



Enphase Energy Closes \$40 Million in Financing

Financing Will Fund Expansion Plans and Further Strengthen
Company's Balance Sheet

Petaluma, Calif. – Mar. 30, 2010 – Enphase Energy, the leader in solar microinverter systems, today announced that it has secured \$40 million in funding, with Bay Partners leading the equity financing. This round of financing also includes participation from Horizon Technology Finance, Bridge Bank (NASDAQ:BBNK) and existing investors Third Point Ventures, RockPort Capital Partners, Madrone Capital Partners and Applied Ventures LLC.

"Enphase has captured significant market share in the inverter space in an extraordinarily short time frame. This financing will be used to fund our expansion plans and further strengthen our balance sheet," said Sanjeev Kumar, chief financial officer of Enphase Energy. "We are pleased to have the support of Bay Partners, Horizon Technology Finance, Bridge Bank and our existing investors, and their recognition that Enphase is poised to further accelerate this market share growth."

"Enphase has a remarkably driven management team, and an excellent track record of technology innovation. We're excited to invest in a company that is leading the transition in the inverter market from central to microinverters," said Sandesh Patnam, general partner at Bay Partners.

"Shipping 250,000 inverters in such a short period of time is a remarkable achievement for any company," said Greg Clark, Managing Director of Horizon Technology Finance. "This new round of financing will enable Enphase to continue this phenomenal growth."



"We look forward to providing a fast-growing company like Enphase with working capital," said Mike Lederman, Senior Vice President and Team Leader of Bridge Bank's Technology Banking Group in San Francisco. "Enphase's success thus far is a direct result of their ability to execute and we're excited to participate in their growth."

Recognized as the fastest growing inverter company in the U.S. in 2009, Enphase Energy continues to outperform the market having sold more than a quarter million microinverters since launch. Enphase Microinverter Systems provide more productive, reliable, safe and cost-effective solar energy than conventional approaches, for both small and large-scale systems.

The Enphase Microinverter System is the first and only commercially available microinverter system. It dramatically improves the economic model of solar energy, helping advance the adoption of residential and commercial solar power. Enphase integrates state-of-the-art microinverters and power-line communications with Web-based monitoring to create a new class of advanced solar energy solutions.

Enphase systems offer a number of advantages over traditional central inverters including a five-to 25-percent increase in energy yield, increased system reliability as well as a simpler and safer installation. Enphase products also remove design constraints by allowing modules to be installed in any combination of type, age and location. In addition, a proprietary communications technology is a key component of the Enphase Microinverter System, enabling continuous, remote, per-module monitoring to maximize energy production.

About Enphase

Enphase Energy provides solar energy management systems for residential and commercial markets. The company offers a system that includes high-efficiency microinverters, communications and Web-based monitoring and analysis. The systems increase energy harvest, improve system reliability and simplify design, installation and management. Founded in 2006 and



based in Northern California, the company is led by veterans from the solar and high-tech industries and backed by industry leaders. For more information about Enphase, please visit www.enphaseenergy.com.

About Bay Partners

Bay Partners, LLC is a leading venture capital firm located in Silicon Valley. The firm has been building successful technology companies since 1976, funding over 300 startups. Bay leverages the operating background of its partners and its extensive network of executives and advisors to help outstanding entrepreneurs create the leaders in new high-growth market segments. Notable successes from Bay's portfolio include Brocade, Concord Communications, Digital Island, Exodus, Sonicwall, Placeware, Informatica, Web Logic (BEA) and NetScaler. Bay has over \$1 billion under management. For more information, please visit www.baypartners.com.

About Horizon Technology Finance

Horizon Technology Finance Management LLC is a privately-held independent venture debt finance company that provides senior and subordinated venture debt financing solutions to venture capital-backed technology and life science companies through its affiliated investment finance company Compass Horizon Funding Company LLC. The Horizon team has provided over \$2 billion in financing to more than 750 venture capital-backed technology and life science companies over a span of 20 years. Horizon has offices in Farmington, CT and the San Francisco, CA area. For more information, please visit www.horizontechfinance.com

About Bridge Bank

Bridge Bank, N.A. is Silicon Valley's full-service professional business bank. The Bank is dedicated to meeting the financial needs of small, middle-market, and emerging technology businesses. Bridge Bank provides its clients with a comprehensive package of business banking solutions delivered through experienced, professional bankers. Visit Bridge Bank on the web at www.bridgebank.com. With a growing nationwide web of offices and a correspondent banking network that stretches worldwide, we serve venture-backed and non venture-backed companies from inception to IPO. Bridge Bank's product offering includes growth capital, equipment and working capital credit facilities and treasury management solutions, along with a full line of international products and services and financing secured by domestic, government and foreign receivables. In today's virtual world, virtually anywhere you do business; you can count on our responsive, personalized service.

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