



## **ONENERGY INC. REPORTS FIRST QUARTER 2015 RESULTS**

*Quarter over quarter revenue grows 60% on strong U.S. customer growth*

**TORONTO, CANADA (May 19, 2015)** – ONEnergy Inc. (“ONEnergy” or the “Corporation”) (TSXV: OEG and OEG.A), a fast-growing, dynamic energy management firm serving commercial, industrial, multi-residential and residential customers in Canada and the U.S. via its Sunwave™-branded energy and energy-efficiency businesses has released its consolidated operating and financial results for the three months ended March 31, 2015. All amounts are in Canadian dollars unless otherwise noted.

“Continuing the strong progress made in 2014, our quarterly revenue of \$6.3 million represents growth of 60% over the prior quarter, and growth of more than six times over the same quarter a year ago.” said Mark Lewis, Chief Executive Officer of ONEnergy. “Our U.S. operations had exceptional customer growth through the winter months. Measured organic growth, combined with strategic acquisitions such as the recently acquired PVL Projects, is delivering strong results from our comprehensive energy management capabilities in Canada and the U.S.”

### **Financial highlights**

ONEnergy generated revenue of \$6.3 million in Q1 2015, compared to \$1.1 million for the same period in 2014. U.S. operations contributed approximately \$4.1 million (US\$3.4 million) or 65% of Q1 2015 revenue compared to 4% for the same period in 2014, highlighting the results of our efforts in geographic expansion. Gas & Power was 86% of Q1 2015 revenues compared to 100% in 2014, reflecting in the impact of increasingly diversified revenue streams from Home Comfort and Energy Efficiency.

Operating expenses, including customer acquisition costs of \$0.2 million, were \$1.8 million compared to \$1.9 million in 2014. Included in this total are continuing litigation-related costs of \$0.1 million (2014 - \$0.2 million) (see “Other Matters”). Net loss for three months ended March 31, 2015 was \$1.6 million or \$0.007 per share.

Cash, cash equivalents and restricted cash as at March 31, 2015 totaled \$8.5 million.

## Operating highlights

Since the beginning of 2015, ONEnergy has achieved several key strategic milestones including:

- *Gas & Power* – Gas & Power continues to experience strong growth in the U.S. markets, particularly in Connecticut. U.S. customers contributed 75% of Gas & Power's first quarter 2015 revenues compared to 4% in Q1 2014. In addition to strong customer growth, Gas & Power successfully reduced its customer acquisition costs during Q1 2015 through effective use of web-based sales channels.
- *Home Comfort* – Building on its existing retrofit residential customer base, Home Comfort entered the Ontario new home construction channel and has begun supplying hot water tanks to multiple new home developments in the greater Toronto area. This new channel brings significant growth potential, and is an attractive addition to Home Comfort's existing telemarketing and appointment setting channels.
- *Energy Efficiency* – In the first quarter, Energy Efficiency completed projects in both the commercial sector as well as in the health care sector, and the backlog of secured projects has built strongly going in Q2 2015. The recently announced acquisition of PVL Projects has further strengthened the project backlog for Energy Efficiency, and added important geographic diversification and technical capabilities.

## Other matters

The board of directors and management team of ONEnergy continue to vigorously pursue claims against certain of the Corporation's former directors and officers in connection with the payment of approximately \$15.7-million of "restructuring awards," paid to the directors and officers from the net proceeds of approximately \$64-million realized by the Corporation on the sale of its spectrum license in 2009. Settlement discussions continue. On February 2, 2015, the Court scheduled a 6 week trial beginning November 9, 2015.

On May 19, 2015, the Corporation granted options (the "Options") to purchase up to 250,000 subordinate voting shares of ONEnergy to employees. The Options vest over a five year period, is exercisable at a price of \$0.10 per share, and expires in May 2025. The grant of Options represent a component of the employee's compensation and is governed by the provisions of the Corporation's Stock Option Plan.

**About ONEnergy Inc.**

ONEnergy is a fast-growing, dynamic energy management firm serving commercial, industrial, multi-residential and residential clients via its Sunwave™-branded energy and energy-efficiency businesses. Sunwave specializes in helping customers use energy more wisely by minimizing their energy consumption and then cost-effectively managing the balance. We provide a variety of products and services including sales and rental of energy-efficient furnaces, boilers and air conditioners, complete turnkey LED lighting retrofits (including financing), supply of conventional and "green" electricity for homes and businesses, commercial solar PV installations, home protection plans, building envelope upgrades, energy audits and more to help our customers conserve, simplify and effectively manage their energy costs.

Sunwave serves customers in both Canada and the United States, with offices in Toronto, Vancouver, Ottawa, and Norwalk, CT.

ONEnergy shares are listed on the TSX Venture Exchange under the symbols "OEG" for Multiple Voting Shares and "OEG.A" for Subordinate Voting Shares. ONEnergy's website may be found at [www.onenergyinc.com](http://www.onenergyinc.com).

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