



# Q4 2017 SUPPLEMENTAL INFORMATION

MARCH 6, 2018

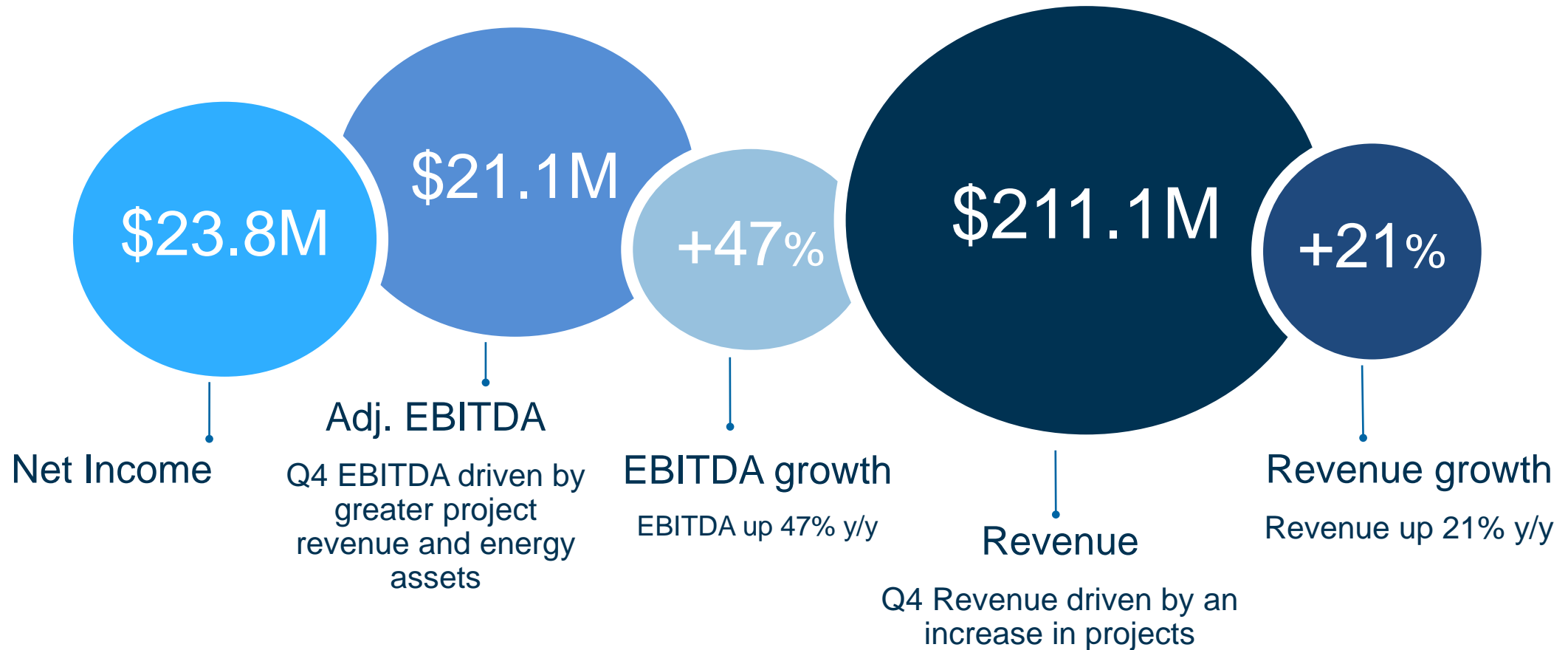
## Forward Looking Statements

Any statements in this presentation about future expectations, plans and prospects for Ameresco, Inc., including statements about market conditions, pipeline and backlog, as well as estimated future revenues and net income, and other statements containing the words “projects,” “believes,” “anticipates,” “plans,” “expects,” “will” and similar expressions, constitute forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including the timing of, and ability to, enter into contracts for awarded projects on the terms proposed; the timing of work we do on projects where we recognize revenue on a percentage of completion basis, including the ability to perform under recently signed contracts without unusual delay; our ability to place solar assets into service as planned; demand for our energy efficiency and renewable energy solutions; our ability to arrange financing for our projects; changes in federal, state and local government policies and programs related to energy efficiency and renewable energy; the ability of customers to cancel or defer contracts included in our backlog; the effects of our recent acquisitions and restructuring activities; seasonality in construction and in demand for our products and services; a customer’s decision to delay our work on, or other risks involved with, a particular project; availability and costs of labor and equipment; the addition of new customers or the loss of existing customers; market price of the Company’s stock prevailing from time to time; the nature of other investment opportunities presented to the Company from time to time; the Company’s cash flows from operations and other factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2016, filed with the U.S. Securities and Exchange Commission on March 3, 2017. In addition, the forward-looking statements included in this presentation represent our views as of the date of this presentation. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this presentation.

## Use of Non-GAAP Financial Measures

This presentation includes references to adjusted EBITDA, adjusted cash from operations, non-GAAP net income and non-GAAP earnings per share, which are non-GAAP financial measures. For a description of these non-GAAP financial measures, including the reasons management uses these measures, please see the section in the Appendix in this presentation titled “Non-GAAP Financial Measures”. For a reconciliation of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP, please see the tables in the Appendix to this presentation titled “GAAP to Non-GAAP Reconciliation,” “Non-GAAP Financial Guidance” and “Non-GAAP Financial Measures.”

# Q4 2017 HIGHLIGHTS



# SOURCES OF REVENUE Q4 2017



\$157.2M

## Projects

Energy efficiency and renewable energy projects



\$32.5M

## Recurring

Energy & incentive revenue from owned solar and renewable gas assets; plus recurring O&M from projects

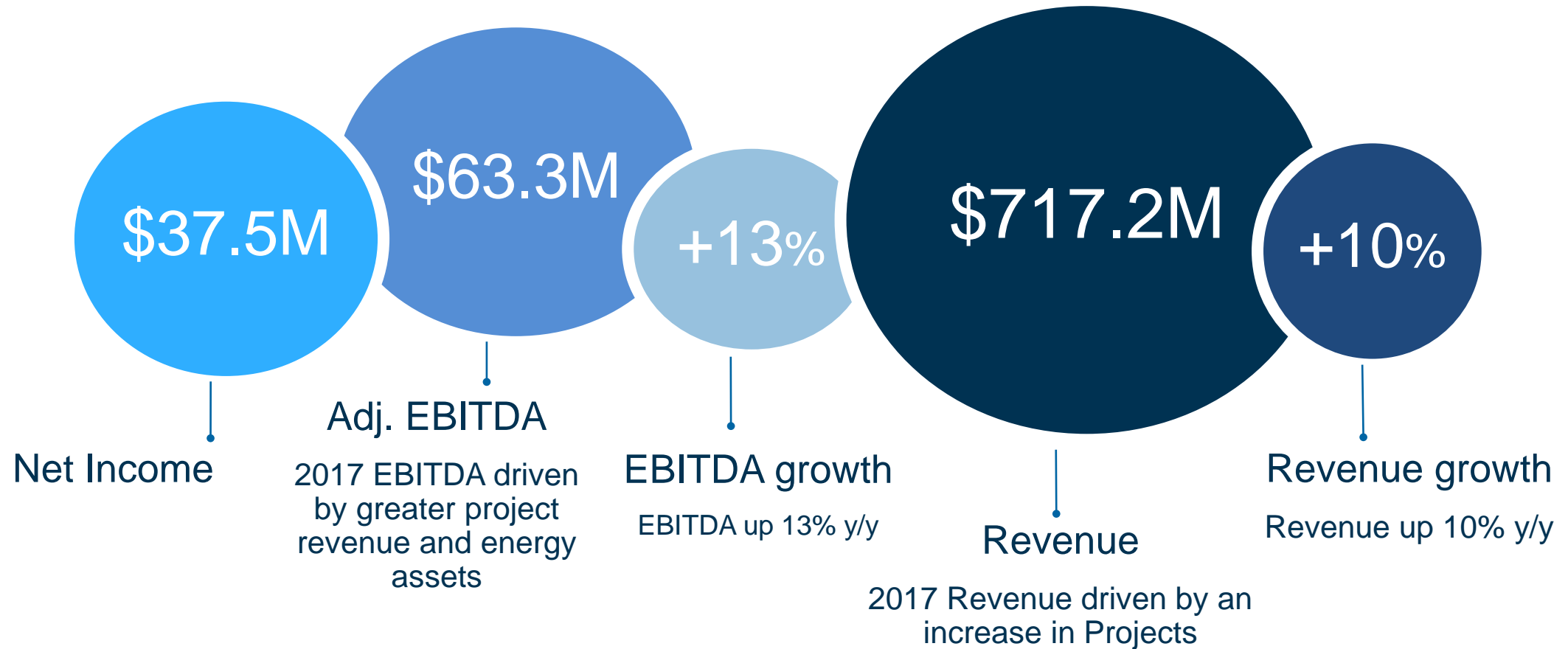


\$21.4M

## Other

Services, software and integrated PV

# 2017 HIGHLIGHTS



# SOURCES OF REVENUE 2017



\$506.6M

## Projects

Energy efficiency and renewable energy projects



\$129.8M

## Recurring

Energy & incentive revenue from owned solar and renewable gas assets; plus recurring O&M from projects

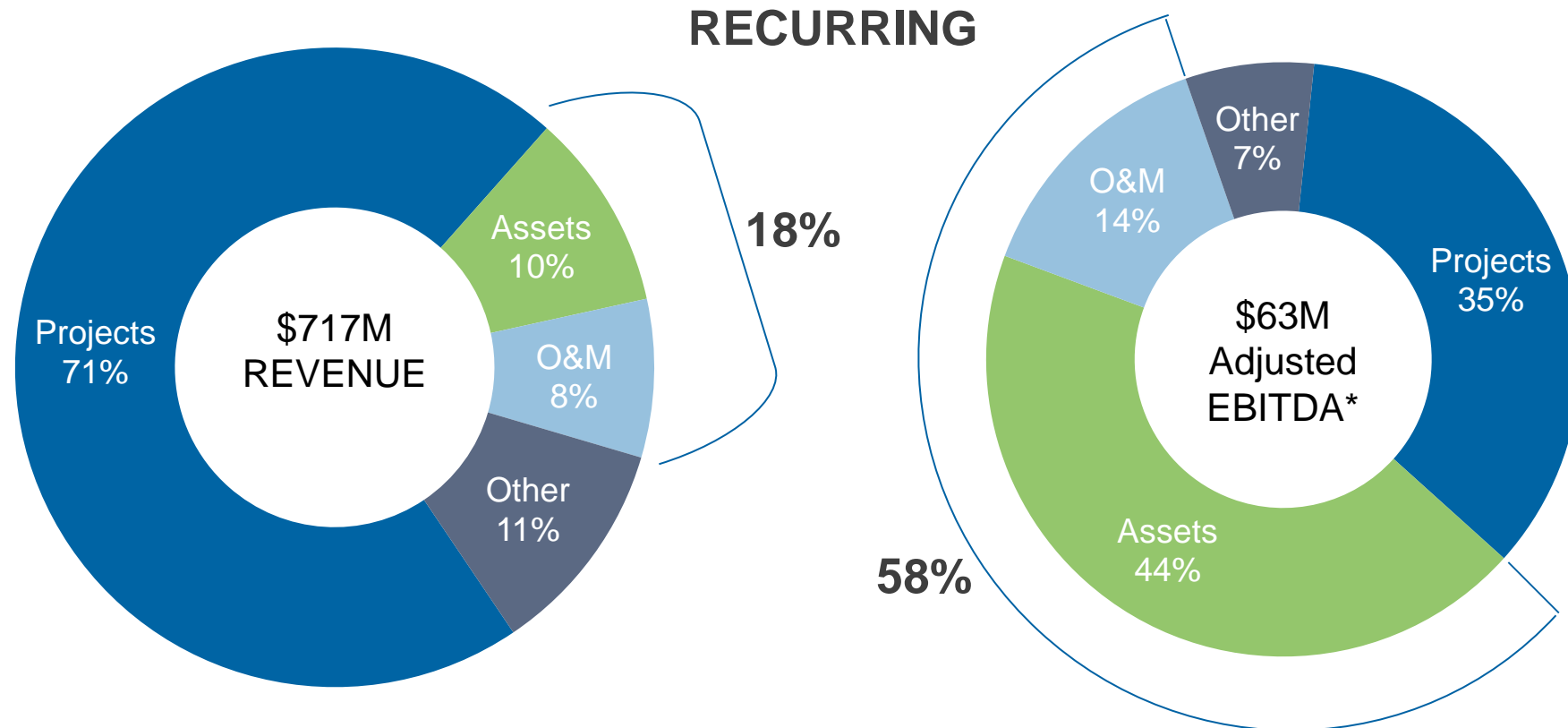


\$80.8M

## Other

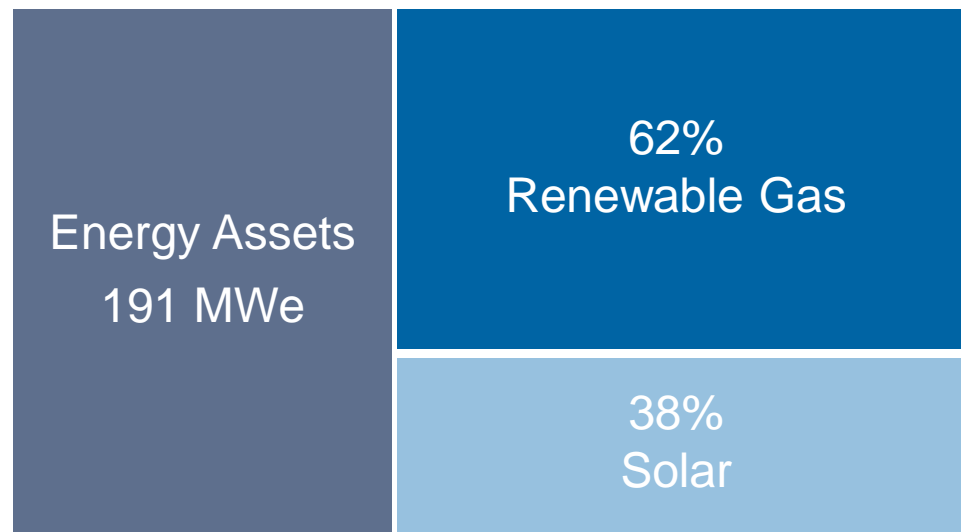
Services, software and integrated PV

# NEARLY 60% OF PROFIT COMES FROM RECURRING LINE OF BUSINESS 2017

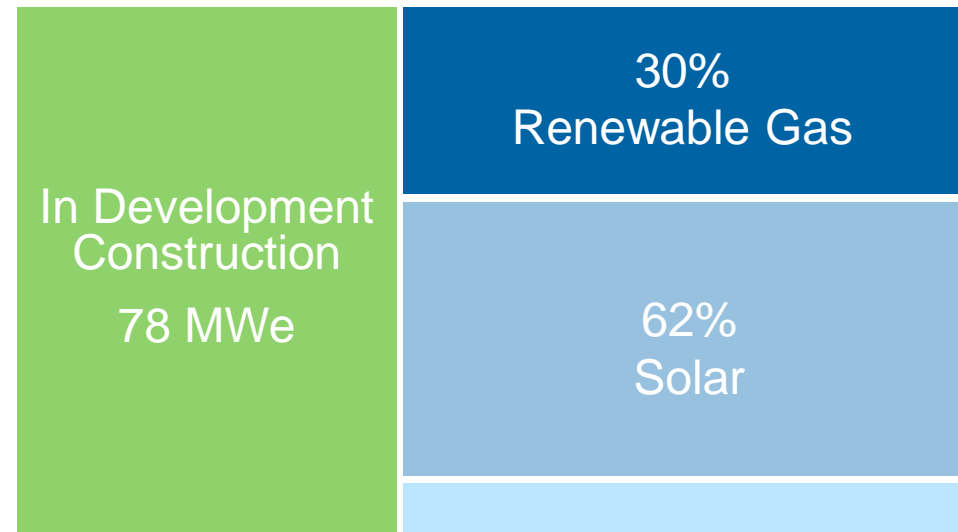


\* Adjusted EBITDA percentage amounts exclude unallocated corporate expenses.

# ENERGY ASSET PORTFOLIO – 12/31/2017



191 MWe of Energy Assets. Renewable Gas is 118 MWe, Solar is 72 MW\*

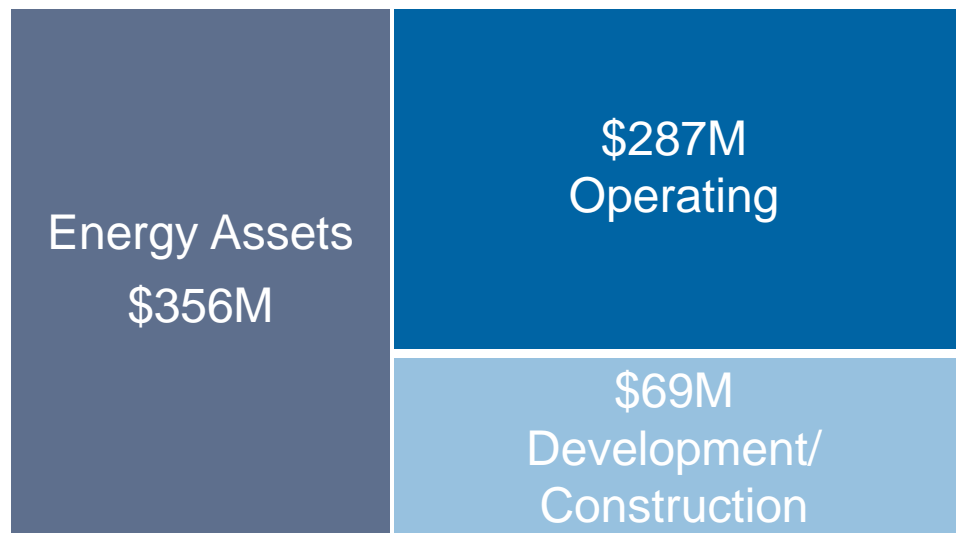


78 MWe in development & construction. Renewable Gas is 23 MWe, Solar is 49 MW, Other is 6 MW\*.

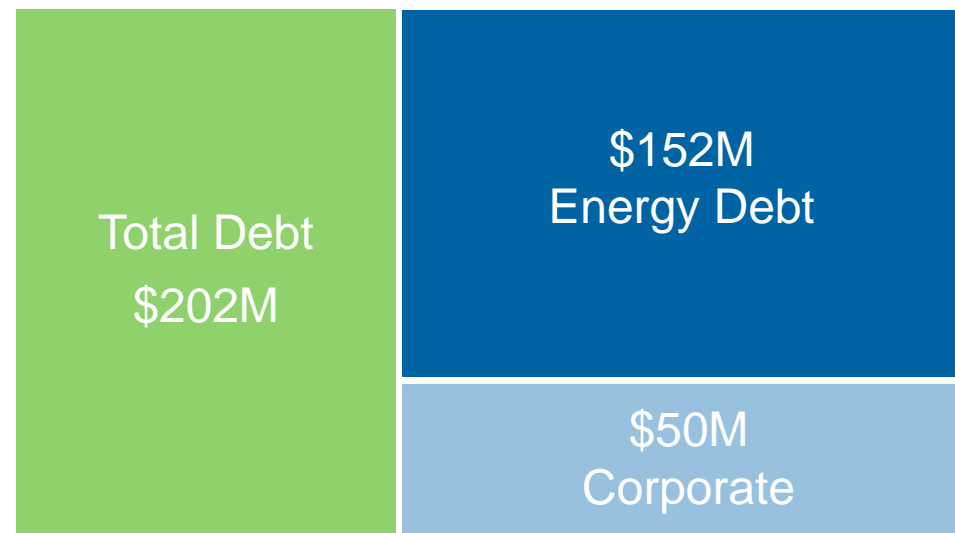
\*Numbers may not sum due to rounding



## ENERGY ASSET BALANCE SHEET – 12/31/2017

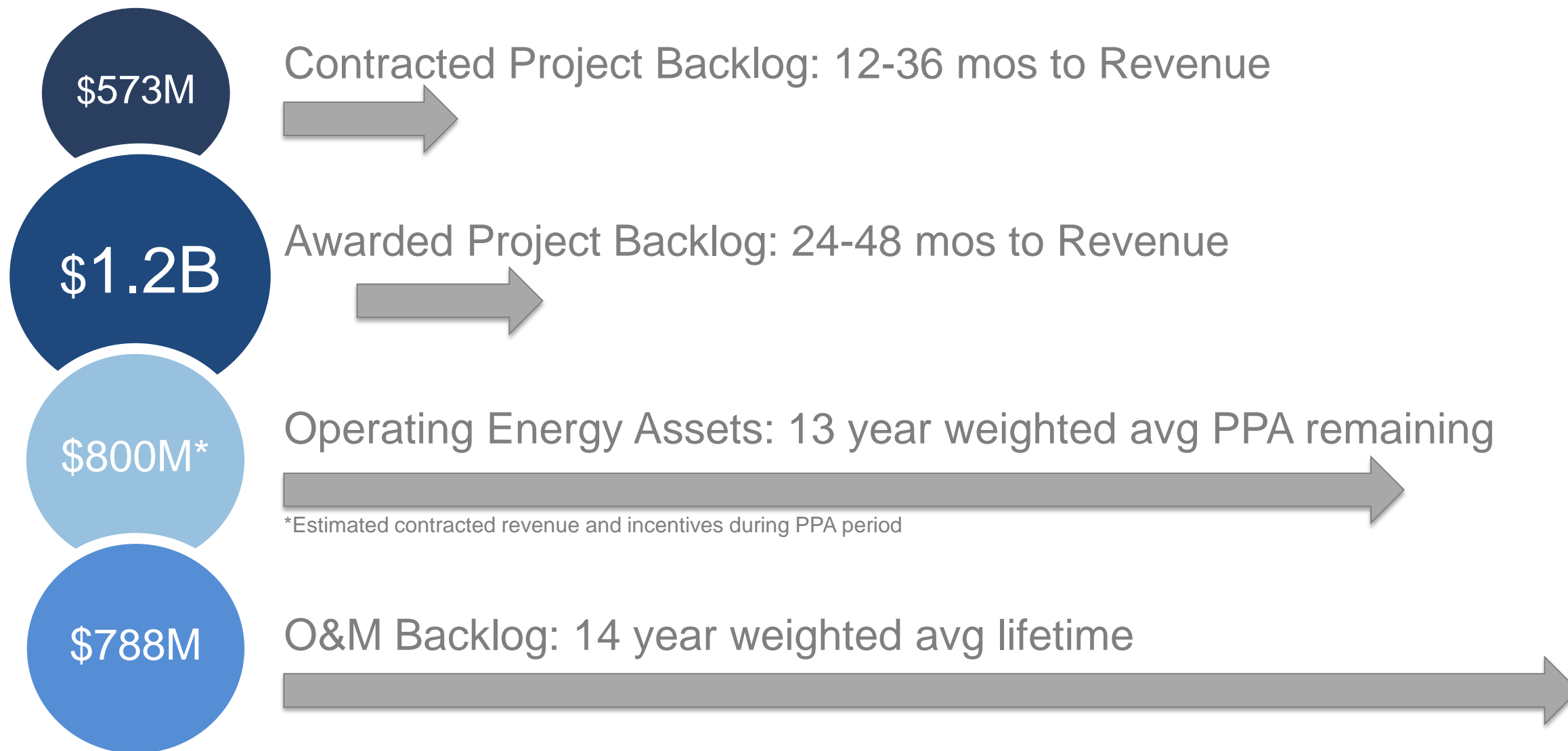


\$69M out of the \$356M energy assets on our balance sheet are still in development or construction.



\$152M out of the \$202M of total debt on our balance sheet is debt associated with our energy assets. **\$150M** of the energy debt is **non-recourse** to Ameresco, Inc.

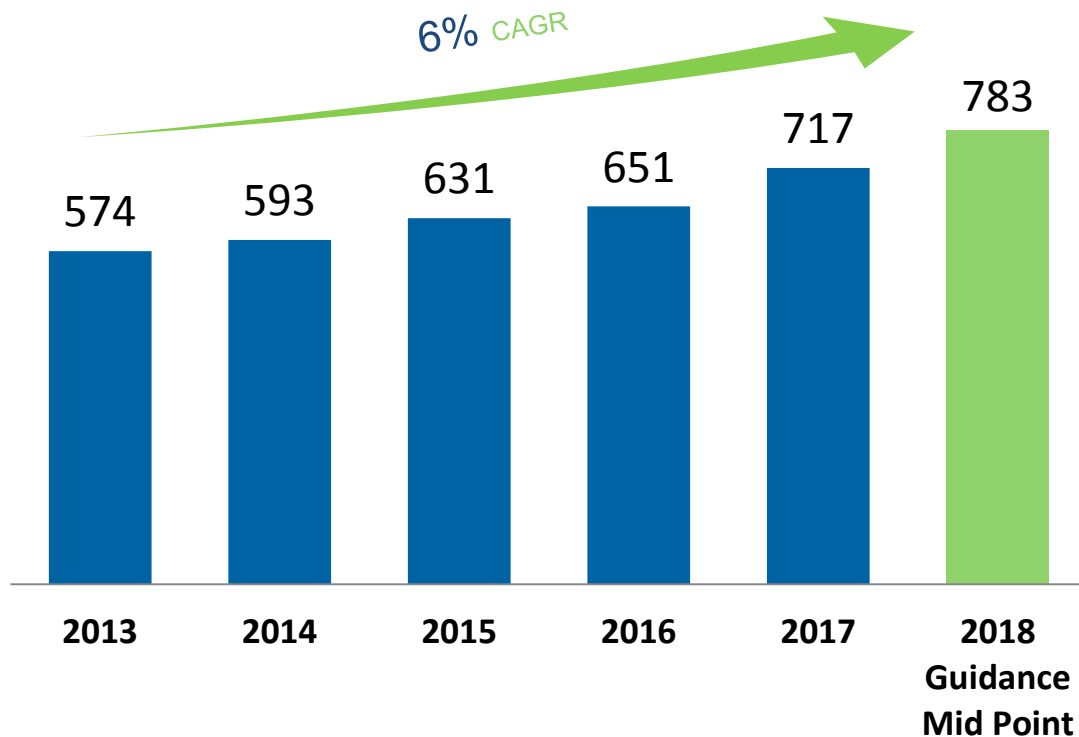
# AMERESCO HAS STRONG MULTI-YEAR VISIBILITY



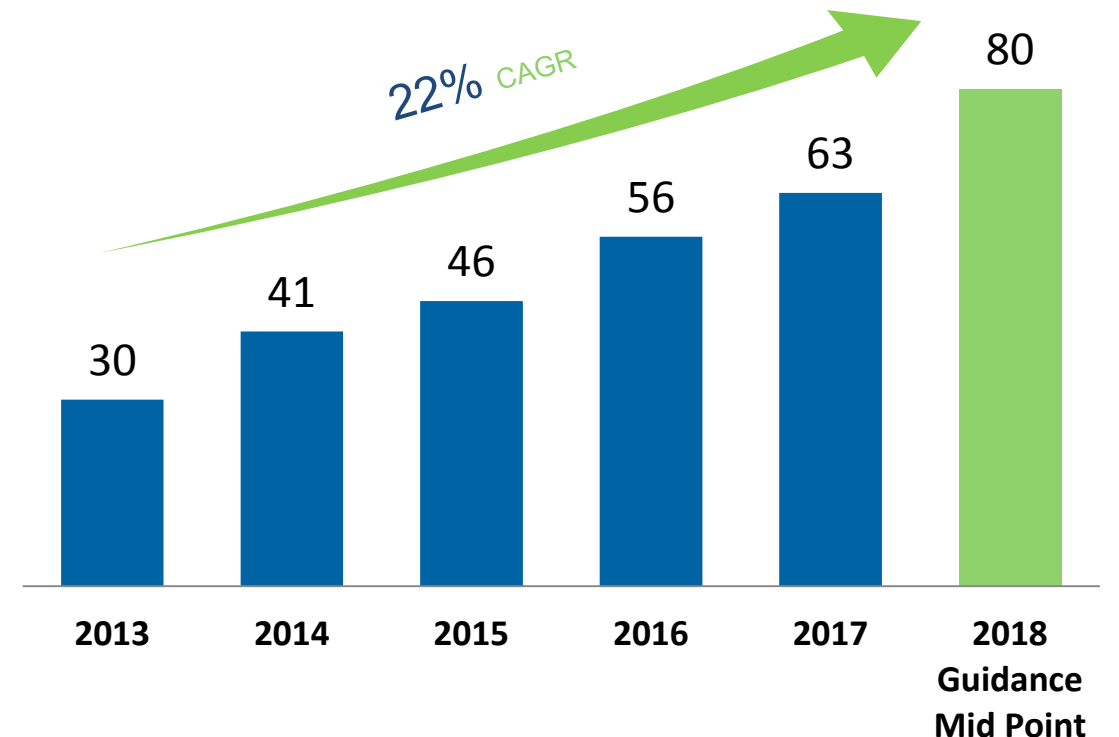
# SUSTAINABLE AND PROFITABLE BUSINESS MODEL

EXPANDING EARNINGS AT A FASTER RATE THAN REVENUE BY GROWING HIGHER MARGIN RECURRING LINES OF BUSINESS

Revenue (\$M)



Adjusted EBITDA (\$M)



FY 2018 guidance was updated 3/6/2018



# APPENDIX

# ENERGY ASSET METRICS

Energy Asset Metrics (in thousands, except megawatt equivalents ("MWe"))				
	As of December 31,			
	2017		2016	
	MWe	\$	MWe	\$
<b>Energy Assets:</b>				
In Operations	190.8	\$287,936	162.0	\$233,030
In Construction	78.0	68,507	98.9	86,728
Total Energy Assets	268.8	\$356,443	260.9	\$319,758
	<b>Three Months Ended December 31,</b>		<b>Twelve Months Ended December 31,</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Energy Assets Performance:</b>				
Revenues	17,440	16,331	\$69,241	\$64,882
Adjusted EBITDA	13,014	10,607	\$42,705	\$35,686
	<b>As of December 31,</b>			
	<b>2017</b>	<b>2016</b>		
<b>Energy Assets Debt Financing:</b>				
In Operations	\$136,991	102,228		
In Construction	\$15,046	16,511		
Total Debt Financing	\$152,037	\$118,739		

# GAAP TO NON-GAAP RECONCILIATION

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2017 (Unaudited)	2016 (Unaudited)	2017 (Unaudited)	2016 (Unaudited)
<b>Adjusted EBITDA:</b>				
Net income attributable to common shareholders	\$23,811	\$3,269	\$37,491	\$12,032
Impact of redeemable non-controlling interests	(3,310)	114	(3,983)	(35)
Plus: Income tax provision	(9,087)	1,498	(4,791)	4,370
Plus: Other expenses, net	2,639	2,448	7,871	7,409
Plus: Depreciation and amortization of intangible assets	6,658	6,523	25,493	24,755
Plus: Stock-based compensation	317	376	1,293	1,462
Plus: Restructuring and other charges	50	147	(111)	6,206
Adjusted EBITDA	<u>\$21,078</u>	<u>\$14,375</u>	<u>\$63,263</u>	<u>\$56,199</u>
Adjusted EBITDA margin	<b>10.2%</b>	<b>10.6%</b>	<b>8.3%</b>	<b>8.8%</b>
<b>Non-GAAP net income and EPS:</b>				
Net income attributable to common shareholders	\$23,811	\$3,269	\$37,491	\$12,032
Impact of redeemable non-controlling interests	(3,310)	114	(3,983)	(35)
Plus: Restructuring and other charges	50	147	(111)	6,206
Plus: Income Tax effect of non-GAAP adjustments	1,534	-	1,578	(1,430)
Non-GAAP net income	<u>\$22,085</u>	<u>\$3,530</u>	<u>\$34,975</u>	<u>\$16,773</u>
<b>Earnings per share:</b>				
Diluted net income per common share	\$0.52	\$0.07	\$0.82	\$0.26
Effect of adjustments to net income	(0.04)	0.01	(0.06)	0.10
Non-GAAP EPS	<u>\$0.48</u>	<u>\$0.08</u>	<u>\$0.76</u>	<u>\$0.36</u>
<b>Adjusted cash from operations:</b>				
Cash flows from operating activities	(\$45,803)	(\$10,697)	(\$136,559)	(\$58,073)
Plus: proceeds from Federal ESPC projects	42,673	24,964	165,013	90,039
Adjusted cash from operations	<u>(\$3,130)</u>	<u>\$14,267</u>	<u>\$28,454</u>	<u>\$31,966</u>

# PERFORMANCE BY SEGMENT

Performance by Segment (in thousands):				
	Three Months Ended		Twelve Months Ended	
	Revenues	Adjusted EBITDA	Revenues	Adjusted EBITDA
<b>December 31, 2017</b>				
U.S. Regions	\$98,241	\$8,639	\$290,196	\$20,001
U.S. Federal	58,243	7,130	229,146	33,030
Canada	10,591	1,080	43,803	3,507
Non-Solar DG	25,516	9,052	79,220	27,455
All Other	18,599	1,122	74,932	4,893
Unallocated corporate activity	(59)	(5,946)	(146)	(25,631)
Total Consolidated	<u>\$211,133</u>	<u>\$21,077</u>	<u>\$717,152</u>	<u>\$63,255</u>
<b>December 31, 2016</b>				
U.S. Regions	\$75,966	\$7,062	\$276,766	\$23,022
U.S. Federal	49,739	6,932	178,005	25,893
Canada	10,425	503	50,448	2,667
Non-Solar DG	17,796	5,208	74,395	27,904
All Other	20,162	1,231	71,592	2,463
Unallocated corporate activity	137	(6,557)	21	(25,744)
Total Consolidated	<u>\$174,225</u>	<u>\$14,379</u>	<u>\$651,227</u>	<u>\$56,205</u>

Small Scale Infrastructure segment has been renamed Non-Solar Distributed Generation "DG"

Solar electricity and SREC revenue previously attributed to Small Scale Infrastructure has been reclassified into U.S. Regions

# SEGMENTS BY LINE OF BUSINESS – THREE MONTHS

Segment Revenues by Line of Business for the Three Months Ended December 31 (in thousands):						
	U.S. Regions	U.S. Federal	Canada	Non-Solar DG	All Other	Total Consolidated
<b>2017</b>						
Project	\$89,697	\$47,702	\$8,312	\$10,444	\$1,090	\$157,245
Energy Assets	2,649	691	370	13,363	269	17,342
O&M	4,083	9,527	18	1,571	-	15,199
Integrated-PV	-	-	-	-	9,609	9,609
Other Services	1,811	324	1,891	138	7,574	11,738
Total Revenues	<u>\$98,240</u>	<u>\$58,244</u>	<u>\$10,591</u>	<u>\$25,516</u>	<u>\$18,542</u>	<u>\$211,133</u>
<b>2016</b>						
Project	\$69,194	\$39,558	\$8,411	\$3,062	\$3,898	\$124,123
Energy Assets	2,065	513	387	12,966	307	16,238
O&M	4,335	9,668	-	1,412	-	15,415
Integrated-PV	-	-	-	-	7,719	7,719
Other Services	372	-	1,627	356	8,375	10,730
Total Revenues	<u>\$75,966</u>	<u>\$49,739</u>	<u>\$10,425</u>	<u>\$17,796</u>	<u>\$20,299</u>	<u>\$174,225</u>

Small Scale Infrastructure segment has been renamed Non-Solar Distributed Generation “DG”

Solar electricity and SREC revenue previously attributed to Small Scale Infrastructure has been reclassified into U.S. Regions



# SEGMENTS BY LINE OF BUSINESS – TWELVE MONTHS

Segment Revenues by Line of Business for the Twelve Months Ended December 31 (in thousands):						
	U.S. Regions	U.S. Federal	Canada	Non-Solar DG	All Other	Total Consolidated
<b>2017</b>						
Project	\$257,220	\$187,515	\$34,436	\$21,943	\$5,436	\$506,550
Energy Assets	11,522	3,378	2,686	50,540	1,115	69,241
O&M	16,923	37,341	34	6,276	-	60,574
Integrated-PV	-	-	-	-	38,796	38,796
Other Services	4,531	912	6,647	461	29,441	41,991
Total Revenues	<u>\$290,196</u>	<u>\$229,146</u>	<u>\$43,803</u>	<u>\$79,220</u>	<u>\$74,787</u>	<u>\$717,152</u>
<b>2016</b>						
Project	\$251,630	\$134,154	\$41,324	\$17,604	\$9,488	\$454,200
Energy Assets	7,051	3,519	2,428	50,658	1,226	64,882
O&M	17,261	40,330	449	5,023	19	63,082
Integrated-PV	-	-	-	-	29,325	29,325
Other Services	824	2	6,247	1,110	31,555	39,738
Total Revenues	<u>\$276,766</u>	<u>\$178,005</u>	<u>\$50,448</u>	<u>\$74,395</u>	<u>\$71,613</u>	<u>\$651,227</u>

Small Scale Infrastructure segment has been renamed Non-Solar Distributed Generation “DG”

Solar electricity and SREC revenue previously attributed to Small Scale Infrastructure has been reclassified into U.S. Regions



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