

Operational Metrics - GAAP

KPI's \$,000	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	12 months ended, Dec 31		
									2018	2019	2020
Revenues	410,556	418,223	431,218	331,851	338,095	358,107	405,489	480,057	937,237	1,425,660	1,459,271
% Y/Y	73.5%	58.6%	58.6%	2.1%	-17.6%	-14.4%	-6.0%	44.7%	54.4%	52.1%	2.4%
% Q/Q	26.3%	1.9%	3.1%	-23.0%	1.9%	5.9%	13.2%	18.4%			
Gross profit	139,309	143,249	140,008	102,963	108,063	110,325	140,074	156,192	319,236	479,338	461,359
% Y/Y	78.6%	79.7%	62.6%	-7.0%	-22.4%	-23.0%	0.0%	51.7%	48.6%	50.2%	-3.8%
% Q/Q	25.9%	2.8%	-2.3%	-26.5%	5.0%	2.1%	27.0%	11.5%			
Gross margin	33.9%	34.3%	32.5%	31.0%	32.0%	30.8%	34.5%	32.5%	34.1%	33.6%	31.6%
% Y/Y	2.9%	13.3%	2.5%	-8.9%	-5.8%	-10.1%	6.4%	4.9%	-3.7%	-1.3%	-6.0%
% Q/Q	-0.4%	0.9%	-5.2%	-4.4%	3.0%	-3.6%	12.1%	-5.8%			
Operating income	66,017	50,528	67,775	29,965	30,394	14,427	44,128	55,559	139,420	189,946	142,561
% Y/Y	94.0%	110.9%	141.6%	-33.9%	-54.0%	-71.4%	-34.9%	85.4%	53.1%	36.2%	-24.9%
% Q/Q	45.6%	-23.5%	34.1%	-55.8%	1.4%	-52.5%	205.9%	25.9%			
Net income	41,627	52,778	42,248	36,668	43,751	17,655	30,076	45,092	128,833	146,549	140,322
% Y/Y	-8.8%	308.0%	122.2%	10.7%	5.1%	-66.5%	-28.8%	23.0%	53.1%	13.8%	-4.2%
% Q/Q	25.7%	26.8%	-20.0%	-13.2%	19.3%	-59.6%	70.4%	49.9%			
Optimizer shipped (units)	4,587,380	4,454,377	5,060,391	3,515,906	3,271,787	3,614,078	3,734,790	5,011,290	11,351,678	15,801,378	15,462,162
Inverter shipped (units)	187,887	186,844	202,009	141,689	152,531	165,675	181,905	179,546	455,793	665,520	661,904
MW shipped (MW)	1,498	1,641	1,850	1,442	1,451	1,363	1,691	1,643	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	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	12 months ended, Dec 31		
									2018	2019	2020
Revenues	410,556	418,223	431,218	331,851	338,095	358,107	405,403	479,958	937,237	1,425,660	1,459,271
% Y/Y	73.5%	58.6%	58.6%	2.1%	-17.6%	-14.4%	-6.0%	44.6%	54.4%	52.1%	2.4%
% Q/Q	26.3%	1.9%	3.1%	-23.0%	1.9%	5.9%	13.2%	18.4%			
Gross profit	144,005	148,454	144,950	107,647	113,222	116,419	148,090	162,785	324,377	497,629	482,238
% Y/Y	81.1%	82.3%	62.5%	-7.2%	-21.4%	-21.6%	2.2%	51.2%	49.5%	53.4%	-3.1%
% Q/Q	24.2%	3.1%	-2.4%	-25.7%	5.2%	2.8%	27.2%	9.9%			
Gross margin	35.1%	35.5%	33.6%	32.4%	33.5%	32.5%	36.5%	33.9%	34.6%	34.9%	33.0%
% Y/Y	4.4%	14.9%	2.4%	-9.1%	-4.5%	-8.4%	8.7%	4.6%	-3.2%	0.9%	-5.3%
% Q/Q	-1.7%	1.2%	-5.3%	-3.5%	3.2%	-2.9%	12.4%	-7.2%			
Operating income	89,219	85,310	78,647	46,577	50,044	43,489	71,911	81,306	174,304	276,770	218,757
% Y/Y	109.8%	134.6%	90.9%	-23.7%	-43.9%	-49.0%	-8.6%	74.6%	60.4%	58.8%	-21.0%
% Q/Q	46.2%	-4.4%	-7.8%	-40.8%	7.4%	-13.1%	65.4%	13.1%			
Net income	63,621	87,419	50,661	52,136	65,882	55,733	55,489	72,515	157,289	233,224	224,412
% Y/Y	49.0%	177.7%	53.8%	5.9%	3.6%	-36.2%	9.5%	39.1%	36.8%	48.3%	-3.8%
% Q/Q	29.2%	37.4%	-42.0%	2.9%	26.4%	-15.4%	-0.4%	30.7%			
Optimizer shipped (units)	4,587,380	4,454,377	5,060,391	3,515,906	3,271,787	3,614,078	3,734,790	5,011,290	11,351,678	15,801,378	15,462,162
Inverter shipped (units)	187,887	186,844	202,009	141,689	152,531	165,675	181,905	179,546	455,793	665,520	661,904
MW shipped (MW)	1,498	1,641	1,850	1,442	1,451	1,363	1,691	1,643	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	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21
Total MW	1,498	1,641	1,850	1,442	1,451	1,363	1,691	1,643
Residential	955	940	1,027	637	708	798	923	942
Commercial	543	701	823	805	743	566	768	702
% of Total	100%	100%	100%	100%	100%	100%	100%	100%
Residential	64%	57%	56%	44%	49%	59%	55%	57%
Commercial	36%	43%	44%	56%	51%	41%	45%	43%

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

	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21
North America	602	788	926	403	490	457	573	580
Europe	721	620	641	748	708	594	721	745
ROW	175	234	283	290	254	312	397	319
	1,498	1,641	1,850	1,442	1,451	1,363	1,691	1,643

Balance Sheet - Assets

\$,000	Sep 30 2019	Dec 31 2019	Mar 31 2020	June 30 2020	Sep 30 2020	Dec 31 2020	Mar 31 2021	Jun 30 2021
Current Assets:								
Cash and cash equivalents	247,342	223,901	324,072	428,372	1,048,109	827,146	685,157	524,112
Short-term bank deposits	5,769	5,010	8,085	3,432	20,011	60,096	43,626	13,562
Restricted bank deposits	1,600	27,558	27,515	2,135	2,242	2,611	2,509	2,504
Marketable securities	85,343	91,845	95,143	113,032	110,585	143,687	139,079	145,686
Trade receivables, net	292,232	298,383	235,673	181,700	183,141	218,706	271,713	343,652
Prepaid expenses and other current assets	68,234	115,268	66,874	79,867	83,866	135,399	102,985	137,480
Inventories, net	134,283	170,798	198,557	264,460	297,027	331,696	340,038	321,915
Total Current Assets	834,803	932,763	955,919	1,072,998	1,744,981	1,719,341	1,585,107	1,488,911
Long Term Assets:								
Marketable securities	92,871	119,176	103,863	45,684	21,003	147,434	294,828	457,362
Operating lease right-of-use assets, net	34,601	35,858	37,896	36,951	36,965	41,600	39,804	38,302
Property, plant and equipment, net	149,675	176,963	195,982	226,416	257,717	303,408	312,214	340,319
Deferred tax assets, net	17,180	16,298	17,095	19,121	10,678	11,676	17,353	19,962
Intangible assets, net and goodwill	200,795	203,662	194,631	196,490	201,343	208,297	198,816	197,836
Other long term assets	7,667	9,904	8,454	8,166	5,609	5,353	16,473	21,633
Total Long Term Assets	502,789	561,861	557,921	532,828	533,315	717,768	879,488	1,075,414
Total Assets	1,337,592	1,494,624	1,513,840	1,605,826	2,278,296	2,437,109	2,464,595	2,564,325

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

Balance Sheet - Liabilities and Equity

\$,000	Sep 30 2019	Dec 31 2019	Mar 31 2020	June 30 2020	Sep 30 2020	Dec 31 2020	Mar 31 2021	Jun 30 2021
Current Liabilities:								
Trade payables, net	132,230	157,148	139,138	158,264	122,106	162,051	122,063	141,174
Employees and payroll accruals	44,386	47,390	58,894	48,764	50,814	63,738	63,929	58,340
Current maturities of bank loans and accrued interest	16,912	15,673	15,048	15,256	15,642	16,894	16,215	139
Warranty obligations	45,887	65,112	70,158	68,674	65,080	62,614	63,443	64,855
Deferred revenues and customers advances	15,006	70,815	30,706	25,625	27,267	24,648	21,065	16,144
Accrued expenses and other current liabilities	80,986	80,576	75,737	88,482	101,628	106,154	111,011	118,933
Total Current Liabilities	335,407	436,714	389,681	405,065	382,537	436,099	397,726	399,585
Long Term Liabilities:								
Bank loans	4,055	173	----	----	----	1,383	1,300	1,294
Convertible senior notes, net	----	----	----	----	570,332	573,350	619,357	620,082
Warranty obligations	125,467	107,451	116,099	124,010	130,614	142,380	154,510	167,312
Deferred revenues	81,934	89,982	98,134	103,181	109,439	115,372	122,168	128,109
Operating lease liabilities	29,117	30,213	30,336	29,991	29,442	35,194	32,667	31,153
Finance lease	----	----	----	----	----	26,173	24,918	25,525
Deferred tax liabilities, net	7,762	4,461	2,202	1,112	5,195	8,593	----	----
Other long term liabilities	16,662	13,960	10,970	17,666	18,700	12,808	12,025	13,472
Total Long Term Liabilities	264,997	246,240	257,741	275,960	863,722	915,253	966,945	986,947
Stockholders' Equity:								
Common stock	5	5	5	5	5	5	5	5
Additional paid-in capital	450,459	475,792	491,873	511,640	574,326	603,891	595,716	625,268
Accumulated other comprehensive income (loss)	(3,356)	(1,809)	(5,390)	(3,442)	(2,643)	3,857	(6,761)	(3,536)
Retained earnings	284,904	337,682	379,930	416,598	460,349	478,004	510,964	556,056
Total stockholders' equity	732,012	811,670	866,418	924,801	1,032,037	1,085,757	1,099,924	1,177,793
Non-Controlling interests	5,176	----	----	----	----	----	----	----
Total liabilities and stockholders' equity	1,337,592	1,494,624	1,513,840	1,605,826	2,278,296	2,437,109	2,464,595	2,564,325

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

P&L GAAP

\$,000									12 months ended, Dec. 31		
	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	2018	2019	2020
Revenues	410,556	418,223	431,218	331,851	338,095	358,107	405,489	480,057	937,237	1,425,660	1,459,271
Cost of revenues	271,247	274,974	291,210	228,888	230,032	247,782	265,415	323,865	618,001	946,322	997,912
Gross profit	139,309	143,249	140,008	102,963	108,063	110,325	140,074	156,192	319,236	479,338	461,359
Gross margin %	33.9%	34.3%	32.5%	31.0%	32.0%	30.8%	34.5%	32.5%	34.1%	33.6%	31.6%
Operating expenses:											
Research and development	30,747	34,900	36,695	38,098	40,817	47,513	46,977	52,664	82,245	121,351	163,123
Sales and marketing	22,026	23,659	24,253	20,936	21,924	28,872	26,911	29,458	68,307	87,984	95,985
General and administrative	12,214	11,771	16,185	13,964	14,928	18,042	19,849	19,370	29,264	49,361	63,119
Other operating expenses (income)	8,305	22,391	(4,900)	----	----	1,471	2,209	(859)	----	30,696	(3,429)
Total operating expenses	73,292	92,721	72,233	72,998	77,669	95,898	95,946	100,633	179,816	289,392	318,798
Operating income	66,017	50,528	67,775	29,965	30,394	14,427	44,128	55,559	139,420	189,946	142,561
Financial income (expenses), net	(17,023)	11,058	(16,605)	11,565	15,765	10,380	(6,097)	(1,743)	(2,297)	(11,343)	21,105
Income before income taxes	48,994	61,586	51,170	41,530	46,159	24,807	38,031	53,816	137,123	178,603	163,666
Income taxes (tax benefit)	7,270	9,241	8,922	4,862	2,408	7,152	7,955	8,724	9,077	33,646	23,344
Net income	41,724	52,345	42,248	36,668	43,751	17,655	30,076	45,092	128,046	144,957	140,322
Net loss (income) attributable to Non-controlling interests	(97)	433	----	----	----	----	----	----	787	1,592	----
SolarEdge net income	41,627	52,778	42,248	36,668	43,751	17,655	30,076	45,092	128,833	146,549	140,322

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

Cash Flow

\$,000	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21
Net cash provided by operating activities	68,700	83,066	107,745	59,310	28,374	27,226	24,083	38,685
Net cash provided by (used in) in investing activities	(6,176)	(94,456)	(19,924)	46,800	(26,177)	(237,336)	(153,582)	(182,416)
Net cash provided by (used in) financing activities	(922)	(4,714)	3,315	5,681	628,317	3,171	(2,062)	(19,144)
Increase (decrease) in cash and cash equivalents	61,602	(16,104)	91,136	111,791	630,514	(206,939)	(131,561)	(162,875)
Cash and cash equivalents at the beginning of the period	176,575	247,342	223,901	324,072	428,372	1,048,109	827,146	685,157
Effect of exchange rate differences on cash and cash equivalents	9,165	(7,337)	9,035	(7,491)	(10,777)	(14,024)	(10,428)	1,830
Cash and cash equivalents at EOQ	247,342	223,901	324,072	428,372	1,048,109	827,146	685,157	524,112

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