



CANACCORD GENUITY GROWTH CONFERENCE

AUGUST 2018

SAFE HARBOR

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, 2017, filed with the U.S. Securities and Exchange Commission on March 7, 2018. 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.”



COMPANY OVERVIEW

ABOUT AMERESCO

We empower our customers with cost-effective, environmentally sustainable solutions.

Leading Energy Services Provider

- Implement efficient, energy and money-saving solutions, including retrofits
- Design, build and even operate client-owned renewable energy sources
- Tailor services to meet specific customer needs and sustainability goals

**Trusted
sustainability
partner to
public and
private
sectors**

**Socially
responsible.
Economically
efficient.**

Pioneering Developer of Renewable Power Projects


- Industry-leading expertise in solar and landfill gas
- Developed over 300 MW of renewable energy projects
- Nearly \$200 Million in renewable power projects for customers



**Energy
Efficiency**



**Renewable
Energy**



**Energy
Information**



**COMPREHENSIVE
SOLUTIONS**



**Energy
Infrastructure**



Energy Storage



**Energy
Resiliency &
Security**

ONSITE ENERGY GENERATION:

Solar PV and CHP measures provide more than 10 MW of combined electricity generation annually providing capacity for sustained electrical supply during utility outages.

ENERGY STORAGE SYSTEMS:

4MW/8.1MWh energy storage systems provide reliable and fast responding power and can support islanding from the utility.

MICROGRID SOLUTIONS:





The microgrid system integrates advanced and intelligent load control systems, energy storage, and on-base generation assets to manage the MCRD mission-determined prioritizing of loads based on the criticality of the mission to the Marines and to Parris Island training operations.

**MARINE CORPS RECRUIT DEPOT
PARRIS ISLAND, SOUTH CAROLINA**

The United States Marine Corps Recruit Depot Parris Island selected Ameresco to deploy a comprehensive ESPC project to further the Marine Corps Installation Command mission to ensure a reliable, secure energy supply and reduce lifecycle operating costs of Marine Corps facilities while managing future commodity price volatility.

- Also includes energy and water efficiency upgrades to 121 buildings to improve system performance and to reduce O&M costs.
 - More than 29,000 high-efficiency light emitting diode (LED) based fixtures and retrofits will be installed to replace existing lighting systems.
 - Other measures include upgrades to the controls system, heating ventilation and air conditioning, chillers, cooling towers, lighting controls, water fixtures and steam traps.

PROJECT DETAILS

 75% REDUCTION UTILITY ENERGY DEMAND	 25% REDUCTION TOTAL WATER CONSUMPTION	 10 MW ONSITE ELECTRIC GENERATION	 \$6 MILLION SAVED ANNUALLY
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ENERGY EFFICIENCY:

Over 150,000 LED lights within the houses and 3,000 street lights.
 Over 5,000 high efficiency water source heat pumps with smart thermostats, water fixture replacements, insulation and sealing work.

ENERGY GENERATION:

6.1MW of new rooftop solar PV energy systems to further reduce IPC's net effective portfolio electric rate and carbon footprint by increasing the proportionate use of clean renewable energy and decreasing consumption of grid-supplied power.

OPERATIONS & MAINTENANCE:

25-year O&M agreement for the solar and HVAC maintenance.

**ISLAND PALM COMMUNITIES
 ENERGY SECURITY MODERNIZATION PROJECT**


Partnership with Lendlease to modernize over 5,800 privatized military housing homes in Hawaii.

- New highly-efficient HVAC systems improve resident comfort, reduce mechanical outages, and standardize HVAC system type across the portfolio to lower O&M costs. Added ductwork provides higher resident satisfaction in existing homes without central air.
- Housing envelope improvements, weatherization sealing, attic insulation.
- Domestic water conservation including high efficiency toilets and low-flow aerators and showerheads.
- 150,000 residential LED lights and 3,000 LED street lights.
- 6.1MW of new rooftop solar PV energy systems.
- Maximized utility rebates for lighting and HVAC through partnership with local utility.

PROJECT DETAILS



\$152 MILLION
 ENERGY EFFICIENCY
 UPGRADES



\$21 MILLION
 SOLAR PV



\$131 MILLION
 25-YEAR O&M
 AGREEMENT



\$13.8 MILLION
 SAVED
 ANNUALLY

THE AMERESCO ADVANTAGE

Ameresco delivers the best value to clients through:

Independence, Flexibility and Objectivity

- No parent company
- No manufacturer/contractor affiliations
 - Competitive procurement for products and installation labor
- Flexible financing approaches
- Single-source provider



Client-centric Solutions

Proven Expertise

- Deep, diverse experience across industries and technologies
- In-house engineering and project management
- Fully integrated project development and implementation expertise
- Innovative solutions



Peace of Mind

Financially Strong and Stable

- \$717.2 million annual revenue in 2017
- \$2.5 billion project financing sourced and raised
- Over \$5 billion in energy solutions delivered since inception
- Continued growth generated through both new business and recurring revenue streams



Reliability

Reputation for Excellence

- Acknowledged/Established/Well-known reputation for project performance and customer satisfaction
- Deliver immediate and long-term results
 - Energy savings
 - Financial savings
 - Carbon reduction/Sustainability goals
 - Resource conservation



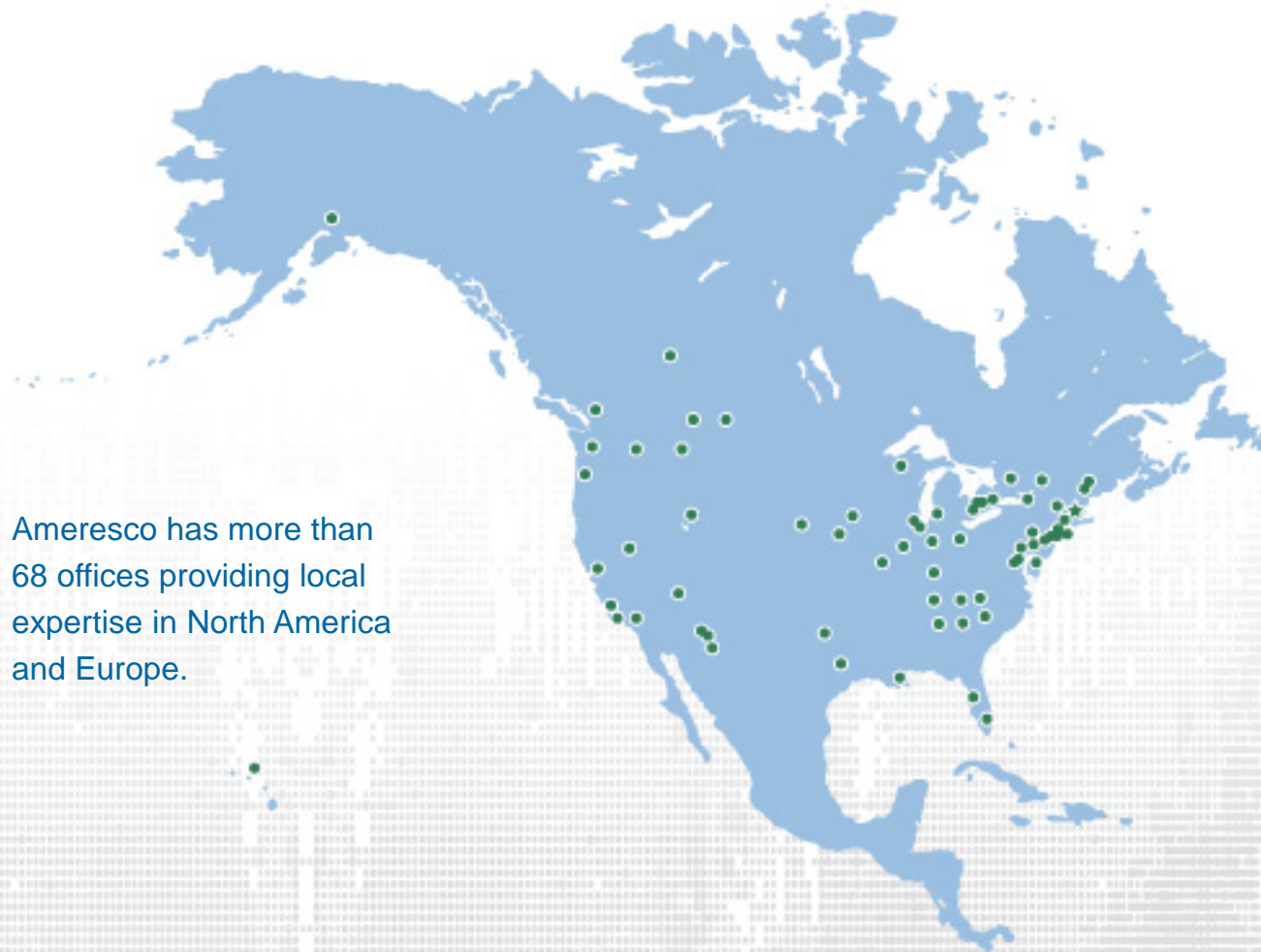
Confidence

INDUSTRIES WE SERVE



GLOBAL MARKET PRESENCE

Ameresco has more than 68 offices providing local expertise in North America and Europe.



United Kingdom



Spain



Brazil

AMERESCO LOCATIONS



WE ARE THE LEADING ENERGY SOLUTIONS PROVIDER

\$2.8 Billion
project financing

MORE THAN
1,000
employees

Founded in
2000

212MWe
Owned
Energy
Assets

OVER
\$6 Billion
in energy solutions

\$1
Billion
bonding
capacity

PUBLIC
2010
NYSE: AMRC

Profitable since
2002

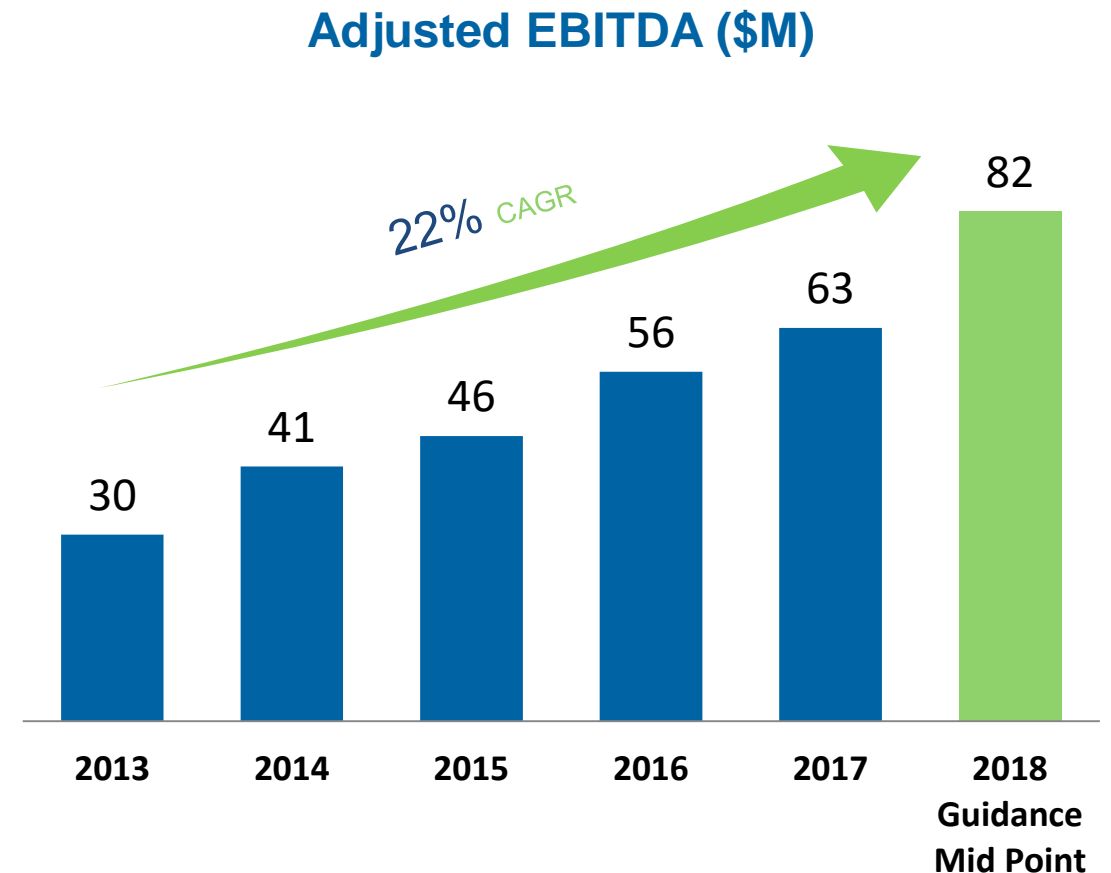
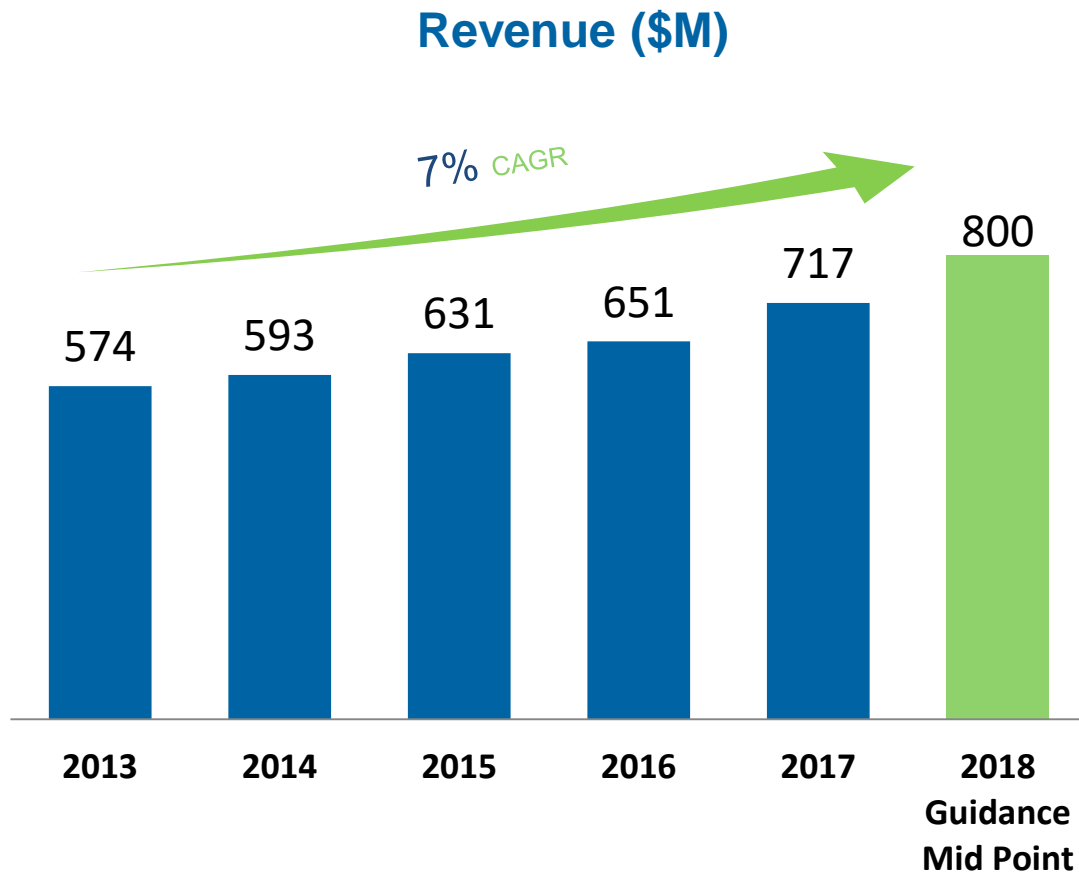
\$717
Million
2017 Revenue



PROVEN RESULTS

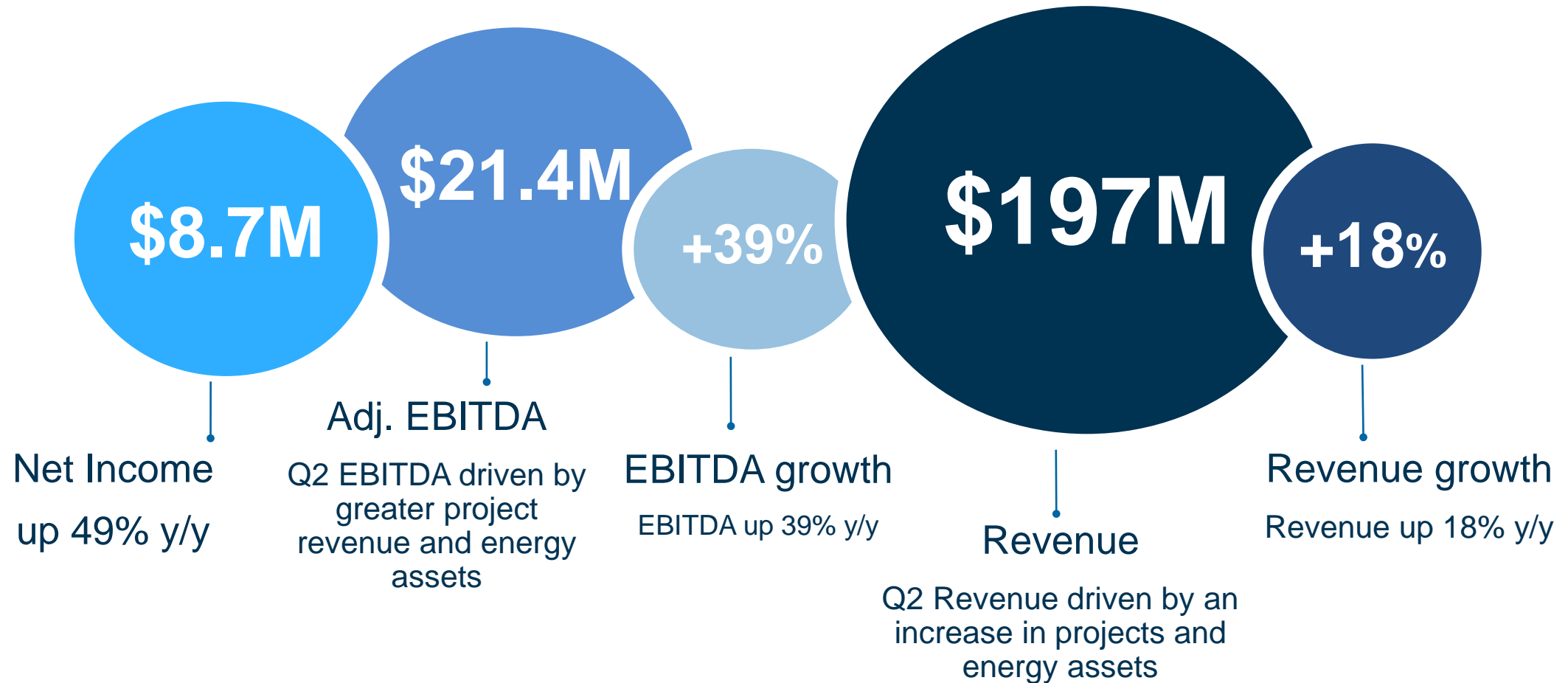
SUSTAINABLE AND PROFITABLE BUSINESS MODEL

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



FY 2018 revenue, adjusted EBITDA and EPS guidance was revised 8/7/2018.

Q2 2018 HIGHLIGHTS



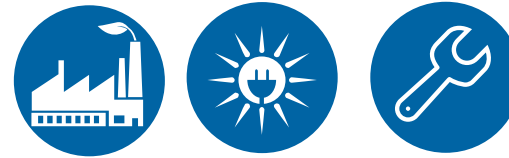
SOURCES OF REVENUE Q2 2018



\$139.0M

Projects

Energy efficiency and renewable energy projects



\$38.7M

Recurring

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

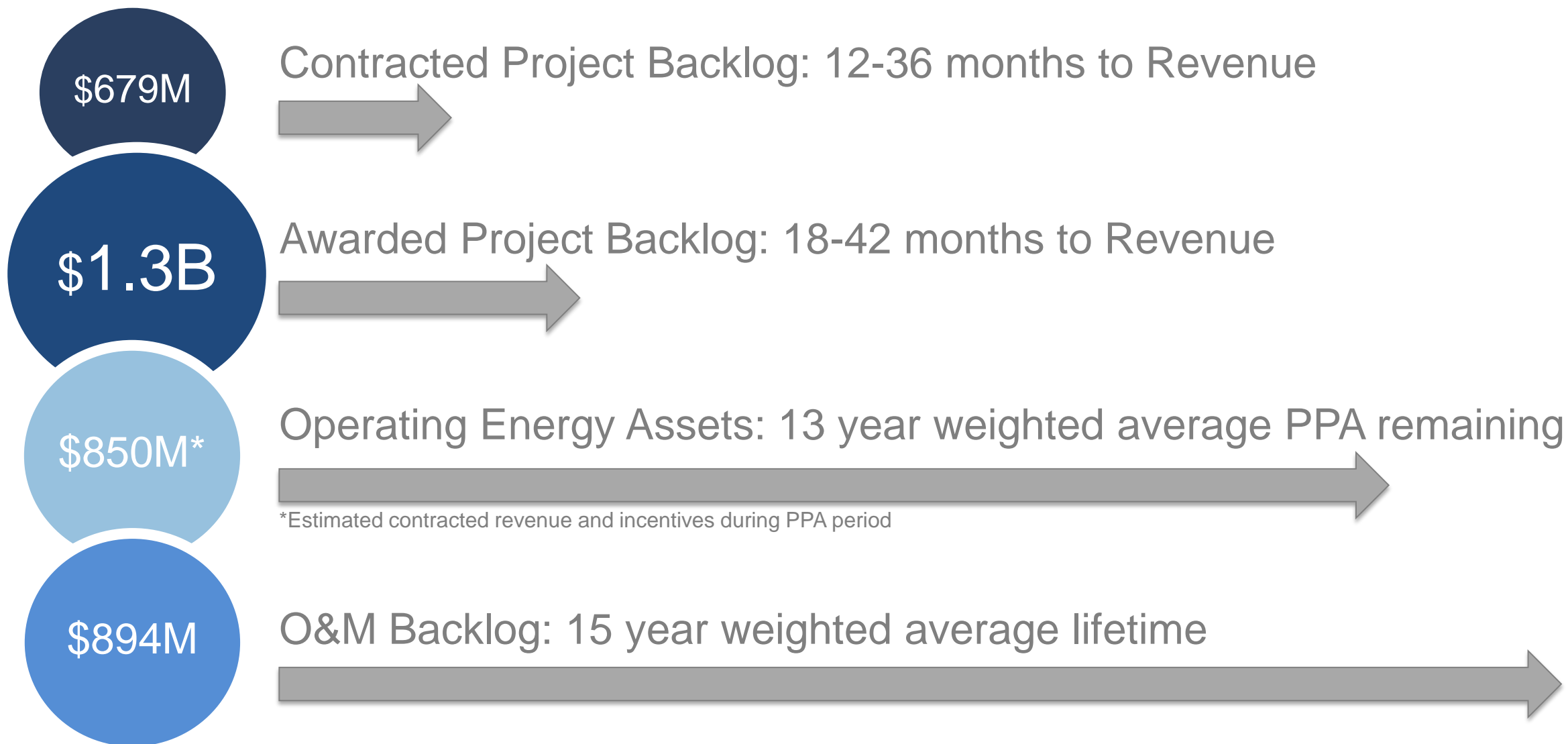


\$19.3M

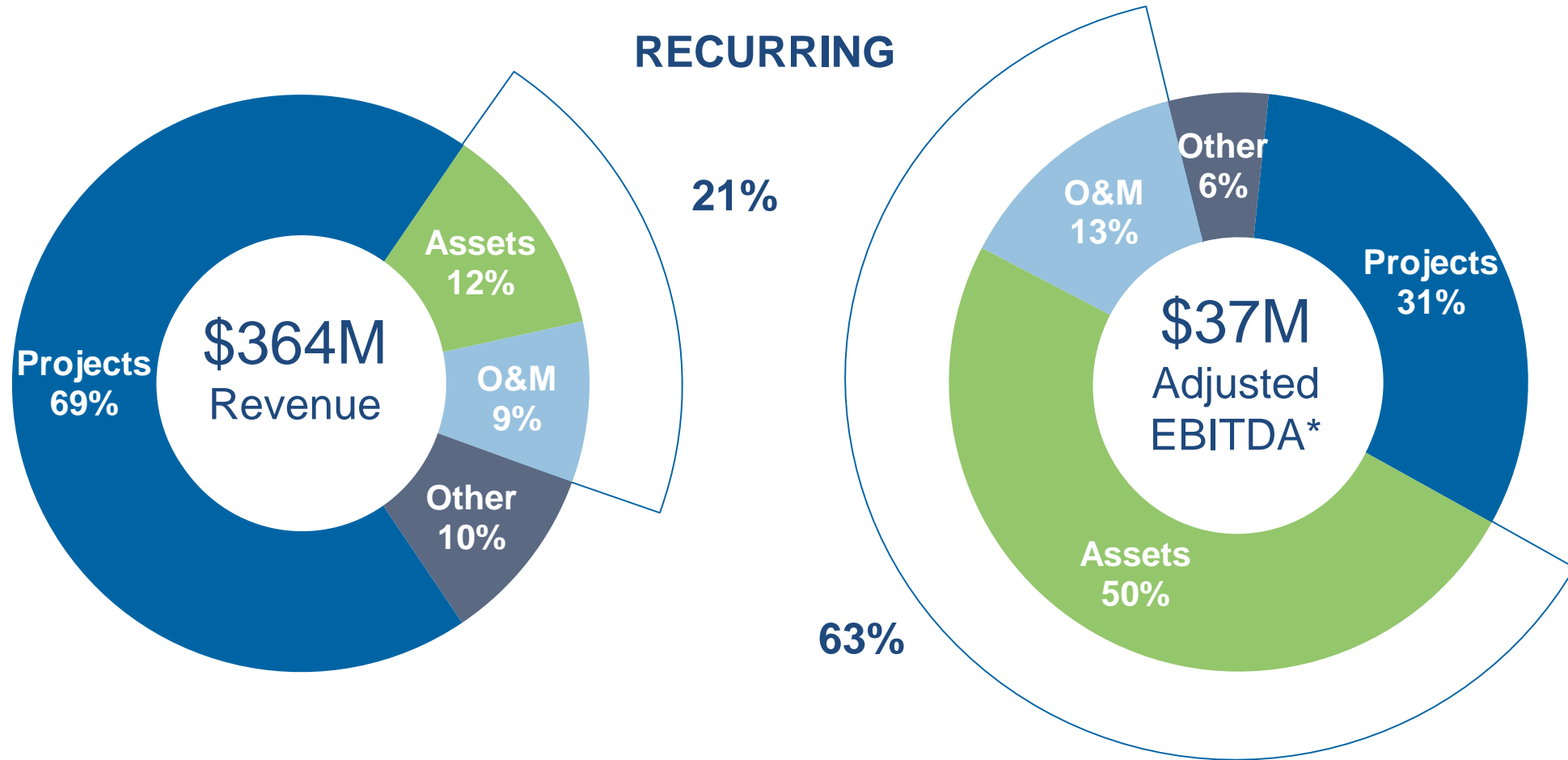
Other

Services, software and integrated PV

AMERESCO HAS STRONG MULTI-YEAR VISIBILITY

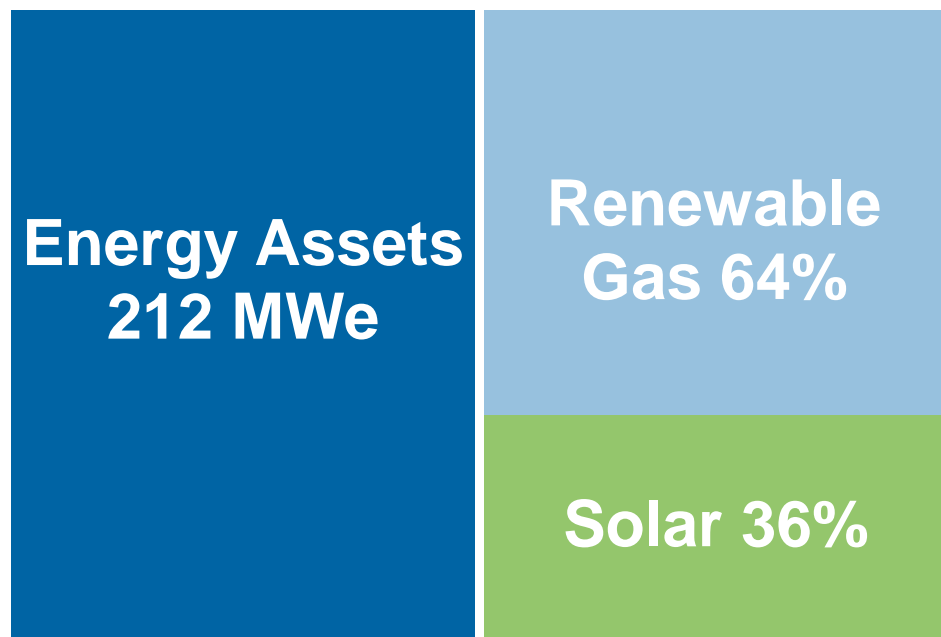


63% OF PROFIT CAME FROM RECURRING LINES OF BUSINESS YTD 2018

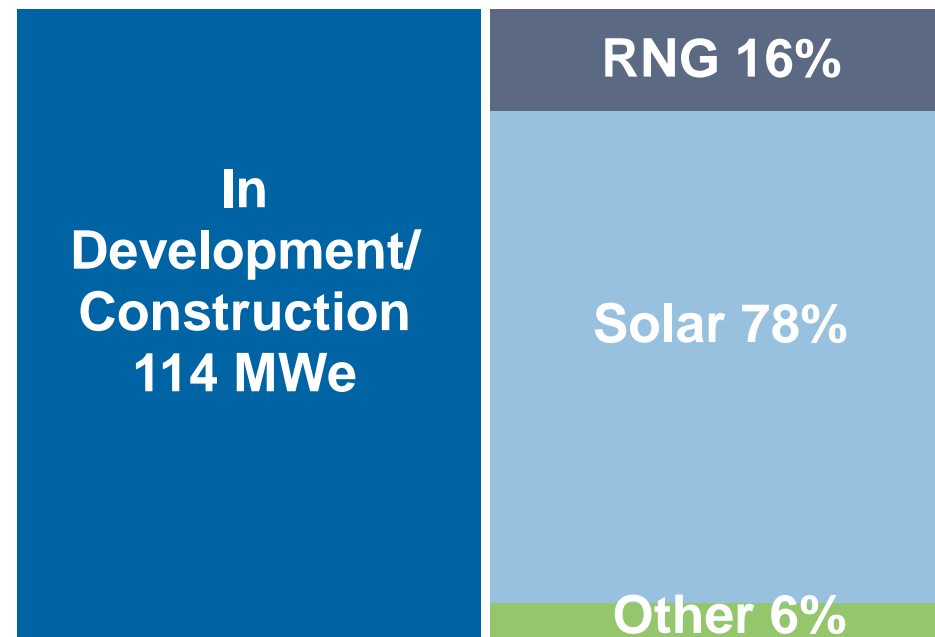


* Adjusted EBITDA percentage amounts exclude unallocated corporate expenses.

ENERGY ASSET PORTFOLIO – 6/30/2018



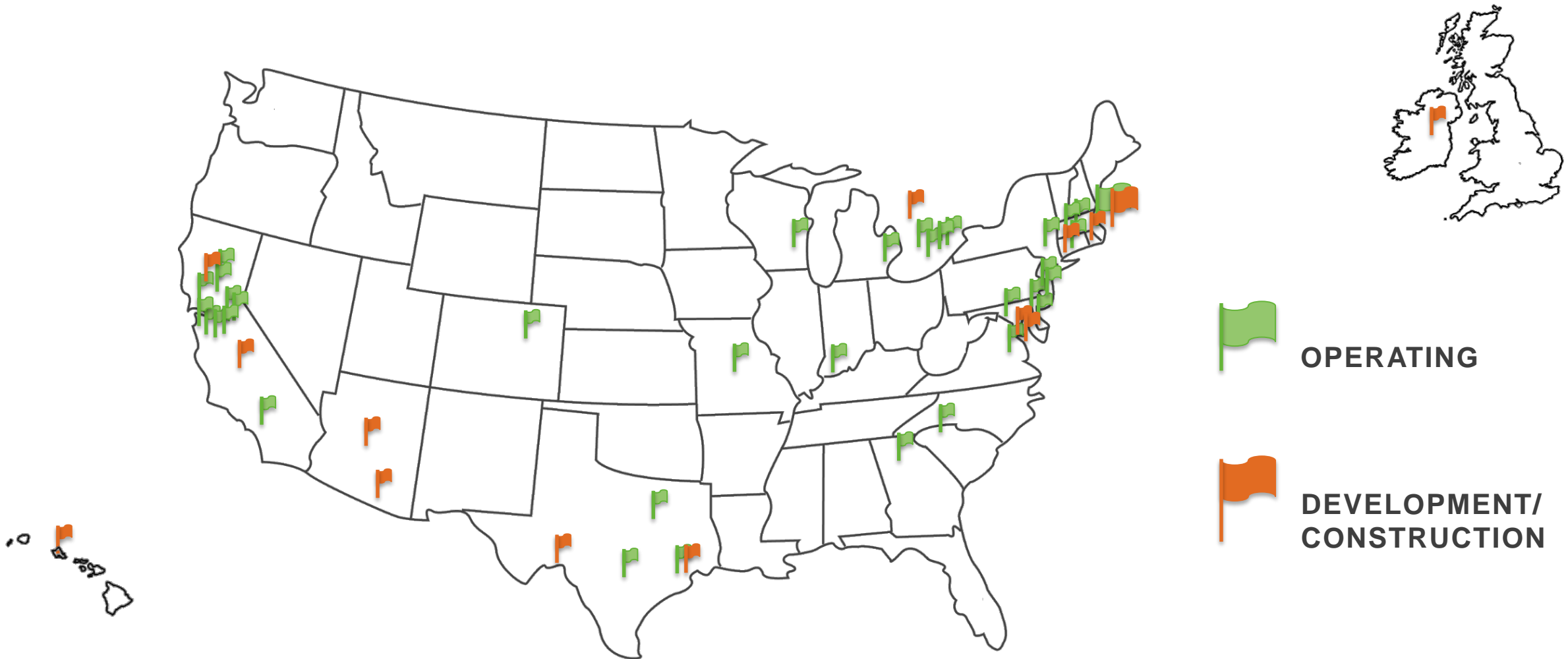
212 MWe of Energy Assets. Renewable Gas is 135 MWe, Solar is 77 MW*



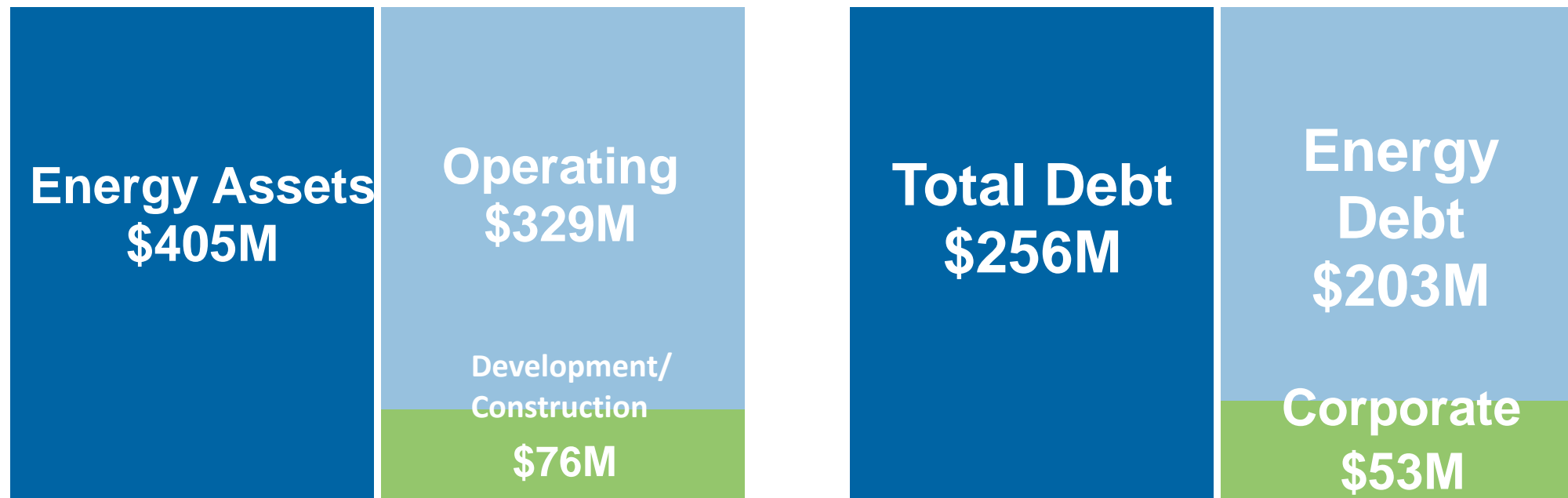
114 MWe in development & construction. Renewable Gas is 18 MWe, Solar is 90 MW, Other is 6 MW*

* Numbers may not sum due to rounding

DIVERSIFIED PORTFOLIO OF ENERGY ASSETS



ENERGY ASSET BALANCE SHEET – 6/30/2018



\$76M out of the \$405M energy assets on our balance sheet are still in development or construction.

\$203M out of the \$256M of total debt on our balance sheet is debt associated with our energy assets. **\$201M** of the energy debt is **non-recourse** to Ameresco, Inc.

* Numbers may not sum due to rounding



APPENDIX

ENERGY ASSET METRICS

Energy Asset Metrics (in thousands, except megawatt equivalents ("MWe"))				
	As of June 30,			
	2018		2017	
	MWe	\$	MWe	\$
Energy Assets:				
In Operations	212.0	329,131	175.0	244,686
In Development/Construction	114.4	75,757	95.2	103,786
Total Energy Assets	326.4	\$404,888	270.2	\$348,472
	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Energy Assets Performance:				
Revenues	\$22,791	\$17,894	\$44,286	\$33,308
Adjusted EBITDA	\$13,922	\$11,037	\$27,672	\$19,219
	As of June 30,			
	2018	2017		
Energy Assets Debt Financing:				
In Operations	169,796	106,684		
In Development/Construction	33,400	34,383		
Total Debt Financing	\$203,196	\$141,067		

GAAP TO NON-GAAP RECONCILIATION

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Adjusted EBITDA:				
Net income attributable to common shareholders	\$8,702	\$5,831	\$15,690	\$5,187
Impact of redeemable non-controlling interests	-	129	516	(971)
Plus: Income tax provision	1,307	1,060	(1,472)	415
Plus: Other expenses, net	3,966	1,738	7,510	3,564
Plus: Depreciation and amortization of intangible assets	7,413	6,090	14,520	12,272
Plus: Stock-based compensation	392	307	747	650
Plus: Restructuring and other charges	(352)	244	(320)	244
Adjusted EBITDA	<u>\$21,428</u>	<u>\$15,399</u>	<u>\$37,191</u>	<u>\$21,361</u>
Adjusted EBITDA margin	10.9%	9.2%	10.2%	7.1%
Non-GAAP net income and EPS:				
Net income attributable to common shareholders	\$8,702	\$5,831	\$15,690	\$5,187
Impact of redeemable non-controlling interests	-	129	516	(971)
Plus: Restructuring and other charges	(352)	244	(320)	244
Plus: Income Tax effect of non-GAAP adjustments	-	(44)	(27)	(44)
Non-GAAP net income	<u>\$8,350</u>	<u>\$6,160</u>	<u>\$15,859</u>	<u>\$4,416</u>
Earnings per share:				
Diluted net income per common share	\$0.19	\$0.13	\$0.34	\$0.11
Effect of adjustments to net income	(0.01)	-	-	(0.01)
Non-GAAP EPS	<u>\$0.18</u>	<u>\$0.13</u>	<u>\$0.34</u>	<u>\$0.10</u>
Adjusted cash from operations:				
Cash flows from operating activities	(\$20,067)	(\$19,408)	(\$57,137)	(\$51,419)
Plus: proceeds from Federal ESPC projects	33,083	38,869	69,664	74,036
Adjusted cash from operations	<u>\$13,016</u>	<u>\$19,461</u>	<u>\$12,527</u>	<u>\$22,617</u>

PERFORMANCE BY SEGMENT

Performance by Segment (in thousands):				
	Three Months Ended		Six Months Ended	
	Revenues	Adjusted EBITDA	Revenues	Adjusted EBITDA
June 30, 2018				
U.S. Regions	\$88,778	\$7,268	\$163,469	\$14,567
U.S. Federal	58,214	10,998	105,999	17,739
Canada	7,958	464	16,862	(587)
Non-Solar DG	19,921	8,269	38,038	16,171
All Other	21,554	1,292	39,491	2,593
Unallocated corporate activity	557	(6,863)	533	(13,292)
Total Consolidated	<u>\$196,982</u>	<u>\$21,428</u>	<u>\$364,392</u>	<u>\$37,191</u>
June 30, 2017				
U.S. Regions	\$64,834	\$4,740	\$109,323	\$3,202
U.S. Federal	59,106	9,836	107,030	16,229
Canada	8,991	1,005	18,492	1,222
Non-Solar DG	15,211	5,715	30,856	11,639
All Other	18,557	871	35,636	2,267
Unallocated corporate activity	(33)	(6,768)	(61)	(13,198)
Total Consolidated	<u>\$166,665</u>	<u>\$15,399</u>	<u>\$301,275</u>	<u>\$21,361</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 June 30 (in thousands):

	U.S. Regions	U.S. Federal	Canada	Non-Solar DG	All Other	Total Consolidated
2018						
Project	\$80,877	\$47,437	\$5,316	\$1,201	\$4,200	\$139,031
Energy Assets	3,799	1,140	1,017	16,501	334	22,791
O&M	4,069	9,566		2,258		15,893
Integrated-PV					10,442	10,442
Other Services	33	71	1,625	(39)	7,135	8,825
Total Revenues	<u>\$88,778</u>	<u>\$58,214</u>	<u>\$7,958</u>	<u>\$19,921</u>	<u>\$22,111</u>	<u>\$196,982</u>
2017						
Project	\$56,690	\$48,037	\$6,449	\$1,202	\$714	\$113,092
Energy Assets	3,249	1,102	919	12,373	251	17,894
O&M	4,508	9,750		1,568		15,826
Integrated-PV					10,345	10,345
Other Services	386	216	1,624	68	7,214	9,508
Total Revenues	<u>\$64,834</u>	<u>\$59,106</u>	<u>\$8,991</u>	<u>\$15,211</u>	<u>\$18,524</u>	<u>\$166,665</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 – SIX MONTHS

Segment Revenues by Line of Business for the Six Months Ended June 30 (in thousands):

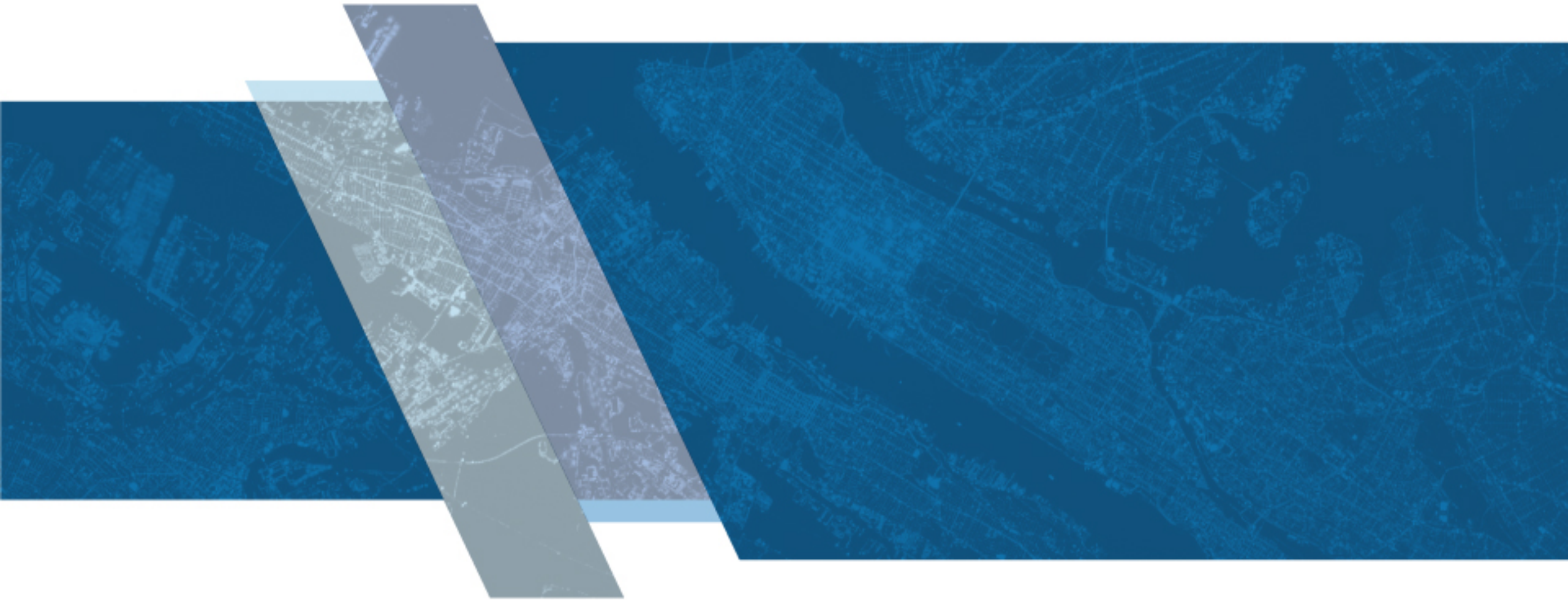
	U.S. Regions	U.S. Federal	Canada	Non-Solar DG	All Other	Total Consolidated
2018						
Project	\$146,317	\$85,275	\$12,253	\$2,100	\$4,770	\$250,715
Energy Assets	8,780	1,909	1,383	31,615	599	44,286
O&M	7,964	18,744	19	4,254		30,981
Integrated-PV					20,773	20,773
Other Services	408	71	3,207	69	13,882	17,637
Total Revenues	<u>\$163,469</u>	<u>\$105,999</u>	<u>\$16,862</u>	<u>\$38,038</u>	<u>\$40,024</u>	<u>\$364,392</u>
2017						
Project	\$94,457	\$85,996	\$14,165	\$2,320	\$1,599	\$198,537
Energy Assets	4,763	1,536	1,303	25,172	534	33,308
O&M	8,563	18,911		3,086		30,561
Integrated-PV					18,501	18,501
Other Services	1,539	587	3,024	278	14,940	20,368
Total Revenues	<u>\$109,323</u>	<u>\$107,030</u>	<u>\$18,492</u>	<u>\$30,856</u>	<u>\$35,575</u>	<u>\$301,275</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

NON-GAAP FINANCIAL MEASURES

- We use the non-GAAP financial measures defined and discussed below to provide investors and others with useful supplemental information to our financial results prepared in accordance with GAAP. These non-GAAP financial measures should not be considered as an alternative to any measure of financial performance calculated and presented in accordance with GAAP. For a reconciliation of these non-GAAP measures to the most directly comparable financial measures prepared in accordance with GAAP, please see Other Non-GAAP Disclosure and Non-GAAP Financial Guidance in the tables above.
- We understand that, although measures similar to these non-GAAP financial measures are frequently used by investors and securities analysts in their evaluation of companies, they have limitations as analytical tools, and investors should not consider them in isolation or as a substitute for the most directly comparable GAAP financial measures or an analysis of our results of operations as reported under GAAP. To properly and prudently evaluate our business, we encourage investors to review our GAAP financial statements included above, and not to rely on any single financial measure to evaluate our business.
- **Adjusted EBITDA**
We define adjusted EBITDA as operating income before depreciation, amortization of intangible assets, stock-based compensation expense, restructuring charges, loss related to a significant non-core project in Canada and charges related to a significant customer bankruptcy. We believe adjusted EBITDA is useful to investors in evaluating our operating performance for the following reasons: adjusted EBITDA and similar non-GAAP measures are widely used by investors to measure a company's operating performance without regard to items that can vary substantially from company to company depending upon financing and accounting methods, book values of assets, capital structures and the methods by which assets were acquired; securities analysts often use adjusted EBITDA and similar non-GAAP measures as supplemental measures to evaluate the overall operating performance of companies; and by comparing our adjusted EBITDA in different historical periods, investors can evaluate our operating results without the additional variations of depreciation and amortization expense, stock-based compensation expense, restructuring charges, loss related to a significant non-core project in Canada and charges related to a significant customer bankruptcy.
- Our management uses adjusted EBITDA as a measure of operating performance, because it does not include the impact of items that we do not consider indicative of our core operating performance; for planning purposes, including the preparation of our annual operating budget; to allocate resources to enhance the financial performance of the business; to evaluate the effectiveness of our business strategies; and in communications with the board of directors and investors concerning our financial performance.
- **Non-GAAP Net Income and EPS**
We define non-GAAP net income and earnings per share ("EPS") to exclude certain discrete items that management does not consider representative of our ongoing operations, including restructuring charges, loss related to a significant non-core project in Canada, charges related to a significant customer bankruptcy and loss attributable to redeemable non-controlling interest. We consider non-GAAP net income to be an important indicator of our operational strength and performance of our business because it eliminates the effects of events that are not part of the Company's core operations.
- **Adjusted Cash From Operations**
We define adjusted cash from operations as cash flows from operating activities plus proceeds from Federal ESPC projects. Cash received in payment of Federal ESPC projects is treated as a financing cash flow under GAAP due to the unusual financing structure for these projects. These cash flows, however, correspond to the revenue generated by these projects. Thus we believe that adjusting operating cash flow to include the cash generated by our Federal ESPC projects provides investors with a useful measure for evaluating the cash generating ability of our core operating business. Our management uses adjusted cash from operations as a measure of liquidity because it captures all sources of cash associated with our revenue generated by operations.



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