

# INVESTOR PRESENTATION

NASDAQ Ticker: WLDN

March 2016

## Safe Harbor Statement

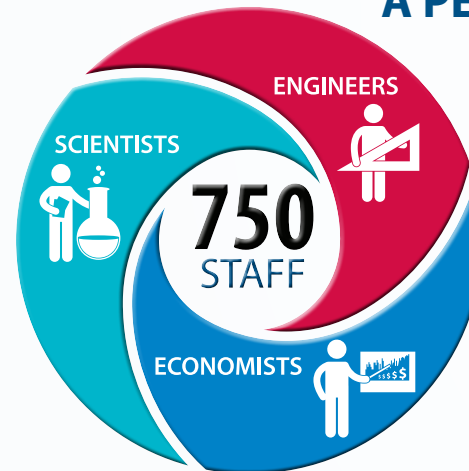
Statements in this presentation that are not purely historical, including statements regarding Willdan's intentions, hopes, beliefs, expectations, representations, projections, estimates, plans or predictions of the future are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements involve risks and uncertainties including, but not limited to, the risk that Willdan will not be able to expand its services or meet the needs of customers in markets in which it operates. It is important to note that Willdan's actual results could differ materially from those in any such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, a slowdown in the local and regional economies of the states where Willdan conducts business and the loss of or inability to hire additional qualified professionals. Willdan's business could be affected by a number of other factors, including the risk factors listed from time to time in Willdan's SEC reports including, but not limited to, the Annual Report on Form 10-K filed for the year ended January 2, 2015. Willdan cautions investors not to place undue reliance on the forward-looking statements contained in this press release. Willdan disclaims any obligation to, and does not undertake to, update or revise any forward-looking statements in this press release.

# WILLDAN OVERVIEW

## We Are

- ◆ High-Growth Energy Efficiency Consulting Company
- ◆ Diversified Supporting Services

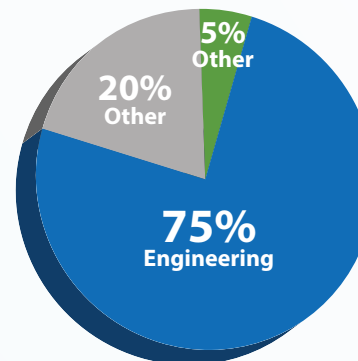
## A PEOPLE COMPANY



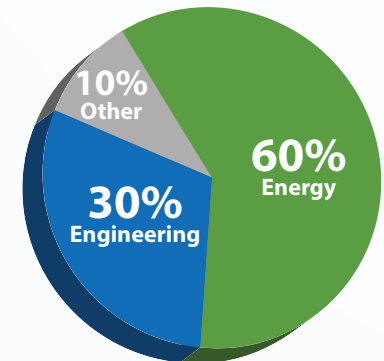
## OUR FY15 STATS

- ◆ \$135m Revenue
- ◆ 25% Revenue Growth
- ◆ 7.5% EBITDA Margin
- ◆ \$8.1m Cash Flow from Operations

2007

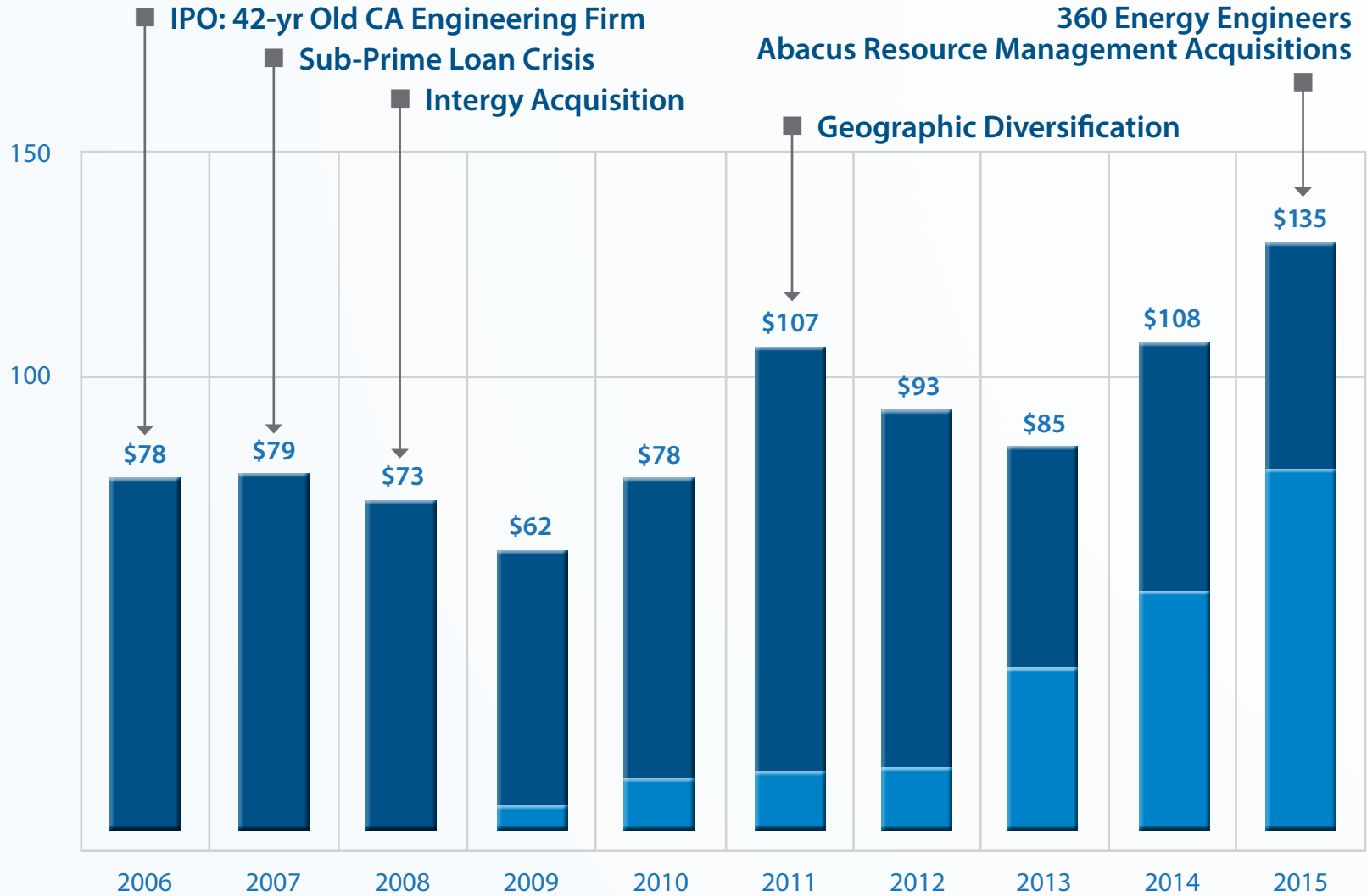


NOW



# HISTORY

Revenue (\$m)



□ Energy Efficiency

# WHY ENERGY?

## Critical Resources

### WILLDAN NOW

- Electrical Efficiency Focused
- Price of Oil Has Nearly No Impact to Business

ENERGY  
EFFICIENCY

ENERGY

WATER

### WILLDAN FUTURE

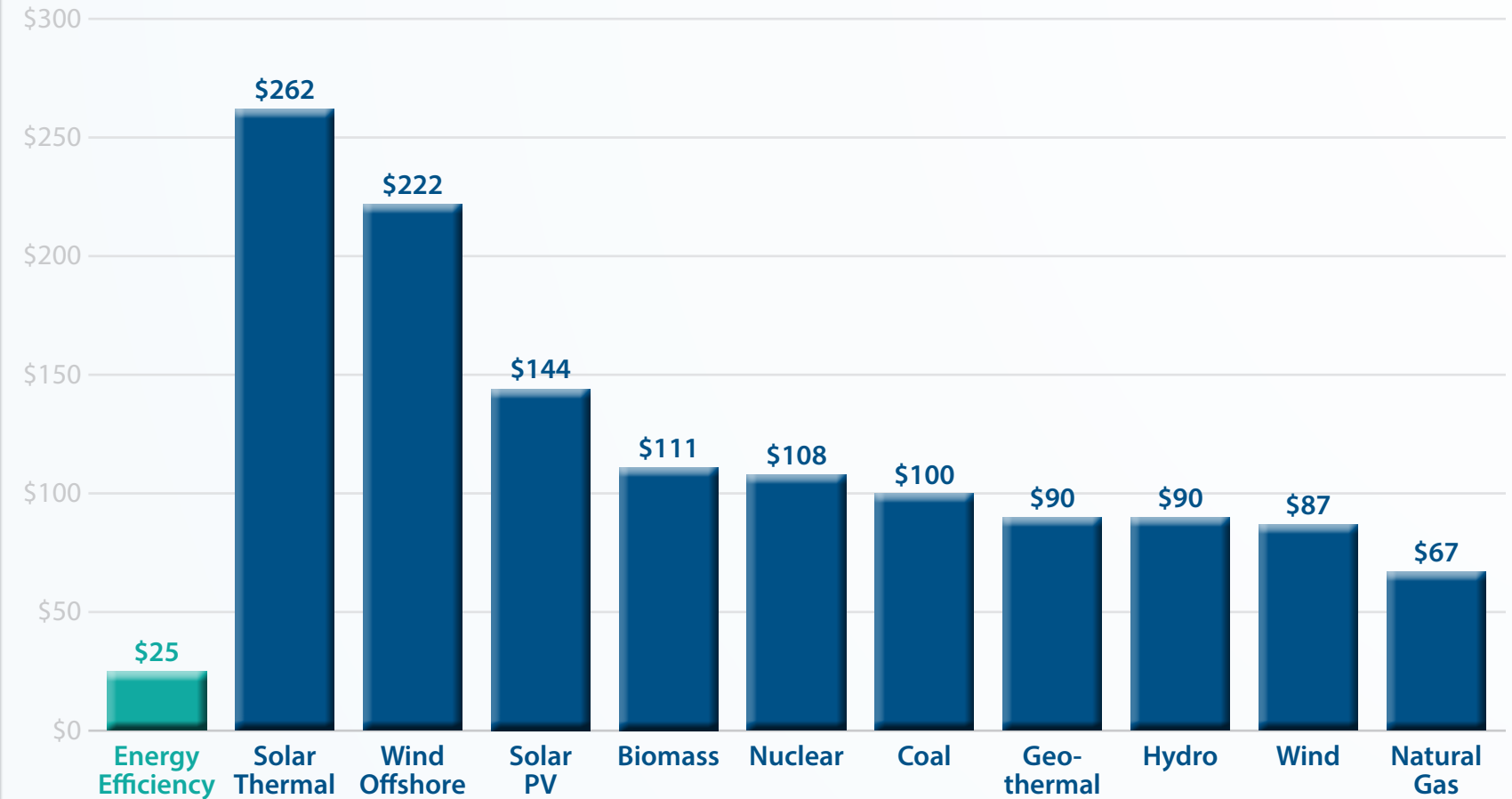
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Nexus

Market Has Deep-Rooted Growth Drivers

# ENERGY EFFICIENCY – MOST COST-EFFECTIVE SOURCE<sup>1</sup>

## Levelized Cost of New Generating Technologies in 2018

(2011 \$/MWh)



(1) Source: U.S. Energy Information Administration, Annual Energy Outlook 2013

# DEEP-ROOTED GROWTH DRIVERS

## Energy Efficiency Market Drivers

### Market Size\*

\$14B Energy Services

\$14B Performance Contracting

**\$28B/yr**

### Economic

- ◆ Lowers Consumer Costs
- ◆ Increases Utilities ROI: Decoupling

### Environmental

- ◆ Global Warming
- ◆ Sustainability

### Security

- ◆ Local and National Challenges
- ◆ Resiliency

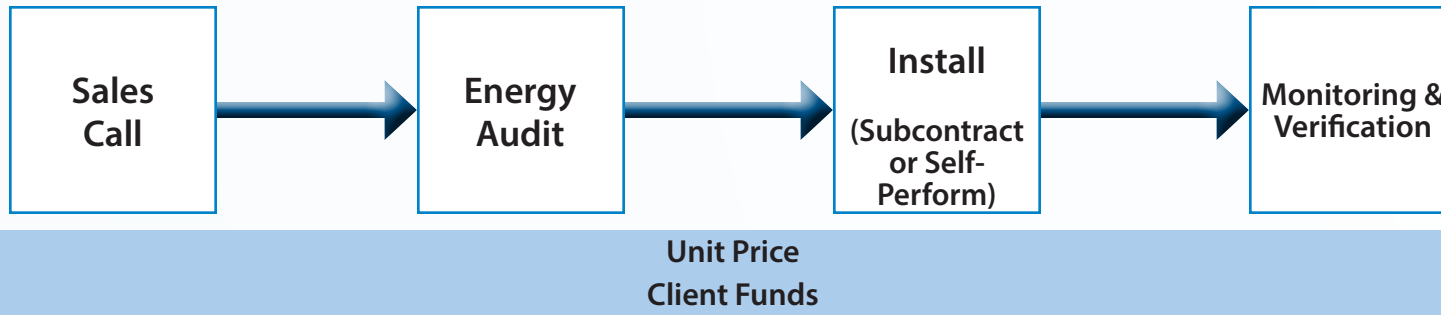
### Political

- ◆ Willingness to Regulate
- ◆ Move Away from Coal

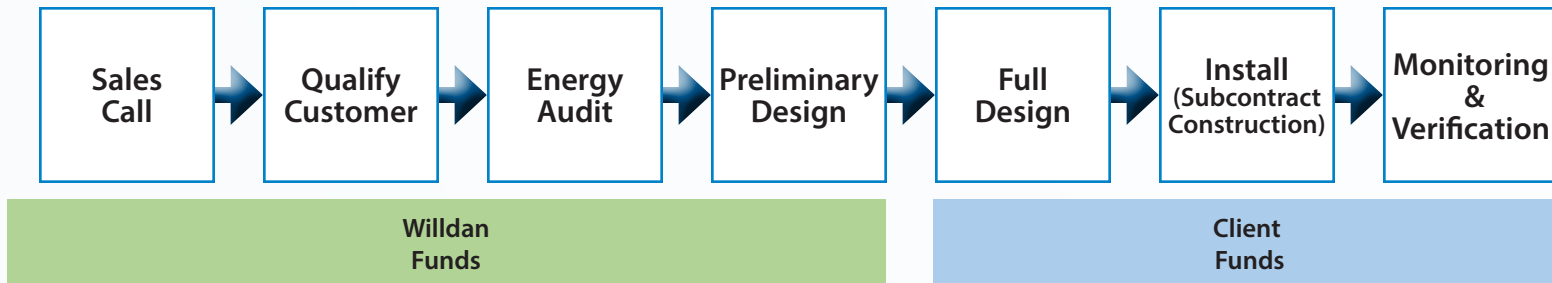
\* ACEEE Study. Size of U.S. Energy Efficiency Market.

# EXAMPLE ENERGY EFFICIENCY PROJECTS

## Utility Contracts

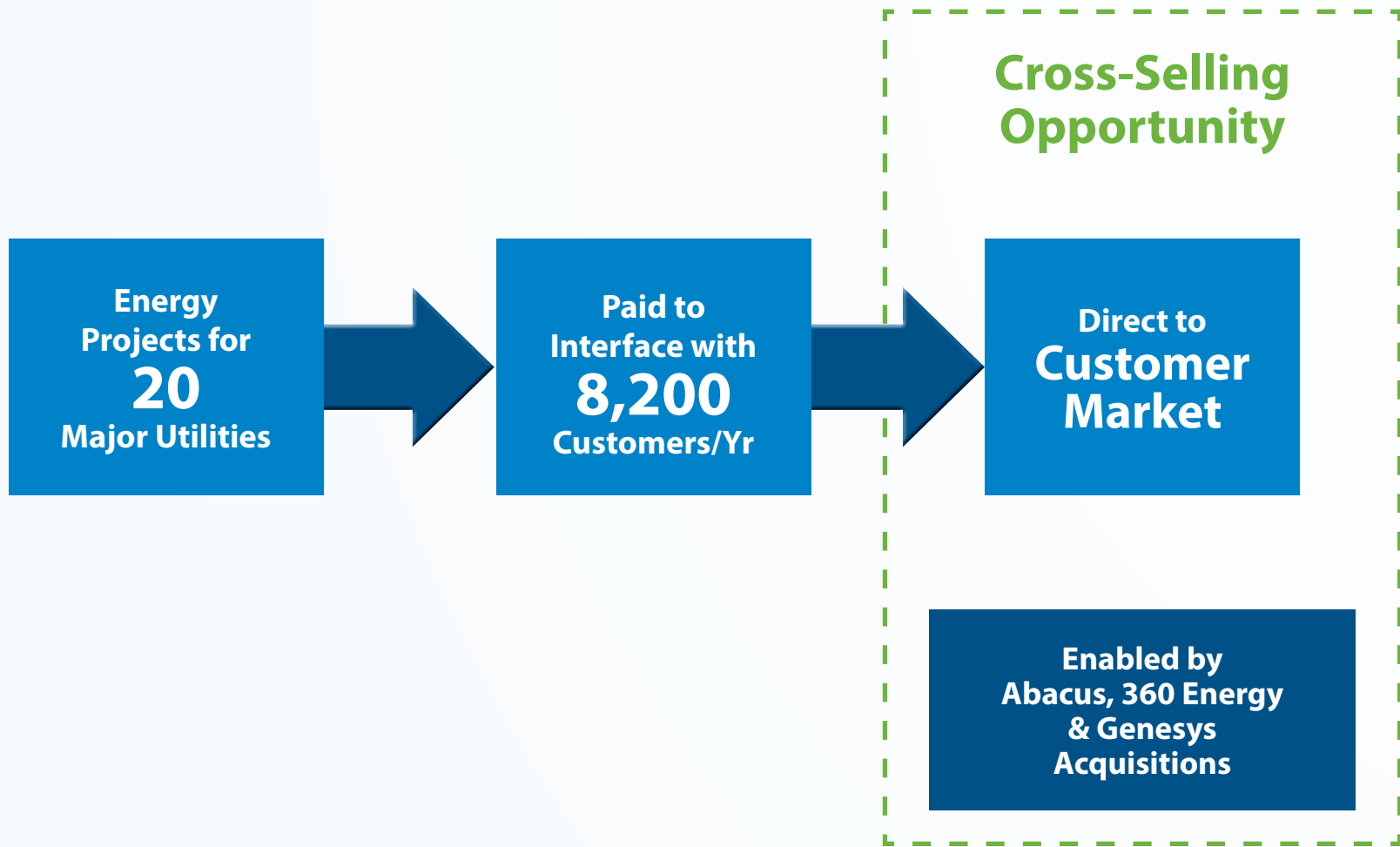


## Performance Contracts





# CROSS-SELLING OPPORTUNITIES



# DIVERSIFIED CUSTOMER BASE

## Client Category

## % Willdan 2015

## Example Customers

Utilities ..... 50%



State & Local Government ..... 35%



State of California

Industrial ..... 7%

Small Businesses

Commercial ..... 6%



Federal Government ..... <2%

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Residential ..... 0%

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International ..... 0%

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# ROOM FOR GROWTH – FRAGMENTED MARKET

## Competitors

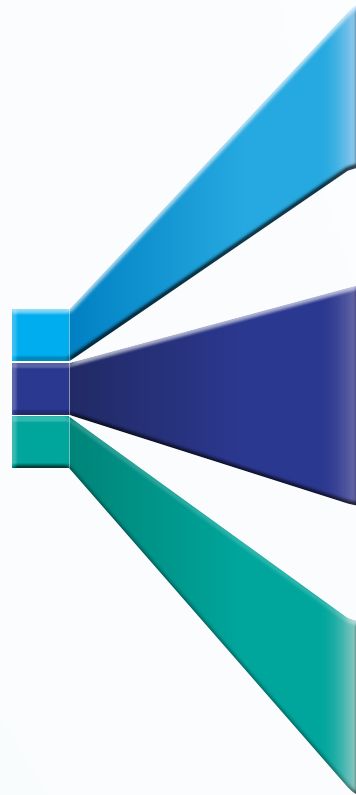
Category	Name	Ticker	Revenue (\$m)
Management Consultants	– Navigant	NCI	\$834
	– ICF	ICFI	\$1,132
	– Ameresco	AMRC	\$631
Accounting	– Cap Gemini	CAP	\$13,135
Equipment Manufacturing	– Siemens AG	SIE	\$81,040
	– Johnson Control	JCI	\$37,179
Engineering Firms	– AECOM	ACM	\$17,990
	– Black & Veatch	–	\$3,600
	– CH2M Hill	–	\$5,400
Private Equity-Backed Roll-up	– Goodcents	–	\$50
	– Franklin Energy	–	\$100
	– CLEARresult	–	>\$150

# ORGANIZATION

**Leading Segment –  
60% Revenue**

**Supporting Segments –  
40% Revenue**

**Energy  
Efficiency –  
60%**



**Engineering – 30%**

**Municipal Client Base**  
– Elk Grove LED

**Public Finance – 8%**

**Funding Vehicles**  
– New York City Energy Efficiency  
Corporation (NYCEEC) Green Bank

**Homeland Security – 2%**

**Resiliency**  
– NY Prize

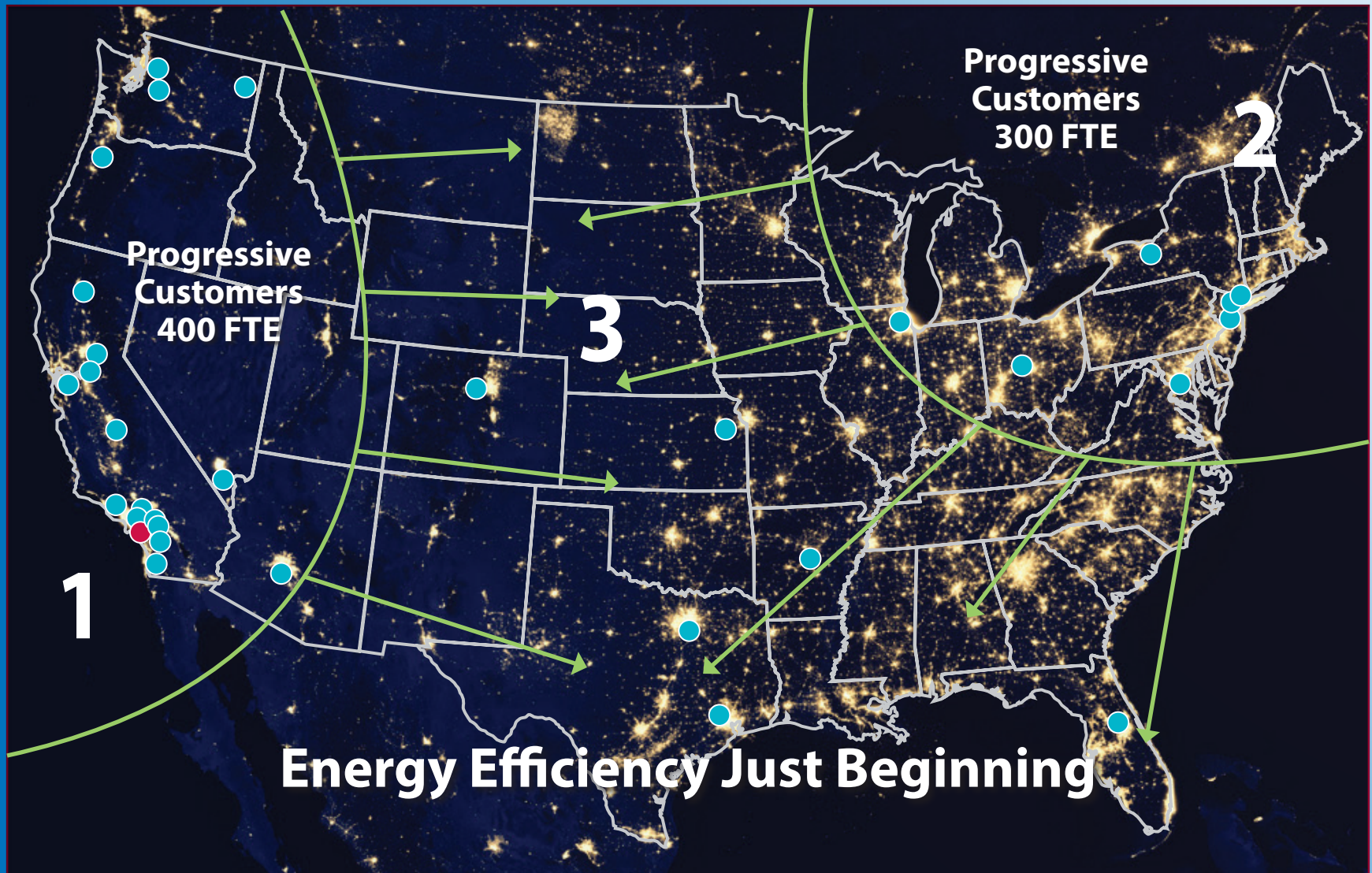
# VESTED AND EXPERIENCED MANAGEMENT TEAM

## Understands That Organic + Acquisitive = Value Creation

	Years of Industry Experience	Years with Company
<b>Tom Brisbin</b> , <i>President &amp; CEO</i>	35+	8 years
<b>Stacy McLaughlin</b> , <i>CFO</i>	10+	5 years
<b>Mike Bieber</b> , <i>SVP, Corporate Development</i>	25+	1 year
<b>Ed Saltzberg</b> , <i>SVP, Business Development</i>	30+	1 year
<b>Daniel Chow</b> , <i>President, Willdan Engineering</i>	30+	6 years
<b>Tom Kouris</b> , <i>President, Willdan Energy Solutions</i>	25+	7 years
<b>Mark Risco</b> , <i>President, Willdan Financial Services</i>	15+	16 years
<b>Jim Bailey</b> , <i>President, Willdan Homeland Solutions</i>	20+	7 years

*Management and employees own ≈ 40% of shares*

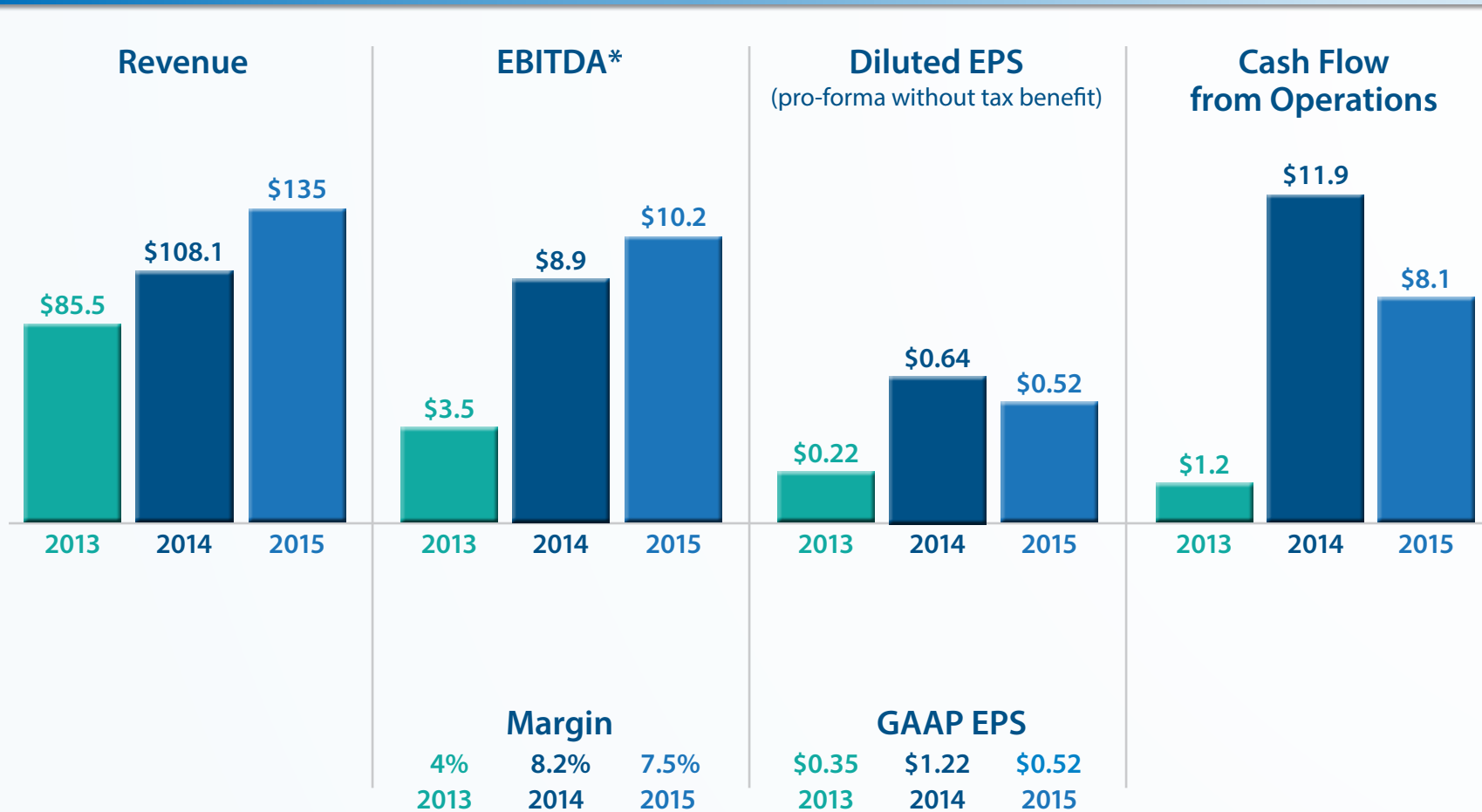
# GEOGRAPHIC COVERAGE



● = Headquarters   ● = Office

# THREE-YEAR FINANCIAL PERFORMANCE

\$ in millions

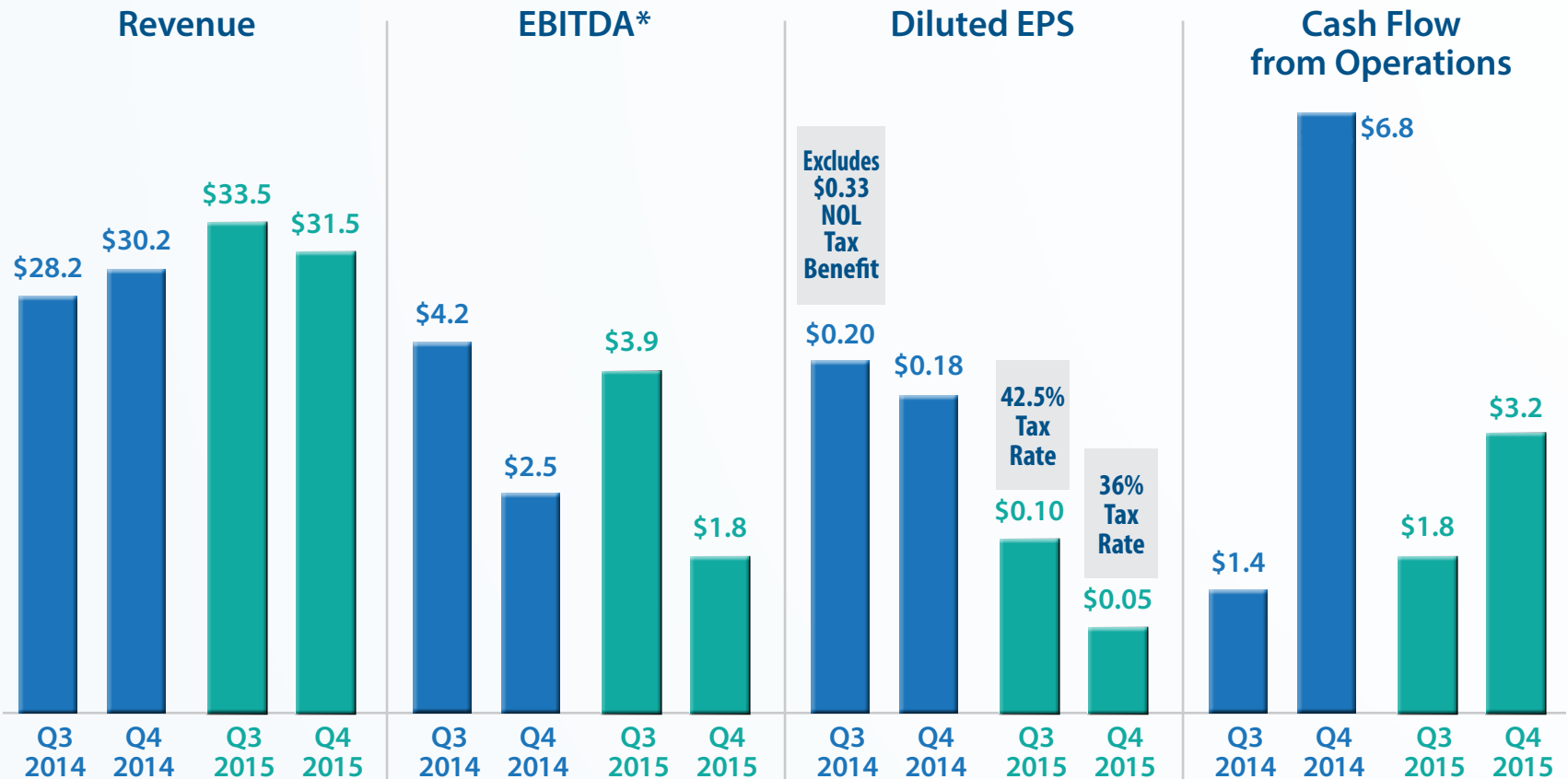


\*Earnings before interest, taxes, depreciation and amortization. EBITDA is not a measure calculated in accordance with generally accepted accounting principles (GAAP) and should not be considered a replacement for GAAP results. See appendix for a reconciliation to GAAP financial measures.

\*\*Included a \$15.2 million impairment of goodwill charge.

# Q4 2015 FINANCIAL PERFORMANCE

\$ in millions



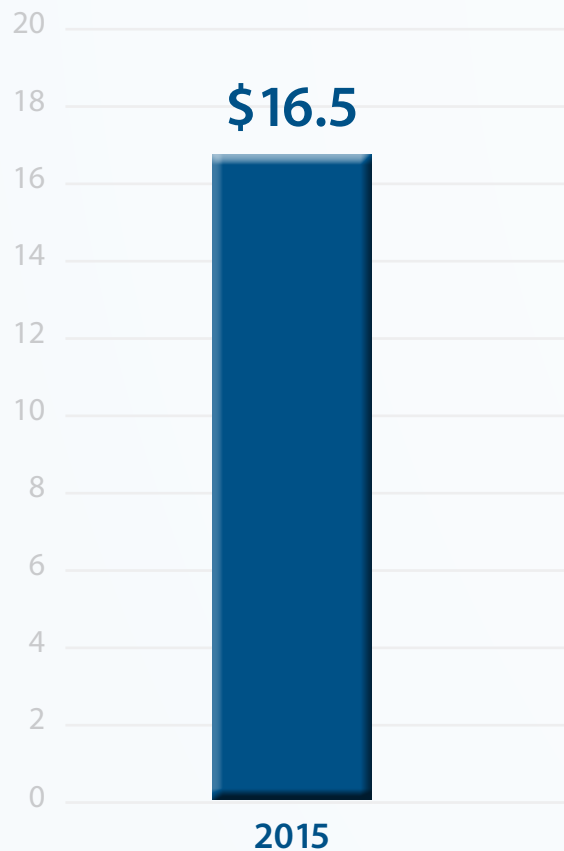
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# BALANCE SHEET/ACQUISITION STRATEGY

\$ in Millions

## Net Cash\*



- ◆ Revolving bank facility of \$10.5m
- ◆ Target small accretive tuck-in acquisitions
  - Expand geographically
  - Expand service offerings
- ◆ Past Success
  - Grew \$8m/yr energy acquisition in 2008 to >\$50m/yr

\*Net Cash defined as cash and cash equivalents less excess of outstanding checks over bank balance.

# ENERGY EFFICIENCY ENGINEERING ACQUISITIONS

Acquisitions Closed January 2015



## ◆ Genesys

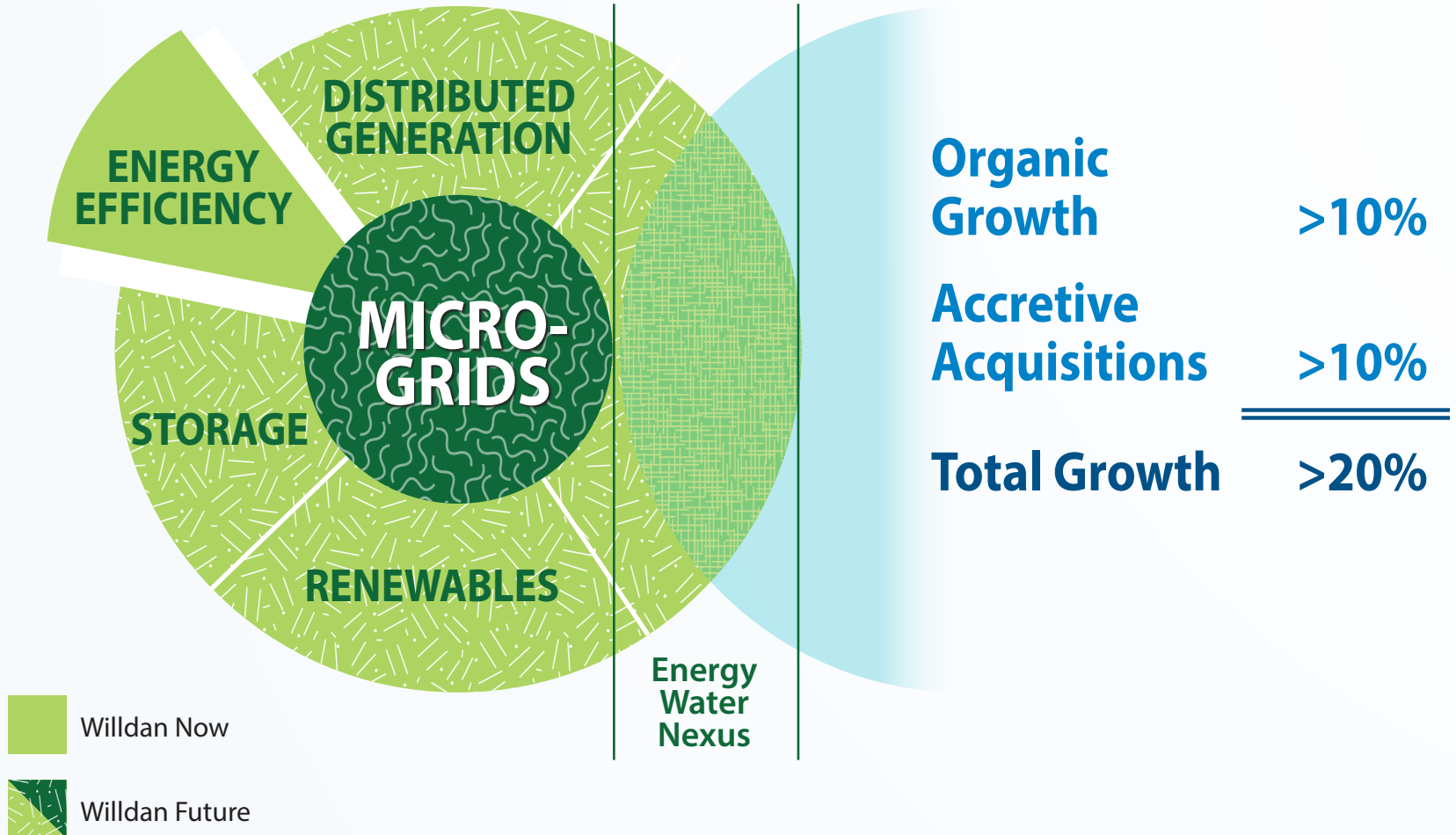
- Adds power engineering services to the East Coast
- Expands capabilities with universities and hospitals
- Adds >\$30M revenue / accretive to earnings in 2016

- ◆ Expanded turn-key services to address 8,200 end users
- ◆ Add >\$20m/year to revenue combined
- ◆ Accretive to margin and to GAAP EPS in first year

# GROWTH STRATEGY

## ENERGY

## WATER



# SUMMARY

- ◆ We are a high-growth energy efficiency company
- ◆ We have a vested and experienced management team
- ◆ **2016 Outlook:**
  - Revenue \$170 - \$185 M
  - Adjusted EBITDA \$14 - \$15.5M