17,074.0	18,718.0	21,741.0	24,201.6	26,807.0	28,715.3	
<i>% growth</i>			15.9%	31.5%	9.6%	16.2%	11.3%	10.8%	7.1%	
<b>Electric Power Infrastructure Solutions</b>										
<b>Electric Power Revenues</b>		6,468.2	7,624.2	8,940.3	9,240.9	10,326.1	11,428.8	12,526.9	13,596.0	
<i>% growth</i>			17.9%	17.3%	3.4%	11.7%	10.7%	9.6%	8.5%	
<b>Electric Power Backlog</b>	9,822.2	9,667.1	12,216.9	13,082.9	15,045.3	17,151.7	19,381.4	21,707.2	24,095.0	
<i>% growth</i>			26.4%	7.1%	15.0%	14.0%	13.0%	12.0%	11.0%	
Base					15.0%	14.0%	13.0%	12.0%	11.0%	1.0%
Bull					20.0%	19.0%	18.0%	17.0%	16.0%	
Bear					12.0%	11.0%	10.0%	9.0%	8.0%	
<b>Electric Power Backlog Revenue Recognition Rate</b>		54-8%	67-8%	62-1%	6/-5%	57-5%	55-5%	53-5%	51-5%	2.0%
<b>Renewable Energy Infrastructure Solutions</b>										
<b>Renewable Energy Revenues</b>		1,305.2	1,825.3	3,778.6	4,722.2	6,422.2	7,555.5	8,854.1	9,503.4	
<i>% growth</i>			39.8%	107.0%	25.0%	36.0%	17.6%	17.2%	7.3%	
<b>Renewable Energy Backlog</b>	-	1,314.2	2,548.7	4,722.2	7,555.5	9,444.4	11,805.5	13,576.4	14,934.0	
<i>% growth</i>			93.9%	85.3%	60.0%	25.0%	25.0%	15.0%	10.0%	
Base					60.0%	25.0%	25.0%	15.0%	10.0%	
Bull					70.0%	35.0%	35.0%	25.0%	20.0%	
Bear					50.0%	15.0%	15.0%	10.0%	5.0%	
<b>Renewable Energy Backlog Revenue Recognition Rate</b>			027-8%	037-2%	0/-/-%	74-/-%	7/-/-%	64-/-%	6/-/-%	5.0%
<b>Underground Utility &amp; Infrastructure Solutions</b>										
<b>Underground Utility Revenues</b>		3,429.3	3,530.7	4,355.1	4,754.9	4,992.7	5,217.3	5,426.0	5,615.9	
<i>% growth</i>			3.0%	23.3%	9.2%	5.0%	4.5%	4.0%	3.5%	
<b>Underground Utility Backlog</b>	5,182.7	4,151.2	4,508.7	6,288.7	6,603.1	6,900.2	7,176.2	7,427.4	7,650.2	
<i>% growth</i>			8.6%	39.5%	5.0%	4.5%	4.0%	3.5%	3.0%	
Base					5.0%	4.5%	4.0%	3.5%	3.0%	0.5%
Bull					5.0%	5.0%	5.0%	5.0%	5.0%	
Bear					0.0%	0.0%	0.0%	0.0%	0.0%	
<b>Underground Utility Backlog Revenue Recognition Rate</b>		55-1%	74-0%	85-5%	64-5%	64-5%	64-5%	64-5%	64-5%	0.0%

# Metrics & Drivers



For Fiscal Year Ending	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E	Step
<i>\$ in millions, unless otherwise noted</i>									
<b>Total Revenue</b>	<b>11,202.7</b>	<b>12,980.2</b>	<b>17,073.9</b>	<b>18,718.0</b>	<b>21,741.0</b>	<b>24,201.6</b>	<b>26,807.0</b>	<b>28,715.3</b>	
<b>Cost Of Services</b>	<b>(9,316.6)</b>	<b>(10,771.4)</b>	<b>(14,254.1)</b>	<b>(15,536.0)</b>	<b>(17,936.3)</b>	<b>(19,845.3)</b>	<b>(21,847.7)</b>	<b>(23,259.4)</b>	
<i>% of revenue</i>	<i>83.2%</i>	<i>83.0%</i>	<i>83.5%</i>	<i>83.0%</i>	<i>82.5%</i>	<i>82.0%</i>	<i>81.5%</i>	<i>81.0%</i>	
Base				83.0%	82.5%	82.0%	81.5%	81.0%	0.5%
Bull				82.5%	82.0%	81.5%	81.0%	80.5%	
Bear				83.0%	83.0%	83.0%	83.0%	83.0%	
<b>SG&amp;A Expense</b>	<b>(975.1)</b>	<b>(1,156.0)</b>	<b>(1,336.7)</b>	<b>(1,460.0)</b>	<b>(1,706.7)</b>	<b>(1,911.9)</b>	<b>(2,131.2)</b>	<b>(2,297.2)</b>	
<i>% of revenue</i>	<i>8.7%</i>	<i>8.9%</i>	<i>7.8%</i>	<i>7.8%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>8.0%</i>	<i>8.0%</i>	
Base				7.8%	7.9%	7.9%	8.0%	8.0%	0.1%
Bull				7.8%	7.7%	7.6%	7.5%	7.4%	0.1%
Bear				8.0%	8.0%	8.0%	8.0%	8.0%	0.0%
<b>Interest Rate Adjustment</b>	<i>/-/\$</i>	<i>/-/\$</i>	<i>/-/\$</i>	<i>/-/\$</i>	<i>/-/\$</i>	<i>/-/\$</i>	<i>/-/\$</i>	<i>/-/\$</i>	
Base				0.0%	0.0%	0.0%	0.0%	0.0%	
Bull				(1.0%)	(1.0%)	(1.0%)	(1.0%)	(1.0%)	
Bear				1.0%	1.0%	1.0%	1.0%	1.0%	
<b>Terminal Multiple</b>				<b>17.6x</b>	<b>17.6x</b>	<b>17.6x</b>	<b>17.6x</b>	<b>17.6x</b>	
Base				17.6x	17.6x	17.6x	17.6x	17.6x	
Bull				18.6x	18.6x	18.6x	18.6x	18.6x	
Bear				16.6x	16.6x	16.6x	16.6x	16.6x	

# Debt Schedule



For Fiscal Year Ending	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E
<i>\$ in millions, unless otherwise noted</i>										
<b>Senior Credit Facility Needs Analysis</b>										
Beginning Cash Balance	138.3	103.5	268.3	1,024.2	1,120.7	1,723.4	2,457.7	3,333.4	4,475.9	5,861.1
(-) Minimum Cash Balance	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
(+) Free Cash Flows	65.2	264.8	855.9	196.5	702.7	834.3	975.7	1,242.5	1,485.2	1,773.7
<b>Cash Available To Pay Down Senior Credit Facility</b>	<b>103.5</b>	<b>268.3</b>	<b>1,024.2</b>	<b>1,120.7</b>	<b>1,723.4</b>	<b>2,457.7</b>	<b>3,333.4</b>	<b>4,475.9</b>	<b>5,861.1</b>	<b>7,534.8</b>
<b>Senior Credit Facility</b>										
Beginning Balance	668.4	1,070.3	1,346.3	148.5	1,199.8	786.9	-	-	-	-
(-) Paydown	-	-	(1,197.8)	-	(412.9)	(786.9)	-	-	-	-
(+) Drawdown	401.9	276.0	-	1,051.3	-	-	-	-	-	-
<b>Ending Balance</b>	<b>1,070.3</b>	<b>1,346.3</b>	<b>148.5</b>	<b>1,199.8</b>	<b>786.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Short-Term Debt</b>										
Beginning Balance	-	33.4	6.5	4.2	15.7	-	-	-	-	-
(-) Paydown	-	(26.9)	(2.3)	-	(15.7)	-	-	-	-	-
(+) Issuance	33.4	-	-	11.5	-	-	-	-	-	-
<b>Ending Balance</b>	<b>33.4</b>	<b>6.5</b>	<b>4.2</b>	<b>15.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Long-Term Debt (Net Of Senior Credit Facility)</b>										
Current Portion Of Long-Term Debt	32.2	68.3	10.5	13.4	37.5	41.3	50.2	58.3	67.3	75.1
Non-Current Portion Of Long-Term Debt	(29.8)	(54.1)	1,025.8	2,524.6	2,905.5	3,198.0	3,888.8	4,520.6	5,219.0	5,815.8
<b>Total Long-Term Debt</b>	<b>2.5</b>	<b>14.2</b>	<b>1,036.3</b>	<b>2,538.1</b>	<b>2,943.0</b>	<b>3,239.3</b>	<b>3,938.9</b>	<b>4,578.9</b>	<b>5,286.3</b>	<b>5,890.8</b>
<i>Short-Term Debt As % Of Total Debt</i>	<i>3.0%</i>	<i>0.5%</i>	<i>0.4%</i>	<i>0.4%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Current Portion Of Long-Term Debt As % Of Total Debt</i>	<i>2.9%</i>	<i>5.0%</i>	<i>0.9%</i>	<i>0.4%</i>	<i>1.0%</i>	<i>1.0%</i>	<i>1.0%</i>	<i>1.0%</i>	<i>1.0%</i>	<i>1.0%</i>
<i>Non-Current Portion Of Long-Term Debt As % Of Total Debt</i>	<i>(2.7%)</i>	<i>(4.0%)</i>	<i>86.3%</i>	<i>67.3%</i>	<i>77.9%</i>	<i>77.9%</i>	<i>77.9%</i>	<i>77.9%</i>	<i>77.9%</i>	<i>77.9%</i>
<b>Leverage Ratio</b>										
Total Debt	1,106.2	1,367.1	1,189.1	3,753.6	3,729.9	4,105.4	4,992.1	5,803.2	6,699.8	7,465.9
Adjusted EBITDA	825.0	941.9	1,050.0	1,259.3	1,685.0	1,854.6	2,255.2	2,621.7	3,026.7	3,372.8
<b>Leverage Ratio</b>	<b>1.3x</b>	<b>1.5x</b>	<b>1.1x</b>	<b>3.0x</b>	<b>2.2x</b>	<b>2.2x</b>	<b>2.2x</b>	<b>2.2x</b>	<b>2.2x</b>	<b>2.2x</b>

# Interest Schedule



Credit Analysis										
Total Debt	1,106.2	1,367.1	1,189.1	3,753.6	3,729.9	4,105.4	4,992.1	5,803.2	6,699.8	7,465.9
(-) Excess Cash	21.3	(64.8)	(84.6)	(129.1)	(328.5)	(506.1)	(1,994.8)	(3,662.5)	(5,615.6)	(7,730.7)
<b>Net Debt</b>	<b>1,127.5</b>	<b>1,302.3</b>	<b>1,104.4</b>	<b>3,624.5</b>	<b>3,401.4</b>	<b>3,599.3</b>	<b>2,997.3</b>	<b>2,140.7</b>	<b>1,084.2</b>	<b>(264.8)</b>
Adjusted EBITDA	825.0	941.9	1,050.0	1,259.3	1,685.0	1,854.6	2,255.2	2,621.7	3,026.7	3,372.8
<b>Net Leverage</b>	<b>1.4x</b>	<b>1.4x</b>	<b>1.1x</b>	<b>2.9x</b>	<b>2.0x</b>	<b>1.9x</b>	<b>1.3x</b>	<b>0.8x</b>	<b>0.4x</b>	<b>-0.1x</b>
<b>Total Interest Expense</b>	<b>36.9</b>	<b>66.9</b>	<b>45.0</b>	<b>68.9</b>	<b>124.4</b>	<b>78.7</b>	<b>118.2</b>	<b>137.4</b>	<b>158.6</b>	<b>176.7</b>
Adjusted EBITDA	825.0	941.9	1,050.0	1,259.3	1,685.0	1,854.6	2,255.2	2,621.7	3,026.7	3,372.8
<b>Interest Coverage Ratio</b>	<b>22.4x</b>	<b>14.1x</b>	<b>23.3x</b>	<b>18.3x</b>	<b>13.5x</b>	<b>23.6x</b>	<b>19.1x</b>	<b>19.1x</b>	<b>19.1x</b>	<b>19.1x</b>
<b>Interest Expense</b>										
Senior Credit Facility Interest Expense						-	-	-	-	-
Short-Term Debt Interest Expense						-	-	-	-	-
Long-Term Debt Interest Expense						78.7	118.2	137.4	158.6	176.7
<b>Total Interest Expense</b>	<b>36.9</b>	<b>66.9</b>	<b>45.0</b>	<b>68.9</b>	<b>124.4</b>	<b>78.7</b>	<b>118.2</b>	<b>137.4</b>	<b>158.6</b>	<b>176.7</b>
<b>Interest Income</b>										
Cash Balance	78.7	164.8	184.6	229.1	428.5	606.1	2,094.8	3,762.5	5,715.6	7,830.7
<b>Total Interest Income</b>	<b>1.6</b>	<b>0.9</b>	<b>2.4</b>	<b>3.2</b>	<b>2.6</b>	<b>3.7</b>	<b>12.7</b>	<b>22.8</b>	<b>34.7</b>	<b>47.5</b>
<i>Average Senior Credit Facility Interest Rate</i>	<i>3.6%</i>	<i>3.8%</i>	<i>2.1%</i>	<i>1.9%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>
<i>Average Short-Term Debt Interest Rate</i>	<i>0.0%</i>	<i>0.0%</i>	<i>2.9%</i>	<i>2.4%</i>	<i>2.4%</i>	<i>2.4%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>
<i>Average Long-Term Debt Interest Rate</i>	<i>0.0%</i>	<i>0.0%</i>	<i>2.9%</i>	<i>2.4%</i>	<i>2.4%</i>	<i>2.4%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>
<i>Average Interest Rate On Cash</i>	<i>2.0%</i>	<i>0.5%</i>	<i>1.3%</i>	<i>1.4%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>
<b>Long Term Debt Obligations (As Of FYE22)</b>										
	<b>Balance</b>		<b>Rate</b>	<b>Weighted Interest Rate</b>						
Senior Notes due October 2024	500.0		1.0%	0.2%						
Senior Notes due October 2030	1,000.0		2.9%	1.2%						
Senior Notes due January 2032	500.0		2.4%	0.5%						
Senior Notes due October 2041	500.0		3.1%	0.6%						
<b>Total</b>	<b>2,500.0</b>		<b>9.3%</b>	<b>2.4%</b>						



# Equity, PP&E, & Intangibles Schedule



For Fiscal Year Ending	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E	Step
<i>\$ in millions, unless otherwise noted</i>											
<b>Total Equity</b>											
Beginning Balance	3,795.6	3,605.5	4,053.8	4,349.0	5,116.9	5,398.8	6,015.8	6,791.3	7,736.7	8,874.7	
(+) Net Income	270.9	402.0	445.6	486.0	491.2	686.3	856.0	1,035.0	1,237.2	1,422.5	
(+) Stock-Based Compensation	52.5	52.0	91.6	88.3	105.6	115.8	134.5	149.7	165.8	177.6	
(-) Common Dividends	-	(23.2)	(28.9)	(34.0)	(41.1)	(45.0)	(52.3)	(58.2)	(64.5)	(69.1)	
(-) Share Repurchases	(443.2)	(20.1)	(247.2)	(66.7)	(127.8)	(140.1)	(162.7)	(181.1)	(200.6)	(214.9)	
(+) Other Equity	(70.3)	37.6	34.0	294.4	(146.1)	-	-	-	-	-	
<b>Ending Balance</b>	<b>3,605.5</b>	<b>4,053.8</b>	<b>4,349.0</b>	<b>5,116.9</b>	<b>5,398.8</b>	<b>6,015.8</b>	<b>6,791.3</b>	<b>7,736.7</b>	<b>8,874.7</b>	<b>10,190.8</b>	
<i>Stock-Based Compensation As % Of Revenue</i>	<i>0.5%</i>	<i>0.4%</i>	<i>0.8%</i>	<i>0.7%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.0%</i>
<i>Common Dividends As % Of Revenue</i>	<i>0.0%</i>	<i>0.2%</i>	<i>0.3%</i>	<i>0.3%</i>	<i>0.2%</i>	<i>0.2%</i>	<i>0.2%</i>	<i>0.2%</i>	<i>0.2%</i>	<i>0.2%</i>	<i>0.0%</i>
<i>Share Repurchases As % Of Revenue</i>	<i>4.0%</i>	<i>0.2%</i>	<i>2.2%</i>	<i>0.5%</i>	<i>0.7%</i>	<i>0.7%</i>	<i>0.7%</i>	<i>0.7%</i>	<i>0.7%</i>	<i>0.7%</i>	<i>0.0%</i>
For Fiscal Year Ending	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E	Step
<i>\$ in millions, unless otherwise noted</i>											
<b>PPE Build</b>											
Beginning Balance	1,288.6	1,276.0	1,386.7	1,560.7	1,919.7	2,030.5	2,151.9	2,292.9	2,450.0	2,623.9	
(+) CapEx	293.6	261.8	260.1	385.9	427.6	468.8	544.5	606.1	671.4	719.2	
(-) Depreciation	(306.2)	(151.1)	(86.1)	(26.8)	(316.9)	(347.4)	(403.5)	(449.1)	(497.5)	(532.9)	
<b>Ending Balance</b>	<b>1,276.0</b>	<b>1,386.7</b>	<b>1,560.7</b>	<b>1,919.7</b>	<b>2,030.5</b>	<b>2,151.9</b>	<b>2,292.9</b>	<b>2,450.0</b>	<b>2,623.9</b>	<b>2,810.2</b>	
<i>CapEx As % Of Revenue</i>	<i>2.6%</i>	<i>2.2%</i>	<i>2.3%</i>	<i>3.0%</i>	<i>2.5%</i>	<i>2.5%</i>	<i>2.5%</i>	<i>2.5%</i>	<i>2.5%</i>	<i>2.5%</i>	<i>0.0%</i>
<i>Depreciation As % Of Revenue</i>	<i>2.7%</i>	<i>1.2%</i>	<i>0.8%</i>	<i>0.2%</i>	<i>1.9%</i>	<i>1.9%</i>	<i>1.9%</i>	<i>1.9%</i>	<i>1.9%</i>	<i>1.9%</i>	<i>0.0%</i>
<b>Intangibles &amp; Goodwill Build</b>											
Beginning Balance	2,131.8	2,180.1	2,436.4	2,556.7	5,330.1	5,045.4	4,657.3	4,206.6	3,704.8	3,149.1	
(+) Acquisition Of Intangibles & Goodwill	92.3	318.4	197.0	2,938.8	69.3	-	-	-	-	-	
(-) Amortization	(44.0)	(62.1)	(76.7)	(165.4)	(354.0)	(388.1)	(450.7)	(501.7)	(555.8)	(595.3)	
<b>Ending Balance</b>	<b>2,180.1</b>	<b>2,436.4</b>	<b>2,556.7</b>	<b>5,330.1</b>	<b>5,045.4</b>	<b>4,657.3</b>	<b>4,206.6</b>	<b>3,704.8</b>	<b>3,149.1</b>	<b>2,553.8</b>	
<i>Amortization As % Of Revenue</i>	<i>0.4%</i>	<i>0.5%</i>	<i>0.7%</i>	<i>1.3%</i>	<i>2.1%</i>	<i>2.1%</i>	<i>2.1%</i>	<i>2.1%</i>	<i>2.1%</i>	<i>2.1%</i>	<i>0.0%</i>

# Net Working Capital Schedule



For Fiscal Year Ending	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E
<i>\$ in millions, unless otherwise noted</i>										
<b>ASSETS</b>										
Accounts Receivables	2,354.7	2,747.9	2,716.1	3,400.3	3,674.5	4,102.6	4,765.2	5,304.5	5,875.5	6,293.8
Contract Assets	576.9	601.3	453.8	803.5	1,080.2	1,184.2	1,375.5	1,531.2	1,696.0	1,816.7
Inventories	107.7	55.7	50.5	84.7	103.3	124.0	144.1	160.4	177.6	190.3
Other Current Assets	208.1	261.3	183.4	215.1	249.6	273.6	317.8	353.8	391.8	419.7
<b>Total Current Assets</b>	<b>3,247.4</b>	<b>3,666.2</b>	<b>3,403.8</b>	<b>4,503.5</b>	<b>5,107.6</b>	<b>5,684.4</b>	<b>6,602.5</b>	<b>7,349.7</b>	<b>8,141.0</b>	<b>8,720.5</b>
<b>LIABILITIES</b>										
Accounts Payable	1,314.5	1,489.6	1,509.8	2,254.7	2,153.1	2,362.5	2,738.2	3,021.2	3,325.1	3,531.7
Contract Liabilities	426.0	606.1	528.9	802.9	1,141.5	1,251.4	1,453.5	1,618.1	1,792.3	1,919.8
Other Current Liabilities	-	92.5	85.1	78.3	74.1	97.2	112.9	125.7	139.3	149.2
<b>Total Current Liabilities</b>	<b>1,740.5</b>	<b>2,188.2</b>	<b>2,123.8</b>	<b>3,135.8</b>	<b>3,368.7</b>	<b>3,711.2</b>	<b>4,304.7</b>	<b>4,765.0</b>	<b>5,256.6</b>	<b>5,600.7</b>
<b>Net Working Capital</b>	1,506.9	1,478.0	1,280.0	1,367.7	1,738.9	1,973.3	2,297.7	2,584.7	2,884.4	3,119.8
Change		(28.9)	(198.0)	87.7	371.2	234.4	324.5	287.0	299.7	235.5
<b>Drivers</b>										
Revenue	11,171.4	12,112.2	11,202.7	12,980.2	17,073.9	18,718.0	21,741.0	24,201.6	26,807.0	28,715.3
Cost Of Services	9,488.9	10,293.8	9,316.6	10,771.4	14,254.1	15,536.0	17,936.3	19,845.3	21,847.7	23,259.4
Inventory Purchases		10,318.2	9,169.1	11,121.0	14,530.9	15,640.0	18,127.6	20,001.0	22,012.6	23,380.2
<i>Contract Assets As % Of Revenue</i>	5.2%	5.0%	4.1%	6.2%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%
<i>Other Current Assets As % Of Revenue</i>	1.9%	2.2%	1.6%	1.7%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
<i>Contract Liabilities As % Of Revenue</i>	3.8%	5.0%	4.7%	6.2%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%
<i>Other Current Liabilities As % Of Revenue</i>	0.0%	0.9%	0.9%	0.7%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
<b>Days Outstanding</b>										
Days Sales Outstanding	365.0	365.0	365.0	365.0	365.0	365.0	365.0	365.0	365.0	365.0
Days Inventory Outstanding		76.9	89.0	86.0	75.6	80.0	80.0	80.0	80.0	80.0
Days Payable Outstanding		2.9	2.1	2.3	2.4	2.4	2.4	2.4	2.4	2.4
Days Payable Outstanding	50.6	52.8	59.1	76.4	55.1	55.1	55.1	55.1	55.1	55.1

# Comparable Companies Analysis



Valuation Metrics												
Company Name	Ticker	Share Price	Share Count (M)	Market Cap.	2022A Debt	2022A Cash	Enterprise Value	2023E Revenue	2023E Adj. EPS	EV / EBITDA	EV / Revenue	Forward P / E
Quanta Services	PWR	\$204.49	145.2	\$29,691.95	3,729.9	428.5	\$32,993.37	18,718.0	\$7.13	17.8x	1.8x	28.7x
MasTec	MTZ	\$96.14	77.5	\$7,450.85	3,514.7	370.8	\$10,594.75	12,860.9	\$3.93	10.0x	0.8x	24.5x
MYR Group	MYRG	\$143.08	16.7	\$2,389.44	74.5	51.0	\$2,412.94	3,474.1	\$5.77	12.5x	0.7x	24.8x
25th Percentile		\$119.61	47.1	\$4,920.14	1,794.6	210.9	\$6,503.84	8,167.5	\$4.85	11.2x	0.8x	24.6x
Median		\$143.08	77.5	\$7,450.85	3,514.7	370.8	\$10,594.75	12,860.9	\$5.77	12.5x	0.8x	24.8x
Mean		\$147.90	79.8	\$13,177.41	2,439.7	283.4	\$15,333.69	11,684.3	\$5.61	13.4x	1.1x	26.0x
75th Percentile		\$173.79	111.35	\$18,571.40	3,622.3	399.7	\$21,794.06	15,789.4	\$6.45	15.2x	1.3x	26.7x

Operating & Liquidity Metrics												
Company Name	2023E Gross Profit	2023E EBIT	2023E Adj. EBITDA	2023E FCF	Gross Margin	EBIT Margin	EBITDA Margin	FCF Margin	N'TM Net Leverage	N'TM Interest Cov.	Total Debt / Equity	Current Ratio
Quanta Services	2,834.7	1,023.4	1,854.6	834.3	15.1%	5.5%	9.9%	4.5%	1.8x	23.6x	0.7x	1.6x
MasTec	1,643.6	341.0	1,064.4	339.0	12.8%	2.7%	8.3%	2.6%	3.0x	4.8x	1.3x	1.5x
MYR Group	376.2	134.7	192.3	13.1	10.8%	3.9%	5.5%	0.4%	0.1x	47.3x	0.1x	1.3x
25th Percentile	1,009.9	237.8	628.4	176.1	11.8%	3.3%	6.9%	1.5%	1.0x	14.2x	0.4x	1.4x
Median	1,643.6	341.0	1,064.4	339.0	12.8%	3.9%	8.3%	2.6%	1.8x	23.6x	0.7x	1.5x
Mean	1,618.2	499.7	1,037.1	395.5	12.9%	4.0%	7.9%	2.5%	1.6x	25.2x	0.7x	1.5x
75th Percentile	2,239.2	682.2	1,459.5	586.6	14.0%	4.7%	9.1%	3.5%	2.4x	35.4x	1.0x	1.6x

Relative Valuation – 25th Percentile	
2023E EBITDA	1,854.6
EV / EBITDA	11.2x
<b>Enterprise Value</b>	<b>20,863.9</b>
(-) Debt	(3,729.9)
(+) Cash	428.5
<b>Total Equity Value</b>	<b>17,562.5</b>
Shares Outstanding	145.2
<b>Share Price</b>	<b>\$120.95</b>
Upside / Downside	(40.9%)

Relative Valuation – Median	
2023E EBITDA	1,854.6
EV / EBITDA	12.5x
<b>Enterprise Value</b>	<b>23,266.8</b>
(-) Debt	(3,729.9)
(+) Cash	428.5
<b>Total Equity Value</b>	<b>19,965.4</b>
Shares Outstanding	145.2
<b>Share Price</b>	<b>\$137.50</b>
Upside / Downside	(32.8%)

Relative Valuation – Mean	
2023E EBITDA	1,854.6
EV / EBITDA	13.4x
<b>Enterprise Value</b>	<b>24,907.1</b>
(-) Debt	(3,729.9)
(+) Cash	428.5
<b>Total Equity Value</b>	<b>21,605.7</b>
Shares Outstanding	145.2
<b>Share Price</b>	<b>\$148.80</b>
Upside / Downside	(27.2%)

Relative Valuation – 75th Percentile	
2023E EBITDA	1,854.6
EV / EBITDA	15.2x
<b>Enterprise Value</b>	<b>28,130.1</b>
(-) Debt	(3,729.9)
(+) Cash	428.5
<b>Total Equity Value</b>	<b>24,828.7</b>
Shares Outstanding	145.2
<b>Share Price</b>	<b>\$171.00</b>
Upside / Downside	(16.4%)

# Beta Calculation



## Qdf qdr r hm Rs` srs lbr

Multiple R	0.649117411
R Square	0.421353413
Adjusted R Square	0.411201718
Standard Error	0.070028979
Observations	59

## ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	0.203546464	0.203546464	41.50572227	2.6851E-08
Residual	57	0.279531299	0.004904058		
Total	58	0.483077763			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0.025307657	0.009235841	2.740157181	0.008185143	0.0068132	0.04380211	0.0068132	0.04380211
X Variable 1	1.081809754	0.167917866	6.442493482	2.6851E-08	0.74556003	1.41805948	0.74556003	1.41805948

# WACC Calculation



Inputs		
Risk-Free Rate		5.25%
Equity Risk Premium		4.00%
Beta		1.08
Corporate Tax Rate		27.06%
Common Shares		145.2
Share Price	\$	204.49
Market Value of Debt		3729.9

Cost of Debt Calculation	
Pre-Tax Cost of Debt	2.43%
Corporate Tax Rate	27.06%
<b>After-Tax Cost of Debt</b>	<b>0.66%</b>

Cost of Equity Calculation	
Risk-Free Rate	5.25%
Equity Risk Premium	4.00%
Beta	1.08
<b>Cost of Equity</b>	<b>8.47%</b>

WACC Calculation			
Market Value	Amount	% of Total	Cost of Capital
Market Value of Debt	3729.9	11.16%	0.20%
Market Value of Equity	29691.9	88.84%	8.51%
Total	33421.9	100.00%	8.71%
<b>Weighted Average Cost of Capital</b>			<b>7.60%</b>

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Inputs		
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<b>After-Tax Cost of Debt</b>	<b>0.66%</b>

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Equity Risk Premium	4.00%
Beta	1.08
<b>Cost of Equity</b>	<b>8.47%</b>

WACC Calculation			
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