



EnerNOC, Inc.
Condensed Consolidated Statements of Operations
(in thousands, except share and per share data)

	Three Months Ended				Twelve Months Ended		Three Months Ended	
	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014	December 31, 2014		March 31, 2015	June 30, 2015
Revenue:								
Grid operator	\$ 35,770	\$ 22,974	\$ 291,848	\$ 18,236	\$ 368,828	\$ 23,713	\$ 41,545	
Utility	10,309	11,961	27,741	12,015	62,026	10,781	12,557	
Enterprise	6,429	9,120	9,833	15,712	41,094	16,057	18,398	
Total Revenues	52,508	44,055	329,422	45,963	471,948	50,551	72,500	
Cost of Revenues	36,139	27,802	168,564	24,817	257,322	31,956	33,543	
Gross Profit	16,369	16,253	160,858	21,146	214,626	18,595	38,957	
Gross Margin	31.2%	36.9%	48.8%	46.0%	45.5%	36.8%	53.7%	
Operating Expenses:								
Selling and marketing	18,499	19,526	18,972	19,963	76,960	28,496	23,670	
General and administrative	23,677	24,191	24,472	25,389	97,729	28,289	28,453	
Research and development	5,175	4,997	5,260	5,239	20,671	7,451	7,735	
Gain on sale of service lines	-	(3,378)	(359)	(1,054)	(4,791)	-	-	
Gain on the sale of assets	-	(2,171)	-	-	(2,171)	-	(2,991)	
Total operating expenses	47,351	43,165	48,345	49,537	188,398	64,236	56,867	
(Loss) Income From Operations	(30,982)	(26,912)	112,513	(28,391)	26,228	(45,641)	(17,910)	
Other (Expense) Income, Net	124	(229)	(3,747)	(4,503)	(8,355)	(6,949)	(535)	
(Loss) Income From Operations Before Income Taxes	(30,858)	(27,141)	108,766	(32,894)	17,873	(52,590)	(18,445)	
Provision for (Benefit from) Income Taxes	(425)	(264)	12,111	(6,074)	5,876	(2,285)	(345)	
Net (Loss) Income	(30,433)	(27,405)	96,655	(26,820)	11,997	(50,301)	(18,790)	
Net Loss Attributable to Noncontrolling Interest	(20)	(20)	(18)	(39)	(97)	(4)	(10)	
Net (Loss) Income Attributable to EnerNOC, Inc.	\$ (30,413)	\$ (27,385)	\$ 96,673	\$ (26,781)	\$ 12,094	\$ (50,301)	\$ (18,780)	
Diluted Net (Loss) Income Per Share Attributable to EnerNOC, Inc.	\$ (1.09)	\$ (0.96)	\$ 3.11	\$ (0.98)	\$ 0.42	\$ (1.80)	\$ (0.66)	
Shares Used In Computing Basic and Diluted								
Net (Loss) Income Per Share Attributable to EnerNOC, Inc.	27,923,861	28,461,111	31,434,164	27,406,087	28,790,665	28,007,756	28,327,867	
Net (Loss) Income Attributable to EnerNOC, Inc.	\$ (30,413)	\$ (27,385)	\$ 96,673	\$ (26,781)	\$ 12,094	\$ (50,301)	\$ (18,780)	
Adjustments:								
Stock-based compensation expense	4,227	3,799	4,135	3,902	16,063	4,409	3,321	
Amortization of acquired intangible assets	1,883	2,479	2,391	2,499	9,252	3,918	4,027	
Direct and incremental expenses related to acquisitions or divestitures ¹	946	413	197	1,994	3,550	1,382	221	
Direct and incremental expenses related to restructuring ²	-	-	-	-	-	-	1,240	
Debt discount portion of convertible debt	-	-	474	1,000	1,474	992	1,028	
Tax impact of items listed above	-	-	(3,548)	1,062	(2,486)	-	-	
Non-GAAP Net (Loss) Income Attributable to EnerNOC, Inc.	\$ (23,357)	\$ (20,694)	\$ 100,322	\$ (16,324)	\$ 39,947	\$ (39,600)	\$ (8,943)	
Non-GAAP Diluted Net (Loss) Income Per Share Attributable to EnerNOC, Inc.	\$ (0.84)	\$ (0.73)	\$ 3.19	\$ (0.60)	\$ 1.39	\$ (1.41)	\$ (0.32)	
Shares Used In Computing Non-GAAP Diluted								
Net (Loss) Income Per Share Attributable to EnerNOC, Inc.	27,923,861	28,461,111	31,434,164	27,406,087	28,790,665	28,007,756	28,327,867	
Stock-Based Compensation Expense								
Selling and marketing	\$ 1,193	\$ 1,372	\$ 1,512	\$ 1,411	\$ 5,488	\$ 1,643	\$ 308	
General and administrative	2,696	2,108	2,262	2,159	9,225	2,430	2,696	
Research and development	338	319	361	332	1,350	336	317	
Total Stock-Based Compensation Expense	\$ 4,227	\$ 3,799	\$ 4,135	\$ 3,902	\$ 16,063	\$ 4,409	\$ 3,321	
Reconciliation of Adjusted EBITDA								
Net (Loss) Income Attributable to EnerNOC, Inc.	\$ (30,413)	\$ (27,385)	\$ 96,673	\$ (26,781)	\$ 12,094	\$ (50,301)	\$ (18,780)	
Adjustments - Depreciation and amortization	7,365	7,842	7,960	8,250	31,417	9,834	9,914	
Adjustments - Stock-based compensation	4,227	3,799	4,135	3,902	16,063	4,409	3,321	
Adjustments - Direct and incremental expenses related to acquisitions or divestitures ¹	946	413	197	1,994	3,550	1,382	221	
Adjustments - Direct and incremental expenses related to restructuring ²	-	-	-	-	-	-	1,240	
Adjustments - Other expense (income), net ³	(574)	(374)	2,224	2,423	3,699	4,657	(1,705)	
Adjustments - Interest expense	450	603	1,523	2,080	4,656	2,292	2,240	
Adjustments - Provision for (benefit from) income taxes ⁴	(425)	(838)	12,111	(5,957)	4,891	(2,285)	345	
Adjusted EBITDA	\$ (18,424)	\$ (15,940)	\$ 124,823	\$ (14,089)	\$ 76,370	\$ (30,012)	\$ (3,204)	
Reconciliation of Free Cash Flow								
Cash provided by (used in) operating activities	\$ (11,566)	\$ 17,292	\$ 23,986	\$ 30,727	\$ 60,439	\$ (18,452)	\$ (5,216)	
Adjustments - Net cash provided by the sale of assets or disposals of components of an entity	-	6,446	-	1,600	8,046	-	2,991	
Adjustments - Purchases of property and equipment	(6,113)	(6,473)	(6,662)	(6,305)	(25,553)	(5,206)	(6,084)	
Free cash flow	\$ (17,679)	\$ 17,265	\$ 17,324	\$ 26,022	\$ 42,932	\$ (23,658)	\$ (8,309)	

(1) Represents costs primarily related to acquisitions for third party professional services (legal, accounting, valuation) and severance.

(2) Represents costs associated with reorganizing the business for our continued enterprise and utility focus.

(3) - Other expense primarily relates to foreign currency (gains) losses.

(4) - Excludes discrete tax provision of \$1.102 recorded during the three and six month periods ended June 30, 2014 related to the Company's sale of the USC business component.