

Investor Presentation

November 2019



Your Energy • Your Choice • Always On



Safe Harbor

Use of Forward-Looking Statements

This presentation contains forward-looking statements made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to statements concerning financial performance and guidance, including revenues, gross margin, operating results, expenses and costs; our business strategies, including anticipated trends and developments in markets in which we operate and in the markets in which we plan to expand; the anticipated market adoption of Enphase's energy management system; the capabilities and performance of our technology and products, including product scalability, the ability to optimize and customize products, load disaggregation, monitoring, and management, and reduction in installation, logistics and supply chain times; planned changes to our technology and products including the number of components, die shrink, and ASIC integration; our performance in operations, including product quality, cost management, and customer service are based upon current expectations that involve risks and uncertainties. Any statements that are not of historical fact, may be forward-looking statements. Words used such as "anticipates," "believes," "continues," "designed," "estimates," "expects," "goal," "intends," "likely," "may," "ongoing," "plans," "projects," "pursuing," "seeks," "should," "will," "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. All forward-looking statements are based on our current assumptions, expectations and beliefs, and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements. Therefore, you should not place undue reliance on our forward-looking statements. A detailed discussion of risk factors that affect our business is included in the filings we make with the Securities and Exchange Commission (SEC) from time to time, including our most recent reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." Copies of these filings are available on the Enphase website at <http://investor.enphase.com/sec.cfm>, or on the SEC website at www.sec.gov. All forward-looking statements in this presentation are based on information currently available to us, and we assume no obligation to update these forward-looking statements in light of new information or future events.

Industry Information

Information regarding market and industry statistics in this presentation is based on information available to us that we believe is accurate. It is generally based on publications that are not produced for purposes of economic analysis.

Non-GAAP Financial Metrics

- The Company has presented certain non-GAAP financial measures in this presentation. Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position, or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with generally accepted accounting principles in the United States of America, or GAAP. Reconciliation of each non-GAAP financial measure to the most directly comparable GAAP financial measure can be found in the Appendix to this presentation. Non-GAAP financial measures presented by the Company include non-GAAP gross margin, operating expenses, income (loss) from operations, net loss and adjusted free cash flow.
- These non-GAAP financial measures do not reflect a comprehensive system of accounting, differ from GAAP measures with the same captions and may differ from non-GAAP financial measures with the same or similar captions that are used by other companies. In addition, these non-GAAP measures have limitations in that they do not reflect all of the amounts associated with the Company's results of operations as determined in accordance with GAAP. As such, these non-GAAP measures should be considered as a supplement to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. The Company uses these non-GAAP financial measures to analyze its operating performance and future prospects, develop internal budgets and financial goals, and to facilitate period-to-period comparisons. Enphase believes that these non-GAAP financial measures reflect an additional way of viewing aspects of its operations that, when viewed with its GAAP results, provide a more complete understanding of factors and trends affecting its business.
- As presented in the "Reconciliation of Non-GAAP Financial Measures" table in the Appendix to this presentation, each of the non-GAAP financial measures excludes one or more of the following items for purposes of calculating non-GAAP financial measures to facilitate an evaluation of the Company's current operating performance and a comparison to its past operating performance:
 - Stock-based compensation expense. The Company excludes stock-based compensation expense from its non-GAAP measures primarily because they are non-cash in nature. Moreover, the impact of this expense is significantly affected by the Company's stock price at the time of an award over which management has limited to no control.
 - Restructuring charges. The Company excludes restructuring charges due to the nature of the expenses being unplanned and arising outside the ordinary course of continuing operations. These costs primarily consist of fees paid for restructuring-related management consulting services, cash-based severance costs related to workforce reduction actions, asset write-downs of property and equipment and lease loss reserves, and other contract termination costs resulting from restructuring initiatives.
 - Reserve for non-recurring legal matter. This item represents a charge taken for the potential settlement cost related to a dispute with a vendor. This item is excluded as it relates to a specific matter and is not reflective of the Company's ongoing financial performance.
 - Acquisition related expenses and amortization. This item represents expenses incurred related to the Company's acquisition of SunPower's microinverter business, which are non-recurring in nature, and amortization of acquired intangible assets, which is a non-cash expense. Acquisition related expenses and amortization of acquired intangible assets are not reflective of the Company's ongoing financial performance.
 - Non-recurring debt prepayment fees and non-cash interest. This item consists primarily of amortization of debt issuance costs and non-recurring debt settlement costs, because these expenses does not represent a cash outflow for the Company except in the period the financing was secured or when the financing was settled, and such amortization expense or settlement of debt costs is not reflective of the Company's ongoing financial performance.
 - Adjusted free cash flow. This item represents cash flows from operating activities excluding payments for the acquisition reported in operating activities less purchases of property and equipment. The Company believes the adjusted free cash flow is the best measure of how much cash the business generates after accounting for capital expenditures.

This presentation is being made exclusively to qualified institutional buyers ("QIBs") as defined in Rule 144A ("Rule 144A") under the U.S. Securities Act of 1933, as amended (the "Securities Act"). The securities described herein have not been and will not be registered under the Securities Act and may not be offered or sold in the United States except to QIBs in reliance on Rule 144A or pursuant to another exemption from, or transaction not subject to, the registration requirements of the Securities Act. This document does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in any jurisdiction where such offer or sale is not permitted. Any purchaser of such securities will be deemed to have made certain representations and acknowledgments, including, without limitation, that the purchaser is a "qualified institutional buyer" as defined in Rule 144A under the Securities Act.

Enphase



Founded In **2006**,
Total # of Employees: **515**,
as of September 30, 2019



#2 Residential Inverter
Market Share In US



Headquarters:
Fremont, California With
Offices Globally



Over 997,000 Systems In
130 Countries,
As of September 30, 2019



Our Customers Are
Installers, Homeowners
And **Module Partners**



2018 Revenue:
\$316.2 Million,
844 MW DC Shipped



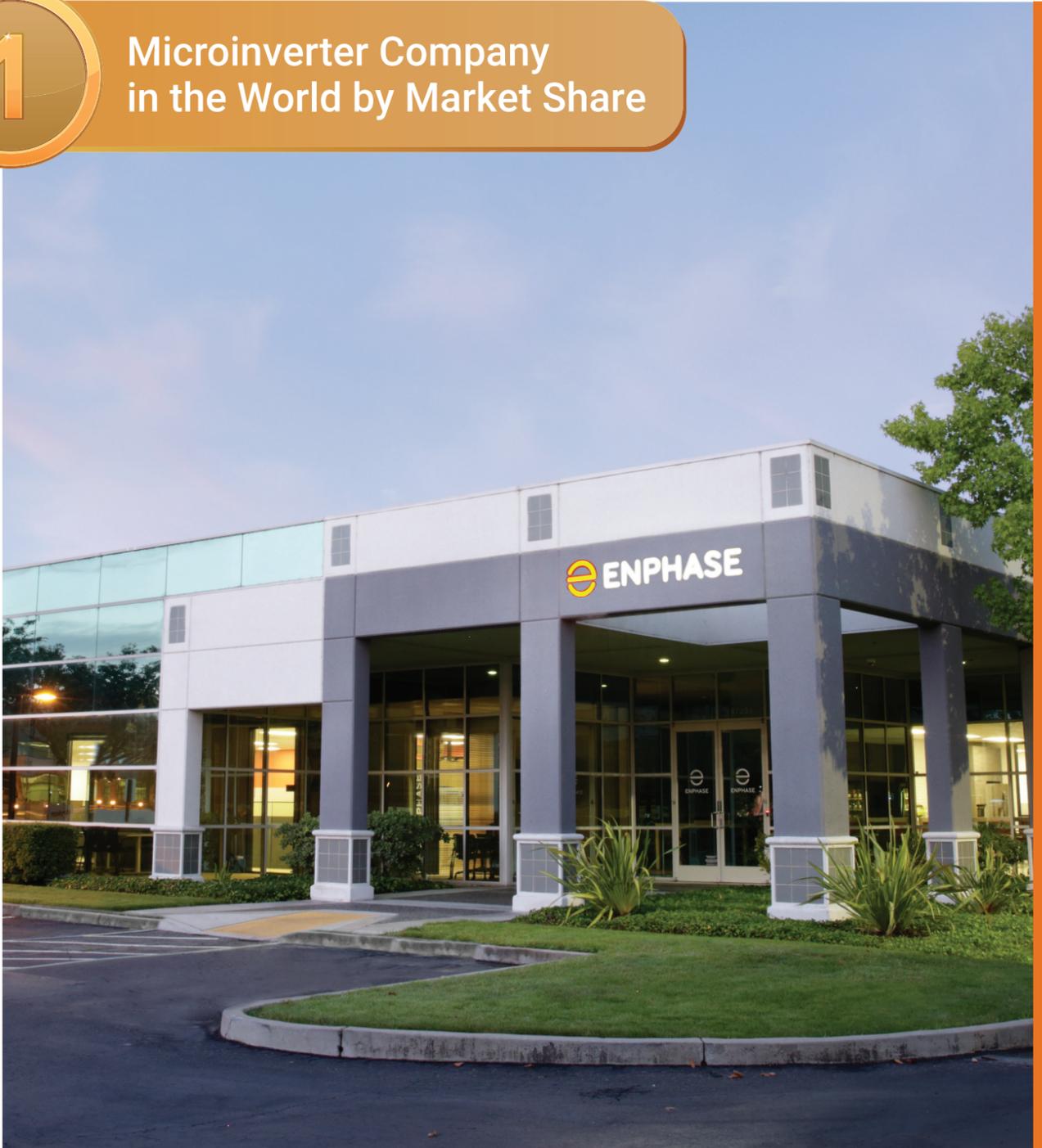
23+ Million Microinverters
Shipped To Date,
Representing 4+ Gigawatts



Shipped More Than
30 MWh of Energy
Storage Systems



Microinverter Company
in the World by Market Share



Management Has Deep Semiconductor And Solar Expertise



Badri Kothandaraman President and CEO

- Former COO At Enphase, Exec VP At Cypress Semiconductor For Memory And IoT Products
- B.Tech From IIT Madras And Masters In Materials Science From U.C. Berkeley
- Attended The Stanford Executive Program And Holds 8 US Patents



Eric Branderiz Chief Financial Officer

- 20+ Years Of Semiconductor, Energy And Solar Industry Finance And Operations Experience
- Former Tesla VP, Corporate Controller, And Chief Accounting Officer
- Former SVP, And Chief Accounting Officer At Sunpower & Spansion
- CPA, Bachelor's Degree in Business Commerce With Accounting Concentration From Univ Of Alberta



Raghu Belur Chief Products Officer

- Co-founder Of Enphase
- Developed High-speed Optical Communication Technology For Cerent (Acquired By Cisco)
- Master's Degree In EE From Texas A&M And MBA From Berkeley's Haas School Of Business



Martin Fornage Chief Technology Officer

- Co-founder Of Enphase And Developed The World's First Microinverter System
- 20 Years Designing Power Supplies, Fiber Optics, Wireline And RF Communications
- "Ingénieur Diplômé D'état" Degree From ENSEA In France
- Holds 77 US Patents



David Ranhoff Chief Commercial Officer

- Seasoned Executive In Solar And Semiconductor Manufacturing
- Key Leadership Roles In Solar At GCL-Poly Solar, SunEdison And Solaicx
- Former CEO Of Credence Systems, A Semiconductor Equipment Manufacturer
- BSEE From Northeastern University And Attended The Stanford Executive Program



Jeff McNeil Chief Operating Officer

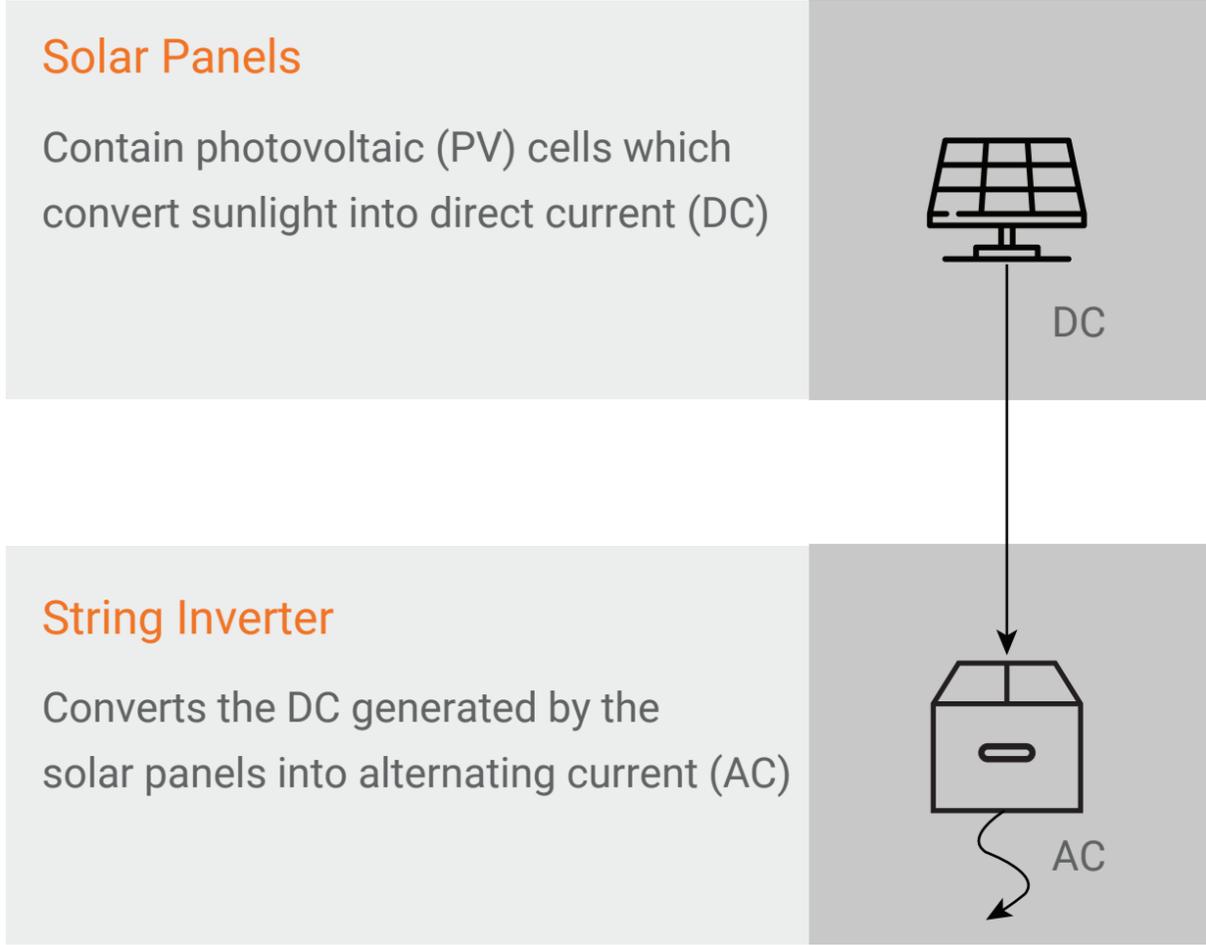
- Seasoned Executive In Semiconductor And Disk Drive Industry With 35 Years Experience
- SVP Operations At Cypress, Transformed Supply Chain Management
- Led A Precedent Setting FCC Certification For At-a-distance Wireless Power At Energous
- BS Chemical Eng. From San Jose State University

Enphase Microinverter Versus Traditional String Inverter

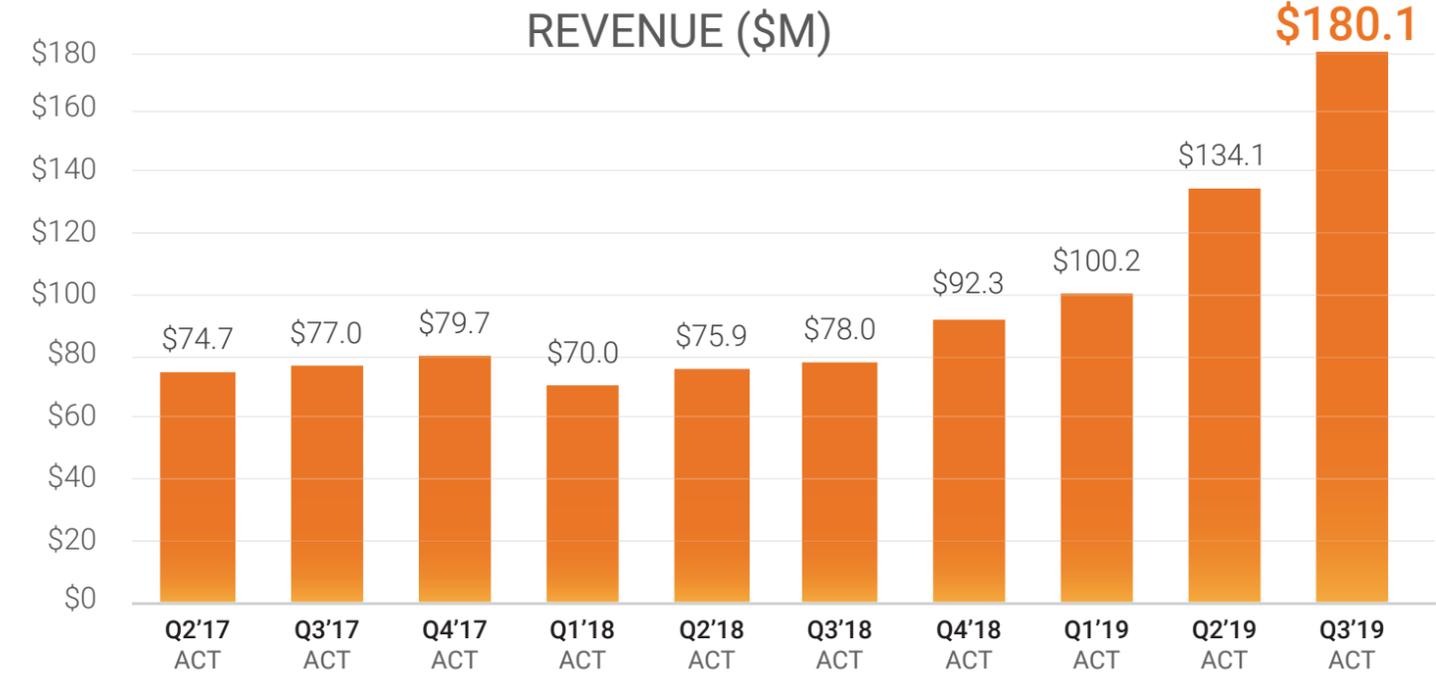
Enphase Solar Energy System

<p>Distributed Architecture Semiconductor Integration Enphase Microinverter <i>Converts DC to AC at Each Panel</i></p>	
<p>Proprietary Networking Technology Enphase Envoy™ Gateway <i>Collects Performance Data</i></p>	
<p>Cloud-Based Energy Management Enphase Enlighten™ Platform <i>Analytics Ensure Maximum Production</i></p>	

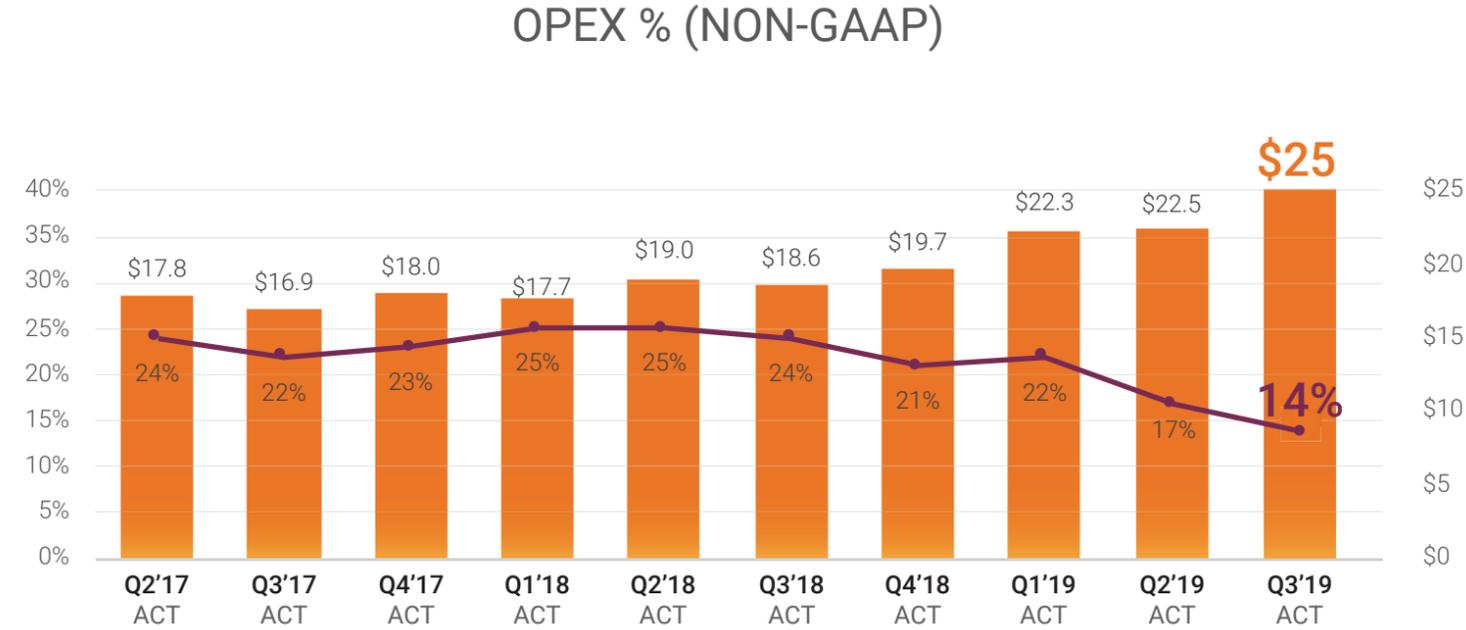
Traditional Solar Energy System



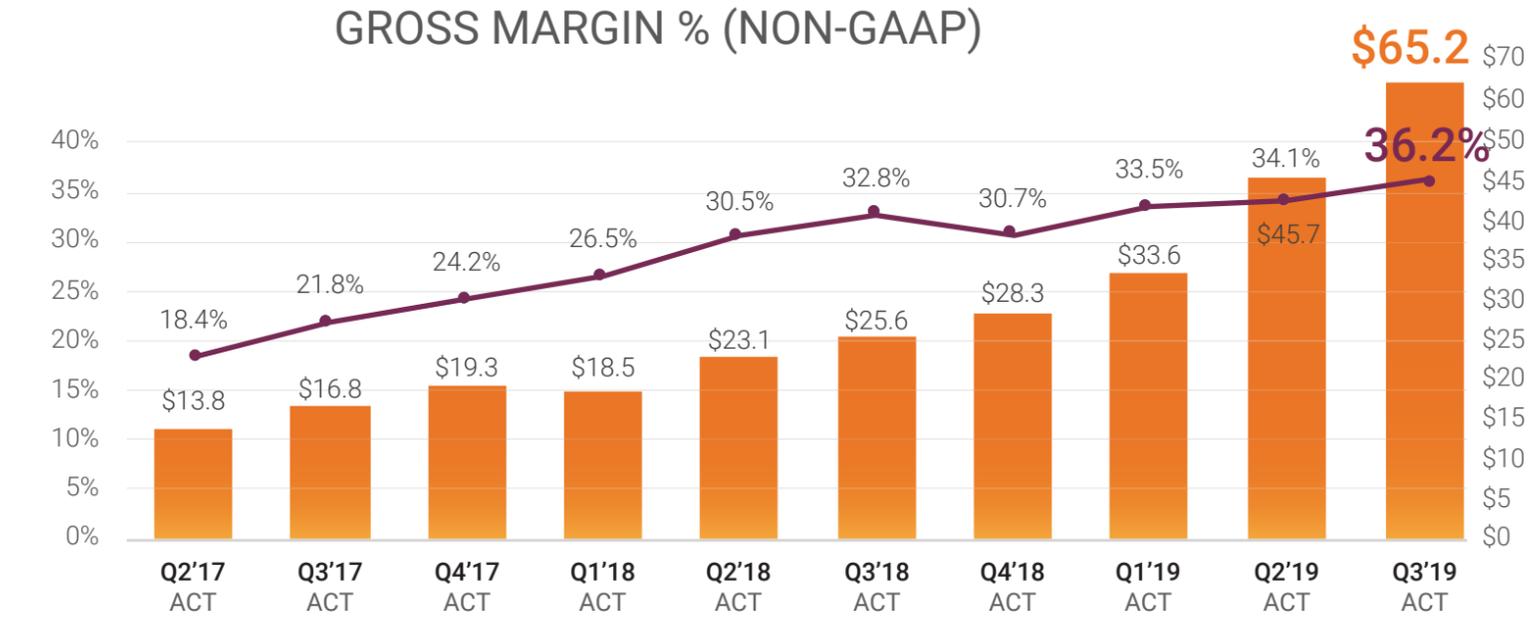
Our Financials Have Improved



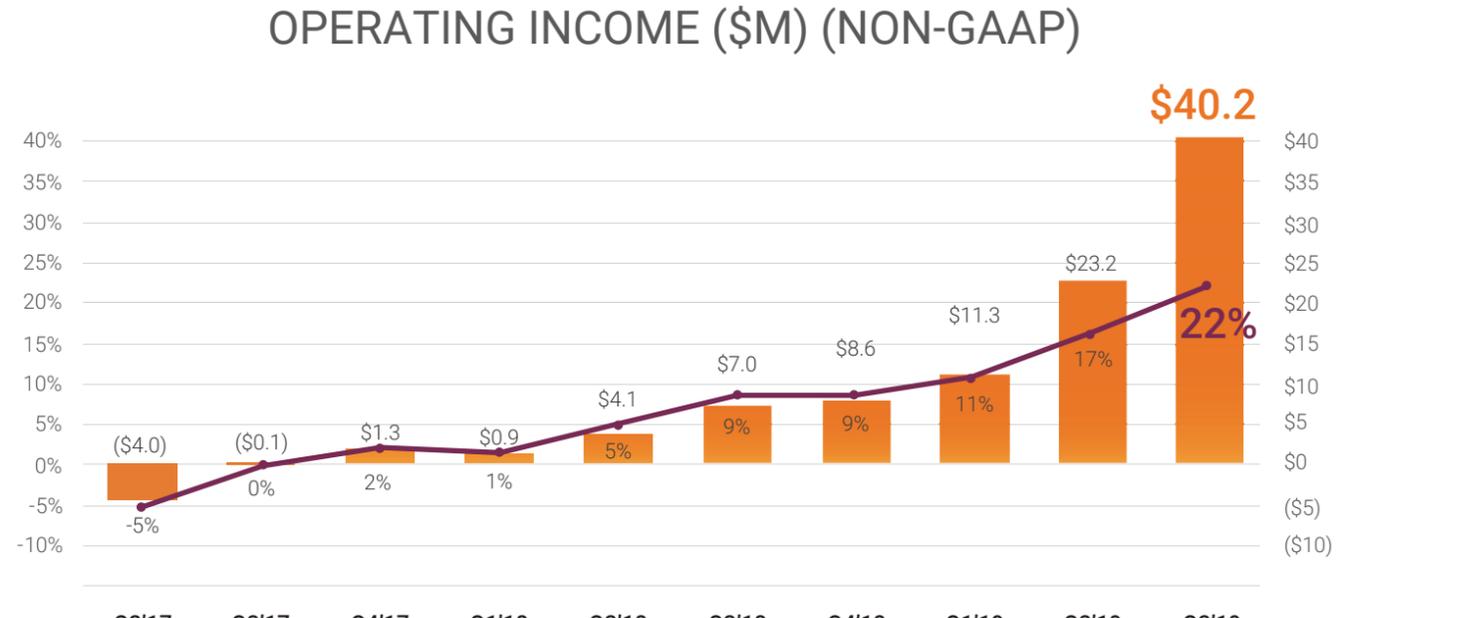
Q2'17 To Q3'19 Exited Low GM Accounts Focus on Profitable Growth



Q2'17 To Q3'19 Beat 20% of Revenue Target with 14% in Q3'19



Q2'17 To Q3'19 Pricing, Costs, New Products Are Driving Gross Margin Increase



Q2'17 To Q3'19 Surpassed 10% of Revenue Target with 22% in Q3'19

All numbers reflected are on Non-GAAP Basis, refer to Appendix for reconciliation to the most comparable GAAP measure.



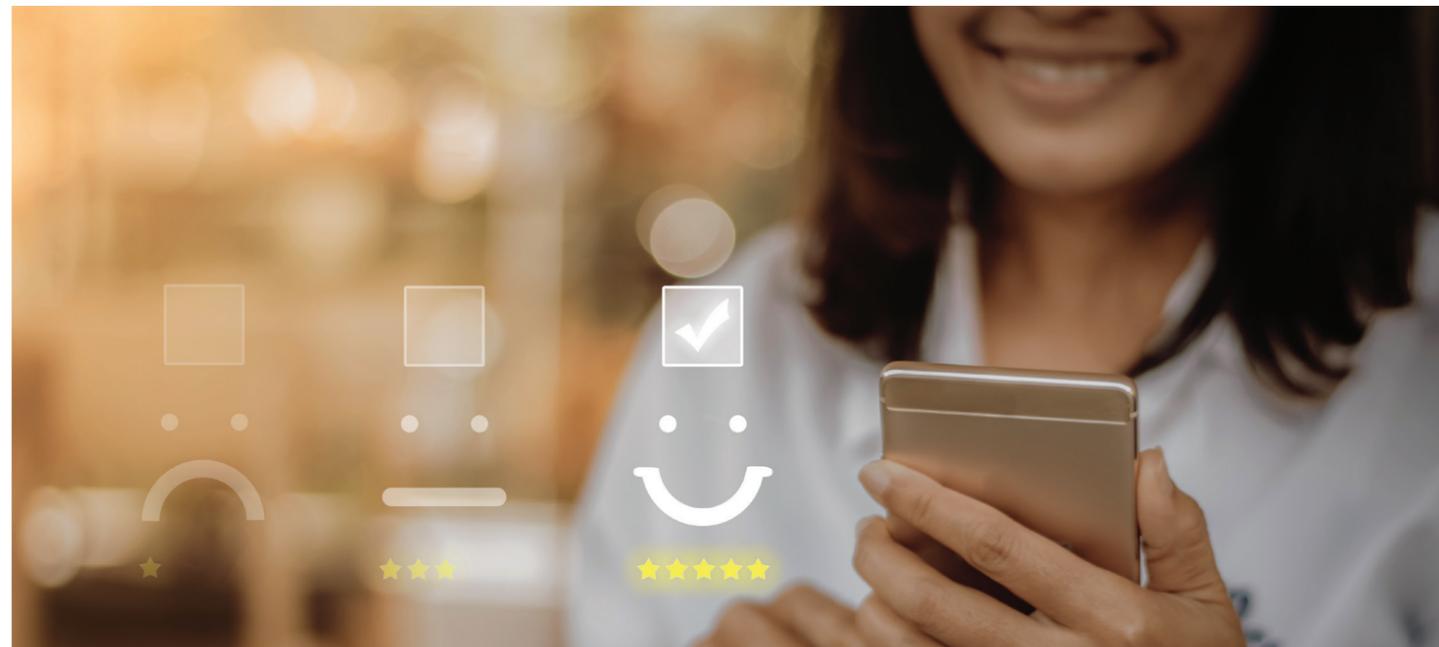
Our Strategy

We Are Transforming From A Solar Microinverter Systems Company
To A Home Energy Management Systems Company

Our Core Competencies



Product Innovation through
Software and Semiconductors



Customer Experience through
Quality and Service

Software + Semiconductors = Value Driver For Enphase



- Software Defined Architecture
- Enables Rapid Entry Into New Regions
- Advanced Grid Functions Configured In Software



Enlighten™ Manager

Panel Level Monitoring
Over-The-Air Firmware Upgrades
Early Failure Detection



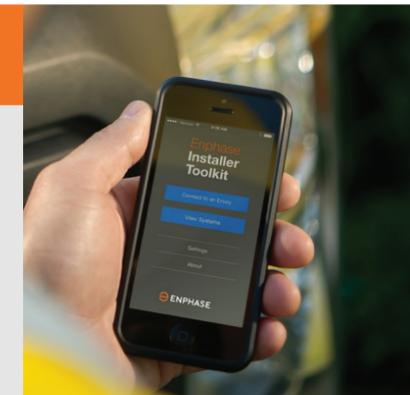
MyEnlighten™ Application

Energy Performance And
Education For Homeowners

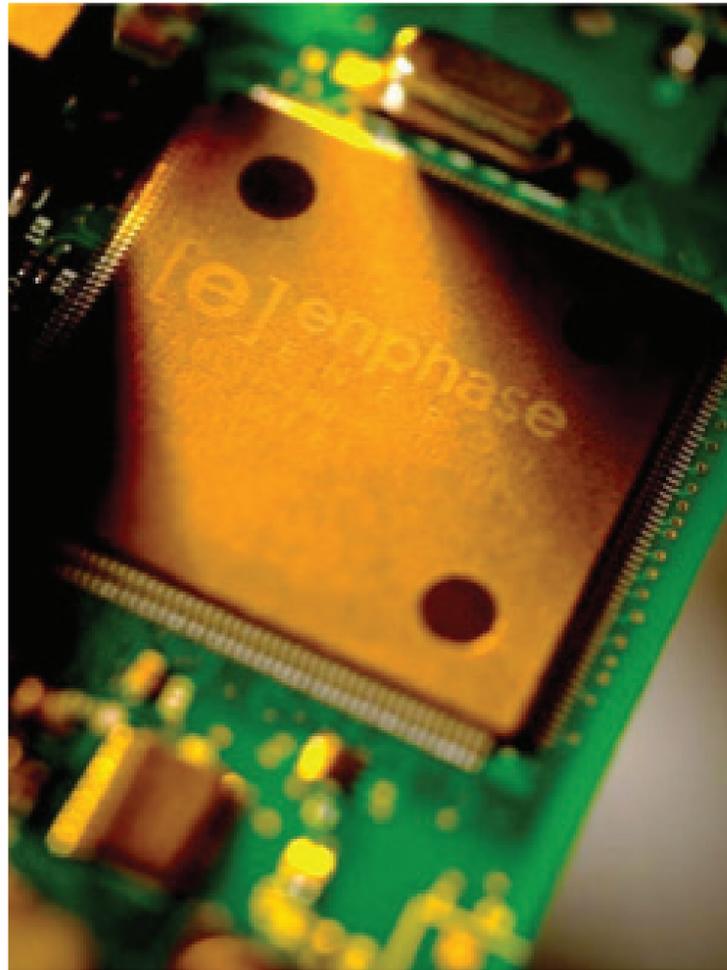


Installer Toolkit

Enables Crews To Configure And
Verify Operation Of Each System



Software + Semiconductors = Digitizing Energy



TODAY



Power Electronics Controlled By Digital Architecture



Digital Architecture Implemented By Semiconductor Integration

- Nanosecond Control Enables Fast Reaction To Grid Faults
- Component Integration Into ASIC Improves Quality And Cost



IoT System Managed Via Software Enables Greater Flexibility

TOMORROW



Fewer Components



More ASIC Integration



New Materials



Machine Learning Enables Customization And Optimization

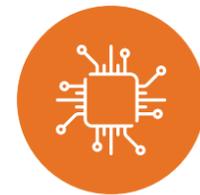


Revenue Generation From Services

Quality Is The Bedrock Of The Enphase Design



No Single Point
Of Failure



ASIC Integration



Over-The-Air
Software Upgrade



Design For
Reliability



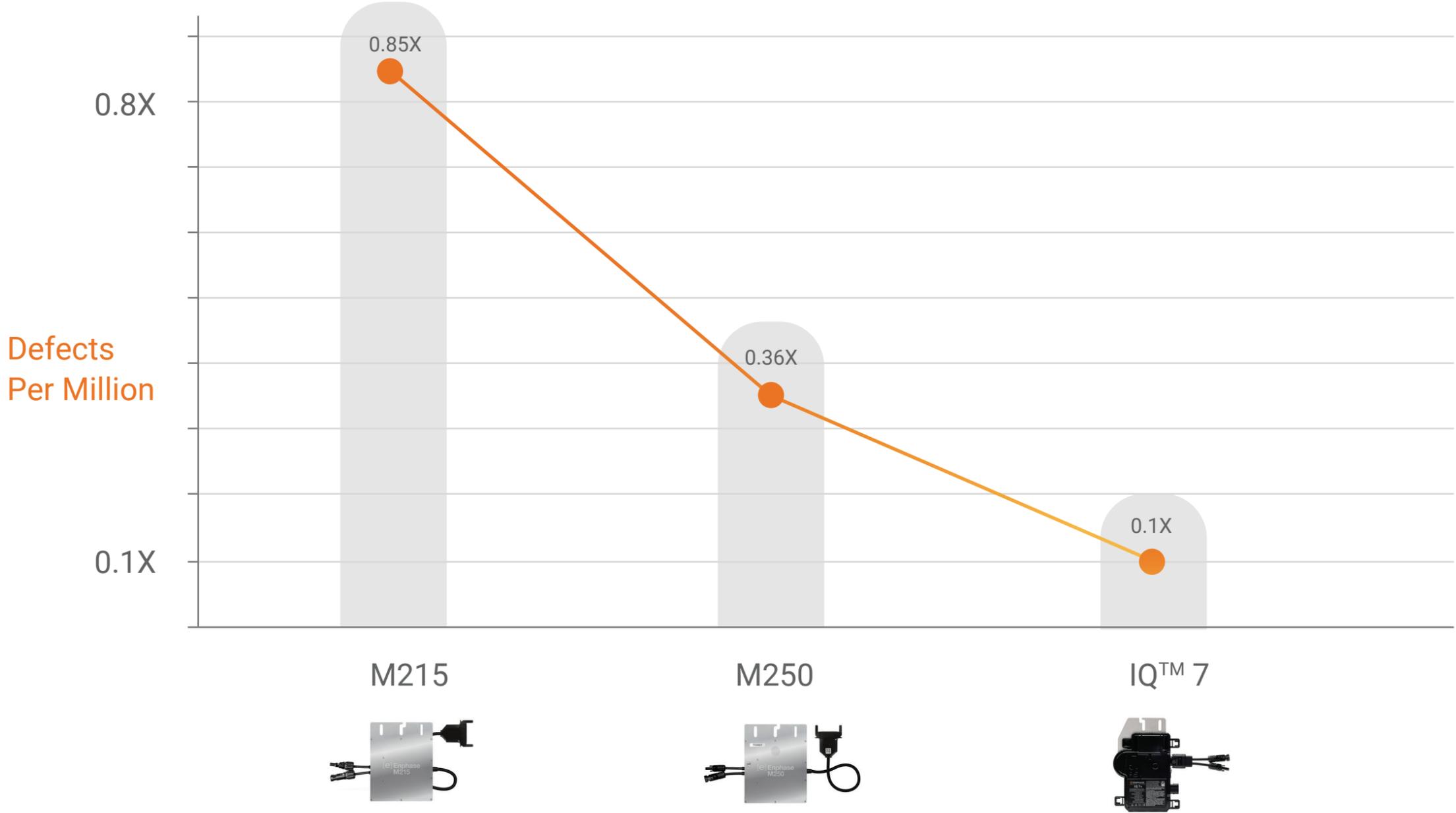
Testing >
Industry Standards



10X Reduction
in DPPM

Improving Quality From One Generation To Next

Improvement in Every Generation



—●— Enphase

Source: Enphase Data



Enphase Has Made Customer Service A Priority



Achieve Best in Class Quality



Take Care Of Homeowners and Installers



Put in Place Right People, Processes



Enable Self-Service App, Chat, Forums



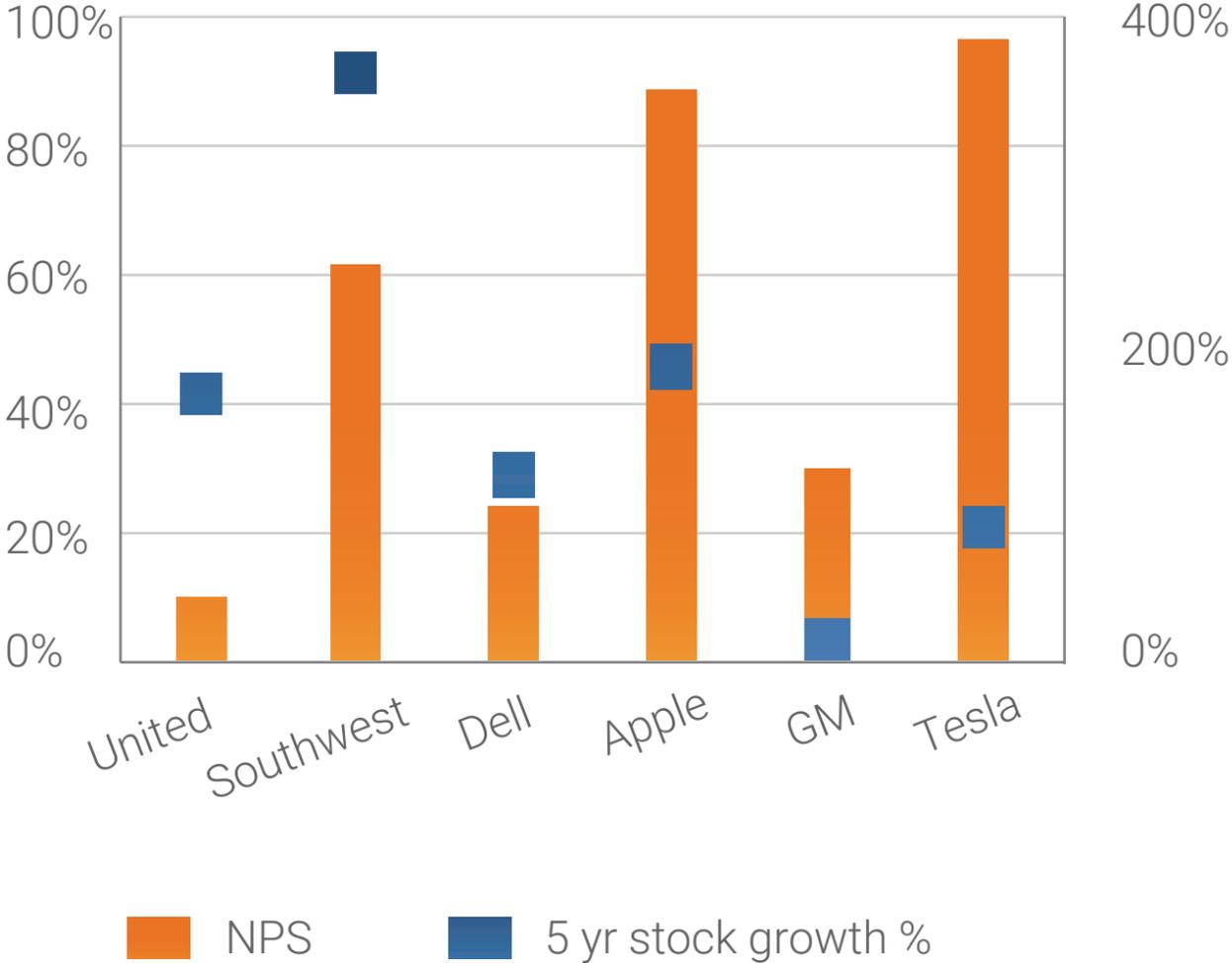
**Issues Solved
First Time
In Minutes**



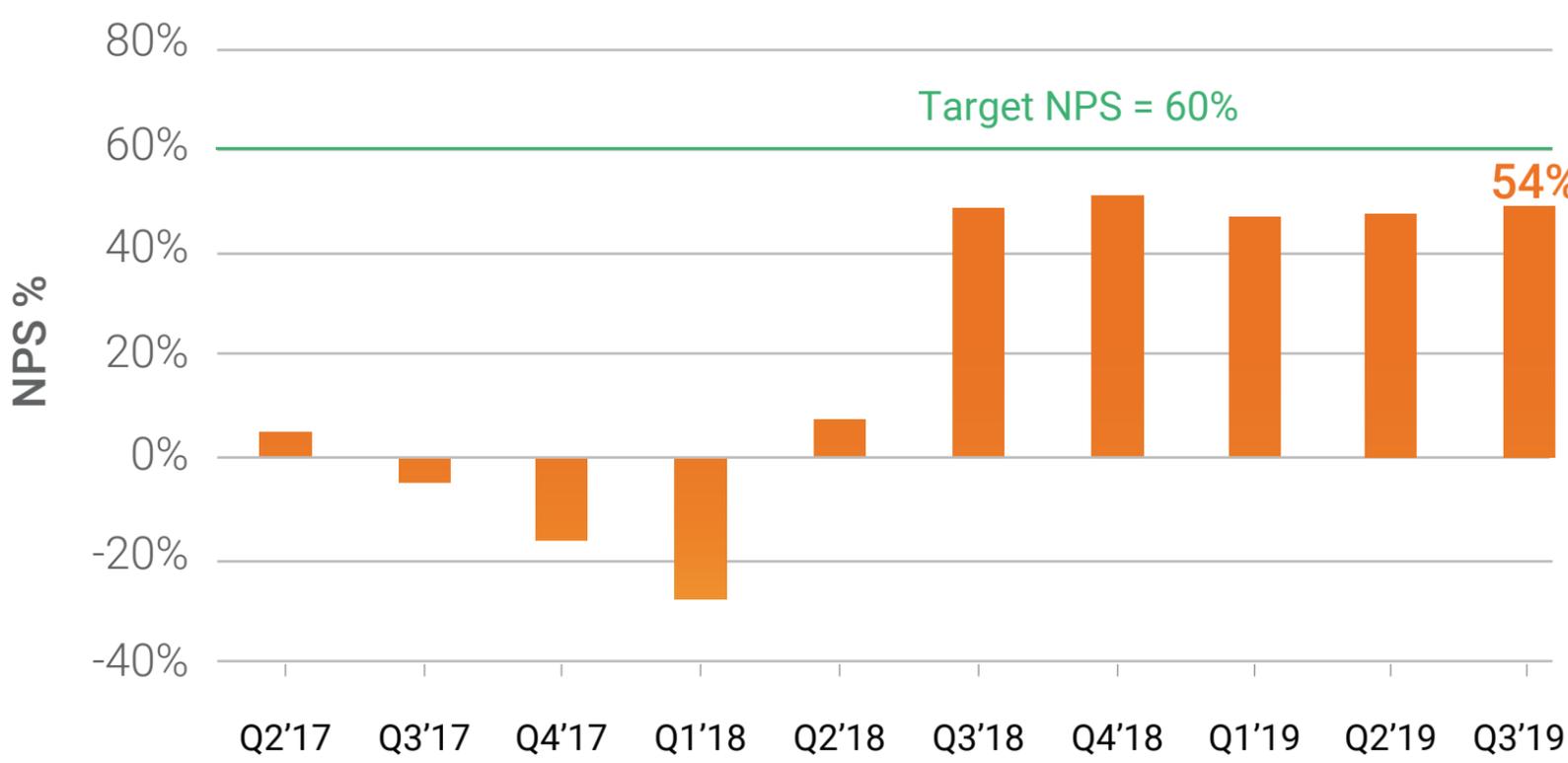
**2019 Goal > 60% NPS
Customers = Promoters**

Getting Enphase NPS To World Class

NPS Benchmarks



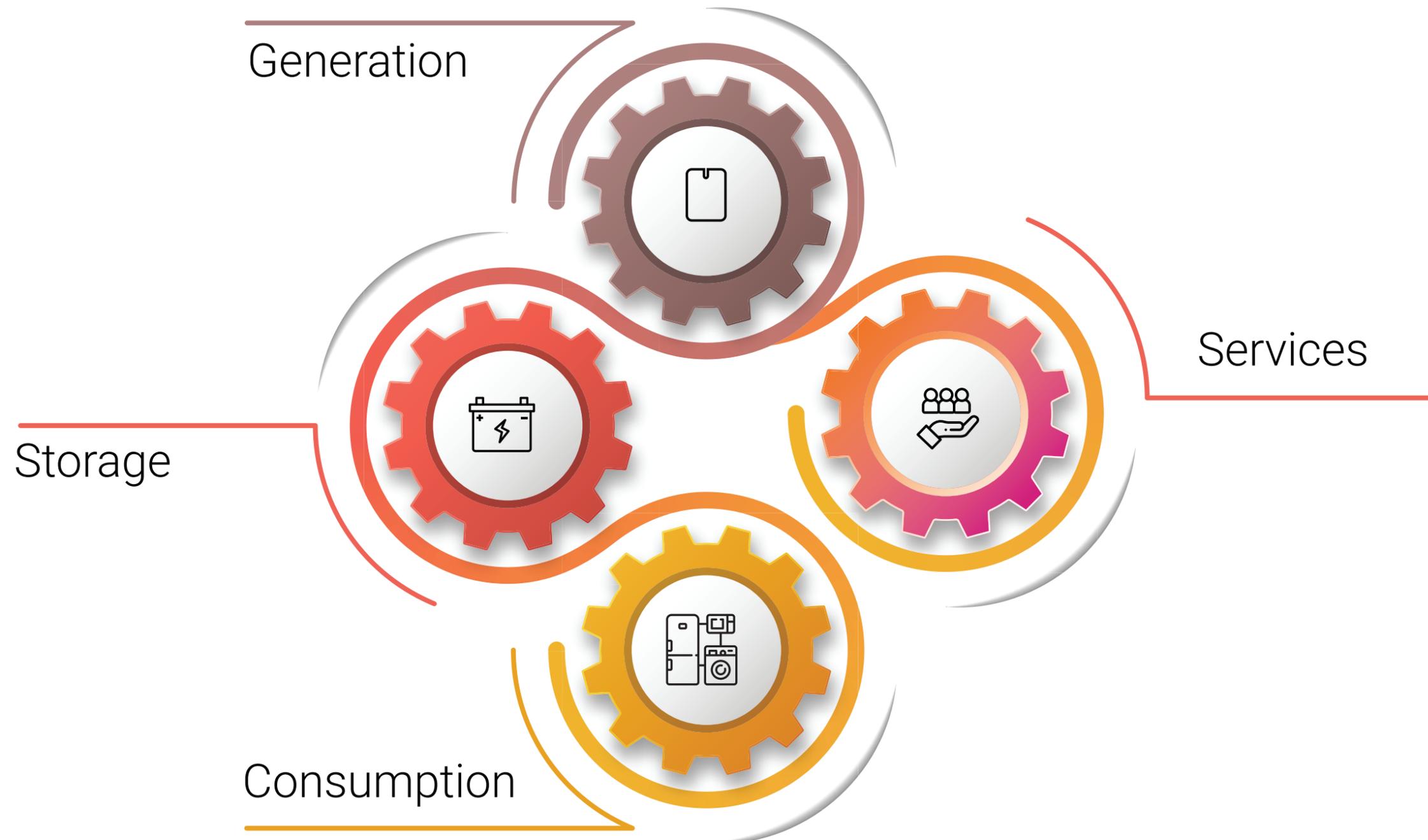
Enphase NPS%



Benchmark NPS data from <https://npsbenchmarks.com>. Stock values and 5 year % change as of Aug 5th 2018.

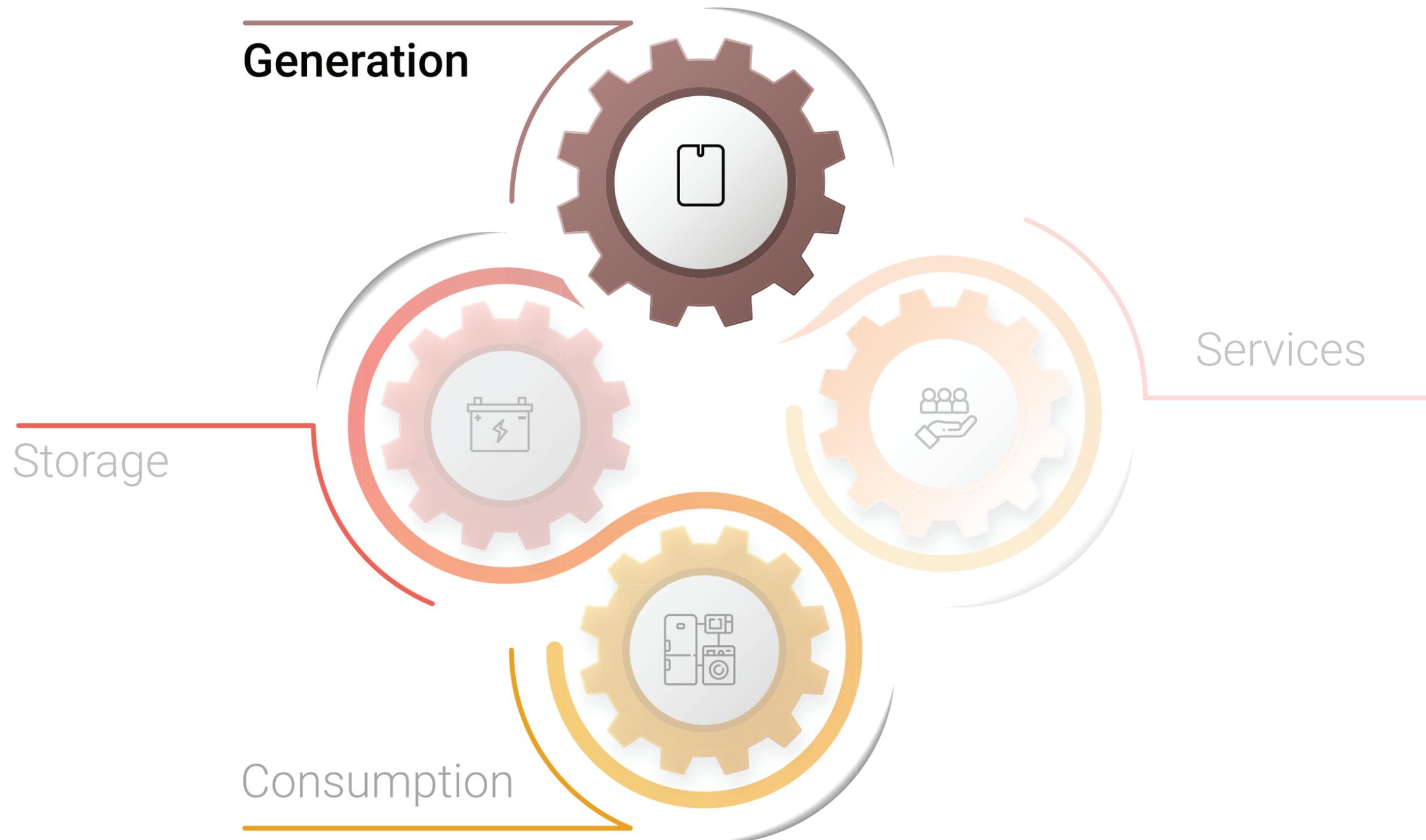
Home Energy Management System

Ensemble™ Technology Increases Revenue Potential Per Home From \$2K to \$10K+

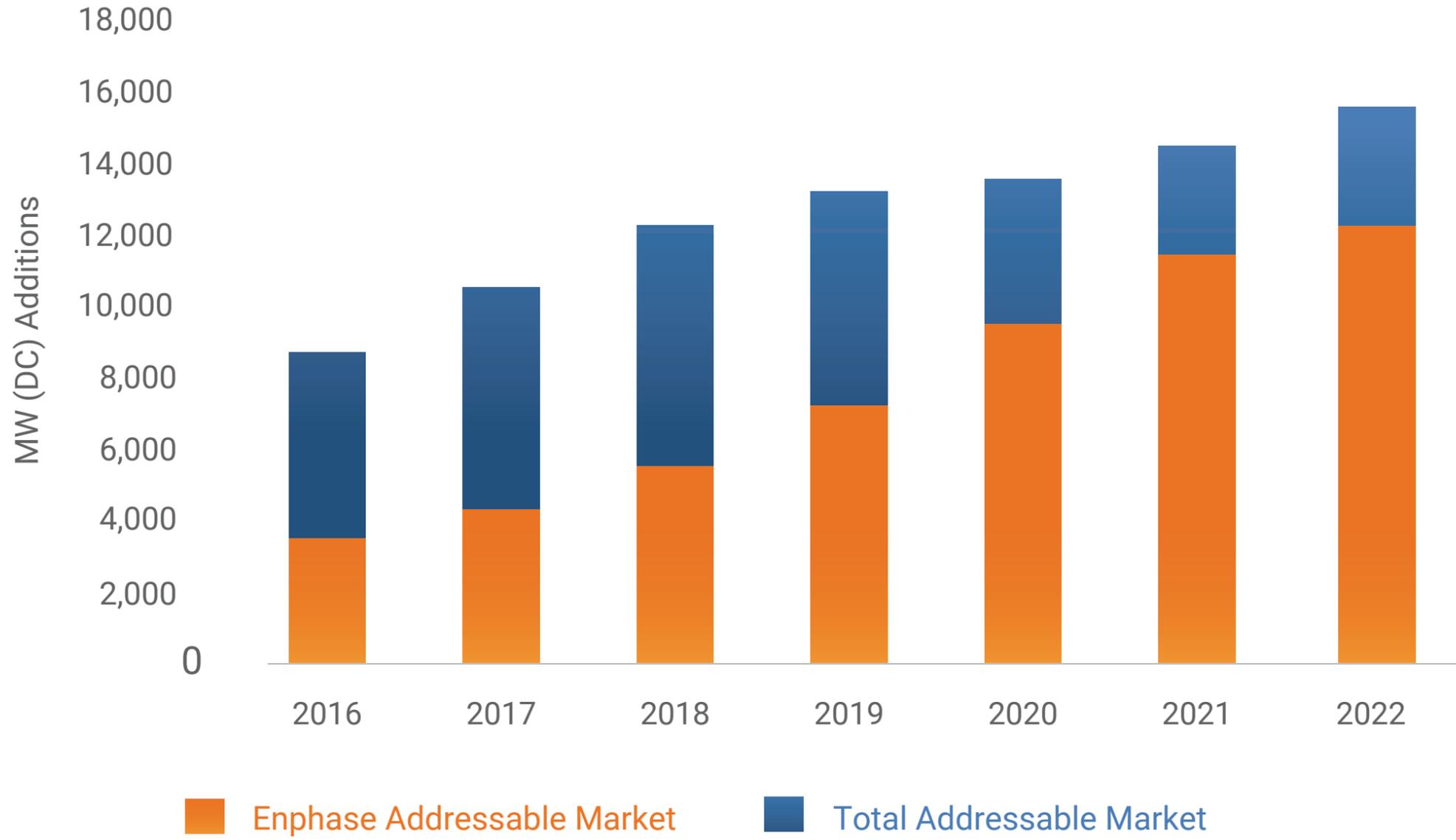
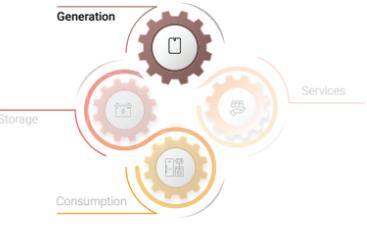


Home Energy Management System

Ensemble™ Technology Increases Revenue Potential Per Home From \$2K to \$10K+



Residential Solar – All Countries



Stable And Growing Market
(10% CAGR '16 – '22)



Growth Expected From
All Regions



Enphase's Addressable Market
Is ~ 40% Today

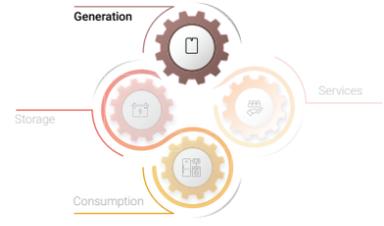


We Expect To Improve This By
IQ™ 7 Regional Expansion, High-Power
and High-Performance New Products,
AC Modules And Ensemble™

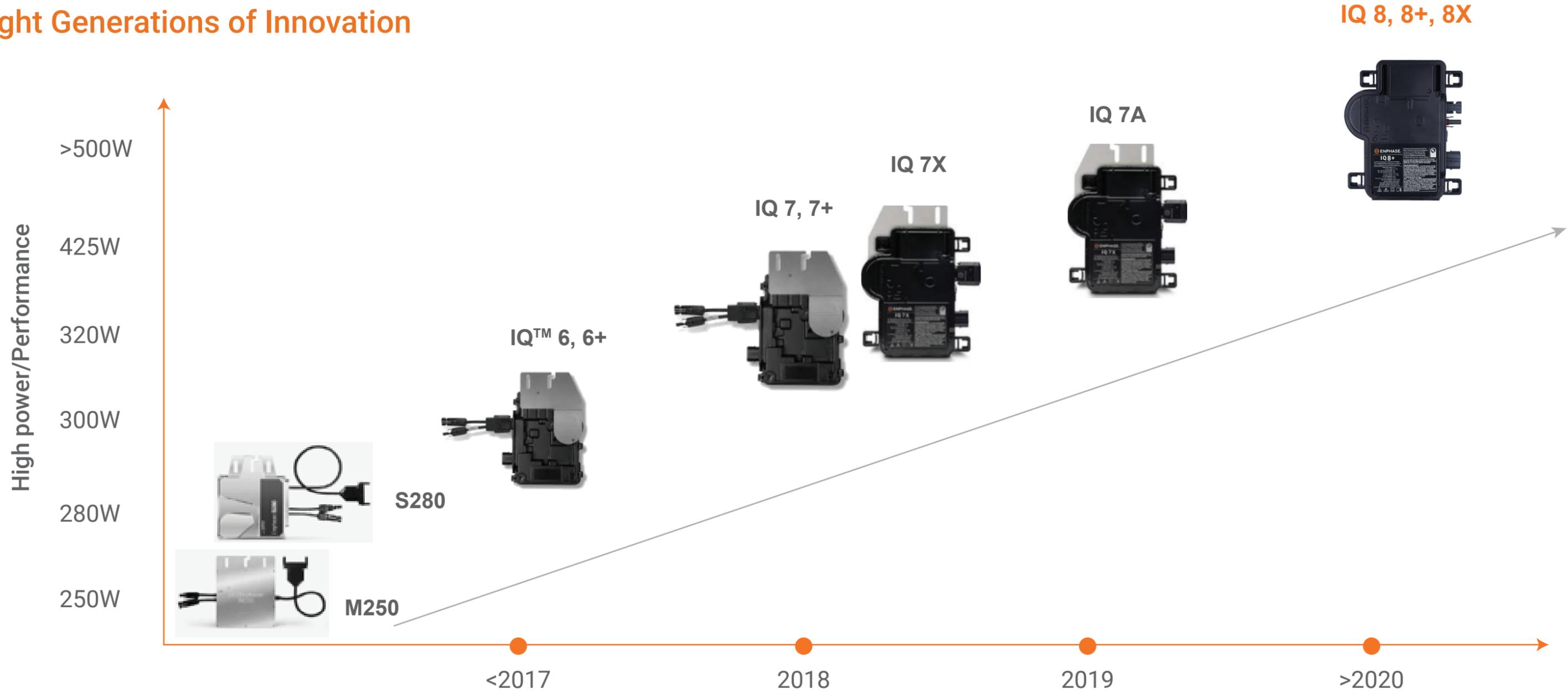
Enphase Has The Right Products To Address The Growing Residential Market

Source: Enphase Estimates

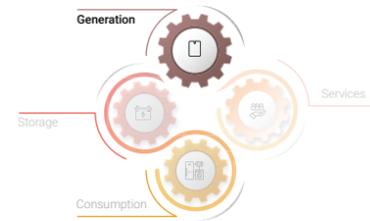
Enphase High Power, High Performance Microinverters



Eight Generations of Innovation

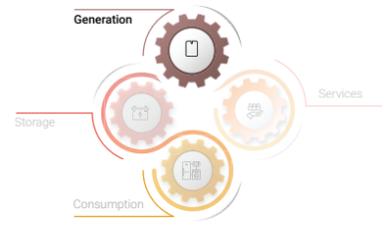


Enphase IQ™ 8 Microinverter



- **Swift ASIC Is The Heart Of The System**
 - 55nm; 5 Million Gates; Mixed Signal
 - ARM Processor Embedded In The ASIC
- **High Speed Digital Control**
 - Control Vectors Updated Every 20ns
- **Software Defined**
 - Grid Tied Or Grid Agnostic
- **Bi-directional**
 - Acts As An Inverter And Charge Controller
 - Used For Power Conversion In Encharge

AC Modules Are The Future Of Residential Solar



Faster Installation

20 - 40% Reduction In Installation Time*

Great Module Partners

SunPower, Panasonic, Solaria



Easier Training

Plug And Play



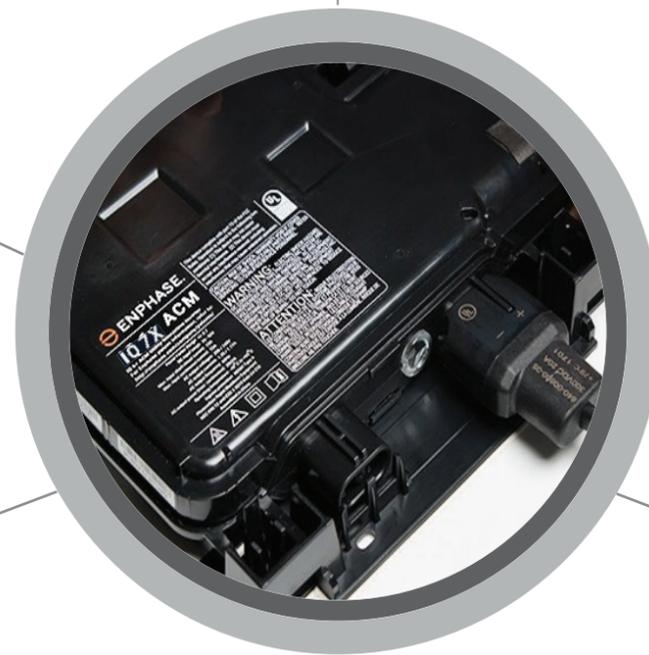
Logistics & Supply Chain

10 - 12% Reduction*



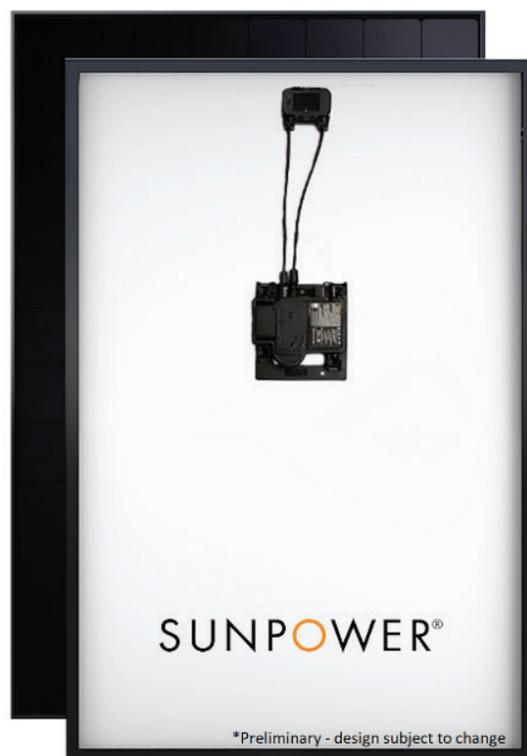
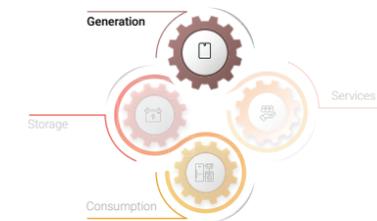
High Quality Installation

Plug And Play



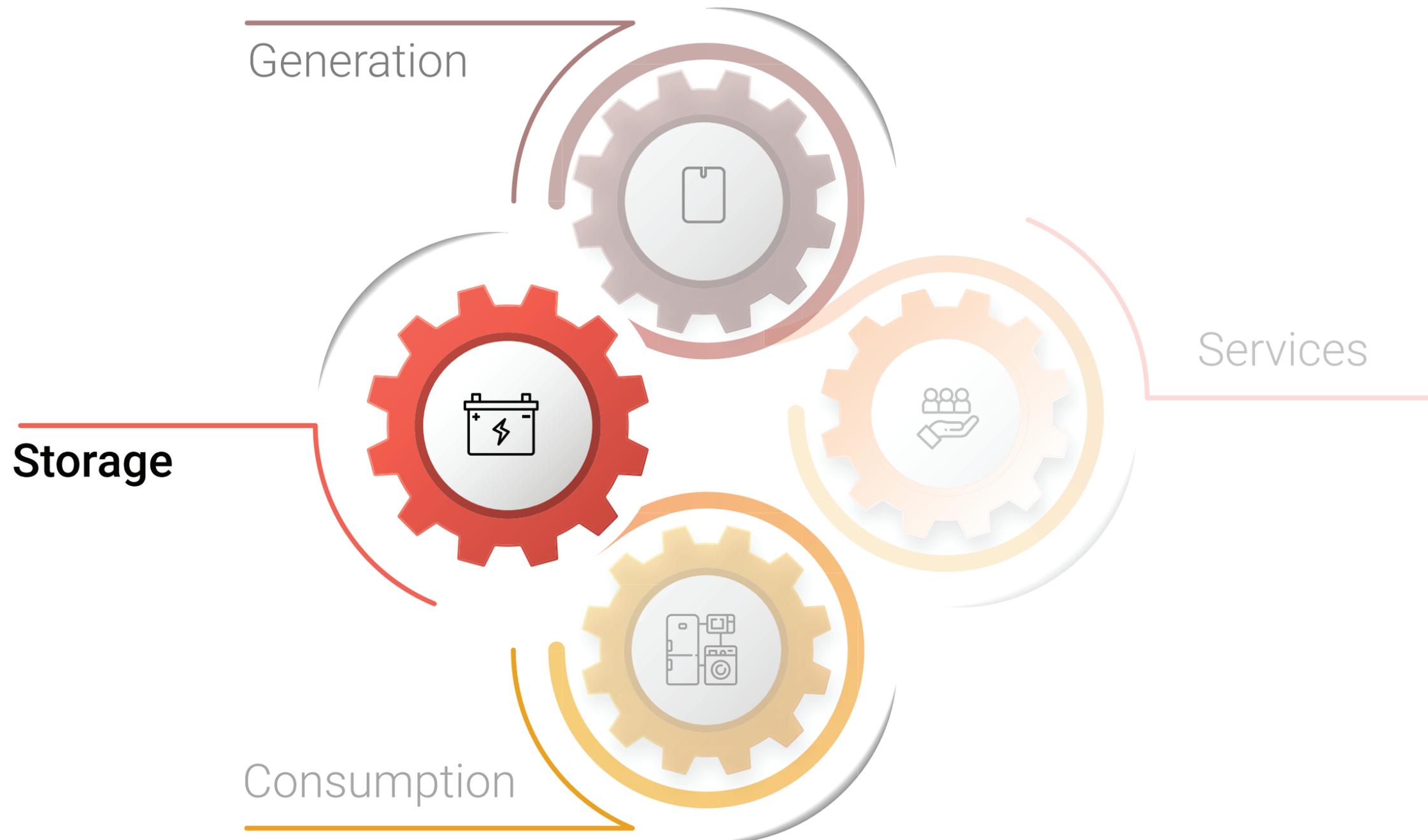
*Reduction relative to Enphase Discrete Solution.
Source: Enphase ACM Installer Survey, December 2017, Sample Size 38.

AC Modules: Serving Small and Large Installers



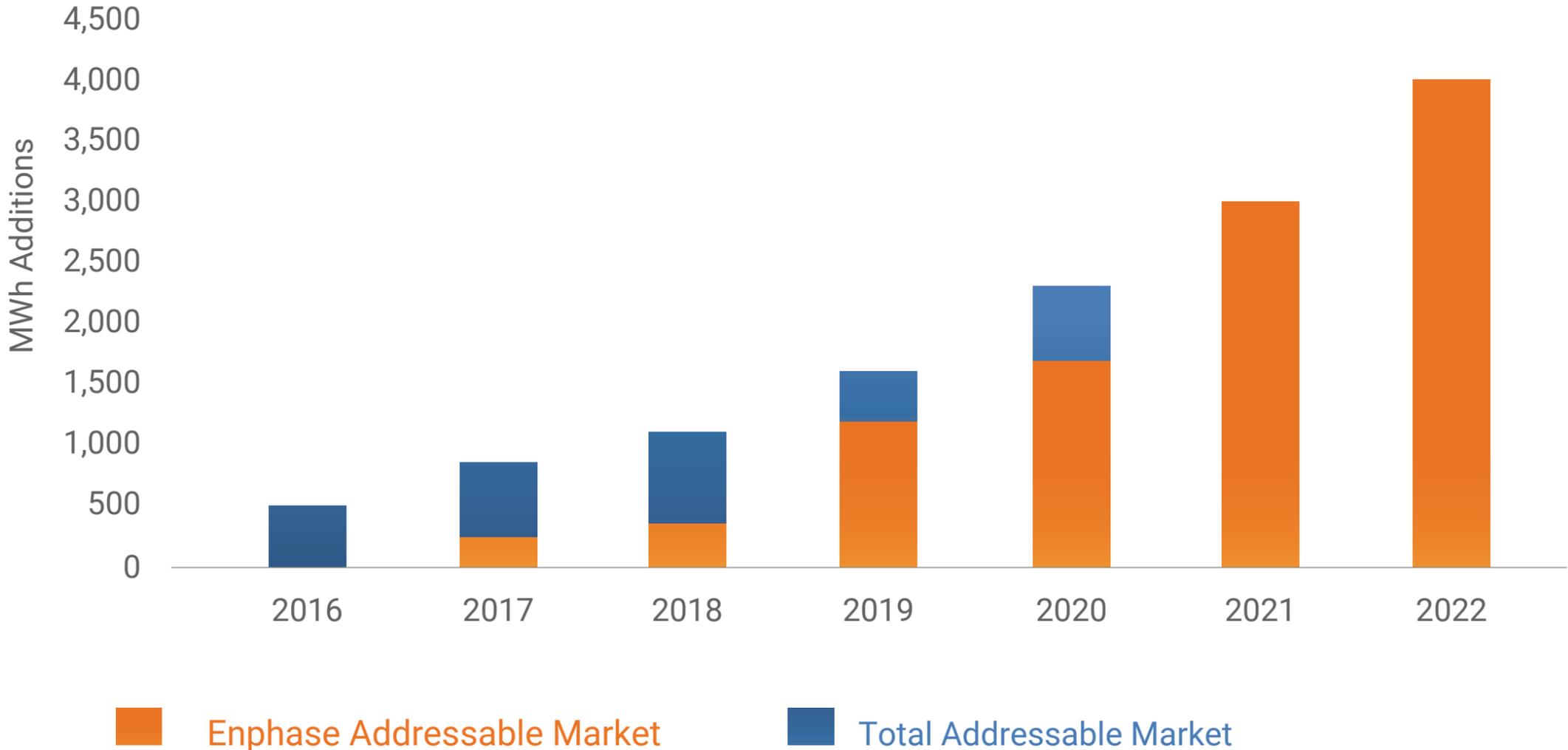
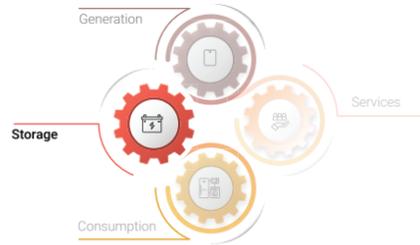
Home Energy Management System

Ensemble™ Technology Increases Revenue Potential Per Home From \$2K to \$10K+



Residential Battery Storage MWh Capacity Additions

All Countries



- Storage Has Become More Affordable
- Market Expected To Grow at a CAGR of 34%
- Most Systems Today are Based On Lithium-Ion Chemistry
- Key Customer Requirements Are Cost, Safety, Reliability And Self Consumption
- Storage Attach With Solar Is Increasing

Enphase Is Well Positioned To Capitalize On This Growth With Ensemble™

Source: Frost and Sullivan Report, 2016

Enphase Storage Portfolio



2016

Q1'19

Coming Soon

1.2 kWh Modular System

1.2 kWh Modular System

3.3 kWh, 10 kWh Modular Systems



ACB 1.0

First Generation
ToU optimization
EMEA, APAC

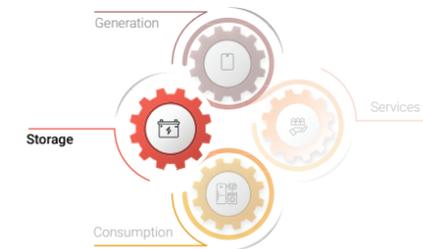
ACB 1.5

Second Generation
Cost Reduction
EMEA, APAC

Encharge™ Storage

Third Generation
Backup Capable
NA, EMEA, APAC

Encharge™ Storage : Modular Energy Storage



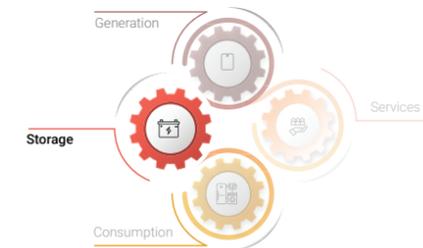
3.3kWh



10kWh

- Complete Solution: Inverter, Charge Controller, BMS, Communications, Software, Cells
- Based on Lithium Ion Chemistry
- Integrated IQ™ 8 microinverters
- Reliable with no single point of failure
- Scalable: 3.3kWh building block
- Easy to Design, Install and Maintain
- Designed for Safety

Enpower™: Automatic Transfer Switch

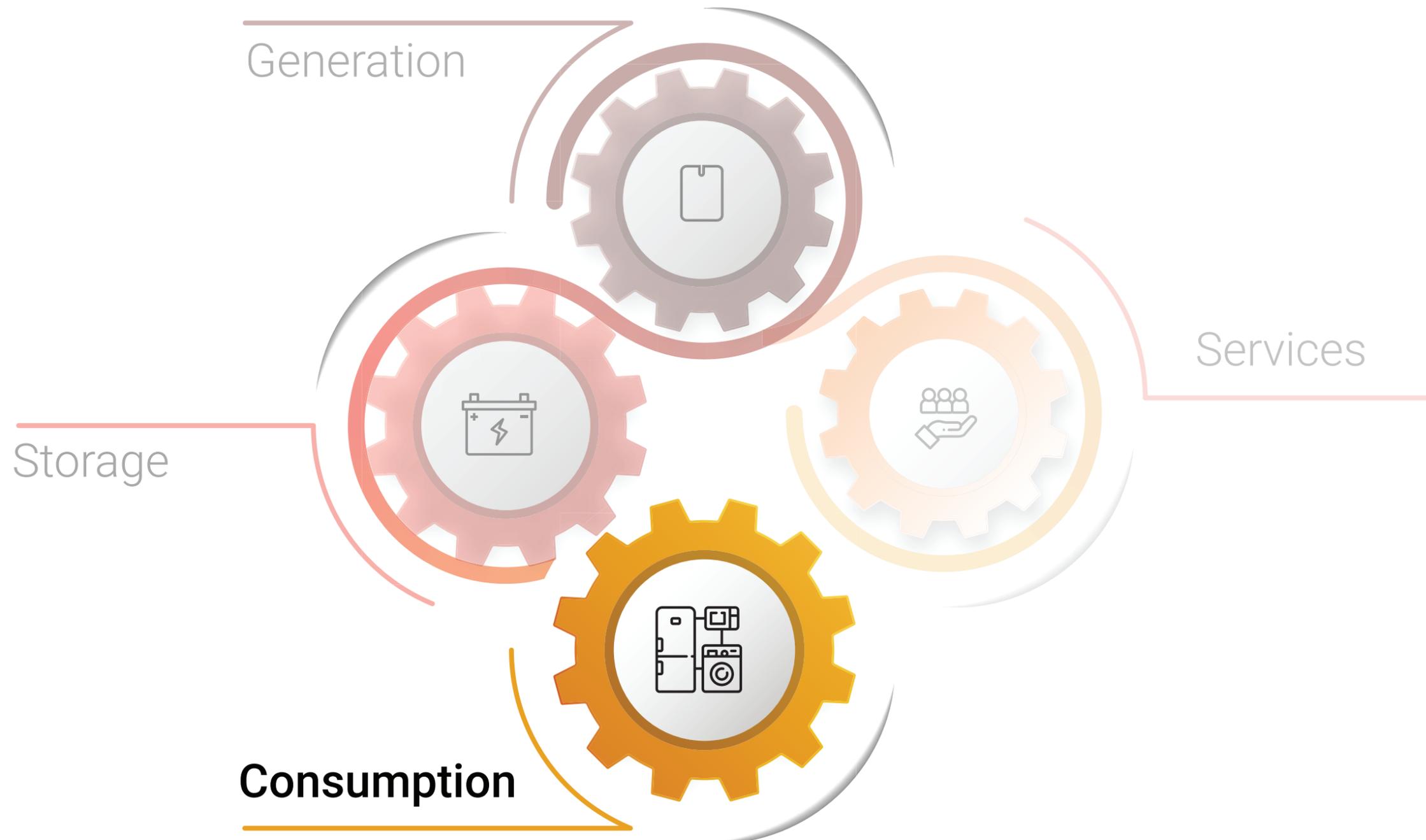


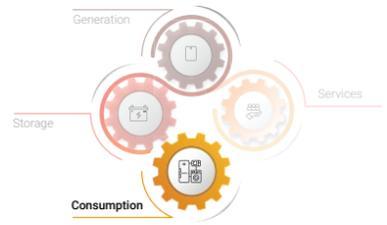
Enpower™

- Partial/Whole Home Backup
- Connects To Load Side Of The Main Panel
 - No Utility Disruption
- Protection Circuitry Included
 - No Critical Load Panel

Home Energy Management System

Ensemble™ Technology Increases Revenue Potential Per Home From \$2K to \$10K+



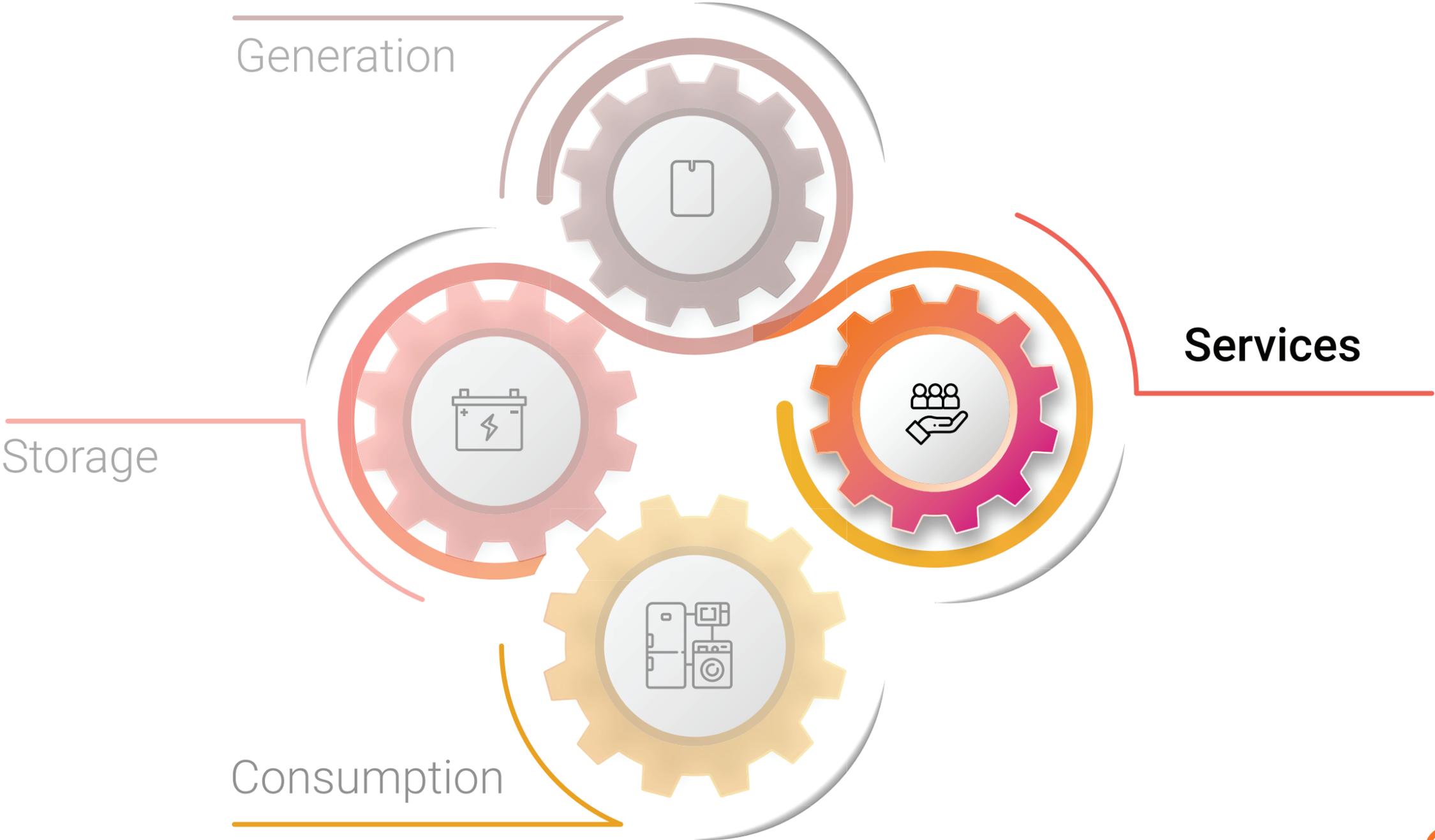


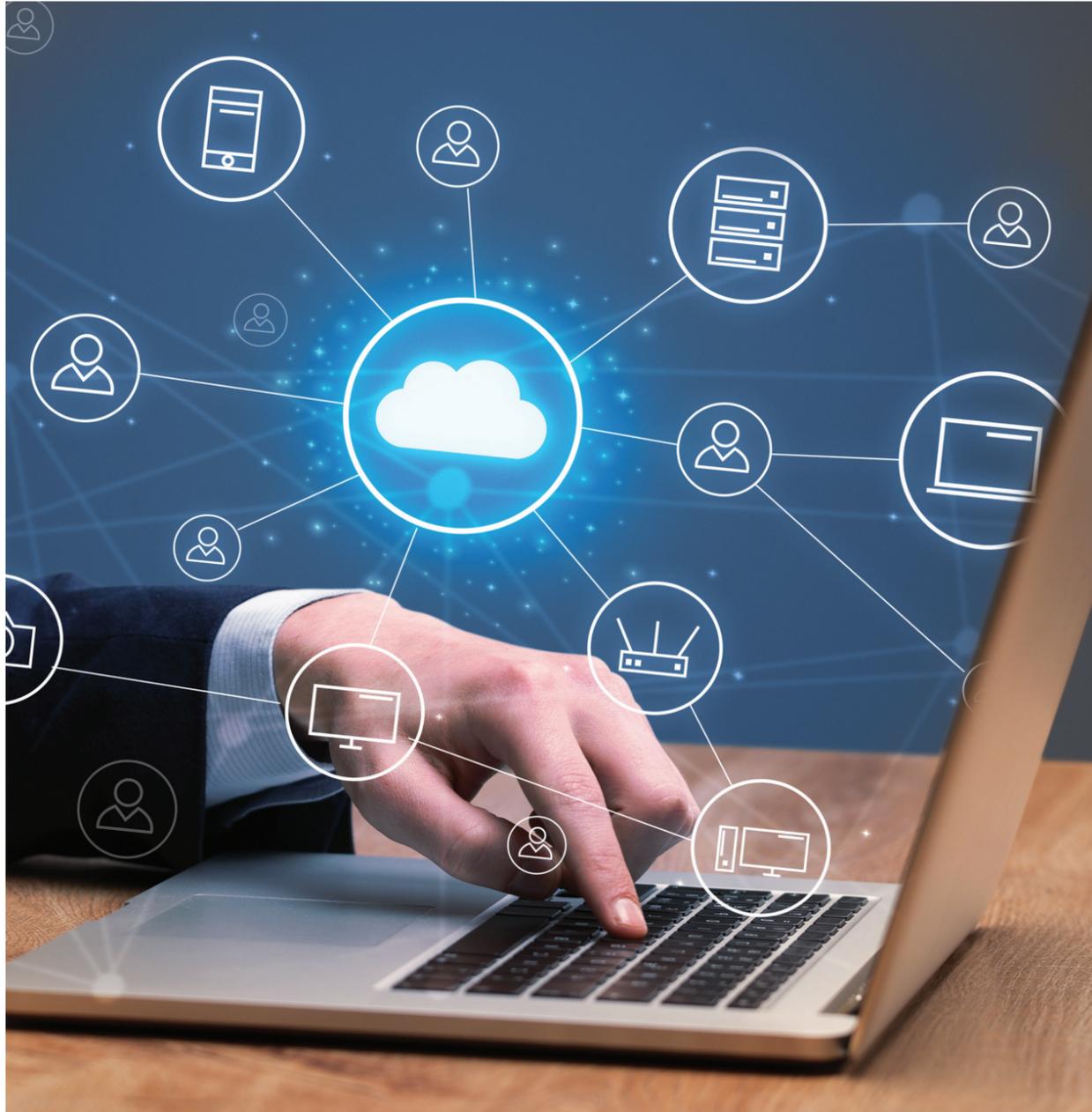
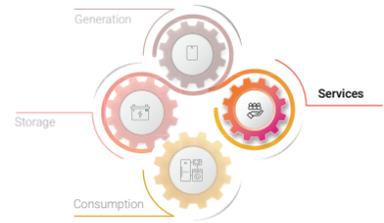
Enpower™

- Today
 - Aggregated Monitoring and Reporting
 - More than 85K Systems with Consumption Monitoring
- Coming with Enpower™
 - Circuit Level Disaggregation
 - Fine Grained Load Monitoring and Control
 - Value Based Load Prioritization
- Potential Opportunities
 - Appliance Level Disaggregation

Home Energy Management System

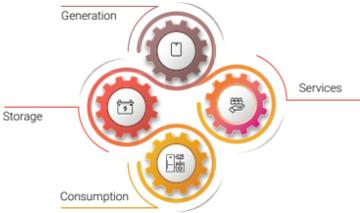
Ensemble™ Technology Increases Revenue Potential Per Home From \$2K to \$10K+



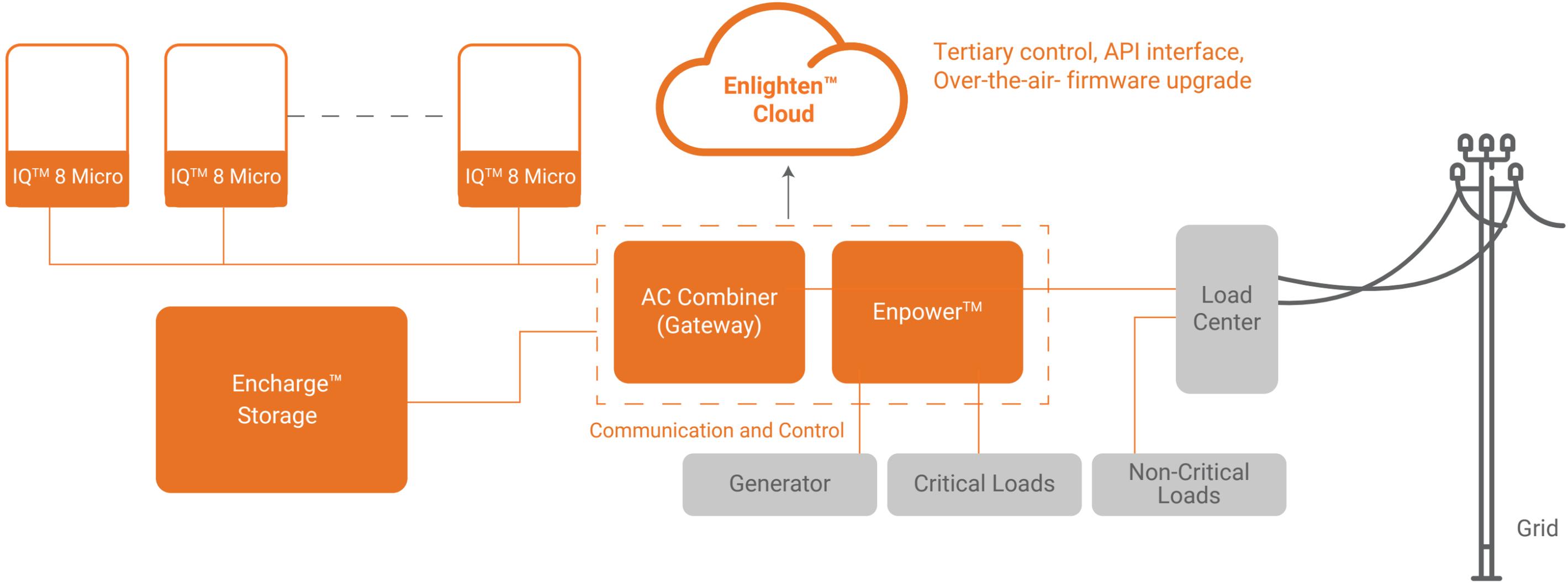


- Existing Installed Base of ~997,000 Homes Worldwide
- Potential Opportunities for New Services
- Continuous Connection to Homeowners via our IoT Platform
- Marketing Opportunities
 - Upgrade Existing Systems
 - Offer New Products
- Software as a Service
 - Marginal Cost Optimization of Energy Usage
- Grid Services
 - Demand Response Aggregation Services

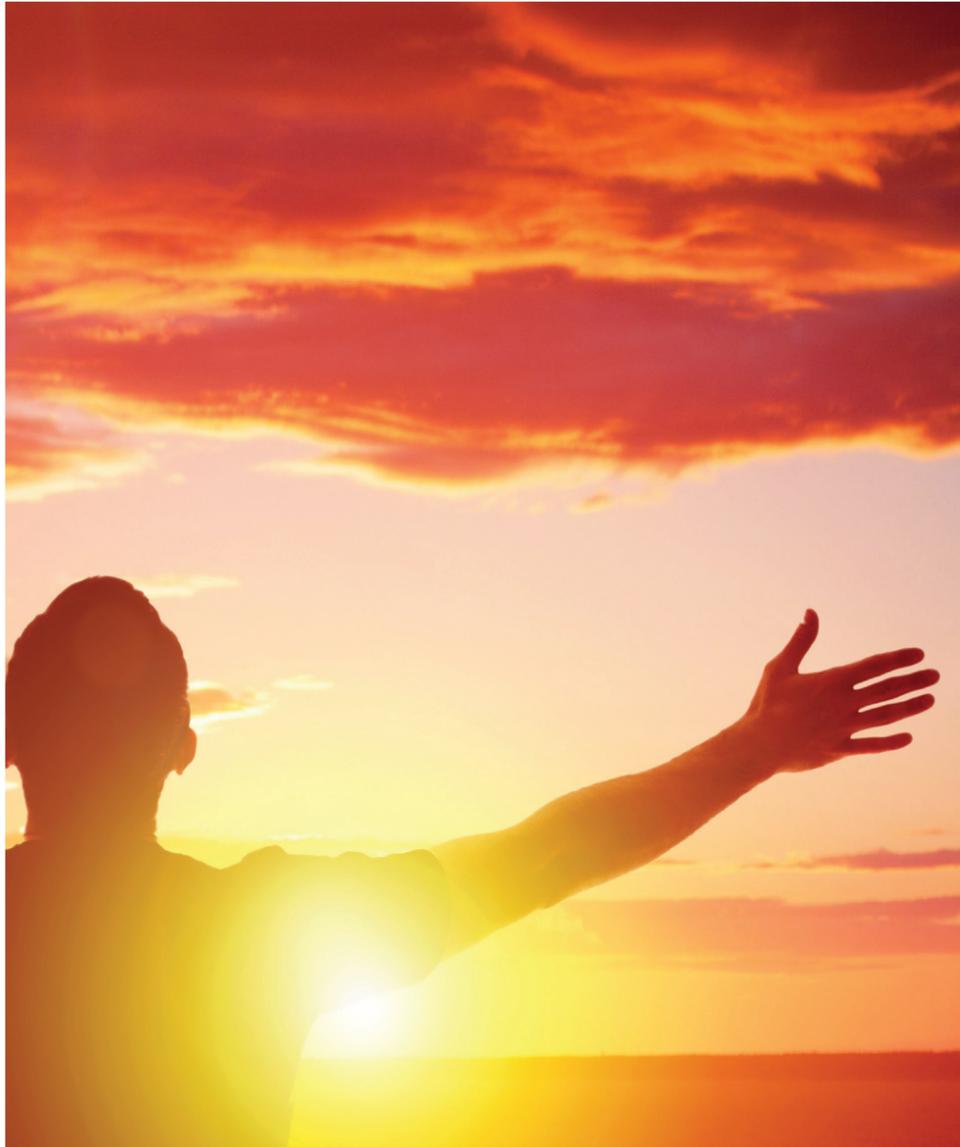
Ensemble™ Brings It All Together



Complete Solution: Solar + Storage + Communication & Control + Cloud



Conclusions: Strong Finances with a Bright Future



- **Enphase Is Profitable And Growing**
 - Operations And Financials Have Significantly Improved
 - Microinverter Business Is Very Healthy With Strong Demand
- **Home Energy Management System Powered By Ensemble™ Technology**
 - Home Energy Market Is Transforming
 - Enphase Has The Core Competency To Lead The Transformation
 - Storage Has The Potential To Increase Revenue Per Home From \$2K To \$10K+
 - New Opportunities With Consumption And Services

Appendix



Enphase Financials – GAAP Basis

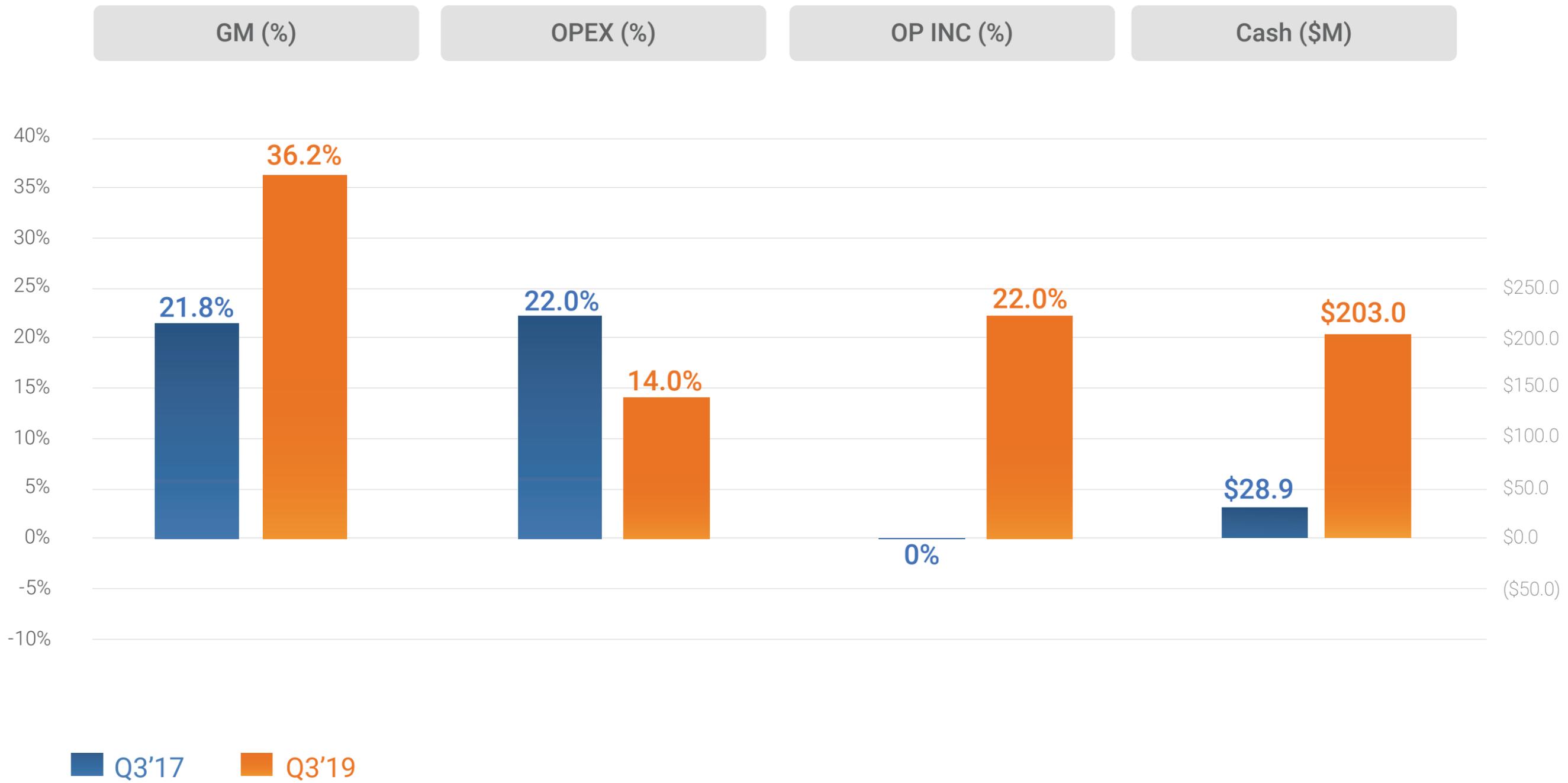
P&L - GAAP (\$ in MUSD)	Q1'16					Q1'17					Q1'18					Q1'19		
	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	
Revenues	64.1	79.2	88.7	90.6	322.6	54.8	74.7	77.0	79.7	286.2	70.0	75.9	78.0	92.3	316.2	100.2	134.1	180.1
Cost of good sold	(52.4)	(65.0)	(72.8)	(74.4)	(264.6)	(47.7)	(61.2)	(60.6)	(60.7)	(230.1)	(51.7)	(53.2)	(52.7)	(64.1)	(221.7)	(66.8)	(88.8)	(115.4)
Gross profit	11.8	14.1	15.9	16.2	58.0	7.1	13.5	16.5	19.0	56.0	18.3	22.7	25.3	28.2	94.4	33.3	45.3	64.7
Gross Margin %	18.3%	17.9%	17.9%	17.9%	18.0%	12.9%	18.1%	21.4%	23.8%	19.6%	26.2%	29.9%	32.4%	30.5%	29.9%	33.3%	33.8%	35.9%
Operating expenses	(30.8)	(29.9)	(33.6)	(26.3)	(120.7)	(29.1)	(22.8)	(22.4)	(21.1)	(95.4)	(20.8)	(23.3)	(25.6)	(23.2)	(92.8)	(26.2)	(27.9)	(31.0)
% of Revenue	48%	38%	38%	29%	37%	53%	31%	29%	27%	33%	30%	31%	33%	25%	29%	26%	21%	17%
Operating income	(19.1)	(15.8)	(17.7)	(10.1)	(62.7)	(22.1)	(9.2)	(5.9)	(2.1)	(39.4)	(2.5)	(0.6)	(0.4)	5.0	1.6	7.1	17.4	33.7
% of Revenue	-30%	-20%	-20%	-11%	-19%	-40%	-12%	-8%	-3%	-14%	-4%	-1%	0%	5%	1%	7%	13%	19%
Other inc/(exp)	0.3	(0.9)	(1.0)	(3.1)	(4.8)	(1.2)	(2.8)	(1.0)	(0.8)	(5.8)	(2.7)	(3.2)	(3.1)	(4.3)	(13.2)	(4.4)	(6.8)	(2.6)
Net Income	(18.8)	(16.7)	(18.8)	(13.2)	(67.5)	(23.3)	(12.1)	(6.9)	(2.9)	(45.2)	(5.1)	(3.7)	(3.5)	0.7	(11.6)	2.8	10.6	31.1
% of Revenue	-29%	-21%	-21%	-15%	-21%	-43%	-16%	-9%	-4%	-16%	-7%	-5%	-4%	1%	-4%	3%	8%	17%
Cash flows from operations (GAAP)	(15.2)	7.3	(20.6)	(4.4)	(32.9)	(24.5)	0.2	(2.2)	(1.9)	(28.4)	3.4	4.1	6.8	1.9	16.2	17.1	14.8	5.0
Cash (GAAP)	13.0	8.2	24.1	17.8	17.8	30.0	31.0	28.9	29.1	29.1	53.3	58.5	116.2	106.2	106.2	78.1	206.0	203.0

Enphase Financials - Non-GAAP

P&L - Non GAAP (\$ in MUSD)	Q1'16 ACT	Q2'16 ACT	Q3'16 ACT	Q4'16 ACT	FY16 ACT	Q1'17 ACT	Q2'17 ACT	Q3'17 ACT	Q4'17 ACT	FY17 ACT	Q1'18 ACT	Q2'18 ACT	Q3'18 ACT	Q4'18 ACT	FY18 ACT	Q1'19 ACT	Q2'19 ACT	Q3'19 ACT
Revenues	64.1	79.2	88.7	90.6	322.6	54.8	74.7	77.0	79.7	286.2	70.0	75.9	78.0	92.3	316.2	100.2	134.1	180.1
Cost of good sold	(52.1)	(64.7)	(72.5)	(74.1)	(263.4)	(47.5)	(60.9)	(60.2)	(60.4)	(229.0)	(51.5)	(52.8)	(52.4)	(64.0)	(220.6)	(66.6)	(88.4)	(114.9)
Gross profit	12.1	14.4	16.2	16.5	59.2	7.3	13.8	16.8	19.3	57.1	18.5	23.1	25.6	28.3	95.5	33.6	45.7	65.2
Gross Margin %	18.8%	18.2%	18.2%	18.2%	18.4%	13.3%	18.4%	21.8%	24.2%	20.0%	26.5%	30.5%	32.8%	30.7%	30.2%	33.5%	34.1%	36.2%
Operating expenses	(28.1)	(27.5)	(28.6)	(23.5)	(107.6)	(20.2)	(17.8)	(16.9)	(18.0)	(72.8)	(17.7)	(19.0)	(18.6)	(19.7)	(75.0)	(22.3)	(22.5)	(25.0)
<i>% of Revenue</i>	44%	35%	32%	26%	33%	37%	24%	22%	23%	25%	25%	25%	24%	21%	24%	22%	17%	14%
Operating income	(16.0)	(13.0)	(12.4)	(6.9)	(48.4)	(12.9)	(4.0)	(0.1)	1.3	(15.7)	0.9	4.1	7.0	8.6	20.5	11.3	23.2	40.2
<i>% of Revenue</i>	-25%	-16%	-14%	-8%	-15%	-24%	-5%	0%	2%	-5%	1%	5%	9%	9%	6%	11%	17%	22%
Adjusted Free Cash Flow	(18.6)	3.1	(22.7)	(6.9)	(45.1)	(28.0)	0.1	(2.3)	(2.4)	(32.6)	2.3	3.6	11.9	4.1	22.0	16.4	12.3	0.8
Cash (GAAP)	13.0	8.2	24.1	17.8	17.8	30.0	31.0	28.9	29.1	29.1	53.3	58.5	116.2	106.2	106.2	78.1	206.0	203.0

All numbers except for those as noted above are on a Non-GAAP Basis, refer to Appendix for reconciliation to the most comparable GAAP measure.

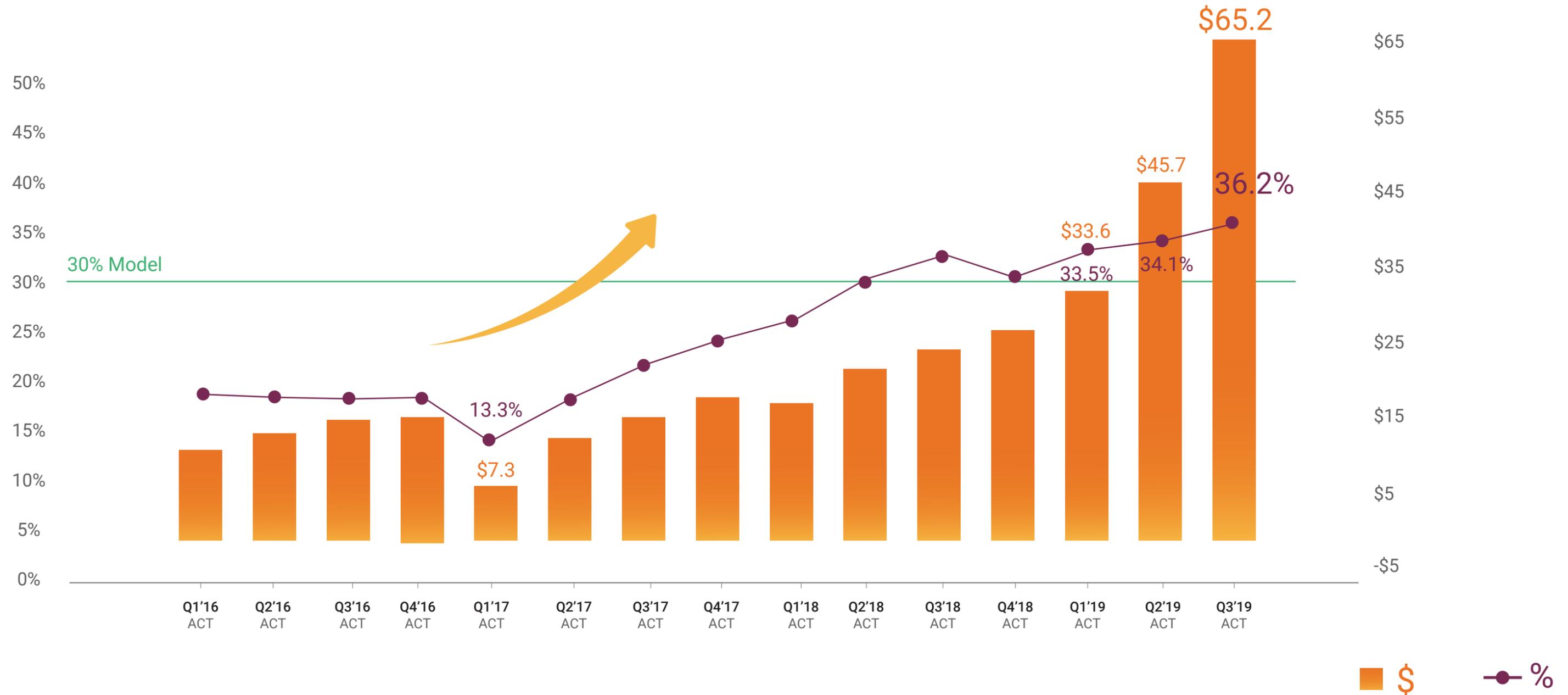
Financial Turnaround – Non-GAAP



All numbers reflected are on Non-GAAP Basis, refer to Appendix for reconciliation to the most comparable GAAP measure.

Marching Towards Operational Excellence

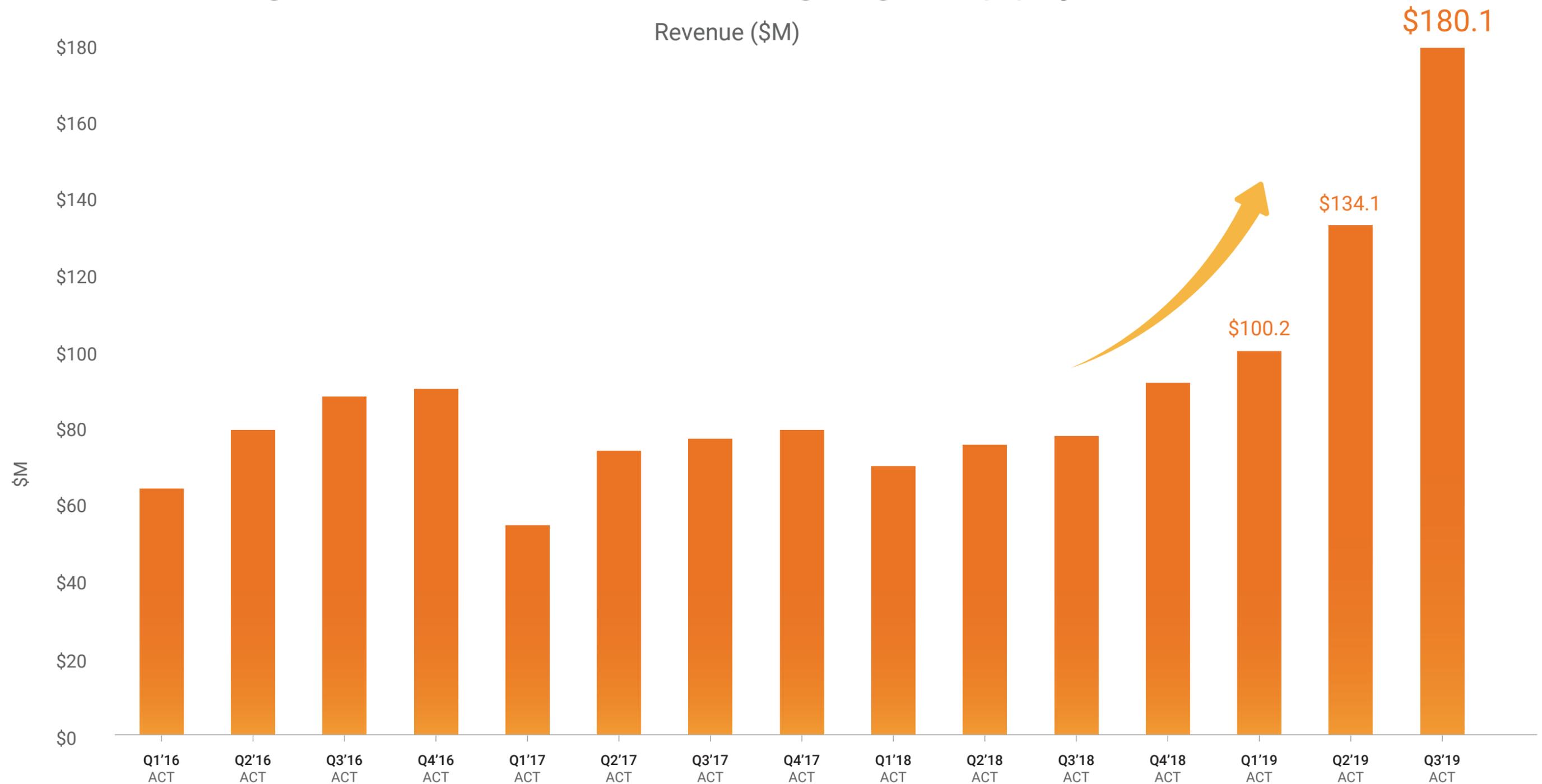
Gross Margin % (Non-GAAP)



All numbers reflected are on Non-GAAP Basis, refer to Appendix for reconciliation to the most comparable GAAP measure.

Q2'18 Revenue includes a \$2.9 million milestone payment from an IQ 8 partner and Q3'18 includes a \$3.3 million milestone payment from the same IQ 8 partner.

2019 - Meeting Demand and Managing Supply



Addressed Gaps Through Product Innovation And Solving Customer Problems

Enphase Financials – GAAP To Non-GAAP Reconciliation

<i>\$ in millions (*)</i>	Q1'16	Q2'16	Q3'16	Q4'16	FY16	Q1'17	Q2'17	Q3'17	Q4'17	FY17	Q1'18	Q2'18	Q3'18	Q4'18	FY18	Q1'19	Q2'19	Q3'19
Gross profit (GAAP)	\$ 11.8	\$ 14.1	\$ 15.9	\$ 16.2	\$ 58.0	\$ 7.0	\$ 13.5	\$ 16.5	\$ 19.0	\$ 56.0	\$ 18.3	\$ 22.7	\$ 25.3	\$ 28.2	\$ 94.4	\$ 33.4	\$ 45.3	\$ 64.7
Stock-based compensation	0.3	0.3	0.3	0.3	1.2	0.2	0.2	0.3	0.3	1.1	0.2	0.4	0.3	0.1	1.1	0.2	0.4	0.5
Gross profit (Non-GAAP)	\$ 12.1	\$ 14.4	\$ 16.2	\$ 16.5	\$ 59.2	\$ 7.3	\$ 13.8	\$ 16.8	\$ 19.3	\$ 57.1	\$ 18.5	\$ 23.1	\$ 25.6	\$ 28.3	\$ 95.5	\$ 33.6	\$ 45.7	\$ 65.2
Gross margin (GAAP)	18.3%	17.9%	17.9%	17.9%	18.0%	12.9%	18.1%	21.4%	23.8%	19.6%	26.2%	29.9%	32.4%	30.5%	29.9%	33.3%	33.8%	35.9%
Stock-based compensation	0.5%	0.3%	0.3%	0.3%	0.4%	0.4%	0.3%	0.4%	0.4%	0.4%	0.3%	0.6%	0.4%	0.2%	0.3%	0.2%	0.3%	0.3%
Gross margin (Non-GAAP)	18.8%	18.2%	18.2%	18.2%	18.4%	13.3%	18.4%	21.8%	24.2%	20.0%	26.5%	30.5%	32.8%	30.7%	30.2%	33.5%	34.1%	36.2%
Operating expenses (GAAP)	\$ 30.8	\$ 29.9	\$ 33.6	\$ 26.3	\$ 120.7	\$ 29.1	\$ 22.8	\$ 22.4	\$ 21.1	\$ 95.4	\$ 20.8	\$ 23.3	\$ 25.6	\$ 23.2	\$ 92.8	\$ 26.2	\$ 27.9	\$ 31.0
Stock-based compensation	(2.7)	(2.4)	(2.2)	(1.8)	(9.1)	(1.7)	(1.4)	(1.4)	(1.2)	(5.7)	(1.4)	(3.9)	(3.7)	(1.4)	(10.4)	(3.0)	(4.2)	(5.0)
Restructuring and asset impairment charges	-	-	(2.7)	(1.1)	(3.8)	(7.2)	(3.6)	(4.1)	(2.0)	(16.9)	-	-	(2.6)	(1.5)	(4.1)	(0.4)	(0.7)	(0.5)
Reserve for non-recurring legal matter	-	-	-	-	-	-	-	-	-	-	(1.8)	-	-	-	(1.8)	-	-	-
Acquisition related expenses and amortization	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)	-	-	-	-	-	-	(0.4)	(0.7)	(0.5)	(1.6)	(0.5)	(0.5)	(0.5)
Operating expenses (Non-GAAP)	\$ 28.1	\$ 27.5	\$ 28.6	\$ 23.4	\$ 107.6	\$ 20.2	\$ 17.8	\$ 16.9	\$ 18.0	\$ 72.8	\$ 17.7	\$ 19.0	\$ 18.6	\$ 19.7	\$ 75.0	22.3	22.5	25.0
Income (loss) from operations (GAAP)	\$(19.1)	\$(15.8)	\$(17.7)	\$(10.1)	\$(62.7)	\$(22.1)	\$(9.2)	\$(5.9)	\$(2.1)	\$(39.4)	\$(2.5)	\$(0.6)	\$(0.4)	\$ 5.0	\$ 1.6	\$ 7.1	\$ 17.4	\$ 33.7
Stock-based compensation	3.0	2.7	2.5	2.1	10.3	1.9	1.6	1.7	1.4	6.7	1.6	4.3	4.1	1.5	11.4	3.3	4.6	5.5
Restructuring and asset impairment charges	-	-	2.7	1.1	3.8	7.2	3.6	4.1	2.0	16.9	-	-	2.6	1.5	4.1	0.4	0.7	0.5
Reserve for non-recurring legal matter	-	-	-	-	-	-	-	-	-	-	1.8	-	-	-	1.8	-	-	-
Acquisition related expenses and amortization	0.0	0.0	0.0	0.0	0.2	-	-	-	-	-	-	0.4	0.7	0.5	1.6	0.5	0.5	0.5
Income (loss) from operations (Non-GAAP)	\$(16.0)	\$(13.0)	\$(12.4)	\$(6.9)	\$(48.4)	\$(12.9)	\$(4.0)	\$(0.1)	\$ 1.3	\$(15.7)	\$ 0.9	\$ 4.1	\$ 7.0	\$ 8.6	\$ 20.5	11.3	23.2	40.2
Cash flows from operating activities	\$(15.2)	\$ 7.3	\$(20.6)	\$(4.4)	\$(33.0)	\$(24.5)	\$ 0.2	\$(2.2)	\$(1.9)	\$(28.4)	\$ 3.4	\$ 4.1	\$ 6.8	\$ 1.9	\$ 16.1	\$ 17.1	\$ 14.8	\$ 5.0
Payments for acquisition reported in cash flows from operating activities	-	-	-	-	-	-	-	-	-	-	-	-	6.0	4.0	10.0	-	-	-
Purchases of property and equipment	(3.3)	(4.2)	(2.1)	(2.6)	(12.2)	(3.5)	(0.0)	(0.1)	(0.5)	(4.1)	(1.0)	(0.4)	(0.9)	(1.8)	(4.2)	(0.7)	(2.5)	(4.2)
Adjusted free cash flow	\$ (18.6)	\$ 3.1	\$(22.7)	\$(6.9)	\$(45.1)	\$(28.0)	\$ 0.1	\$(2.3)	\$(2.4)	\$(32.6)	\$ 2.3	\$ 3.6	\$ 11.9	\$ 4.1	\$ 22.0	\$ 16.4	\$ 12.3	\$ 0.8

* Amount may not total due to rounding



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