



DYCOM THE PEOPLE CONNECTING AMERICA[®]

Investor Presentation

November / December 2021

Caution Concerning Forward-Looking Statements

This presentation contains forward-looking statements as contemplated by the 1995 Private Securities Litigation Reform Act. These statements include those related to the outlook for the quarter ending January 29, 2022 found within this presentation. These statements are subject to change. Forward-looking statements are based on management's current expectations, estimates and projections. These statements are subject to risks and uncertainties that may cause actual results for completed periods and periods in the future to differ materially from the results projected or implied in any forward-looking statements contained in this presentation. The most significant of these risks and uncertainties are described in the Company's Form 10-K, Form 10-Q, and Form 8-K reports (including all amendments to those reports) and include the duration and severity of a pandemic caused by COVID-19, our ability to comply with various COVID-19 legal and contractual requirements and the impacts that those requirements may have on our workforce and our ability to perform our work, vaccination rates in the areas where we operate, any worsening of the pandemic caused by increasing infection rates triggered by new variants, future economic conditions and trends including the potential impacts of an inflationary economic environment, customer capital budgets and spending priorities, the availability and cost of materials, equipment and labor necessary to perform our work, the adequacy of the Company's insurance and other reserves and allowances for doubtful accounts, whether the carrying value of the Company's assets may be impaired, the future impact of any acquisitions or dispositions, adjustments and cancellations of the Company's projects, the related impact to the Company's backlog from project cancellations, weather conditions, the anticipated outcome of other contingent events, including litigation, liquidity and other financial needs, the availability of financing, the Company's ability to generate sufficient cash to service its indebtedness, restrictions imposed by the Company's credit agreement, and the other risks and uncertainties detailed from time to time in the Company's filings with the Securities and Exchange Commission. The Company does not undertake any obligation to update forward-looking statements.

Non-GAAP Financial Measures

This presentation includes certain "Non-GAAP" financial measures as defined by Regulation G of the SEC. As required by the SEC, an explanation of the Non-GAAP financial measures and a reconciliation of those measures to the most directly comparable GAAP financial measures are provided in the Company's Form 8-K filed with the SEC on November 30, 2021 and on the Company's Investor Center website at <https://ir.dycomind.com>. Non-GAAP financial measures should be considered in addition to, but not as a substitute for, the Company's reported GAAP results.



- Leading supplier of specialty contracting services to telecommunication providers throughout the US
- Intensely focused on the telecommunications market providing our customers with critical network infrastructure that is fundamental to economic progress
- Durable customer relationships with well established, leading telecommunication providers that span decades
- Anchored by Master Service Agreements (MSAs) and other long-term contracts
- Solid financial profile that positions us well to benefit from future growth opportunities



Fiscal 2021 Annual Operating Performance

Contract Revenues of \$3.199 billion

Non-GAAP Adjusted EBITDA of \$311.0 million, or 9.7% of contract revenues

Backlog and Headcount as of October 30, 2021 (Q3 2022)

Total Backlog of \$5.896 billion

Employee headcount of 14,900+

Liquidity as of October 30, 2021 (Q3 2022)

Solid liquidity of \$314.7 million

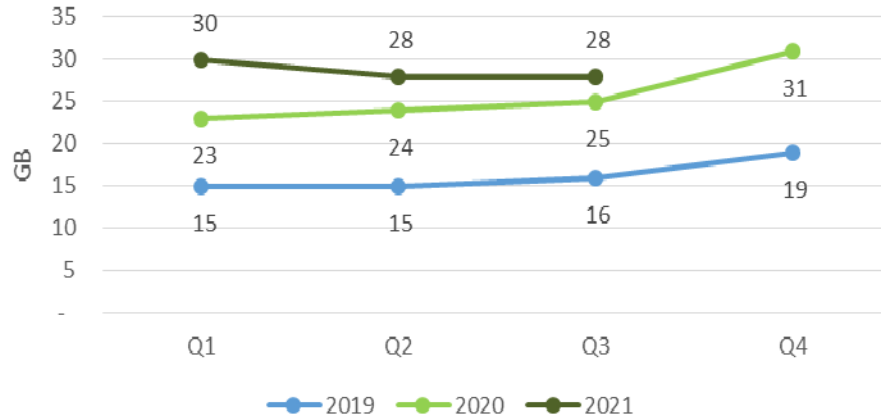
Strong operating cash flow of \$104.3 million in Q3 2022 reflecting a sequential DSO decline of 12 days

Sound credit metrics and no near term debt maturities

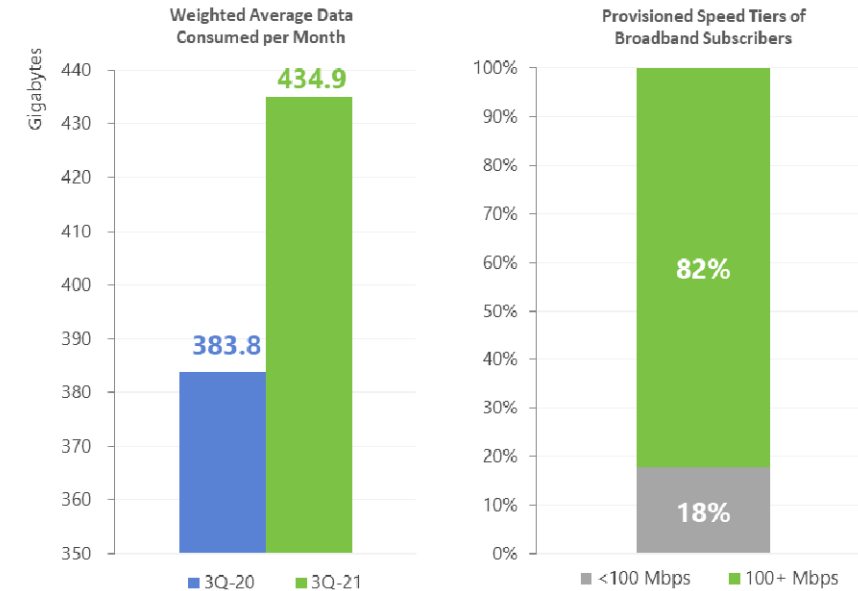
Strong Secular Trend

Data usage and download/upload speeds continue to increase as consumer behavior moves to streaming, video conferencing, and connected devices

Average Upload Consumption Per Subscriber



Accelerating Bandwidth Usage and Speed Tier Growth



Source: OpenVault Broadband Industry Reports

“Demand for high-speed broadband is increasing at an accelerating pace. Between 2020 and 2025, usage is expected to triple, and fiber is the best product to meet this rising demand.

Looking forward, fiber will continue to outpace alternatives, featuring symmetrical download and upload speeds and a clear, low-cost path to 10 gigabit service and beyond.”

- John Stratton, Executive Chairman
Frontier Communications – November 2021

The monthly weighted average data consumed by subscribers in 3Q-21 was 434.9 GB, up 13% from 3Q-20

82% of these subscribers are provisioned at speeds of 100+ Mbps

The gigabit subscriber tier exceeded 11% of all subscribers for the first time in 3Q-21, more than doubling from 5% in 3Q-20



Industry effort to deploy high capacity fiber networks continues to meaningfully broaden our industry's set of opportunities

Major industry participants constructing or upgrading significant wireline networks across broad sections of the country generally designed to provision 1 gigabit network speeds directly to consumers or wirelessly using 5G technologies

Industry participants have stated their belief that a single high-capacity fiber network can most cost effectively deliver services to both consumers and businesses, enabling multiple revenue streams from a single investment; this view is increasing the appetite for fiber deployments

Increasing access to high capacity telecommunications continues to be crucial to society, especially in rural America

The recently enacted Infrastructure Investment and Jobs Act includes over \$40 billion for the construction of rural communications networks in unserved and underserved areas across the country, an unprecedented level of support

An increasing number of states are commencing initiatives that will provide funding for telecommunications networks even prior to the initiation of funding under the Infrastructure act.

Fiber network deployment opportunities are increasing

We are providing services for 1 gigabit deployments and converged wireless/wireline multi-use network deployments across the country in numerous geographic areas to multiple customers

Fiber network deployment opportunities are increasing in rural America as new industry participants respond to emerging societal incentives

We continue to provide integrated planning, engineering and design, procurement, construction and maintenance services to several industry participants

Our scale and financial strength position us well to deliver valuable services to our customers despite macro-economic conditions

Macro-economic effects and potential supply constraints may influence the near-term execution of some customer plans

Broad increases in demand for fiber optic cable and related equipment may impact delivery lead times in the short to intermediate term

The market for labor continues to tighten in regions around the country; furthermore, the automotive supply chain is currently challenged, particularly for the large truck chassis required for specialty equipment

Dycom's extensive market presence and complete lifecycle services offering have allowed the Company to be at the forefront of evolving industry opportunities

Telephone companies are deploying FTTH to enable 1 gigabit high speed connections and, increasingly, rural electric utilities are doing the same

Dramatically increased speeds to consumers are being provisioned and consumer data usage is growing, particularly upstream

Wireless construction activity in support of newly available spectrum bands is beginning and expected to increase next year

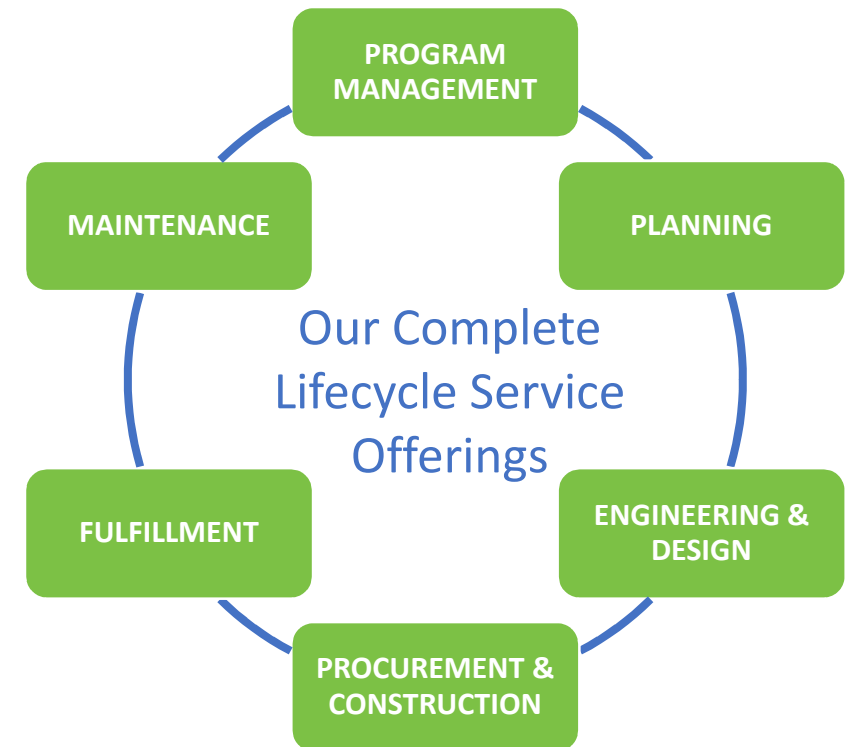
Federal and state support for rural deployments of communications networks is dramatically increasing in scale and duration

Cable operators are deploying fiber to small and medium businesses and enterprises, partly in anticipation of the customer sales process; deployments to expand capacity as well as new build opportunities are underway

Customers are consolidating supply chains creating opportunities for market share growth and increasing the long-term value of our maintenance and operations business

Fiscal 2021 Revenue by Customer Type

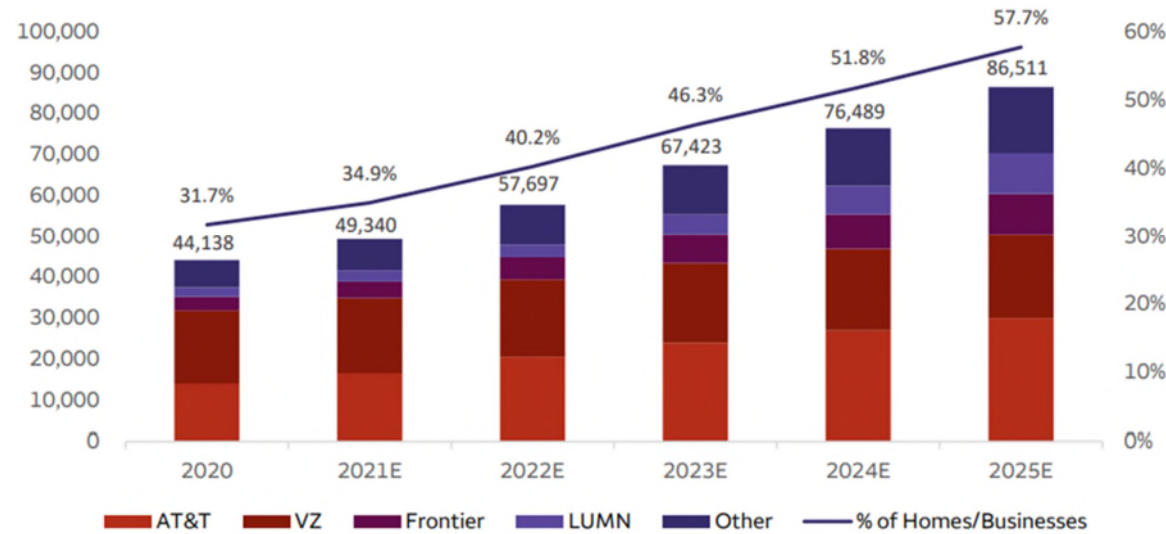
Telecommunications	89.1%
Underground Locating	7.2%
Electric/Gas Utilities & Other	3.7%



Strong Tailwinds For Fiber Deployments

Collective strategic clarity around US telco fiber build plans

FTTP Passings Outlook (in 000's)



Source: Wells Fargo Equity Research Estimates

Increasing consumer demand for bandwidth continues to drive fiber deployments

Fiber passings with telcos are poised to materially accelerate, with an estimated **+40 million** premises to be connected to fiber through 2025; nearly doubling current passings

By 2025, its estimated that almost 60% of US homes and businesses will have a direct fiber connection, vs. approximately 32% at the end of 2020

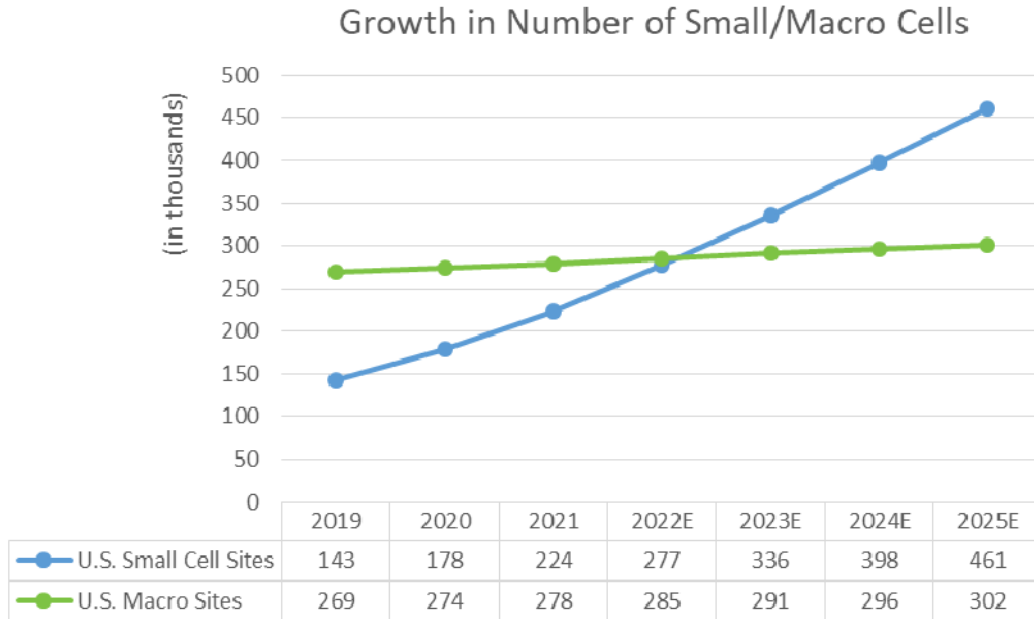
“We’re on this march to get ourselves into a position where we can deploy fiber at scale and move from where we are right now, which is an objective of about 3 million passings a year, and **we’ll ultimately probably ramp that into 5.**”

- John T. Stankey, CEO
AT&T – October 2021

“As we accelerate our investment in Quantum Fiber, in 2022, we expect to ramp that enablement pace to over 1 million new locations, on our way to **hitting a run rate of 1.5 million to 2 million enablements per year as we exit 2022.**”

- Jeffrey K. Storey, CEO
Lumen – November 2021

Wireless construction activity in support of newly available spectrum beginning and expected to increase next year



Source: Cowen and Company

Wireless carriers are increasing 4G capacity and augmenting 4G with new 5G technologies creating growth opportunities in the near to intermediate term

Hundreds of thousands of small cells will need to be deployed in the next few years to meet growing demands

Emerging wireless technologies driving significant wireline deployments

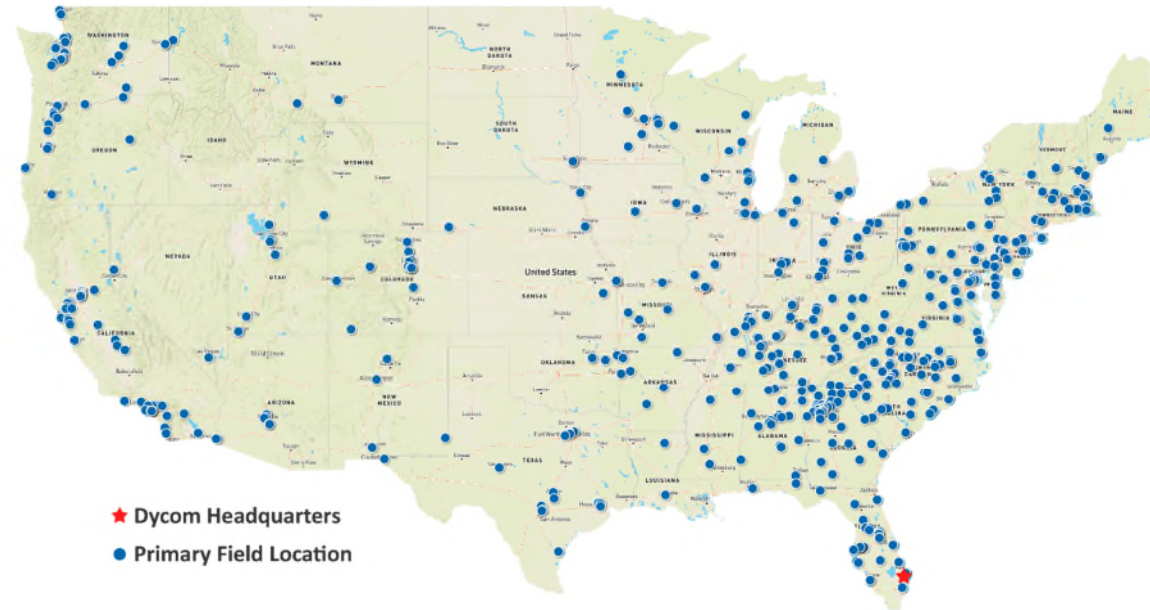
Wireline deployments are the foundational element of what is expected to be a decades long deployment of fully converged wireless/wireline networks that will enable high bandwidth, low latency 5G applications

“In terms of 5G build-out as of the end of the second quarter, we have coverage of around 200 million POPs. And so, we feel really good about that. And that's all before we're rolling out - we start our C-Band deployment later on this year **with most of the deployment happening in 2022 and 2023.**”

- **Pascal Desroches, CFO**
AT&T – August 2021

Local Credibility, National Capability

Nationwide footprint with more than 40 operating subsidiaries and 14,900+ employees

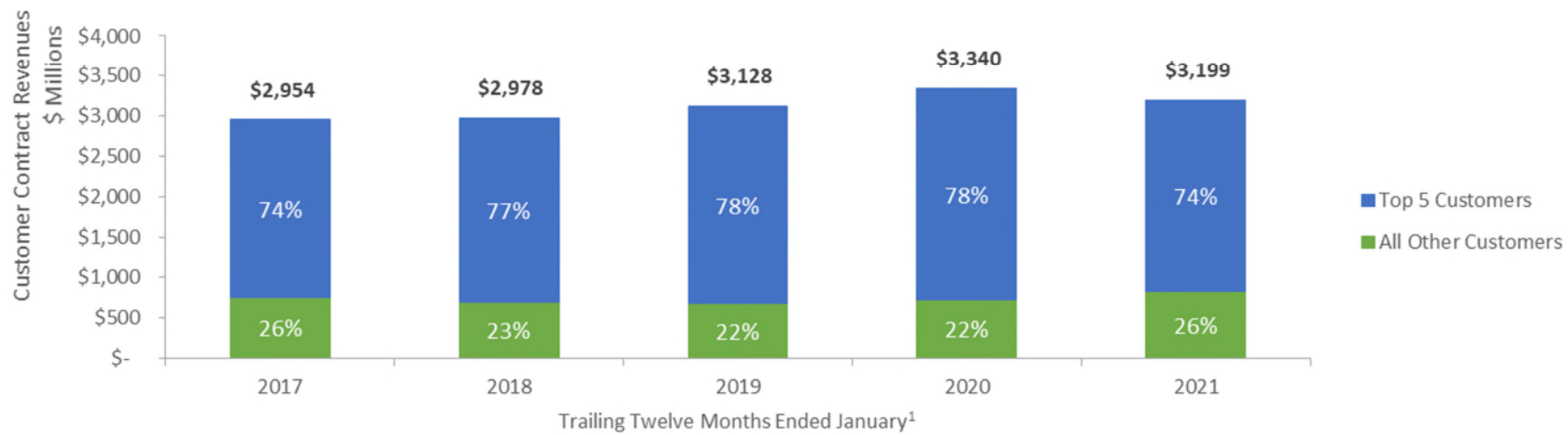
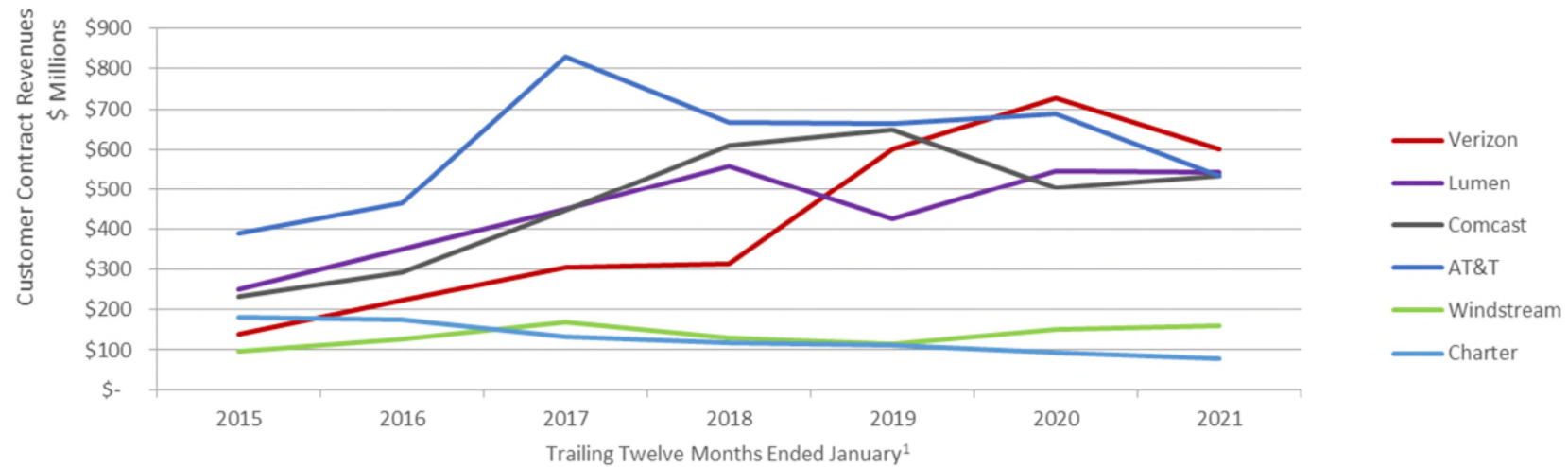


Operating Subsidiaries



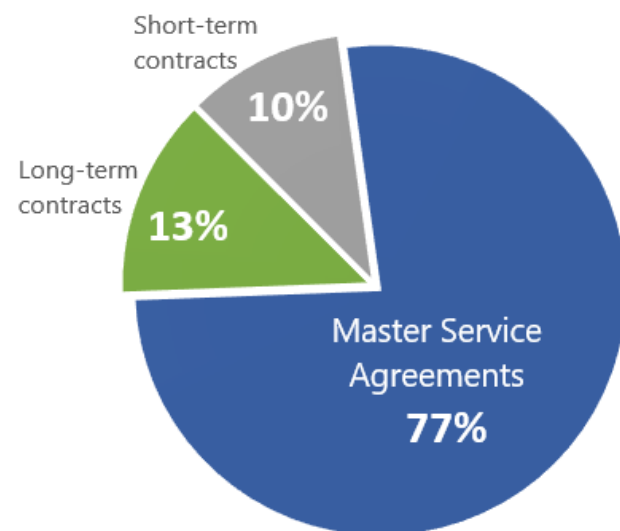
Durable Customer Relationships

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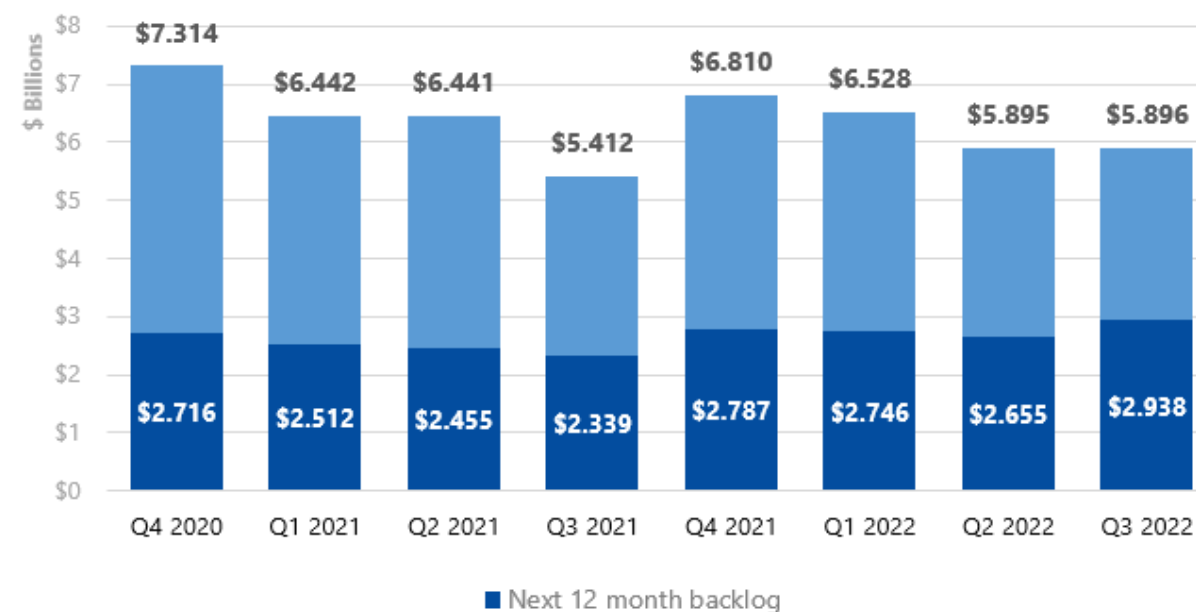


Anchored by Long-Term Agreements

Q3 2022 Revenue by Contract Type



Backlog²



Dycom is party to hundreds of MSA's and other agreements with customers that extend for periods of one or more years

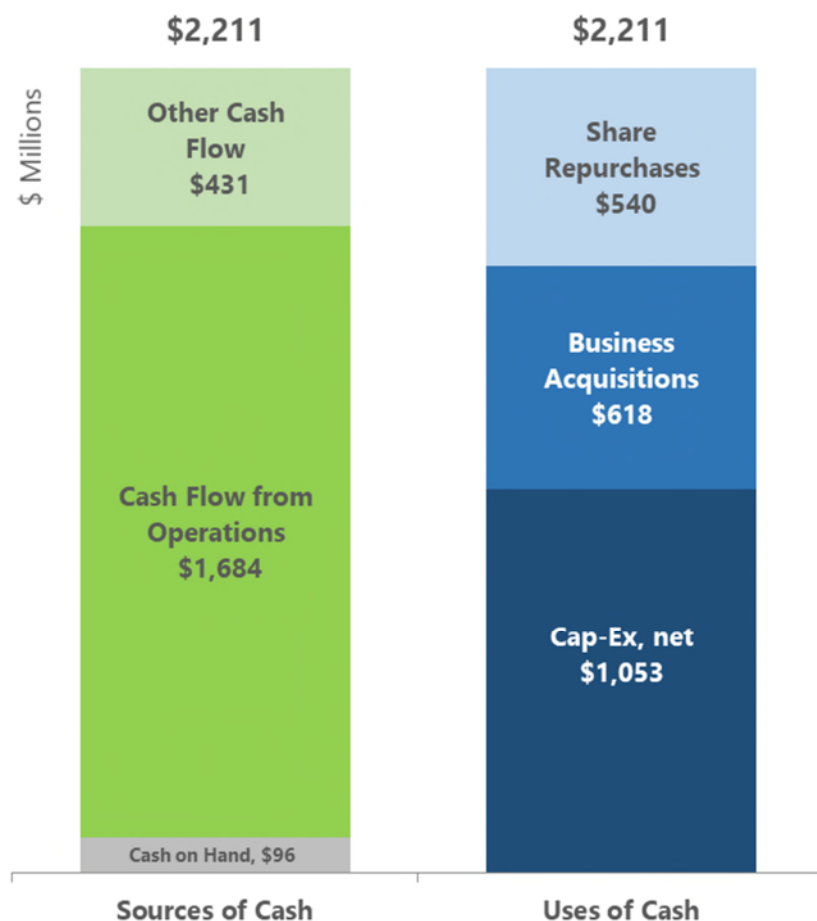
Generally multiple agreements maintained with each customer

Master Service Agreements (MSA's) are multi-year, multi-million dollar arrangements covering thousands of individual work orders generally with exclusive requirements; majority of contracts are based on units of delivery

Backlog at \$5.896 billion as of Q3 2022

10+ Years of Robust Cash Flow Generation

Robust cash flow generation and prudent capital allocation provide strong foundation for returns



Fiscal 2011 – Fiscal 2021

Strong operating cash flow of \$1.684 billion over 10+ years

Prudent approach to capital allocation:

\$540 million invested in share repurchases

\$618 million invested in business acquisitions

\$1,053 million in cap-ex, net of disposals

Capital Allocated to Maximize Returns

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Dycom is committed to maximizing long term returns through prudent capital allocation

Invest in Organic Growth

Focus on organic growth opportunities through strategic capital investments in the business

Pursue Complementary Acquisitions

Selectively acquire businesses that further strengthen our customer relationships, geographic scope, and technical service offerings

Shares Repurchases

Repurchased 25.8 million shares for approximately \$808 million from fiscal 2006 through October 30, 2021 (Q3 2022)

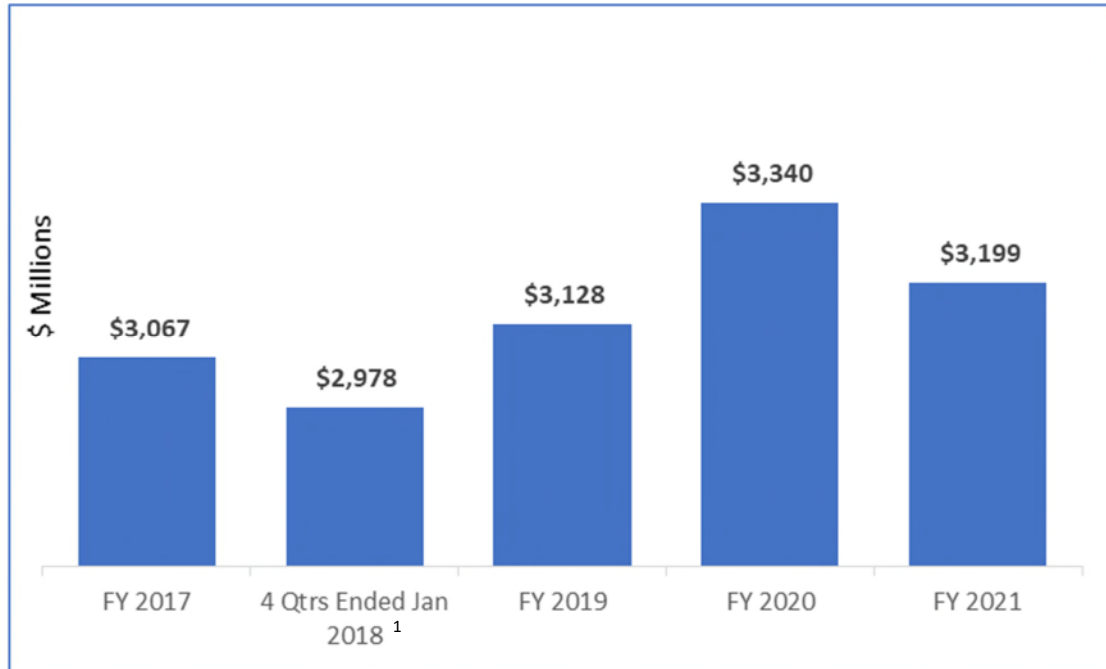
\$100 million authorization available for share repurchases through August 2022



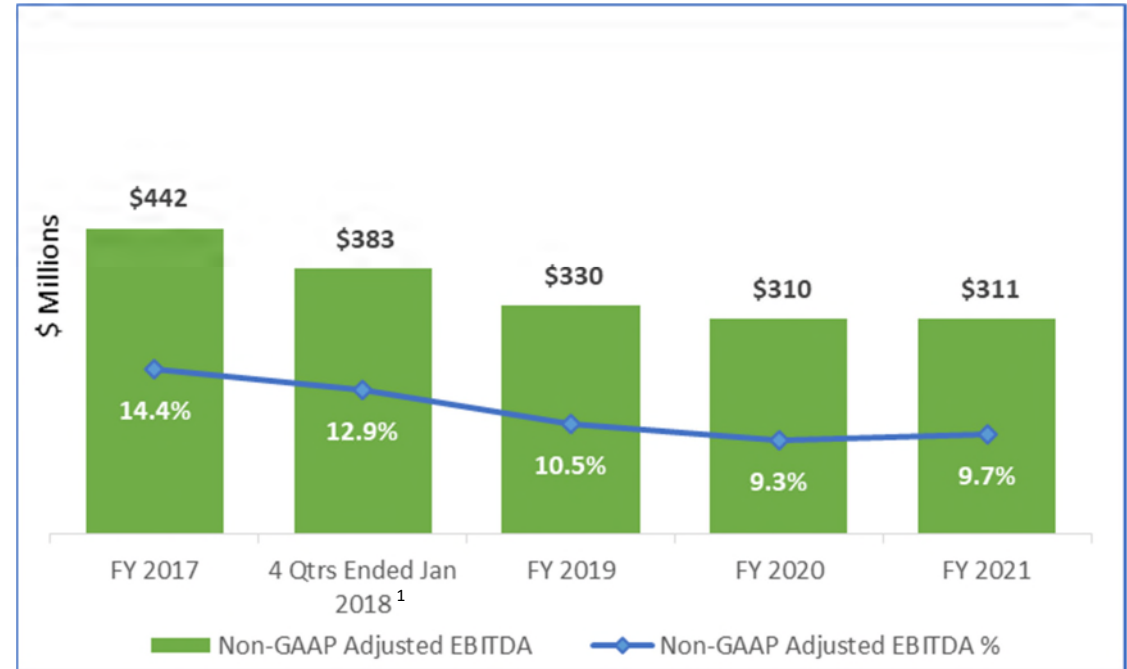
FINANCIAL UPDATE

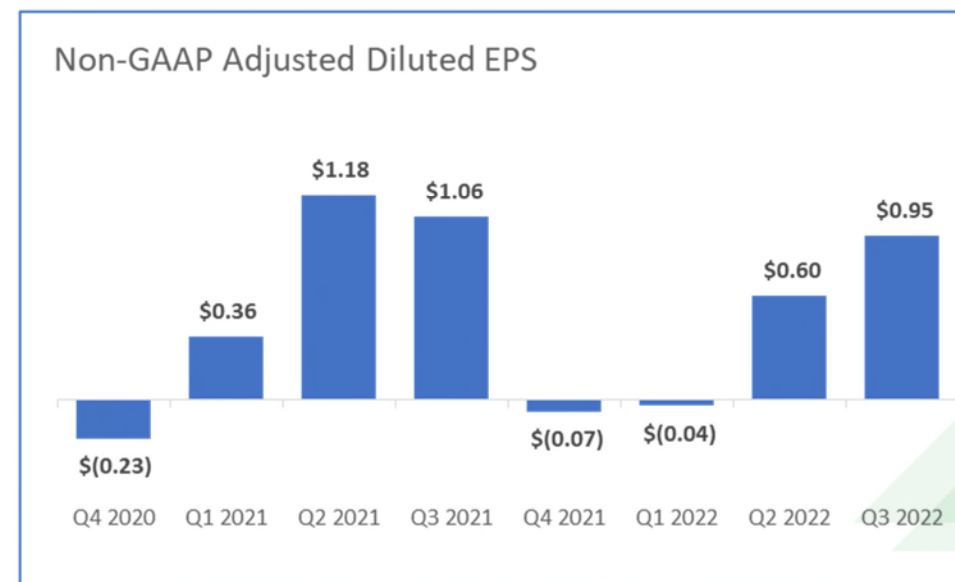
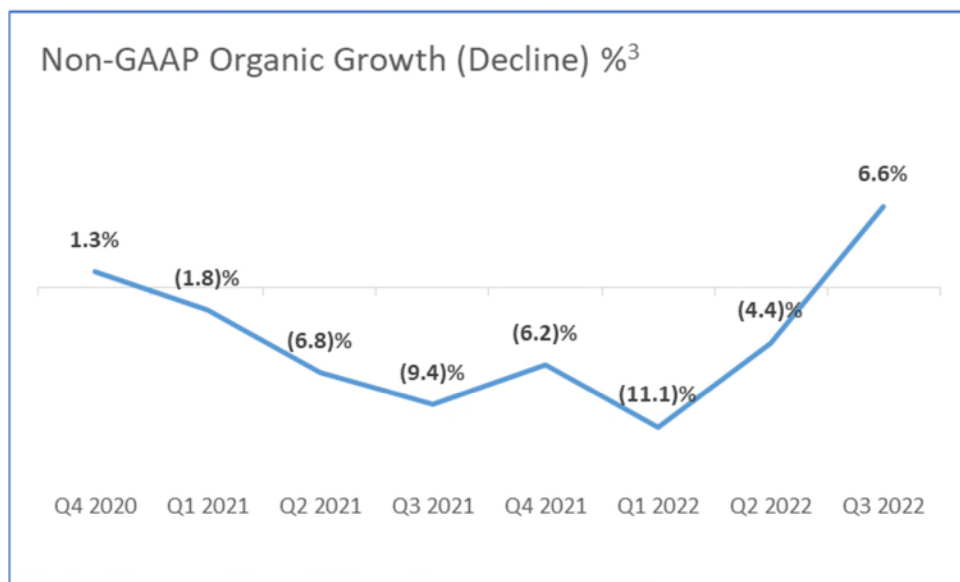
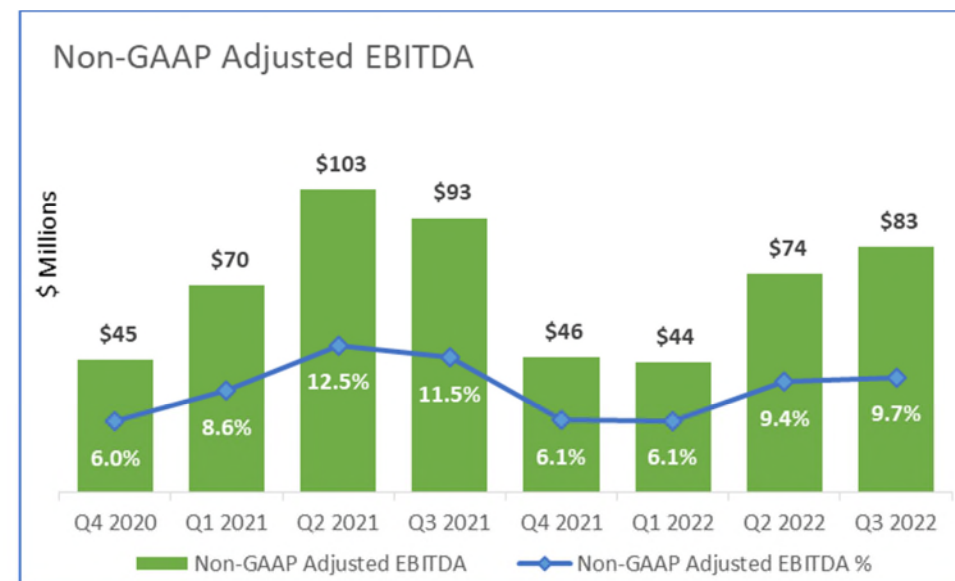
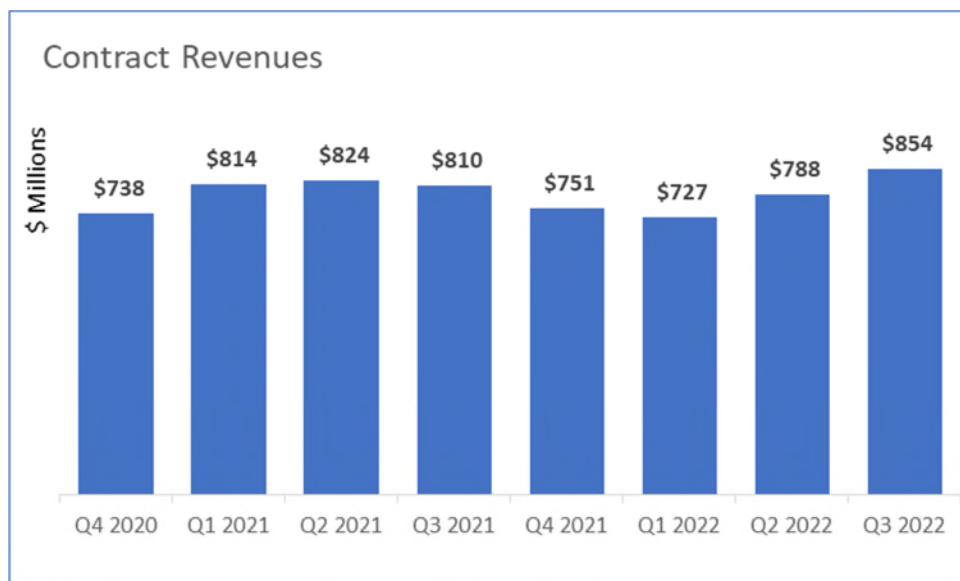


Contract Revenues



Non-GAAP Adjusted EBITDA







Debt and Liquidity Overview

Debt maturity profile and liquidity provide financial flexibility

\$ Millions	Q2 2022	Q3 2022
Debt Summary		
4.50% Senior Notes, mature April 2029:	\$ 500.0	\$ 500.0
Senior Credit Facility, matures April 2026: ⁴		
Term Loan Facility	350.0	350.0
Revolving Facility	-	-
0.75% Convertible Notes, matured September 2021:	58.3	-
Total Notional Amount of Debt	\$ 908.3	\$ 850.0
Less: Cash and Equivalents	261.9	263.7
Notional Net Debt	646.3	586.3
Liquidity⁵	\$ 299.1	\$ 314.7

2021 Convertible Notes repaid in full at maturity in September 2021; notional net debt reduced by \$60.0 million during Q3 2022

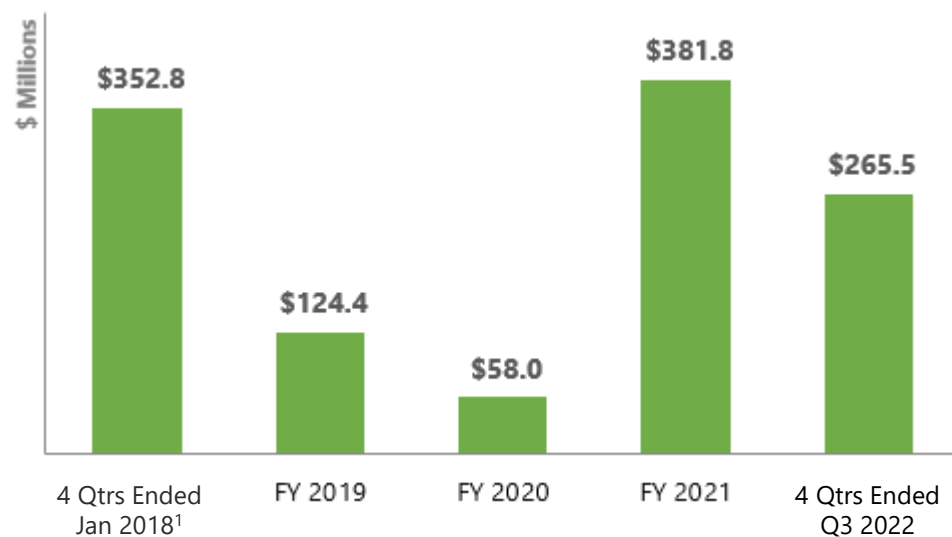
Solid liquidity of \$314.7 million at Q3 2022

Sound credit metrics and no near term debt maturities

Capital allocation prioritizes organic growth, followed by opportunistic share repurchases and M&A, within the context of the Company's historical range of net leverage



Operating Cash Flow



\$ Millions

Cash Flow Summary

	Q3 2021	Q3 2022
Operating cash flow	\$ 111.9	\$ 104.3
Capital expenditures, net of disposals	\$ (3.5)	\$ (44.1)
Repayments on Senior Credit Facility	\$ (120.6)	\$ -
Extinguishment of 2021 Convertible Notes	\$ -	\$ (58.3)
Other financing & investing activities, net	\$ 1.6	\$ (0.2)

Days Sales Outstanding ("DSO")

	Q2 2022	Q3 2022
Total DSO ⁶	125	113

Strong operating cash flow of \$104.3 million in Q3 2022

Capital expenditures, net of disposals, for fiscal 2022 expected to range from \$135 million to \$150 million, an increase of \$10 million to \$25 million compared to the high end of \$125 million in the prior outlook provided in Q2 2022

Total DSOs of 113 days improved 12 days sequentially in Q3 2022 as we made substantial progress on a large customer program



QUESTIONS AND ANSWERS



Outlook for Quarter Ending January 29, 2022 (Q4 2022)

Q4 2022 Outlook:

Contract revenues

Increase modestly from Non-GAAP Organic Contract Revenues of \$691.8 million for the quarter ended January 30, 2021

Non-GAAP Organic Contract Revenues for the quarter ended January 30, 2021 excluded \$5.7 million in contract revenues from storm restoration services and \$53.2 million for the additional week of operations as a result of the Company's 52/53 week fiscal year

Non-GAAP Adjusted EBITDA % of contract revenues

In-line to modestly higher compared to Q4 2021

Supplemental Q4 2022 Outlook Information:

Interest expense

\$8.8 million Total Interest Expense

Interest on the 2029 Notes, Term Loan, letters of credit, bank fees for revolving credit facility capacity, amortization of debt issuance costs and other interest

Non-GAAP Adjusted Effective Income Tax Rate (as a % of Non-GAAP Adjusted Income before Taxes)

Approximately 27.0%

This slide was used on November 23, 2021 in connection with the Company's conference call for its fiscal 2022 third quarter results. This information is provided for your reference only and should not be interpreted as a reiteration of these projections by the Company at any time after the date originally provided. Reference is made to slide 2 titled "Important Information" with respect to these slides. The information and statements contained in this slide that are forward-looking are based on information that was available at the time the slide was initially prepared and/or management's good faith belief at that time with respect to future events. Except as required by law, the Company may not update forward-looking statements even though its situation may change in the future. For a full copy of the conference call materials, including the conference call transcript, see the Company's Form 8-Ks filed with the Securities and Exchange Commission on November 23, 2021.



- 1) Due to the change in the Company's fiscal year end, the Company's fiscal 2018 six month transition period consisted of Q1 2018 and Q2 2018. Amounts provided for the Four Quarters Ended January 27, 2018 represent the aggregate of Q3 2017, Q4 2017, Q1 2018, and Q2 2018 for comparative purposes to other twelve month periods presented.
- 2) The Company's backlog represents an estimate of services to be performed pursuant to master service agreements and other contractual agreements over the terms of those contracts. These estimates are based on contract terms and evaluations regarding the timing of the services to be provided. In the case of master service agreements, backlog is estimated based on the work performed in the preceding 12 month period, when available. When estimating backlog for newly initiated master service agreements and other long and short-term contracts, the Company also considers the anticipated scope of the contract and information received from the customer during the procurement process. A significant majority of the Company's backlog comprises services under master service agreements and other long-term contracts. Backlog is not a measure defined by United States generally accepted accounting principles ("GAAP") and should be considered in addition to, but not as a substitute for, GAAP results. Participants in the Company's industry often disclose a calculation of their backlog; however, the Company's methodology for determining backlog may not be comparable to the methodologies used by others. Dycom utilizes the calculation of backlog to assist in measuring aggregate awards under existing contractual relationships with its customers. The Company believes its backlog disclosures will assist investors in better understanding this estimate of the services to be performed pursuant to awards by its customers under existing contractual relationships.
- 3) Organic growth (decline) % adjusted for revenues from acquired businesses, storm restoration services, and for the additional week of operations during the fourth quarter as a result of the Company's 52/53 week fiscal year, when applicable.
- 4) As of both Q2 2022 and Q3 2022, the Company had \$46.3 million of standby letters of credit outstanding under the Senior Credit Facility.
- 5) Liquidity represents the sum of the Company's availability on its revolving facility as defined by the Company's Senior Credit Facility and available cash and equivalents.
- 6) DSO is calculated as the summation of current and non-current accounts receivable (including unbilled receivables), net of allowance for doubtful accounts, plus current contract assets, less contract liabilities, divided by average revenue per day during the respective quarter. Long-term contract assets are excluded from the calculation of DSO, as these amounts represent payments made to customers pursuant to long-term agreements and are recognized as a reduction of contract revenues over the period for which the related services are provided to the customers.