October 31, 2024

Third Quarter 2024 Operational and Financial Commentary

This document is a supplement to our press release reporting third quarter 2024 results for Quanta Services, Inc. (Quanta, we, us or our). Our earnings release was previously distributed by Cision and can also be found in the Investor Relations section of our website at quantaservices.com, along with other related supplemental materials. Please see the Cautionary Statement About Forward-Looking Statements and Information, as well as further information and reconciliations with respect to non-GAAP financial measures, in the Appendix of this document.

Summary

Quanta delivered another quarter of double-digit growth in revenues, adjusted EBITDA and adjusted earnings per share, as well as a number of other record financial metrics, including total backlog of $34.0 billion and free cash flow of $539 million. We believe our consistent, profitable growth reflects the power of our portfolio, sound execution, strong demand for our services and an expanding total addressable market as we continue to advance our collaborative, solutions-based relationships with our customers and enhance our capabilities and service lines.

Here are a few achievements and takeaways from the third quarter of 2024:

- We believe our record backlog supports our expectations for continued growth in 2025 and future years and reflects our belief that our collaborative, solutions-based approach is valued by our clients more than ever;
- We continue to enhance and expand our turnkey solutions and supply chain capabilities, which are designed to increase our total addressable market and we believe enhances our organic growth and strategic capital deployment opportunities;
- Electric Power Infrastructure Solutions and Renewable Energy Infrastructure Solutions segments both performed well during the quarter, reflecting solid execution and resource management;
- On an organic basis, our 2024 year-to-date growth in revenues from our electric operations, captured in both our Electric Infrastructure and Renewable Infrastructure segments, was 5% over the same period in 2023, and the midpoint of our guidance assumes 10% growth for the year;
- Quanta deployed nearly 5,000 line workers and front-end support services staff from 20 different Quanta operating companies to support restoration efforts in the southeastern United States in response to Hurricane Helene. Quanta also deployed approximately 2,500 line workers and front-end support services staff from 17 different Quanta operating companies to support restoration efforts in Texas in response to Hurricane Beryl.
- Quanta completed the acquisition of Cupertino Electric Inc. (CEI), as well as the acquisition of a company that specializes in designing, manufacturing and distributing medium-voltage, liquid-filled power transformers for industrial and electrical companies and utilities; the acquisition of an electric and telecommunications infrastructure solutions provider in the Southeast; and the strategic minority investment in Hybar LLC, which is building a technologically advanced scrap metal recycling steel rebar mill that is expected to produce a full complement of high-yielding steel rebar that is expected to primarily be used in large infrastructure projects.

We continue to position Quanta to provide solutions that enable significant infrastructure investment over the long-term, driven by the energy transition, technology advancements, load growth and grid resilience and security initiatives. We believe the power of our portfolio is a strategic advantage that helps us manage risks, shift resources across service lines and geographies, allocate resources toward economically attractive opportunities and create operating efficiencies, improved returns and consistent financial results.

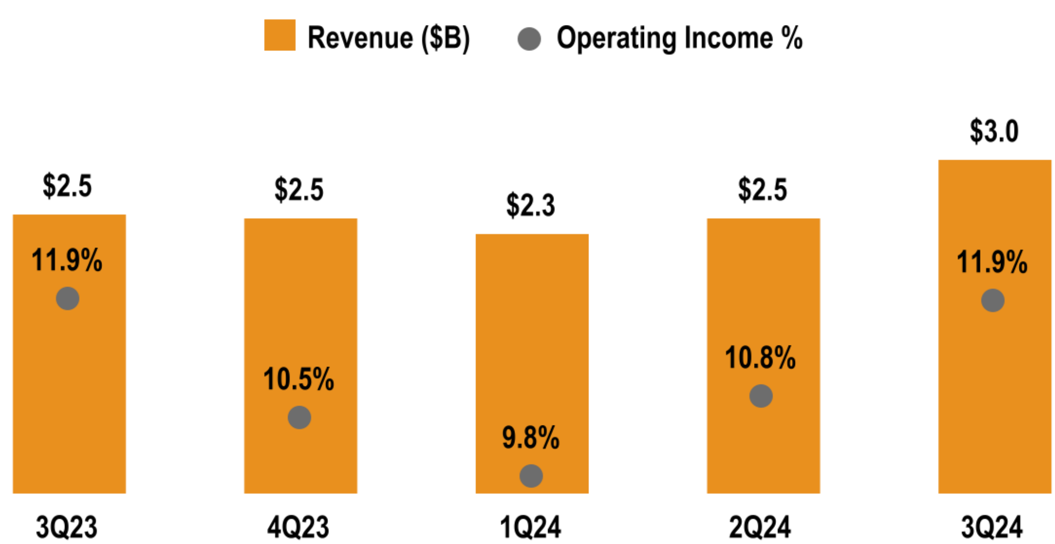
3Q24 Financial Highlights

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenues	$ 6,493,167	$ 5,620,822	$ 17,119,373	$ 15,098,258
Operating income	$ 431,161	$ 400,329	$ 893,745	$ 805,462
Net income attributable to common stock	$ 293,185	$ 272,836	$ 599,704	$ 533,781
Diluted earnings per share (EPS)	$ 1.95	$ 1.83	$ 4.00	$ 3.59
Adjusted diluted EPS*	$ 2.72	$ 2.24	$ 6.03	$ 5.12
Adjusted EBITDA*	$ 682,839	$ 592,536	$ 1,593,323	$ 1,396,962
Cash provided by operating activities	$ 739,914	$ 406,592	$ 1,369,181	$ 572,414
Free Cash Flow*	$ 539,470	$ 279,812	$ 979,318	$ 295,000

*Refer to the Appendix for a definition of this non-GAAP financial measure and a reconciliation of this measure to its most directly comparable GAAP measure.

3Q24 Financial Results and Commentary

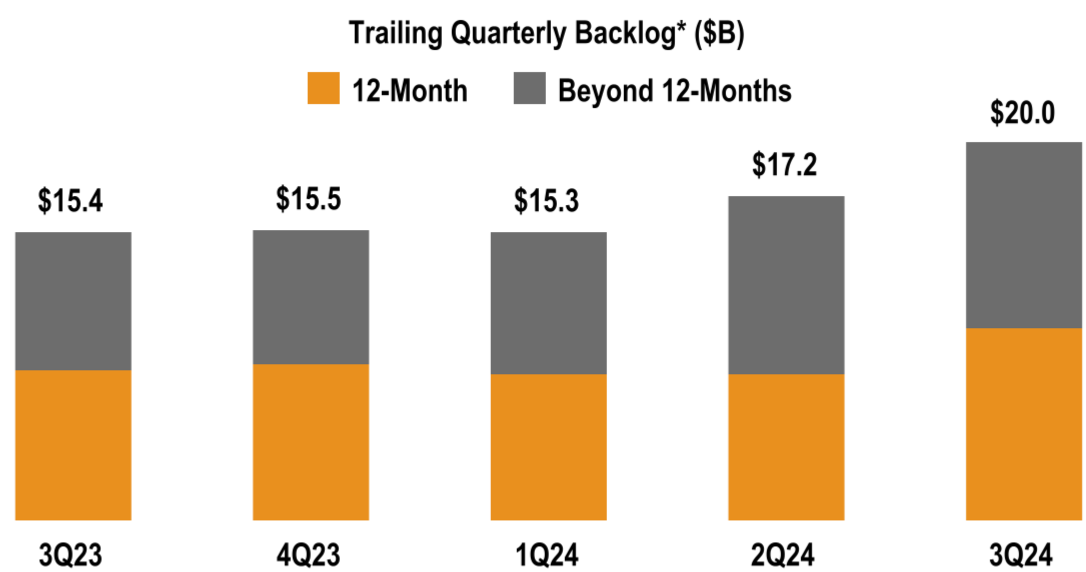
Electric Power Infrastructure Solutions Segment *(Electric Power)*



* Operating Income Margins are calculated by dividing operating income by revenues

Our Electric Power segment operations performed well in the third quarter of 2024, with revenues of $3.0 billion and operating income margin of 11.9%. The results were primarily driven by base business activity from utility grid modernization, grid security and system hardening initiatives, as well as sound execution and effective resource management across our electric power and communications operations. Contributing to the margin performance during the quarter were emergency restoration revenues of approximately $230 million. Additionally, businesses acquired over the past 12 months contributed approximately $450 million of revenues in the third quarter of 2024.

While the organic growth relative to the third quarter of 2023 is modest, as we noted in the Summary above, our aggregate electric power infrastructure operations, which are captured in both the Electric and Renewable segments, increased 5% year-over-year. On a multi-year basis, we remain confident in our ability to deliver organic revenue growth in the Electric Segment at a mid- to upper single digit compound annual growth rate as our customers' capital programs continue to expand.

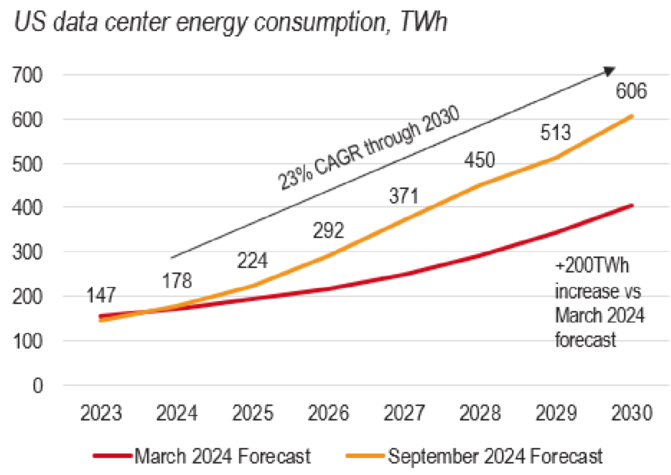


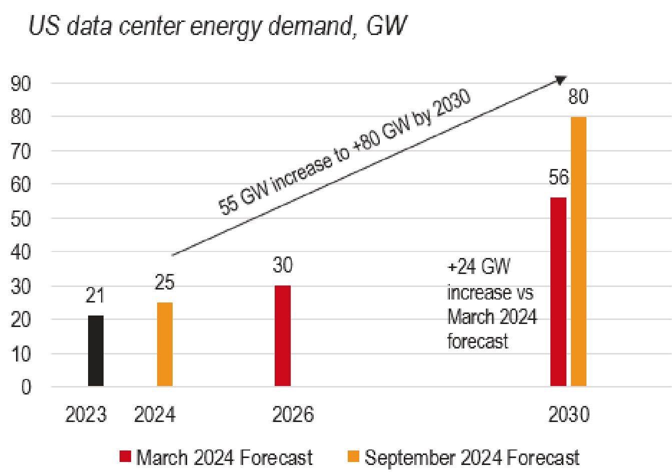
*Refer to the Appendix for a definition and reconciliation of this non-GAAP financial measure to its most directly comparable GAAP measure

Electric Segment backlog was $20.0 billion at the end of the third quarter of 2024, a record, driven by additional volumes with existing customers and approximately $1.8 billion of backlog from companies acquired during the third quarter of 2024. These awards support our confidence in our multi-year growth expectations and reflect the demand for our electric power infrastructure solutions. We continue to invest in resources to support the anticipated volumes associated with these multi-year utility programs and projects, and believe our investments in safety and training uniquely position us to attract and retain the workforce necessary to meet these demands.

Utilities across the United States are experiencing and forecasting meaningful increases in power demand for the first time in many years, due to various factors, including the adoption of new technologies and federal and state policies designed to accelerate the energy transition and strategically reinforce domestic manufacturing and supply chain resources. Additionally, the development of hyperscaler and artificial intelligence data centers is expected to further increase load and require grid upgrades and enhancements. A number of utilities have highlighted these dynamics as the rationale for increasing their multi-year load forecasts and multi-year capex plans.

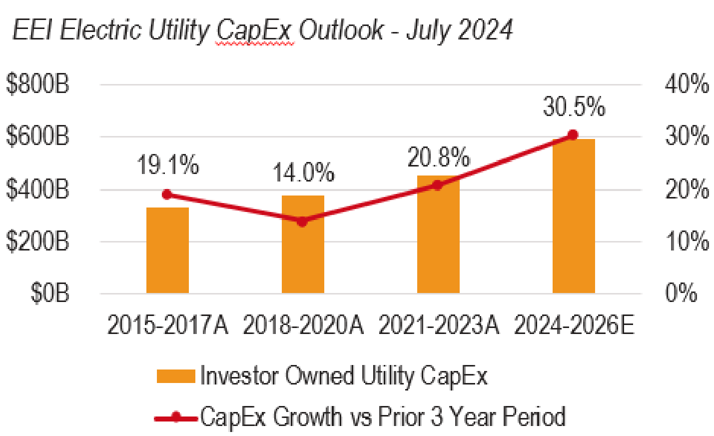
Data Center Power Demand Forecasts Continue to be Upwardly Revised

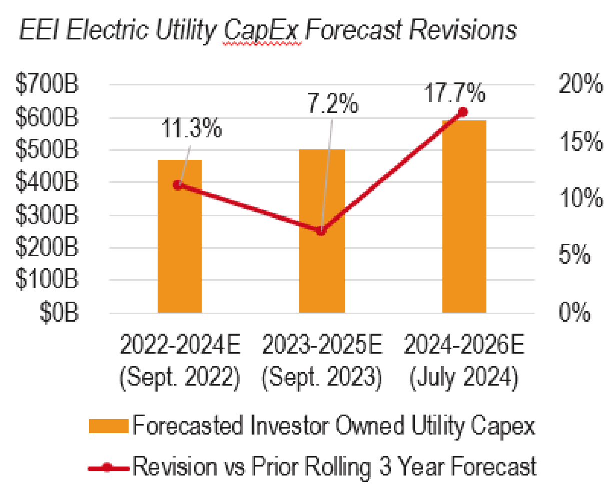




Source: McKinsey & Company data center demand model

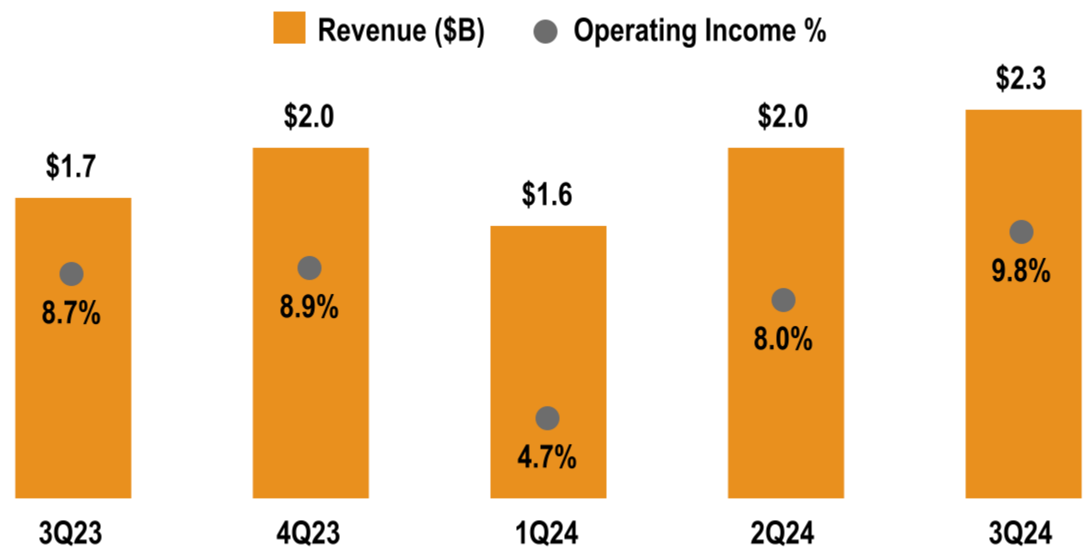
Electric Utility Capital Expenditure Plans Show Continued Healthy Growth





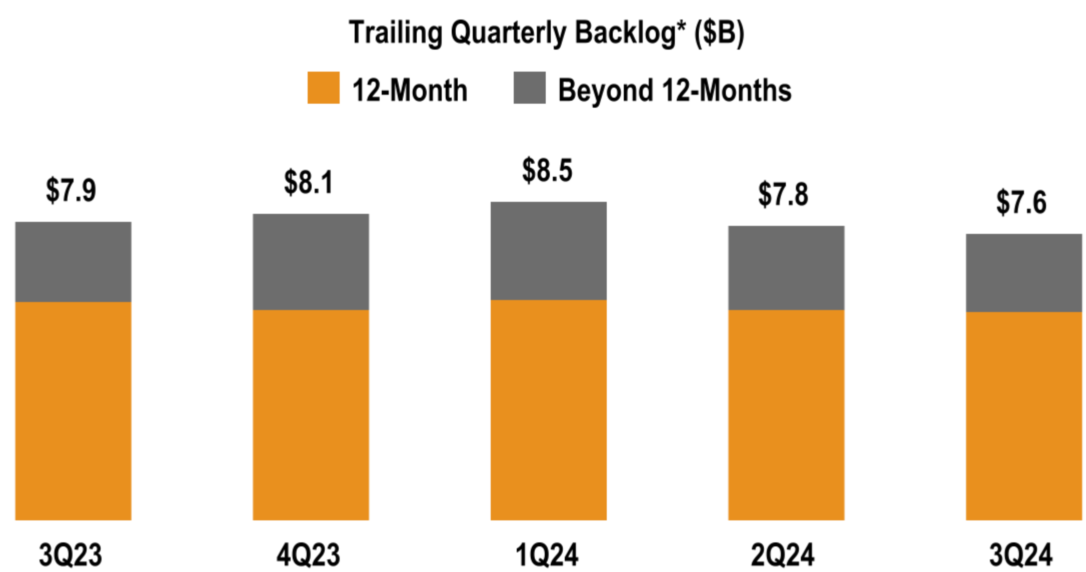
Source: Edison Electric Institute

Renewable Energy Infrastructure Solutions Segment *(Renewable Energy)*



* Operating Income Margins are calculated by dividing operating income by revenues

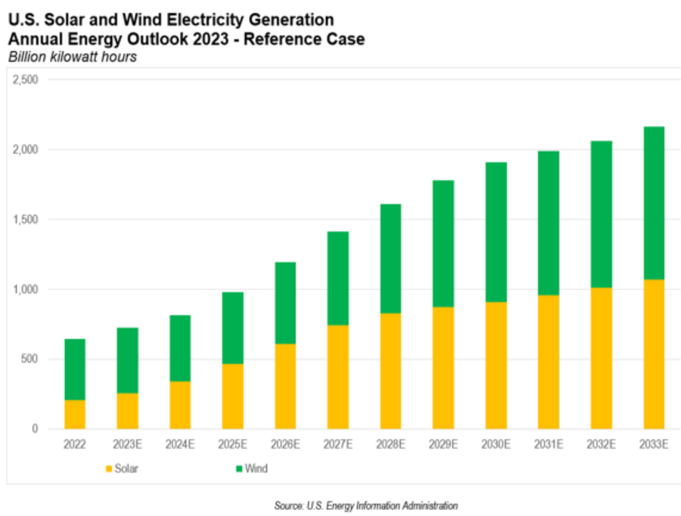
Our Renewable Energy segment revenues were a record $2.3 billion in the third quarter of 2024, led by renewable generation project activity, including solar, wind and battery storage projects, as well as related high-voltage electric transmission and substation services. Third quarter operating income margin of 9.8% was a sequential improvement from the second quarter due to better overall execution in the field and improved cost absorption. Additionally, businesses acquired over the past 12 months contributed approximately $150 million of revenues in the third quarter of 2024.

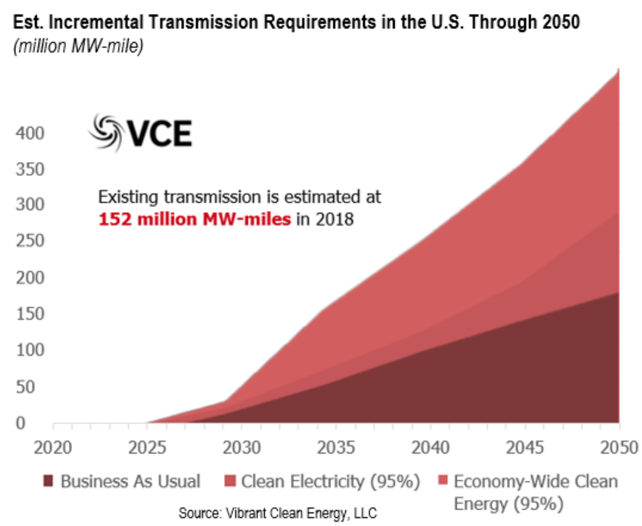


*Refer to the Appendix for a definition and reconciliation of this non-GAAP financial measure to its most directly comparable GAAP measure

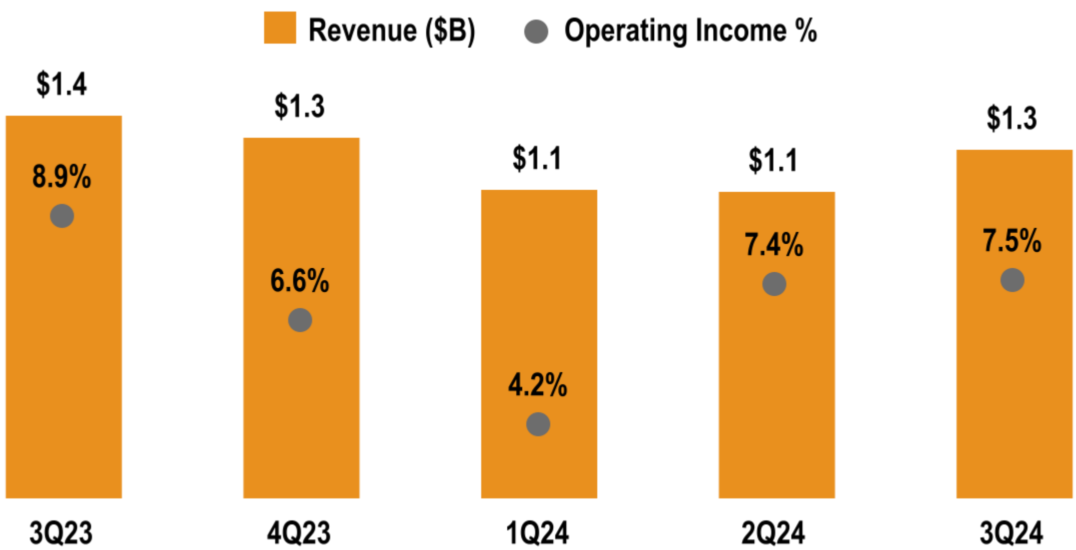
Renewable Energy segment total backlog was $7.6 billion as of September 30, 2024, a decline compared to the second quarter of 2024, and includes approximately $400 million of backlog from companies acquired during the third quarter of 2024. Normal variability in the timing of awards and recognition of revenues associated with the SunZia project are the primary reasons total backlog levels have declined over the last two quarters. However, the opportunities around renewable generation and its associated transmission and substation infrastructure remain robust. We continue to engage with customers on their multi-year project portfolios and see a pipeline of opportunities that we expect will translate into future awards. Of note, our growing volume of executed limited notice to proceed (LNTP) contracts gives us confidence in the segment's growth potential, and we continue to expect the multi-year 8-10% compound annual growth profile we put forward during our April 2022 Investor Day.

Our confidence in the growth opportunity around Renewable Energy segment backlog is underpinned by the strength of our long-standing customer relationships and our solutions-based approach, as well as our reputation for safe execution of work. We are making investments to scale our resources and increase our capacity to handle the expected growth for large-scale, multi-year solar, battery and wind programs as load growth and demand for clean power accelerates, which we believe presents the opportunity for record levels of revenues in future years. Additionally, we are pursuing billions of dollars of renewable-related high-voltage transmission projects that are designed to support the connectivity of current and future renewable generation capacity and enhance overall system reliability. We believe we have good visibility into the timing of these transmission projects and that we are well positioned to compete for future awards.



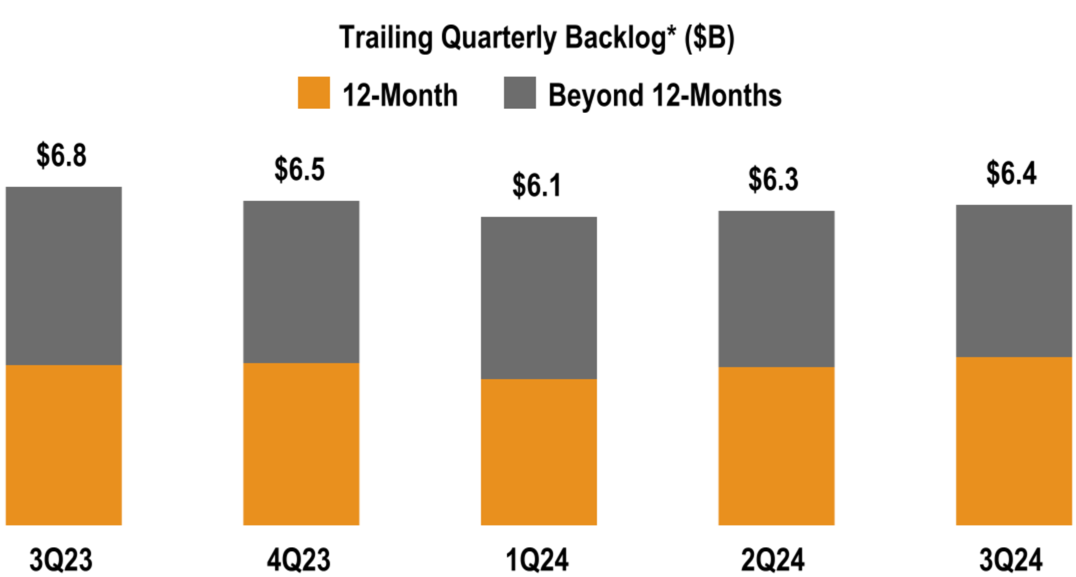


Underground Utility & Infrastructure Solutions Segment *(Underground and Infrastructure)*



* Operating Income Margins are calculated by dividing operating income by revenues. Included in operating income for the Underground and Infrastructure segment in the first quarter of 2024 was a loss on the sale of a non-core business of $10.7 million, which negatively impacted operating income margin in the quarter by approximately 90 basis points.

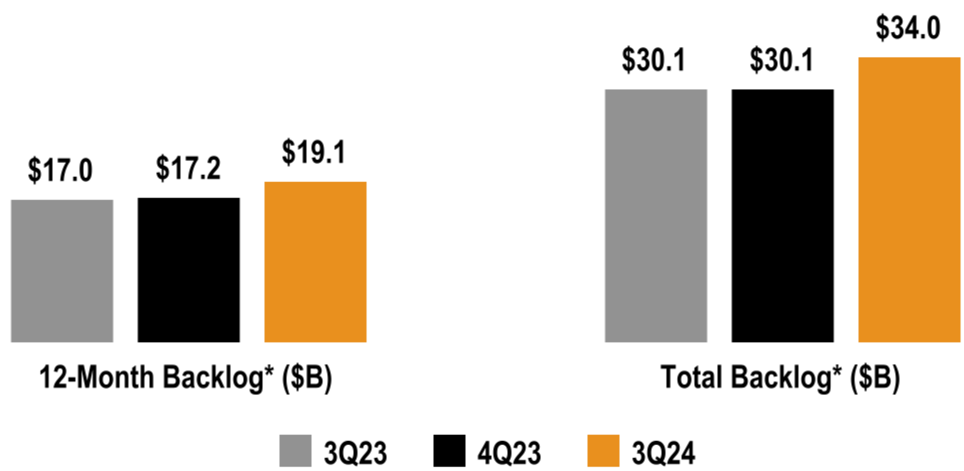
Underground and Infrastructure segment revenues were $1.3 billion in the third quarter of 2024, with an operating income margin of 7.5%. Operating income margin was negatively impacted by cost absorption pressures across our U.S. gas operations, and our industrial operations, which experienced project delays along the Gulf Coast due to Hurricanes Beryl and Francine. Of note, businesses acquired over the past 12 months contributed approximately $55 million in revenues in the third quarter of 2024.



*Refer to the Appendix for a definition and reconciliation of this non-GAAP financial measure to its most directly comparable GAAP measure

Total backlog for the Underground and Infrastructure segment increased to $6.4 billion at the end of the third quarter of 2024. While we continue to expect segment backlog to fluctuate due to the timing of project awards, we believe there is opportunity for continued base business growth due to volume increases under MSAs and small project awards. The market for our industrial solutions and gas utility and pipeline integrity services remains solid given the recurring critical-path maintenance requirements and regulated spend dedicated to modernizing systems, reducing methane emissions, ensuring environmental compliance and improving safety and reliability. We remain confident in the low to mid-single digit multi-year growth opportunity for the segment's base business activities.

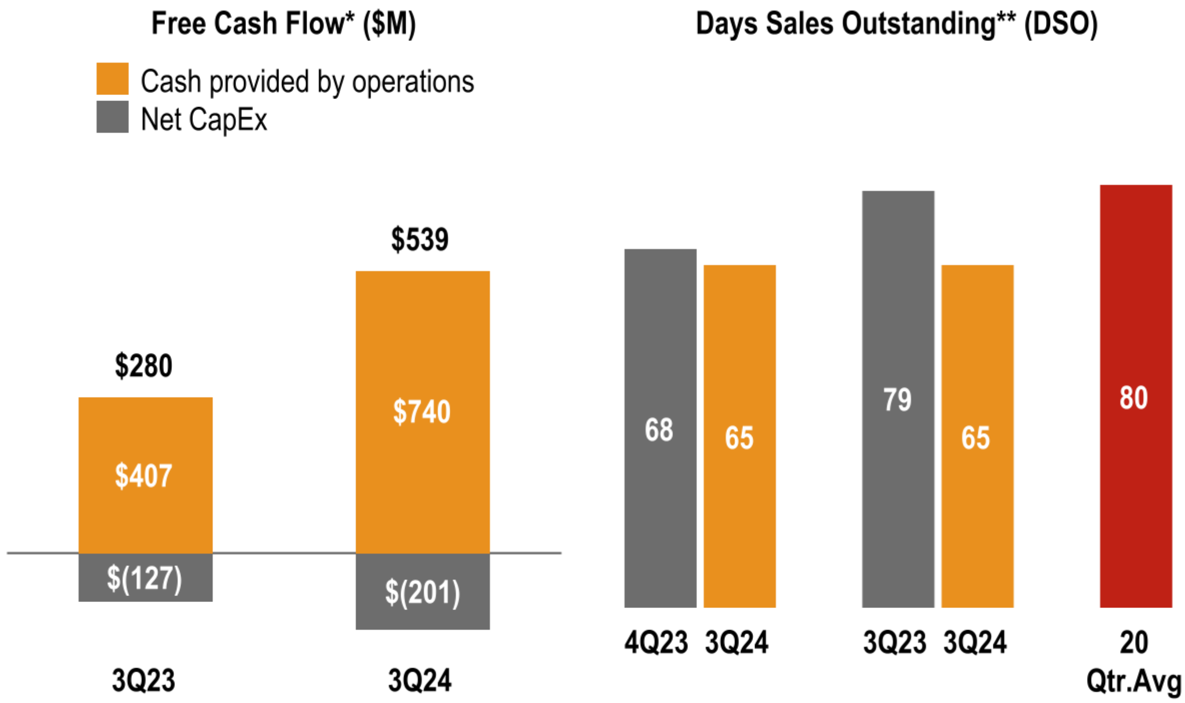
Consolidated Backlog



*Refer to the Appendix for a definition and reconciliation of this non-GAAP financial measure to its most directly comparable GAAP measure

At September 30, 2024, total backlog was $34.0 billion and twelve-month backlog was $19.1 billion, both record levels, which demonstrates the robust demand for our infrastructure solutions. Total backlog attributable to acquisitions in the quarter was approximately $2.2 billion. While the timing of awards and normal seasonality can create periodic pauses or declines in backlog, we believe there are opportunities to achieve record backlog again in future periods as we plan with our customers to provide comprehensive solutions for their multi-year programs and projects. We continue to expand our addressable market through strategic acquisitions and partnerships that broaden our capabilities and the solutions we provide to the critical infrastructure markets in which we operate.

Free Cash Flow & Days Sales Outstanding



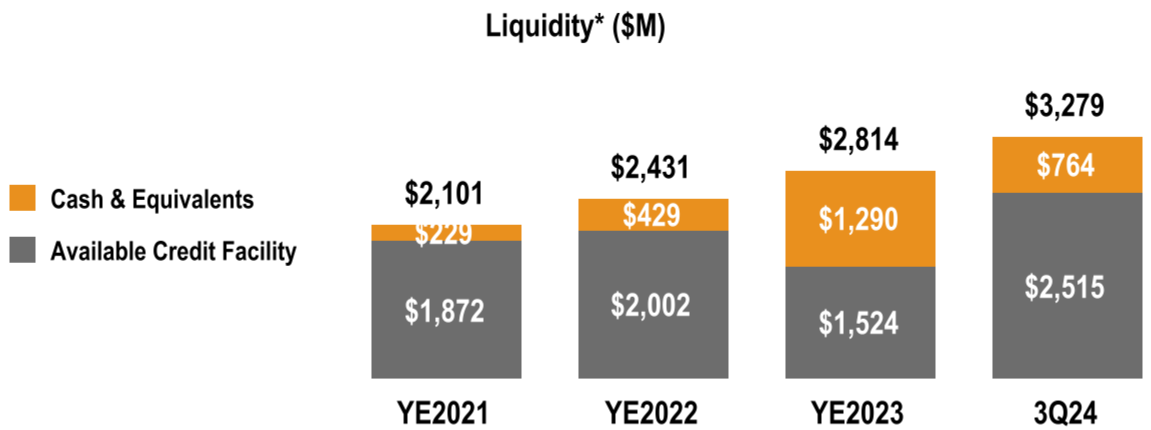
*Refer to the Appendix for a definition and reconciliation of this non-GAAP financial measure to its most directly comparable GAAP measure
**Refer to the Appendix for the definition of Days Sales Outstanding

Cash flow provided by operating activities and free cash flow in the third quarter of 2024 were greater than the third quarter of 2023 and reflects the favorable working capital profile across our portfolio and our efforts to work with customers to improve our collection cycle. DSO measured 65 days in the third quarter of 2024, which includes 5 to 6 days of DSO attributable to the Canadian renewable transmission project discussed in prior quarters. We continue to have discussions with the customer and we remain confident in our position.

Balance Sheet & Liquidity

($M)	December 31, 2021	December 31, 2022	December 31, 2023	September 30, 2024
Cash and Cash Equivalents	**$ 229**	**$ 429**	**$ 1,290**	**$ 764**
Debt				
Credit Facility (Revolver)	$ 450	$ 37	$ 136	$ 59
Commercial Paper	—	373	706	—
Term Loans	750	750	731	717
Senior Notes	2,500	2,500	2,500	3,750
Other	54	70	126	162
Total Debt	**$ 3,754**	**$ 3,730**	**$ 4,199**	**$ 4,688**
Operating Lease Liabilities	249	246	265	319
Total Debt including Operating Lease Liabilities	**$ 4,003**	**$ 3,976**	**$ 4,464**	**$ 5,007**
Net Debt / EBITDA Ratio*	**2.3x**	**2.1x**	**1.8x**	**2.1x**

*Net Debt to EBITDA Ratio, as calculated under the credit agreement for our senior credit facility.



*Refer to the Appendix for the definition of Total Liquidity

In July 2024, we entered into and borrowed the full amount available under a new $400 million 90-day term loan facility, borrowed approximately $1.2 billion under our commercial paper program and we amended our credit facility. In August 2024, we issued $1.25 billion aggregate principal amount of senior notes, a portion of which was used to repay certain borrowings that were utilized to acquire CEI. As a result of those financing arrangements, as of September 30, 2024, we had total liquidity of approximately $3.3 billion and a debt-to-EBITDA ratio of 2.1x (as calculated under our credit agreement). Subsequent to the third quarter ending September 30, 2024, on October 1, 2024, we repaid the $500.0 million aggregate principal amount of 0.950% senior notes due October 2024. We continue to expect our fourth quarter free cash flow and earnings generation to allow us to de-lever below 2.0x by the end of the year.

Full-Year 2024 Guidance

The investment community is encouraged to review Quanta's Outlook Expectations Summary, which can be found on our Investor Relations website at http://investors.quantaservices.com in the News & Events and Financial Info sections. This document provides a detailed discussion of Quanta's 2024 financial expectations and commentary that we believe is useful to the investment community.

The growth opportunities across our end markets are extensive and we believe the tailwinds driving the demand for our infrastructure solutions are long-term in duration and create multi-year earnings visibility. As North America's energy transition progresses and becomes more complex, we believe our breadth of solutions and the complementary capabilities of our operations portfolio will become even more valuable to our customers. Further, our ongoing investment in and commitment to workforce training and safety positively impacts our performance and enables us to meet our customers speed to market and schedule certainty goals, which we believe is a competitive advantage across our end markets.

Given our strong third quarter and expected fourth quarter results, including contributions from acquisitions made during the third quarter, we've narrowed our range of guidance and raised the adjusted diluted earnings per share midpoint from $8.60 to $8.65, which would represent 20% growth compared to 2023.

	Estimated Range		
($M except per share data)	Low	Mid	High
Revenues	$23,450	$23,675	$23,900
Adj. EBITDA*	$2,248	$2,282	$2,316
Free Cash Flow*	$1,300	$1,400	$1,500
Net Income	$853	$876	$899
Diluted EPS (GAAP)	$5.68	$5.84	$5.99
Adjusted Diluted EPS*	$8.50	$8.65	$8.80

*Refer to the Appendix for a definition and reconciliation of this non-GAAP financial measure to its most directly comparable GAAP measure

While segment designations help investors better understand the work we are performing, we will continue to emphasize the power of our aggregate portfolio of solutions and the cash flow, earnings and returns they generate. The following commentary details our expectations for our reportable operating segments for 2024. We have included segment specific seasonality and other details around our 2024 expectations in the Outlook Expectations Summary, which can be found on our investor relations website.

Electric Power Segment Guidance

	2024 Estimated Range		
	Low	Mid	High
Revenues ($M)	$11,000	$11,075	$11,150
Revenue Growth	*13.4%*	*14.2%*	*15.0%*

We expect Electric Power segment revenues to be between $11.0 and $11.2 billion for the full year of 2024, which includes approximately $550 million of emergency restoration services revenues. Also included within the segment are our communications operations, which we expect will generate approximately $900 million of revenues in 2024, comparable to 2023. We believe the performance of these operations highlights our focus on profitability and selective approach to the communications market.

We now expect full-year 2024 operating income margin for the Electric Power segment to be approximately 11%, which includes contributions of between $48.0 and $49.0 million of equity in earnings from our integral unconsolidated affiliates, the largest portion of which relates to LUMA Energy LLC, our joint venture in Puerto Rico. The change from our previous guidance reflects solid year-to-date performance, as well as expectations for the fourth quarter regarding utilization benefits related to increased emergency restoration revenues and solid execution. We expect our U.S. operations will execute at a double-digit operating income margin level for 2024; however, as a reminder, we expect some margin pressure from our Canadian operations. Despite this near-term pressure, we believe there are meaningful opportunities for our Canadian electric operations and expect the same market forces driving growth in the United States to positively impact the Canadian market in the years ahead.

Renewable Energy Segment Guidance

	2024 Estimated Range		
	Low	Mid	High
Revenues ($M)	$7,900	$8,025	$8,150
Revenue Growth	*28.0%*	*30.1%*	*32.1%*

We expect Renewable Energy segment revenues to be between $7.9 and $8.2 billion for the full year of 2024. This growth is driven by growing momentum for the transition to renewable generation and the associated transmission and substation infrastructure required to bring those new sources of power to market. We expect full year operating income margin for the Renewable Energy segment to be between 8.6% and 9.0%, a slight improvement from previous guidance due to the solid performance in the third quarter and confidence in our ability to continue executing at a high level in the fourth quarter.

Underground and Infrastructure Segment Guidance

	2024 Estimated Range		
	Low	Mid	High
Revenues ($M)	$4,550	$4,575	$4,600
Revenue Growth	*(9.3)%*	*(8.8)%*	*(8.3)%*

We now expect Underground and Infrastructure segment revenues to be between $4.55 and $4.60 billion for the full year of 2024, representing a 9% decrease at the midpoint as compared to 2023. As previously discussed, this anticipated decline is primarily due to reduced revenues attributable to larger pipeline projects (+$1 billion revenue contribution in 2023 compared to approximately $700 million estimated revenue contribution in 2024), specifically for our Canadian operations, which have had meaningful contributions from larger pipeline projects during the last two years. Additionally, our U.S. gas operations have experienced several delays and shifts of projects that were expected to contribute more meaningfully to our results in 2024 and that are now expected to contribute in 2025, which has negatively impacted revenues and operating margin due to our inability to absorb fixed costs. The profitability of the segment was also negatively impacted by disruptions to our industrial operations attributable to Hurricanes Beryl and Francine, which altered the execution of scheduled work creating incremental cost and inefficiencies. Accordingly, we now expect full-year 2024 operating income margin for the segment to be around 6%, a reduction from our prior guidance. Of note, operating income margin for this segment was negatively impacted by approximately 25 basis points due to the disposition of a non-core business in the first quarter of 2024.

Free Cash Flow and Interest Expense

We expect free cash flow for the full year 2024 to be between $1.3 billion and $1.5 billion, which would represent another record and reflects the favorable cash flow characteristics of our renewable infrastructure solutions and generally improved working capital profile across our operations. With regard to the aforementioned large Canadian renewable transmission project, we remain confident in our ability to successfully settle and collect on the associated contract asset reflected on our balance sheet, however we no longer expect collection by the end of this year. Accordingly, we've lowered the top end of our free cash flow range from $1.7 billion to $1.5 billion. Based on our current expectations, we now expect interest expense to range between $174.0 million and $178.0 million for full-year 2024.

Positive Multi-Year Outlook

We believe the transition towards a reduced-carbon economy and increased load growth will require significant infrastructure investment, and we believe we are in the early stages of a multi-decade infrastructure build. The convergence of the utility, renewable energy and technology industries is gaining pace and the acquisition of CEI and other companies we have acquired enhances Quanta's presence at the nexus of this convergence, broadening our scope of solutions and further differentiating Quanta across these markets. We believe the strength of our end markets, our execution capabilities and our proven ability to strategically deploy capital will allow us to continue delivering solid returns and generate significant long-term stockholder value.

We appreciate your ongoing interest in Quanta Services.

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Additionally, any financial projections in this commentary are forward-looking statements that are based on assumptions that are inherently subject to significant uncertainties and contingencies, many of which are beyond Quanta's control. While such projections are necessarily speculative, Quanta believes that the preparation of prospective financial information involves increasingly higher levels of uncertainty the further out the projection extends from the date of preparation. The assumptions and estimates underlying such projected results are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the projections. The inclusion of financial information or projections in this commentary should not be regarded as an indication that Quanta considered or consider the information or projections to be a reliable prediction of future events.

Certain information may be provided in this commentary that includes financial measurements that are not required by, or presented in accordance with, generally accepted accounting principles (GAAP). These non-GAAP financial measures should not be considered as alternatives to GAAP financial measures, such as net income attributable to common stock and cash flow provided by operating activities, and may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies. For a reconciliation to the most directly comparable GAAP financial measures, please refer to the accompanying reconciliation tables.

The information contained in this document has not been audited by any independent auditor. This commentary is prepared as a convenience for securities analysts and investors and may be useful as a reference tool. Quanta may elect to modify the format or discontinue publication at any time, without notice to securities analysts or investors.

Appendix

Backlog is defined as remaining performance obligations, plus estimated orders under master service agreements, including estimated renewals, and non-fixed price contracts expected to be completed within one year. Quanta's methodology for determining backlog may not be comparable to the methodologies used by other companies. Remaining performance obligations are defined as management's estimate of consolidated revenues that are expected to be realized from the remaining portion of firm orders under fixed price contracts not yet completed or for which work has not yet begun. For purposes of calculating remaining performance obligations, Quanta includes all estimated revenues attributable to consolidated joint ventures and variable interest entities, revenues from funded and unfunded portions of government contracts to the extent they are reasonably expected to be realized and revenues from change orders to the extent management believes additional contract revenues will be earned and are deemed probable of collection.

Days sales outstanding is calculated by using the sum of current accounts receivable (which includes retainage and unbilled balances), net of allowance, plus contract assets, less contract liabilities and divided by average revenues per day during the quarter.

EBITDA is defined as earnings before interest and other financing expenses, taxes, depreciation and amortization, including from our integral unconsolidated affiliates.

Adjusted EBITDA is defined as EBITDA adjusted for certain other items, in the current year, as described below:

- **Non-cash stock-based compensation expense** varies from period to period due to acquisition activity, changes in the estimated fair value of performance-based awards, forfeiture rates, accelerated vesting and amounts granted;
- **Acquisition and integration costs** vary from period to period depending on the level and complexity of Quanta's acquisition activity;
- **Equity in (earnings) losses of non-integral unconsolidated affiliates** varies from period to period depending on the activity and financial performance of such affiliates, the operations of which are not operationally integral to Quanta;
- **Gains and losses on sales of investments and businesses** vary from period to period depending on activity; and
- **Change in fair value of contingent consideration liabilities** varies from period to period depending on, among other things, the performance in post-acquisition periods of certain acquired businesses and the effect of present value accretion on fair value calculations.

Adjusted Earnings per Share (EPS) is defined as diluted earnings per share adjusted for the after-tax impact of certain other items, in the current year, as described below:

Non-cash stock-based compensation expense varies period to period due to acquisition activity, changes in the estimated fair value of performance-based awards, forfeiture rates, accelerated vesting and amounts granted;

Amortization of intangible assets and amortization included in equity in earnings vary period to period and are impacted by Quanta's acquisition activities and investments in integral unconsolidated affiliates;

Acquisition and integration costs vary from period to period depending on the level and complexity of Quanta's acquisition activity;

Change in fair value of contingent consideration liabilities varies from period to period depending on, among other things, the performance in post-acquisition periods of certain acquired businesses and the effect of present value accretion on fair value calculations;

Equity in (earnings) losses of non-integral unconsolidated affiliates varies from period to period depending on the activity and financial performance of non-integral unconsolidated affiliates, the operations of which are not operationally integral to Quanta; and

Gains and losses on sales of investments and businesses vary from period to period depending on activity.

Free cash flow is defined as net cash provided by operating activities less net capital expenditures. Net capital expenditures is defined as capital expenditures less proceeds from sale of property and equipment and from insurance settlements related to property and equipment.

Net debt is Quanta's long-term debt (as defined under its senior credit facility) less cash and cash equivalents (as defined under its senior credit facility).

Total liquidity is defined as Quanta's cash and cash equivalents and availability under Quanta's senior credit facility. Available commitments for revolving loans under the senior credit facility must be maintained in order to provide credit support for notes issued under the commercial paper program, and therefore such notes effectively reduce the available borrowing capacity under the senior credit facility.

Reconciliation of Adjusted Net Income Attributable to Common Stock and Adjusted Diluted Earnings Per Share Attributable to Common Stock

($000s, except per share amounts)	2023		2024		FY 2024 GUIDANCE RANGE		
	3Q	3Q YTD	3Q	3Q YTD	Low	Mid	High
Reconciliation of adjusted net income attributable to common stock:							
Net income attributable to common stock (GAAP as reported)	$ 272,836	$ 533,781	$ 293,185	$ 599,704	$ 853,100	$ 875,800	$ 898,500
Acquisition and integration costs	4,166	26,338	7,053	25,461	27,100	27,100	27,100
Change in fair value of contingent consideration liabilities	803	803	1,124	2,864	2,900	2,900	2,900
Equity in losses (earnings) of non-integral unconsolidated affiliates	966	(1,119)	1,662	(1,413)	(1,400)	(1,400)	(1,400)
(Gains on sales of investments) loss on disposition of business, net	—	(1,496)	662	4,370	4,400	4,400	4,400
Non-cash stock-based compensation	32,600	94,658	38,234	110,815	152,600	152,600	152,600
Amortization of intangible assets	71,361	213,789	110,422	267,147	382,100	382,100	382,100
Amortization included in equity in earnings of integral unconsolidated affiliates	1,465	4,726	870	3,602	4,500	4,500	4,500
Income tax impact of adjustments (1)	(51,645)	(109,935)	(40,691)	(105,199)	(146,600)	(146,600)	(146,600)
Impact of income tax contingency releases	—	—	(3,065)	(3,065)	(3,100)	(3,100)	(3,100)
Adjusted net income attributable to common stock	$ 332,552	$ 761,545	$ 409,456	$ 904,286	$ 1,275,600	$ 1,298,300	$ 1,321,000
Reconciliation of adjusted diluted earnings per share:							
Diluted earnings per share attributable to common stock (GAAP as reported)	$ 1.83	$ 3.59	$ 1.95	$ 4.00	$ 5.68	$ 5.84	$ 5.99
Acquisition and integration costs	0.03	0.18	0.05	0.17	0.18	0.18	0.18
Change in fair value of contingent consideration liabilities	0.01	0.01	0.01	0.02	0.02	0.02	0.02
Equity in losses (earnings) of non-integral unconsolidated affiliates	0.01	(0.01)	0.01	(0.01)	(0.01)	(0.01)	(0.01)
(Gains on sales of investments) loss on disposition of business, net	—	(0.01)	—	0.03	0.03	0.03	0.03
Non-cash stock-based compensation	0.22	0.64	0.25	0.74	1.02	1.02	1.02
Amortization of intangible assets	0.48	1.44	0.73	1.78	2.55	2.55	2.55
Amortization included in equity in earnings of integral unconsolidated affiliates	0.01	0.03	0.01	0.02	0.03	0.03	0.03
Income tax impact of adjustments (1)	(0.35)	(0.75)	(0.27)	(0.70)	(0.98)	(0.99)	(0.99)
Impact of income tax contingency releases	—	—	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Adjusted diluted earnings per share	$ 2.24	$ 5.12	$ 2.72	$ 6.03	$ 8.50	$ 8.65	$ 8.80
Weighted average shares outstanding for diluted and adjusted diluted earnings per share	148,792	148,749	150,556	149,911	150,100	150,100	150,100

(1) The income tax impact of adjustments that are subject to tax is determined using the incremental statutory tax rates of the jurisdictions to which each adjustment relates for the respective periods.

Reconciliation of Adjusted EBITDA

($000s)	2023		2024		FY 2024 GUIDANCE RANGE		
	3Q	3Q YTD	3Q	3Q YTD	Low	Mid	High
Net income attributable to common stock (GAAP as reported)	$ 272,836	$ 533,781	$ 293,185	$ 599,704	$ 853,100	$ 875,800	$ 898,500
Interest expense, net	45,538	132,456	52,713	127,526	174,000	176,000	178,000
Provision for income taxes	77,522	143,468	82,421	178,716	276,700	286,000	295,300
Depreciation expense	81,488	239,746	89,979	262,525	356,200	356,200	356,200
Amortization of intangible assets	71,361	213,789	110,422	267,147	382,100	382,100	382,100
Interest, income taxes, depreciation and amortization included in equity in earnings of integral unconsolidated affiliates	5,256	14,538	5,384	15,608	20,200	20,200	20,200
EBITDA	554,001	1,277,778	634,104	1,451,226	2,062,300	2,096,300	2,130,300
Non-cash stock-based compensation	32,600	94,658	38,234	110,815	152,600	152,600	152,600
Acquisition and integration costs	4,166	26,338	7,053	25,461	27,100	27,100	27,100
Equity in losses (earnings) of non-integral unconsolidated affiliates	966	(1,119)	1,662	(1,413)	(1,400)	(1,400)	(1,400)
(Gains on sales of investments) loss on disposition of business, net	—	(1,496)	662	4,370	4,400	4,400	4,400
Change in fair value of contingent consideration liabilities	803	803	1,124	2,864	2,900	2,900	2,900
Adjusted EBITDA	$ 592,536	$ 1,396,962	$ 682,839	$ 1,593,323	$ 2,247,900	$ 2,281,900	$ 2,315,900

Reconciliation of Free Cash Flow

($000s)	2023		2024		FY 2024 GUIDANCE RANGE		
	3Q	3Q YTD	3Q	3Q YTD	Low	Mid	High
Net cash provided by operating activities	$ 406,592	$ 572,414	$ 739,914	$ 1,369,181	$ 1,775,000	$ 1,887,500	$ 2,000,000
Less: Net capital expenditures:							
Capital expenditures	(139,800)	(325,397)	(212,498)	(457,093)			
Cash proceeds from sale of property and equipment and related insurance settlements	13,020	47,983	12,054	67,230			
Net capital expenditures	(126,780)	(277,414)	(200,444)	(389,863)	(475,000)	(487,500)	(500,000)
Free Cash Flow	$ 279,812	$ 295,000	$ 539,470	$ 979,318	$ 1,300,000	$ 1,400,000	$ 1,500,000

Reconciliation of Backlog

($000s)	September 30, 2023		December 31, 2023		March 31, 2024		June 30, 2024		September 30, 2024	
	12 Month	Total	12 Month	Total	12 Month	Total	12 Month	Total	12 Month	Total
Electric Power Infrastructure Solutions										
Remaining performance obligations	$ 2,693,352	$ 4,383,055	$ 2,762,608	$ 4,505,830	$ 3,027,780	$ 5,571,970	$ 2,910,917	$ 5,381,411	$ 4,276,630	$ 7,081,450
Estimated orders under MSAs and short- term, non-fixed price contracts	5,302,341	11,036,307	5,597,732	10,995,198	4,805,249	9,769,937	4,935,743	11,787,339	5,935,083	12,868,759
Backlog	$ 7,995,693	$ 15,419,362	$ 8,360,340	$ 15,501,028	$ 7,833,029	$ 15,341,907	$ 7,846,660	$ 17,168,750	$ 10,211,713	$ 19,950,209
Renewable Energy Infrastructure Solutions										
Remaining performance obligations	$ 5,712,436	$ 7,713,988	$ 5,512,159	$ 8,005,368	$ 5,673,672	$ 8,137,113	$ 5,344,490	$ 7,551,651	$ 5,230,590	$ 7,138,365
Estimated orders under MSAs and short- term, non-fixed price contracts	112,534	201,851	118,770	119,634	187,440	315,601	270,039	283,936	301,359	432,580
Backlog	$ 5,824,970	$ 7,915,839	$ 5,630,929	$ 8,125,002	$ 5,861,112	$ 8,452,714	$ 5,614,529	$ 7,835,587	$ 5,531,949	$ 7,570,945
Underground Utility & Infrastructure Solutions										
Remaining performance obligations	$ 1,143,729	$ 1,464,623	$ 1,017,227	$ 1,383,057	$ 912,482	$ 1,173,586	$ 1,195,150	$ 1,436,069	$ 1,161,919	$ 1,389,715
Estimated orders under MSAs and short- term, non-fixed price contracts	2,054,024	5,295,722	2,222,451	5,099,332	2,029,477	4,929,704	1,962,185	4,870,392	2,220,595	5,053,421
Backlog	$ 3,197,753	$ 6,760,345	$ 3,239,678	$ 6,482,389	$ 2,941,959	$ 6,103,290	$ 3,157,335	$ 6,306,461	$ 3,382,514	$ 6,443,136
Total										
Remaining performance obligations	$ 9,549,517	$ 13,561,666	$ 9,291,994	$ 13,894,255	$ 9,613,934	$ 14,882,669	$ 9,450,557	$ 14,369,131	$ 10,669,139	$ 15,609,530
Estimated orders under MSAs and short- term, non-fixed price contracts	7,468,899	16,533,880	7,938,953	16,214,164	7,022,166	15,015,242	7,167,967	16,941,667	8,457,037	18,354,760
Backlog	$ 17,018,416	$ 30,095,546	$ 17,230,947	$ 30,108,419	$ 16,636,100	$ 29,897,911	$ 16,618,524	$ 31,310,798	$ 19,126,176	$ 33,964,290

Cautionary Statement About Forward-Looking Statements and Information

This commentary (and oral statements regarding the subject matter of this press release, including those made on the conference call and webcast announced herein) contains forward-looking statements intended to qualify for the "safe harbor" from liability established by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements relating to projected revenues, net income, earnings per share, margins, cash flows, liquidity, weighted average shares outstanding, capital expenditures, interest rates and tax rates, as well as other projections of operating results and GAAP and non-GAAP financial results, including EBITDA, adjusted EBITDA and backlog; expectations regarding Quanta's business or financial outlook; expectations regarding opportunities, technological developments, competitive positioning, future economic and regulatory conditions and other trends in particular markets or industries; expectations regarding Quanta's plans and strategies, including with respect to our supply chain solutions and expanded or new services offerings; the business plans or financial condition of Quanta's customers, including with respect to the transition to a reduced-carbon economy; the potential benefits from, and future financial and operational performance of, acquired businesses and investments, including CEI; the expected value of contracts or intended contracts with customers, as well as the expected timing, scope, services, term or results of any awarded or expected projects; possible recovery of pending or contemplated insurance claims, change orders and claims asserted against customers or third parties, as well as the collectability of receivables; the development of and opportunities with respect to future projects, including renewable energy projects and other projects designed to support the transition to a reduced-carbon economy, electrical grid modernization projects, upgrade and hardening projects, larger transmission and pipeline projects and data center projects; expectations regarding the future availability and price of materials and equipment necessary for the performance of Quanta's business; the expected impact of global and domestic economic or political conditions on Quanta's business, financial condition, results of operations, cash flows, liquidity and demand for our services, including inflation, interest rates and recessionary economic conditions and commodity prices and production volumes; the expected impact of changes or potential changes to climate and the physical and transition risks associated with climate change and the transition to a reduced-carbon economy; future capital allocation initiatives, including the amount and timing of, and strategies with respect to, any future acquisitions, investments, cash dividends, repurchases of Quanta's equity or debt securities or repayments of other outstanding debt; the impact of existing or potential legislation or regulation; potential opportunities that may be indicated by bidding activity or discussions with customers; the future demand for, availability of and costs related to labor resources in the industries Quanta serves; the expected recognition and realization of remaining performance obligations and backlog; expectations regarding the outcome of pending or threatened legal proceedings, as well as the collection of amounts awarded in legal proceedings; and expectations regarding Quanta's ability to reduce its debt and maintain its current credit ratings; as well as statements reflecting expectations, intentions, assumptions or beliefs about future events, and other statements that do not relate strictly to historical or current facts. These forward-looking statements are not guarantees of future performance; rather they involve or rely on a number of risks, uncertainties, and assumptions that are difficult to predict or are beyond our control, and reflect management's beliefs and assumptions based on information available at the time the statements are made. We caution you that actual outcomes and results may differ materially from what is expressed, implied or forecasted by our forward-looking statements and that any or all of our forward-looking statements may turn out to be inaccurate or incorrect. Forward-looking statements can be affected by inaccurate assumptions and by known or unknown risks and uncertainties including, among others, market, industry, economic, financial or political conditions that are outside of the control of Quanta, including economic, energy, infrastructure and environmental policies and plans that are adopted or proposed by the U.S. federal and state governments or other governments in territories or countries in which Quanta operates, inflation, interest rates, recessionary economic conditions, deterioration of global or specific trade relationships and geopolitical conflicts and political unrest; quarterly variations in operating and financial results, liquidity, financial condition, cash flows, capital requirements and reinvestment opportunities; trends and growth opportunities in relevant markets, including Quanta's ability to obtain future project awards; delays, deferrals, reductions in scope or cancellations of anticipated, pending or existing projects as a result of, among other things, supply chain or production disruptions and other logistical challenges, weather, regulatory or permitting issues, right of way acquisition, environmental processes, project performance issues, claimed force majeure events, protests or other political activity, legal challenges, inflationary pressure, reductions or eliminations in governmental funding or customer capital constraints; the effect of commodity prices and production volumes, which have been and may continue to be affected by inflationary pressure, on Quanta's operations and growth opportunities and on customers' capital programs and demand for Quanta's services; the successful negotiation, execution, performance and completion of anticipated, pending and existing contracts; events arising from operational hazards, including, among others, wildfires and explosions, that can arise due to the nature of Quanta's services and certain of Quanta's product solutions, as well as the conditions in which Quanta operates and can be due to the failure of infrastructure on which Quanta has performed services and result in significant liabilities that may be exacerbated in certain geographies and locations; unexpected costs, liabilities, fines or penalties that may arise from legal proceedings, indemnity obligations, reimbursement obligations associated with letters of credit or bonds, multiemployer pension plans or other claims or actions asserted against Quanta, including amounts not covered by, or in excess of the coverage under, third-party insurance; potential unavailability or cancellation of third-party insurance coverage, as well as the exclusion of coverage for certain losses, potential increases in premiums for coverage deemed beneficial to Quanta, or the unavailability of coverage deemed beneficial to Quanta at reasonable and competitive rates (e.g., coverage for wildfire events); damage to Quanta's brand or reputation, as well as potential costs, liabilities, fines and penalties, arising as a result of cybersecurity breaches, environmental and occupational health and safety matters, corporate scandal, failure to successfully perform or negative publicity regarding a high-profile or large-scale infrastructure project, involvement in a catastrophic event (e.g., fire, explosion) or other negative incidents; disruptions in, or failure to adequately protect, Quanta's information technology systems; Quanta's dependence on suppliers, subcontractors, equipment manufacturers and other third-parties, and the impact of, among other things, inflationary pressure, regulatory, supply chain and logistical challenges on these third parties; estimates and assumptions relating to financial results, remaining performance obligations and backlog; Quanta's inability to attract, the potential shortage of and increased costs with respect to skilled employees, as well as Quanta's inability to retain or attract key personnel and qualified employees; Quanta's dependence on fixed price contracts and the potential to incur losses with respect to these contracts; cancellation provisions within contracts and the risk that contracts expire and are not renewed or are replaced on less favorable terms; Quanta's inability or failure to comply with the terms of its contracts, which may result in additional costs, unexcused delays, warranty claims, failure to meet performance guarantees, damages or contract terminations; adverse weather conditions, natural disasters and other emergencies, including wildfires, pandemics, hurricanes, tropical storms, floods, debris flows, earthquakes and other geological- and weather-related hazards; the impact of climate change; Quanta's ability to generate internal growth; competition in Quanta's business, including the ability to effectively compete for new projects and market share, as well as technological advancements and market developments that could reduce demand for Quanta's services; the failure of existing or potential legislative actions and initiatives to result in increased demand for Quanta's services or budgetary or other constraints that may reduce or eliminate tax incentives or government funding for projects, including renewable energy projects, which may result in project delays or cancellations; unavailability of, or increased prices for, materials, equipment and consumables (such as fuel) used in Quanta's or its customers' businesses, including as a result of inflation, supply chain or production disruptions, governmental regulations on sourcing, the imposition of tariffs, duties, taxes or other assessments, and other changes in U.S. trade relationships with foreign countries; loss of or deterioration of relationships with customers that Quanta has long-standing or significant relationships with; the potential that participation in joint ventures or similar structures exposes Quanta to liability or harm to its reputation as a result of acts or omissions by partners; the inability or refusal of customers or third-party contractors to pay for services, which could result in the inability to collect our outstanding receivables, failure to recover amounts billed to, or avoidance of certain payments received from, customers in bankruptcy or failure to recover on change orders or contract claims; risks associated with operating in international markets and U.S. territories, including instability of governments, significant currency exchange fluctuations, and compliance with unfamiliar legal and labor systems and cultural practices, the U.S. Foreign Corrupt Practices Act and other applicable anti-bribery and anti-corruption laws, and complex U.S. and foreign tax regulations and international treaties; inability to successfully identify, complete, integrate and realize synergies from acquisitions, including the inability to retain key personnel from acquired businesses; the potential adverse impact of acquisitions and investments, including the potential increase in risks already existing in Quanta's operations, poor performance or decline in value of acquired businesses or investments and unexpected costs or liabilities that may arise from acquisitions or investments; the adverse impact of impairments of goodwill, other intangible assets, receivables, long-lived assets or investments; difficulties managing Quanta's business as it expands and becomes more complex; the impact of the unionized portion of Quanta's workforce on its operations; inability to access sufficient funding to finance desired growth and operations, including the ability to access capital markets on favorable terms, as well as fluctuations in the price and trading volume of Quanta's common stock, debt covenant compliance, interest rate fluctuations, a downgrade in our credit ratings and other factors affecting financing and investing activities; the ability to obtain bonds, letters of credit and other project security; risks related to the implementation of new information technology systems; new or changed tax laws, treaties or regulations or the inability to realize deferred tax assets; and other risks and uncertainties detailed in Quanta's Annual Report on Form 10-K for the year ended December 31, 2023, Quanta's Quarterly Report on Form 10-Q for the quarters ended March 31, 2024, June 30, 2024 and September 30, 2024 (when filed) and any other documents that Quanta files with the SEC. For a discussion of these risks, uncertainties and assumptions, investors are urged to refer to Quanta's documents filed with the SEC that are available through Quanta's website at www.quantaservices.com or through the SEC's Electronic Data Gathering and Analysis Retrieval System (EDGAR) at www.sec.gov. Should one or more of these risks materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those expressed or implied in any forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements, which are current only as of this date. Quanta does not undertake and expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Quanta further expressly disclaims any written or oral statements made by any third party regarding the subject matter of this commentary.