

Ameresco Reports Second Quarter 2012 Financial Results

Second Quarter 2012 Financial Highlights:

- Revenue of \$164.1 million
- Net income of \$5.2 million
- Net income per diluted share of \$0.11

6 Month Year-to-Date 2012 Financial Highlights:

- Revenue of \$310.7 million
- Net income of \$6.7 million
- Net income per diluted share of \$0.14

FRAMINGHAM, Mass.--(BUSINESS WIRE)-- Ameresco, Inc. (NYSE:AMRC) a leading energy efficiency and renewable energy company, today announced financial results for the fiscal quarter ended June 30, 2012. The Company has also furnished prepared remarks in conjunction with this press release in a Current Report on Form 8-K. Those prepared remarks contain supplemental information, including non-GAAP financial metrics, and have been posted to the "Investor Relations" section of the Company's website at www.ameresco.com.

Total revenue for the second quarter of 2012 was \$164.1 million, compared to \$165.5 million for the same period in 2011, a decrease of 0.8% year-over-year. Operating income for the second quarter of 2012 was \$8.3 million, compared to \$13.4 million for the second quarter of 2011, a decrease of 38.2% year-over-year. Second quarter 2012 adjusted EBITDA, a non-GAAP financial measure, was \$13.9 million, compared to \$16.9 million for the same period in 2011, a decrease of 17.8% year-over-year. Net income for the second quarter of 2012 was \$5.2 million, compared to \$8.8 million for the same period of 2011, a decrease of 41.5% year-over-year. Second quarter 2012 net income per diluted share was \$0.11, compared to \$0.19 per diluted share for the same period of 2011.

"Ameresco delivered second quarter financial results in line with expectations," stated George P. Sakellaris, President and Chief Executive Officer of Ameresco. "During the quarter, we continued to execute well on projects in construction, awarded projects increased 40%, total construction backlog reached record levels and revenue from all other offerings increased 56%. However, we are disappointed by the pace of converting awarded projects to signed contracts in a few segments, which is causing us to revise our revenue and net income guidance for 2012. We believe that once normal conversion timing returns in all segments that we will be well positioned for future growth."

For the six months ended June 30, 2012, we reported total revenue of \$310.7 million, compared to \$311.9 million for the same period in 2011, a decrease of 0.4% year-over-year. Operating income for the first six months of 2012 was \$11.7 million, compared to \$21.7 million for the first six months of 2011, a decrease of 46.1% year-over-year. Adjusted EBITDA for the first six months of 2012 was \$23.1 million, compared to \$28.8 million for the first six months of 2011, a decrease of 19.9% year-over-year. Net income for the first six months of 2012 was \$6.7 million, compared to \$14.1 million for the first six months of 2011, a decrease of 52.7% year-over-year. Net income per diluted share was \$0.14 for the first six months of 2012, compared to \$0.31 for the first six months of 2011.

Additional Second Quarter 2012 Operating Highlights:

- Revenue generated from backlog was \$119.8 million for the second quarter of 2012, a decrease of 12.7% year-over-year.
- All other revenue was \$44.8 million for the second quarter of 2012, an increase of 55.6% year-over-year.
- Operating cash flows were \$6.3 million for the second quarter of 2012.
- Total construction backlog was \$1.3 billion as of June 30, 2012 and consisted of:
 - \$390.7 million of fully-contracted backlog, which represents signed customer contracts for installation or construction of projects that are expected to convert into revenue over the next 12-24 months, on average; and
 - \$909.6 million of awarded projects, which represents estimated future revenue for projects for which contracts are expected to be signed over the next 6-12 months, on average.

FY 2012 Guidance

Ameresco is revising its guidance for the fiscal year ending December 31, 2012. As stated previously, guidance assumed continued improvement in the environment for converting awarded projects to signed contracts for the balance of the year. While awarded projects are converting into signed contracts in many regions as expected, we have experienced a lengthening of backlog conversion times in a few segments, and as a consequence, a portion of revenue that was previously expected to be recognized in the second half of 2012 is now expected to be recognized in 2013. The Company now expects total revenue to be in the range of \$695 million to \$730 million; and net income in the range of \$32 million to \$35 million.

Webcast Reminder

Ameresco will hold its earnings conference call today, August 7th, at 8:30 a.m. Eastern Time with President and Chief Executive Officer, George Sakellaris, and Vice President and Chief Financial Officer, Andrew Spence, to discuss details regarding the Company's second quarter 2012 results, business outlook and strategy. Participants may access the conference call by dialing domestically 888.680.0860 or internationally 617.213.4852. The passcode is 46797556. Participants are advised to dial-in at least ten minutes prior to the call to register. Those who wish to only listen to the conference call webcast may do so by visiting the "Investor Relations" section of the Company's website at www.ameresco.com.

Pre-Registration for the call is also available at:

https://www.theconferencingservice.com/prereg/key.process?key= P4RG86BP7. Preregistrants will be issued a pin number to use when dialing into the live call which will provide faster access to the conference by bypassing the operator upon connection.

Use of Non-GAAP Financial Measures

This press release and the accompanying tables include references to adjusted EBITDA, which is a non-GAAP financial measure. For a description of this non-GAAP financial measure, including the reasons management uses this measure, please see the section following the accompanying tables titled "Exhibit A: Non-GAAP Financial Measures". For a reconciliation of adjusted EBITDA to operating income, the most directly comparable financial measure prepared in accordance with GAAP, please see Other Non-GAAP Disclosure in the accompanying tables.

About Ameresco, Inc.

Founded in 2000, Ameresco, Inc. (NYSE:AMRC) is a leading independent provider of comprehensive services, energy efficiency, infrastructure upgrades, asset sustainability and renewable energy solutions for facilities throughout North America. Ameresco's services include upgrades to a facility's energy infrastructure and the development, construction and operation of renewable energy plants. Ameresco has successfully completed energy saving, environmentally responsible projects with federal, state and local governments, healthcare and educational institutions, housing authorities, and commercial and industrial customers. With its corporate headquarters in Framingham, MA, Ameresco provides local expertise through its 63 offices in 34 states and five Canadian provinces. Ameresco has more than 900 employees. For more information, visit www.ameresco.com.

Safe Harbor Statement

Any statements in this press release about future expectations, plans and prospects for Ameresco, Inc., including statements about 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 Ameresco does on projects where it recognizes revenue on a percentage of completion basis, including the ability to perform under recently signed contracts without unusual delay; demand for Ameresco's energy efficiency and renewable energy solutions; the Company's ability to arrange financing for its 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; seasonality in construction and in demand for its products and services; a customer's decision to delay the Company's 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; and other factors discussed in Ameresco's Annual Report on Form 10-K for the year ended December 31, 2011, filed with the U.S. Securities and Exchange

Commission on March 15, 2012. In addition, the forward-looking statements included in this press release represent Ameresco's views as of the date of this press release. Ameresco anticipates that subsequent events and developments will cause its views to change. However, while Ameresco may elect to update these forward-looking statements at some point in the future, it specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Ameresco's views as of any date subsequent to the date of this press release.

AMERESCO, INC. CONSOLIDATED BALANCE SHEETS

	December 31, 2011	June 30, 2012
ASSETS		(Unaudited)
Current assets:		
Cash and cash equivalents	\$ 26,277,366	\$ 28,909,987
Restricted cash	12,372,356	15,030,844
Accounts receivable, net	109,296,773	96,645,375
Accounts receivable retainage	26,089,216	24,026,640
Costs and estimated earnings in excess of billings	69,251,022	57,044,768
Inventory, net	8,635,633	9,145,857
Prepaid expenses and other current assets	8,992,963	10,676,285
Income tax receivable	9,662,771	8,227,139
Deferred income taxes	6,456,671	6,456,671
Project development costs	6,027,689	7,183,871
Total current assets	283,062,460	263,347,437
Federal ESPC receivable	110,212,186	135,987,922
Property and equipment, net	7,086,164	8,185,920
Project assets, net	177,854,734	188,063,492
Deferred financing fees, net	2,994,692	2,743,539
Goodwill	47,881,346	47,878,130
Intangible assets, net	12,727,528	9,756,506
Other assets	3,778,357	4,712,843
	362,535,007	397,328,352
	\$645,597,467	\$660,675,789
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 11,563,983	\$ 12,268,729
Accounts payable	93,506,089	80,896,210
Accrued expenses and other current liabilities	8,917,723	11,970,730
Book overdraft	7,297,122	-
Billings in excess of cost and estimated earnings	26,982,858	35,223,966
Total current liabilities	148,267,775	140,359,635
Long-term debt, less current portion	196,401,588	207,831,163
Deferred income taxes	29,953,103	29,443,957
Deferred grant income	6,024,099	5,853,486
Other liabilities	28,529,867	28,640,685
	260,908,657	271,769,291
Stockholders' equity:		
Preferred stock, \$0.0001 par value, 5,000,000 shares authorized, no shares issued and		
outstanding at December 31, 2011 and June 30, 2012	-	-
Class A common stock, \$0.0001 par value, 500,000,000 shares authorized, 30,713,837		
shares issued and 25,880,553 outstanding at December 31, 2011; 31,469,300		
shares issued and 26,636,016 outstanding at June 30, 2012	3,071	3,147
Class B common stock, \$0.0001 par value, 144,000,000 shares authorized, 18,000,000		

shares issued and outstanding at December 31, 2011 and June 30, 2012		
3 · · · · · · · · · · · · · · · · · · ·	1,800	1,800
Additional paid-in capital	86,067,852	91,192,620
Retained earnings	161,335,621	168,009,787
Accumulated other comprehensive loss	(1,868,352)	(1,549,234)
Minority interest	63,614	71,314
Less – treasury stock, at cost, 4,833,284 shares, respectively	(9,182,571)	(9,182,571)
Total stockholders' equity	236,421,035	248,546,863
	\$645,597,467	\$660,675,789

AMERESCO, INC. CONSOLIDATED STATEMENTS OF INCOME

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Project development costs 5,263,216 3,830,866 General, administrative and other 5,368,227 7,509,639 Operating income 18,794,112 22,899,237 Other expenses, net (988,569) (1,063,126) Income before provision for income taxes 12,368,994 7,195,498 Income tax provision (3,536,866) (2026,630) Net income 8,832,128 \$ 5,168,868 Net income per share attributable to common shareholders: \$ 0,21 \$ 0,12 Basic 0,21 \$ 0,12 Diluted \$ 0,21 \$ 0,12 Weighted average common shares outstanding: 42,367,242 44,541,025 Diluted 45,907,748 46,359,323 CHER NON-GAAP DISCLOSURES Cross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 11.4% 19.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): 11.4% 14.0%	Operating expenses:					
General, administrative and other 5,368,227 7,509,639 Operating income 18,794,112 22,899,237 Other expenses, net 1988,5563 8,258,624 Income before provision for income taxes 12,368,994 7,195,498 Income tax provision (3,536,866) (2,026,630) Net income 8,832,128 5,168,868 Net income per share attributable to common shareholders: 8 9,21 9,12 Basic 0,19 0,11 9 0,11 Weighted average common shares outstanding: 8 42,367,242 44,541,025 Diluted 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Cross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): 8,258,624	Salaries and benefits		8,162,669		11,558,732	
Operating income 18,794,112 22,899,237 Operating income 13,357,563 8,258,624 Other expenses, net (988,569) (1,063,126) Income before provision for income taxes 12,368,994 7,195,498 Income tax provision (3,536,866) (2,026,630) Net income 8,832,128 5,168,868 Net income per share attributable to common shareholders: 80,21 \$ 0.12 Diluted \$ 0.21 \$ 0.12 Weighted average common shares outstanding: 80,019 \$ 0.11 Weighted average common shares outstanding: 42,367,242 44,541,025 Diluted 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Gross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): 8 13,357,563 8,258,624	Project development costs		5,263,216		3,830,866	
Operating income 13,357,563 8,258,624 Other expenses, net (988,569) (1,063,126) Income before provision for income taxes 12,368,994 7,195,498 Income tax provision (3,536,866) (2,026,630) Net income \$ 8,832,128 \$ 168,868 Net income per share attributable to common shareholders: \$ 0.21 \$ 0.12 Diluted \$ 0.19 \$ 0.11 Weighted average common shares outstanding: \$ 0.21 \$ 0.12 Basic 42,367,242 44,541,025 Diluted 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Gross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): \$ 13,357,563 \$ 8,258,624	General, administrative and other		5,368,227		7,509,639	
Other expenses, net (988,569) (1,063,126) Income before provision for income taxes 12,368,994 7,195,498 Income tax provision (3,536,866) (2,026,630) Net income 8,832,128 5,168,868 Net income per share attributable to common shareholders: \$0.21 0.12 Basic 0,19 0.11 Weighted average common shares outstanding: \$0.99 0.11 Basic 42,367,242 44,541,025 Diluted 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Gross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$13,357,563 \$8,258,624			18,794,112		22,899,237	
Income before provision for income taxes 12,368,994 7,195,498 Income tax provision (3,536,866) (2,026,630) Net income \$ 8,832,128 \$ 5,168,668 Net income per share attributable to common shareholders: \$ 0.21 \$ 0.12 Basic 0.19 \$ 0.11 Diluted \$ 0.19 \$ 0.11 Weighted average common shares outstanding: \$ 242,367,242 44,541,025 Diluted 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Gross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 \$ 8,258,624	Operating income		13,357,563		8,258,624	
Income tax provision (3,536,866) (2,026,630) Net income \$ 8,832,128 \$ 5,168,868 Net income per share attributable to common shareholders: \$ 0.21 \$ 0.12 Basic 0.19 \$ 0.11 Diluted \$ 2,367,242 44,541,025 Diluted 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Gross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 8,258,624	Other expenses, net		(988,569) 12,368,994		(1,063,126)	
Net income \$ 8,832,128 \$ 5,168,868 Net income per share attributable to common shareholders: \$ 0.21 \$ 0.12 Basic \$ 0.19 \$ 0.11 Diluted \$ 0.19 \$ 0.11 Weighted average common shares outstanding: 42,367,242 44,541,025 Diluted 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES OTHER NON-GAAP DISCLOSURES Gross margins: Energy efficiency revenue Acquisited energy revenue 117.4% 18.3% 20.8% 20.8% 20.8% 20.8% 20.8% 20.9%	Income before provision for income taxes				7,195,498	
Net income per share attributable to common shareholders: \$ 0.21 \$ 0.12 Basic \$ 0.19 \$ 0.11 Weighted average common shares outstanding: 42,367,242 44,541,025 Basic 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Gross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 \$ 8,258,624	Income tax provision					
Basic \$ 0.21 \$ 0.12 Diluted \$ 0.19 \$ 0.11 Weighted average common shares outstanding: \$ 2,367,242 44,541,025 Basic 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 \$ 8,258,624	Net income	\$	8,832,128	\$	5,168,868	
Basic \$ 0.21 \$ 0.12 Diluted \$ 0.19 \$ 0.11 Weighted average common shares outstanding: \$ 2,367,242 44,541,025 Basic 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 \$ 8,258,624	Net income per share attributable to common shareholders:	=		_		
Diluted \$ 0.19 \$ 0.11 Weighted average common shares outstanding: 42,367,242 44,541,025 Basic 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Gross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 \$ 8,258,624	·	\$	0.21	\$	0.12	
Weighted average common shares outstanding: Basic 42,367,242 44,541,025 Diluted 45,907,748 46,359,323 OTHER NON-GAAP DISCLOSURES Gross margins: Energy efficiency revenue Renewable energy revenue 11.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 8,258,624						
Basic Diluted 42,367,242 44,541,025 45,907,748 44,541,025 46,359,323 OTHER NON-GAAP DISCLOSURES Gross margins: Energy efficiency revenue 17.4% 18.3% 18.3% 19.0% Renewable energy revenue 25.5% 20.8% 19.0% 19.0% Total 19.4% 19.0% 19.0% 19.0% Operating expenses as a percent of revenue 11.4% 14.0%	Weighted average common shares outstanding:	•		·		
OTHER NON-GAAP DISCLOSURES 45,907,748 46,359,323 Gross margins:			42,367,242		44,541,025	
Gross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 \$ 8,258,624	Diluted					
Gross margins: Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 \$ 8,258,624			, ,		, ,	
Energy efficiency revenue 17.4% 18.3% Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$13,357,563 \$8,258,624	OTHER NON-GAAP DISCLOSURES					
Renewable energy revenue 25.5% 20.8% Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$13,357,563 \$8,258,624	——————————————————————————————————————					
Total 19.4% 19.0% Operating expenses as a percent of revenue 11.4% 14.0% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 \$ 8,258,624						
Operating expenses as a percent of revenue 11.4% Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 \$ 8,258,624	Renewable energy revenue		25.5%		20.8%	
Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA): Operating income \$ 13,357,563 \$ 8,258,624	Total	_	19.4%	_	19.0%	
EBITDA): Operating income \$ 13,357,563 \$ 8,258,624	Operating expenses as a percent of revenue		11.4%		14.0%	
Operating income \$ 13,357,563 \$ 8,258,624						
	•	\$	13,357,563	\$	8,258,624	
		·				

735,526	892,607		
\$ 16,943,023	\$ 13,920,487		
10.2%	8.5%		
\$ 648,110,662	\$ 909,644,256		
507,285,241	390,695,907		
\$1,155,395,903	\$1,300,340,163		
	\$ 16,943,023 10.2% \$ 648,110,662 507,285,241		

Note: Awarded represents estimated future revenues from projects that have been awarded, though the contracts have not yet been signed.

AMERESCO, INC. CONSOLIDATED STATEMENTS OF INCOME

	Si	Six Months Ended June 30,			
		2011		2012	
		(Unau	udited)		
Revenue: Energy efficiency revenue	ድ ኃኃር	,979,316	œ.	222 201 707	
Renewable energy revenue		,979,310	φ.	233,201,787 77,471,487	
Nenewable energy revenue		,922,390	_	310,673,274	
Direct expenses:	- 011	,001,712	_	010,010,214	
Energy efficiency expenses	188	.609,201		187,493,047	
Renewable energy expenses		,157,803		62,798,556	
		,767,004		250,291,603	
Gross profit	60	,134,708		60,381,671	
Operating expenses:					
Salaries and benefits	18	,247,401		25,927,944	
Project development costs	9,	,664,793		8,047,218	
General, administrative and other	10	,561,561	_	14,723,095	
	38	,473,755	_	48,698,257	
Operating income	21	,660,953	_	11,683,414	
Other expenses, net	(1,	,889,006)	_	(2,400,731)	
Income before provision for income taxes	19	19,771,947 (5,651,534)		9,282,683 (2,608,517)	
Income tax provision	(5,				
Net income	\$ 14	\$ 14,120,413		\$ 6,674,166	
Net income per share attributable to common shareholders:					
Basic	\$	0.34	\$	0.15	
Diluted	\$	0.31	\$	0.14	
Weighted average common shares outstanding:					
Basic		,847,646		44,343,059	
Diluted	45	,285,650		46,143,932	
OTHER NON-GAAP DISCLOSURES					
Gross margins:					
Energy efficiency revenue		18.0%		19.6%	
Renewable energy revenue		22.9%	_	18.9%	
Total		19.3%	=	19.4%	
Operating expenses as a percent of revenue		12.3%		15.7%	
Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA):					
Operating income		,660,953	\$	11,683,414	
Depreciation and amortization	5,532,335		9,708,503		
Stock-based compensation		,594,576	_	1,674,060	
Adjusted EBITDA	\$ 28	,787,864	\$	23,065,977	
Adjusted EBITDA margin		9.2%		7.4%	

Note: Awarded represents estimated future revenues from projects that have been awarded, though the contracts have not yet been signed.

AMERESCO, INC. CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended June 30,			
	2011	2012		
	(Unaudited)			
Cash flows from operating activities:				
Net income	\$ 8,832,128	\$ 5,168,868		
Adjustment to reconcile net income to cash provided by operating activities:				
Depreciation of project assets	2,240,001	2,850,977		
Depreciation of property and equipment	609,933	603,501		
Amortization of deferred financing fees	94,822	138,191		
Amortization of intangible assets	-	1,314,778		
Provision for bad debts	34	24,107		
Gain on sale of asset	705 500	(800,000)		
Stock-based compensation expense	735,526	892,607		
Deferred income taxes	453,460	43,697		
Excess tax benefits from stock-based compensation arrangements	(3,510,339)	(448,916)		
Changes in operating assets and liabilities:				
(Increase) decrease in: Restricted cash draws	37,303,666	14,069,843		
Accounts receivable	(4,961,611)	(11,967,540)		
Accounts receivable Accounts receivable retainage	(1,104,244)	(3,613,426)		
Federal ESPC receivable financing	(37,132,797)	(11,705,599)		
Inventory	(349,778)	(369,359)		
Costs and estimated earnings in excess of billings	(4,751,958)	(5,583,166)		
	(642,293)	(4,504,563)		
Prepaid expenses and other current assets				
Project development costs	(160,631)	(324,126)		
Other assets	(823,972)	(766,682)		
Increase (decrease) in:	(050,000)	44 700 750		
Accounts payable and accrued expenses	(653,233)	11,766,758		
Billings in excess of cost and estimated earnings	4,218,481	7,346,139		
Other liabilities	434,854	(345,461)		
Income taxes payable	757,554	2,476,787		
Net cash provided by operating activities	1,589,603	6,267,415		
Cash flows from investing activities:	(011 404)	(1 105 027)		
Purchases of property and equipment	(911,404)	(1,105,037)		
Purchases of project assets	(8,129,688)	(9,695,695)		
Net cash used in investing activities	(9,041,092)	(10,800,732)		
Cash flows from financing activities: Excess tax benefits from stock-based compensation arrangements	3,510,339	448,916		
Payments of financing fees	(493,700)	440,910		
Proceeds from exercises of options	2,585,997	735,839		
Proceeds from senior secured credit facility	35,000,000	(1,428,571)		
Restricted cash	(1,087,999)	(3,367,515)		
Payments on long-term debt	(1,642,731)	(1,327,493)		
Net cash provided by (used in) financing activities	37,871,906	(4,938,824)		
Effect of exchange rate changes on cash	12,140	(53,234)		
Net increase (decrease) in cash and cash equivalents	12,140	(55,254)		
The more ase (acordase) in cash and cash equivalents	30,432,557	(9,525,375)		
Cash and cash equivalents, beginning of period	29,349,636	38,435,362		
Cash and cash equivalents, end of period	\$ 59,782,193	\$ 28,909,987		

2011 2012 Cash flows from operating activities: Net income \$14,120,413 \$6,674,166 Adjustment to reconcile net income to cash (used in) provided by operating activities: \$14,120,413 \$6,674,166 Depreciation of project assets 4,450,613 \$5,456,007 Depreciation of property and equipment 1,081,722 1,281,474 Amortization of intangible assets 20,5655 2,714,782 Amortization of intangible assets 42,20 77,748 Gain on sale of asset 42,20 77,748 Gain on sale of asset 1,594,576 1,600,000 Excess tax benefits from stock-based compensation arrangements 3,145,594 (506,631) Excess tax benefits from stock-based compensation arrangements 78,216,575 24,152,657 Changes in operating assets and liabilities: 11,594,766 1,754,768 Excess tax benefits from stock-based compensation arrangements 78,216,575 24,152,657 Changes in operating assets and liabilities: 1,254,567 24,152,657 Restricted casal draws 78,216,575 24,152,657 Accounts receivable retaining		Six Months Ended June 30,		
Cash Income \$ 14,120,413 \$ 6,674,166 Net Income \$ 14,120,413 \$ 6,674,166 Adjustment to reconcile net income to cash (used in) provided by operating activities: \$ 14,450,613 \$ 5,456,007 Depreciation of property and equipment 1,081,722 2,281,474 Amortization of deferred financing fees 205,5655 271,478 Amortization of intengible assets 2 2971,022 Provision for bad debts 24,220 77,774 Gain on sale of asset 1,594,576 1,674,060 Deferred income taxes 3,145,594 (506,631) Excess tax benefits from stock-based compensation arrangements (3,901,636) (1,851,513) Changes in operating assets and liabilities: (1,2582,461) 12,568,643 Accounts receivable retainage 335,308 2,079,382 Rederial Espot Receivable fratinage 335,308 2,079,382 Federial Espot Receivable financing (7,363,333) (25,757,757,757,757,757,757,757,757,757,7				
Net income		(Unau	ıdited)	
Adjustment to reconcile net income to cash (used in) provided by operating activities: Depreciation of project assets 4,450,613 5,456,007 Depreciation of project assets 205,655 271,478 Amortization of deferred financing fees 205,655 271,478 Amortization of intangible assets 24,220 77,743 Calin on sale of asset 1,594,576 1,674,060 Deferred income taxes 3,145,594 (506,631) Excess tax benefits from stock-based compensation arrangements 3,901,636 (1,651,513) Changes in operating assets and liabilities: (Increase) decrease in: Restricted cash draws 78,216,575 24,152,657 Accounts receivable retainage 335,308 2,079,382 Federal ESPC receivable financing (73,639,333) (25,775,786) Inventory (1,982,992) (510,224) Inventory (1,982,992) (510,224) Inventory (1,982,992) (510,224) Inventory (1,982,992) (1,679,166) Project development costs (663,502) (1,679,160) Project development costs (663,502) (1,679,160) Project development costs (663,502) (1,679,160) Costs and accrued expenses (204,655) (3,41,680) Project development costs (204,655) (3,41,680) Project development costs (204,655) (3,41,680) Project development costs (3,81,738) (3,81,680) Recombinating activities (24,031,680) (3,81,680) Recombinating activities (24,031,680) (3,81,680) Purchases of project assets (1,47,20,891) (19,698,641) Purchases of project assets (1,47,20,891) (19,698,641) Purchases of project assets (3,681,670) (1,698,641) Purchases of project assets (3,681,670) (1,698,671) Purchases of project assets (3,681,670) (1,698,671) Purchases of project assets (3,681,670) (1,698,671) (1,698,671) Purchases of project assets (3,681,670) (1,698	• •			
operating activities: 4,450,613 5,456,007 Depreciation of project assets 4,450,613 5,456,007 Depreciation of property and equipment 1,081,722 1,281,474 Amortization of deferred financing fees 20,555 271,478 Amortization of intangible assets 2,507,022 77,743 Gain on sale of asset 1,594,576 1,674,060 Soloc-based compensation expense 1,594,576 1,674,060 Deferred income taxes 3,145,594 (506,631) Excess tax benefits from stock-based compensation arrangements (3,901,636) (1,651,513) Changes in operating assets and liabilities: (10,282,441) 12,568,643 (10,crases) decrease in: 78,216,575 24,152,657 Restricted cash draws 78,216,575 24,152,657 Accounts receivable retainage 335,308 2,079,382 Federal ESPC receivable financing (1,389,333) (25,778,736) Inventory (1,892,600) (1,167,9160) Prepaid expenses and other current assets (663,502) (11,679,160) Other assets (20,4655) <		\$ 14,120,413	\$ 6,674,166	
Depreciation of property and equipment 1,081,722 1,281,474 Amortization of deferred financing fees 205,655 271,478 Amortization of inlangible assets - 2,971,022 Provision for bad debts 24,220 77,743 Gain on sale of asset 1,594,576 1,674,060 Deferred income taxes 3,145,594 (506,631) Excess tax benefits from stock-based compensation arrangements 3,145,594 (506,631) Changes in operating assets and liabilities: (Increase) decrease in: Restricted cash draws 78,216,575 24,152,657 Accounts receivable retainage 335,308 2,079,382 269,684 Accounts receivable financing (73,639,333) (26,775,736) Inventory (1,982,992) (510,224 Inventory (1,982,992) (510,224 Project development costs (603,502) (1,679,160) Project development costs (603,502) (1,679,160) Project development costs (603,502) (1,679,160) Project development costs (204,655) (94,1282) Increase	operating			
Amortization of defered financing fees 20,565 271,478 Amortization of intangible assets 2,971,022 77,743 Gain on sale of asset (800,000) (800,000) Deferred income taxes 3,145,594 (506,631) Excess tax benefits from stock-based compensation arrangements (3,901,636) (1,651,613) Excess tax benefits from stock-based compensation arrangements 78,216,575 24,152,667 Changes in operating assets and liabilities: (12,582,461) 2,569,643 Accounts receivable retainage 335,308 2,079,382 Accounts receivable retainage 335,308 2,079,382 Federal ESPC receivable financing (73,639,333) (25,775,736) Inventory (1,982,992) (20,655) (16,79,160) Projead expenses and other current assets (63,502) (1,679,160) Other assets (204,655) (1,676,085) Other assets (23,857,383) (8,760,740) Billings in excess of cost and estimated earnings (32,857,383) (8,760,740) Billings in excess of cost and estimated earnings (32,857,383) (8,760,740)	Depreciation of project assets	4,450,613	5,456,007	
Amortization of intangible assets 2,971,022 Provision for bad debts 24,220 77,743 Gain on sale of asset 600,000 Stock-based compensation expense 1,594,576 1,674,060 Deferred income taxes (3,901,635) (1,651,513) Excess tax benefits from stock-based compensation arrangements (3,901,636) (1,651,513) Changes in operating assets and liabilities: (1,625,461) 12,569,643 Accounts receivable retainage 335,308 20,79,382 Accounts receivable financing (73,639,333) (25,775,736) Inventory (1,985,160) (10,985,160) Costs and estimated earnings in excess of billings (10,985,160) (21,97,386) Project development costs (663,502) (1,167,160) Other assets (204,655) (941,282) Increase (decrease) in: (204,655) (941,282) Accounts payable and accrued expenses (3,807,833) (8,760,740) Billings in excess of ost and estimated earnings (32,802,838) 8,243,890 Other liabilities (4,689,033) 3,083,488	Depreciation of property and equipment	1,081,722	1,281,474	
Provision for bad debts 24,220 77,743 Gain on sale of asset - 800,000 Stock-based compensation expense 1,594,576 1,674,060 Deferred income taxes 3,145,594 (506,631) Excess tax benefits from stock-based compensation arrangements (3,901,636) (1,651,513) Changes in operating assets and liabilities: (10,2582,461) 12,569,643 Accounts receivable retainage 335,308 2,079,382 Accounts receivable retainage 335,308 2,079,382 Federal ESPC receivable financing (73,639,333) 2,079,382 Federal ESPC receivable financing in excess of billings (10,895,160) 12,197,386 Prepaid expenses and other current assets (663,502) (16,79,160) Obst and estimated earnings in excess of billings (10,895,160) 12,197,386 Prepaid expenses and other current assets (663,502) (16,79,160) Other assets (20,4655) (941,282) Increase (decrease) in: 4,000,000 4,000,000 Accounts payable and accrued expenses (23,857,383) (8,760,740) Billin		205,655	271,478	
Gain on sale of asset (800,000) Stock-based compensation expense 1,594,576 1,674,060 Deferred income taxes 3,145,594 (506,631) Excess tax benefits from stock-based compensation arrangements (3,901,636) (1,651,513) Changes in operating assets and liabilities: (Increase) decrease in: T 24,152,657 Restricted cash draws 78,216,575 24,152,657 Accounts receivable (12,582,461) 12,589,643 Accounts receivable financing (73,639,333) (25,775,76) Inventory (1,982,992) (510,224) Costs and estimated earnings in excess of billings (10,895,160) (1,156,085) Prepaid expenses and other current assets (663,502) (1,679,160) Project development costs (663,502) (1,679,160) Project development costs (20,4655) (20,4655) Other assets (23,857,383) (8,760,740) Billings in excess of cost and estimated earnings (328,028) (8,243,890) Other liabilities (4,777,394) (8,760,740) Billings in excess of cost and estimated earnings	Amortization of intangible assets	-	2,971,022	
Stock-based compensation expense 1,594,576 1,674,060 Deferred income taxes 3,145,594 (506,631) Excess tax benefits from stock-based compensation arrangements (3,901,636) (1,651,513) Changes in operating assets and liabilities: (Increase) decrease in: Festiricate cash draws 78,216,575 24,152,657 Accounts receivable (12,582,461) 12,569,643 Accounts receivable retainage 335,308 2,079,382 Federal ESPC receivable financing (73,639,333) 2,079,382 Inventory (1,982,992) (510,224) Costs and estimated earnings in excess of billings (10,895,160) 12,197,386 Prepaid expenses and other current assets (603,502) (1,156,085) Other assets (204,655) (941,282) Increase (decrease) in: (20,4655) (941,282) Accounts payable and accrued expenses (23,857,383) (8,760,740) Billings in excess of cost and estimated earnings (328,028) 8,243,890 Other liabilities (24,031,668) 39,476,176 Cash flows from investing activities (24,031,668)	Provision for bad debts	24,220	77,743	
Deferred income taxes 3,145,594 (506,631) Excess tax benefits from stock-based compensation arrangements (3,901,636) (1,651,513) Changes in operating assets and liabilities: (Increase) decrease in: 78,216,575 24,152,657 Restricted cash draws 78,216,575 24,152,657 24,152,657 Accounts receivable (12,582,461) 12,569,643 Accounts receivable retainage 335,308 2,079,382 Federal ESPC receivable financing (73,639,333) (25,775,736) Inventory (1,982,992) (510,224) Costs and estimated earnings in excess of billings (10,895,160) 12,197,386 Prepaid expenses and other current assets (663,502) (11,679,160) Project development costs (204,655) (941,282) Increase (decrease) in: (20,4655) (941,282) Accounts payable and accrued expenses (23,857,383) (8,760,740) Other liabilities 4,777,394 525,181 Increase (decrease) in: 4,689,033 3,934,687 Net cash (used in) provided by operating activities (24,031,668) 39,76,77	Gain on sale of asset	-	(800,000)	
Excess tax benefits from stock-based compensation arrangements (3,901,636) (1,651,513) Changes in operating assets and liabilities: (Increase) decrease in: 78,216,575 24,152,657 Restricted cash draws 78,216,575 24,152,657 Accounts receivable (12,582,461) 12,569,643 Accounts receivable retainage 335,308 2,079,382 Federal ESPC receivable financing (73,693,333) (25,775,786) Inventory (1,982,992) (510,224) Costs and estimated earnings in excess of billings (10,895,160) 12,197,386 Prepaid expenses and other current assets (663,502) (1,179,180) Project development costs 760,445 (1,156,085) Other assets (23,877,383) (8,760,740) Billings in excess of cost and estimated earnings (328,028) 8,243,890 Other liabilities 4,777,394 4,525,181 Income taxes payable (4,689,033) 3,033,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities (14,720,891) (19,688,641) <td>Stock-based compensation expense</td> <td>1,594,576</td> <td>1,674,060</td>	Stock-based compensation expense	1,594,576	1,674,060	
Changes in operating assets and liabilities: (Increase) decrease in: 78,216,575 24,152,657 Restricted cash draws 78,216,575 24,152,657 Accounts receivable (12,582,461) 12,569,643 Accounts receivable retainage 335,308 2,079,382 Federal ESPC receivable financing (1,982,992) (510,224) Costs and estimated earnings in excess of billings (10,895,160) 12,197,386 Prepaid expenses and other current assets (663,502) (1679,160) Project development costs 760,445 (1,156,085) Other assets (204,655) (941,282) Increase (decrease) in: 404,655 (941,282) Accounts payable and accrued expenses (23,857,383) (8,760,740) Billings in excess of cost and estimated earnings (328,028) 8,243,890 Other liabilities 4,777,394 \$25,181 Income taxes payable (4,689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities (24,031,668) 39,476,176 Purchases of	Deferred income taxes	3,145,594	(506,631)	
Increase decrease in: Restricted cash draws 78,216,575 24,152,6574 24,52,6575 24,52,6575 24,52,6574 24,52,6543 24,52,6574 24,5	Excess tax benefits from stock-based compensation arrangements	(3,901,636)	(1,651,513)	
Restricted cash draws 78,216,575 24,152,657 Accounts receivable (12,582,461) 12,569,633 Accounts receivable retainage 335,308 2,079,382 Federal ESPC receivable financing (73,639,333) (25,775,736) Inventory (1,882,992) (510,224) Costs and estimated earnings in excess of billings (10,895,160) 12,197,366 Prepaid expenses and other current assets (66,502) (1,679,160) Project development costs 760,445 (1,156,085) Other assets (204,655) (941,282) Increase (decrease) in: 4,004,655 (941,282) Accounts payable and accrued expenses (23,857,383) (8,760,740) Billings in excess of cost and estimated earnings (328,028) 8,243,890 Other liabilities 4,777,394 525,181 Increase (act (act (act (act (act (act (act (act	Changes in operating assets and liabilities:			
Accounts receivable (12,582,461) 12,569,643 Accounts receivable retainage 335,308 2,079,382 Federal ESPC receivable financing (73,639,333) (25,775,76) Inventory (19,882,992) (510,224) Costs and estimated earnings in excess of billings (10,895,160) 12,197,386 Prepaid expenses and other current assets (663,502) (1,679,160) Other assets (204,655) (941,282) Increase (decrease) in: (204,655) (941,282) Increase (decrease) in: (23,857,383) (8,760,740) Accounts payable and accrued expenses (328,028) 8,243,890 Other liabilities 4,777,394 525,181 Income taxes payable (4,689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities (24,031,668) 39,476,176 Cash flows from investing activities (1,806,634) (2,381,570) Purchases of project assets (1,4720,891) (19,698,641) Grant awards and rebates received on project assets	(Increase) decrease in:			
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Federal ESPC receivable financing (73,639,333) (25,775,736) Inventory (1,982,992) (510,224) Costs and estimated earnings in excess of billings (10,895,160) 12,197,386 Prepaid expenses and other current assets (663,502) (1,679,160) Project development costs 760,445 (1,156,085) Other assets (204,655) (941,282) Increase (decrease) in: 23,857,383 (8,760,740) Accounts payable and accrued expenses (23,857,383) (8,760,740) Billings in excess of cost and estimated earnings (328,028) 8,243,890 Other liabilities 4,777,394 525,181 Income taxes payable (4,689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities (1,806,634) (2,381,570) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets (6,95,711) 3,838,766 Net cash used in investing activities (9,831,814) (18,241,445) Cash fl	Accounts receivable	(12,582,461)	12,569,643	
Inventory	Accounts receivable retainage	335,308	2,079,382	
Costs and estimated earnings in excess of billings (10,895,160) 12,197,386 Prepaid expenses and other current assets (663,502) (1,679,160) Project development costs (204,655) (21,650,85) Other assets (204,655) (941,282) Increase (decrease) in: (23,857,383) (8,760,740) Accounts payable and accrued expenses (23,857,383) (8,760,740) Billings in excess of cost and estimated earnings (328,028) 8,243,890 Other liabilities 4,777,394 525,181 Income taxes payable (4689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities: (14,720,891) (19,698,641) Purchases of property and equipment (1,806,634) (2,381,570) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets 6,995,711 3,893,666 Net cash used in investing activities (9,831,814) (18,241,445) Cash flows from financing activities (5,42,89) (2,272,122) </td <td>Federal ESPC receivable financing</td> <td>(73,639,333)</td> <td>(25,775,736)</td>	Federal ESPC receivable financing	(73,639,333)	(25,775,736)	
Prepaid expenses and other current assets (663,502) (1,679,160) Project development costs 760,445 (1,156,085) Other assets (204,655) (941,282) Increase (decrease) in:	Inventory	(1,982,992)	,	
Project development costs 760,445 (1,156,085) Other assets (204,655) (941,282) Increase (decrease) in: (23,857,383) (8,760,740) Accounts payable and accrued expenses (328,028) 8,243,890 Other liabilities 4,777,394 525,181 Income taxes payable (4,689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities: (1,806,634) (2,381,570) Purchases of property and equipment (1,806,634) (1,898,641) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets (6,695,711) 3,838,766 Net cash used in investing activities: (9,831,814) (18,241,445) Cash flows from financing activities: (9,831,814) (18,241,445) Excess tax benefits from stock-based compensation arrangements 3,901,636 1,651,513 Book overdraft 2 (7,297,122) Payments of financing fees (544,289) (20,325) Proceeds from exercises of	Costs and estimated earnings in excess of billings		12,197,386	
Other assets (204,655) (941,282) Increase (decrease) in: (23,857,383) (8,760,740) Accounts payable and accrued expenses (23,857,383) (8,760,740) Billings in excess of cost and estimated earnings (328,028) 8,243,890 Other liabilities 4,777,394 525,181 Income taxes payable (4,689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities: (1,806,634) (2,381,570) Purchases of property and equipment (1,806,634) (2,381,570) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets 6,695,711 3,838,766 Net cash used in investing activities: (9,831,814) (18,241,445) Cash flows from financing activities: (9,831,814) (18,51,513 Book overdraft - (7,297,122) Payments of financing fees (544,289) (20,325) Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from long-term debt f	Prepaid expenses and other current assets		(1,679,160)	
Increase (decrease) in: Accounts payable and accrued expenses (23,857,383) (8,760,740) Billings in excess of cost and estimated earnings (328,028) 8,243,890 Other liabilities 4,777,394 525,181 Income taxes payable (4,689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities: Purchases of property and equipment (1,806,634) (2,381,570) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets (6,95,711 3,838,766 Net cash used in investing activities: (9,831,814) (18,241,445) Cash flows from financing activities: (9,831,814) (18,241,445) Excess tax benefits from stock-based compensation arrangements 3,901,636 1,651,513 Book overdraft (7,297,122) Payments of financing fees (544,289) (20,325) Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from senior secured credit facility 40,000,000 (7,857,142) Proceeds from long-term debt financing 5,500,089 -	Project development costs	760,445	(1,156,085)	
Accounts payable and accrued expenses (23,857,383) (8,760,740) Billings in excess of cost and estimated earnings (328,028) 8,243,890 Other liabilities 4,777,394 525,181 Income taxes payable (4,689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities: "Urchases of property and equipment" (1,806,634) (2,381,570) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets 6,695,711 3,838,766 Net cash used in investing activities (9,831,814) (18,241,445) Cash flows from financing activities: "To 1,651,513 3,901,636 1,651,513 Book overdraft "To 2,77,122 2,932,122 2,932,122 2,932,122 2,932,122 Payments of financing fees (544,289) (20,325) 2,77,122 Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from senior secured credit facility 40,000,000 (7,857,142) Proceeds from long-term debt financing	Other assets	(204,655)	(941,282)	
Billings in excess of cost and estimated earnings (328,028) 8,243,890 Other liabilities 4,777,394 525,181 Income taxes payable (4,689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities: """>""" Purchases of property and equipment (1,806,634) (2,381,570) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets 6,695,711 3,838,766 Net cash used in investing activities (9,831,814) (18,241,445) Cash flows from financing activities (9,831,814) (18,241,445) Excess tax benefits from stock-based compensation arrangements 3,901,636 1,651,513 Book overdraft """>""">""""<"""""""""""""""""""""""	Increase (decrease) in:			
Other liabilities 4,777,394 525,181 Income taxes payable (4,689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities: Turchases of property and equipment (1,806,634) (2,381,570) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets 6,695,711 3,838,766 Net cash used in investing activities (9,831,814) (18,241,445) Cash flows from financing activities: 2 (9,831,814) (18,241,445) Cash flows from financing activities: 3,901,636 1,651,513 Excess tax benefits from stock-based compensation arrangements 3,901,636 1,651,513 Book overdraft - (7,297,122) Payments of financing fees (544,289) (20,325) Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from senior secured credit facility 40,000,000 (7,857,142) Proceeds from long-term debt financing 5,500,089 - Minority interest in foreign subsidiary <td>Accounts payable and accrued expenses</td> <td>(23,857,383)</td> <td>(8,760,740)</td>	Accounts payable and accrued expenses	(23,857,383)	(8,760,740)	
Income taxes payable (4,689,033) 3,083,458 Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities: (1,806,634) (2,381,570) Purchases of property and equipment (1,806,634) (2,381,570) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets 6,695,711 3,838,766 Net cash used in investing activities (9,831,814) (18,241,445) Cash flows from financing activities: 2 (7,297,122) Excess tax benefits from stock-based compensation arrangements 3,901,636 1,651,513 Book overdraft - (7,297,122) Payments of financing fees (544,289) (20,325) Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from senior secured credit facility 40,000,000 (7,857,142) Proceeds from long-term debt financing 5,500,089 - Minority interest in foreign subsidiary - 7,700 Restricted cash (1,675,566) (4,798,107) P	Billings in excess of cost and estimated earnings	(328,028)	8,243,890	
Net cash (used in) provided by operating activities (24,031,668) 39,476,176 Cash flows from investing activities: (1,806,634) (2,381,570) Purchases of property and equipment (14,720,891) (19,698,641) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets 6,695,711 3,838,766 Net cash used in investing activities (9,831,814) (18,241,445) Cash flows from financing activities: (9,831,814) (18,241,445) Excess tax benefits from stock-based compensation arrangements 3,901,636 1,651,513 Book overdraft - (7,297,122) Payments of financing fees (544,289) (20,325) Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from senior secured credit facility 40,000,000 (7,857,142) Proceeds from long-term debt financing 5,500,089 - Minority interest in foreign subsidiary - 7,700 Restricted cash (1,675,566) (4,798,107) Payments on long-term debt (2,554,609) (2,134,957)	Other liabilities	4,777,394	525,181	
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Purchases of property and equipment (1,806,634) (2,381,570) Purchases of project assets (14,720,891) (19,698,641) Grant awards and rebates received on project assets 6,695,711 3,838,766 Net cash used in investing activities (9,831,814) (18,241,445) Cash flows from financing activities: *** (7,297,122) Excess tax benefits from stock-based compensation arrangements 3,901,636 1,651,513 Book overdraft - (7,297,122) Payments of financing fees (544,289) (20,325) Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from senior secured credit facility 40,000,000 (7,857,142) Proceeds from long-term debt financing 5,500,089 - Minority interest in foreign subsidiary - 7,700 Restricted cash (1,675,566) (4,798,107) Payments on long-term debt (2,554,609) (2,134,957) Net cash provided by (used in) financing activities 48,629,349 (18,649,169) Effect of exchange rate changes on cash 325,305 47,059 <t< td=""><td></td><td>(24,031,668)</td><td>39,476,176</td></t<>		(24,031,668)	39,476,176	
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Grant awards and rebates received on project assets 6,695,711 3,838,766 Net cash used in investing activities (9,831,814) (18,241,445) Cash flows from financing activities: *** Excess tax benefits from stock-based compensation arrangements 3,901,636 1,651,513 Book overdraft - (7,297,122) Payments of financing fees (544,289) (20,325) Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from senior secured credit facility 40,000,000 (7,857,142) Proceeds from long-term debt financing 5,500,089 - Minority interest in foreign subsidiary - 7,700 Restricted cash (1,675,566) (4,798,107) Payments on long-term debt (2,554,609) (2,134,957) Net cash provided by (used in) financing activities 48,629,349 (18,649,169) Effect of exchange rate changes on cash 325,305 47,059 Net increase in cash and cash equivalents 15,091,172 2,632,621 Cash and cash equivalents, beginning of year 44,691,021 26,2277,366		,	(2,381,570)	
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Book overdraft - (7,297,122) Payments of financing fees (544,289) (20,325) Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from senior secured credit facility 40,000,000 (7,857,142) Proceeds from long-term debt financing 5,500,089 - Minority interest in foreign subsidiary - 7,700 Restricted cash (1,675,566) (4,798,107) Payments on long-term debt (2,554,609) (2,134,957) Net cash provided by (used in) financing activities 48,629,349 (18,649,169) Effect of exchange rate changes on cash 325,305 47,059 Net increase in cash and cash equivalents 15,091,172 2,632,621 Cash and cash equivalents, beginning of year 44,691,021 26,277,366	Cash flows from financing activities:			
Payments of financing fees (544,289) (20,325) Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from senior secured credit facility 40,000,000 (7,857,142) Proceeds from long-term debt financing 5,500,089 - Minority interest in foreign subsidiary - 7,700 Restricted cash (1,675,566) (4,798,107) Payments on long-term debt (2,554,609) (2,134,957) Net cash provided by (used in) financing activities 48,629,349 (18,649,169) Effect of exchange rate changes on cash 325,305 47,059 Net increase in cash and cash equivalents 15,091,172 2,632,621 Cash and cash equivalents, beginning of year 44,691,021 26,277,366	Excess tax benefits from stock-based compensation arrangements	3,901,636		
Proceeds from exercises of options 4,002,088 1,799,271 Proceeds from senior secured credit facility 40,000,000 (7,857,142) Proceeds from long-term debt financing 5,500,089 - Minority interest in foreign subsidiary - 7,700 Restricted cash (1,675,566) (4,798,107) Payments on long-term debt (2,554,609) (2,134,957) Net cash provided by (used in) financing activities 48,629,349 (18,649,169) Effect of exchange rate changes on cash 325,305 47,059 Net increase in cash and cash equivalents 15,091,172 2,632,621 Cash and cash equivalents, beginning of year 44,691,021 26,277,366		-	,	
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Proceeds from long-term debt financing 5,500,089 - Minority interest in foreign subsidiary - 7,700 Restricted cash (1,675,566) (4,798,107) Payments on long-term debt (2,554,609) (2,134,957) Net cash provided by (used in) financing activities 48,629,349 (18,649,169) Effect of exchange rate changes on cash 325,305 47,059 Net increase in cash and cash equivalents 15,091,172 2,632,621 Cash and cash equivalents, beginning of year 44,691,021 26,277,366				
Minority interest in foreign subsidiary - 7,700 Restricted cash (1,675,566) (4,798,107) Payments on long-term debt (2,554,609) (2,134,957) Net cash provided by (used in) financing activities 48,629,349 (18,649,169) Effect of exchange rate changes on cash 325,305 47,059 Net increase in cash and cash equivalents 15,091,172 2,632,621 Cash and cash equivalents, beginning of year 44,691,021 26,277,366			(7,857,142)	
Restricted cash (1,675,566) (4,798,107) Payments on long-term debt (2,554,609) (2,134,957) Net cash provided by (used in) financing activities 48,629,349 (18,649,169) Effect of exchange rate changes on cash 325,305 47,059 Net increase in cash and cash equivalents 15,091,172 2,632,621 Cash and cash equivalents, beginning of year 44,691,021 26,277,366		5,500,089	-	
Payments on long-term debt (2,554,609) (2,134,957) Net cash provided by (used in) financing activities 48,629,349 (18,649,169) Effect of exchange rate changes on cash 325,305 47,059 Net increase in cash and cash equivalents 15,091,172 2,632,621 Cash and cash equivalents, beginning of year 44,691,021 26,277,366	·	-	•	
Net cash provided by (used in) financing activities 48,629,349 (18,649,169) Effect of exchange rate changes on cash 325,305 47,059 Net increase in cash and cash equivalents 15,091,172 2,632,621 Cash and cash equivalents, beginning of year 44,691,021 26,277,366				
Effect of exchange rate changes on cash 325,305 47,059 Net increase in cash and cash equivalents 15,091,172 2,632,621 Cash and cash equivalents, beginning of year 44,691,021 26,277,366	Payments on long-term debt	(2,554,609)	(2,134,957)	
Net increase in cash and cash equivalents15,091,1722,632,621Cash and cash equivalents, beginning of year44,691,02126,277,366	Net cash provided by (used in) financing activities	48,629,349	(18,649,169)	
Net increase in cash and cash equivalents15,091,1722,632,621Cash and cash equivalents, beginning of year44,691,02126,277,366	Effect of exchange rate changes on cash	325,305	47,059	
Cash and cash equivalents, beginning of year 44,691,021 26,277,366	Net increase in cash and cash equivalents	15,091,172	2,632,621	
	Cash and cash equivalents, beginning of year	44,691,021		
	Cash and cash equivalents, end of period	\$ 59,782,193	\$ 28,909,987	

Exhibit A: Non-GAAP Financial Measures

Ameresco defines adjusted EBITDA as operating income before depreciation, amortization of intangible assets and share-based compensation expense. Adjusted EBITDA is a non-GAAP financial measure and should not be considered as an alternative to operating income or any other measure of financial performance calculated and presented in accordance with GAAP.

The Company believes adjusted EBITDA is useful to investors in evaluating its 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 Ameresco's adjusted EBITDA in different historical periods, investors can evaluate its operating results without the additional variations of depreciation and amortization expense, and share-based compensation expense.

Ameresco's management uses adjusted EBITDA: as a measure of operating performance, because it does not include the impact of items that management does not consider indicative of our core operating performance; for planning purposes, including the preparation of the annual operating budget; to allocate resources to enhance the financial performance of the business; to evaluate the effectiveness of Ameresco's business strategies; and in communications with the board of directors and investors concerning Ameresco's financial performance.

The Company understands that, although measures similar to adjusted EBITDA are frequently used by investors and securities analysts in their evaluation of companies, adjusted EBITDA has limitations as an analytical tool, and investors should not consider it in isolation or as a substitute for GAAP operating income or an analysis of Ameresco's results of operations as reported under GAAP. Some of these limitations are: adjusted EBITDA does not reflect the Company's cash expenditures or future requirements for capital expenditures or other contractual commitments; adjusted EBITDA does not reflect changes in, or cash requirements for, Ameresco's working capital needs; adjusted EBITDA does not reflect stock-based compensation expense; adjusted EBITDA does not reflect cash requirements for income taxes; adjusted EBITDA does not reflect net interest income (expense); although depreciation, amortization and impairment are non-cash charges, the assets being depreciated, amortized or impaired will often have to be replaced in the future, and adjusted EBITDA does not reflect any cash requirements for these replacements; and other companies in Ameresco's industry may calculate adjusted EBITDA differently than it does, limiting its usefulness as a comparative measure.

To properly and prudently evaluate Ameresco's business, the Company encourages investors to review its GAAP financial statements included above, and not to rely on any single financial measure to evaluate the business. Please refer to the above reconciliation of adjusted EBITDA to operating income, the most directly comparable GAAP measure.

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