

Q U A N T A CONNECTS



**“We are a family, and
if we treat each other like
family, we’ll get the
right results.”**

Earl C. “Duke” Austin, Jr.
President, Chief Executive Officer



Through the work we do, Quanta connects people around the world with the energy they need to advance, to work, to play, to live. We do this best by connecting with each other. We connect with our customers to ensure their goals are achieved. We connect with our stockholders to earn their trust in the value of our company. And we connect across the Quanta family to help every one of our employees perform, grow and come home safely every day. Our many connections carried us through a successful 2016.



Electric Power Infrastructure

The market fundamentals that drive our business are strong and are expected to foster opportunities and growth for years to come. Aging infrastructure must be replaced. The power generation mix is shifting to more natural gas and renewables, requiring new facilities and infrastructure. Favorable industry regulation is encouraging grid investment. As customers consider large capital deployments on ever more complex projects, they're demanding budget and schedule certainty like never before. With the largest skilled workforce and broadest capabilities in the industry, Quanta is bringing the scope and scale these customers need to meet their most ambitious objectives.

EEI Award

In 2016, Quanta's record-breaking American Electric Power (AEP), Energized Reconductor Project in the Lower Rio Grande Valley of Texas won the Edison Electric Institute's Edison Award, the industry's most prestigious honor. AEP's selection of Quanta Services and the use of our patented energized technology demonstrates the advantages of this proven method, and highlights the innovative solutions we bring to our customers. This 240 mile energized project has broken barriers in the way large-scale transmission infrastructure can be safely replaced without disruption to customers.

Diverse Electric Power Infrastructure Services ►

Diverse Electric Power Infrastructure Services

Quanta has extensive experience and comprehensive solutions to tackle every aspect of building, replacing and maintaining the complex infrastructure that makes up electric power grids.

Transmission



Construction, maintenance and replacement of transmission infrastructure ranging from 69-kilovolt (kV) to 765kV, utilizing either alternating or direct current technology. Services available from specific offerings to turnkey Engineering, Procurement and Construction (EPC).

Distribution



Installation, repair and maintenance of wood and steel structure distribution facilities, including overhead, underground and joint trench configurations.

Substation



Turnkey solutions ranging from site preparation and foundations to construction and energization. Specialized services to full EPC services for 69kV to 756kV substations, switch yards, metering stations and compressor stations.

Engineering



Turnkey design and engineering for electric power distribution, transmission, construction, maintenance, technical consulting and power infrastructure services. Expertise in substations, switchyards, plant electrical, distribution, transmission line, electrical systems, foundations and structural design.

Smart Grid Deployment



Design and engineering, construction and installation of cutting-edge technologies that are revolutionizing the efficiency of how power is monitored, managed and stored.

Energized Services



Expert teams using traditional energized methods augmented by our exclusive and patented LineMaster™ robotic arm to repair and rebuild transmission lines while still in an energized state.

Generation Services



We provide turnkey EPC services for commercial and utility-scale solar, switchyards and substations. We also perform full electrical scope for wind farms and construction for alternative fuel projects.

EPC Services



EPC services leveraging expert knowledge that streamlines processes, saving time and cost for the customer.

Emergency Restoration



Emergency response teams provide complete power restoration assistance in North America. Over 20,000 fleet vehicles can be deployed and teams can reach any area within 24 hours to restore power.



Oil & Gas Infrastructure

The race to develop and produce North America's natural gas and liquids reserves is an energy game changer. The infrastructure needed to transport these resources to end markets is lagging behind production and demand. This urgency for new pipeline infrastructure is creating unprecedented opportunities for large-scale projects. Furthermore, the old cast iron and bare steel distribution pipelines that have serviced our cities for generations must be replaced, a multi-decade endeavor. Quanta is equipped like no other company to respond and capitalize on both of these trends. Our capable workforce, deep experience and ability to deliver comprehensive solutions places us at the top of the shortlist for working the best projects in the industry.

Diverse Oil & Gas Infrastructure Services ►

Diverse Oil & Gas Infrastructure Services

Due to our comprehensive suite of construction, maintenance and replacement services, Quanta is regularly called on to handle all facets of pipeline and related infrastructure projects.

Mainline Pipeline



We are one of the longest standing and most respected pipeline contractors, with the greatest capacity in our industry for big pipe construction. From distinct services to full EPC, our capabilities span any length or diameter of pipeline through virtually any terrain.

Midstream Gathering



Services include complete site preparation, pipeline installation, foundations, facilities and other major infrastructure components. Turnkey construction capabilities for civil, mechanical, electrical and automation crews.

Natural Gas Distribution



Comprehensive services include record management, permitting, underground installation, joint trench, system upgrades, design-build capabilities, maintenance and emergency response.

Pipeline Integrity



Corrosion control and pipeline integrity services to meet customers' specific needs on any project, from the smallest goal-based or prescriptive programs to the largest multiyear, turnkey programs.

Storage Facilities



Development, design and installation of oil and gas pipeline systems and facilities, including specialized services such as tanks and terminals.

Compression, Metering & Pumping Stations



Lifecycle engineering, construction and maintenance on stations, including civil engineering for optimal placement of facilities.

Horizontal Directional Drilling



Utilization of HDD and Direct Pipe® equipment to execute challenging projects that require water-to-water crossing, trenchless solutions or bore guiding with gyroscopic technology.

Pipeline Logistics Management



An array of logistical services, such as pipe transloading from rail spur to yard or yard to right-of-way, pipe storage and racking, and yard identification, preparation and maintenance.

EPC Services



Turnkey offerings for all facets of our oil and gas services that enable us to work on any diameter transmission or distribution pipe or related component of pipeline infrastructure.

Our Commitment to Safety

Our culture is a competitive advantage.

At Quanta, operating safely in everything we do is ingrained in our culture. We strive to complete every project without incident or injury because we believe it is our duty to do so. Quanta's culture creates an atmosphere in which all employees have the opportunity and obligation to take ownership of their own safety and that of their coworkers. Our goal is a workforce that is safe, 24/7, both at work and at home.



Raising Industry Standards

Quanta actively invests in safety research and development to lead the industry. As part of this commitment, Quanta has adopted three pioneering initiatives: our Automated External Defibrillator (AED) program, our glove program and flame resistant (FR) personal protective equipment program.

Through our AED program, Quanta has purchased more than 5,600 devices, which have been deployed to every crew in the field and every office. This program has saved 17 lives. The glove program equips our Operating Units with Quanta's own specially designed gloves that provide enhanced protection against hand injuries. The FR program provides fire resistant shirts to each Quanta employee who has the potential to be exposed to flames or electrical arcs.

We will continue to drive for higher safety standards and encourage others in the industry to adopt these measures.



We know that to reach our goal of "ZERO Incidents" we must actively drive safety initiatives and instill a safety culture from the top down. Quanta's Commitment Coin is awarded to employees who go above and beyond, demonstrating the connection we all have as a family and the duty we all take on to protect our coworkers.

Safety Brings YOU Home.

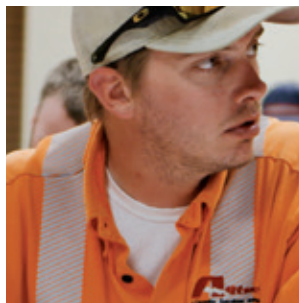
The Lazy Q - A World-Class Training Facility ►

The Lazy Q—A World-Class Training Facility

Quanta customers count on us to add value to their projects by fielding the safest and most skilled workforce in the industry. We deliver by preparing our personnel at the Lazy Q Ranch, our state-of-the-art training facility in La Grange, Texas. On our 2,200-acre campus, employees receive hands-on instruction from master trainers in a controlled environment, focusing on safety, skill development and certifications. Quanta has also partnered with a local university to create a curriculum specific to our industry. Students receive training and are given the opportunity to intern directly with Quanta field leadership on actual projects. The partnership is helping us develop our workforce of the future.

"From the beginning of Quanta, safety was paramount."

John Colson - Quanta Services Founder





Electric Power Training

Our linemen train on cutting-edge technology for all transmission structure types up to 345kVs. Our training area is powered by its own generator, completely separate from the power provided for the rest of the ranch. Quanta Energized Services leverages this unique environment, bringing proprietary technology and techniques to our workforce.



Pipeline Training

The pipeline training area was designed to be flexible. The facilities house steel pipe in all major diameters, a flow loop and underground capabilities for pipeline integrity testing and training. The area also is used for training and method testing to develop custom solutions for challenging projects.



Telecommunications Training

The telecom training area is our newest facility and offers six training programs. The village features a small, simulated neighborhood with homes in various stages of construction and with different types of utilities. This enables development training for all aspects of a telecom project.

Unique Operating Model

Owner-Led Management

Quanta runs its business with an owner's mentality. Typically, our acquired companies continue to be led by their former owners, and former owners also lead Quanta at the highest executive level. This means we understand how the business works holistically and know how to motivate a decentralized organization toward common goals.

Harnessing Entrepreneurial Experience

An owner's mentality also means Quanta is entrepreneurial and operationally driven. We are focused on cash flow, margin, and generating return on investment. We know how to adapt to market conditions, execute at a high level, and strategize for growth. The result is operational excellence, and an ability to adapt while safely getting the job done for our customers.

Decentralized Structure

Quanta empowers its leaders in the field to run their businesses their way, which allows us to harness their entrepreneurial spirit. Our coordinated oversight of regional customers brings more synergies to this model and builds teamwork and accountability across the organization, while still leaving operational authority where it works best.

Corporate Support & Governance

We complement our entrepreneurial, decentralized operating model with corporate support and governance. Governance to provide structure, scale and boundaries to leverage our combined operations with proper risk management.



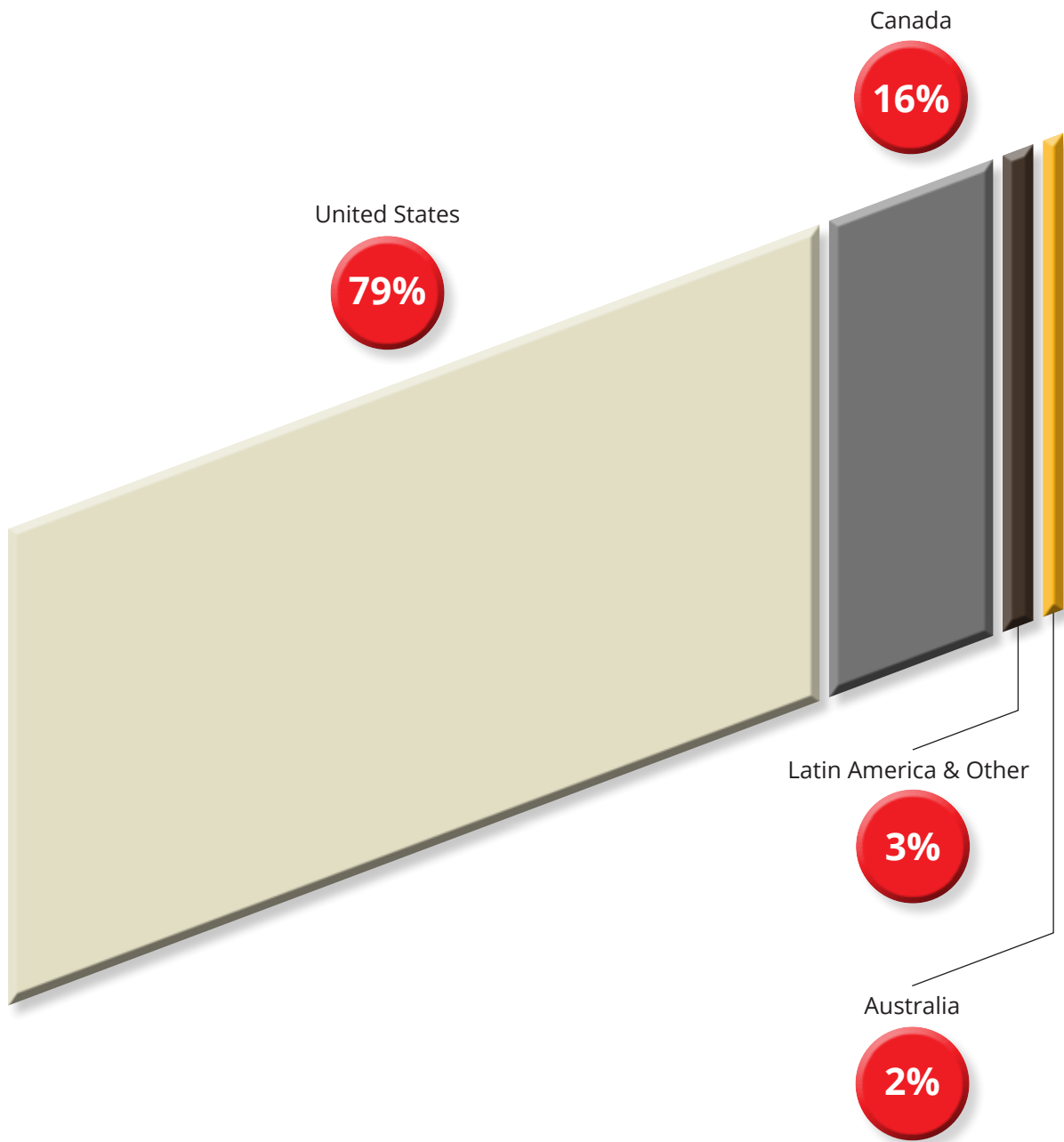
While operational leadership is decentralized, our corporate strategies unite us as one. This is why our succession planning favors hiring from within, promoting future leaders through our ranks. Quanta is a family. We are connected to offer solutions like no other company.

Geographic Diversity

We are an established leader across North America, and we continue to expand into new regions as opportunities arise. Quanta also continues to build its international business. We are strategically focused on pursuing growing opportunities in Australia and Latin America, where we are expanding our operations and service lines, and solidifying our presence.



2016 Revenue by Geography



Build the Base

Larger-scale projects capture the headlines and create excitement, and Quanta, with its broad integrated capabilities and ready workforce of more than 28,000 skilled employees, leads the industry in winning and executing this kind of work. Yet, it is our steady flow of recurring business that provides a stable revenue base on which to grow. Every year we work to build this base in both our electric power and oil & gas segments. Our base business includes levels of recurring customer spend to maintain or expand their network. This can include smaller capital projects and the long-term work of maintaining and replacing aging infrastructure. In some cases, this includes decades of steady work from utilities that need Quanta's scope and scale to accomplish their goals.

Continuous Operations, Recurring Revenue ►

MSAs, Alliances and Partnerships

Quanta's master service agreements (MSAs), alliances and strategic partnerships are the foundation of our business. Our relationships with customers span decades and are strengthened with each project. Our reputation for consistent, safe and high-quality delivery of our work often places Quanta as the first option for specialized services, year-after-year for our customers.



FirstEnergy

Over several decades, Quanta has built a strategic partnership with FirstEnergy. Exceptional experience built through relationships, trust and performance has earned us a position as FirstEnergy's 'Go-to-Contractor' for all of their transmission, distribution and substation construction needs.



Major International Oil Company

In 2016, a leading global energy company with major facilities in Canada's Fox Creek-Kaybob Duvernay area began a major infrastructure build out. Quanta was awarded the installation of 57 kilometers of six-inch and eight-inch steel pipe, three-inch FlexCord and four-inch FlexPipe for the upstream gathering system.



Larger-Scale Projects

Quanta has built a reputation for successfully and safely delivering on some of the largest and most technically complex projects in North America. When hundreds of miles of electric transmission lines need to cross the wilderness, or when massive pipelines need to connect production regions with end markets, Quanta often gets the call. We are seeing major capital projects becoming larger and extending across multiple years. Increasingly, these projects demand a full EPC solution, requiring the capabilities, resources and operational excellence that sets Quanta apart.

Nalcor Energy

Quanta installed approximately 500 kilometers of parallel, 315kV alternating current transmission lines to link the Muskrat Falls Hydroelectric Generating Facility to existing power infrastructure in Churchill Falls. Upon completion, our crews moved to another related Nalcor engagement already in progress, the 1,100-kilometer Labrador Island Link transmission project.



Chino Hills Underground Transmission

Southern California Edison needed to replace existing 220kV transmission lines with new 500kV lines to deliver renewable energy to the area. To minimize community impact, Quanta was selected to install the new lines underground, which included 3.7 miles of double-circuit 500kV ductbank, 42 splice vaults, 18 restraint vaults, 32 telecom vaults and nine HDD bores.



REX Zone Three Capacity Enhancement Project

To optimize an existing natural gas mainline, Rockies Express Pipeline selected Quanta to perform project management and EPC services to construct three new compressor stations and modify two existing stations. The enhancements increased the system's delivery capacity from 1.8 Bcfd to 2.6 Bcfd.



Financial Strength and Flexibility

Quanta executes on its balance sheet with the same focus that we have on project execution. This discipline provides a solid foundation to achieve our capital deployment priorities. In 2016, we completed stock repurchase activities that delivered significant value to stockholders. Overall, we reduced Quanta's outstanding shares by a third, dramatically boosting our earnings-per-share potential.

Delivering On Our Commitment to Stockholder Value

From May 2014 to April 2016, we acquired 71.7 million shares, or 32% of our outstanding common stock, for \$1.7 billion at an average per share price of \$23.72.

Acquired
\$1.7 Billion
of Quanta
Common Stock

**2014 - 2015
Completed \$500 Million Share
Repurchase Authorization**

**2015 - 2016
Executed on \$1.25 Billion
Share Repurchase Authorization**

Acquired
17.4 million
shares of Quanta
common stock
in 2014 & 2015

Capital Deployment Priorities

Working
Capital

Capital
Expenditures

Acquisitions

Investments

Capital
Return to
Stockholders

Announced a
new \$1.25 billion
share repurchase
authorization
in 3Q15

=

Committed to
\$750 million
accelerated stock
repurchase (ASR)
arrangement
in 3Q15

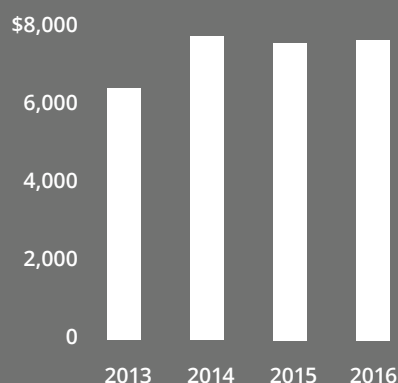
+

Reserved
\$500 million for
opportunistic
repurchases

Acquired
a total of
35.1 million
shares in
3Q15 and
2Q16

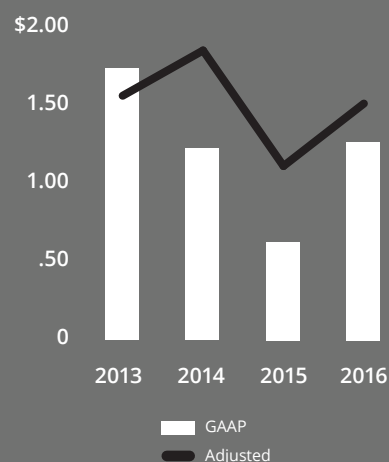
\$450 million /
19.2 million
shares
repurchased

Revenues for Years Ended December 31,
(\$ in millions)

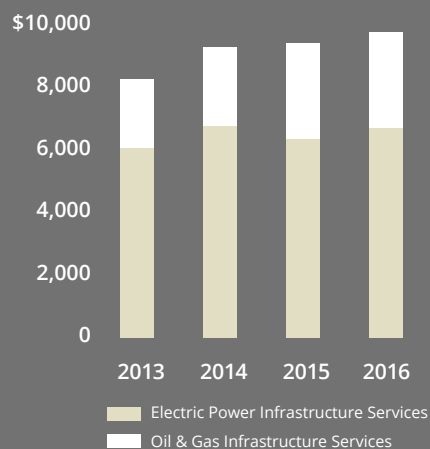


GAAP & Adjusted Diluted Earnings Per Share⁽¹⁾

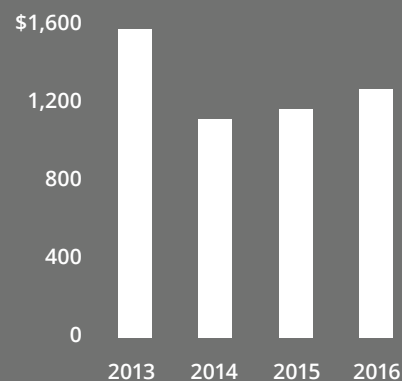
*From Continuing Operations
Years Ended December 31,*



Total Backlog at December 31,
(\$ in millions)



Total Liquidity at December 31,⁽²⁾
(\$ in millions)



Message from the President and CEO ►

⁽¹⁾ A reconciliation of adjusted diluted earnings per share from continuing operations (a non-GAAP measure) is set forth herein.

⁽²⁾ Liquidity includes cash and cash equivalents and availability under our revolving credit facility as described in our Form 10K.

My Fellow Stockholders

2016 unfolded largely as expected and while we are pleased with the substantial improvement, we are not satisfied. Our core business faced regulatory-driven project delays and generally soft end markets in Canada during the first two quarters of the year. However, markets began to recover and a significant number of our mainline pipeline projects moved into construction. Additionally, our core U.S. electric power infrastructure operations continued to perform well, demonstrating our ability to execute profitably and safely. As a result, our operations began to accelerate in the third quarter, gained momentum and finished the year strong.

Compared to 2015, our 2016 revenues increased slightly, and adjusted diluted earnings per share from continuing operations increased 36%. The end markets we serve are dynamic and present opportunities for multi-year profitable growth. There is considerable need to both maintain existing and to build new energy infrastructure, and we believe no company is better positioned to benefit from this trend than Quanta. As evidence, we ended 2016 with record twelve-month backlog, and Quanta is confident that we are well positioned to capitalize on profitable growth opportunities for years to come.

Electric Power Infrastructure Services

Our core electric power operations encountered several challenges in 2016. We faced a sluggish economy in Canada and project delays due to regulatory headwinds as well as encountering significant losses on an Alaskan power plant project that we completed during the year. Despite this difficult environment, the segment performed well. Operating income margins increased nearly 100 basis points and we are confident we can return these margins to historical levels in a reasonable timeframe.

The end market drivers that support growth in our customers' capital budgets are also firmly in place. The North American power grid is aging, the generation mix is shifting from coal to renewables and natural gas, reliability requirements and storm hardening initiatives are on the rise, and regulation encouraging infrastructure investment is in place. As the market leader and with the largest workforce in our industry, Quanta is ideally positioned to provide unmatched solutions to our customers in the electric power market.

We believe larger electric transmission project activity experienced a trough in 2016, and expect recovery going forward. Some of the potential projects we are pursuing would be the largest in the history of the high-voltage transmission industry. With our strong resume of safely completing large, complex projects on time and on budget, we believe Quanta has a clear competitive edge in pursuing and winning these projects.

Oil & Gas Infrastructure Services

The Oil & Gas segment finished 2016 on solid footing, with significant revenue and profitability momentum in the second half of the year. This improvement was driven by a sharp increase in larger pipeline projects. To put the midyear change into perspective, segment revenue and operating income were \$1.16 billion and \$17.7 million for the first half of the year and \$1.64 billion and \$131.8 million for the second half. We expect larger pipeline project activity to remain robust for several years.



The increased pipeline activity is being driven primarily by demand for the abundant natural gas in the Marcellus and Utica shale regions. More and more gas-fired power plants are being built, replacing coal and adding required stability to the intermittency of renewable generation. Plus, liquefied natural gas exports from the U.S. have finally begun to gain traction. As the largest specialty contractor in the pipeline space, Quanta is poised to capitalize on these opportunities.

Furthermore, we expect steadily rising demand for our ongoing base business services, such as natural gas distribution, midstream gathering and pipeline integrity. For example, regulations are in place to accelerate the replacement of more than 100,000 miles of North America's aging iron and bare steel gas pipeline infrastructure, an undertaking likely to require decades of work. We continue to enhance our core services and expand our turnkey capabilities to further strengthen our ability to capitalize on these long-term growth opportunities.

Financial Strength as a Strategic Advantage

Quanta has proven time and again that we know how to execute well on projects. I'm proud to say that we execute equally well on our balance sheet. Our financial strength is the bedrock that supports our strategies for capital deployment and growth. Through financial discipline, we have the working capital and liquidity necessary to support large projects and grow our company. We have the resources to fund the capital expenditures, acquisitions and investments that are vital to our strategic initiatives. We are able to invest and partner with customers to drive projects forward and differentiate our offerings.

Our focus on maintaining a strong balance sheet gives us great flexibility. It allows us to be patient when markets are challenged and ready for action when the right opportunities arise. For example, our financial strength enabled us to complete a two year stock repurchase effort in 2016, through which we bought back \$1.7 billion in stock and reduced our outstanding shares by almost a third. We believe that every share of Quanta stock holds significantly greater earnings potential today than perhaps any time within the last 10 years. And we are determined to realize that potential.

Initiatives for Future Growth

Regardless of market cycles, Quanta pursues growth – by geography, by market and through new solutions. On the international front, we are strategically focused on Australia and Latin America. Australian oil and gas markets remain challenged in the near term, but we have been improving our operations and honing our skills and believe we will be even better positioned as the market recovers. Our Australian electric power business has been solid, and we have completed several acquisitions to increase our capabilities, which have been well received by our customers.

In Latin America, Quanta has grown its business primarily through telecommunications infrastructure projects. Among other successes, we have won two large fiber concession projects and are leveraging that experience to pursue more telecom opportunities throughout the region. We are also using our presence to pursue select opportunities in electric power and oil and gas infrastructure.

Telecom also promises to play an increasing role in our business in North America. We have grown our telecom operations in Canada by leveraging our electric power resources, reputation and relationships. In addition, Quanta has been in the U.S. telecom market since its inception, yet over the past several years we have performed limited services in the U.S. due to a non-compete arrangement associated with the sale of legacy telecom operations in 2012. Our non-compete arrangement has expired, and Quanta's U.S. expansion efforts are now unencumbered. We believe the U.S. market offers significant growth opportunities. Telecom companies have major multi-year capital programs to push high-speed fiber and wireless technologies to meet customer demand. The complexity and scale of these programs is requiring high levels of sophistication in project management and, in some cases, full EPC capabilities. Quanta stands among few companies that can deliver. We plan to build out the business in 2017 and position our operations for long-term profitable growth.

We are also well positioned to grow through the increasing infrastructure investments that are coming in the form of concessions, private infrastructure and public-private partnerships. This market shift offers Quanta opportunities to partner with and provide comprehensive solutions to our customers. Our ability to offer price certainty on projects, our track record of safe execution and our financial strength all result in Quanta increasingly being sought out as the partner of choice in these large complex projects. To that end, we recently closed on a strategic capital partnership with select institutional infrastructure investors that provides access to a multi-billion dollar capital pool to support infrastructure projects in Quanta's core markets which further allows Quanta to provide our customers with broad-based, fully integrated solutions.

Investing in Our Most Important Asset

We believe Quanta's future is bright and is supported by dynamic end markets. We are competitively differentiated, the leader in our industries, financially solid, and well positioned to capitalize on growth opportunities. The primary reason we have garnered these advantages is our outstanding people. Our highest priority is to attract and retain a workforce of the highest caliber, and give them a working environment where they can deliver results for our customers effectively, and most important, safely.

We believe the key to accomplishing this priority is training. This is why we built our state-of-the-art training facility in La Grange, Texas, and operate it with world-class training programs. There is nothing like it in our industry, and though its development is primarily for the benefit of our employees and customers, we believe it also gives us a competitive advantage.

Additionally, we are establishing a workforce development program with a local university that provides students with industry-leading curriculum, field experience, and internships for engineering, construction and project management. Quanta has committed to an endowment of \$3 million to support this initiative, \$2.3 million of which was contributed in 2016. This relationship is an important step to ensuring we have access to high-quality, well-trained individuals capable of becoming successful mid-level managers and future leaders of Quanta.

Looking Forward

In 2016 we were able to protect our leadership position, solidify our customer relationships, execute on our strategic initiatives and maintain a strong balance sheet. We were steadfast in operating the business with a long-term strategic focus and distinguishing ourselves through safe execution and best in class field leadership. As a result, we believe we continue to be in a position to aggressively pursue our customers' capital spend, book backlog, and expand our markets and geographies.

No matter where we are in any economic cycle, we will always take the long-term view. We will continue to distinguish ourselves through outstanding field leadership and safety. We will pursue opportunities to enhance Quanta's core business, provide innovative solutions to our customers, and further distance ourselves from competitors. We will continue to leverage our unique operating model and entrepreneurial mindset to generate long-term value for all stakeholders. We will continue to connect in meaningful ways – to our customers, our suppliers, our stockholders, and every employee in the Quanta family.

In closing, we would like to thank you, our stockholders, for your continued support and confidence in Quanta. As always, we extend our thanks to our employees for their dedication, hard work and commitment to Quanta and our industry. We are excited to move forward with you, in prosperity and safety.



A handwritten signature in black ink, appearing to read "Earl C. Austin, Jr." with a stylized flourish at the end.

Earl C. (Duke) Austin, Jr.
President, Chief Executive Officer
and Chief Operating Officer

Selected Financial Data

(In millions except per share information) As of and for the full years ended December 31,

SUMMARY BALANCE SHEET	2016	2015
Total current assets	\$ 2,289	\$ 2,278
Property and equipment, net	1,174	1,102
Other assets, net	101	76
Other intangible assets, net	187	205
Goodwill	1,603	1,553
Total assets	<u>\$ 5,354</u>	<u>\$ 5,214</u>
Total current liabilities	\$ 1,205	\$ 1,204
Long-term debt and notes payable, net	353	475
Deferred income taxes	193	187
Insurance and other non-current liabilities	260	260
Total equity	<u>3,343</u>	<u>3,088</u>
Total liabilities and stockholders' equity	<u>\$ 5,354</u>	<u>\$ 5,214</u>
SUMMARY INCOME STATEMENT		
Revenues	\$ 7,651	\$ 7,572
Operating income	321	238
Net income from continuing operations attributable to common stock	199	120
Diluted earnings per share from continuing operations attributable to common stock	\$ 1.26	\$ 0.62
SUMMARY CASH FLOW		
Net cash provided by operating activities of continuing operations	\$ 381	\$ 618
Capital expenditures, net of proceeds from sales	<u>190</u>	<u>184</u>
Free cash flow ⁽¹⁾	<u>\$ 191</u>	<u>\$ 434</u>

⁽¹⁾ This is a non-GAAP measure provided to enable investors to evaluate performance excluding the effects of certain items management believes impact the comparability of operating results between reporting periods.

Reconciliation of Non-GAAP Financial Measures

Adjusted Diluted Earnings Per Share from Continuing Operations

(In millions, except per share information) For the Years Ended December 31,

	2013	2014	2015	2016
Reconciliation of adjusted net income from continuing operations attributable to common stock:				
Net income from continuing operations attributable to common stock (GAAP as reported)	\$ 372	\$ 269	\$ 120	\$ 199
Adjustments:				
Asset impairment charges	-	-	58	8
Severance and restructuring charges	-	-	-	6
Acquisition and integration costs	8	15	8	3
Impact of income tax contingency releases	(10)	(8)	-	(20)
Impact of tax benefit from realization of previously unrecognized deferred tax asset	-	-	(4)	-
Impact of Alberta tax law change	-	-	5	-
Provision for long-term contract receivable	-	102	-	-
Arbitration expense	-	39	-	-
Impact of sale of equity ownership in Howard Energy	(113)	-	-	-
Income tax impact of adjustments	40	(56)	(16)	(4)
Adjusted net income from continuing operations attributable to common stock before certain non-cash adjustments	297	361	171	192
Non-cash stock based compensation	35	38	37	41
Amortization of intangible assets	26	34	35	31
Income tax impact of non-cash adjustments	(23)	(26)	(26)	(26)
Adjusted net income from continuing operations attributable to common stock	<u>\$ 335</u>	<u>\$ 407</u>	<u>\$ 217</u>	<u>\$ 238</u>
Weighted average shares:				
Weighted average shares outstanding for diluted earnings per share	215	220	195	157
Weighted average shares outstanding for adjusted diluted earnings per share	215	220	195	157
Diluted earnings per share from continuing operations attributable to common stock and adjusted diluted earnings per share from continuing operations attributable to common stock:				
Diluted earnings per share from continuing operations attributable to common stock	<u>\$ 1.73</u>	<u>\$ 1.22</u>	<u>\$ 0.62</u>	<u>\$ 1.26</u>
Adjusted diluted earnings per share from continuing operations attributable to common stock	<u>\$ 1.56</u>	<u>\$ 1.85</u>	<u>\$ 1.11</u>	<u>\$ 1.51</u>

The non-GAAP measure of adjusted diluted earnings per share from continuing operations is provided to enable investors to evaluate performance excluding the effects of items that management believes impact the comparability of operating results between periods.

Quanta Operating Units

QUANTA SERVICES, INC.

2800 Post Oak Boulevard, Suite 2600
Houston, Texas 77056-6175
Tel: 713.629.7600 Fax: 713.629.7676
quantaservices.com

Operating Unit	Number	Website
Allteck Line Contractors	604-857-6600	allteck.ca
Arnett & Burgess Pipeliners	403-265-0900	abpipeliners.com
Banister Pipelines Constructors	780-955-7167	banister.ca
Brent Woodward	541-504-5538	brentwoodwardinc.com
Brink Constructors	605-342-6966	brinkred.com
Can-Fer Utility Services	972-484-4344	can-fer.com
Canadian Utility Construction	604-576-9358	canadianutility.com
CONAM Construction	907-278-6600	conamco.com
Consolidated Power Projects	08-8291-7800	conpower.com.au
Crux Subsurface	509-892-9409	cruxsub.com
Dacon Corporation	713-558-6600	dashiell.com
Dashiell Corporation	713-558-6600	dashiell.com
EHV Power	888-799-6342	ehvpower.com
Hargrave Power	214-308-6927	hargravepower.com
H.L. Chapman Pipeline Construction	512-259-7662	hlchapman.com
InfraSource	734-434-2000	infrasourceus.com
Intermountain Electric	303-733-7248	imelect.com
Irby Construction Company	800-872-0615	irbyconst.com
JCR Utility Construction	603-895-4062	jcrutility.com
JET Tank Service	918-543-2555	tankrepairservices.com
J.W. Didado Electric	330-374-0070	jwdidadoelectric.com
Longfellow Drilling Services	641-336-2297	parelectric.com
Mears Group	800-632-7727	mears.net
M.G. Dyess	601-943-6663	mgdyess.com
Microline Technology Corporation	231-935-1585	microlinetc.com
M.J. Electric	906-774-8000	mjelectric.com
Nacap	+61-3 8848-1888	nacap.com.au
N.J. Construction	61 (0)2 6232 9400	njconstruction.com.au
Northern Powerline Constructors	907-344-3436	northernpowerline.com
North Houston Pole Line	713-691-3616	nhplc.com
Northstar Sharp's (Canada)	780-539-0700	northstar-inc.com
NorthStar Energy Services	281-452-2355	nse.com
NOVA Group	707-265-1100	novagrp.com
O.J. Pipelines Canada	780-955-3900	ojpipelines.com
PAR Electrical Contractors	800-821-7893	parelectric.com
Performance Energy Services	985-868-4895	pesllc.com
Phasor Engineering	403-238-3695	phasorengineering.ca
Phoenix Power Group	888-225-6725	phoenixpg.com
Potelco	253-863-0484	potelco.net
Price Gregory International	713-780-7500	pricegregory.com
Probst Electric	435-657-1955	probstelectric.com
Q-Inline Devices	832-634-2800	q-inline.com
QPS Engineering	918-858-7620	qpsepc.com
Quanta Energized Services	713-629-7600	quantaenergized.com
Quanta Services Latin America	305-821-1020	quantaservices.com
Quanta Technology	919-334-3000	quanta-technology.com
RMS Welding Systems	780-955-3907	rmsweldingsystems.com
Realtime Utility Engineers	800-297-1478	realtimeutilityengineers.com
Ryan Company	508-742-2500	ryancompany.net
Service Electric Company	423-265-3161	serviceelectricco.com
Summit Line Construction	435-657-0721	summitlineconstruction.com
Sumter Utilities	803-469-8585	sumter-utilities.com
T.G. Mercer	817-489-7100	tgmerc.com
Underground Construction Co.	707-746-8800	undergroundconstruction.com
Utilimap Corporation	866-732-3460	utilimap.com
Valard Construction	780-436-9876	valard.com
Winco Powerline Services	503-678-6060	wincoservices.com

Corporate Information

DIRECTORS

Earl C. (Duke) Austin, Jr.
*President, Chief Executive Officer and
Chief Operating Officer, Quanta Services, Inc.*

Doyle N. Beneby ^{3,4}
*Former President and Chief Executive Officer,
CPS Energy*

J. Michal Conaway ^{3,4}
*Consultant; Former Chief Executive Officer,
Peregrine Group, LLC*

Vincent D. Foster ^{1,4}
*Chief Executive Officer,
Main Street Capital Corporation*

Bernard Fried ^{1,2}
*Chief Executive Officer, Plastikon Industries, Inc.;
Principal, BF Consulting*

Worthing F. Jackman ^{1,4}
*Executive Vice President and Chief Financial Officer,
Waste Connections, Inc.*

David M. McClanahan ^{1,2}
*Former President and Chief Executive Officer,
CenterPoint Energy, Inc.*

Bruce Ranck
*Chairman of the Board, Quanta Services, Inc.;
Partner, Bayou City Partners;
Former Chief Executive Officer
and President, Browning-Ferris Industries, Inc.*

Margaret B. Shannon ^{2,3}
*Former Vice President and General Counsel,
BJ Services Company*

Pat Wood, III ^{2,3}
*Principal, Wood3 Resources;
Former Chairman, Federal Energy Regulatory Commission*

1 Audit Committee

2 Compensation Committee

3 Governance and Nominating Committee

4 Investment Committee

EXECUTIVE OFFICERS

Earl C. (Duke) Austin, Jr.
*President, Chief Executive Officer,
Chief Operating Officer and Director*

Derrick A. Jensen
Chief Financial Officer

Paul C. Gregory
President – Oil and Gas Division and Chief Strategy Officer

Dale L. Querrey
President – Electric Power

Jesse E. Morris
Executive Vice President – Corporate Development

Randall C. Wisenbaker
Executive Vice President – Operations

Nicholas M. Grindstaff
Vice President – Finance and Treasurer

Dorothy Upperman
Vice President – Tax

NEW YORK STOCK EXCHANGE

Last year, our Annual CEO Certification, without qualifications, was timely submitted to the NYSE. Also, we have filed the certifications required under The Sarbanes-Oxley Act of 2002 as exhibits to our Form 10-K.

TRANSFER AGENT

American Stock Transfer & Trust Co.
6201 15th Avenue
Brooklyn, New York 11219 718.921.8200

AUDITORS

PricewaterhouseCoopers LLP
1000 Louisiana Street, Suite 5800
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INVESTOR RELATIONS

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Ticker Symbol PWR

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