

WILLDAN GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Three Months Ended		Year Ended	
	December 30, 2016	January 1, 2016	December 30, 2016	January 1, 2016
Contract revenue	\$ 57,425,000	\$31,522,000	\$208,941,000	\$135,103,000
Direct costs of contract revenue (exclusive of depreciation and amortization shown separately below):				
Salaries and wages	10,271,000	7,940,000	39,024,000	31,880,000
Subcontractor services and other direct costs	29,075,000	10,488,000	104,236,000	50,200,000
Total direct costs of contract revenue	39,346,000	18,428,000	143,260,000	82,080,000
General and administrative expenses:				
Salaries and wages, payroll taxes and employee benefits	8,049,000	6,748,000	31,084,000	25,741,000
Facilities and facility related	1,107,000	1,043,000	4,085,000	4,246,000
Stock-based compensation	507,000	309,000	1,239,000	777,000
Depreciation and amortization	896,000	796,000	3,204,000	2,072,000
Other	4,831,000	3,742,000	14,525,000	12,657,000
Total general and administrative expenses	15,390,000	12,638,000	54,137,000	45,493,000
Income from operations	2,689,000	456,000	11,544,000	7,530,000
Other (expense) income:				
Interest income	—	(1,000)	—	—

Interest expense	(42,000)	135,000	(179,000)	(207,000)
Other, net	—	—	2,000	18,000
Total other expense, net	<u>(42,000)</u>	<u>134,000</u>	<u>(177,000)</u>	<u>(189,000)</u>
Income before income taxes	<u>2,647,000</u>	<u>590,000</u>	<u>11,367,000</u>	<u>7,341,000</u>
Income tax expense	1,078,000	210,000	3,068,000	3,082,000
Net income	<u>\$ 1,569,000</u>	<u>\$ 380,000</u>	<u>\$ 8,299,000</u>	<u>\$ 4,259,000</u>
Earnings per share:				
Basic	\$ 0.19	\$ 0.05	\$ 1.01	\$ 0.54
Diluted	<u>\$ 0.18</u>	<u>\$ 0.05</u>	<u>\$ 0.97</u>	<u>\$ 0.52</u>
Weighted-average shares outstanding:				
Basic	8,334,000	7,888,000	8,219,000	7,834,000
Diluted	8,959,000	8,132,000	8,565,000	8,113,000