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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 30, 2018

MASTEC, INC.

(Exact Name of Registrant as Specified in Its Charter)

Florida
(State or Other Jurisdiction
of Incorporation)

001-08106
(Commission
File Number)

65-0829355
(IRS Employer
Identification No.)

**800 S. Douglas Road, 12th Floor
Coral Gables, Florida 33134**
(Address of Principal Executive Office)

Registrant's telephone number, including area code (305) 599-1800

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

ITEM 2.02 Results of Operations and Financial Condition.

The information contained in Item 7.01 of this Current Report on Form 8-K is incorporated by reference in this Item 2.02.

ITEM 7.01 Regulation FD Disclosure.

On April 30, 2018, MasTec, Inc., a Florida corporation (the “Company”), announced its financial results for the quarter ended March 31, 2018. In addition, the Company issued guidance for the quarter ending June 30, 2018 and year ending December 31, 2018, in each case as set forth in the earnings press release. A copy of the Company’s earnings press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference in this Item 7.01. The information contained in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed “filed” with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the Company under the Securities Act of 1933, as amended.

ITEM 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release, April 30, 2018

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MASTEC, INC.

Date: April 30, 2018

By: /s/ Alberto de Cardenas
Alberto de Cardenas
Executive Vice President, General Counsel and Secretary



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For Immediate Release

MasTec Announces First Quarter 2018 Financial Results, Record Backlog and Increased Annual Guidance

- ***Record 18-month Backlog of \$7.6 Billion, with Record Segment Level Backlog in Communications, Oil & Gas and Power Generation & Industrial***
- ***Record Q1 Revenue Increased 21% to \$1.4 Billion***
- ***Q1 GAAP Diluted Earnings per Share of \$0.32 and Adjusted Diluted Earnings per Share \$0.35, Both \$0.15 Above Guidance Expectations***
- ***Q1 Adjusted EBITDA of \$108 million, \$18 Million Above Guidance Expectation***
- ***Increasing 2018 Annual Guidance for Revenue, Diluted Earnings per Share, Adjusted EBITDA and Adjusted Diluted Earnings per Share***

Coral Gables, FL (April 30, 2018) — MasTec, Inc. (NYSE: MTZ) today announced higher than expected first quarter financial results, record backlog, and increased 2018 guidance.

- First quarter 2018 revenue was \$1.4 billion, a 21% increase compared with \$1.2 billion for the same period last year. GAAP net income was \$26.5 million, or \$0.32 per diluted share, compared to \$40.6 million or \$0.50 per share in the first quarter of 2017. GAAP results exceeded the Company's previously announced diluted earnings per share expectation by \$0.15.
- First quarter 2018 adjusted net income, a non-GAAP measure, was \$28.8 million. Adjusted diluted earnings per share, a non-GAAP measure, was \$0.35 exceeding the Company's previously announced first quarter 2018 expectation by \$0.15.
- First quarter adjusted EBITDA, also a non-GAAP measure, was \$107.8 million, exceeding the Company's previously announced 2018 first quarter guidance expectation by approximately \$18 million.
- The Company also announced record 18-month backlog for the second consecutive quarter, with backlog as of March 31, 2018 at \$7.6 billion, a \$464 million sequential increase when compared to year end 2017, and a \$1.9 billion increase or 33%, compared to the first quarter of 2017.
- 18-month backlog as of March 31, 2018 included record levels of Communications, Oil & Gas and Power Generation & Industrial segment backlog, as well as a sequential increase in Electrical Transmission segment backlog.

Adjusted net income, adjusted diluted earnings per share and adjusted EBITDA, which are all non-GAAP measures, exclude certain items which are detailed and reconciled to the most comparable GAAP-reported measures in the attached Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures.

Jose Mas, MasTec's Chief Executive Officer, commented, "We are proud to once again report record backlog levels, demonstrating the strength in demand for our services across multiple markets."

Mr. Mas continued, "We are pleased to increase our 2018 annual guidance expectations to another record level. More importantly, many items in our backlog represent multi-year programs that are initiating over the course of 2018. Thus, we have strong visibility for continued growth in 2019 and beyond."

George Pita, MasTec's Executive Vice President and Chief Financial Officer noted, "We have significant multi-year growth opportunities across multiple segments. Our confidence in the future is evidenced by the repurchase of approximately 2.6 million shares thus far in 2018 under authorized share repurchase programs. We continue to expect 2018 to be a record year of cash flow from operations as we complete several major projects and normalize our working capital. We expect to maintain a strong balance sheet giving us the financial flexibility and resources to take advantage of the significant multi-year growth opportunities ahead of us."

Based on the information available today, the Company is providing initial second quarter guidance, and increasing full year 2018 guidance expectations. The Company currently estimates full year 2018 revenue of approximately \$6.9 billion, a record level. Full year 2018 GAAP net income and diluted earnings per share are expected to approximate \$285 million and \$3.53, respectively. Regarding full year 2018 expectations for non-GAAP measures, adjusted EBITDA is expected to approximate \$700 million or 10.2% of revenue and adjusted diluted earnings per share is expected to be \$3.65, a 25% increase over 2017 with both non-GAAP measures representing record levels.

For the second quarter of 2018, the Company expects revenue of approximately \$1.78 billion. Second quarter 2018 GAAP net income is expected to approximate \$81 million with GAAP diluted earnings per share expected to approximate \$1.00. Second quarter 2018 adjusted EBITDA, a non-GAAP measure, is expected to approximate \$189 million with adjusted diluted earnings per share, a non-GAAP measure, expected to approximate \$1.03.

Management will hold a conference call to discuss these results on Tuesday, May 1, 2018 at 9:00 a.m. Eastern time. The call-in number for the conference call is (719) 325-4876 or (877) 718-5108, and the replay number is (719) 457-0820, with a pass code of 6702869. The replay will be available for 30 days. Additionally, the call will be broadcast live over the Internet and can be accessed and replayed through the Investors section of the Company's website at www.mastec.com.

The following tables set forth the financial results for the periods ended March 31, 2018 and 2017:

Condensed Unaudited Consolidated Statements of Operations
(In thousands, except per share amounts)

	For the Three Months Ended March 31,	
	2018	2017
Revenue	\$ 1,396,834	\$ 1,158,184
Costs of revenue, excluding depreciation and amortization	1,237,299	971,134
Depreciation and amortization	49,940	42,904
General and administrative expenses	63,622	64,781
Interest expense, net	17,058	12,597
Equity in earnings of unconsolidated affiliates	(5,585)	(1,646)
Other (income) expense, net	(3,089)	429
Income before income taxes	\$ 37,589	\$ 67,985
Provision for income taxes	(11,126)	(27,358)
Net income	\$ 26,463	\$ 40,627
Net loss attributable to non-controlling interests	(97)	(343)
Net income attributable to MasTec, Inc.	\$ 26,560	\$ 40,970
Earnings per share:		
Basic earnings per share	\$ 0.33	\$ 0.51
Basic weighted average common shares outstanding	81,150	80,697
Diluted earnings per share	\$ 0.32	\$ 0.50
Diluted weighted average common shares outstanding	82,221	82,157

Condensed Unaudited Consolidated Balance Sheets
(In thousands)

	March 31, 2018	December 31, 2017
Assets		
Current assets	\$1,907,595	\$ 1,852,366
Property and equipment, net	709,806	706,506
Goodwill and other intangibles, net	1,332,876	1,328,880
Other long-term assets	204,071	178,824
Total assets	\$4,154,348	\$ 4,066,576
Liabilities and Equity		
Current liabilities	\$1,047,340	\$ 963,827
Long-term debt	1,343,549	1,280,706
Long-term deferred tax liabilities, net	197,275	204,518
Other long-term liabilities	191,987	184,172
Total equity	1,374,197	1,433,353
Total liabilities and equity	\$4,154,348	\$ 4,066,576

Condensed Unaudited Consolidated Statements of Cash Flows
(In thousands)

	For the Three Months Ended March 31,	
	2018	2017
Net cash provided by operating activities	\$ 83,501	\$ 154,173
Net cash used in investing activities	(30,856)	(69,619)
Net cash used in financing activities	(53,458)	(107,794)
Effect of currency translation on cash	722	160
Net decrease in cash and cash equivalents	(91)	(23,080)
Cash and cash equivalents - beginning of period	\$ 40,326	\$ 38,767
Cash and cash equivalents - end of period	\$ 40,235	\$ 15,687

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures - Unaudited

(In millions, except for percentages and per share amounts)

Segment Information	For the Three Months Ended March 31,	
	2018	2017
Revenue by Reportable Segment		
Communications	\$ 627.1	\$ 559.5
Oil and Gas	536.5	455.9
Electrical Transmission	114.0	98.8
Power Generation and Industrial	117.6	46.6
Other	1.9	1.7
Eliminations	(0.3)	(4.3)
Corporate	—	—
Consolidated revenue	\$ 1,396.8	\$ 1,158.2
	For the Three Months Ended March 31,	
	2018	2017
Adjusted EBITDA by Reportable Segment		
EBITDA	\$ 104.6	\$ 123.5
Non-cash stock-based compensation expense	3.2	3.8
Project results from non-controlled joint venture	—	7.0
Restructuring charges	—	0.6
Adjusted EBITDA	\$ 107.8	\$ 134.8
Reportable Segment:		
Communications	\$ 82.1	\$ 48.5
Oil and Gas	33.0	93.9
Electrical Transmission	4.6	3.8
Power Generation and Industrial	4.8	0.8
Other	5.9	1.7
Corporate	(22.6)	(13.9)
Adjusted EBITDA	\$ 107.8	\$ 134.8
	For the Three Months Ended March 31,	
	2018	2017
Adjusted EBITDA Margin by Reportable Segment		
EBITDA Margin	7.5%	10.7%
Non-cash stock-based compensation expense	0.2%	0.3%
Project results from non-controlled joint venture	— %	0.6%
Restructuring charges	— %	0.0%
Adjusted EBITDA margin	7.7%	11.6%
Reportable Segment:		
Communications	13.1%	8.7%
Oil and Gas	6.2%	20.6%
Electrical Transmission	4.0%	3.8%
Power Generation and Industrial	4.1%	1.8%
Other	304.3%	99.7%
Corporate	NA	NA
Adjusted EBITDA margin	7.7%	11.6%

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures - Unaudited
(In millions, except for percentages and per share amounts)

	For the Three Months Ended March 31,	
	2018	2017
EBITDA and Adjusted EBITDA Reconciliation		
Net income	\$ 26.5	\$ 40.6
Interest expense, net	17.1	12.6
Provision for income taxes	11.1	27.4
Depreciation and amortization	49.9	42.9
EBITDA	\$ 104.6	\$ 123.5
Non-cash stock-based compensation expense	3.2	3.8
Project results from non-controlled joint venture	—	7.0
Restructuring charges	—	0.6
Adjusted EBITDA	\$ 107.8	\$ 134.8
	For the Three Months Ended March 31,	
	2018	2017
EBITDA and Adjusted EBITDA Margin Reconciliation		
Net income	1.9%	3.5%
Interest expense, net	1.2%	1.1%
Provision for income taxes	0.8%	2.4%
Depreciation and amortization	3.6%	3.7%
EBITDA margin	7.5%	10.7%
Non-cash stock-based compensation expense	0.2%	0.3%
Project results from non-controlled joint venture	— %	0.6%
Restructuring charges	— %	0.0%
Adjusted EBITDA margin	7.7%	11.6%

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures - Unaudited

(In millions, except for percentages and per share amounts)

	For the Three Months Ended March 31,	
	2018	2017
Adjusted Net Income Reconciliation		
Net income	\$ 26.5	\$ 40.6
Non-cash stock-based compensation expense	3.2	3.8
Project results from non-controlled joint venture	—	7.0
Restructuring charges	—	0.6
Income tax effect of adjustments ^(a)	(0.9)	(3.5)
Adjusted net income	\$ 28.8	\$ 48.4

	For the Three Months Ended March 31,	
	2018	2017
Adjusted Diluted Earnings per Share Reconciliation		
Diluted earnings per share	\$ 0.32	\$ 0.50
Non-cash stock-based compensation expense	0.04	0.05
Project results from non-controlled joint venture	—	0.08
Restructuring charges	—	0.01
Income tax effect of adjustments ^(a)	(0.01)	(0.04)
Adjusted diluted earnings per share	\$ 0.35	\$ 0.59

- (a) Represents the tax effect of the adjusted items that are subject to tax, including the tax effects of share-based compensation expense. Tax effects are determined based on the tax treatment of the related items, the incremental statutory tax rate of the jurisdictions pertaining to each adjustment, and taking into consideration their effect on pre-tax income.

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures - Unaudited

(In millions, except for percentages and per share amounts)

	Guidance for the Three Months Ended June 30, 2018 Est.	For the Three Months Ended June 30, 2017
EBITDA and Adjusted EBITDA Reconciliation		
Net income	\$ 81	\$ 83.3
Interest expense, net	19	14.8
Provision for income taxes	34	55.4
Depreciation and amortization	52	45.4
EBITDA	\$ 185	\$ 198.9
Non-cash stock-based compensation expense	3	3.4
Adjusted EBITDA	\$ 189	\$ 202.3
EBITDA and Adjusted EBITDA Margin Reconciliation		
Net income	4.6%	4.4%
Interest expense, net	1.1%	0.8%
Provision for income taxes	1.9%	2.9%
Depreciation and amortization	2.9%	2.4%
EBITDA margin	10.4%	10.5%
Non-cash stock-based compensation expense	0.2%	0.2%
Adjusted EBITDA margin	10.6%	10.7%
Adjusted Net Income Reconciliation		
Net income	\$ 81	\$ 83.3
Non-cash stock-based compensation expense	3	3.4
Income tax effect of adjustments (a)	(1)	0.0
Adjusted net income	\$ 83	\$ 86.7
Adjusted Diluted Earnings per Share Reconciliation		
Diluted earnings per share	\$ 1.00	\$ 0.99
Non-cash stock-based compensation expense	0.04	0.04
Income tax effect of adjustments (a)	(0.01)	0.00
Adjusted diluted earnings per share	\$ 1.03	\$ 1.03

- (a) Represents the tax effect of the adjusted items that are subject to tax, including the tax effects of share-based compensation expense. Tax effects are determined based on the tax treatment of the related items, the incremental statutory tax rate of the jurisdictions pertaining to each adjustment, and taking into consideration their effect on pre-tax income.

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures - Unaudited

(In millions, except for percentages and per share amounts)

	Guidance for the Year Ended December 31, 2018 Est.	For the Year Ended December 31, 2017	For the Year Ended December 31, 2016
EBITDA and Adjusted EBITDA Reconciliation			
Net income	\$ 285	\$ 348.9	\$ 134.0
Interest expense, net	72	61.0	50.7
Provision for income taxes	119	22.9	91.8
Depreciation and amortization	210	188.0	164.9
EBITDA	\$ 687	\$ 620.9	\$ 441.5
Non-cash stock-based compensation expense	14	15.7	15.1
Project results from non-controlled joint venture	—	7.9	5.1
Restructuring charges	—	0.6	15.2
Charges (recoveries) from multi-employer pension plan withdrawals	—	0.7	—
Adjusted EBITDA	\$ 700	\$ 645.6	\$ 476.9

	Guidance for the Year Ended December 31, 2018 Est.	For the Year Ended December 31, 2017	For the Year Ended December 31, 2016
EBITDA and Adjusted EBITDA Margin Reconciliation			
Net income	4.1%	5.3%	2.6%
Interest expense, net	1.0%	0.9%	1.0%
Provision for income taxes	1.7%	0.3%	1.8%
Depreciation and amortization	3.0%	2.8%	3.2%
EBITDA margin	10.0%	9.4%	8.6%
Non-cash stock-based compensation expense	0.2%	0.2%	0.3%
Project results from non-controlled joint venture	— %	0.1%	0.1%
Restructuring charges	— %	0.0%	0.3%
Charges (recoveries) from multi-employer pension plan withdrawals	— %	0.0%	— %
Adjusted EBITDA margin	10.2%	9.8%	9.3%

Supplemental Disclosures and Reconciliation of Non-GAAP Disclosures - Unaudited
(In millions, except for percentages and per share amounts)

	Guidance for the Year Ended December 31, 2018 Est.	For the Year Ended December 31, 2017	For the Year Ended December 31, 2016
Adjusted Net Income Reconciliation			
Net income	\$ 285	\$ 348.9	\$ 134.0
Non-cash stock-based compensation expense	14	15.7	15.1
Project results from non-controlled joint venture	—	7.9	5.1
Restructuring charges	—	0.6	15.2
Charges (recoveries) from multi-employer pension plan withdrawals	—	0.7	—
Income tax effect of adjustments (a)	(4)	(11.6)	(11.7)
Effect of changes in statutory tax rates	—	(120.1)	—
Adjusted net income	<u>\$ 295</u>	<u>\$ 241.9</u>	<u>\$ 157.7</u>
Adjusted Diluted Earnings per Share Reconciliation			
Diluted earnings per share	\$ 3.53	\$ 4.22	\$ 1.61
Non-cash stock-based compensation expense	0.17	0.19	0.19
Project results from non-controlled joint venture	—	0.10	0.06
Restructuring charges	—	0.01	0.19
Charges (recoveries) from multi-employer pension plan withdrawals	—	0.01	—
Income tax effect of adjustments (a)	(0.05)	(0.14)	(0.14)
Effect of changes in statutory tax rates	—	(1.46)	—
Adjusted diluted earnings per share	<u>\$ 3.65</u>	<u>\$ 2.92</u>	<u>\$ 1.90</u>

- (a) Represents the tax effect of the adjusted items that are subject to tax, including the tax effects of share-based compensation expense. Tax effects are determined based on the tax treatment of the related items, the incremental statutory tax rate of the jurisdictions pertaining to each adjustment, and taking into consideration their effect on pre-tax income.

The tables may contain slight summation differences due to rounding.

MasTec, Inc. is a leading infrastructure construction company operating mainly throughout North America across a range of industries. The Company's primary activities include the engineering, building, installation, maintenance and upgrade of communications, energy and utility infrastructure, such as: wireless, wireline/fiber, satellite communications and customer fulfillment activities; petroleum and natural gas pipeline infrastructure; electrical utility transmission and distribution; power generation; and industrial infrastructure. MasTec's customers are primarily in these industries. The Company's corporate website is located at www.masotec.com. The Company's website should be considered as a recognized channel of distribution, and the Company may periodically post important, or supplemental, information regarding contracts, awards or other related news on the Presentations/Webcasts page in the Investors section therein.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act. These statements are based on management's current expectations and are subject to a number of risks, uncertainties, and assumptions, including market conditions, technological developments, regulatory changes or other governmental policy uncertainty that affects us or our customers' industries; the effect on demand for our services of changes in the amount of capital expenditures by our customers due to, among other things, economic conditions, commodity price fluctuations, the availability and cost of financing, and customer consolidation in the industries we serve; activity in the oil and gas, utility and power generation industries and the impact on our customers' expenditure levels caused by fluctuations in prices of oil, natural gas, electricity and other energy sources; our ability to manage projects effectively and in accordance with our estimates, as well as our ability to accurately estimate the costs associated with our fixed price and other contracts, including any material changes in estimates for completion of projects; the timing and extent of fluctuations in operational, geographic and weather factors affecting our customers, projects and the industries in which we operate; the highly competitive nature of our industry; the ability of our customers, including our largest customers, to terminate or reduce the amount of work, or in some cases, the prices paid for services, on short or no notice under our contracts, and/or customer disputes related to our performance of services; our dependence on a limited number of customers and our ability to replace non-recurring projects with new projects; risks related to completed or potential acquisitions, including our ability to identify suitable acquisition or strategic investment opportunities, to integrate acquired businesses within expected timeframes and to achieve the revenue, cost savings and earnings levels from such acquisitions at or above the levels projected, including the risk of potential asset impairment charges and write-downs of goodwill; disputes with, or failures of, our subcontractors to deliver agreed-upon supplies or services in a timely fashion, and the risk of being required to pay our subcontractors even if our customers do not pay us; risks related to our strategic arrangements, including our equity investees; any material changes in estimates for legal costs or case settlements or adverse determinations on any claim, lawsuit or proceeding; the effect of state and federal regulatory initiatives, including costs of compliance with existing and future safety and environmental requirements; risks associated with potential environmental issues and other hazards from our operations; the effect of federal, local, state, foreign or tax legislation and other regulations affecting the industries we serve and related projects and expenditures, including the effect of corporate income tax reform; the adequacy of our insurance, legal and other reserves and allowances for doubtful accounts; the outcome of our plans for future operations, growth and services, including business development efforts, backlog, acquisitions and dispositions; our ability to maintain a workforce based upon current and anticipated workloads; our ability to attract and retain qualified personnel, key management and skilled employees, including from acquired businesses, and our ability to enforce any noncompetition agreements; any exposure resulting from system or information technology interruptions or data security breaches; fluctuations in fuel, maintenance, materials, labor and other costs; risks related to our operations that employ a unionized workforce, including labor availability, productivity and relations, as well as risks associated with multiemployer union pension plans, including underfunding and withdrawal liabilities; risks associated with operating in or expanding into additional international markets, including risks from fluctuations in foreign currencies, foreign labor, general business conditions and risks from failure to comply with laws applicable to our foreign activities and/or governmental policy uncertainty; restrictions imposed by our credit facility, senior notes, and any future loans or securities; our ability to obtain performance and surety bonds; a small number of our existing shareholders have the ability to influence major corporate decisions; risks associated with volatility of our stock price or any dilution or stock price volatility that shareholders may experience in connection with shares we may issue as consideration for earn-out obligations or as purchase consideration in connection with past or future acquisitions, or as a result of other stock issuances; as well as other risks detailed in our filings with the Securities and Exchange Commission. Actual results may differ significantly from results expressed or implied in these statements. We do not undertake any obligation to update forward-looking statements.