

Operational Metrics

KPI's \$,000	FYQ2 '14	FYQ3 '14	FYQ4 '14	FYQ1 '15	FYQ2 '15	FYQ3 '15	FYQ4 '15	FYQ1 '16	FYQ2 '16	FYQ3 '16	FY 2013	FY 2014	FY 2015
Revenues	27,569	30,560	44,573	66,969	73,290	86,399	98,420	115,054	124,832	125,205	79,035	133,217	325,078
% Y/Y	22%	104%	94%	119%	166%	183%	121%	72%	70%	45%	5%	69%	144%
% Q/Q	-10%	11%	46%	50%	9%	18%	14%	17%	8%	0%			
Gross profit \$	2,960	6,229	8,724	14,030	15,781	23,701	28,271	33,527	38,582	40,734	4,409	21,971	81,783
% Y/Y	142%	308%	208%	246%	433%	280%	224%	139%	144%	72%	N\A	398%	272%
% Q/Q	-27%	110%	40%	61%	12%	50%	19%	19%	15%	6%			
Gross Margin	10.7%	20.4%	19.6%	20.9%	21.5%	27.4%	28.7%	29.1%	30.9%	32.5%	5.6%	16.5%	25.2%
% Y/Y	98%	100%	58%	58%	101%	35%	47%	39%	44%	19%	N\A	196%	53%
% Q/Q	-19%	90%	-4%	7%	3%	27%	5%	1%	6%	5%			
Operating profit (loss)	(6,859)	(4,545)	(2,440)	2,351	4,234	9,799	11,873	14,874	19,262	19,739	(27,460)	(18,371)	28,257
% Y/Y	6%	-30%	-54%	N\A	N\A	N\A	N\A	533%	355%	101%	0%	-33%	N\A
% Q/Q	52%	-34%	-46%	N\A	80%	131%	21%	25%	30%	2%			
Net profit (loss)	(7,787)	(5,238)	(3,042)	2,520	3,375	5,965	9,261	14,432	24,105	20,799	(28,180)	(21,378)	21,121
% Y/Y	21%	-22%	-50%	N\A	N\A	N\A	N\A	473%	614%	249%	1%	-24%	N\A
% Q/Q	47%	-33%	-42%	N\A	34%	77%	55%	56%	67%	-14%			
Optimizer shipped (units)	262,943	328,822	458,585	663,850	785,730	945,586	1,138,362	1,460,277	1,373,407	1,417,469	890,445	1,357,251	3,533,528
Inverter shipped (units)	12,135	14,936	21,923	31,880	35,696	38,630	44,222	54,195	59,080	52,333	36,088	61,999	150,428
MW shipped	75.6	83.6	128.6	176.1	213.1	247.6	283.7	355.9	415.6	416.4	239.2	364.8	920

Balance Sheet

\$,000	Mar 31, 2015	Jun 30, 2015	Sep 30, 2015	Dec 31, 2015	Mar 31, 2016
Current Assets:					
Cash and cash equivalents	135,204	144,750	146,729	106,150	84,070
Restricted cash	3,575	3,639	3,588	3,417	944
Marketable securities	----	----	----	27,137	44,059
Trade receivables, net	45,093	35,428	47,366	46,685	56,145
Prepaid expenses and other accounts receivable	25,312	32,645	20,733	24,233	18,613
Inventories	64,522	73,950	79,907	87,400	85,514
Total Current Assets	273,706	290,412	298,323	295,022	289,345
Fixed Assets, net	11,903	14,717	17,272	21,428	26,213
Long Term Assets:					
Marketable securities Long term	----	----	----	25,290	43,151
Long-term prepaid expenses and lease deposit	380	529	601	510	440
Long Term deferred tax	----	----	----	6,565	6,486
Intangible assets, net	----	----	779	758	737
Total Assets	285,989	305,658	316,975	349,573	366,372
Current Liabilities:					
Trade payables	79,723	80,684	67,180	61,977	45,138
Employees and payroll accruals	6,017	6,814	7,898	12,864	12,358
Warranty Liabilities	7,661	9,431	10,587	11,862	13,510
Deferred Revenues	1,098	1,676	2,175	1,983	2,642
Accrued expenses and other accounts payable	8,938	6,987	8,459	7,169	7,797
Total Current Liabilities	103,437	105,592	96,299	95,855	81,445
Long Term Liabilities:					
Warranty Liabilities	20,238	22,448	25,317	29,032	33,149
Deferred Revenues	6,995	8,289	9,760	11,427	13,266
Lease incentive obligation	1,959	2,385	2,374	2,320	2,265
Total Long Term Liabilities	32,022	33,122	37,451	42,779	48,680
Stockholders' Equity:					
Share capital	4	4	4	4	4
Additional paid-in capital	280,040	287,152	289,004	292,681	296,480
Accumulated other comprehensive income (loss)	(263)	(222)	(225)	(293)	417
Accumulated deficit	(129,251)	(119,990)	(105,558)	(81,453)	(60,654)
Total stockholders' equity	150,530	166,944	183,225	210,939	236,247
Total liabilities and stockholders' equity	285,989	305,658	316,975	349,573	366,372

P&L GAAP

	FYQ1 '14	FYQ2 '14	FYQ3 '14	FYQ4 '14	FYQ1 '15	FYQ2 '15	FYQ3 '15	FYQ4 '15	FYQ1 '16	FYQ2 '16	FYQ3 '16	FY 2013	FY 2014	FY 2015
Revenues	30,515	27,569	30,560	44,573	66,969	73,290	86,399	98,420	115,054	124,832	125,205	79,035	133,217	325,078
Cost of revenues	26,457	24,609	24,331	35,849	52,939	57,509	62,698	70,149	81,527	86,250	84,471	74,626	111,246	243,295
Gross profit	4,058	2,960	6,229	8,724	14,030	15,781	23,701	28,271	33,527	38,582	40,734	4,409	21,971	81,783
Gross Margin %	13.3%	10.7%	20.4%	19.6%	20.9%	21.5%	27.4%	28.7%	29.1%	30.9%	32.5%	5.6%	16.5%	25.2%
Operating expenses:														
Research and development, net	4,136	4,686	4,864	4,570	5,059	4,768	5,490	6,701	6,991	8,299	8,709	15,823	18,256	22,018
Sales and marketing	3,657	4,123	4,592	5,420	5,461	5,658	6,422	7,432	8,244	8,833	8,826	12,784	17,792	24,973
General and administrative	792	1,010	1,318	1,174	1,159	1,121	1,990	2,265	3,418	2,188	3,460	3,262	4,294	6,535
Total operating expenses	8,585	9,819	10,774	11,164	11,679	11,547	13,902	16,398	18,653	19,320	20,995	31,869	40,342	53,526
Operating income (loss)	(4,527)	(6,859)	(4,545)	(2,440)	2,351	4,234	9,799	11,873	14,874	19,262	19,739	(27,460)	(18,371)	28,257
Financial expenses (Income)	777	914	626	470	(516)	458	3,436	1,699	72	959	(2,029)	612	2,787	5,077
Other expenses	----	----	----	----	----	----	----	104	----	----	----	----	----	104
Profit (Loss) before taxes on income	(5,304)	(7,773)	(5,171)	(2,910)	2,867	3,776	6,363	10,070	14,802	18,303	21,768	(28,072)	(21,158)	23,076
Taxes on income (tax benefit)	7	14	67	132	347	401	398	809	370	(5,802)	969	108	220	1,955
Net (Profit) loss	(5,311)	(7,787)	(5,238)	(3,042)	2,520	3,375	5,965	9,261	14,432	24,105	20,799	(28,180)	(21,378)	21,121

Cash Flow

\$,000	3 Months ended				
	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16
Cash flows from operating activities:					
Net income	5,965	9,261	14,432	24,105	20,799
<u>Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:</u>					
Depreciation	544	606	738	891	972
Amortization of intangible assets	----	----	21	21	21
Amortization of premiums on available-for-sale marketable securities	----	----	----	35	174
Capital loss from disposal of property	----	104	----	----	----
Interest expenses related to short term bank loan	656	----	----	----	----
Stock-based compensation related to employee stock options	970	1,206	1,832	2,225	2,632
Deferred income tax benefit	----	----	----	(6,527)	(100)
Realized losses on Cash Flow Hedges	----	----	1	(3)	2
Financial expenses, net related to term loan	(992)	----	----	----	----
Remeasurement of warrants to purchase convertible preferred stock	1,800	3,285	----	----	----
<u>Changes in assets and liabilities:</u>					
Inventories	(16,943)	(9,436)	(5,956)	(7,496)	2,006
Prepaid expenses and other accounts receivable	(1,527)	(7,365)	11,811	(5,307)	6,682
Trade receivables, net	(20,074)	9,660	(11,928)	660	(9,413)
Trade payables	8,798	1,508	(13,500)	(5,201)	(16,853)
Employees and payroll accruals	522	785	1,044	5,029	(556)
Warranty obligations	3,602	3,980	4,025	4,990	5,765
Deferred revenues	422	1,873	1,970	1,476	2,496
Accrued expenses and other accounts payable	970	(204)	1,467	(1,740)	770
Lease incentive obligation	2,243	426	(11)	(54)	(55)
Net cash provided by (used in) operating activities	(13,044)	15,689	5,946	13,104	15,342
Cash flows from investing activities:					
Purchase of property and equipment	(5,121)	(3,511)	(3,292)	(2,344)	(5,909)
Purchase of intangible assets	----	----	(800)	----	----
Decrease (increase) in restricted cash	(166)	(65)	51	171	2,473
Increase (decrease) in long-term lease deposit	7	(110)	73	(36)	(14)
Investment in available-for-sale marketable securities	----	----	----	(52,860)	(36,023)
Sale of available-for-sale marketable securities	----	----	----	----	1,000
Net cash used in investing activities	(5,280)	(3,686)	(3,968)	(55,069)	(38,473)
Cash flows from financing activities:					
Proceeds from short term bank loan	17,000	----	----	----	----
Repayment of short term bank loan	(17,000)	----	----	----	----
Repayments of term loan	(4,341)	----	----	----	----
Proceeds from issuance of Convertible Preferred stock, net	145,063	----	----	----	----
Issuance costs	(10,952)	(2,542)	----	----	----
Proceeds from exercise of employee stock options	30	38	17	1,455	1,167
Net cash provided by (used in) financing activities	129,800	(2,504)	17	1,455	1,167
Increase (decrease) in cash and cash equivalents	111,476	9,499	1,995	(40,510)	(21,964)
Cash and cash equivalents at the beginning of the period	23,774	135,204	144,750	146,729	106,150
Cash (erosion) due to exchange rate differences	(46)	47	(16)	(69)	(116)
Cash and cash equivalents at the end of the period	135,204	144,750	146,729	106,150	84,070