



SolarEdge Technologies

NASDAQ | SEDG

Presented by: Ronen Faier

August 2018

Use of Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward looking statements include information, among other things, concerning: our possible or assumed future results of operations; future demands for solar energy solutions; business strategies; technology developments; financing and investment plans; dividend policy; competitive position; industry and regulatory environment; general economic conditions; potential growth opportunities; and the effects of competition.

Forward-looking statements are only predictions based on our current expectations and are inherently subject to risks and uncertainties. They should not be considered guarantees of future results, which could differ materially from the results set forth in, contemplated by, or underlying this presentation.

Factors that could cause actual results to differ materially from our expectations are described in the reports filed by SolarEdge with the Securities and Exchange Commission and we encourage you to review our filings carefully, especially the sections entitled “Risk Factors” in our annual report Form.

SolarEdge undertakes no duty or obligation to update any forward-looking statements contained in this presentation as a result of new information, future events or changes in its expectations.

SolarEdge in Numbers



8.5GW of
our systems
shipped
worldwide



27.9M
power optimizers
shipped



Over **680,000** monitored
systems around the world



1.2M
inverters shipped



Presence
in **23**
countries



1,176 employees



131 awarded patents and **191**
additional patent applications



Q2/2018 in Numbers



\$227.1M
Revenue



\$40.6M Non-GAAP Net Income

36.1%
Gross Margin



\$43.9M
Cash Flow From Operations

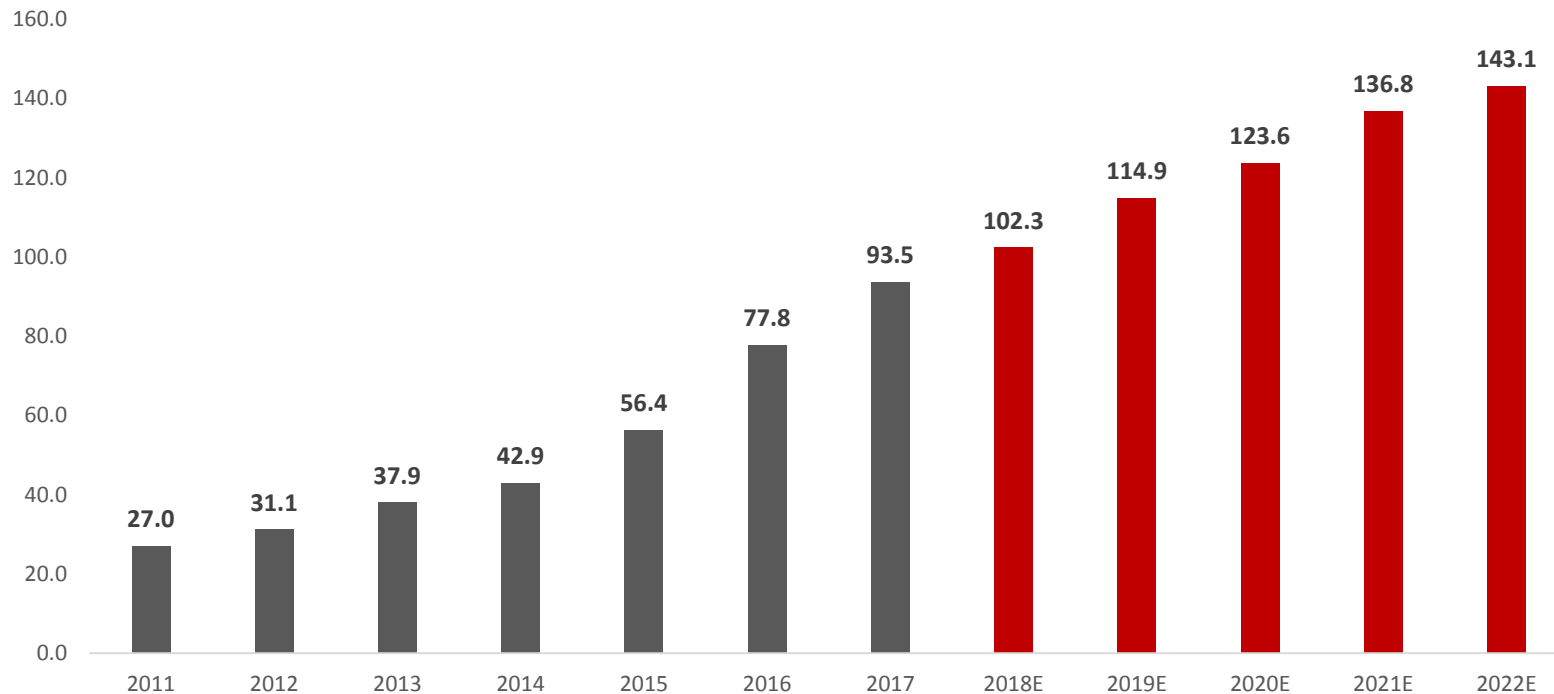


\$34.6M GAAP Net Income

\$437.6M Cash and investments Balance

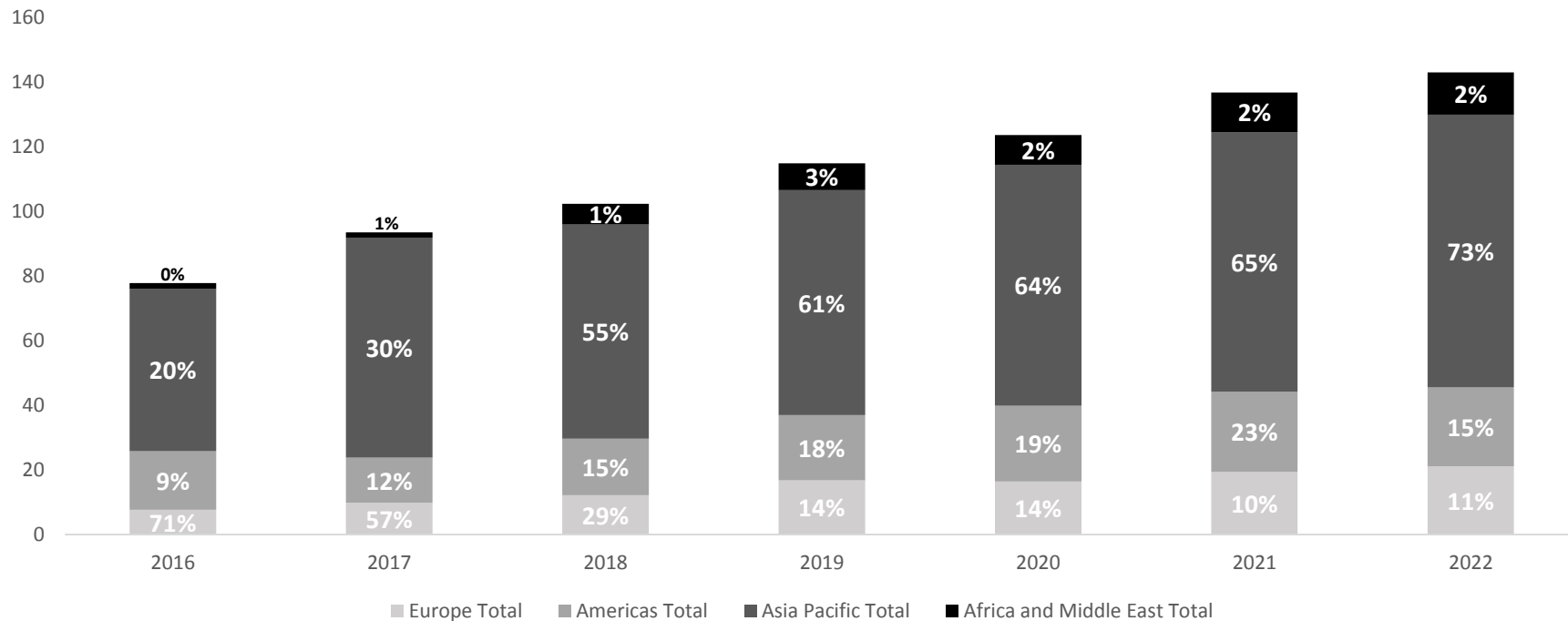


Global PV Market Forecast



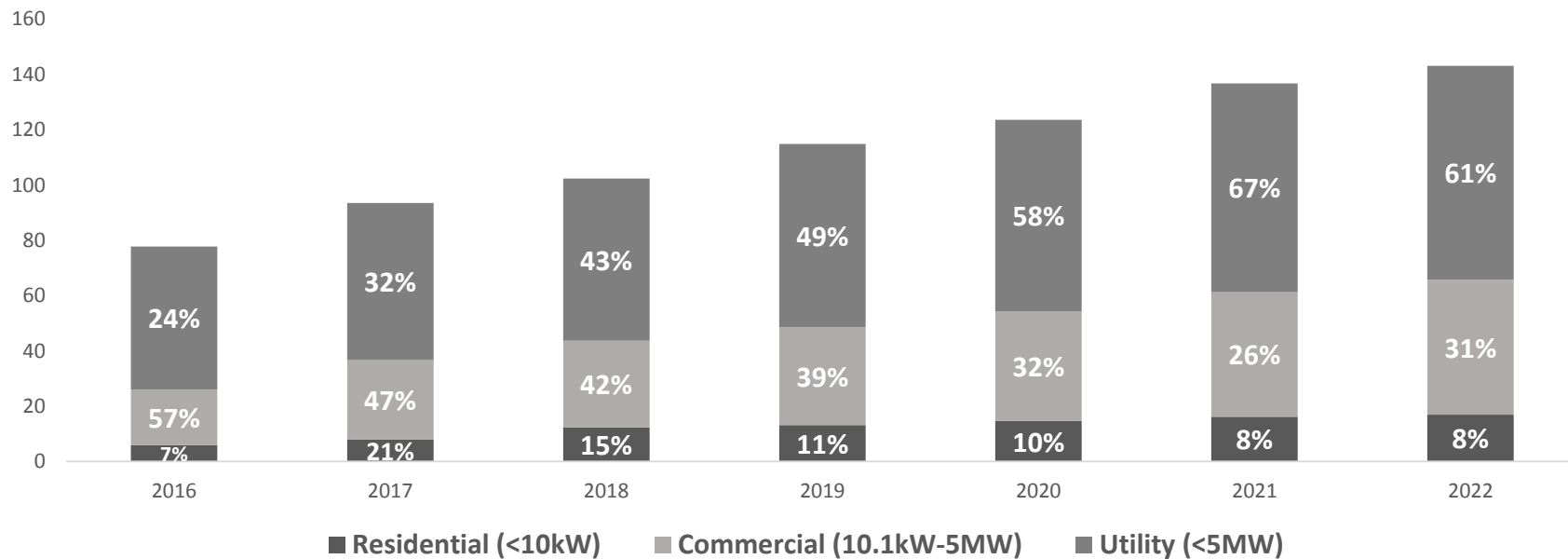
Global Installations by Region

Global Installations (GWdc)

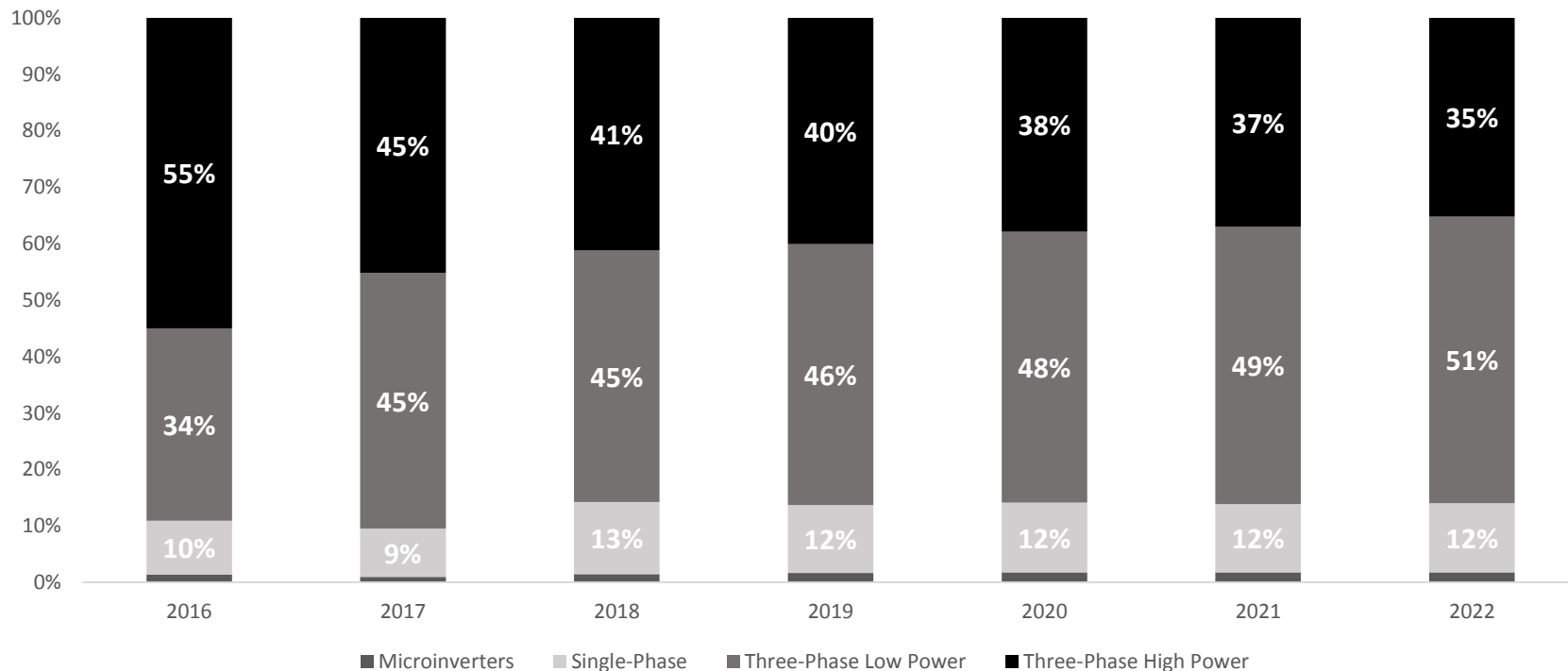


Inverter Installations by Installation Type (GW)

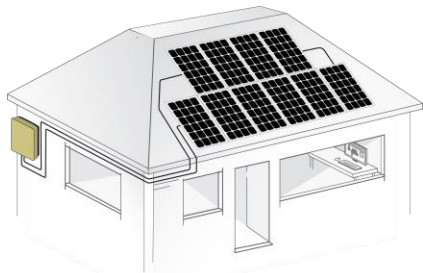
Global PV Installations, By installation type



Inverter Shipments by Power Class



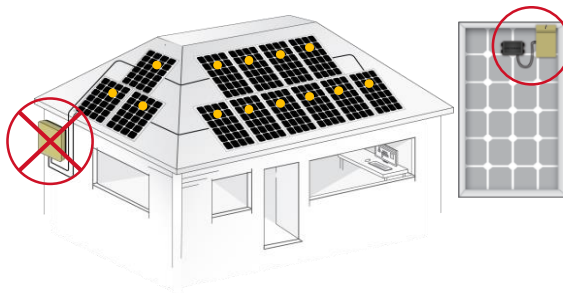
Traditional String Inverters



- ♦ One central inverter
- ♦ No module-level optimization
- ♦ No module-level intelligence

- ✗ Energy loss
- ✗ Limited roof utilization
- ✗ No module-level monitoring
- ✗ Safety hazards

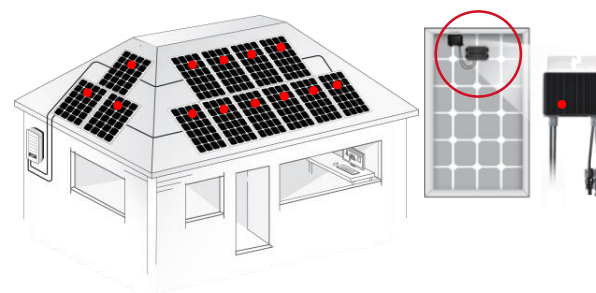
Microinverters



- ♦ One inverter per module
- ♦ Module-level optimization
- ♦ Limited scalability

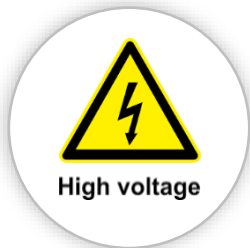
- ✗ Cost and scalability
- ✗ Questionable reliability
- ✗ Monitoring requires additional hardware

DC Optimized Inverter System

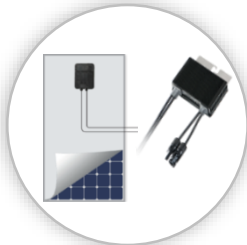


- ♦ Simplified central inverter
- ♦ Module-level optimization
- ♦ Improved scalability

Safe DC



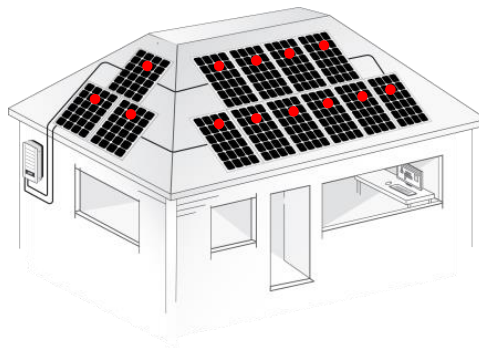
Power
Optimizer



Fixed Voltage
Inverter



Cloud-based
Monitoring Platform



*Enhanced Safety
Solutions*

*Higher Power
Yield*

*Design
Flexibility*

*Lower O&M Cost,
Efficient Monitoring*

Top Global Inverter Company

World PV Inverter Supplier Rankings
(\$ Revenues)

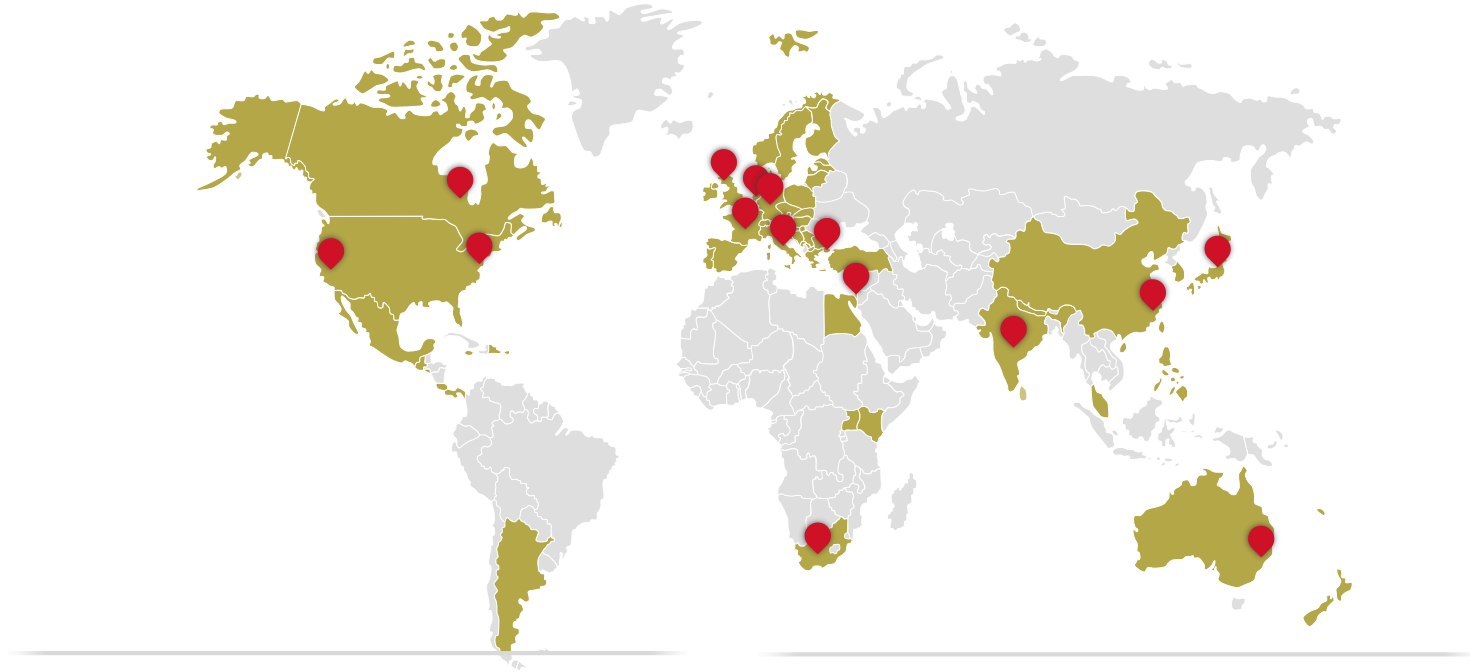
RANK	COMPANY	CHANGE
1	Huawei	+1 ↑
2	SMA	-1 ↓
3	Sungrow	+1 ↑
④	SolarEdge	-1 ↓
5	ABB	+1 ↑
6	Schneider Electric	+2 ↑
7	Omron	+2 ↑
8	Fronius	+3 ↑
9	Goodwe	+6 ↑
10	Enphase	-3 ↓

Source: IHS PV Inverter Market Tracker Q2, 2018

World single-phase PV inverter supplier
market share estimates (MW shipments)

RANK	COMPANY	CHANGE
①	SolarEdge	- →
2	SMA	- →
3	Ginlong	+9 ↑
4	Goodwe	+7 ↑
5	Omron	-2 ↓
6	Enphase Energy	-2 ↓
7	Growatt	+2 ↑
8	Panasonic	-3 ↓
9	SAJ	+6 ↑
10	Fronius	-2 ↓

Established Global Reach



Presence in 23 countries

Regional service centers

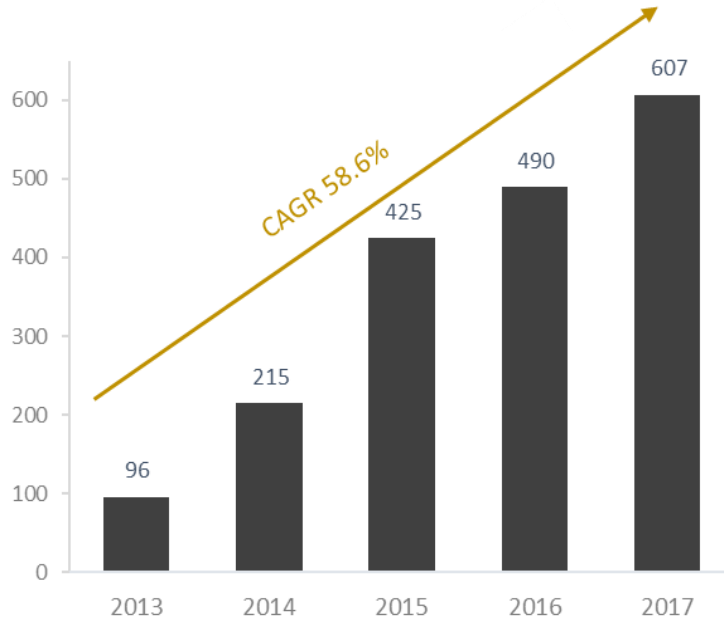
247 direct customers

Over 20,000 installers

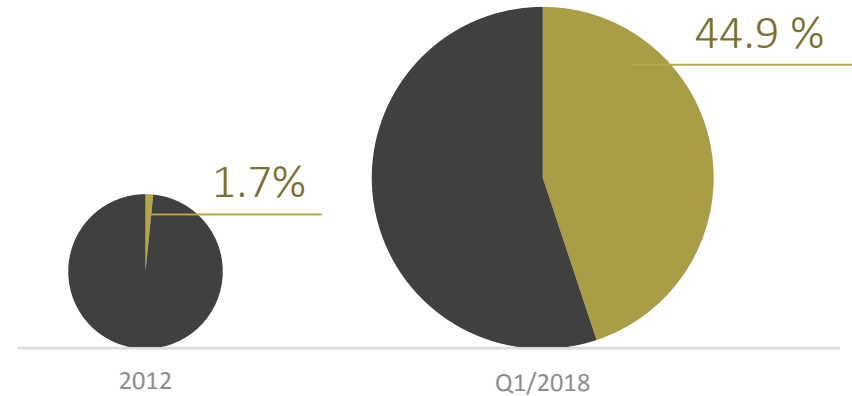
Systems installed in 133 countries

Rapid Growth

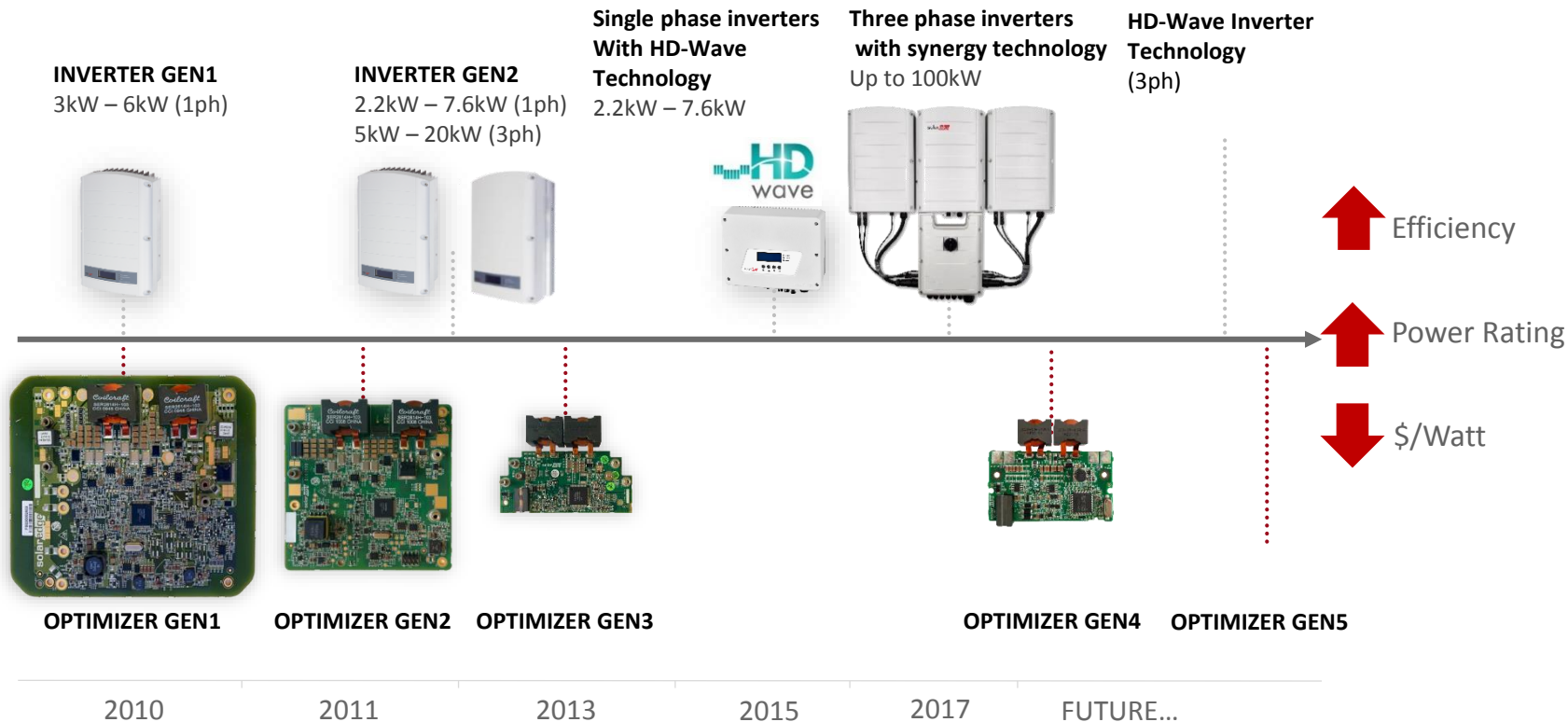
Annual Revenue (\$M)



SolarEdge U.S. Residential Inverter Market Share (MW)



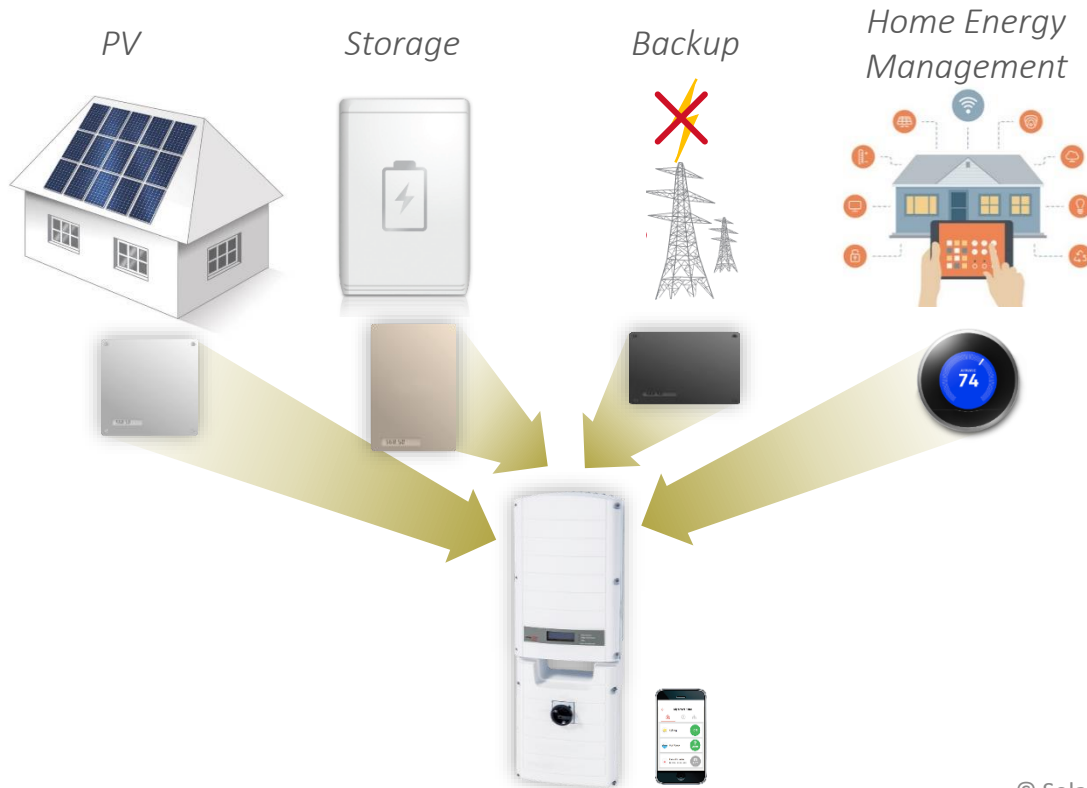
Technology Roadmap



One Inverter for All Applications

- The SolarEdge StorEdge inverter combines energy management of all features into one inverter
 - Simple design
 - Fast installation
 - Centralized energy management
 - Designed to work together; seamless and synchronized
 - Monitoring platform displays production, consumption, self-consumption & battery status on a single dashboard

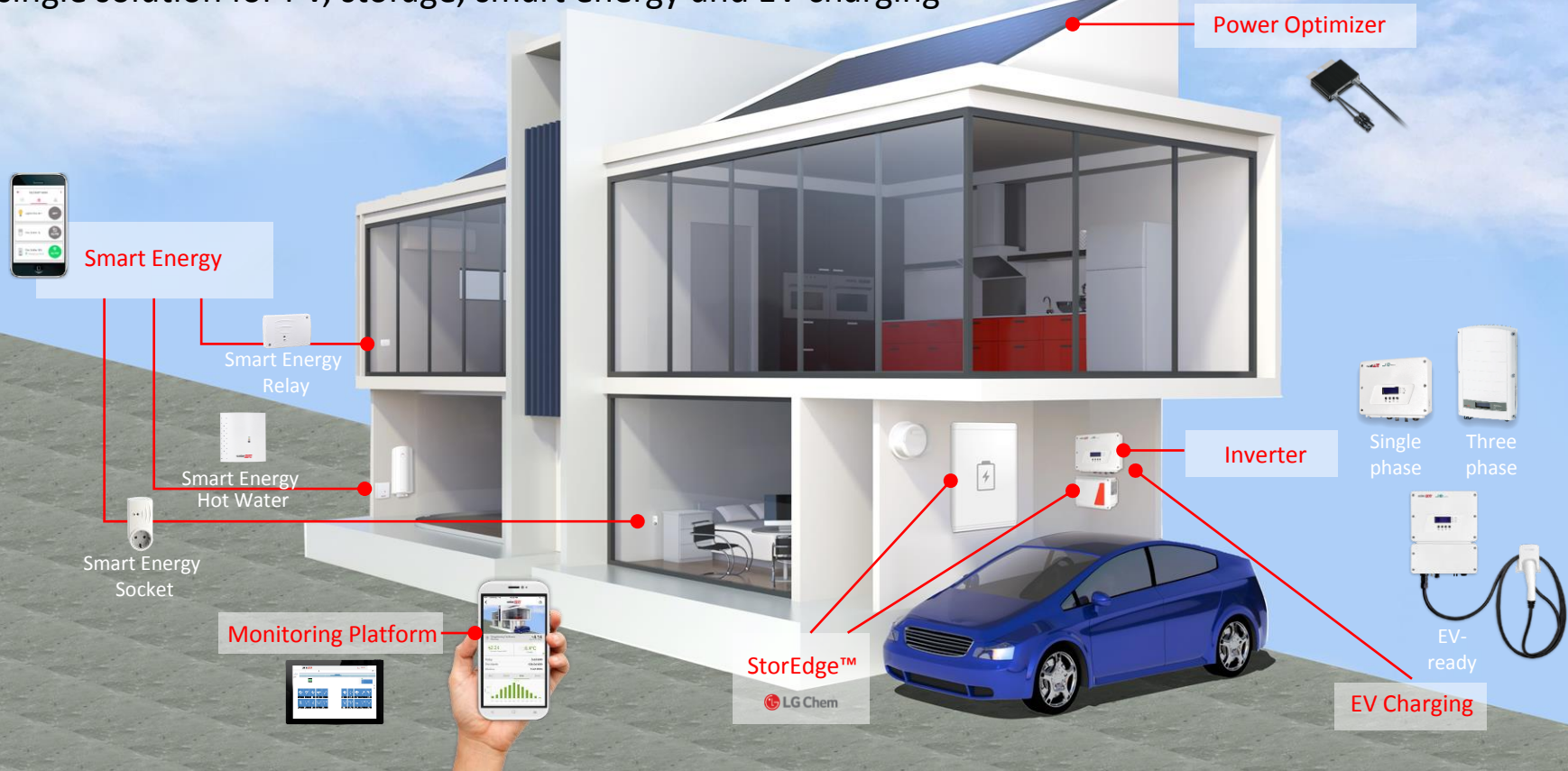
One inverter replaces multiple separate management devices



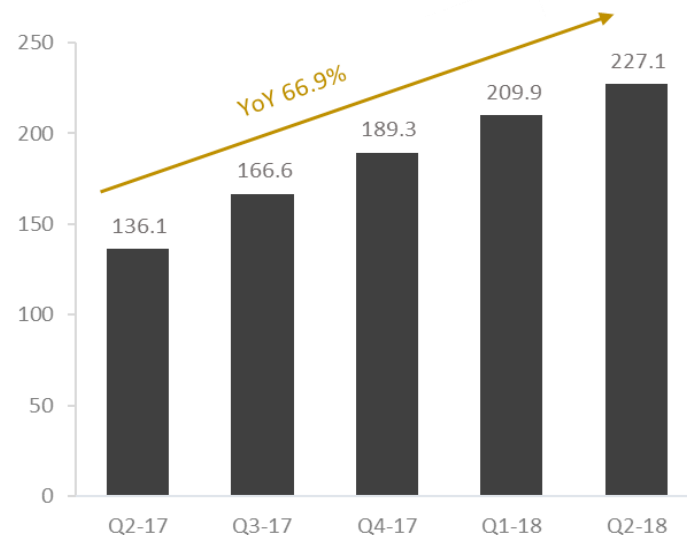
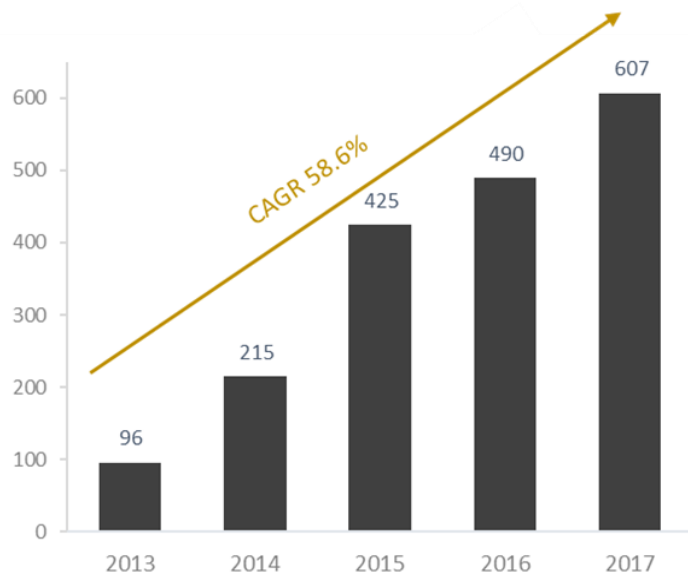
A Complete Residential Solution



A single solution for PV, storage, smart energy and EV charging

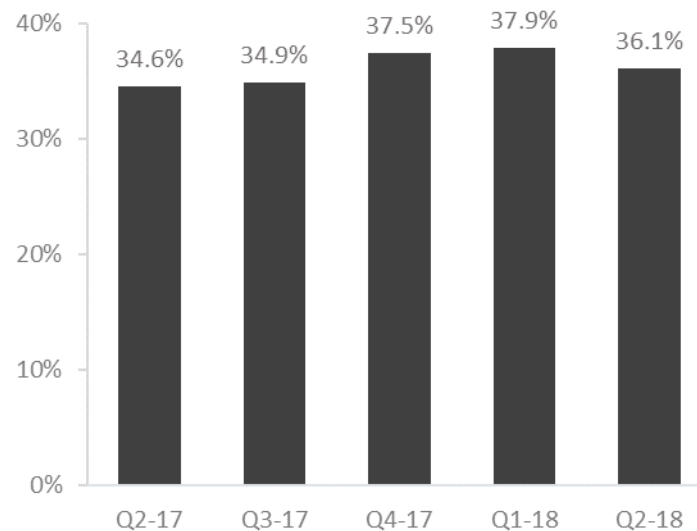
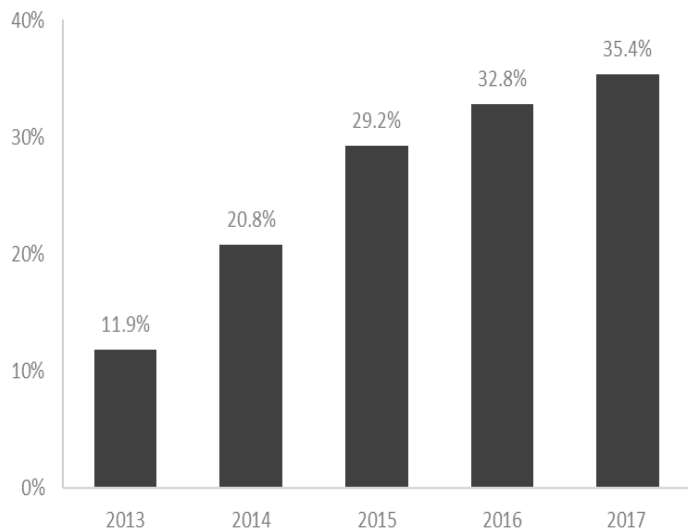


Revenue Growth



(CY Ending Dec 31, USD millions)

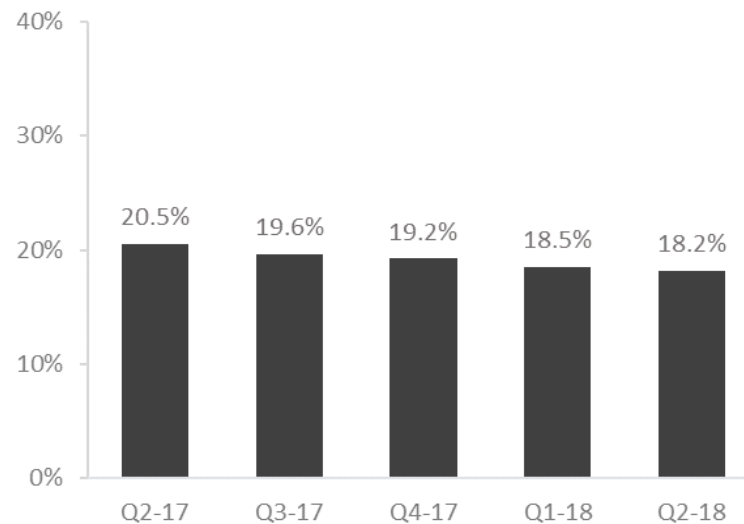
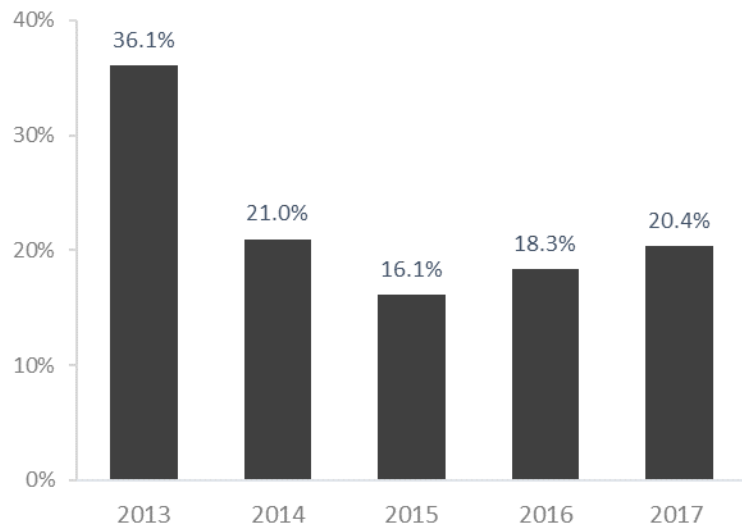
Gross Margin Expansion



(CY Ending Dec 31)

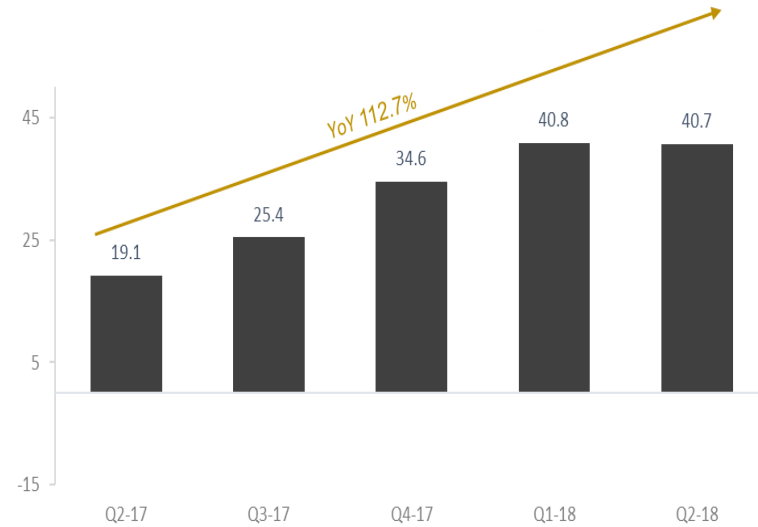
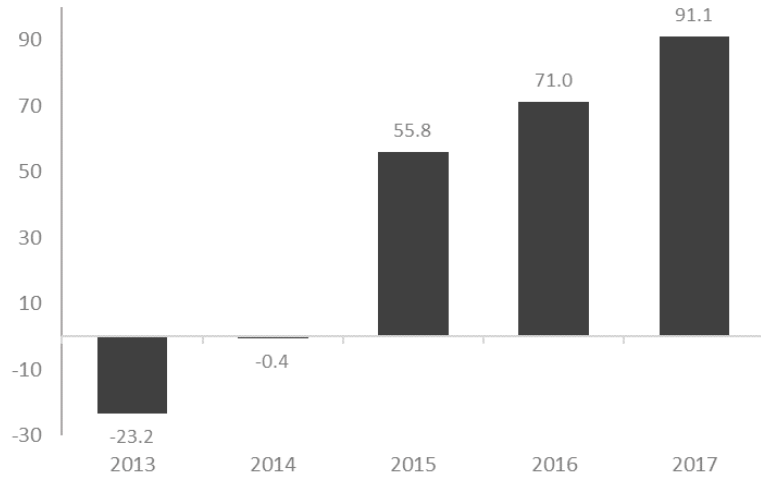
Operating Expenses

% Of Revenue



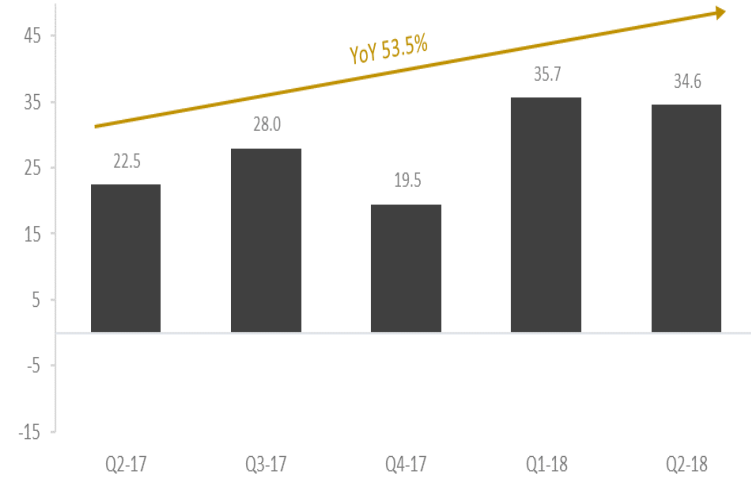
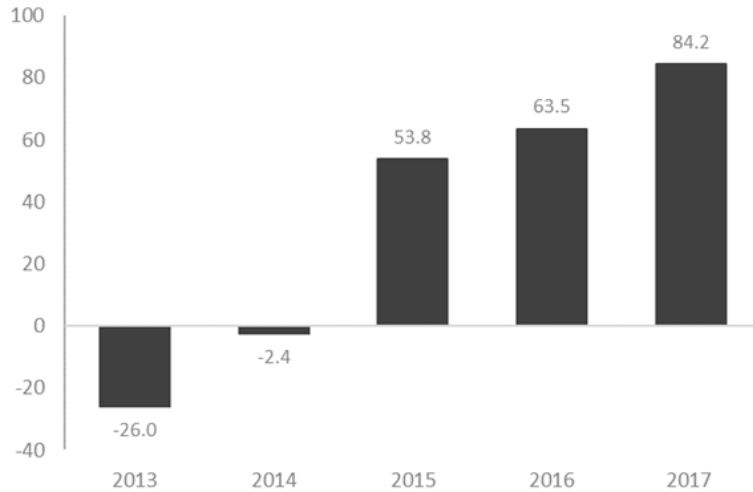
(CY Ending Dec 31)

Operating Profitability



(CY Ending Dec 31, USD millions)

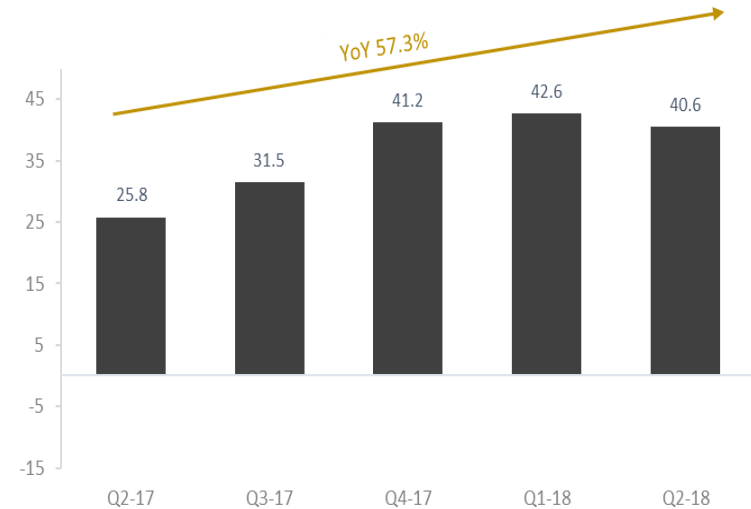
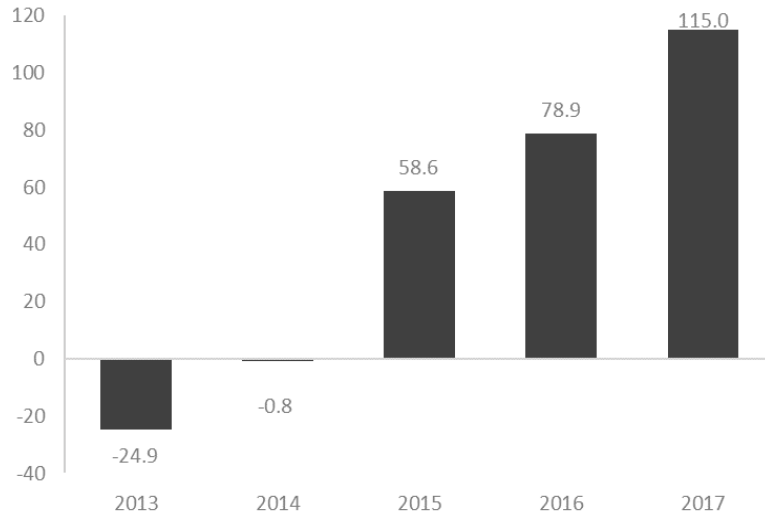
Net Profitability



* Q1-18 and Q4-17 includes one time transition tax of \$0.8 and \$18.7M respectively

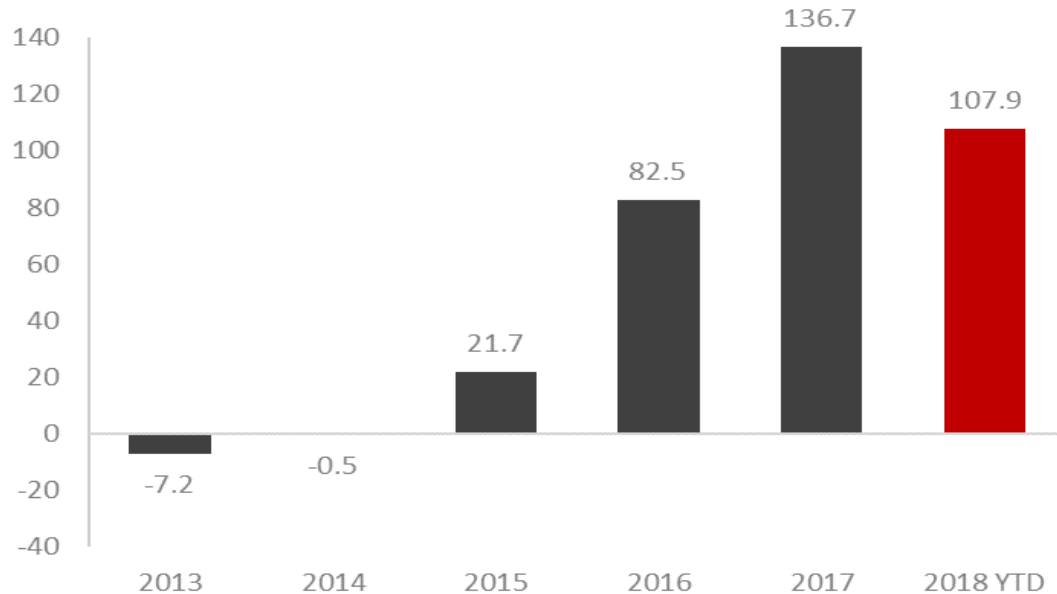
(CY Ending Dec 31, USD millions)

Net Profitability — Non GAAP



(CY Ending Dec 31, USD millions)

Cash Flow from operating activities



- \$43.9M cash flow from operations in Q2 2018
- \$437.6M cash and investments (as of June 30, 2018)
- Scalable CAPEX light manufacturing model
- Debt free

(CY Ending Dec 31, USD millions)



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