



# Q3 2019 SUPPLEMENTAL INFORMATION

NOVEMBER 5, 2019

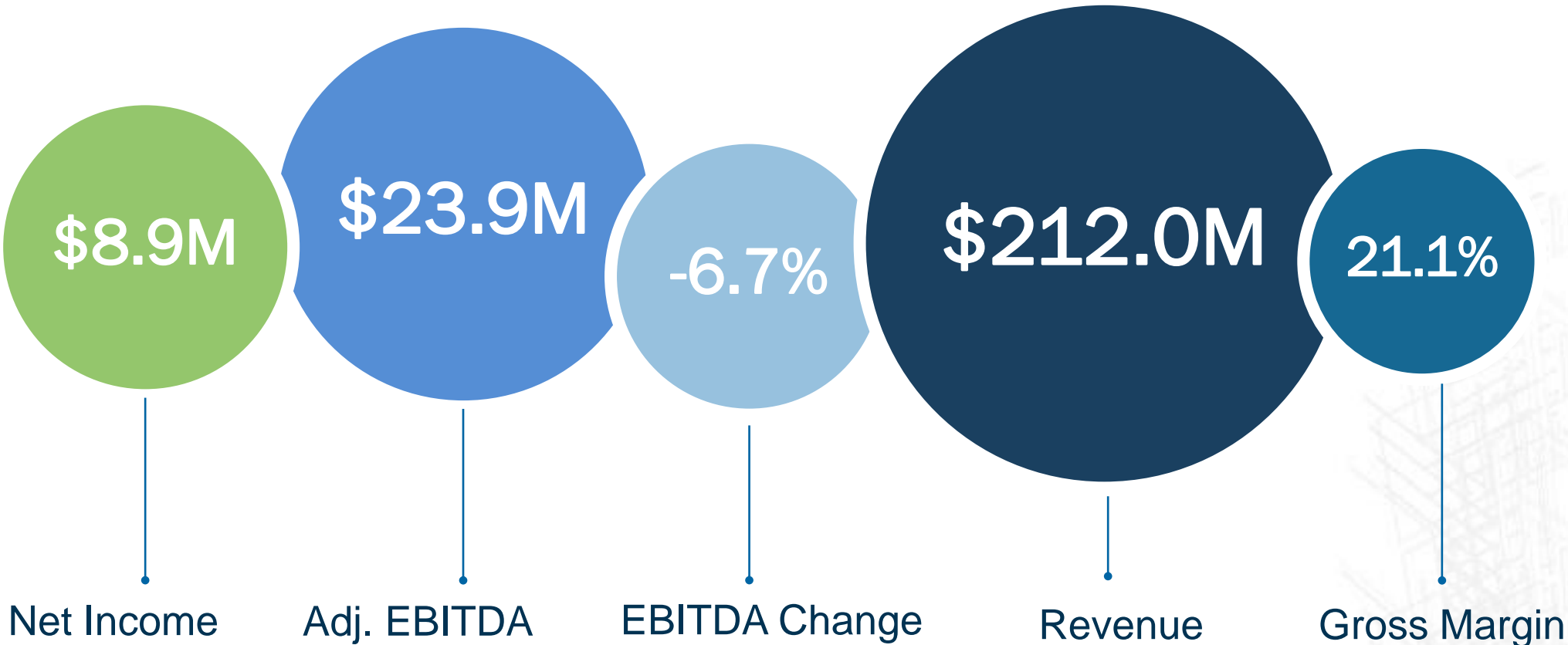
## Forward Looking Statements

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, 2018, filed with the U.S. Securities and Exchange Commission on March 8, 2019. 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.”

# Q3 2019 HIGHLIGHTS



# SOURCES OF REVENUE Q3 2019



**\$145.9M**

## Projects

Energy efficiency and renewable energy projects



**\$43.6M**

## Recurring

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

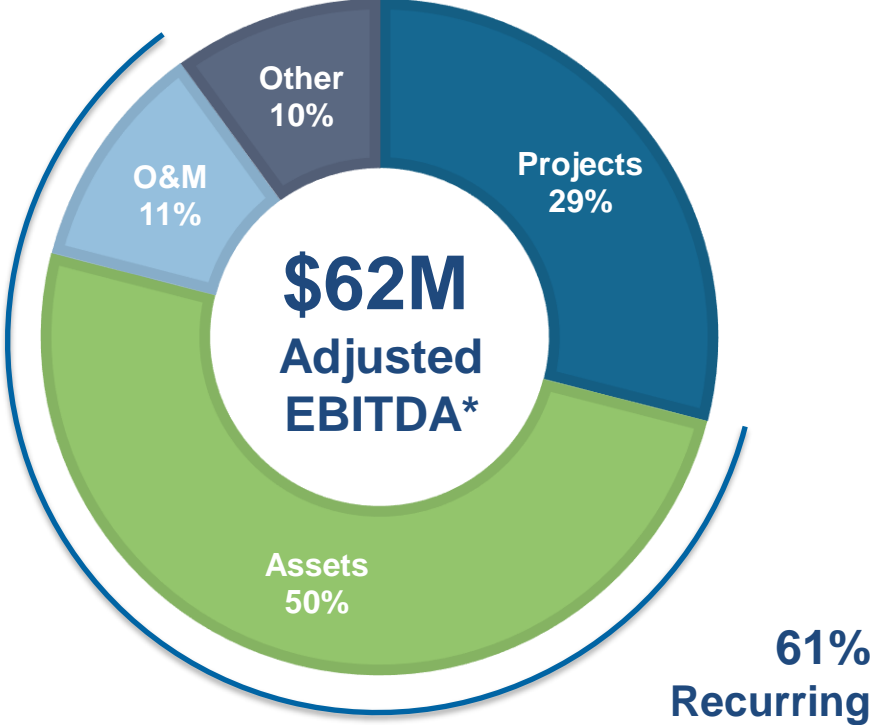
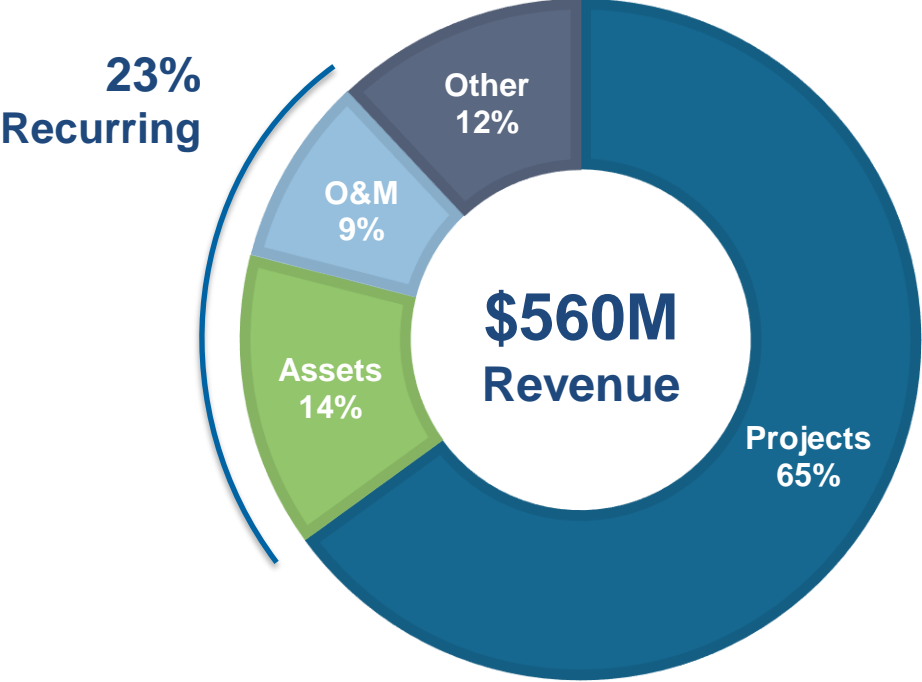


**\$22.5M**

## Other

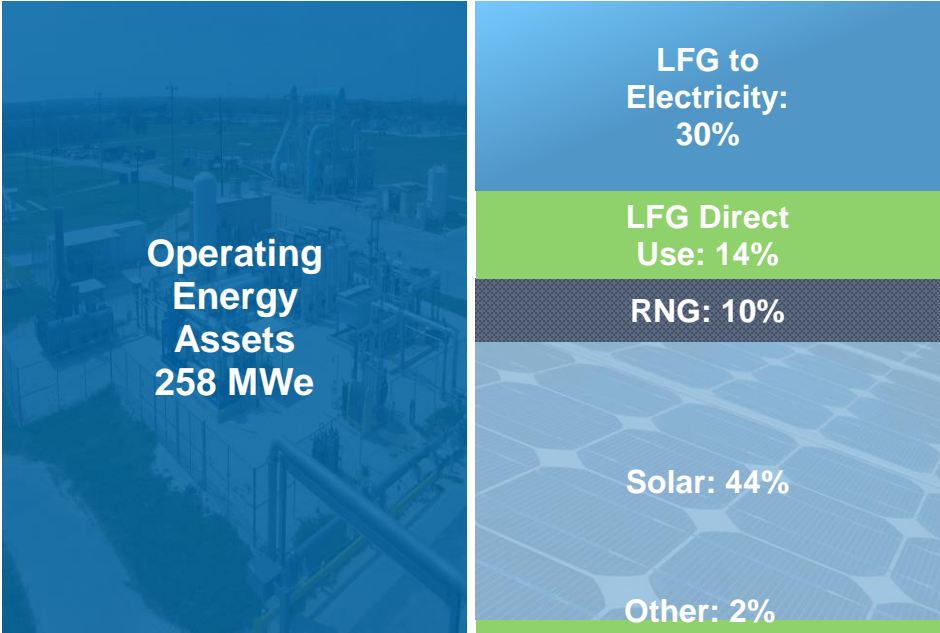
Services, software and integrated PV

# 61% OF EBITDA CAME FROM RECURRING LINES OF BUSINESS YEAR-TO-DATE 2019

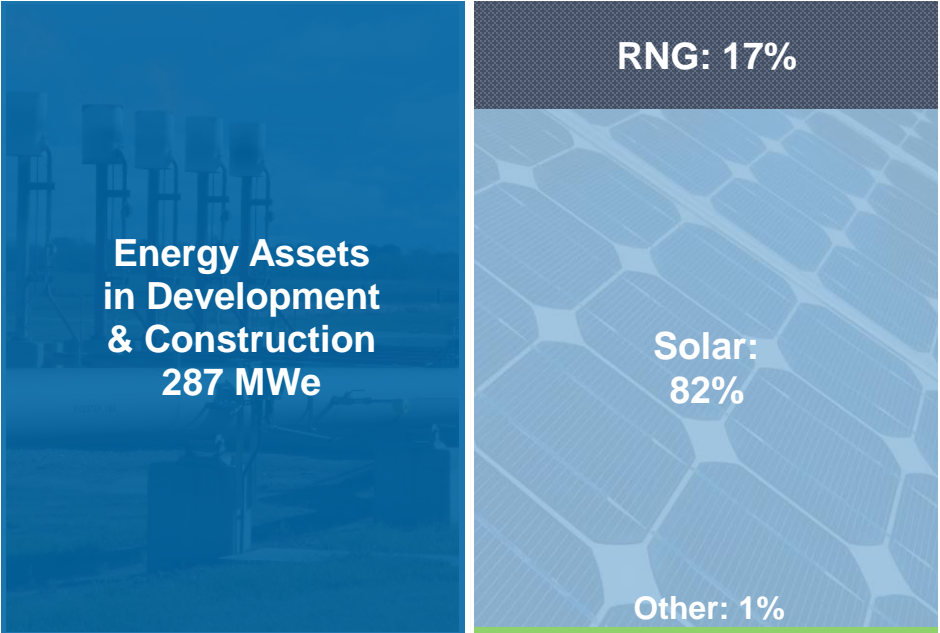


\* Adjusted EBITDA percentage amounts exclude unallocated corporate expenses.

# ENERGY ASSET PORTFOLIO – 09/30/2019



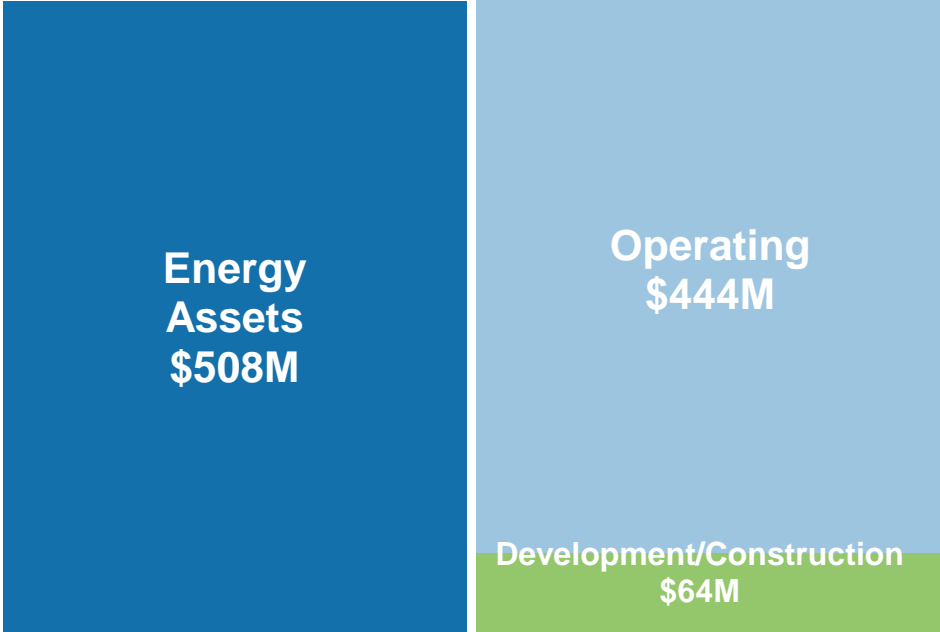
258 MWe of Energy Assets. Renewable Gas is 141 MWe, Solar is 113 MW, Other is 4 MW\*



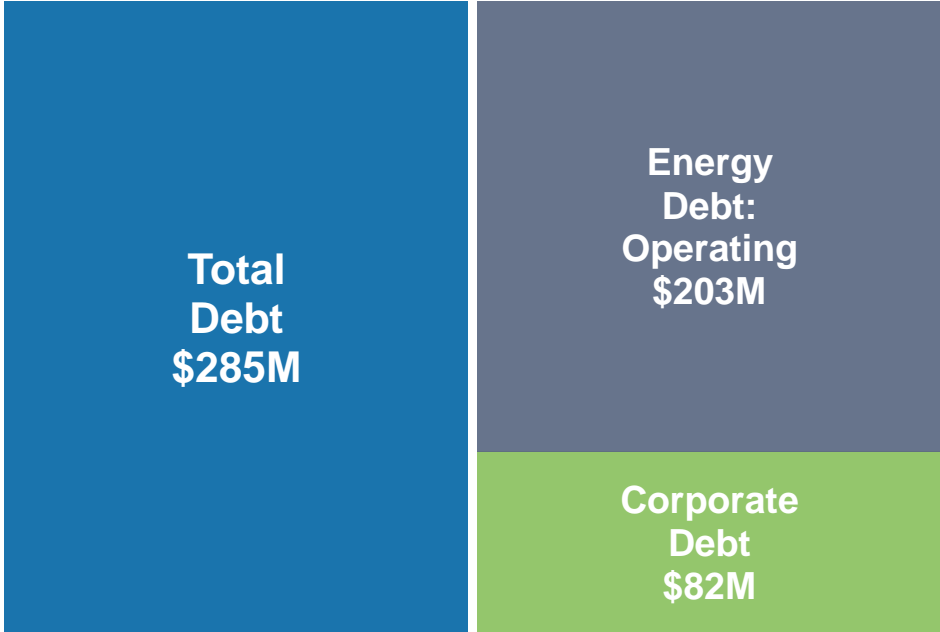
287 MWe in development & construction. Renewable Gas is 47 MWe, Solar is 236 MW, Other is 4 MW\*

\* Numbers may not sum due to rounding

# ENERGY ASSET BALANCE SHEET – 9/30/2019



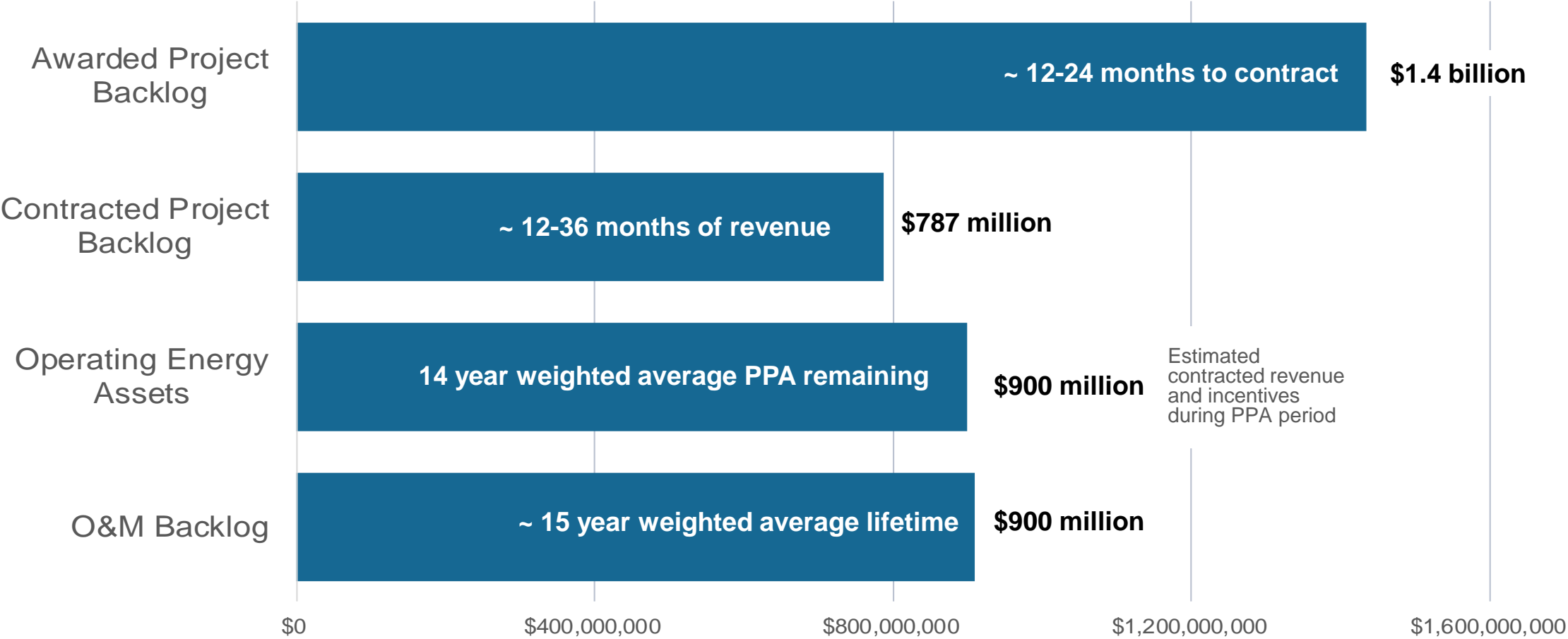
\$64M out of the \$508M energy assets on our balance sheet are still in development or construction.



\$203M out of the \$285M of total debt on our balance sheet is debt associated with our operating energy assets. **\$201M** of the energy debt is **non-recourse** to Ameresco, Inc.

\* Numbers may not sum due to rounding

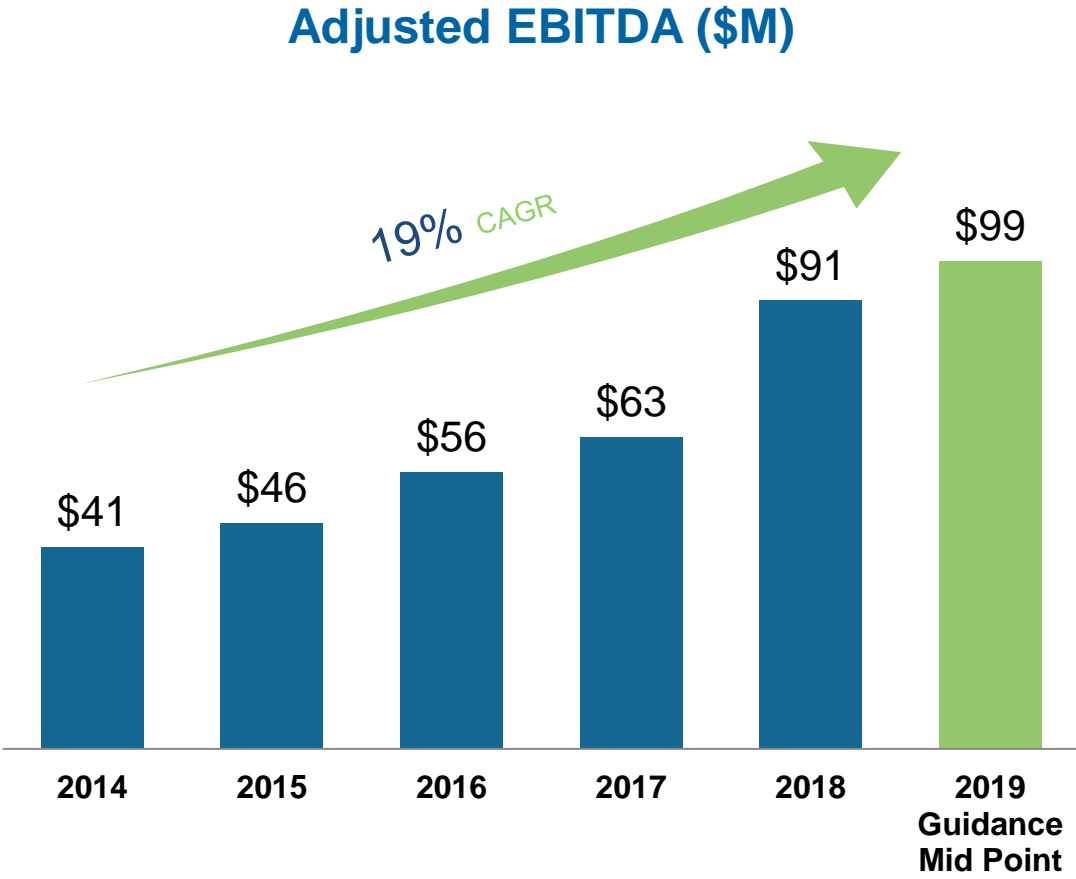
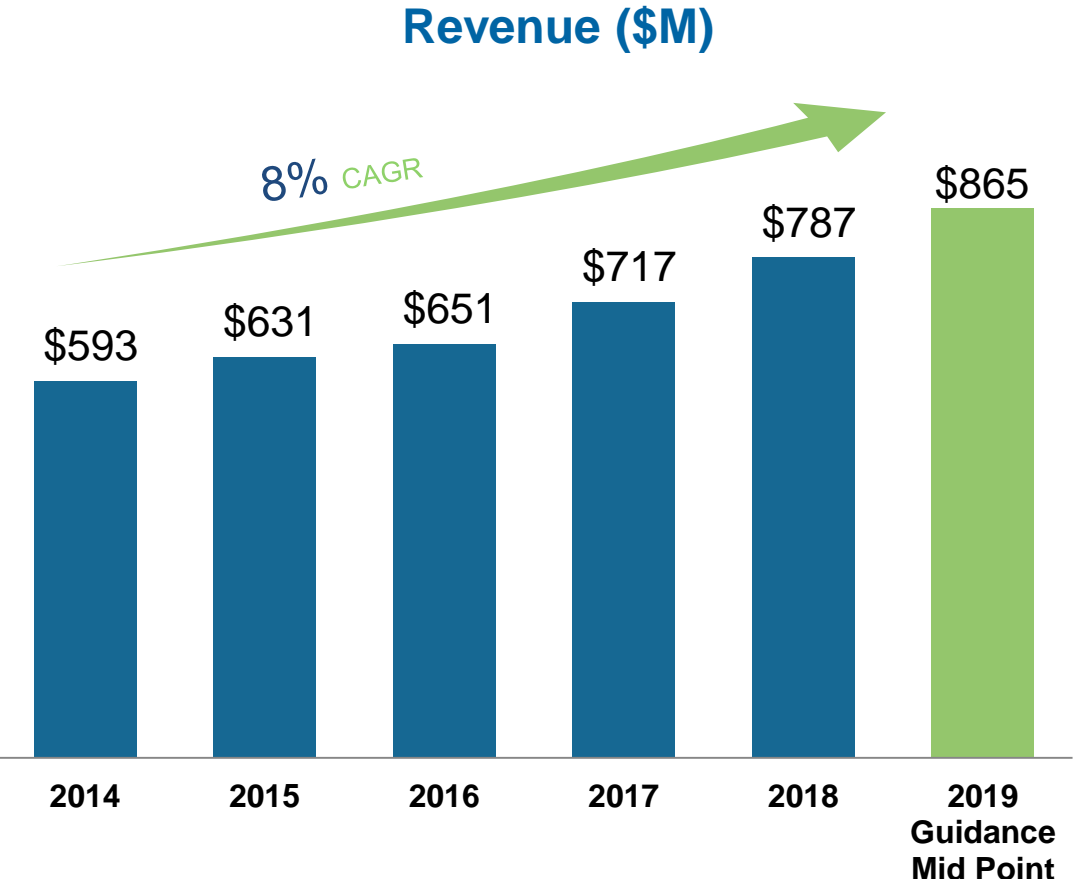
# TREMENDOUS FORWARD VISIBILITY BACKLOG AND RECURRING REVENUE BUSINESS





# SUSTAINABLE & PROFITABLE BUSINESS MODEL

Expanding Earnings at a Faster Rate than Revenue by Growing Higher Margin Recurring Lines of Business





# APPENDIX

# ENERGY ASSET METRICS

Energy Asset Metrics (in thousands, except megawatt equivalents "MWe")				
As of September 30,				
	2019		2018	
	MWe	\$	MWe	\$
<b>Energy Assets:</b>				
In Operations	258	444,040	216	331,471
In Development/Construction	287	63,719	133	110,546
Total Energy Assets	545	\$507,759	349	\$442,018
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
<b>Energy Assets Performance:</b>				
Revenues	\$25,786	\$25,504	\$76,800	\$69,790
Adjusted EBITDA	\$15,380	\$15,761	\$47,336	\$43,433
	As of September 30,			
	2019	2018		
<b>Energy Assets Debt Financing:</b>				
In Operations	203,320	162,162		
In Development/Construction	-	52,111		
Total Debt Financing	\$203,320	\$214,273		

# GAAP TO NON-GAAP RECONCILIATION

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019 (Unaudited)	2018 (Unaudited)	2019 (Unaudited)	2018 (Unaudited)
<b>Adjusted EBITDA:</b>				
Net income attributable to common shareholders	\$ 8,870	\$ 10,701	\$ 22,233	\$ 26,391
Impact of redeemable non-controlling interests	(539)	-	(2,524)	516
Plus: Income tax provision (benefit)	939	3,351	2,000	1,879
Plus: Other expenses, net	4,192	3,244	11,359	10,754
Plus: Depreciation and amortization of intangible assets	9,831	7,523	29,134	22,043
Plus: Stock-based compensation	413	390	1,195	1,137
Plus: Restructuring and other charges	169	386	410	66
Less: Gain on deconsolidation of VIE	-	-	(2,160)	-
Adjusted EBITDA	<u>\$ 23,875</u>	<u>\$ 25,595</u>	<u>\$ 61,647</u>	<u>\$ 62,786</u>
Adjusted EBITDA margin	<b>11.3%</b>	<b>12.5%</b>	<b>11.0%</b>	<b>11.0%</b>
<b>Non-GAAP net income and EPS:</b>				
Net income attributable to common shareholders	\$ 8,870	\$ 10,701	\$ 22,233	\$ 26,391
Impact of redeemable non-controlling interests	(539)	-	(2,524)	516
Plus: Restructuring and other charges	169	386	410	66
Less: Gain on deconsolidation of VIE	-	-	(2,160)	-
Plus: Income Tax effect of non-GAAP adjustments	-	(101)	-	(101)
Non-GAAP net income	<u>\$ 8,500</u>	<u>\$ 10,986</u>	<u>\$ 17,959</u>	<u>\$ 26,872</u>
<b>Earnings per share:</b>				
Diluted net income per common share	\$ 0.19	\$ 0.23	\$ 0.47	\$ 0.57
Effect of adjustments to net income	(0.01)	-	(0.09)	0.01
Non-GAAP EPS	<u>\$ 0.18</u>	<u>\$ 0.23</u>	<u>\$ 0.38</u>	<u>\$ 0.58</u>
<b>Adjusted cash from operations</b>				
Cash flows from operating activities	\$ (11,471)	\$ 25,096	\$ (120,725)	\$ (32,041)
Plus: proceeds from Federal ESPP projects	\$ 32,769	\$ 43,906	\$ 115,556	\$ 113,570
Adjusted cash from operations	<u>\$ 21,298</u>	<u>\$ 69,002</u>	<u>\$ (5,169)</u>	<u>\$ 81,529</u>

# PERFORMANCE BY SEGMENT

	Performance by Segment (in thousands):			
	Three Months Ended		Nine Months Ended	
	Revenue	Adjusted EBITDA	Revenue	Adjusted EBITDA
<b>September 30, 2019</b>				
U.S. Regions	84,079	7,690	227,896	17,745
U.S. Federal	71,258	12,044	169,337	29,788
Canada	12,665	2,225	27,696	3,116
Non-Solar DG	21,875	7,480	66,370	26,397
All Other	22,199	1,400	69,115	6,674
Unallocated corporate activity	(50)	(6,964)	(93)	(22,073)
Total Consolidated	<u>\$ 212,026</u>	<u>\$ 23,875</u>	<u>\$ 560,321</u>	<u>\$ 61,647</u>
<b>September 30, 2018</b>				
U.S. Regions	86,402	7,996	249,871	22,562
U.S. Federal	62,378	11,844	168,377	29,580
Canada	11,604	1,039	28,466	447
Non-Solar DG	22,138	10,022	60,176	26,195
All Other	22,878	2,326	62,368	4,919
Unallocated corporate activity	(25)	(7,632)	509	(20,917)
Total Consolidated	<u>\$ 205,375</u>	<u>\$ 25,595</u>	<u>\$ 569,767</u>	<u>\$ 62,786</u>

# SEGMENTS BY LINE OF BUSINESS – 3 MONTHS

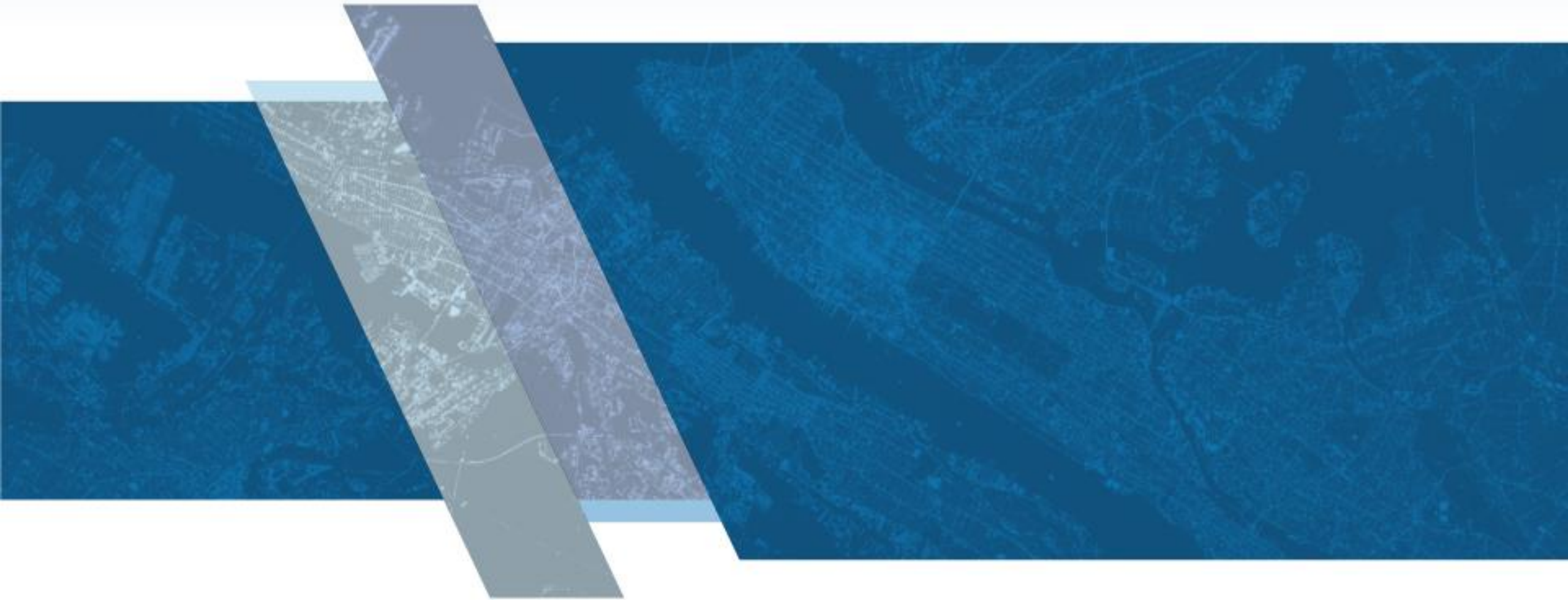
Segment Revenues by Line of Business for the Three Months Ended September 30 (in thousands):

	U.S. Regions	U.S. Federal	Canada	Non-Solar DG	All Other	Total Consolidated
<b>2019</b>						
Project	\$ 72,667	\$ 58,199	\$ 9,380	\$ 3,059	\$ 2,592	\$ 145,897
Energy Assets	6,699	1,339	1,327	16,421	0	25,786
O&M	4,280	11,123	-	2,330	88	17,821
Integrated-PV	-	-	-	-	11,339	11,339
Other Services	433	597	1,958	65	8,130	11,183
Total Revenues	<u>\$ 84,079</u>	<u>\$ 71,258</u>	<u>\$ 12,665</u>	<u>\$ 21,875</u>	<u>\$ 22,149</u>	<u>\$ 212,026</u>
<b>2018</b>						
Project	\$ 77,345	\$ 49,762	\$ 9,207	\$ 1,268	\$ 4,074	\$ 141,656
Energy Assets	4,064	1,507	921	18,790	223	25,504
O&M	4,432	10,732	15	2,005	-	17,184
Integrated-PV	-	-	-	-	10,411	10,411
Other Services	561	377	1,462	74	8,145	10,619
Total Revenues	<u>\$ 86,402</u>	<u>\$ 62,378</u>	<u>\$ 11,604</u>	<u>\$ 22,138</u>	<u>\$ 22,853</u>	<u>\$ 205,375</u>

# SEGMENTS BY LINE OF BUSINESS – 9 MONTHS

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

	U.S. Regions	U.S. Federal	Canada	Non-Solar DG	All Other	Total Consolidated
<b>2019</b>						
Project	\$ 196,284	\$ 134,954	\$ 20,112	\$ 6,318	\$ 8,818	\$ 366,486
Energy Assets	18,063	2,958	2,585	52,612	582	76,800
O&M	11,580	30,370	5	6,771	109	48,835
Integrated-PV	-	-	-	-	35,729	35,729
Other Services	1,969	1,055	4,994	669	23,784	32,471
Total Revenues	<u>\$ 227,896</u>	<u>\$ 169,337</u>	<u>\$ 27,696</u>	<u>\$ 66,370</u>	<u>\$ 69,022</u>	<u>\$ 560,321</u>
<b>2018</b>						
Project	\$ 223,662	\$ 135,037	\$ 21,459	\$ 3,368	\$ 8,844	\$ 392,370
Energy Assets	12,844	3,416	2,304	50,405	821	69,790
O&M	12,396	29,477	34	6,260	-	48,166
Integrated-PV	-	-	-	-	31,184	31,184
Other Services	969	447	4,669	143	22,028	28,256
Total Revenues	<u>\$ 249,871</u>	<u>\$ 168,377</u>	<u>\$ 28,466</u>	<u>\$ 60,176</u>	<u>\$ 62,877</u>	<u>\$ 569,767</u>



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