



## Supplemental Operating Performance Information

August 4, 2020

All \$ figures in millions, except per share; other metrics specified below

Operating Metrics & Revenue Detail	Metric	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20
Shipments	Units, k	1,284	1,796	2,113	2,012	1,088
Shipments	MW (DC)	416	584	677	643	355
<b>Total Revenue</b>		<b>\$ 134.1</b>	<b>\$ 180.1</b>	<b>\$ 210.0</b>	<b>\$ 205.5</b>	<b>\$ 125.5</b>
Safe Harbor Revenue		-	8.0	36.4	44.5	-
<b>Revenue by Geography</b>						
United States		\$ 99.9	\$ 150.7	\$ 195.3	\$ 179.6	\$ 100.8
International		34.2	29.4	14.7	25.9	24.7
<b>Supplementary Income Statement Information</b>		<b>Q2'19</b>	<b>Q3'19</b>	<b>Q4'19</b>	<b>Q1'20</b>	<b>Q2'20</b>
<b>Gross Profit (GAAP)</b>		<b>\$ 45.3</b>	<b>\$ 64.7</b>	<b>\$ 77.9</b>	<b>\$ 80.7</b>	<b>\$ 48.4</b>
Stock-based Compensation		0.4	0.5	0.5	0.6	1.3
<b>Gross Profit (Non-GAAP)</b>		<b>\$ 45.7</b>	<b>\$ 65.2</b>	<b>\$ 78.4</b>	<b>\$ 81.3</b>	<b>\$ 49.7</b>
<b>Gross Margin (GAAP)</b>		<b>33.8%</b>	<b>35.9%</b>	<b>37.1%</b>	<b>39.2%</b>	<b>38.5%</b>
Stock-based Compensation		0.3%	0.3%	0.2%	0.3%	1.1%
<b>Gross Margin (Non-GAAP)</b>		<b>34.1%</b>	<b>36.2%</b>	<b>37.3%</b>	<b>39.5%</b>	<b>39.6%</b>
<b>Income from Operations (GAAP)</b>		<b>\$ 17.4</b>	<b>\$ 33.7</b>	<b>\$ 44.4</b>	<b>\$ 44.7</b>	<b>\$ 10.9</b>
Stock-based Compensation		4.6	5.4	6.2	7.5	12.3
Restructuring & Asset Impairment Charges		0.6	0.5	1.1	-	-
Acquisition Related Expenses & Amortization		0.6	0.6	0.6	0.6	0.5
<b>Income from Operations (Non-GAAP)</b>		<b>\$ 23.2</b>	<b>\$ 40.2</b>	<b>\$ 52.3</b>	<b>\$ 52.8</b>	<b>\$ 23.7</b>
<b>Income from Operations (Non-GAAP) Margin</b>		<b>17.3%</b>	<b>22.3%</b>	<b>24.9%</b>	<b>25.7%</b>	<b>18.9%</b>
<b>Income Tax Benefit (Provision) (GAAP)</b>		<b>\$ (0.6)</b>	<b>\$ (0.3)</b>	<b>\$ 72.2</b>	<b>\$ 11.9</b>	<b>\$ 6.6</b>
Non-GAAP Income Tax Adjustment		-	-	(74.4)	(12.5)	(7.1)
<b>Income Tax Benefit (Provision) (Non-GAAP)</b>		<b>\$ (0.6)</b>	<b>\$ (0.3)</b>	<b>\$ (2.1)</b>	<b>\$ (0.6)</b>	<b>\$ (0.5)</b>
<b>Net Income (GAAP)</b>		<b>\$ 10.6</b>	<b>\$ 31.1</b>	<b>\$ 116.7</b>	<b>\$ 68.9</b>	<b>\$ (47.3)</b>
Stock-based Compensation		4.6	5.4	6.2	7.5	12.3
Restructuring & Asset Impairment Charges		0.6	0.5	1.1	-	-
Acquisition Related Expenses & Amortization		0.6	0.6	0.6	0.6	0.5
Non-Recurring Debt Prepayment Fees & Non-Cash Interest		6.8	1.9	1.9	2.7	5.4
Change in Fair Value of Derivatives		-	-	-	(15.3)	59.7
Non-GAAP Income Tax Adjustment		-	-	(74.4)	(12.5)	(7.1)
<b>Net Income (Non-GAAP)</b>		<b>\$ 23.2</b>	<b>\$ 39.5</b>	<b>\$ 52.0</b>	<b>\$ 51.9</b>	<b>\$ 23.5</b>
<b>Weighted Avg Basic Shares Outstanding (GAAP)</b>	<i>000s</i>	<b>113,677</b>	<b>122,123</b>	<b>122,630</b>	<b>123,531</b>	<b>125,603</b>
RSU/PSU/Options		8,326	9,200	8,703	8,609	6,228
2023 Convert		8,734	900	900	900	900
2024 Convert + Warrants		-	1,388	639	5,064	6,716
Elimination of In-the-Money 2024 Convert Shares		-	(1,288)	(639)	(2,936)	(3,677)
<b>Weighted Avg Diluted Shares Outstanding (Non-GAAP)</b>	<i>000s</i>	<b>130,737</b>	<b>132,323</b>	<b>132,233</b>	<b>135,168</b>	<b>135,770</b>
<b>Net Income per Share, Diluted (GAAP)</b>		<b>\$ 0.08</b>	<b>\$ 0.23</b>	<b>\$ 0.88</b>	<b>\$ 0.50</b>	<b>\$ (0.38)</b>
<b>Net Income per Share, Diluted (Non-GAAP)</b>		<b>\$ 0.18</b>	<b>\$ 0.30</b>	<b>\$ 0.39</b>	<b>\$ 0.38</b>	<b>\$ 0.17</b>
<b>Supplementary Balance Sheet Information</b>		<b>Q2'19</b>	<b>Q3'19</b>	<b>Q4'19</b>	<b>Q1'20</b>	<b>Q2'20</b>
Cash and Cash Equivalents*		\$ 206.0	\$ 203.0	\$ 296.1	\$ 593.8	\$ 607.3
<b>Debt (GAAP)</b>		<b>\$ 102.9</b>	<b>\$ 104.1</b>	<b>\$ 105.5</b>	<b>\$ 395.8</b>	<b>\$ 355.5</b>
Add: Debt Discount and Issuance Cost		39.3	37.6	36.0	109.7	104.4
Less: Convertible Debt Derivative		-	-	-	(45.1)	-
<b>Debt (Non-GAAP)</b>		<b>\$ 142.2</b>	<b>\$ 141.7</b>	<b>\$ 141.5</b>	<b>\$ 460.4</b>	<b>\$ 459.9</b>
<b>Supplementary Cash Flow Information</b>		<b>Q2'19</b>	<b>Q3'19</b>	<b>Q4'19</b>	<b>Q1'20</b>	<b>Q2'20</b>
<b>Cash flow from Operations (GAAP)</b>		<b>\$ 14.8</b>	<b>\$ 5.0</b>	<b>\$ 102.3</b>	<b>\$ 39.2</b>	<b>\$ 25.4</b>
Less: Purchase of property and equipment		(2.5)	(4.2)	(7.4)	(3.4)	(4.4)
<b>Free Cash Flow (Non-GAAP)</b>		<b>\$ 12.3</b>	<b>\$ 0.8</b>	<b>\$ 94.9</b>	<b>\$ 35.8</b>	<b>\$ 21.0</b>

\* Quarter ended Q4'19 and Q1'20 Cash and cash equivalents include restricted cash of \$44.7 million

Guidance	Q3'20
<b>GAAP</b>	
Revenue	\$160 - \$175
Gross Margin	36% - 39%
Operating Expenses	\$41 - \$43
<b>Non-GAAP</b>	
Revenue	\$160 - \$175
Gross Margin	37% - 40%
Operating Expenses	\$28 - \$30

This supplemental information contains forward-looking statements, including statements related to Enphase Energy's expectations as to projected revenue, gross margin, and operating expenses. These forward-looking statements are based on the Company's current expectations and inherently involve significant risks and uncertainties. Enphase Energy's actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of certain risks and uncertainties including those risks described in more detail in the Company's most recent Annual Report on Form 10-K and other documents on file with the SEC and available on the SEC's website at [www.sec.gov](http://www.sec.gov). Enphase Energy undertakes no duty or obligation to update any forward-looking statements contained in this release as a result of new information, future events or changes in its expectations, except as required by law.