



Solaredge Technologies

Nasdaq | SEDG

Presented by: Ronen Faier

November 2018

Forward Looking Statements

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

9.6GW of
our systems
shipped
worldwide



30.9M
power optimizers
shipped



Over **750,000** monitored
systems around the world



1.3M
inverters shipped



Presence
in **25**
countries



1,398 employees



140 awarded patents and **194** additional
patent applications

Q3/2018 in Numbers

\$236.6M
Revenue



\$42.7M Non-GAAP Net Income

33.0%
Gross Margin



\$34.3M
Cash Flow From Operations

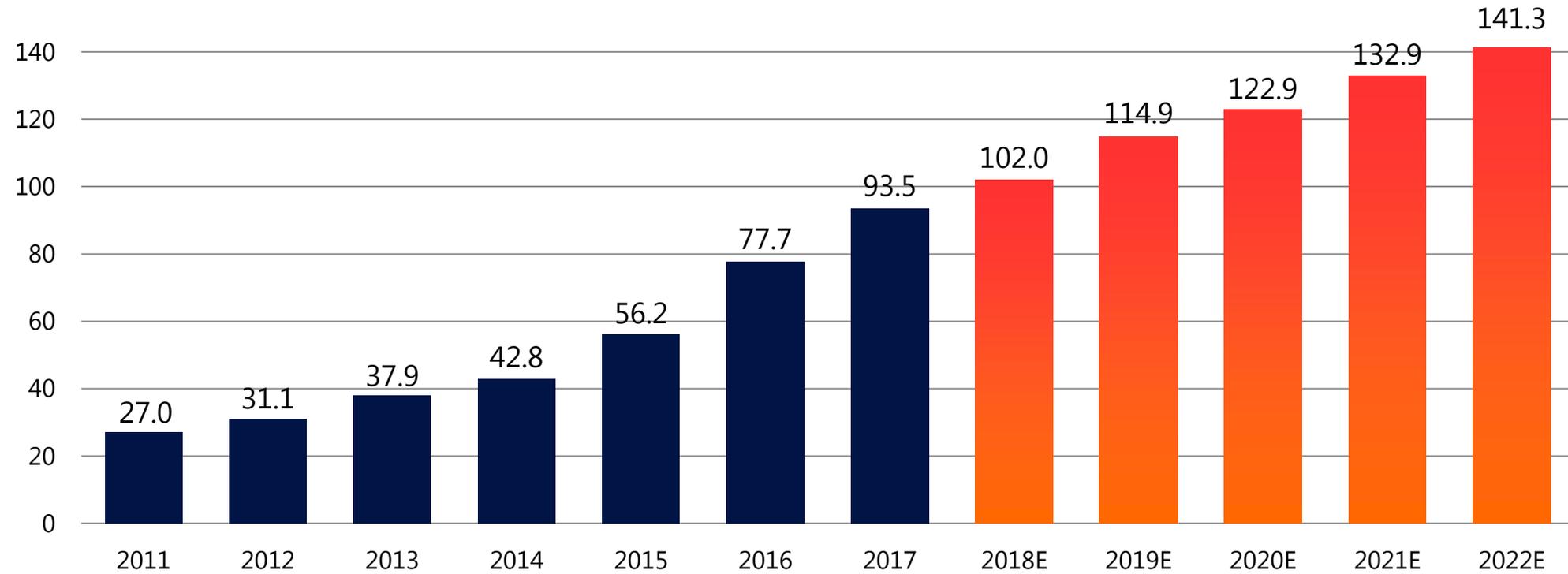


\$45.6M GAAP Net Income

\$453.2M Cash and investments Balance



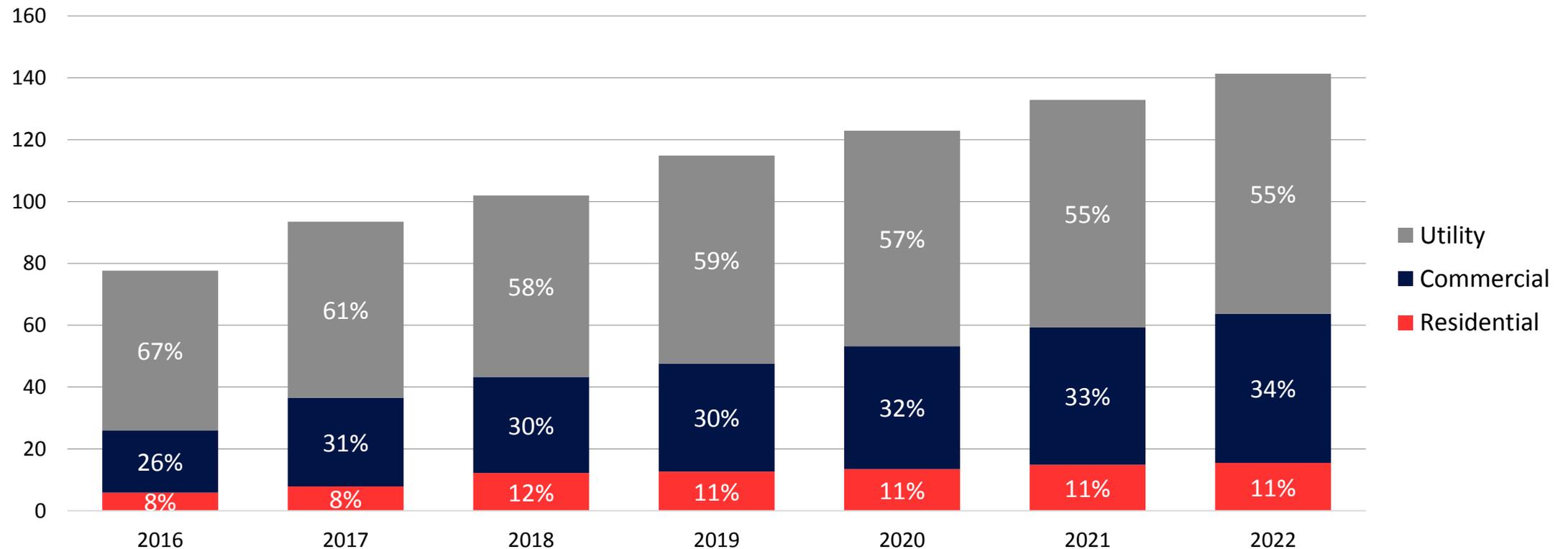
Global PV Market Forecast



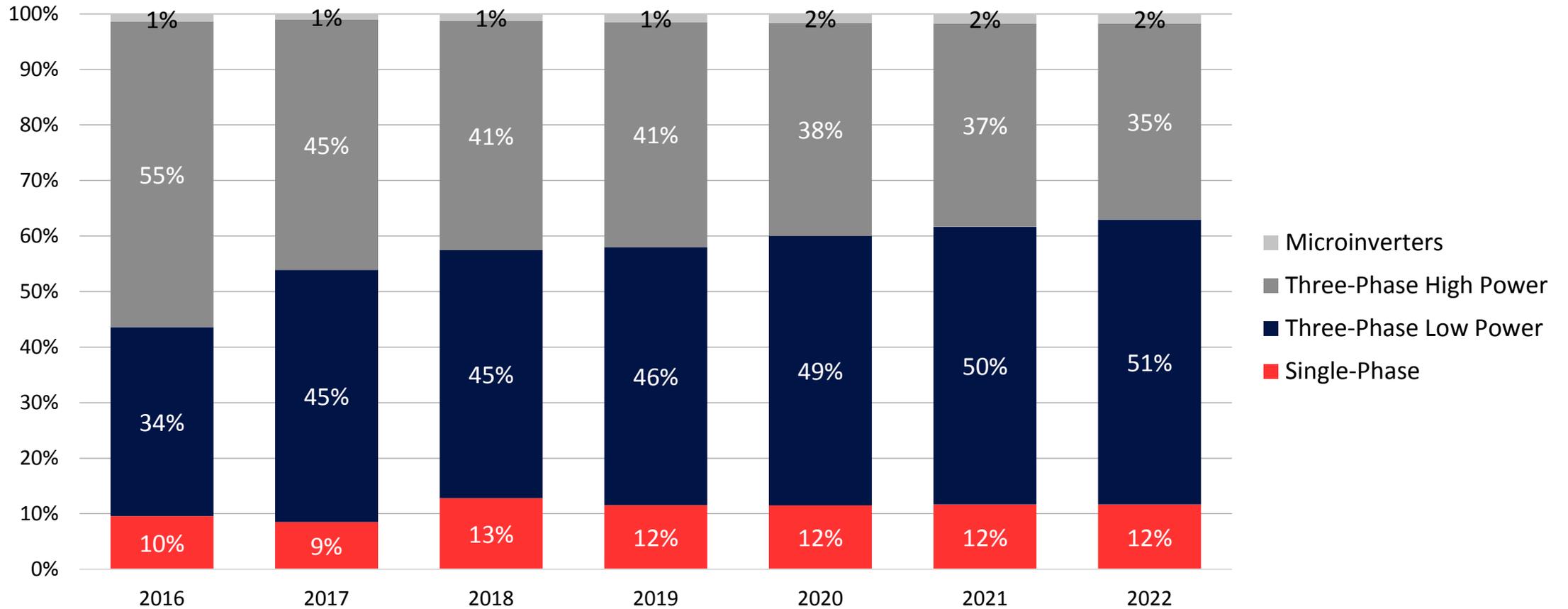
Source: IHS, PV Installations-tracker-q3-2018

Inverter Installations by Installation Type (GW)

Global PV Installations, By installation type



Inverter Shipments by Power Class



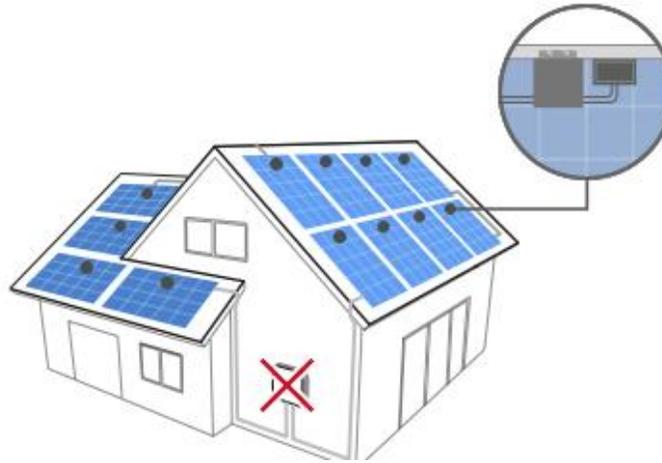
Innovative Architecture

Traditional String Inverters



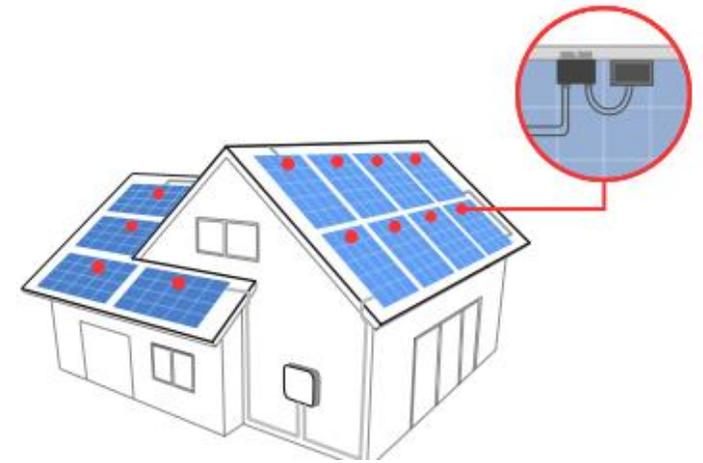
- ▀ One central inverter
- ▀ No module-level optimization
- ▀ No module-level intelligence
- ✗ Energy loss
- ✗ Limited roof utilization
- ✗ No module-level monitoring
- ✗ Safety hazards

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

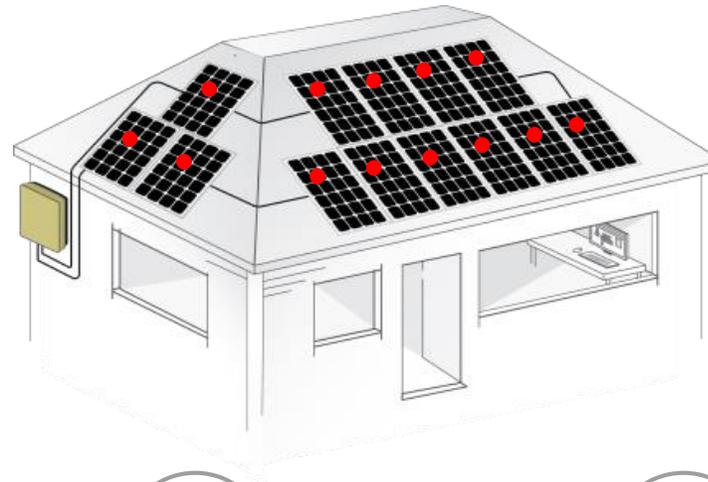
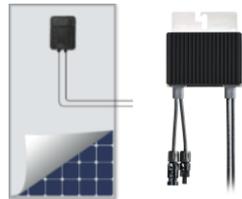
Innovative Solution

Safe DC



High voltage

Power
Optimizer



Fixed Voltage
Inverter



Cloud-based
Monitoring Platform



Enhanced Safety
Solutions



Higher Power
Yield

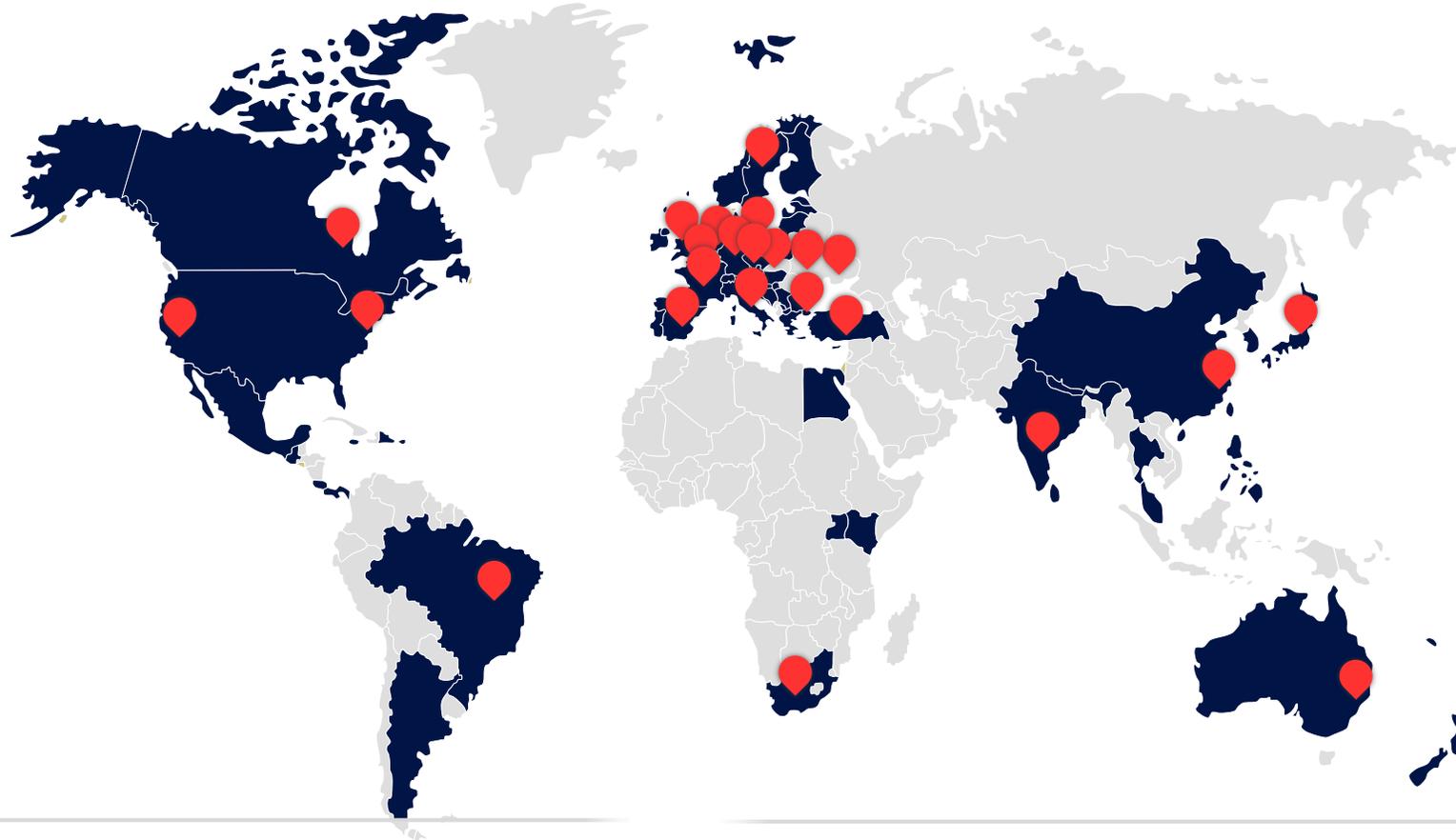


Design
Flexibility



Lower O&M Cost,
Efficient Monitoring

Established Global Reach



Presence in 25 countries

Regional service centers

Over 20,000 installers

Systems installed in 133 countries



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 ↓

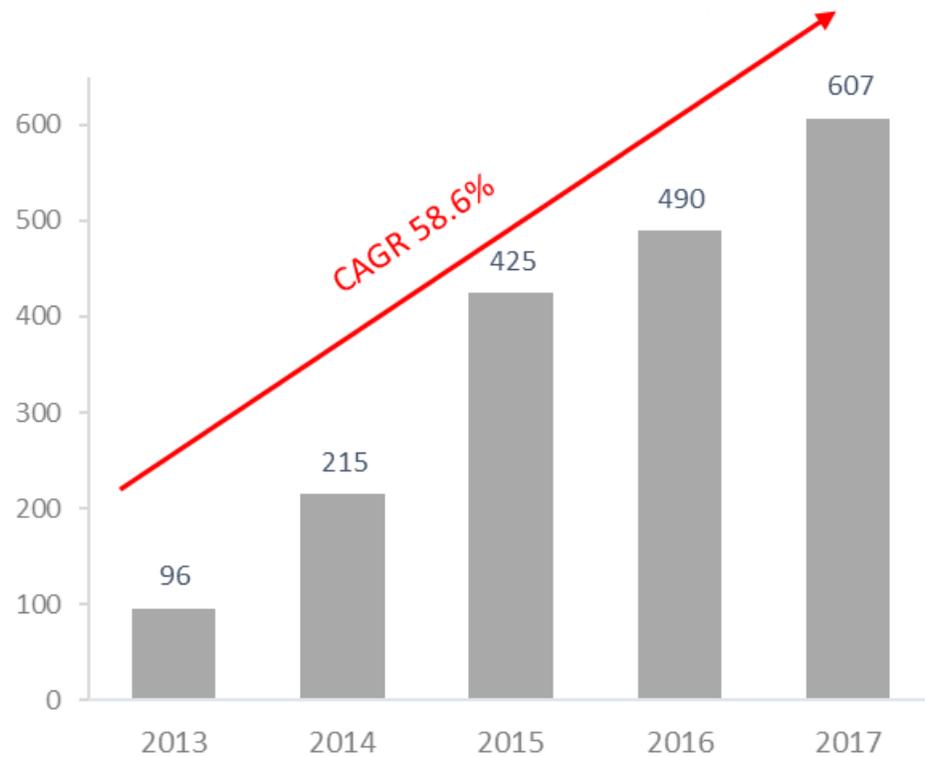
Source: IHS PV Inverter Market Tracker Q2, 2018

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

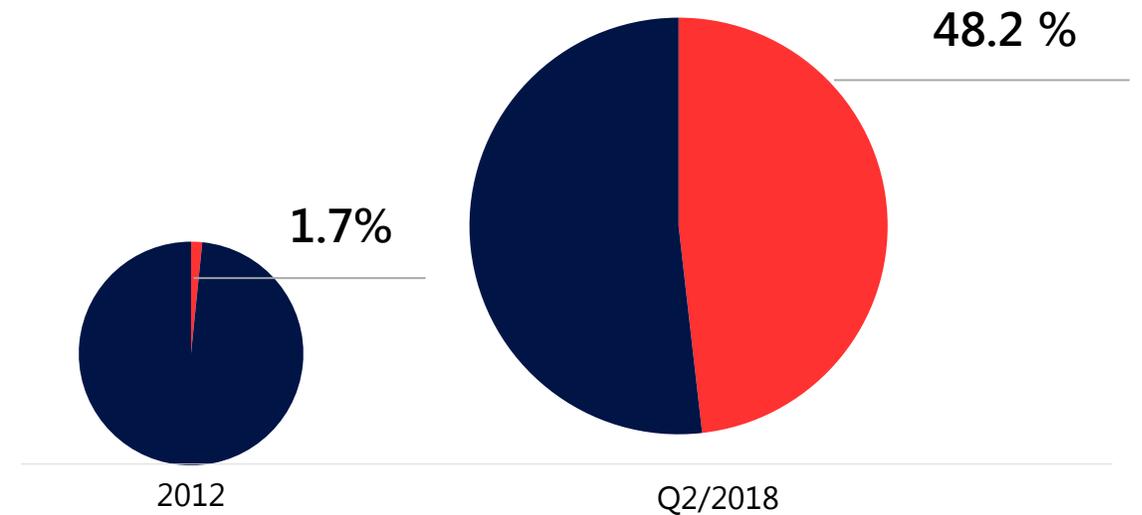
RANK	COMPANY	CHANGE
①	SolarEdge	- →
2	SMA	- →
3	Ginlong	+9 ↑
4	Goodwe	+7 ↑
5	Omron	-2 ↓
6	Enphase Energy	-2 ↓
7	Growatt	+2 ↑
8	Panasonic	-3 ↓
9	SAJ	+6 ↑
10	Fronius	-2 ↓

Rapid Growth

Annual Revenue (\$M)

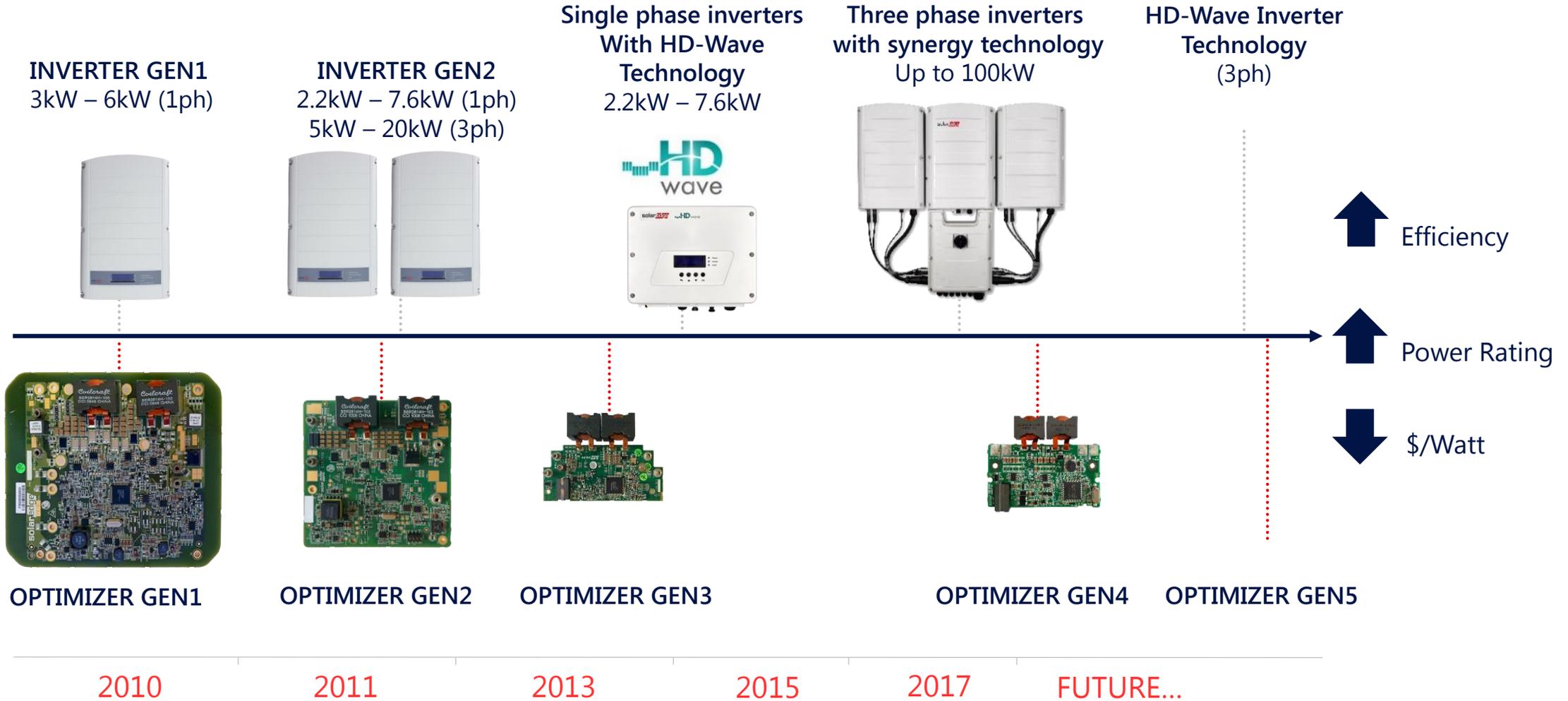


SolarEdge U.S. Residential Inverter Market Share (MW)



Source: GTM Research

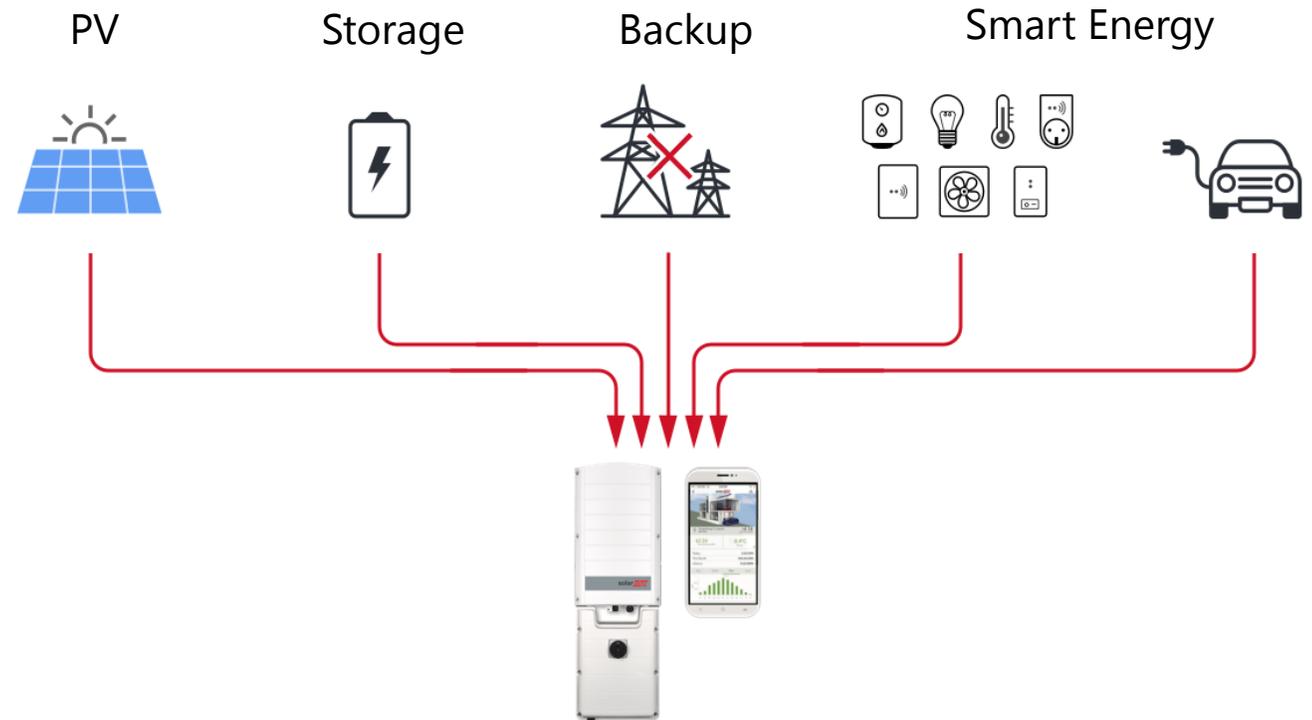
Technology Roadmap



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

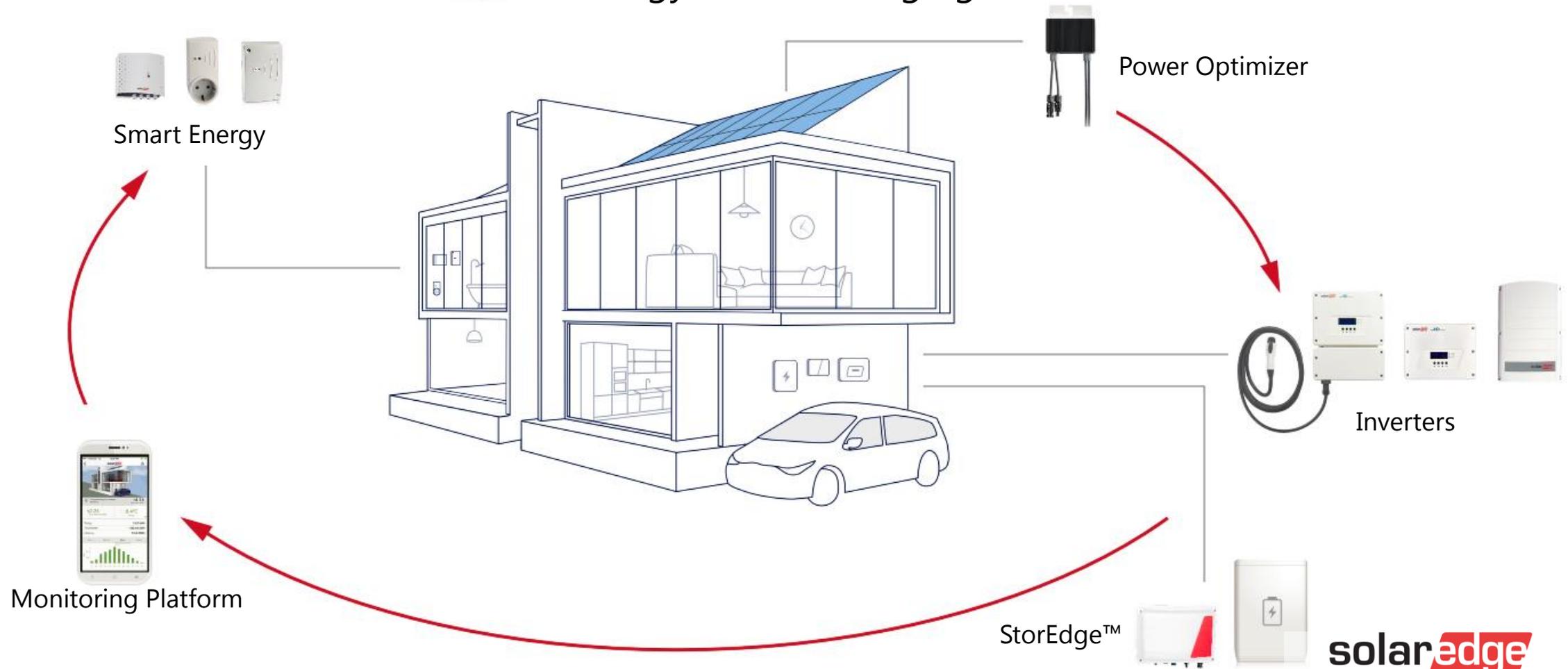
One inverter replaces multiple separate management devices



A Complete Residential Solution



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



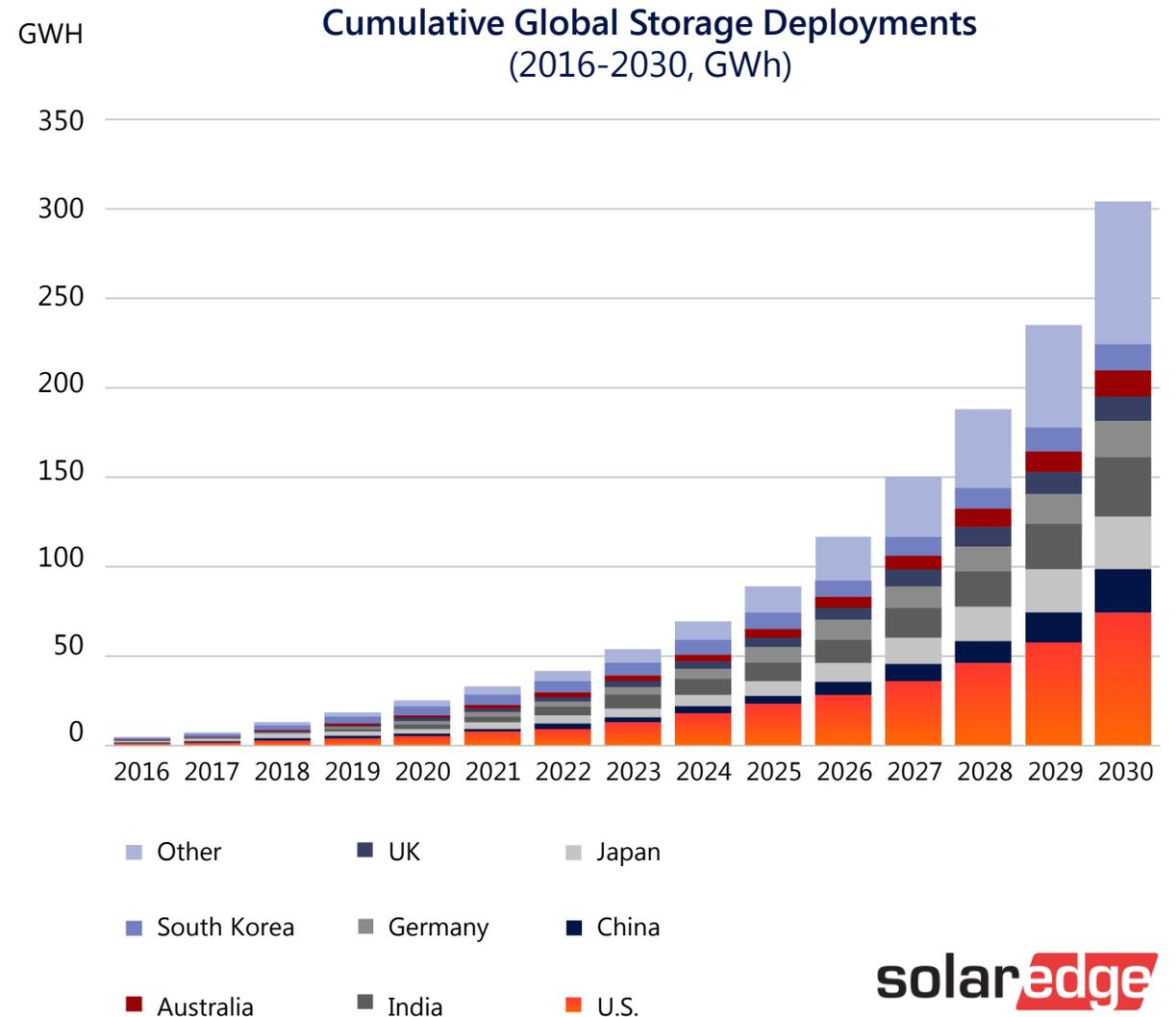
UPS Division

- Based on asset acquisition closed July 1, 2018
- Full range of power solutions support a myriad of applications:
 - Data centers, communications, defense, healthcare, industrial, financial, marine, transportation, governmental, retail and more
- Product suite includes:
 - Modular UPS solutions ranging from 10 kW to 1.8 MW
 - A wide range of standalone UPS systems
 - Modular power systems for the telecom market
 - Modular DC/AC inverters
 - Modular DC/DC converters
 - Control & Management solutions



ESS Market Growth

- Global market for Lithium-ion batteries for ESS sector estimated to double six times by 2030
- Annual grid-connected energy storage revenues to grow from \$1.9B to \$8.0B (2018-2025, 11% CAGR)
- Forecast shows 25% of storage deployments in the US



About Kokam

- A global premier provider of innovative battery solutions
- Tier 1 battery manufacturer, ranked no. 5 in the ESS market
- More than 700MWh of field performance
- Over 232MWh of ESS installed globally
- Provides batteries to the utility scale ESS, UPS, electric vehicle (EV), aerospace, marine, and more industries
- Based in South Korea, a global hub of battery manufacturers
- Founded in 1989
- More than 60 battery-related patents
- Listed on the Korean OTC Exchange Market

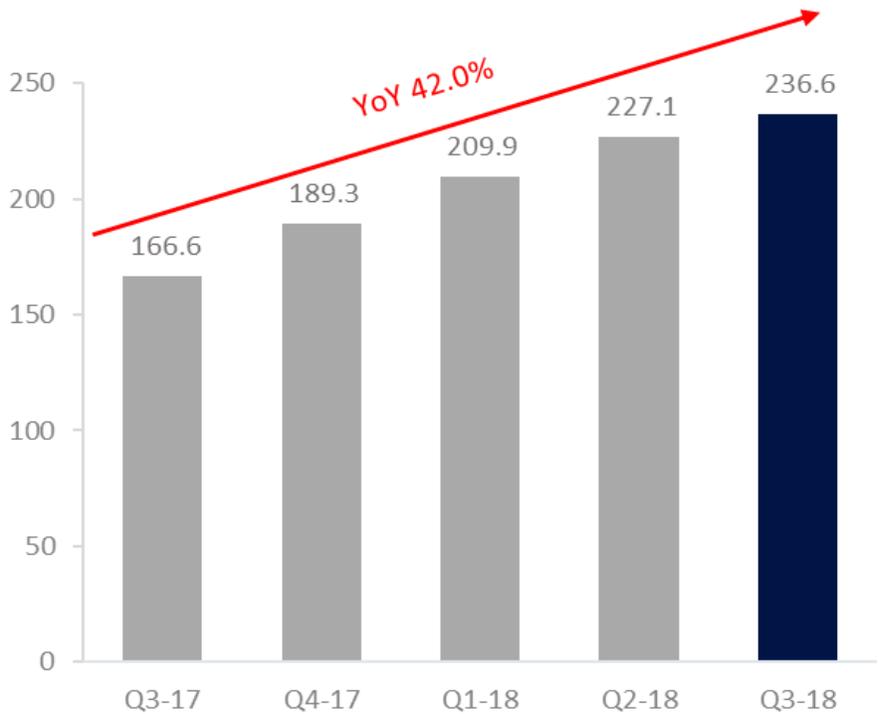
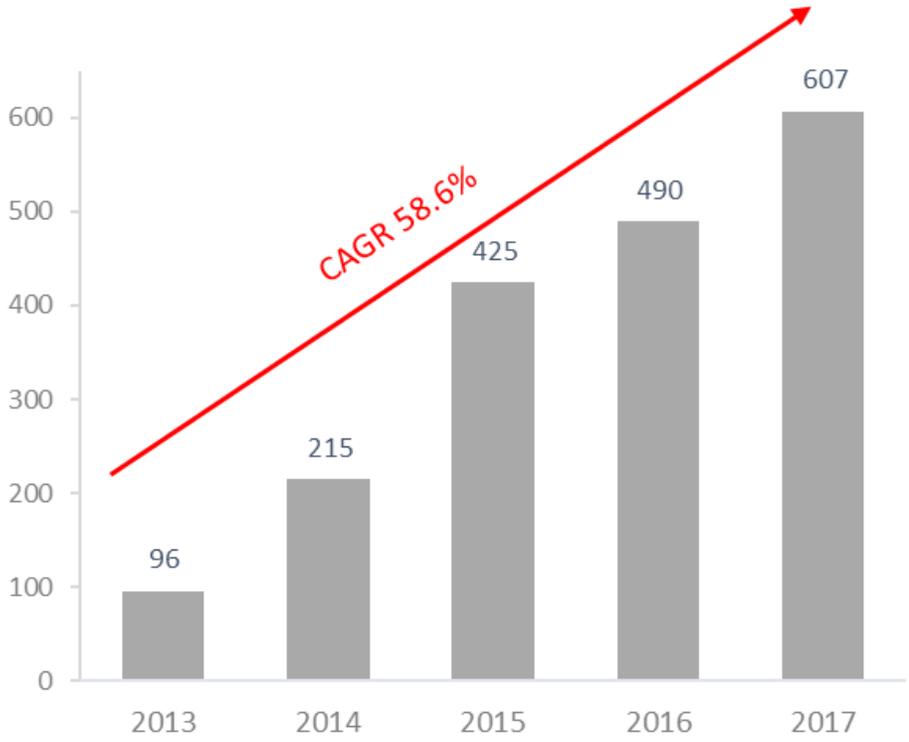


End-to-End Smart Energy Provider

- ▀ Strategically positioning SolarEdge as a one-stop-shop for smart energy solutions
- ▀ Allowing SolarEdge to enter the high-growth global battery market and diversify its business
- ▀ Allowing SolarEdge to access and control a steady supply chain of batteries to overcome market shortages
- ▀ Allowing Kokam to penetrate new market segments and geographical areas
- ▀ Synergy between SolarEdge's technological innovation and Kokam's world-class team and leading solutions

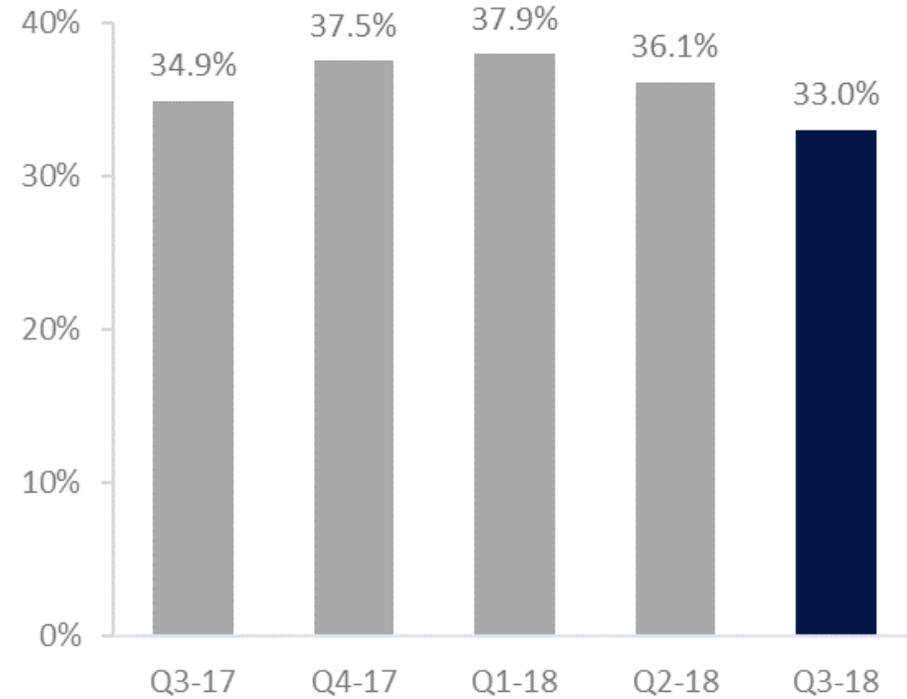
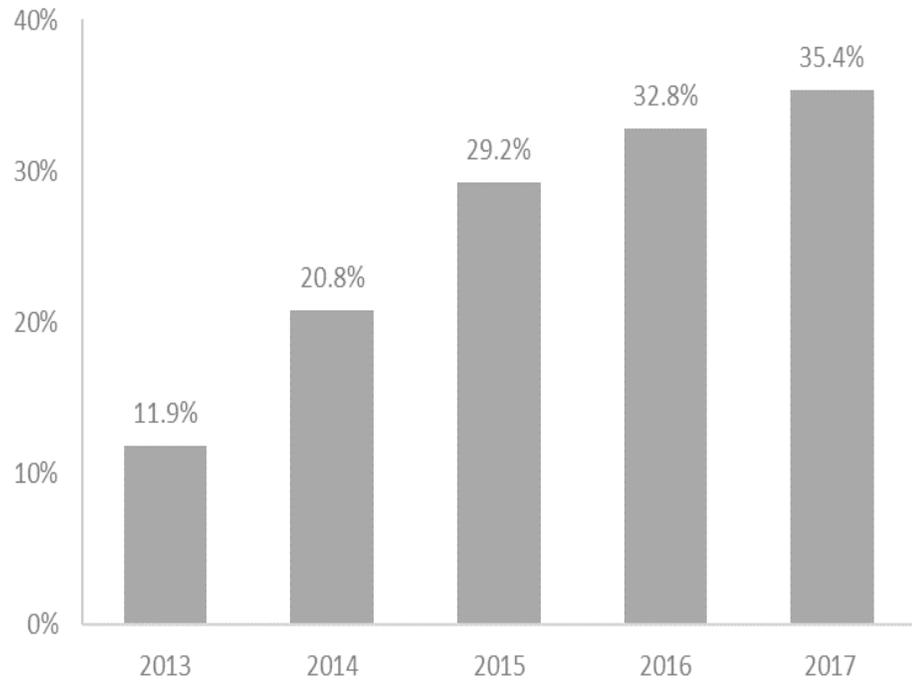


Revenue Growth



(CY Ending Dec 31, USD millions)

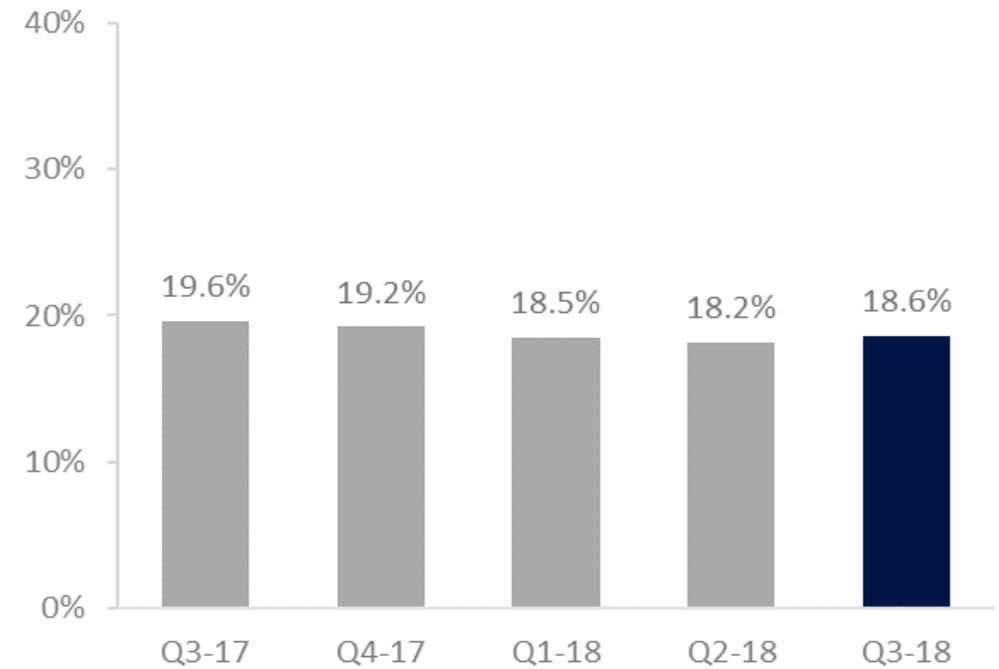
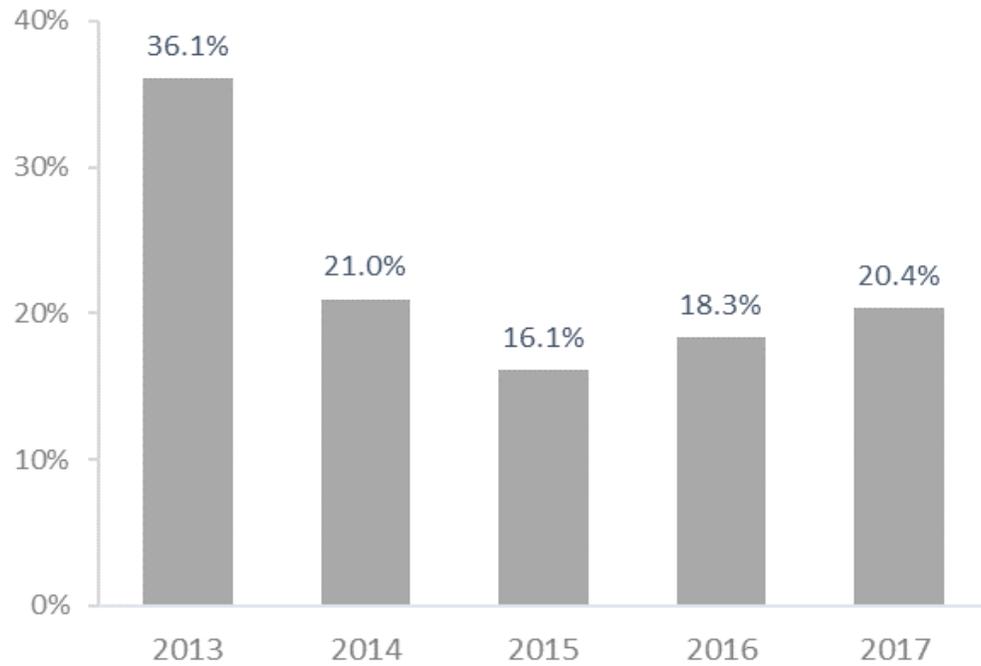
Gross Margin



(CY Ending Dec 31)

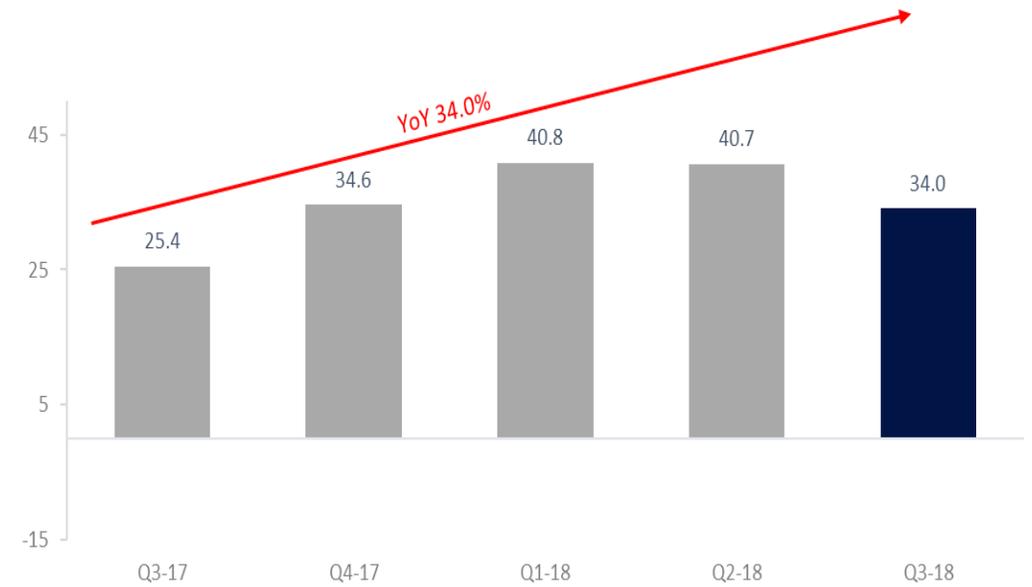
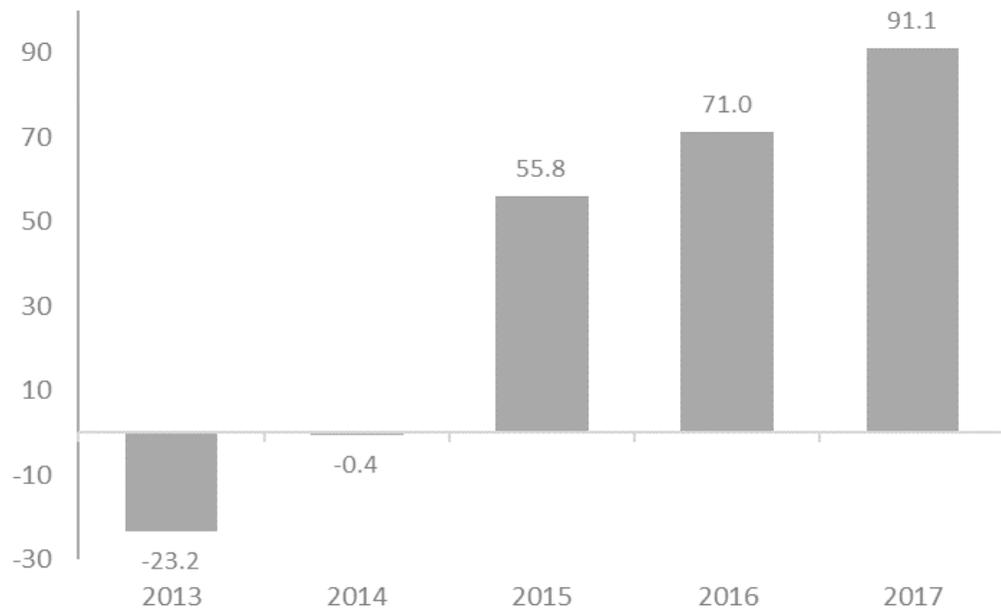
Operating Expenses

% Of Revenue



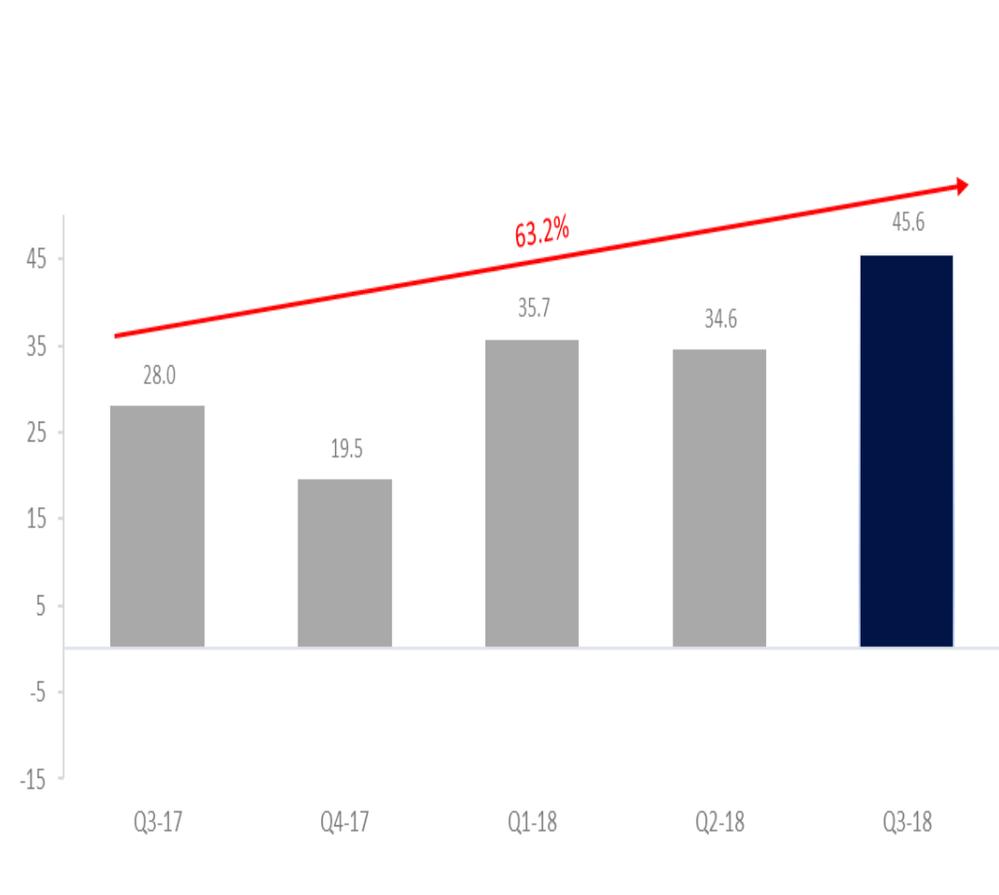
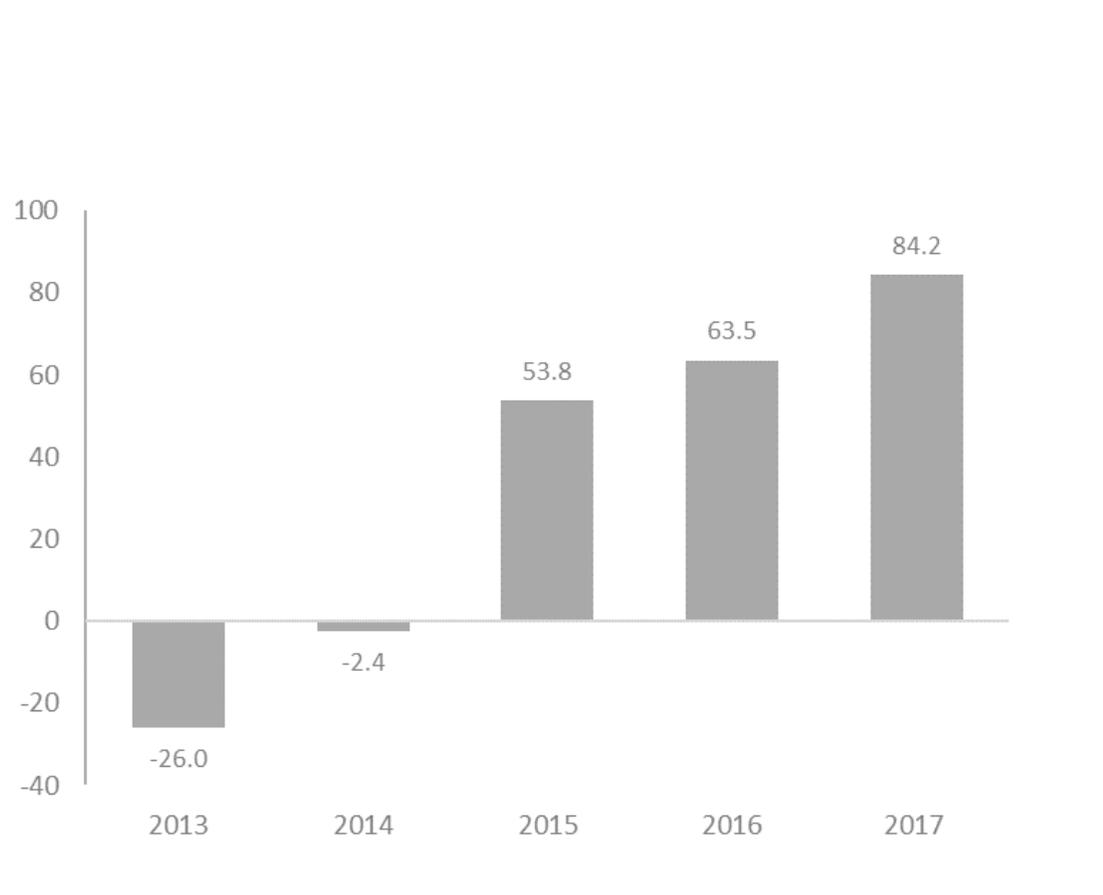
(CY Ending Dec 31)

Operating Profitability



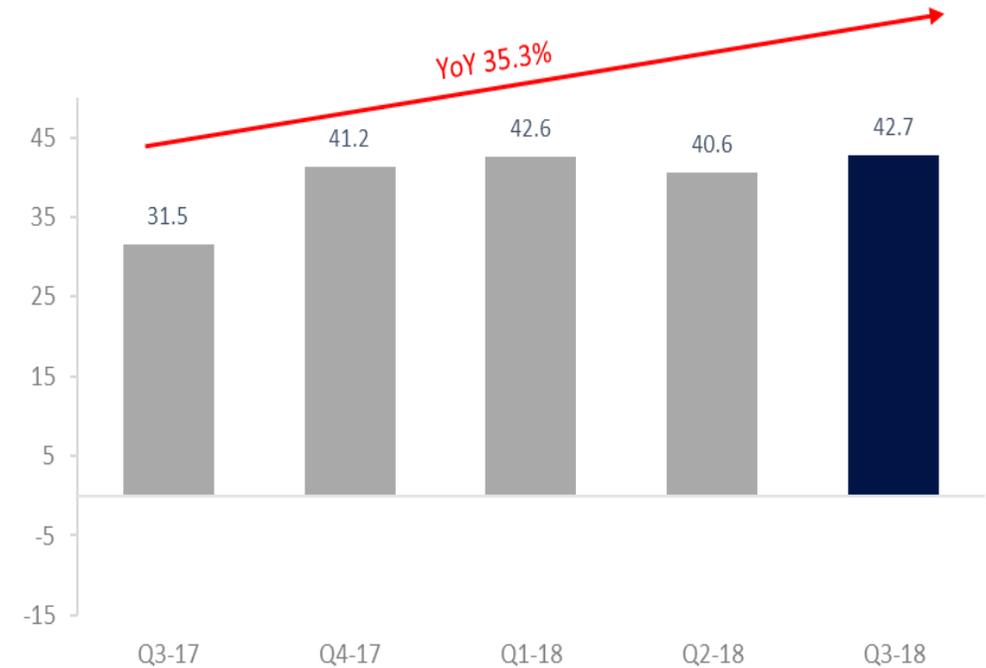
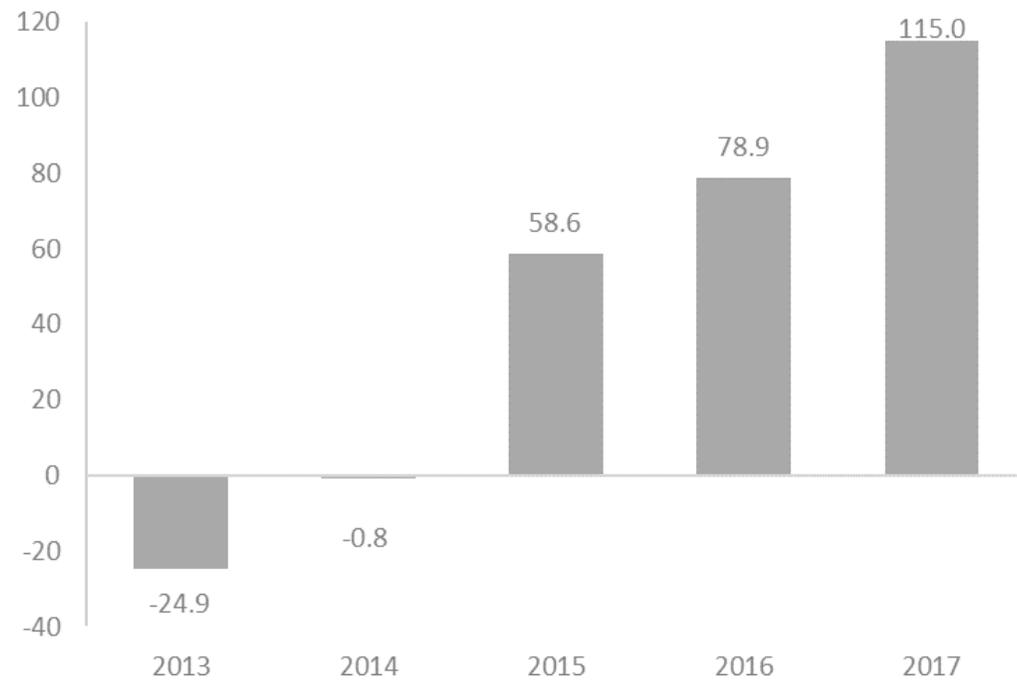
(CY Ending Dec 31, USD millions)

Net Profitability



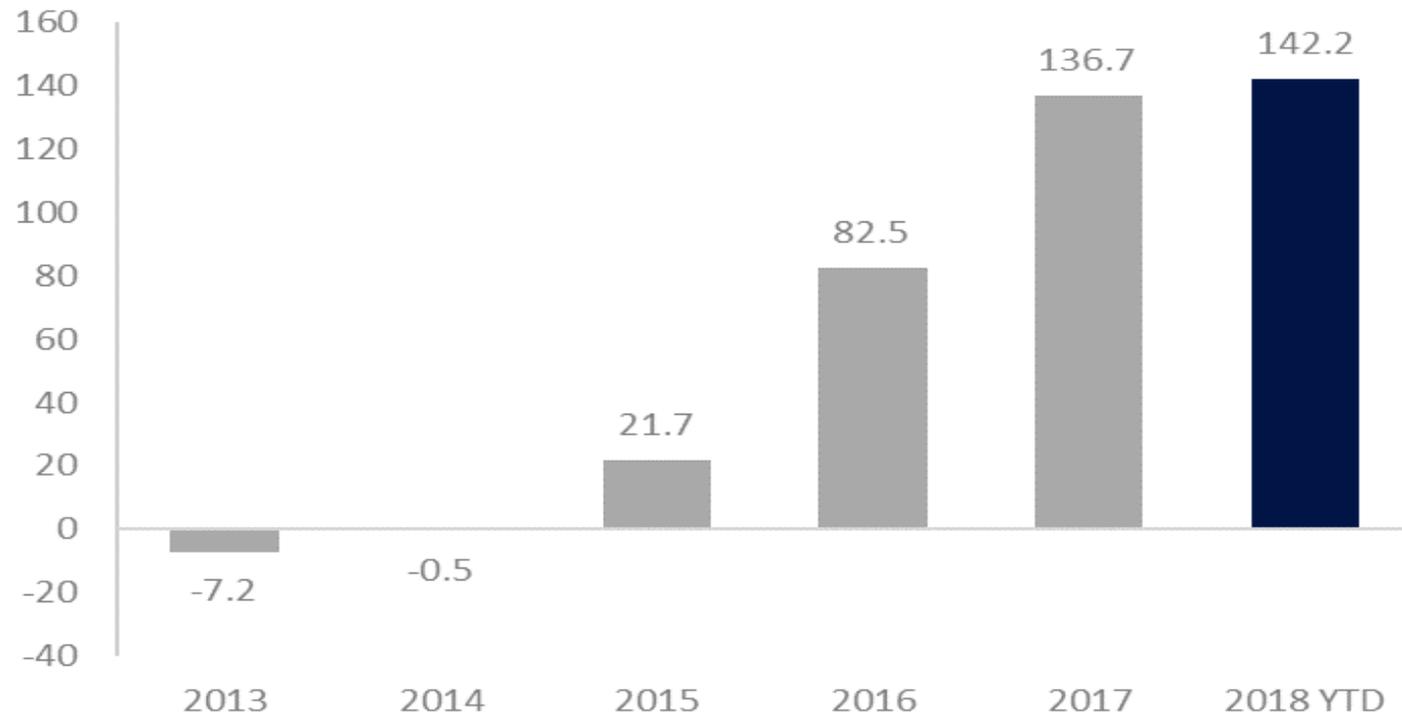
* Q4-17, Q1-18 and Q3-18 include one time transition tax of \$18.7M, \$0.8 and tax benefit of \$10.3M respectively
(CY Ending Dec 31, USD millions)

Net Profitability — Non GAAP



(CY Ending Dec 31, USD millions)

Cash Flow from operating activities



- \$34.3M cash flow from operations in Q3 2018
- \$453.2M cash and investments (as of September 30, 2018)
- Scalable CAPEX light manufacturing model
- Debt free

(CY Ending Dec 31, USD millions)

Thank You!

Cautionary Note Regarding Market Data & Industry Forecasts

This power point presentation contains market data and industry forecasts from certain third-party sources. This information is based on industry surveys and the preparer's expertise in the industry and there can be no assurance that any such market data is accurate or that any such industry forecasts will be achieved. Although we have not independently verified the accuracy of such market data and industry forecasts, we believe that the market data is reliable and that the industry forecasts are reasonable.

Version #: V.1.0

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