



RGS Energy First Quarter 2017 Supplemental Financial Information

Residential Segment Results:

(000's omitted)

	<u>1st Quarter 2017</u>	<u>4th Quarter 2016</u>	<u>1st Quarter 2016</u>
Revenue	\$3,634	\$4,800	\$3,752
Cost of goods sold	<u>3,032</u>	<u>3,502</u>	<u>3,315</u>
Gross margin	602	1,298	437
<i>Gross margin %</i>	9%	27%	12%
Operating expenses	<u>1,654</u>	<u>1,125</u>	<u>1,701</u>
Operating income (loss)	<u><u>\$(1,052)</u></u>	<u><u>173</u></u>	<u><u>\$(1,264)</u></u>
Other Information:			
Gross Sales	\$2,953	\$2,529	\$5,270
Net Cancellations	<u>1,047</u>	<u>1,757</u>	<u>1,250</u>
Net Sales	<u><u>\$1,906</u></u>	<u><u>\$772</u></u>	<u><u>\$4,020</u></u>
Backlog	\$4,462	\$5,934	\$9,838
Number of rooftops installed	113	138	107

Sunetric Segment Results:

(000's omitted)

	<u>1st Quarter 2017</u>	<u>4th Quarter 2016</u>	<u>1st Quarter 2016</u>
Revenue	\$19	\$339	\$1,187
Cost of goods sold	<u>302</u>	<u>379</u>	<u>1,541</u>
Gross margin	(283)	(40)	(354)
<i>Gross margin %</i>	-	-12%	-30%
Operating expenses	<u>521</u>	<u>438</u>	<u>444</u>
Operating income (loss)	<u><u>\$(804)</u></u>	<u><u>\$(478)</u></u>	<u><u>\$(798)</u></u>
Other Information:			
Gross Sales	\$82	\$26	\$203
Net Cancellations	-	<u>129</u>	<u>(47)</u>
Net Sales	<u><u>\$82</u></u>	<u><u>\$(103)</u></u>	<u><u>\$250</u></u>
Backlog	\$2,530	\$2,448	\$6,345
Number of rooftops installed	-	5	14

Corporate Segment:

(000's omitted)

	<u>1st Quarter 2017</u>	<u>4th Quarter 2016</u>	<u>1st Quarter 2016</u>
General and administrative expenses	\$1,515	\$1,257	\$1,386
Stock based compensation	178	191	165
Depreciation	104	103	102
Other	<u>63</u>	-	<u>24</u>
Operating income (loss)	<u><u>\$(1,860)</u></u>	<u><u>\$(1,551)</u></u>	<u><u>\$(1,677)</u></u>

Cash Used in Operations:*(000's omitted)*

	<u>1st Quarter 2017</u>	<u>4th Quarter 2016</u>
Cash used in operations as shown in the Cash Flow Statements	\$4,152	\$5,787
Adjustments:		
Payment on 30+ days payable	(2,101)	(3,108)
Prepayments & deposits	<u>(509)</u>	<u>(639)</u>
Cash used in current operations	<u>\$1,542</u>	<u>\$2,040</u>
Monthly average	<u>\$514</u>	<u>\$680</u>
<i>Other information:</i>		
End of quarter accounts payable greater than 30 days	\$575	\$1,400
Payments for revenue growth strategy	\$587	

Note about Non-GAAP Measures

Cash used in current operations is not a GAAP measurement of cash from operations.

The company is presenting this non-GAAP measure, including the reconciliation above to the GAAP measure of cash used in operations, to provide additional insight into the current cash used by the company.