

## Operational Metrics - GAAP

KPI's \$,000	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	'12 months ended, Dec 31		
									2018	2019	2020
Revenues	271,871	325,010	410,556	418,223	431,218	331,851	338,095	358,107	937,237	1,425,660	1,459,271
% Y/Y	29.5%	43.1%	73.5%	58.6%	58.6%	2.1%	-17.6%	-14.4%	54.4%	52.1%	2.4%
% Q/Q	3.1%	19.5%	26.3%	1.9%	3.1%	-23.0%	1.9%	5.9%			
Gross profit	86,110	110,670	139,309	143,249	140,008	102,963	108,063	110,325	319,236	479,338	461,359
% Y/Y	8.2%	35.1%	78.6%	79.7%	62.6%	-7.0%	-22.4%	-23.0%	48.6%	50.2%	-3.8%
% Q/Q	8.0%	28.5%	25.9%	2.8%	-2.3%	-26.5%	5.0%	2.1%			
Gross margin	31.7%	34.1%	33.9%	34.3%	32.5%	31.0%	32.0%	30.8%	34.1%	33.6%	31.6%
% Y/Y	-16.5%	-5.6%	2.9%	13.3%	2.5%	-8.9%	-5.8%	-10.1%	-3.7%	-1.3%	-6.0%
% Q/Q	4.8%	7.5%	-0.4%	0.9%	-5.2%	-4.4%	3.0%	-3.6%			
Operating income	28,048	45,353	66,017	50,528	67,775	29,965	30,394	14,427	139,420	189,946	142,561
% Y/Y	-31.2%	11.5%	94.0%	110.9%	141.6%	-33.9%	-54.0%	-71.4%	53.1%	36.2%	-24.9%
% Q/Q	17.1%	61.7%	45.6%	-23.5%	34.1%	-55.8%	1.4%	-52.5%			
Net income	19,016	33,128	41,627	52,778	42,248	36,668	43,751	17,655	128,833	146,549	140,322
% Y/Y	-46.7%	-4.2%	-8.8%	308.0%	122.2%	10.7%	5.1%	-66.5%	53.1%	13.8%	-4.2%
% Q/Q	47.0%	74.2%	25.7%	26.8%	-20.0%	-13.2%	19.3%	-59.6%			
Optimizer shipped (units)	3,029,102	3,730,519	4,587,380	4,454,377	5,060,391	3,515,906	3,271,787	3,614,078	11,351,678	15,801,378	15,462,162
Inverter shipped (units)	130,672	160,117	187,887	186,844	202,009	141,689	152,531	165,675	455,793	665,520	661,904
MW shipped (MW)	1,144	1,335	1,498	1,641	1,850	1,442	1,451	1,363	3,919	5,618	6,106

\* Certain prior period amounts have been reclassified to conform to the current period presentation

## Operational Metrics - NON GAAP

KPI's \$,000	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	12 months ended, Dec 31		
									2018	2019	2020
Revenues	271,871	325,010	410,556	418,223	431,218	331,851	338,095	358,107	937,237	1,425,660	1,459,271
% Y/Y	29.5%	43.1%	73.5%	58.6%	58.6%	2.1%	-17.6%	-14.4%	54.4%	52.1%	2.4%
% Q/Q	3.1%	19.5%	26.3%	1.9%	3.1%	-23.0%	1.9%	5.9%			
Gross profit	89,223	115,947	144,005	148,454	144,950	107,647	113,222	116,419	324,377	497,629	482,238
% Y/Y	10.8%	39.8%	81.1%	82.3%	62.5%	-7.2%	-21.4%	-21.6%	49.5%	53.4%	-3.1%
% Q/Q	9.6%	30.0%	24.2%	3.1%	-2.4%	-25.7%	5.2%	2.8%			
Gross margin	32.8%	35.7%	35.1%	35.5%	33.6%	32.4%	33.5%	32.5%	34.6%	34.9%	33.0%
% Y/Y	-14.5%	-2.3%	4.4%	14.9%	2.4%	-9.1%	-4.5%	-8.4%	-3.2%	0.9%	-5.3%
% Q/Q	6.3%	8.7%	-1.7%	1.2%	-5.3%	-3.5%	3.2%	-2.9%			
Operating income	41,203	61,038	89,219	85,310	78,647	46,577	50,044	43,489	174,304	276,770	218,757
% Y/Y	-13.5%	27.7%	109.8%	134.6%	90.9%	-23.7%	-43.9%	-49.0%	60.4%	58.8%	-21.0%
% Q/Q	13.3%	48.1%	46.2%	-4.4%	-7.8%	-40.8%	7.4%	-13.1%			
Net income	32,931	49,253	63,621	87,419	50,661	52,136	65,882	55,733	157,289	233,224	224,412
% Y/Y	-22.6%	21.4%	49.0%	177.7%	53.8%	5.9%	3.6%	-36.2%	36.8%	48.3%	-3.8%
% Q/Q	4.6%	49.6%	29.2%	37.4%	-42.0%	2.9%	26.4%	-15.4%			
Optimizer shipped (units)	3,029,102	3,730,519	4,587,380	4,454,377	5,060,391	3,515,906	3,271,787	3,614,078	11,351,678	15,801,378	15,462,162
Inverter shipped (units)	130,672	160,117	187,887	186,844	202,009	141,689	152,531	165,675	455,793	665,520	661,904
MW shipped (MW)	1,144	1,335	1,498	1,641	1,850	1,442	1,451	1,363	3,919	5,618	6,106

\* Certain prior period amounts have been reclassified to conform to the current period presentation

## MW Shipped

MW Shipped	2017	2018	2019	2020
Total MW	2,461	3,919	5,618	6,106
Residential	1,657	2,263	3,280	3,170
Commercial	803	1,657	2,339	2,936
% of Total	100%	100%	100%	100%
Residential	67%	58%	58%	52%
Commercial	33%	42%	42%	48%

MW Shipped	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
Total MW	1,144	1,335	1,498	1,641	1,850	1,442	1,451	1,363
Residential	641	744	955	940	1,027	637	708	798
Commercial	503	591	543	701	823	805	743	566
% of Total	100%	100%	100%	100%	100%	100%	100%	100%
Residential	56%	56%	64%	57%	56%	44%	49%	59%
Commercial	44%	44%	36%	43%	44%	56%	51%	41%

## Regional MW shipped

	2017	2018	2019	2020
North America	1,322	1,887	2,260	2,276
Europe	862	1,368	2,513	2,690
ROW	277	664	845	1,139
	2,461	3,919	5,618	6,106

	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
North America	429	441	602	788	926	403	490	457
Europe	510	663	721	620	641	748	708	594
ROW	205	231	175	234	283	290	254	312
	1,144	1,335	1,498	1,641	1,850	1,442	1,451	1,363

## Balance Sheet - Assets

\$,000	Mar 31 2019	June 30 2019	Sep 30 2019	Dec 31 2019	Mar 31 2020	June 30 2020	Sep 30 2020	Dec 31 2020
<b>Current Assets:</b>								
Cash and cash equivalents	226,478	176,575	247,342	223,901	324,072	428,372	1,048,109	827,146
Short-term bank deposits	6,057	5,961	5,769	5,010	8,085	3,432	20,011	60,096
Restricted bank deposits	1,055	1,060	1,600	27,558	27,515	2,135	2,242	2,611
Marketable securities	107,064	109,610	85,343	91,845	95,143	113,032	110,585	143,687
Trade receivables, net	187,496	237,804	292,232	298,383	235,673	181,700	183,141	218,706
Prepaid expenses and other current assets	37,828	50,642	68,234	115,268	66,874	79,867	83,866	135,399
Inventories, net	150,798	148,892	134,283	170,798	198,557	264,460	297,027	331,696
<b>Total Current Assets</b>	<b>716,776</b>	<b>730,544</b>	<b>834,803</b>	<b>932,763</b>	<b>955,919</b>	<b>1,072,998</b>	<b>1,744,981</b>	<b>1,719,341</b>
<b>Long Term Assets:</b>								
Marketable securities	57,252	79,616	92,871	119,176	103,863	45,684	21,003	147,434
Operating lease right-of-use assets, net	30,839	36,788	34,601	35,858	37,896	36,951	36,965	41,600
Property, plant and equipment, net	132,988	140,200	149,675	176,963	195,982	226,416	257,717	303,408
Deferred tax assets, net	14,589	14,751	17,180	16,298	17,095	19,121	10,678	11,676
Intangible assets, net and goodwill	211,420	211,340	200,795	203,662	194,631	196,490	201,343	208,297
Other long term assets	13,060	8,455	7,667	9,904	8,454	8,166	5,609	5,353
<b>Total Long Term Assets</b>	<b>460,148</b>	<b>491,150</b>	<b>502,789</b>	<b>561,861</b>	<b>557,921</b>	<b>532,828</b>	<b>533,315</b>	<b>717,768</b>
<b>Total Assets</b>	<b>1,176,923</b>	<b>1,221,694</b>	<b>1,337,592</b>	<b>1,494,624</b>	<b>1,513,840</b>	<b>1,605,826</b>	<b>2,278,296</b>	<b>2,437,109</b>

\* Certain prior period amounts have been reclassified to conform to the current period presentation

## Balance Sheet - Liabilities and Equity

\$,000	Mar 31 2019	June 30 2019	Sep 30 2019	Dec 31 2019	Mar 31 2020	June 30 2020	Sep 30 2020	Dec 31 2020
<b>Current Liabilities:</b>								
Trade payables, net	90,190	116,795	132,230	157,148	139,138	158,264	122,106	162,051
Employees and payroll accruals	31,524	34,555	44,386	47,390	58,894	48,764	50,814	63,738
Current maturities of bank loans and accrued interest	17,233	16,454	16,912	15,673	15,048	15,256	15,642	16,894
Warranty obligations	35,229	38,819	45,887	65,112	70,158	68,674	65,080	62,614
Deferred revenues and customers advances	13,527	15,708	15,006	70,815	30,706	25,625	27,267	24,648
Accrued expenses and other current liabilities	60,369	71,447	80,986	80,576	75,737	88,482	101,628	106,154
<b>Total Current Liabilities</b>	<b>248,072</b>	<b>293,778</b>	<b>335,407</b>	<b>436,714</b>	<b>389,681</b>	<b>405,065</b>	<b>382,537</b>	<b>436,099</b>
<b>Long Term Liabilities:</b>								
Bank loans	7,029	5,519	4,055	173	----	----	----	1,383
Convertible senior notes, net	----	----	----	----	----	----	570,332	573,350
Warranty obligations	101,517	111,819	125,467	107,451	116,099	124,010	130,614	142,380
Deferred revenues	66,037	73,796	81,934	89,982	98,134	103,181	109,439	115,372
Operating lease liabilities	24,790	30,009	29,117	30,213	30,336	29,991	29,442	35,194
Finance lease	----	----	----	----	----	----	----	26,173
Deferred tax liabilities, net	8,544	8,663	7,762	4,461	2,202	1,112	5,195	8,593
Other long term liabilities	23,417	18,062	16,662	13,960	10,970	17,666	18,700	12,808
<b>Total Long Term Liabilities</b>	<b>231,334</b>	<b>247,868</b>	<b>264,997</b>	<b>246,240</b>	<b>257,741</b>	<b>275,960</b>	<b>863,722</b>	<b>915,253</b>
<b>Stockholders' Equity:</b>								
Common stock	5	5	5	5	5	5	5	5
Additional paid-in capital	417,385	431,684	450,459	475,792	491,873	511,640	574,326	603,891
Accumulated other comprehensive income (loss)	(1,220)	(895)	(3,356)	(1,809)	(5,390)	(3,442)	(2,643)	3,857
Retained earnings	210,149	243,277	284,904	337,682	379,930	416,598	460,349	478,004
<b>Total stockholders' equity</b>	<b>626,319</b>	<b>674,071</b>	<b>732,012</b>	<b>811,670</b>	<b>866,418</b>	<b>924,801</b>	<b>1,032,037</b>	<b>1,085,757</b>
<b>Non-Controlling interests</b>	<b>71,198</b>	<b>5,977</b>	<b>5,176</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>
<b>Total liabilities and stockholders' equity</b>	<b>1,176,923</b>	<b>1,221,694</b>	<b>1,337,592</b>	<b>1,494,624</b>	<b>1,513,840</b>	<b>1,605,826</b>	<b>2,278,296</b>	<b>2,437,109</b>

\* Certain prior period amounts have been reclassified to conform to the current period presentation

## P&L GAAP

\$,000									12 months ended, Dec. 31		
	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	2018	2019	2020
<b>Revenues</b>	271,871	325,010	410,556	418,223	431,218	331,851	338,095	358,107	937,237	1,425,660	1,459,271
Cost of revenues	185,761	214,340	271,247	274,974	291,210	228,888	230,032	247,782	618,001	946,322	997,912
<b>Gross profit</b>	<u>86,110</u>	<u>110,670</u>	<u>139,309</u>	<u>143,249</u>	<u>140,008</u>	<u>102,963</u>	<u>108,063</u>	<u>110,325</u>	<u>319,236</u>	<u>479,338</u>	<u>461,359</u>
Gross margin %	31.7%	34.1%	33.9%	34.3%	32.5%	31.0%	32.0%	30.8%	34.1%	33.6%	31.6%
<b>Operating expenses:</b>											
Research and development	26,199	29,505	30,747	34,900	36,695	38,098	40,817	47,513	82,245	121,351	163,123
Sales and marketing	20,172	22,127	22,026	23,659	24,253	20,936	21,924	28,872	68,307	87,984	95,985
General and administrative	11,691	13,685	12,214	11,771	16,185	13,964	14,928	18,042	29,264	49,361	63,119
Other operating expenses (income)	----	----	8,305	22,391	(4,900)	----	----	1,471	----	30,696	(3,429)
<b>Total operating expenses</b>	<u>58,062</u>	<u>65,317</u>	<u>73,292</u>	<u>92,721</u>	<u>72,233</u>	<u>72,998</u>	<u>77,669</u>	<u>95,898</u>	<u>179,816</u>	<u>289,392</u>	<u>318,798</u>
<b>Operating income</b>	<u>28,048</u>	<u>45,353</u>	<u>66,017</u>	<u>50,528</u>	<u>67,775</u>	<u>29,965</u>	<u>30,394</u>	<u>14,427</u>	<u>139,420</u>	<u>189,946</u>	<u>142,561</u>
Financial income (expenses), net	(6,151)	773	(17,023)	11,058	(16,605)	11,565	15,765	10,380	(2,297)	(11,343)	21,105
<b>Income before income taxes</b>	<u>21,897</u>	<u>46,126</u>	<u>48,994</u>	<u>61,586</u>	<u>51,170</u>	<u>41,530</u>	<u>46,159</u>	<u>24,807</u>	<u>137,123</u>	<u>178,603</u>	<u>163,666</u>
Income taxes (tax benefit)	3,922	13,213	7,270	9,241	8,922	4,862	2,408	7,152	9,077	33,646	23,344
<b>Net income</b>	<u>17,975</u>	<u>32,913</u>	<u>41,724</u>	<u>52,345</u>	<u>42,248</u>	<u>36,668</u>	<u>43,751</u>	<u>17,655</u>	<u>128,046</u>	<u>144,957</u>	<u>140,322</u>
Net loss (income) attributable to Non-controlling interests	1,041	215	(97)	433	----	----	----	----	787	1,592	----
<b>SolarEdge net income</b>	<u>19,016</u>	<u>33,128</u>	<u>41,627</u>	<u>52,778</u>	<u>42,248</u>	<u>36,668</u>	<u>43,751</u>	<u>17,655</u>	<u>128,833</u>	<u>146,549</u>	<u>140,322</u>

\* Certain prior period amounts have been reclassified to conform to the current period presentation

## Cash Flow

\$,000	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
Net cash provided by operating activities	56,450	50,784	68,700	83,066	96,635	69,759	29,307	26,954
Net cash provided by (used in) in investing activities	(17,045)	(35,176)	(6,176)	(94,456)	(19,924)	46,800	(26,177)	(237,336)
Net cash provided by (used in) financing activities	(2,630)	(64,755)	(922)	(4,714)	14,425	(4,768)	627,384	3,443
Increase (decrease) in cash and cash equivalents	36,775	(49,147)	61,602	(16,104)	91,136	111,791	630,514	(206,939)
Cash and cash equivalents at the beginning of the period	187,764	226,478	176,575	247,342	223,901	324,072	428,372	1,048,109
Effect of exchange rate differences on cash and cash equivalents	1,939	(756)	9,165	(7,337)	9,035	(7,491)	(10,777)	(14,024)
Cash and cash equivalents at EOQ	226,478	176,575	247,342	223,901	324,072	428,372	1,048,109	827,146

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