



Enphase Energy Analyst Day

Profitable Top Line Growth
August 16, 2018



Safe Harbor

Use of forward-looking statements

The information in this presentation contains forward-looking statements within the meaning of the U.S. Securities Act of 1933, as amended (the "Securities Act"), and the Securities Exchange Act of 1934, as amended. Such statements are based upon current expectations that involve risks and uncertainties. Any statements that are not of historical fact, may be forward-looking statements. The words "anticipates," "believes," "continues," "designed," "estimates," "expects," "goal," "intends," "likely," "may," "ongoing," "plans," "projects," "pursuing," "seeks," "should," "will," "would" and similar expressions (including the negatives thereof) are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the plans, intentions, expectations or objectives disclosed in our forward-looking statements and the assumptions underlying our forward-looking statements may prove incorrect. Therefore, you should not place undue reliance on our forward-looking statements. Actual results or events may differ significantly from the results discussed in the forward-looking statements we make. All forward-looking statements in this presentation are based on information available to us as of the date of this presentation and we assume no obligation to update any such forward-looking statements. We also refer you to the documents the Company files from time to time with the Securities and Exchange Commission ("SEC" which contain and identify important factors that could cause the actual results for the Company on a consolidated basis to differ materially from expectations. Before you invest, you should read the documents the Company has filed with the SEC for more complete information about the Company. You may get the other documents the Company files with the SEC for free by visiting EDGAR on the SEC website at www.sec.gov.

Industry information

Information regarding market and industry statistics contained 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 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.* This item represents expenses incurred related to the Company's acquisition of SunPower's microinverter business, which are non-recurring in nature and not reflective of the Company's ongoing financial performance.
- *Non-cash interest expense.* The Company excludes non-cash interest expense, which consists primarily of amortization of debt issuance costs, because the expense does not represent a cash outflow for the Company except in the period the financing was secured and such amortization expense is not reflective of the Company's ongoing financial performance.
- *Free cash flow.* The Company excludes cash provided by or used in financing activities from free cash flow, which the Company believes is the best measure of how much cash the business generates after accounting for capital expenditures.

Agenda

Name	Title	Topic	Duration
Badri Kothandaraman	CEO	Profitable Top Line Growth	45 min
	Special Topic		30 min
Raghu Belur	CPO	Ensemble Solar And Storage	45 min
Break			<i>15 min</i>
Jeff McNeil	VP	Customer Experience	30 min
Eric Branderiz	CFO	Solid Financial Foundation	30 min
Q&A			<i>45 min</i>

Profitable Top Line Growth

Badri Kothandaraman
President & CEO

Enphase The #1 Microinverter Company In The World

Our Mission

To Deliver Technology Solutions That Make Clean Energy Affordable, Reliable And Accessible To All

- Founded In 2006, Total # Of Employees: 385, As Of June 30, 2018
- Headquarters: Petaluma, California With Offices Globally
- Our Customers Are Installers And Homeowners
- 17+ Million Units, Representing 4+ Gigawatts Shipped To Date
- #2 Residential Inverter Market Share In US, Prior To The Acquisition Of The Microinverter Business From SunPower
- 790,000+ Systems In Over 120 Countries, As Of June 30, 2018
- 2017 Revenue: \$286 Million, 838 MW Shipped

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 And Commercialized The World's First Microinverter System
- 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 80 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
VP, Quality and Service

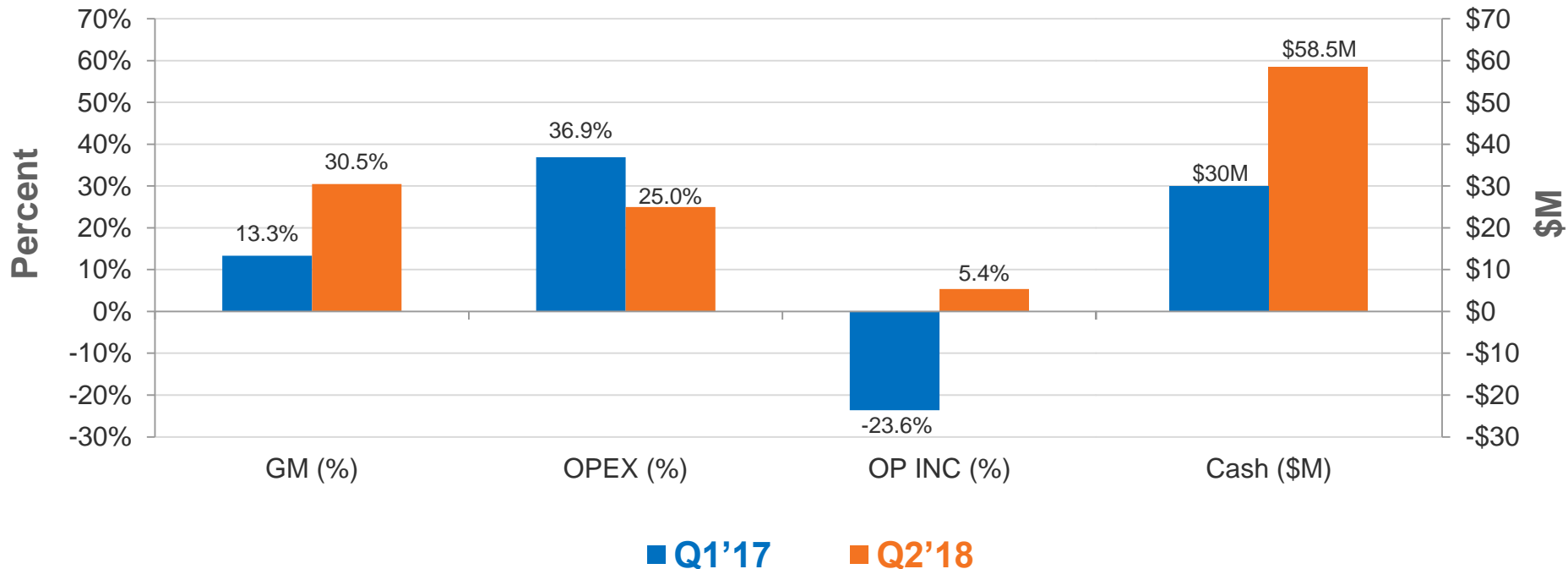


- Seasoned Executive In Semiconductor And Disk Drive Industry With 35 Years Experience
- SVP Operations At Cypress, Transformed Supply Chain Management
- Led A Precedent Setting FCC Certification For At-a-distance Wireless Power At Energous
- BS Chemical Eng. From San Jose State University

What Is **Enphase's** Strategy

- A** 30-20-10
- B** Profitable Top Line Growth
- C** World Class Customer Experience
- D** Solid Financial Foundation

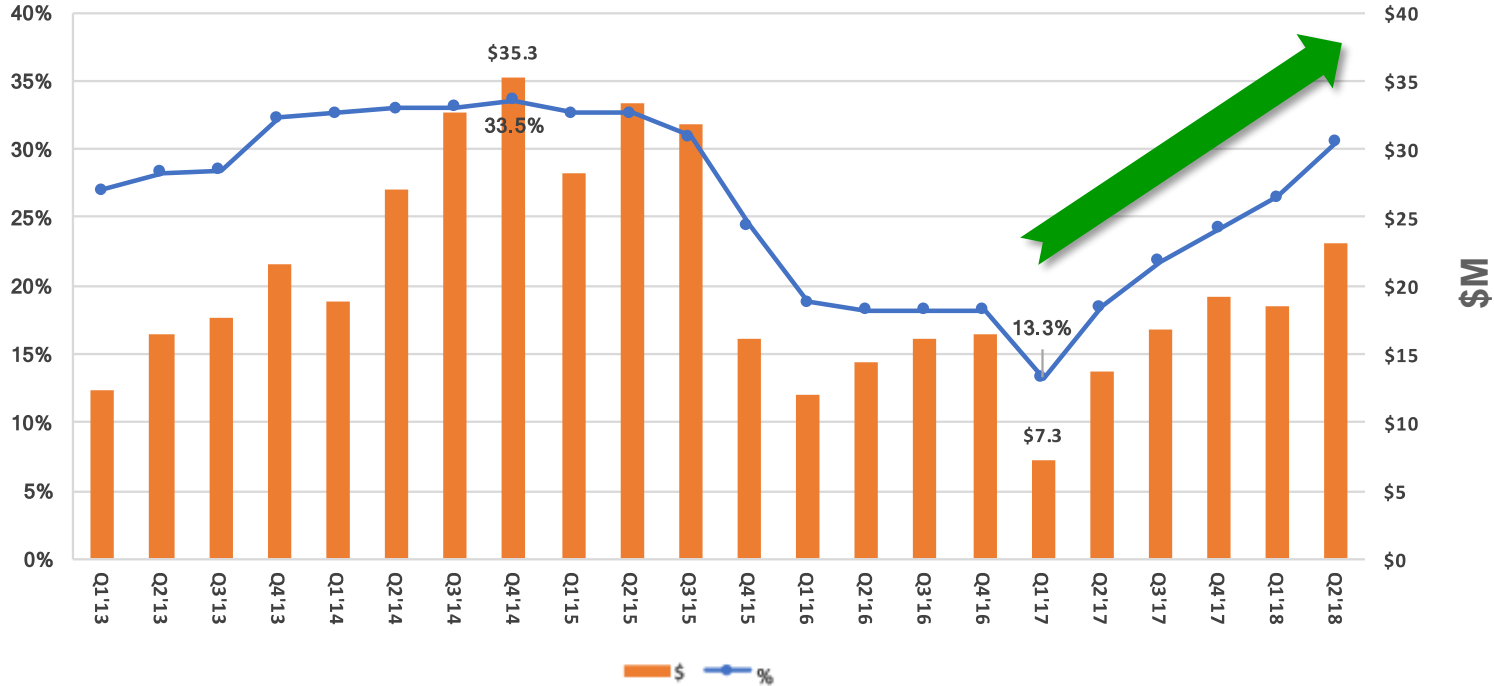
A Financial Turnaround



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

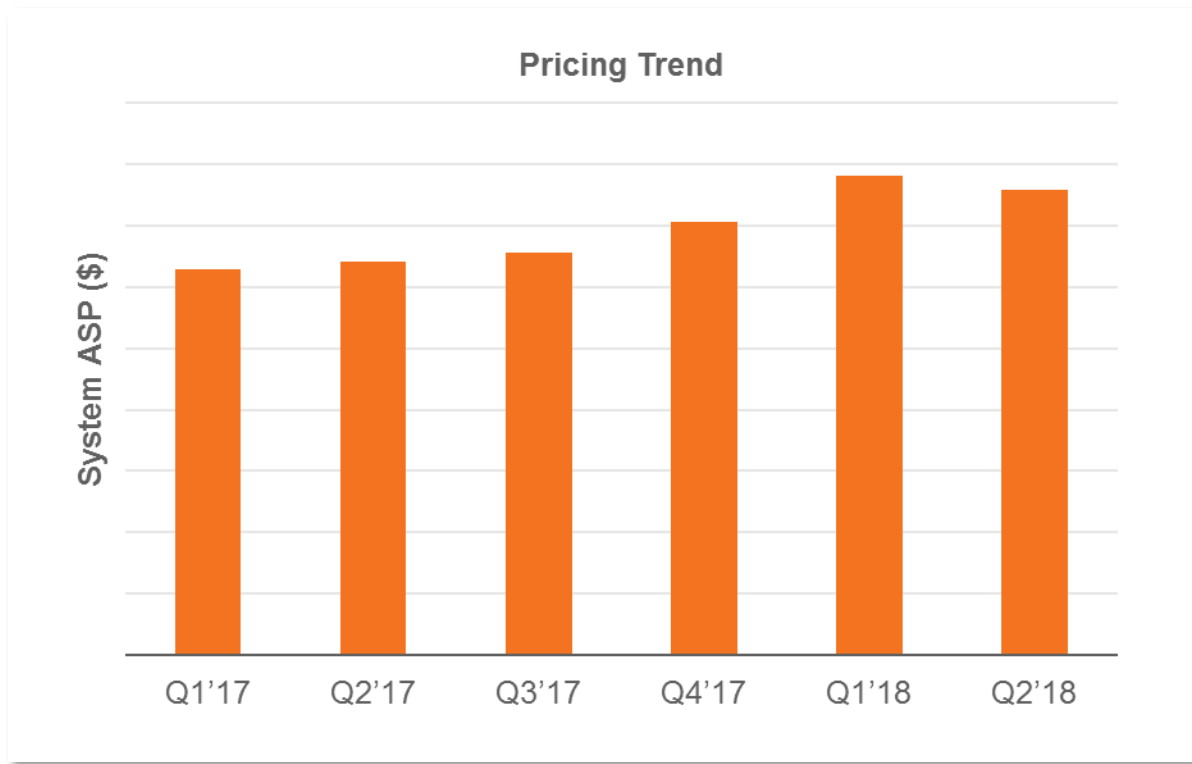
A Marching Towards Operational Excellence

Gross Margin %
(Non-GAAP)



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

A Pricing Evolving From Transactional To Value-Based

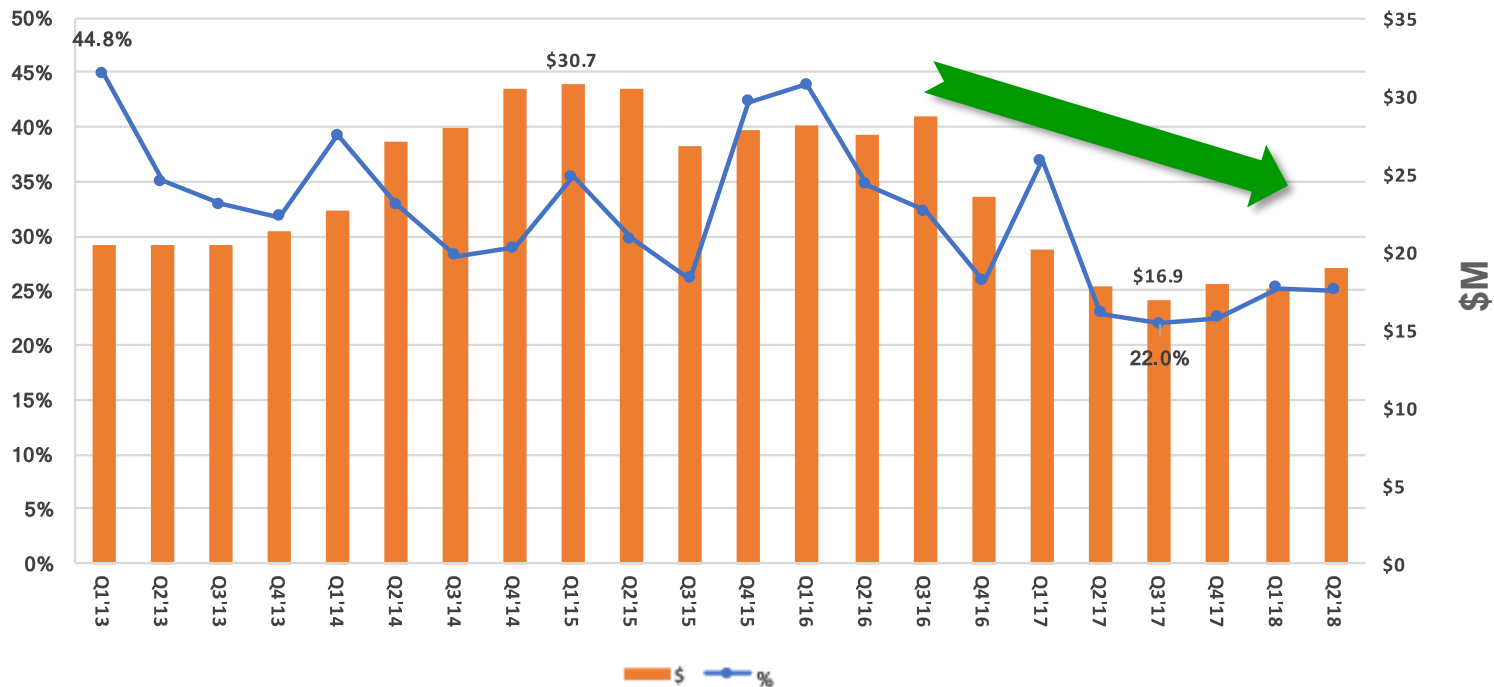


Strategy

- **Discipline:**
Transactional Control Across Sales Channels, Market Segments & Regions
- **Segmentation:**
Increase Value From Premium Offerings (ACM, High Power)
- **Services & Software:**
Tripled To-date And We Expect Will Triple Again In 2019
- **Innovation:**
Create Differentiated Products Like Ensemble

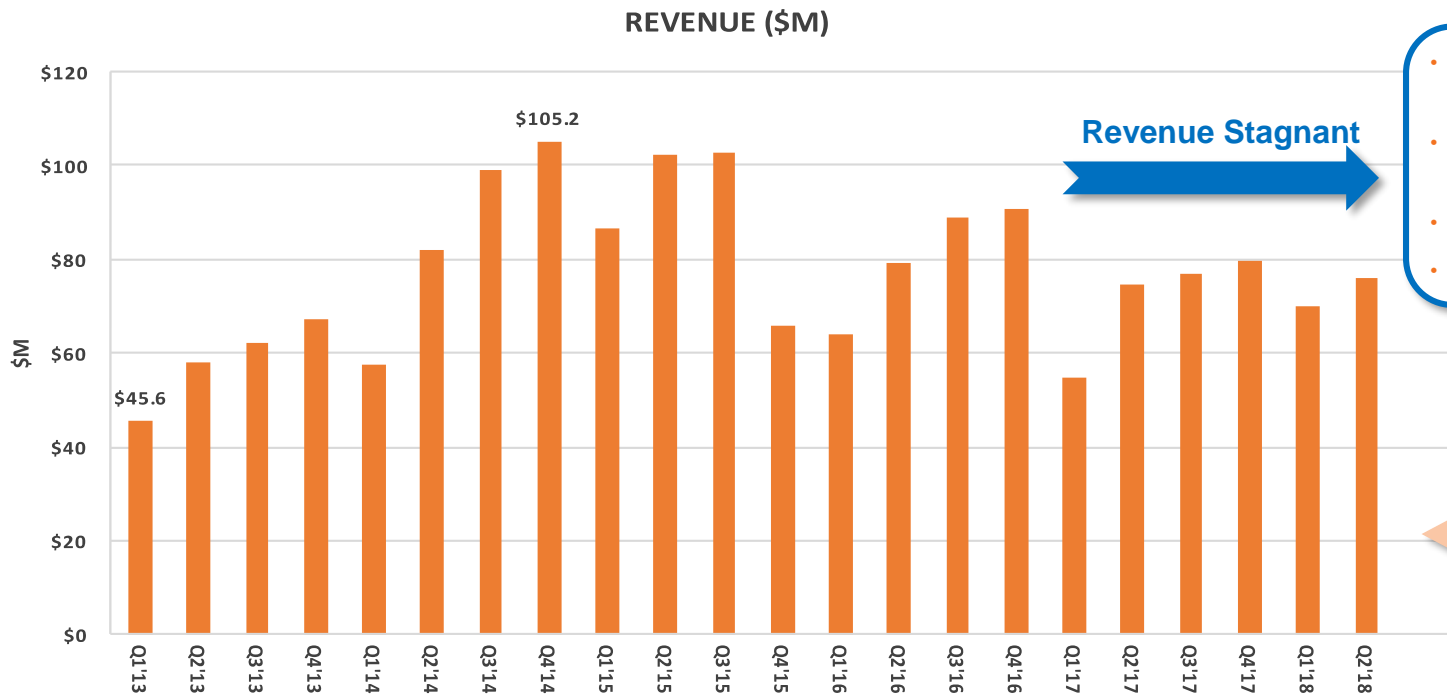
A Investing And Reducing Our Expenses

OPEX %
(Non-GAAP)



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

A 2017 Was “Fixing Operations”



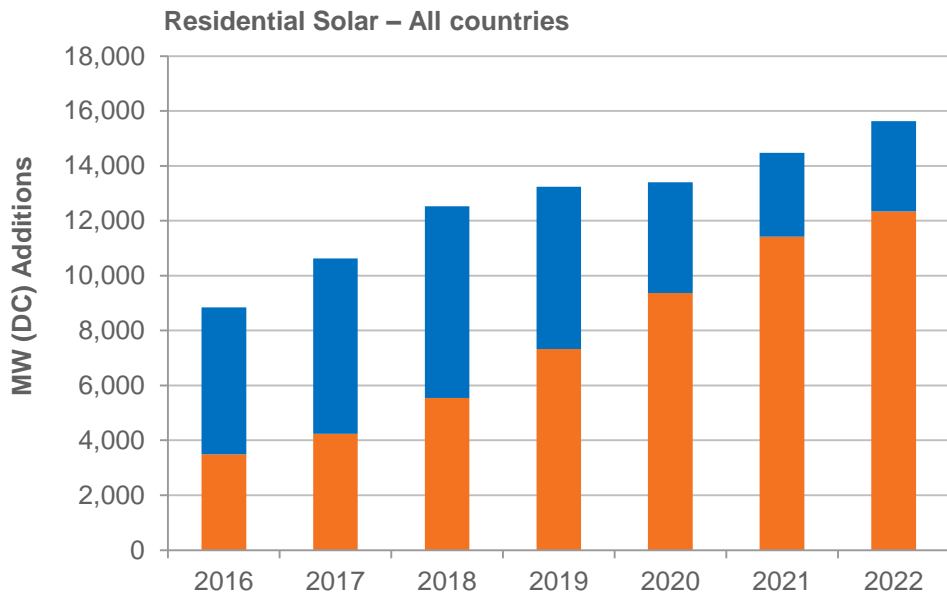
- Did Not Service Valued Customers Due To High Costs
- Missed Out On Storage Due To Not Having The Right Product
- Regional Gaps
- 96-Cell Compatibility

Address Gaps Through Product Innovation And Solving Customer Problems

What is **Enphase's** Strategy

- A 30-20-10
- B Profitable Top Line Growth**
- C World Class Customer Experience
- D Solid Financial Foundation

B Residential Solar Is An Attractive Market



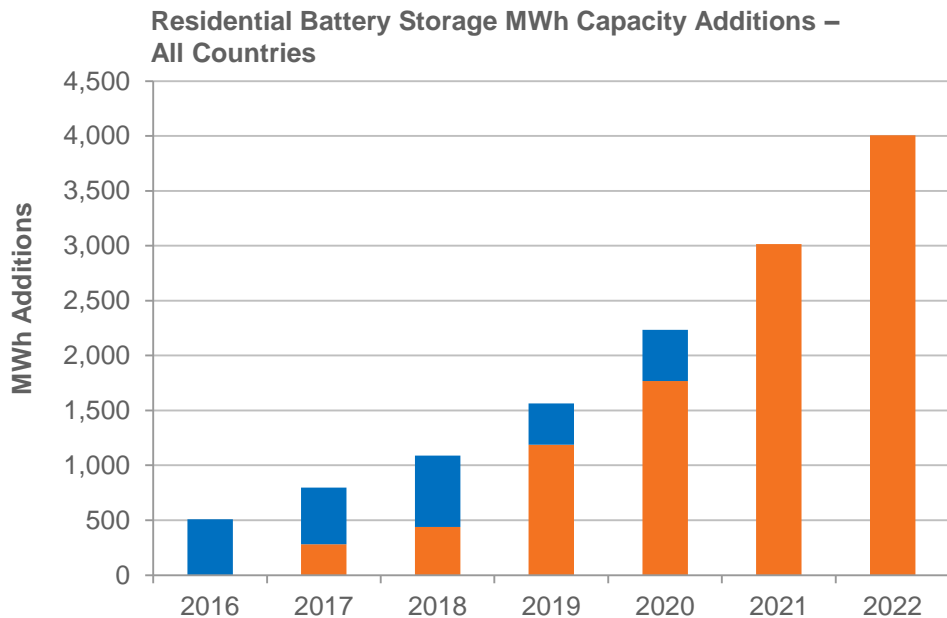
Source: Enphase Estimates



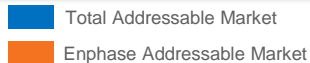
- Stable And Growing Market (10% CAGR 16' – '22)
- Growth Expected From All Regions
- Enphase's Addressable Market Is ~ 40% Today
- We Expect To Improve This By Regional Expansion, AC Modules And Ensemble

Enphase Has The Right
Products To Address The Growing
Residential Market

B Residential Storage Market Is Showing Strong Growth



Source: Frost and Sullivan Report, 2016



- Storage Has Become 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

B Software = Value Driver For Enphase



Software Defined Architecture
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

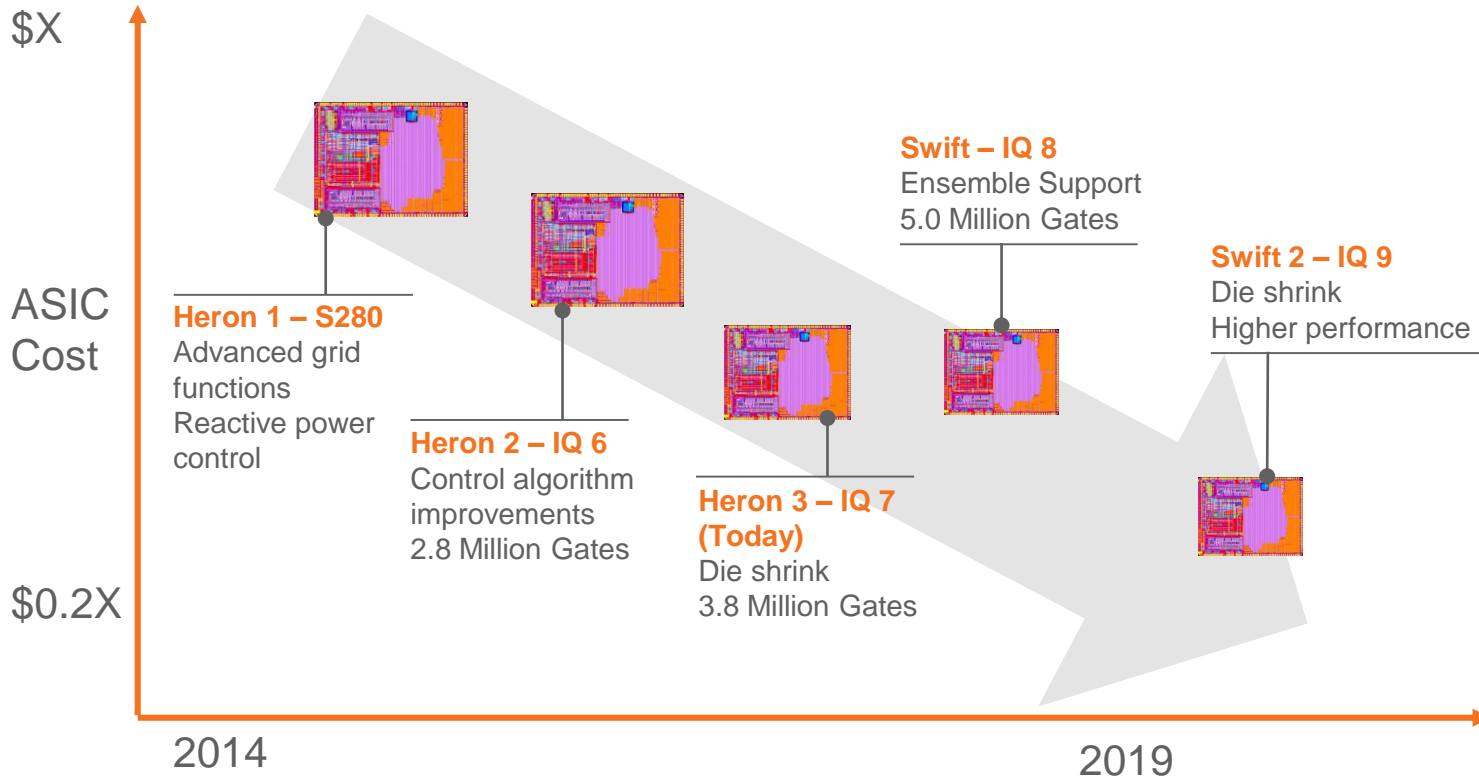
Energy Performance And
Education For Homeowners



Installer Toolkit

Enables Crews To Configure And
Verify Operation Of Each System

B ASIC = Value Driver For Enphase



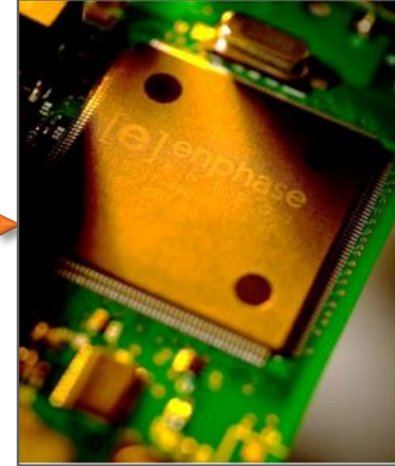
B Software + ASIC = Digitizing Energy

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
- Provide Grid Independence
- Machine Learning Enables Customization And Optimization



B Profitable Top Line Growth Vectors

1 Regional Expansion



Expand Into New Regions, Leveraging Software Configurability Of IQ Platform

3 AC Modules



Create Value By Reducing Installation Time And Logistics

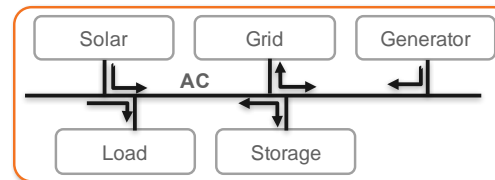
Create Module Partnerships To Grow Share

2 High Power & High Performance Products



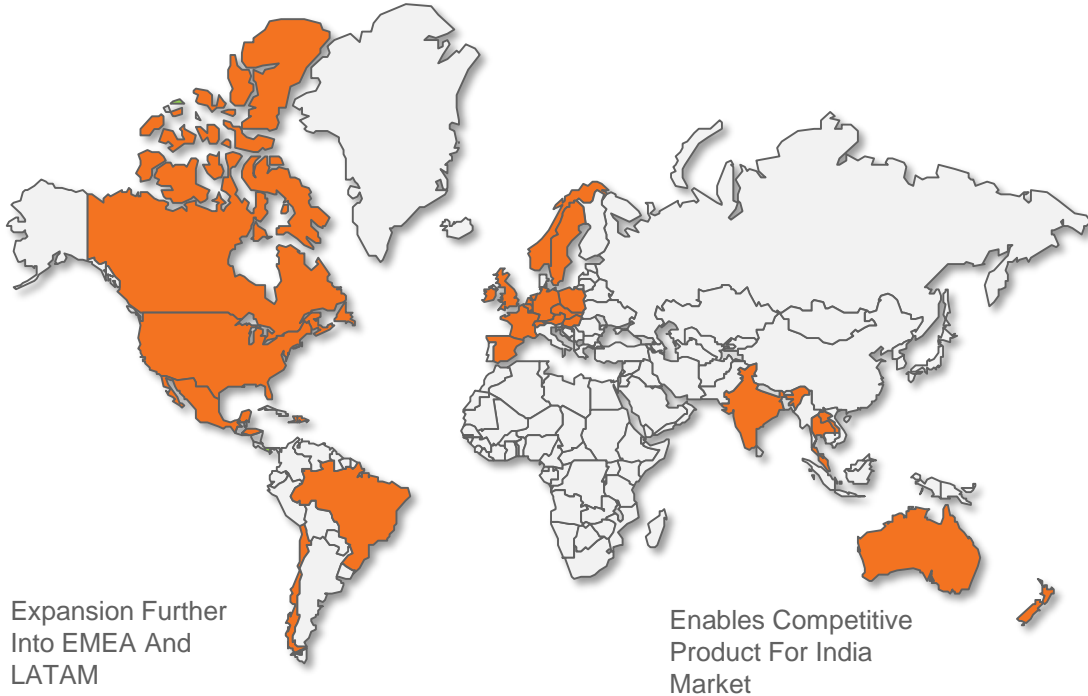
Create High Power & High Performance Microinverters, Through Architectural Innovation

4 Ensemble Solar and Storage



Transform Access To Energy And Create New Markets. Available In The First Half Of 2019.

B1 Regional Expansion With IQ 7



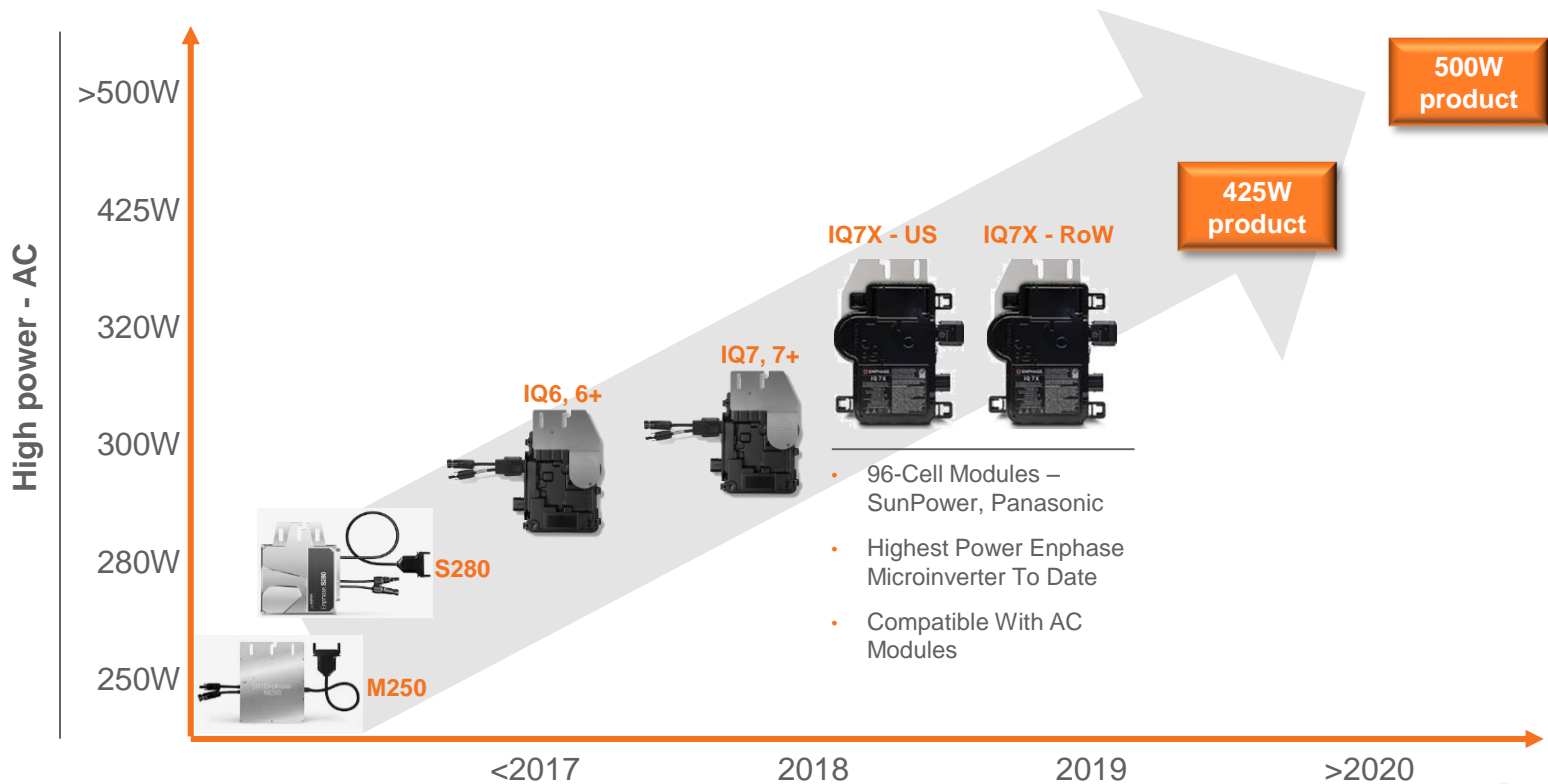
- Software Defined Architecture Allows For Rapid Entry Into New Regions
- Single SKU Hardware Reduces Inventory And Provides Faster Logistics
- IQ 7 Adds 1GW Of Addressable Market

IQ 7/7+/7X Caters To Diverse Power Needs Of Customer

Source: Enphase Estimates

B2 High Power, High Performance Products

Single Stage Architecture Results In 97.5% Efficiency With Polymer Case



B3 AC Modules Are The Future Of Residential Solar

Faster Installation

- 20 - 40% Reduction In Installation Time*

Logistics & Supply Chain

- 10 - 12% Reduction*

High Quality Of Installation

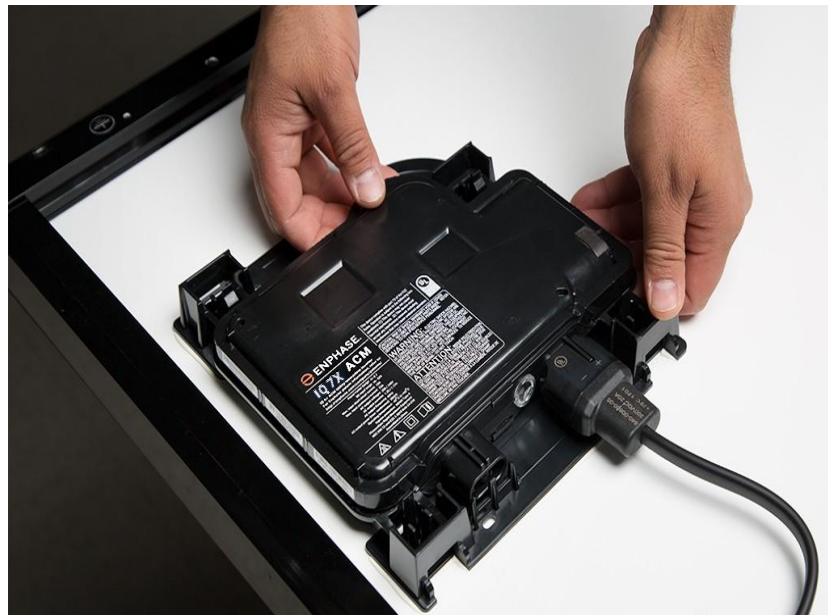
- Plug And Play

Easy Training

- Plug And Play

Great Module Partners

- SunPower, Panasonic, Solaria, Jinko, LG



Source: Enphase ACM Installer Survey, December 2017, Sample Size 38

*Reduction relative to Enphase Discrete Solution

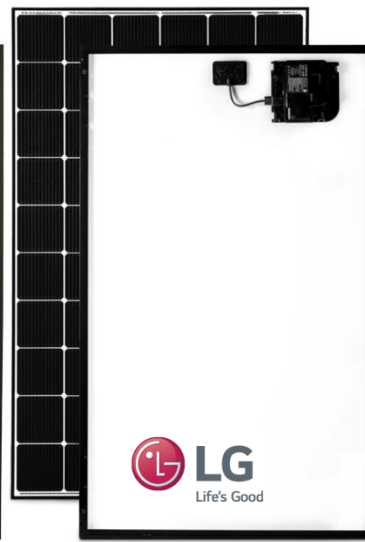
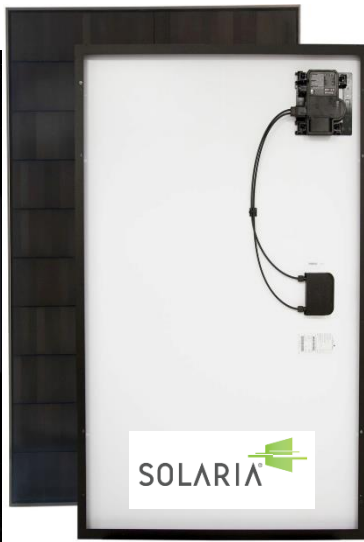
B3 Acquisition Of SunPower's Microinverter Business

High Performance, High Quality, Easy-To-Use Home Solar Systems



- Advances AC Modules As The Future Of Residential Solar
- Enphase Is The Exclusive MLPE Supplier For SunPower's Residential Business In The US
- Closed August 9, 2018
 - \$15M Cash & 7.5M Shares At Close
 - \$10M Cash By 12/9/2018
- Expect IQ7XS Volume Shipments In Q4'18 And Acceleration Of Ramp Through 2019
- Full Potential Of Business Expected To Be \$60-70M Per Year With Non-GAAP Gross Margin Of 33-35%

B3 AC Modules: Serving Long Tail And Tier 1 Installers



Long Tail

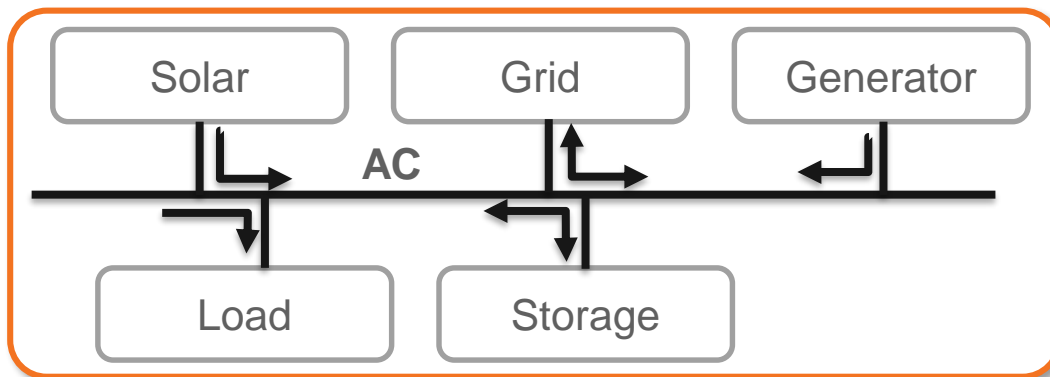
Tier 1

B4 Enphase Ensemble = Path To Energy Independence

Ensemble Is An Energy Management Technology

- Enables Solar Even When Grid Is Not Present
- Includes High Capacity, Flexible Storage With Backup, Ideal for Residential Market
- Creates an AC Marketplace For Solar, Storage, Load Control, Grid And Generator

IQ 8 Based On Ensemble Can Transform Access To Energy



**Extensible
Across Multiple
Homes**

B4 Sunnova – A Strategic Partner To Enphase

Sunnova's Mission

Power Energy Independence

Leading Privately Held Residential Solar and Storage Service Provider In the USA

- Sunnova partners with a qualified network of regional solar installation specialists to facilitate the sale and installation of solar and storage, which Sunnova manages as a service for 25+ years.

Raised Over \$2.5 Billion In Private Funding

Strong Enphase Partner and Customer for Over 5 Years

- Supported us during tough times
- Strategic relationship across all levels
- Collaboration on product development

Sunnova and Enphase Partnership

John Berger
CEO, Sunnova



Sunnova — An Industry Leader

Founded in 2012 and headquartered in Houston, Texas, Sunnova is the leading privately held residential solar + battery storage service provider in the United States.

With nearly 60,000 customers across the U.S and its territories, including Guam, Puerto Rico and the Northern Mariana Islands, Sunnova uniquely provides a 25-year service commitment with every homeowner's customized solar + storage system.

The energy industry is changing and Sunnova is helping lead the charge. With competition and consumer choice guiding our strategy, we support policies that offer customers more options, better service, greater savings and energy freedom.

sunnova[™]

POWER

ENERGY

INDEPENDENCE

○
Driven by Sunnova

○
**Managed as
a service**

○
**Freedom to live life
uninterrupted**

sunnova™



At Sunnova, we see energy independence as the freedom to live life uninterrupted.

We are the source for clean, affordable, renewable and always available energy.

We are driven to harness solar to ensure that whether on or off grid, day or night, during the calm or when nature is fiercest, the sun will never set on our customers.

We are leading with our energy as a service offerings; solar, storage and energy control to power our customers for how and when they need it.

**We are Sunnova
and we Power Energy Independence.**

sunnova[™]

Sunnova and Enphase Partnership



+



As an early adopter of their technology, Enphase's various technology solutions have decreased our cost to serve our customers, enabling us to offer our customers a better service at a better price.

Our two companies share a common vision for the future of the energy industry, and the future generations of Enphase's technology will continue to provide reliable and top-tier technology solutions to solar and storage service providers all over the world.

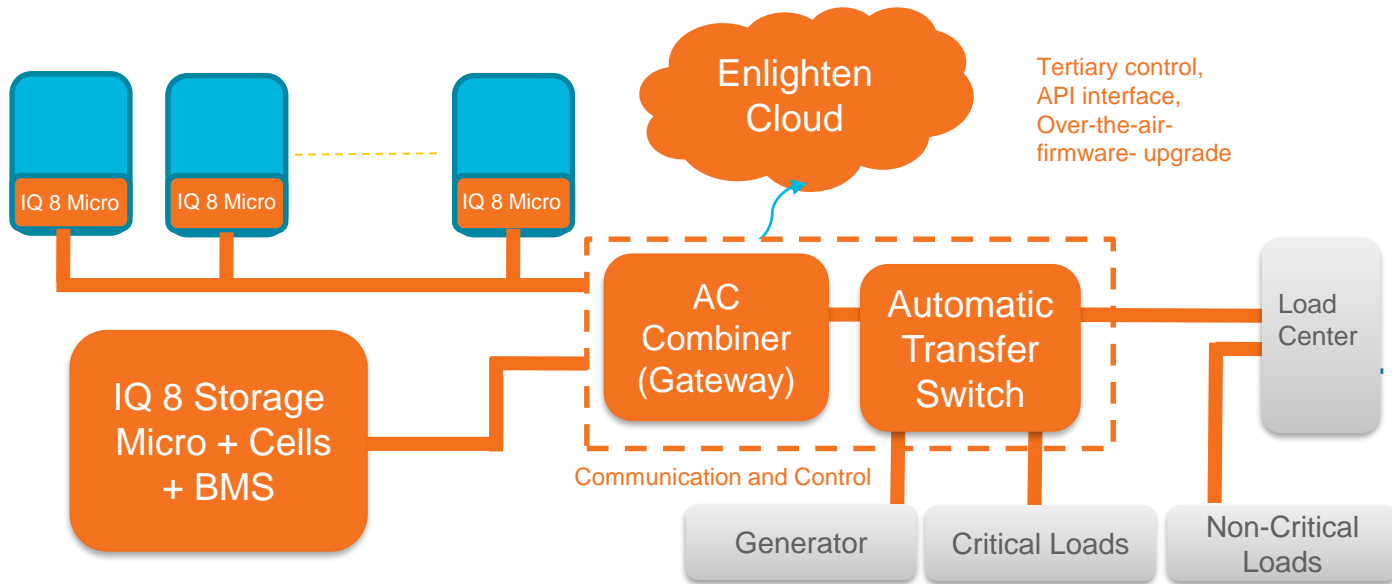
Ensemble will be an integral part of the future of powering energy independence for consumers.

sunnova[™]

Ensemble Solar And Storage

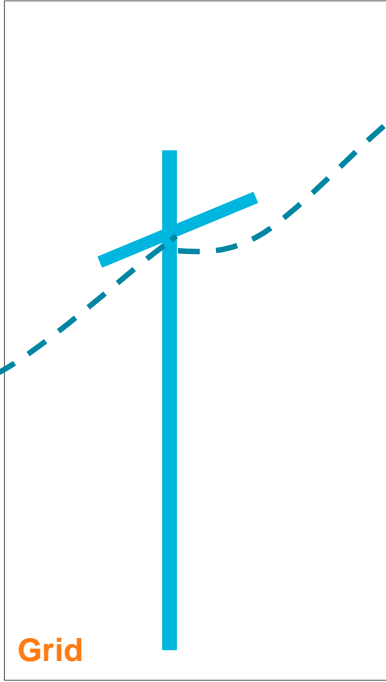
Raghu Belur
Chief Products Officer

B4 What Is Ensemble?



Tertiary control,
API interface,
Over-the-air-
firmware- upgrade

Solar + Storage + Communication & Control + Cloud



Grid

B4 Ensemble Value Proposition – Power Of The Platform

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

Energy Management: Economic Optimization, Fleet Management

Distributed Architecture: Master-less System

Scalable: Easily Expandable

Flexible: Any Configuration Of Solar, Storage And Generator

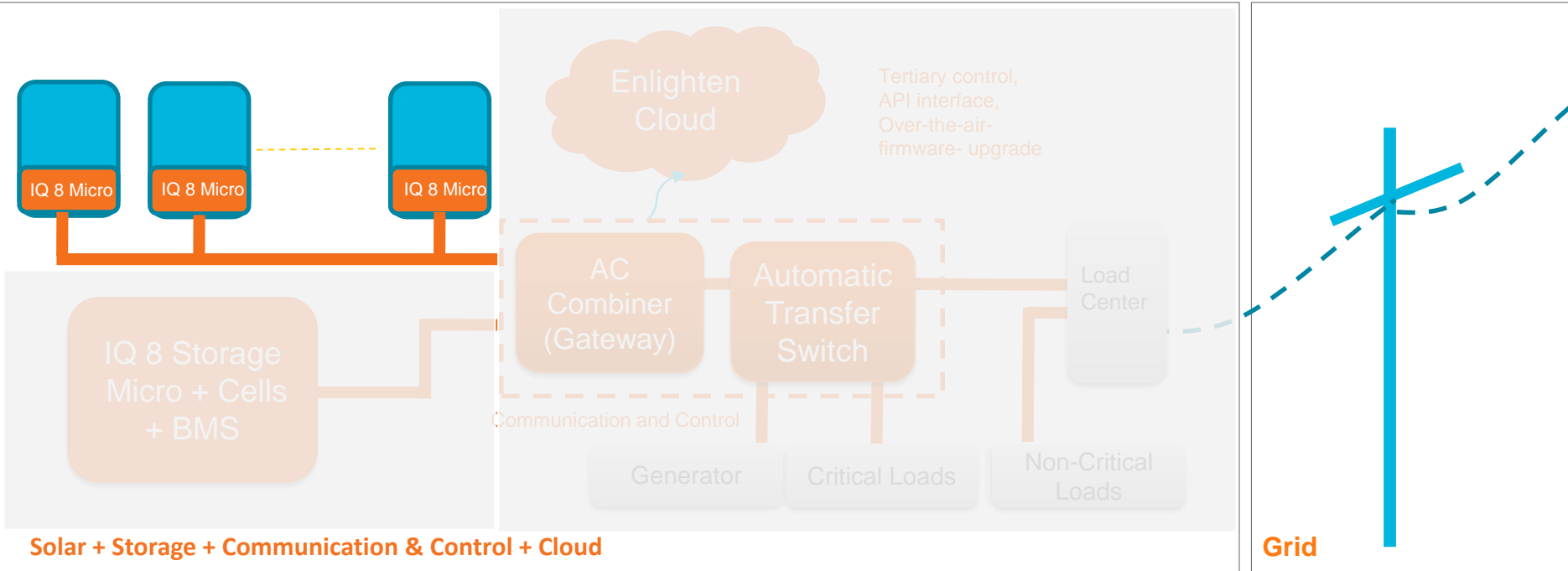
Resilient: Robust Load Management With Intelligent Brown-Out And Black Start

Advanced Features: Fine Grained Load Control, Electronic Current Limiting

Reliability: Micros Designed To Operate For 25 Years Even In Corrosive Environments

B4 IQ8 Microinverter Is The Foundation Of Ensemble

Bi-directional System That Enables Grid Independent Operation



B4 IQ8 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

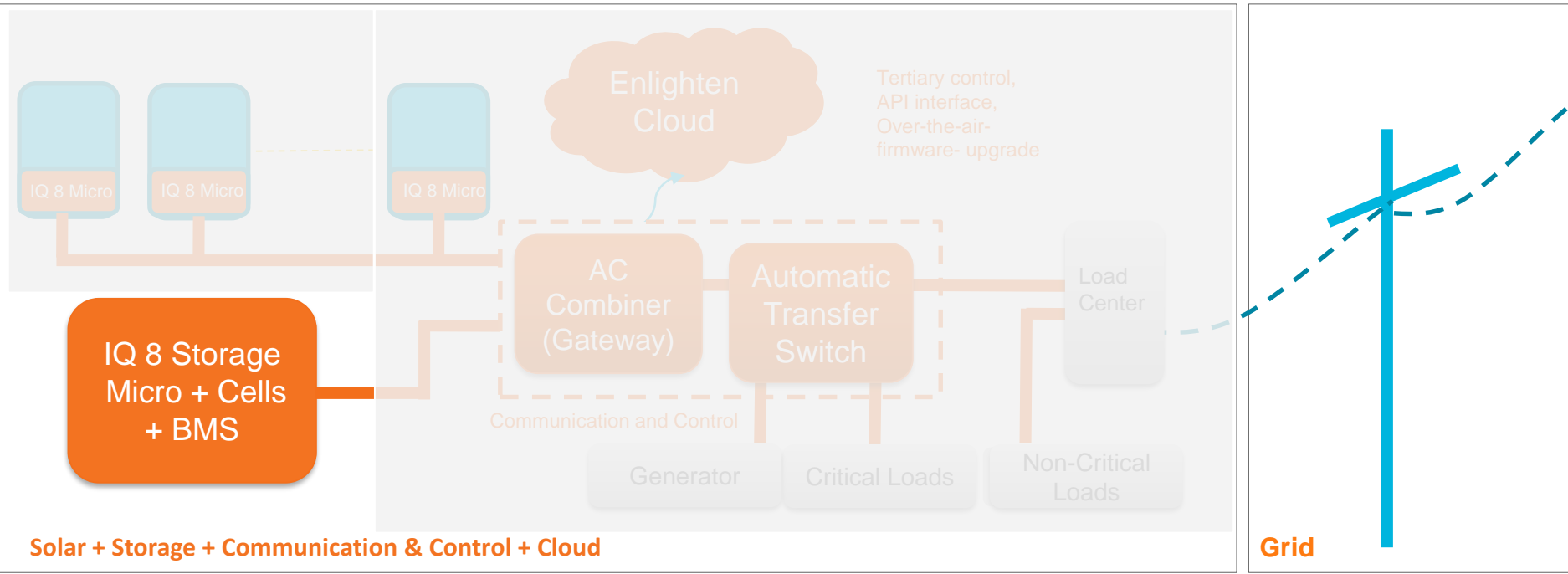
- Grid Tied Or Grid Independent

Bi-directional

- Acts As An Inverter And Charge Controller
- Used For Power Conversion In Encharge

B4 Energy Storage Is A Key Element Of Ensemble

High Capacity AC Coupled Storage System



B4 Enphase Storage Portfolio



2016

1.2 kWh Modular System



ACB 1.0

First Generation
ToU optimization
EMEA, APAC

Shipped Over 25 MWh
Till Date

Coming
Q4'18

1.2 kWh Modular System

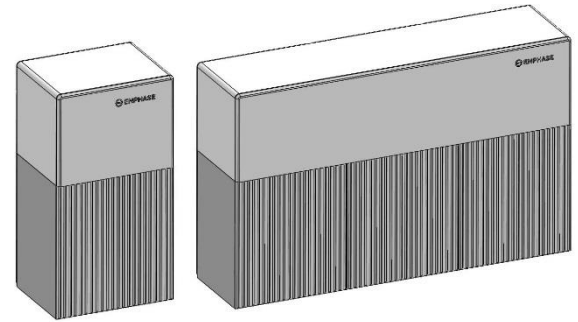


ACB 1.5

Second Generation
Cost Reduction
EMEA, APAC

Coming
1H'19

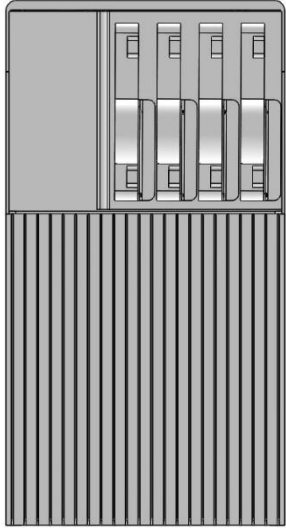
3.3 kWh and 10 kWh Modular Systems



Encharge

Third Generation
Ensemble
NA, EMEA, APAC
Full Power Backup

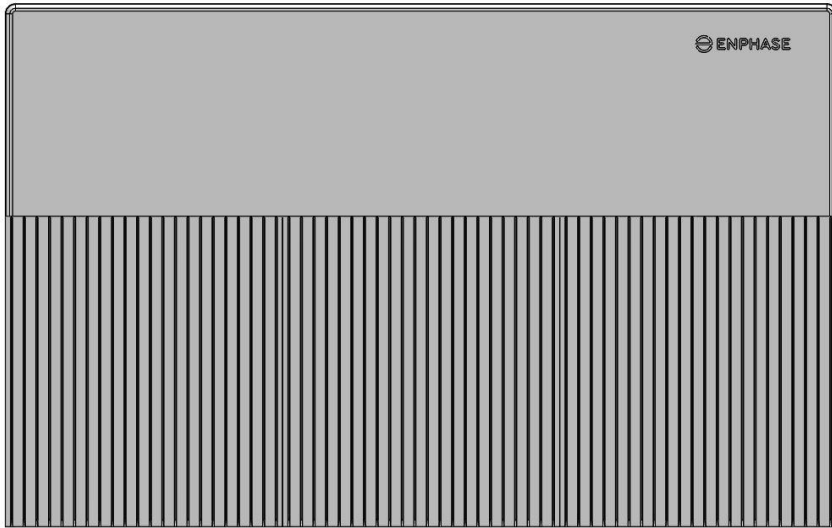
B4 Encharge 3.3 kWh



- **Modular**
 - 2-Person Install
 - Flexible and Scalable
 - Single Phase
- **Distributed**
 - Resilient
- **3.3kWh x 1 = 3.3kWh**
- **1.28kW x 1 = 1.28kW**
- **Cells**
 - LFP
- **Cooling**
 - Passive
- **Environ.**
 - Outdoor
- **Comms**
 - Zigbee

- Weight: 40kg
- Size: 300mm x 700mm x 265mm
- Mounting: Wall and Floor

B4 Encharge 10 kWh (Modular Design)



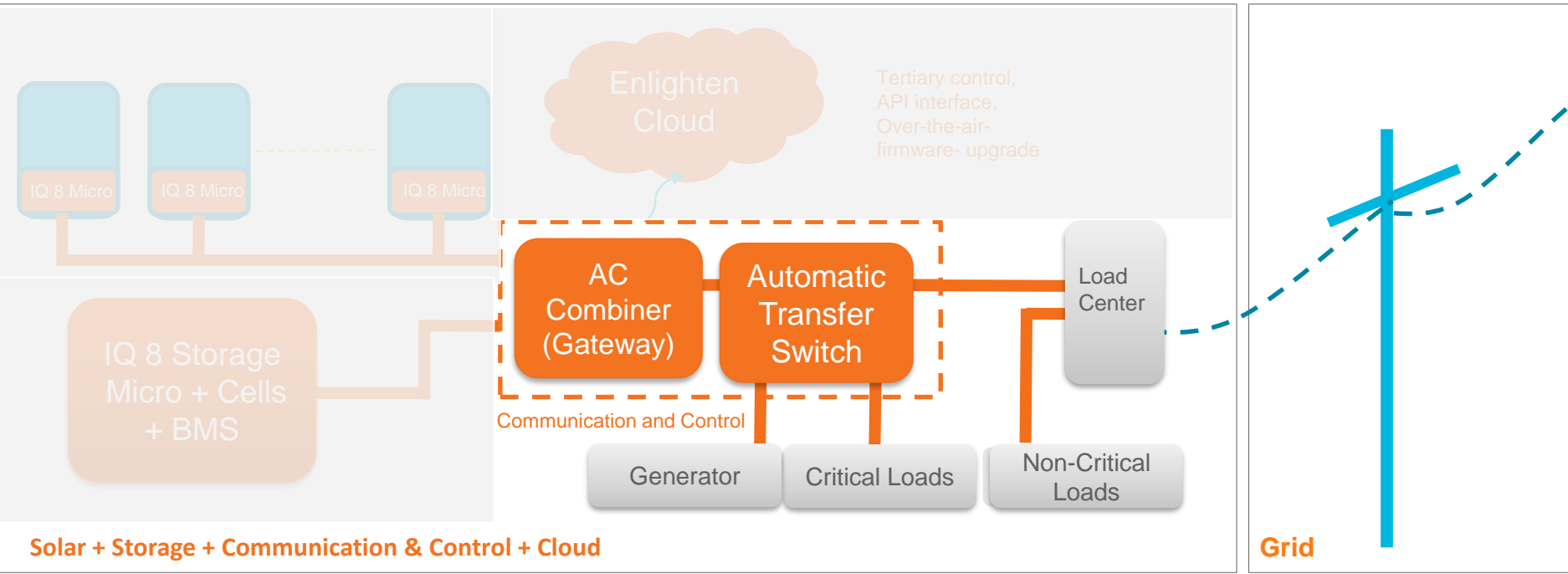
- **Modular**
 - 2-Person Install
 - Flexible and Scalable
 - Single & Three Phase
- **Distributed**
 - Resilient
- **3.3kWh x 3 = 10kWh**
- **1.28kW x 3 = 3.8kW**

- **Cells**
 - LFP
- **Cooling**
 - Passive
- **Environ.**
 - Outdoor
- **Comms**
 - Zigbee

- Weight: 120kg
- Size: 1000mm x 700mm x 265mm
- Mounting: Wall and Floor

B4 Ensemble Communication And Control

Fine Grained Load Control



B4 Ensemble Communication And Control

AC Combiner And Automatic Transfer Switch



Gateway With Cellular & Wi-Fi

- Fall Back To Cellular When Wi-Fi Fails

Protection Circuit For Solar And Storage

- 4 X 20A: Solar + Storage

Revenue Grade Metering

- ANSI C12

Electronic Current Limiting

- Eliminates Main Panel Upgrade



8 Individual Circuits Of Load Monitoring And Control

- Whole House Backup

Connects To Load Side Of The Main Panel

- No Utility Disruption

Protection Circuitry Included

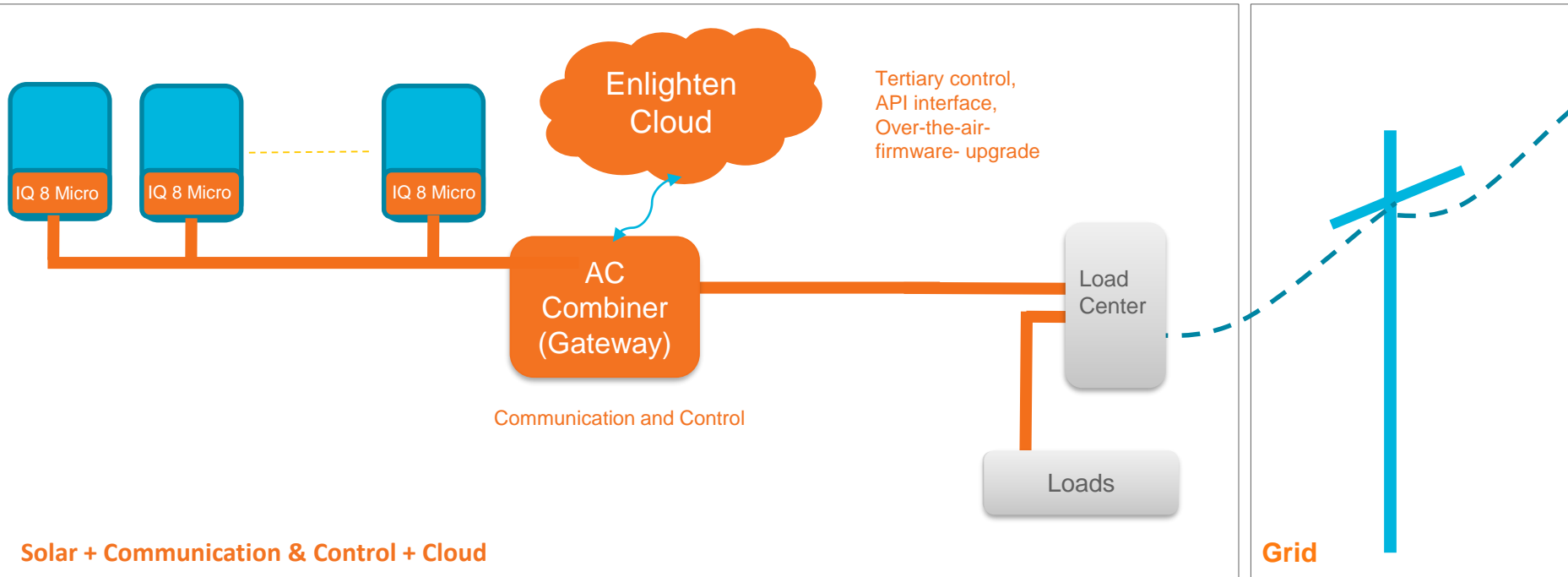
- No Critical Load Panel

Additional Features

- Load Prioritization
- Software Control To Enable And Reject Loads
- Expandable

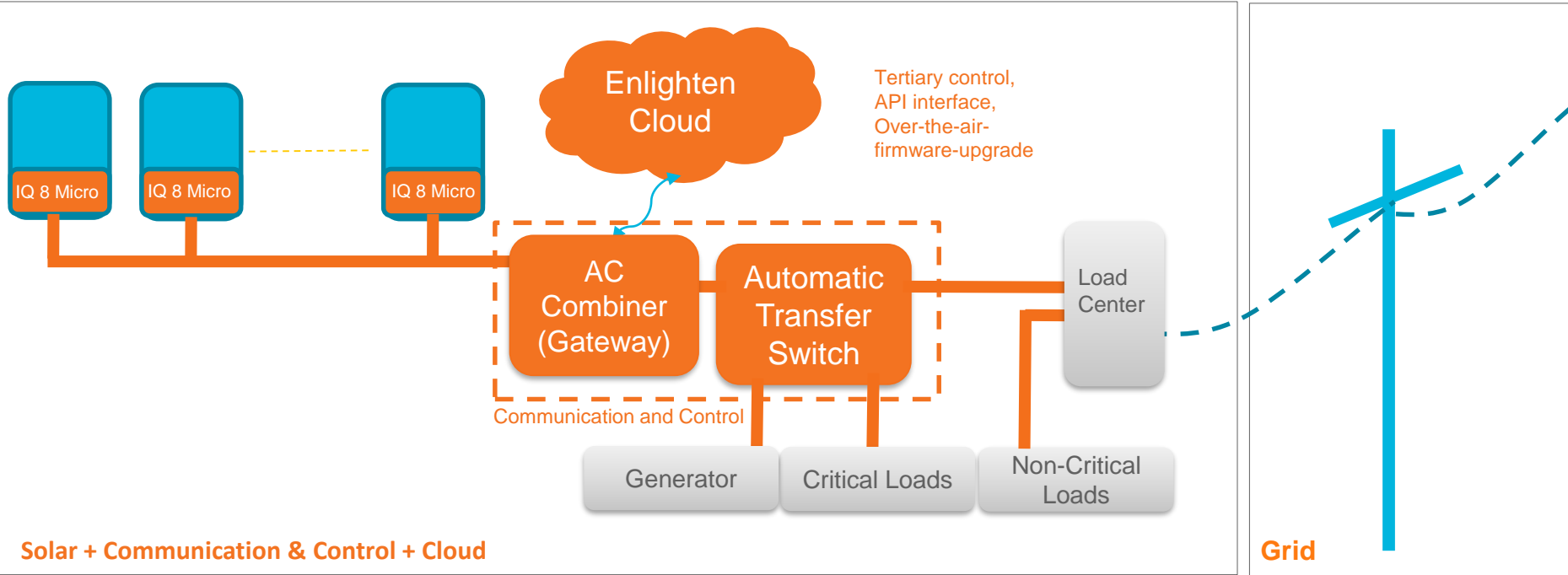
B4 Use Case 1 – Grid Tied Solar System

Backward Compatible To Install Base



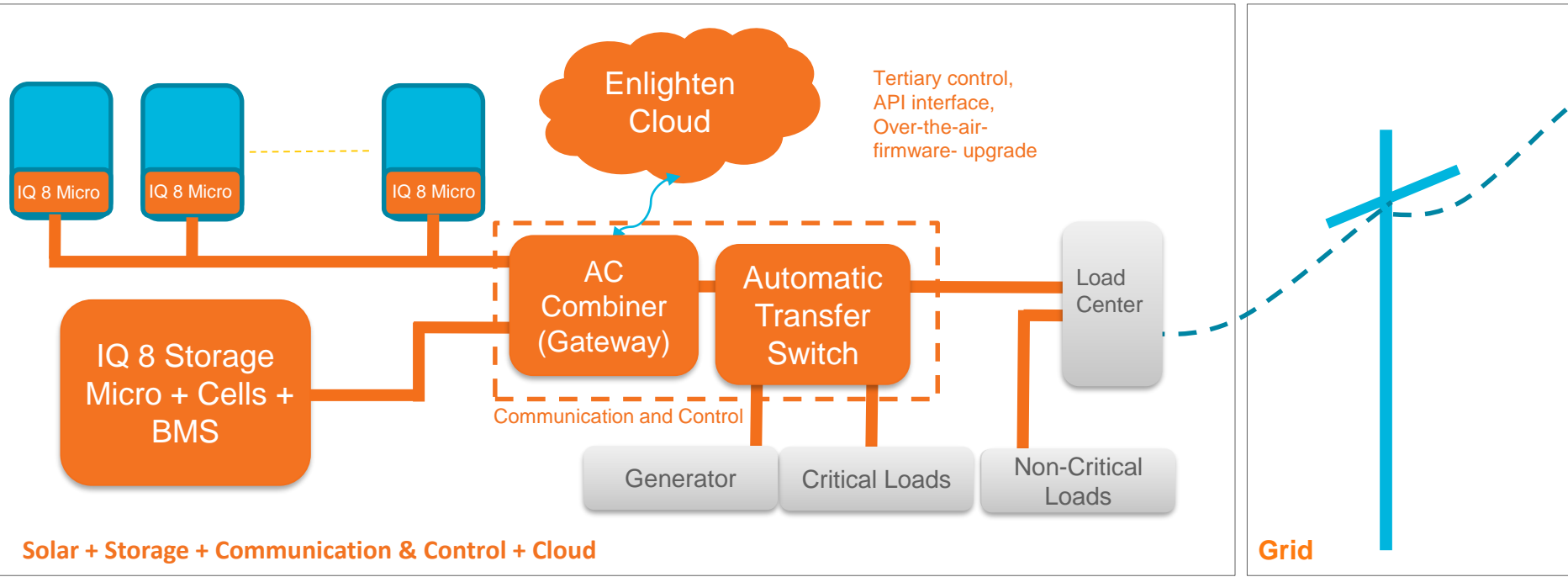
B4 Use Case 2 – Grid Independent Solar System

Seamless Transition Between Grid Tied And Off Grid



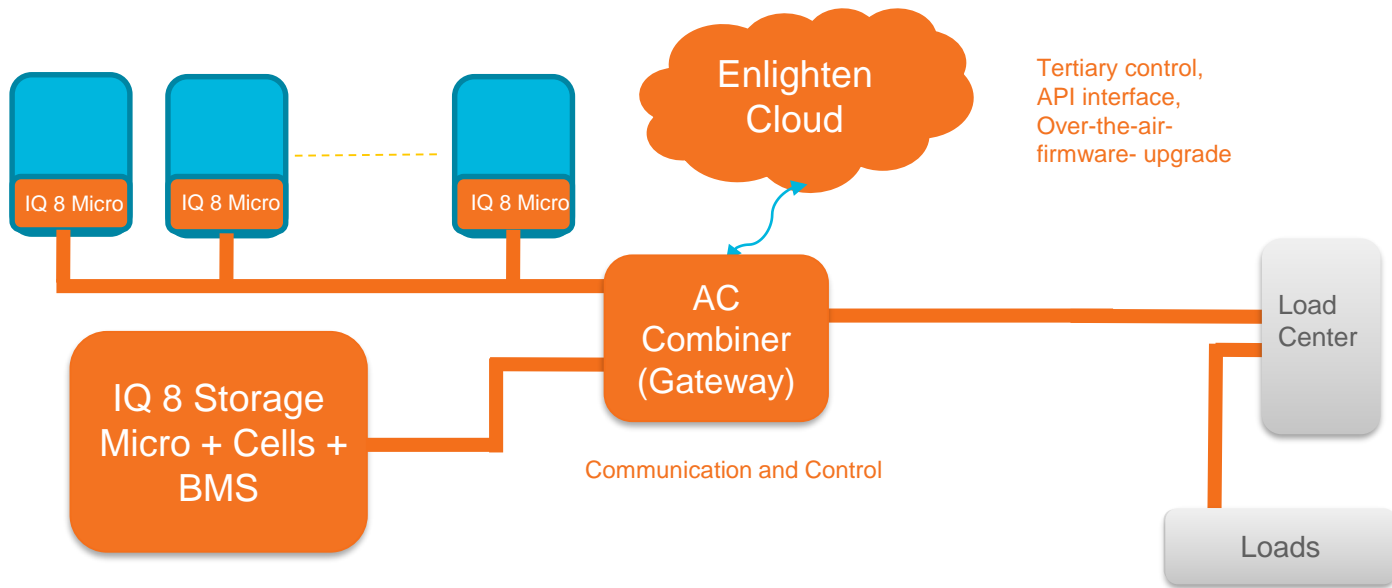
B4 Use Case 3 – Grid Independent Energy System

Alexa, Take Me Off Grid



B4 Use Case 4 – Off Grid

Un-Plugging Homes From The Grid



Solar + Storage + Communication & Control + Cloud

No Grid

B4 Enphase Ensemble Advantage versus Competition



Solar	Enphase AC Coupled	DC Coupled System	AC Coupled System
Reliability	High	Low	NA
Design: String Sizing	Simple	Complex	
Environmental Rating	NEMA 6	NEMA 3R	
Long Operating Life	25 Years	12 Years	
Safety	AC	400V DC	



Storage	Enphase AC Coupled	DC Coupled System	AC Coupled System
Scalability	High	Limited	Limited
Chemistry	LFP	NMC	NCA or NMC
Safety	Low Voltage DC	High Voltage DC	High Voltage DC
Installation	40 kg (12kg/kWh)	88.5 kg (8.9kg/kWh)	125 kg (9.3kg/kWh)

System	Enphase AC Coupled	DC Coupled System	AC Coupled (With String)
One Stop Shop	Yes	No	No
Cost	Competitive	Lower	Competitive
Reliability	High	Low	Medium
Over-The-Air-Firmware-Upgrade	Yes	Yes	Yes
Expandable	Yes	Limited	Yes



Ensemble Solar + Storage Available First Half Of 2019

B4 We are Transforming Access To Energy

Grid Tied to Grid Independence

Customer Experience

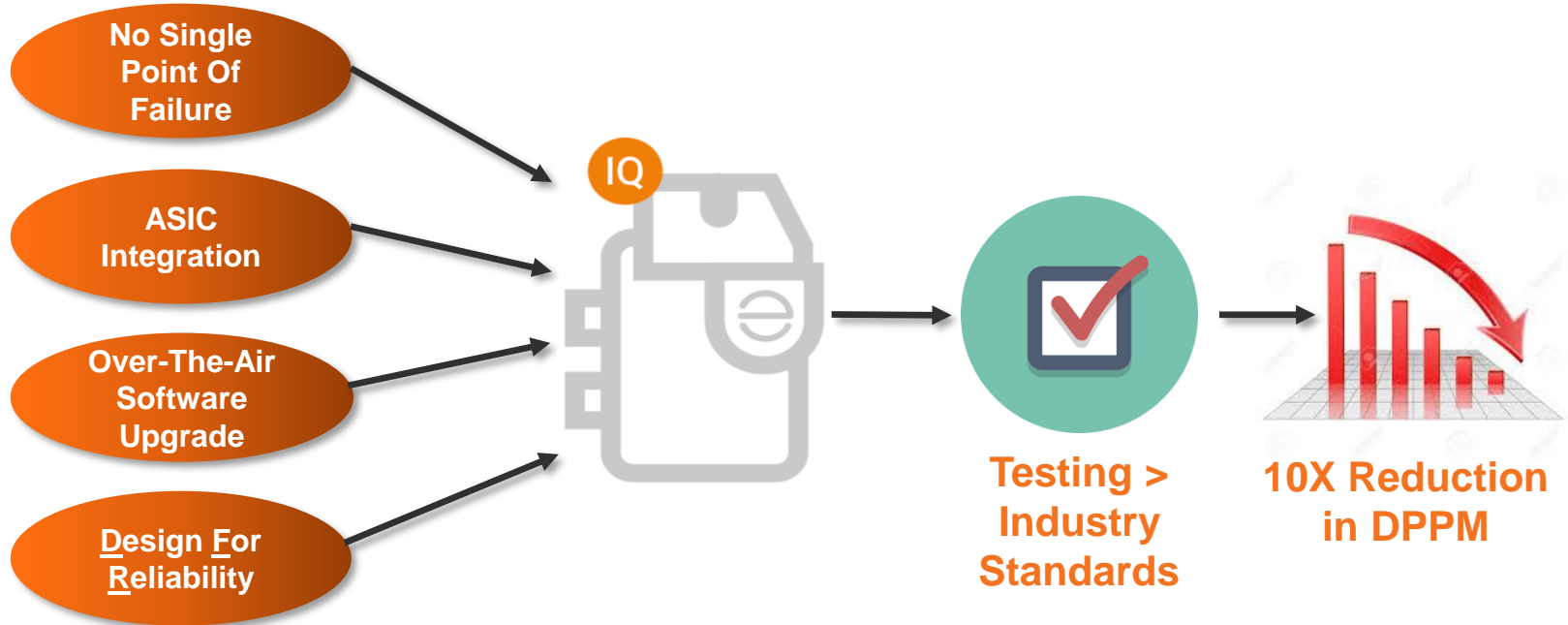
Jeff McNeil

**VP of Quality and Customer
Service**

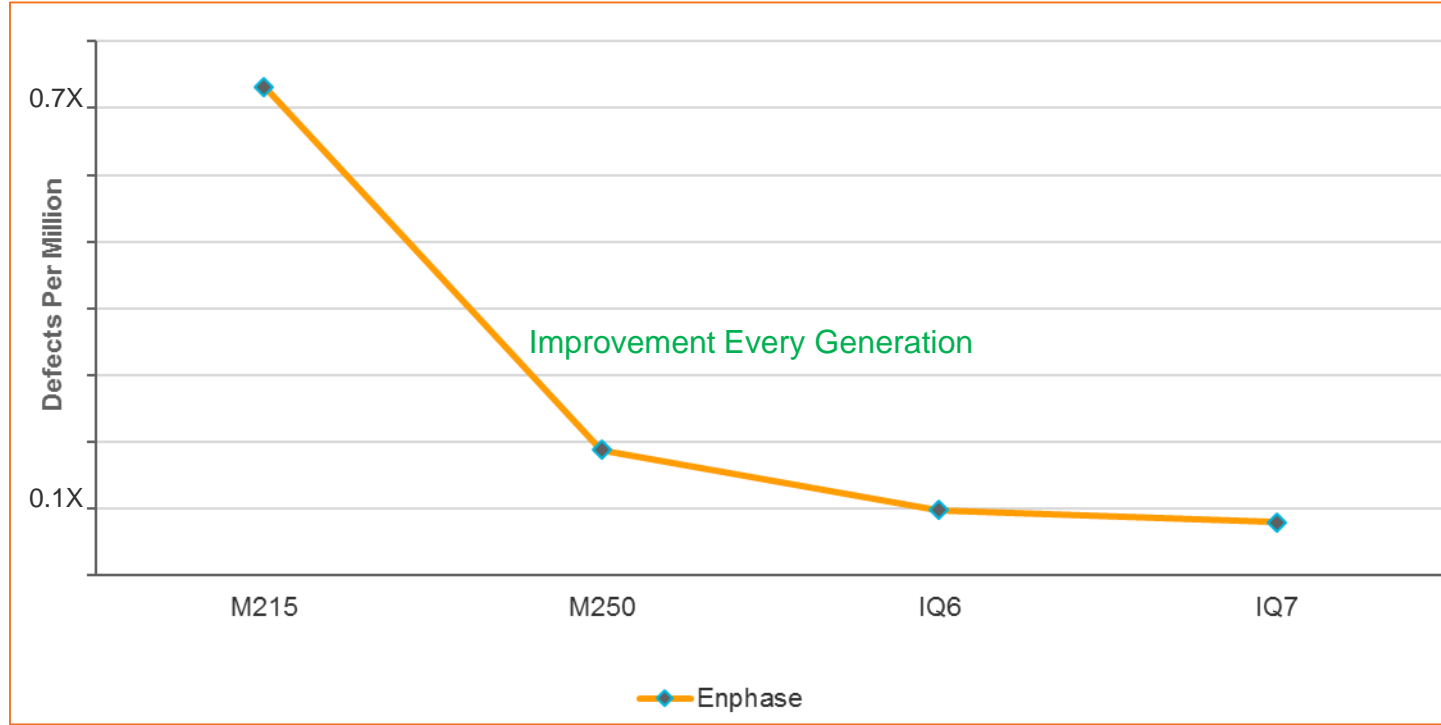
What is **Enphase's** Strategy

- A 30-20-10
- B Profitable Top Line Growth
- C World Class Customer Experience**
- D Solid Financial Foundation

C Quality Is The Bedrock Of The **Enphase** Design



C Improving Quality From One Generation To Next

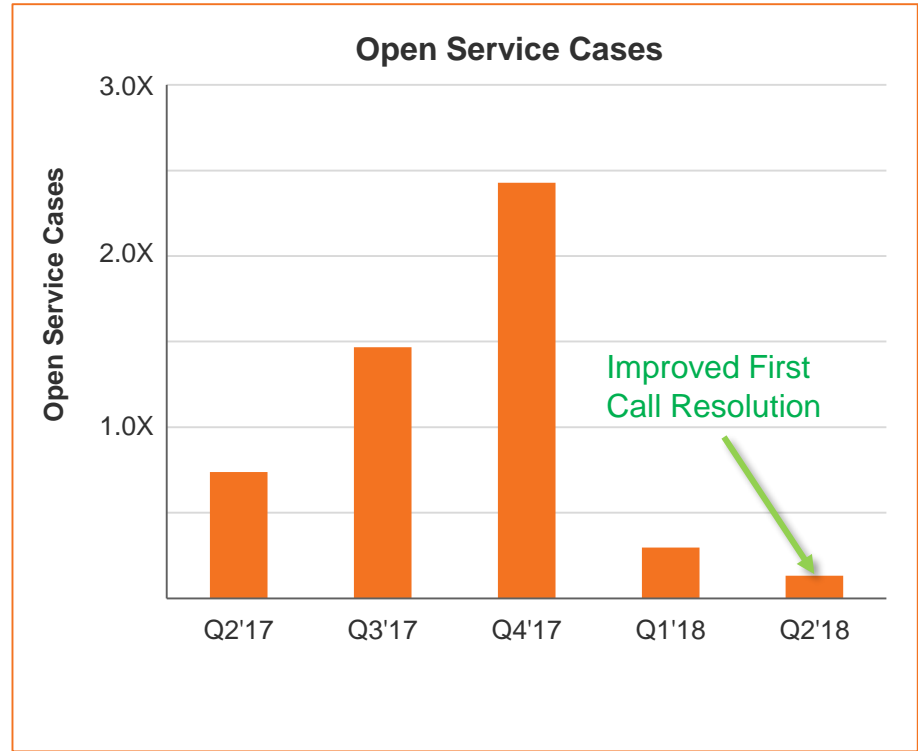
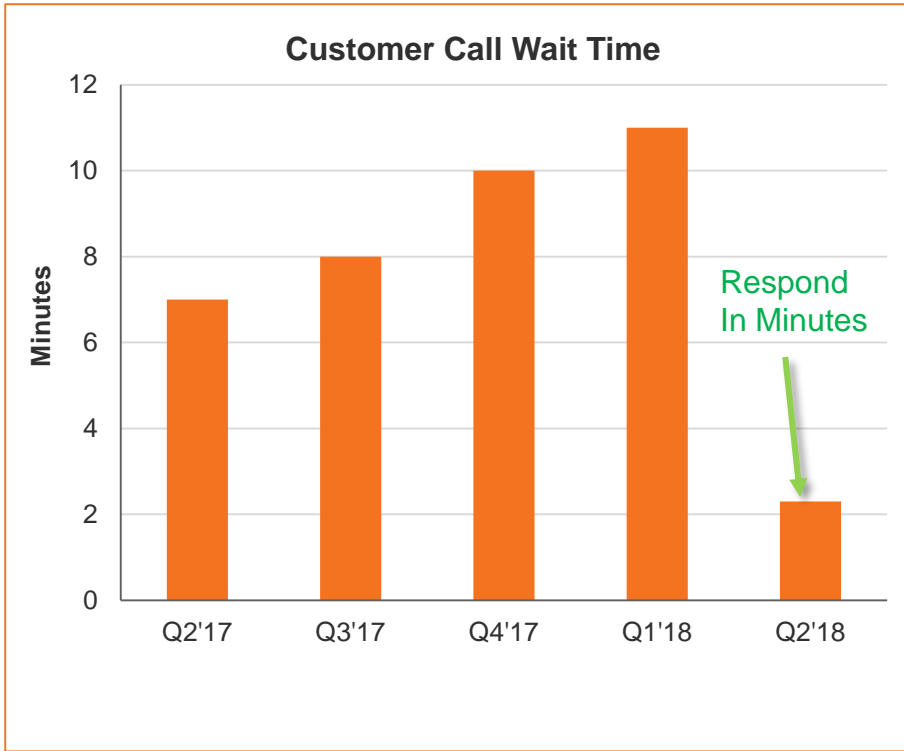


Source: Enphase Data

C Enphase Has Made Customer Service A Priority

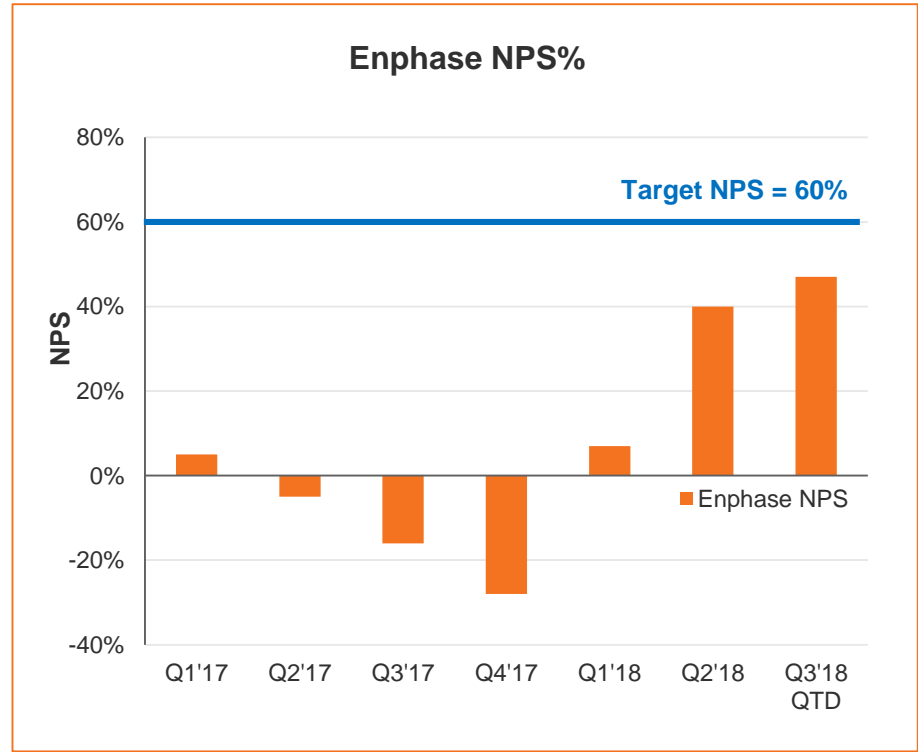
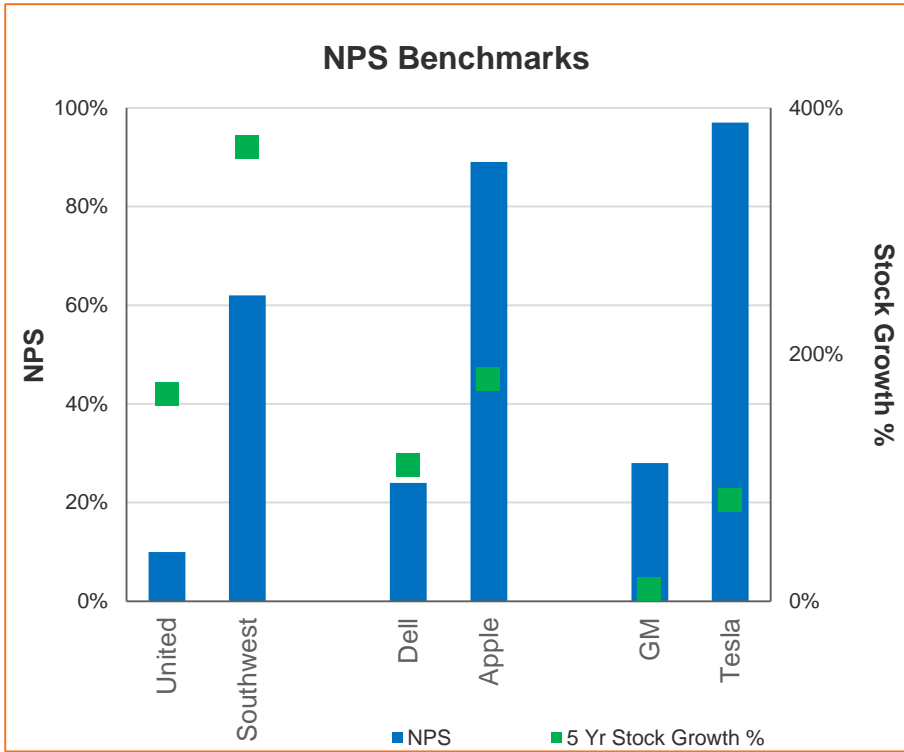


C Improving Operations To Resolve Customer Issues



Source: Enphase Data

C Getting Enphase NPS To World Class



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

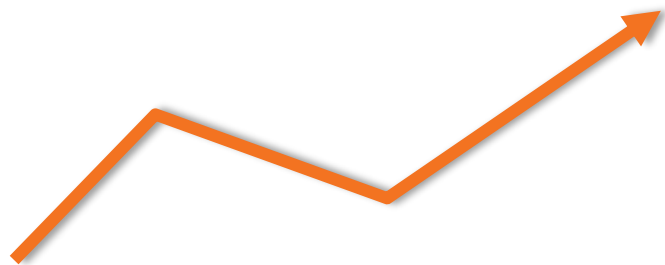
Solid Financial Foundation

Eric Branderiz
Chief Financial Officer

What is Enphase's Strategy

- A 30-20-10
- B Profitable Top Line Growth
- C World Class Customer Experience
- D Solid Financial Foundation**

D Solid Financial Foundation



Company Executing On Operations

- 30-20-10 On Track For Q4'18
- Positive Free Cash Flow Generation For Two Quarters In A Row

Balance Sheet Transformation

- Reducing Cash Conversion Cycle
- Convert Financing

D Enphase 30-20-10 Target Operating Model

Target Model

Revenue

Top Line
Growth

- Increase Microinverters Market Share With IQ, ACM,
- World Class Quality And Customer Experience

Gross Margin

30%

- Cost Management – Multi-Sourcing, Zero-Based Cost
- Focusing On Accessories And Overhead
- Strong Pricing Management

OPEX

20%

- Off-Shoring To India
- Increasing Corporate Efficiency
- Targeted Investments

Operating Income

10%

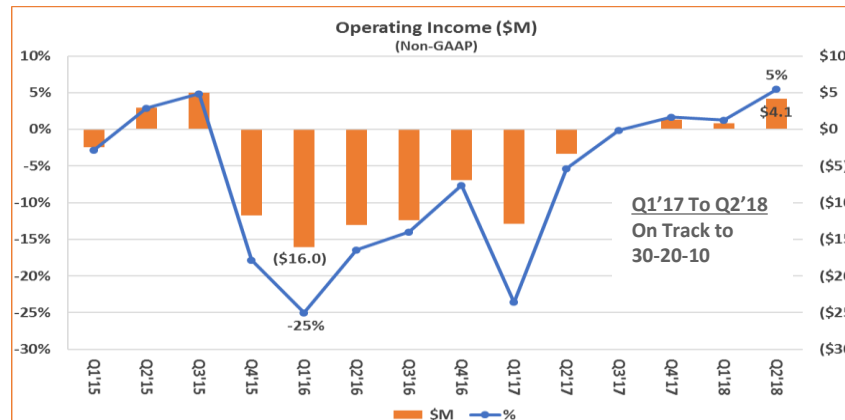
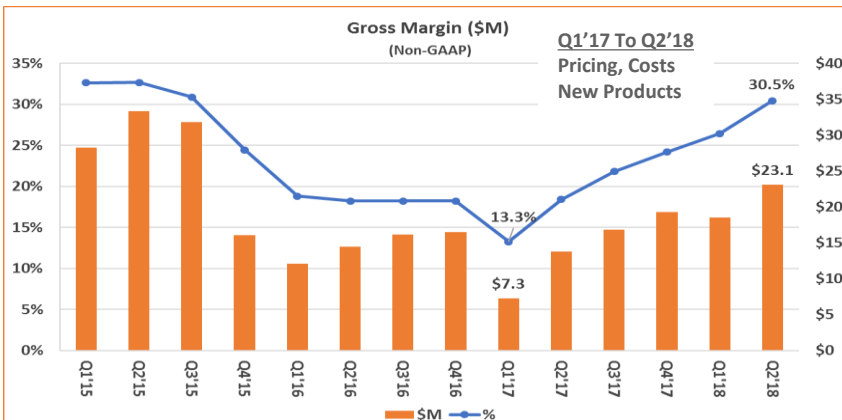
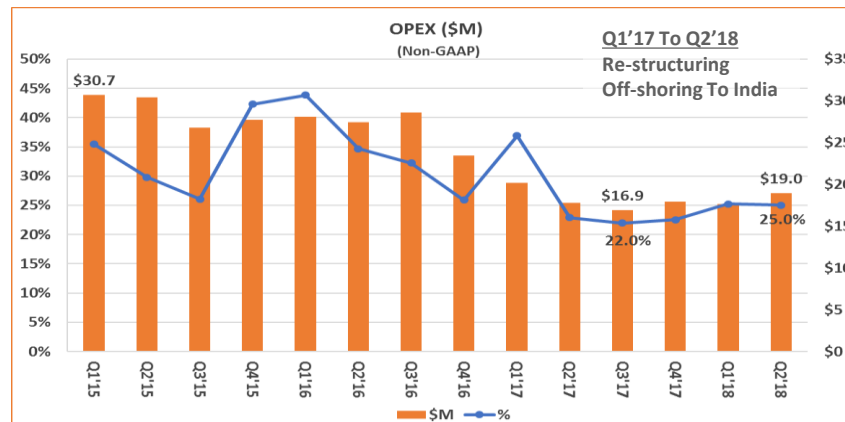
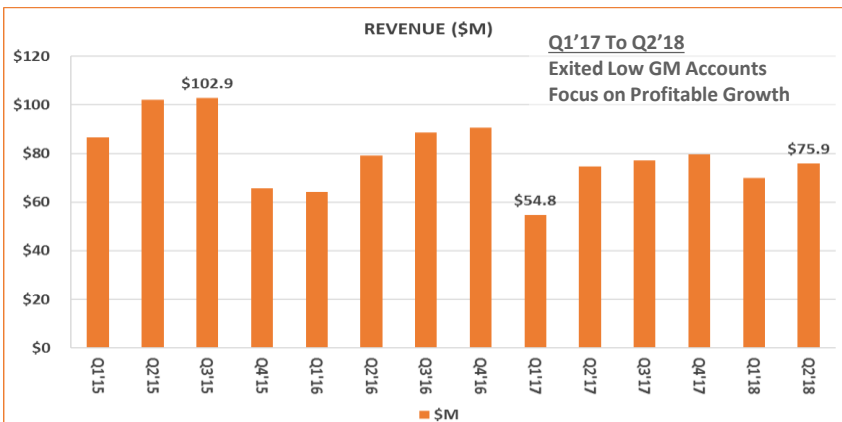
- Achieve And Sustain Profitability

D Enphase Financials

P&L - Non GAAP (\$ in MUSD)	Q1'16 Actual	Q2'16 Actual	Q3'16 Actual	Q4'16 Actual	FY16 Actual	Q1'17 Actual	Q2'17 Actual	Q3'17 Actual	Q4'17 Actual	FY17 Actual	Q1'18 Actual	Q2'18 Actual
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
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%
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)
<i>% Revenue</i>	43.8%	34.7%	32.2%	25.9%	33.4%	36.9%	23.8%	22.0%	22.5%	25.5%	25.2%	25.0%
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
<i>% Revenue</i>	-25.0%	-16.5%	-14.0%	-7.7%	-15.0%	-23.6%	-5.4%	-0.1%	1.6%	-5.5%	1.2%	5.4%
Net Cash Flow	(15.4)	(4.8)	15.9	(6.3)	(10.7)	12.2	1.0	(2.1)	0.3	11.4	24.1	5.2
Free Cash Flow	(18.6)	2.4	(22.7)	(5.9)	(44.7)	(28.0)	0.1	(2.3)	(2.4)	(32.6)	2.3	3.6
Cash	\$ 13.0	\$ 8.2	\$ 24.1	\$ 17.8	\$ 17.8	\$ 30.0	\$ 31.0	\$ 28.9	\$ 29.1	\$ 29.1	\$ 53.3	\$ 58.5

*See reconciliation to most comparable GAAP measure in Appendix

D Enphase On Track For 30-20-10

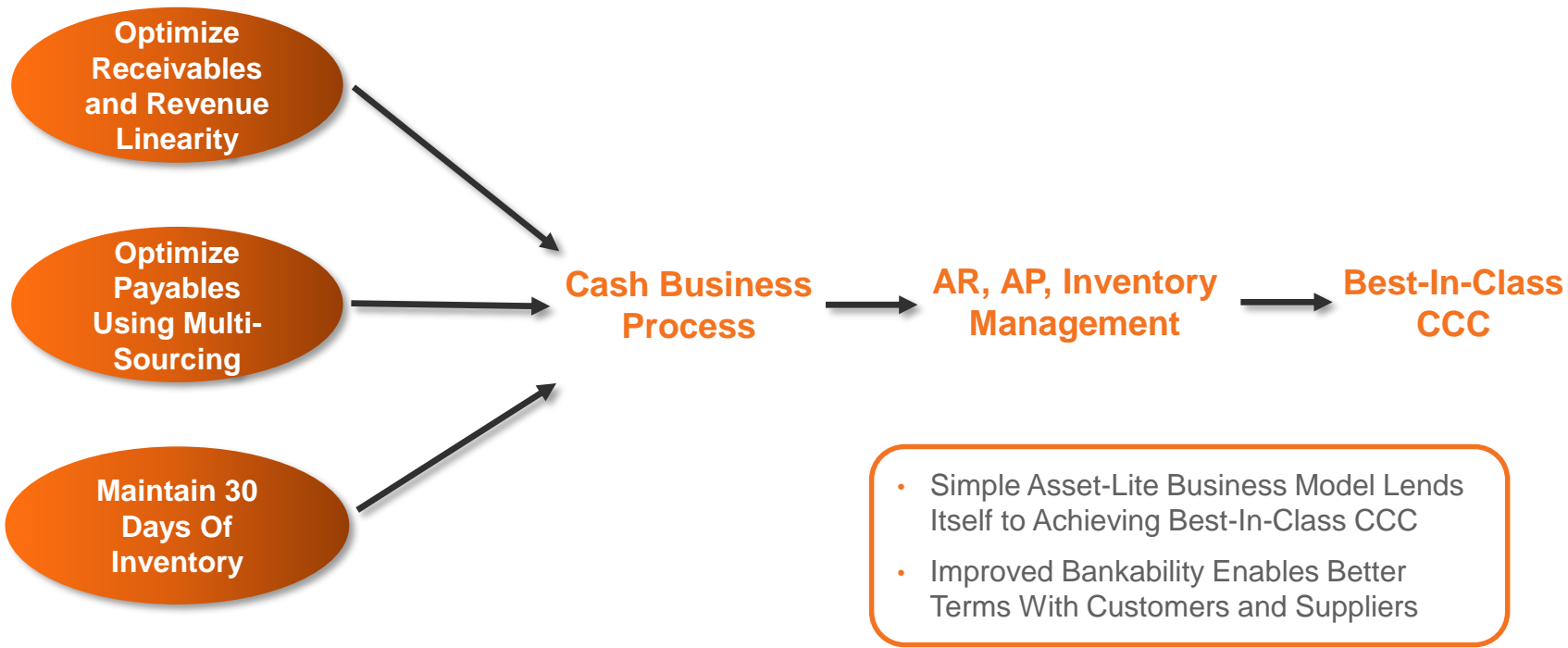


D Balance Sheet Transformation

Solid Execution On Free Cash Flow

- Base Business Generating Free Cash Flow (FCF) With 30-20-10
- SunPower's Microinverter Acquisition Expected To Be Highly Accretive
- Rigorous Management Helps In Reducing Cash Conversion Cycle
- Recently Announced Convertible Notes Offer Opportunity to Improve Debt Terms From 2019

D Reducing Cash Conversion Cycle (CCC)



D Convert Offering Summary

Issuer:	Enphase Energy, Inc. (Nasdaq: ENPH)
Security Offered:	Convertible Notes Due 2023
Ranking:	Senior Unsecured
Offering Size:	\$60 Million
Private Placement To TJ Rodgers:	\$5 Million In a Separate Private Placement in Addition to \$60M of Notes Sold
Use Of Proceeds:	General Corporate Purposes Including Potential Repayment Of Indebtedness, Working Capital & M&A
Maturity:	5 Years
Coupon:	4.00%
Conversion Price:	\$5.56
Settlement Upon Conversion:	Physical Settlement Into Underlying Shares

D Ensemble Storage Set To Ramp

- Storage Attach With Solar Rapidly Increasing Globally
 - Enphase Microinverters Are Installed On 130K-180K Homes Annually
 - Expect 3-5% Storage Attach Rate By Q4'19
 - 10kWh Storage Expected To Be The Sweet Spot
 - Pricing Based On Ensemble Value For Both Long Tail And Tier 1
 - Gross Margin Expected To Follow Corporate Model
 - OPEX Already Accounted For In 2018
-

Conclusions

Badri Kothandaraman
President & CEO

Conclusions



-
- Supply Chain Optimization, Pricing Management And IQ 7 Transition

-
- IQ7 Platform Enables Regional Expansion Now
 - IQ7X Supports 96-Cell Modules Now – More Coming!
 - Acquisition Of Sunpower’s Microinverter Business Advances ACM As The Future Of Residential Solar

-
- Ensemble Solar And Storage Expected To Be A Game Changer
-

Q & A



Appendix



Enphase Financials – GAAP Basis

P&L - GAAP (\$ in MUSD)	Q1'16	Q2'16	Q3'16	Q4'16	FY16	Q1'17	Q2'17	Q3'17	Q4'17	FY17	Q1'18	Q2'18
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
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
Gross Margin %	18.3%	17.9%	17.9%	17.9%	18.0%	12.8%	18.1%	21.4%	23.8%	19.6%	26.2%	29.9%
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)
% Revenue	48.1%	37.8%	37.9%	29.1%	37.4%	53.2%	30.5%	29.0%	26.5%	33.3%	29.7%	30.6%
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)
% Revenue	-29.8%	-19.9%	-20.0%	-11.1%	-19.4%	-40.4%	-12.4%	-7.7%	-2.7%	-13.8%	-3.5%	-0.7%
Net Cash Flow	(15.4)	(4.8)	15.9	(6.3)	(10.7)	12.2	1.0	(2.1)	0.3	11.4	24.1	5.2
Cash	\$ 13.0	\$ 8.2	\$ 24.1	\$ 17.8	\$ 17.8	\$ 30.0	\$ 31.0	\$ 28.9	\$ 29.1	\$ 29.1	\$ 53.3	\$ 58.5

Enphase Financials – GAAP To Non-GAAP Reconciliation

	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Gross margin (GAAP)	29.9%	26.2%	23.8%	21.4%	18.1%	12.9%
Stock-based compensation	0.6%	0.3%	0.4%	0.4%	0.3%	0.4%
Gross margin (Non-GAAP)	<u>30.5%</u>	<u>26.5%</u>	<u>24.2%</u>	<u>21.8%</u>	<u>18.4%</u>	<u>13.3%</u>
Operating expenses (GAAP)	\$ 23,259	\$ 20,790	\$ 21,122	\$ 22,362	\$ 22,794	\$ 29,143
Stock-based compensation	(3,871)	(1,373)	(1,174)	(1,381)	(1,410)	(1,691)
Restructuring charges	-	-	(1,991)	(4,071)	(3,609)	(7,247)
Reserve for non-recurring legal matter	-	(1,765)	-	-	-	-
Acquisition related expenses	(403)	-	-	-	-	-
Operating expenses (Non-GAAP)	<u>\$ 18,985</u>	<u>\$ 17,652</u>	<u>\$ 17,957</u>	<u>\$ 16,910</u>	<u>\$ 17,775</u>	<u>\$ 20,205</u>
Loss from operations (GAAP)	\$ (558)	\$ (2,475)	\$ (2,133)	\$ (5,901)	\$ (9,247)	\$ (22,095)
Stock-based compensation	4,288	1,571	1,449	1,728	1,621	1,930
Restructuring charges	-	-	1,991	4,071	3,609	7,247
Reserve for non-recurring legal matter	-	1,765	-	-	-	-
Acquisition related expenses	403	-	-	-	-	-
Income (loss) from operations (Non-GAAP)	<u>\$ 4,133</u>	<u>\$ 861</u>	<u>\$ 1,307</u>	<u>\$ (102)</u>	<u>\$ (4,017)</u>	<u>\$ (12,918)</u>
Net Cash Flow	\$ 5	\$ 24	\$ -	\$ (2)	\$ 1	\$ 12
Financing	(1)	(22)	(2)	-	-	(40)
Impact from Exchange Rates	-	-	-	-	(1)	-
Free Cash Flow	<u>\$ 4</u>	<u>\$ 2</u>	<u>\$ (2)</u>	<u>\$ (2)</u>	<u>\$ -</u>	<u>\$ (28)</u>

