Second Quarter 2018 Supplementary Slides

July 30, 2018

Safe Harbor Statement

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding: (a) our strategic goals and plans, and our ability to achieve them; (b) our plans to optimize our corporate structure, align into upstream and downstream business units and change our segment reporting, and the timing and impact of these initiatives on our financial performance and results of operations; (c) our expectations and plans regarding geographic, market, and product focus and our transition out of the power plants business; (d) our upstream and technology outlook, including expected ramp and production timelines for our next generation technology, fab utilization, expected cost reduction, and future performance, pricing, and margin; (e) our expectations regarding demand and pricing trends, market share, growth, pipeline, product adoption trends, profitability, margins, and financial performance in each of our business lines; (f) our plans to improve operational focus, cost structure, and transparency, enter into partnerships, simplify our modeling and valuation, and the impact of these initiatives on our financial and operational performance; (g) the planned sale of our lease portfolio, including expected timing, proceeds, and accounting treatment; (h) our proposed SolarWorld acquisition; (i) the planned sale of our microinverter business; (j) our third quarter fiscal 2018 guidance, including GAAP revenue, gross margin, and net loss, as well as non-GAAP revenue, gross margin, Adjusted EBITDA, and MW deployed; and (k) full year fiscal 2018 guidance, including GAAP and non-GAAP revenue, operational expenditures, Adjusted EBITDA, capital expenditures, and gigawatts deployed, and assumptions underlying such guidance, as well as expected year-over-year and 2019 improvement. These forward-looking statements are based on our current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: (1) competition in the solar and general energy industry and downward pressure on selling prices and wholesale energy pricing; (2) our liquidity, substantial indebtedness, and ability to obtain additional financing for our projects and customers; (3) changes in public policy, including the imposition and applicability of tariffs pursuant to the Section 201 trade action and the timing and outcome of the exemption process; (4) regulatory changes and the availability of economic incentives promoting use of solar energy; (5) challenges inherent in constructing certain of our large projects; (6) the success of our ongoing research and development efforts and our ability to commercialize new products and services, including products and services developed through strategic partnerships; (7) fluctuations in our operating results; (8) appropriately sizing our manufacturing capacity and containing manufacturing difficulties that could arise; (9) challenges managing our acquisitions, joint ventures and partnerships, including our ability to successfully close the SolarWorld acquisition and the sale of our microinverter business to Enphase; and (11) our ability to successfully implement actions to meet our cost reduction targets, reduce capital expenditures, and implement our restructuring initiatives, including plans to streamline our business and focus investment and realign our manufacturing operations and business segments. A detailed discussion of these factors and other risks that affect our business is included in filings we make with the Securities and Exchange Commission (SEC) from time to time, including our most recent reports on Form 10-K, particularly under the heading "Risk Factors." Copies of these filings are available online from the SEC or on the SEC Filings section of our Investor Relations website at investors.sunpower.com. All forward-looking statements in this presentation are based on information currently available to us, and we assume no obligation to update these forward-looking statements in light of new information or future events.

Key Q218 Themes

- **Solid Q218 execution / significant progress on strategic initiatives**

- **Growth drivers - continued focus on downstream DG business / NGT ramp**

- **New corporate structure / segmentation by Q119**

- **Enhancing shareholder value**

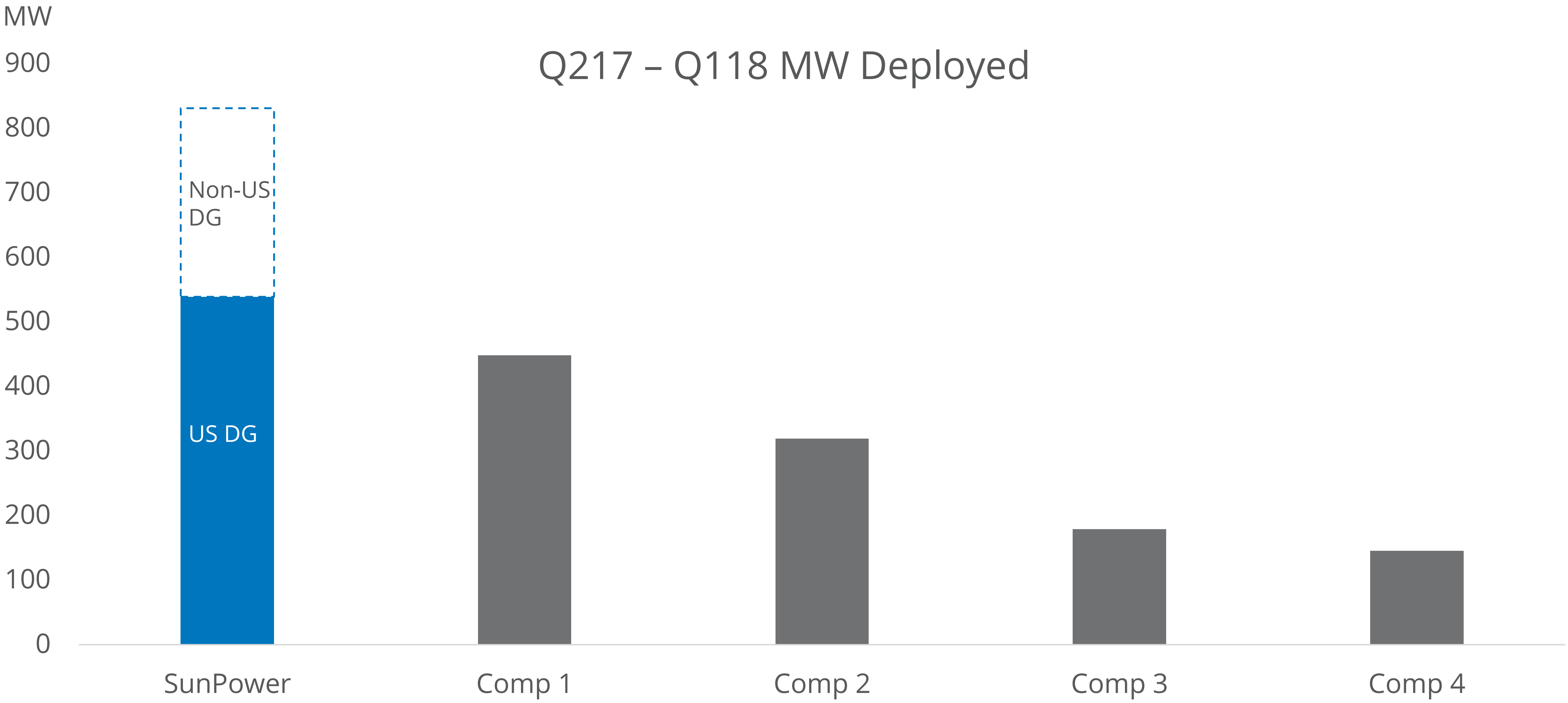
Q218 Highlights

- **Exceeded revenue, margin and Adjusted EBITDA targets**
- **Downstream - DG outperformance, global installs up 45% yoy**
  - US – resi up >15% yoy, C&I up >50% yoy / continued strength in Japan, EU, AUS
  - US commercial – expanding multi-site enterprise bookings (awarded >40MW from 2 Fortune 50 customers)
  - Increasing interest in storage - attach rate 35%
- **Upstream**
  - Record bookings quarter for SunPower Solutions – shipments up 37% sequentially
  - NGT cost, efficiency roadmaps ahead of plan / first silicon in Q2, volume production Q418
- **De-levered balance sheet / simplified business model**
  - Completed sale of 8point3 / announced sale of microinverter business
- **Strategic decision to move to new segmentation – by Q119**

Shifting Strategy to Focus on Global DG Segment

- **Power Plants**
  - Global PP demand sharply reduced due to China FIT policy change
  - ASPs for standard efficiency commodity panels under significant pressure
  - PPA rates steadily decreasing, driven by project scale and lowest cost-of-capital
  - **SPWR reducing exposure to PP market**
- **Distributed Generation**
  - Global DG demand forecasted to grow 40% by 2023.
  - High-efficiency panel technologies dominate premium segment of market
  - Customer economics driven by increasing retail electric rates and solar + storage solutions
  - **SPWR key focus - established presence / channels in all key markets / industry leading products.**

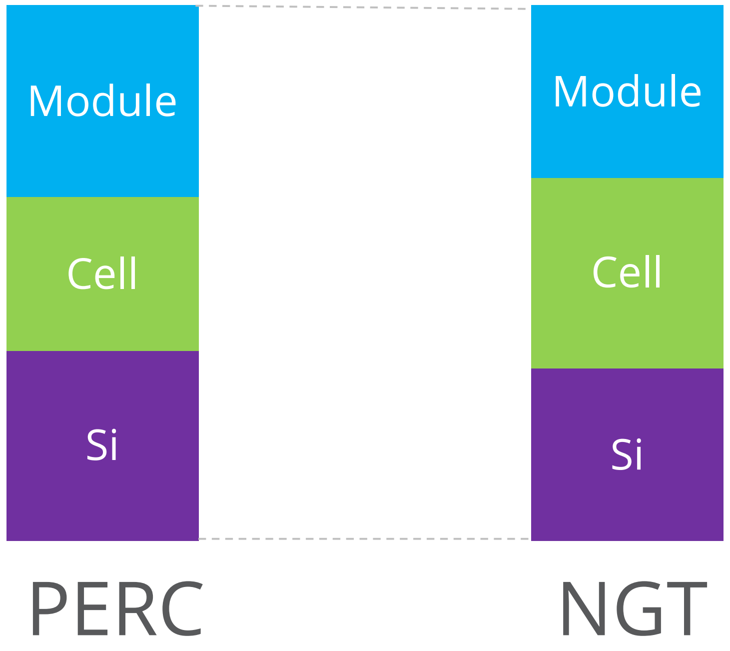
Global DG Deployments – SPWR vs. Top Competitors



Sources: Company announcements, GTM Research, SunPower estimates

NGT – Achieve 23%+ Panel Efficiency at Commodity Panel Cost

Higher solar cell efficiency leverages silicon wafer cost and module BOM



2020 Cost Structure

Key cost reduction drivers

- Larger wafers, more watts / cell
- Simplified process, reduced tool count
- Higher capacity tools
- Utilizes existing facilities (Fab 3)
- Efficiency leverages cost of wafer and BOM

Evolution of Corporate Structure

SunPower

Upstream

Manufacturing / SunPower Solutions

- Industry leading technology – IBC / P-Series
- NGT – 23%+ panel, competitive cost
- Global partnerships to drive scale
- SPS – significant global opportunity

Downstream - DG

U.S. Residential / C&I

- Market share leader – high margin business
- Largest operating fleet: >500K systems, 5 GW
- Complete solutions for roof, carport, ground
- Industry-leading solar + storage integration

- **Improves operational focus, cost structure and transparency**
- **Highlights value of each business – partnership opportunities**
- **Separates P+L responsibility for simpler modeling / valuation**
- **Reduces corporate overhead, improves cash flow and simplifies our model**

Driving Shareholder Value

- **Successfully scale NGT cell and panel technology**
  - Significant cost savings by 2020 / superior margins
  - Global DG opportunity through SPS / expand US residential, commercial footprint
- **Focus on DG growth opportunity**
  - Increase share of US DG market – strong margin profile, compelling long term market growth
  - Significant opportunity in storage (commercial / residential)
- **Execute on new segmentation / lean corporate**
  - Model simplification
  - Drive BU accountability / quicker decision-making processes
- **Improve cash flow / EBITDA growth**
  - Successfully execute on cost reduction initiatives
  - De-lever balance sheet / simplify company

Q218 Financial Overview

($ millions, except percentages and per share data)	Quarter Ending 7/1/18	Quarter Ending 4/1/18	Quarter Ending 7/2/17
Revenue (Non-GAAP)	**$447.1**	**$398.9**	**$341.5**
Power Plant	$108.6	$97.7	$79.9
Commercial	$133.3	$131.8	$105.8
Residential	$205.2	$169.4	$155.8
Gross Margin (Non-GAAP)	**11.7%**	**6.5%**	**12.2%**
Power Plant	-0.6%	(14.1%)	3.2%
Commercial	6.0%	6.3%	7.1%
Residential	21.8%	18.6%	20.3%
Non-GAAP Operating Expense	**$76.8**	**$76.3**	**$79.4**
Adjusted EBITDA	**$58.6**	**$32.3**	**$13.5**
Tax Rate (Non-GAAP)	**(21.2%)**	**(5.1%)**	**(2.8%)**
Net Income (Loss) – (GAAP)*	**($447.1)**	**($116.0)**	**($90.5)**
Net Income (Loss) – (Non-GAAP)	**($1.9)**	**($28.2)**	**($49.3)**
Diluted Wtg. Avg. Shares Out. (GAAP) *Diluted Wtg. Avg. Shares Out. (Non-GAAP)*	*140.9* *140.9*	*140.2* *140.2*	*139.4* *139.4*
Diluted EPS (GAAP)*	**($3.17)**	**($0.83)**	**($0.65)**
Diluted EPS (Non-GAAP)	**($0.01)**	**($0.20)**	**($0.35)**

*Q218 GAAP results include non-cash impairment charge of $369 million related to value of its legacy manufacturing assets and decision to change its segmentation structure by Q1 2019

Note: Information concerning non-GAAP measures, including non-GAAP to GAAP reconciliations, can be found in the press release available on the company's website.
Non-GAAP results exclude the impact of the company's above market, polysilicon contracts

Q2 Financial Highlights

- **Simplifying business model / improving liquidity**
  - Completed sale of 8point3 - $360m in merger proceeds / announced sale of microinverter business to Enphase
  - Sale of North American power plant development assets to be completed in Q318
- **Lean corporate and cost reduction initiatives**
  - New segmentation to accelerate BU decision making process
  - Supported through smaller corporate footprint - <$40m annual corporate expense run rate
- **Delevering and simplifying the balance sheet**
  - 400MW lease portfolio sale expected in 2H18 – first phase by end of Q3
  - Closed $75m construction revolver for C&I projects
- **Positive cash flow expected for 2H18**

Q3 2018 Financial Guidance

	Q3'18
GAAP Revenue	$425 to $475m
GAAP Gross Margin	(1.0)% to 1.0%
GAAP Net Income (Loss)	($215) to ($195)m
Non-GAAP Revenue	$450 to $500m
Non-GAAP Gross Margin	6% to 8%
Adjusted EBITDA	($10) to $10m
MW Deployed	400 to 430MW

- Q318 guidance does not include the impact for the company's proposed acquisition of SolarWorld Americas as well as the financial impact of timing differences related to it proposed asset sale transactions
- Q318 AE includes assumes an approximately $10m inventory charge related to its Q218 impairment of legacy manufacturing assets

FY 2018 Financial Guidance

	FY'18
GAAP Revenue	$1.6 - $2.0 billion
Non-GAAP Revenue	$1.8 - $2.2 billion
Non-GAAP Opex	<$290 million
Adjusted EBITDA	$95 - $125 million*
Capital Expenditures	~$100 million
GW Deployed	1.5 – 1.9 GW

Please see the press release dated July 30, 2018 for additional information regarding the company's fiscal year 2018 guidance
FY 2018 guidance does not include the impact from the company's proposed acquisition of SolarWorld Americas

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Q3 2018 Financial Guidance

	Q3'18
Residential MW Deployed	100 to 110 MW
Commercial MW Deployed	130 to 140 MW
Power Plant MW Deployed	165 to 180 MW
TOTAL MW Deployed	400 to 430 MW
TOTAL MW Recognized	360 to 390 MW

Residential Energy Systems

	Q2'18	Cumulative
MW Booked	22.5 MW	484.3 MW
MW Installed	24.6 MW	439.7 MW
MW Deployed	26 MW	462.4 MW
Nominal Contract Payments Added	$76 M	$1,840 M
Residential Energy Contracts Added	2,968	57,569
Average System Size	7.9kW	8.4kW

- Cumulative numbers were adjusted to exclude leased systems sold to 8point3 Energy Partners on June 24, 2015 and other sales:
  - Total MW: 53.86 MW
  - Lease count: 6,650
  - Net contract payments: $291.8 million.

Q2'18 Segment Reporting Reconciliation

(In thousands):	Three Months Ended July 1, 2018	Three Months Ended July 2, 2017
Adjusted EBITDA as reviewed by CODM		
Distributed Generation		
Residential	$ 63,527	$ 44,874
Commercial	2,663	3,004
Power Plant	2,214	4,006
Total Segment EBITDA as reviewed by CODM	$ 68,405	$ 51,884
Reconcilation to Consolidated Statements of Income (Loss)		
8point3	8,308	1,691
Utility and power plant projects	569	(3,147)
Sale-leaseback transactions	(4,187)	38
Impairment of property, plant and equipment	(369,168)	-
Impairment of lease assets	(50,360)	-
Cost of above-market polysilicon	(16,669)	(21,826)
Stock-based compensation expense	(6,643)	(8,606)
Amortization of intangible assets	(2,443)	(4,227)
Depreciation of idle equipment	-	-
Non-cash interest expense	(23)	(35)
Restructuring Expense	(3,504)	(4,969)
IPO-related costs	-	196
Equity in earnings of unconsolidated investees	13,415	(6,837)
Net Loss Attributable to Noncontrolling Interests	(36,726)	(19,062)
Cash interest expense, net of interest income	(21,509)	(19,886)
Depreciation	(36,983)	(40,917)
Corporate and Unallocated	(9,829)	(38,358)
Income (loss) before taxes & equity in earnings of unconsolidated investees	$ (467,347)	$ (114,061)

GAAP to Non-GAAP Guidance Reconciliation – Q3'18 / FY'18

1) Estimated non-GAAP amounts above for Q3 2018 include net adjustments that increase revenue by approximately $25 million related to sale-leaseback transactions. Estimated non-GAAP amounts above for fiscal 2018 include net adjustments that increase (decrease) revenue by approximately $210 million related to sale-leaseback transactions, $(8) million related to 8point3 tax indemnifications and $(2) million related to utility and power plant projects.

2) Estimated non-GAAP amounts above for Q3 2018 include net adjustments that increase (decrease) gross margin by approximately $2 million related to sale-leaseback transactions, $31 million related to cost of above-market polysilicon, $(4) million related to impairment of lease assets, $2 million related to stock-based compensation expense, and $1 million related to amortization of intangible assets.

3) Estimated Adjusted EBITDA amounts above for Q3 2018 include net adjustments that decrease net loss by approximately $5 million related to sale-leaseback transactions, $31 million related to cost of above-market polysilicon, $97 million related to impairment of lease assets, $7 million related to stock-based compensation expense, $26 million related to depreciation, $3 million related to amortization of intangible assets, $7 million related to restructuring, $24 million related to interest expense, and $5 million related to income taxes. Estimated non-GAAP amounts above for fiscal 2018 include net adjustments that decrease (increase) net loss by approximately $14 million related to sale-leaseback transactions, $(8) million related to 8point3 tax indemnifications, $(2) million related to utility and power plant projects, $364 million related to impairment of property, plant and equipment, $105 million related to cost of above-market polysilicon, $190 million related to impairment of lease assets, $32 million related to stock-based compensation expense, $110 million related to depreciation, $11 million related to amortization of intangible assets, $27 million related to restructuring, $93 million related to interest expense, and $19 million related to income taxes.

GAAP to Non-GAAP Reconciliation

(In thousands, except percentages and per share data)	GAAP	IFRS Adjustments			Impairment of property, plant and equipment	Impairment of residential lease assets	Cost of above-market polysilicon	Stock-based compensation expense	Amortization of intangible assets	Non-cash interest expense	Restructuring expense	Tax effect	Non-GAAP
		8point3	Utility and power plant projects	Sale-leaseback transactions									
Revenue	$ 449,097	(8,337)	(1,301)	7,695	-	-	-	-	-	-	-	-	$ 447,154
Cost of revenue	759,312	-	(732)	8,054	(355,106)	4,151	(16,669)	(1,627)	(2,443)	-	-	-	394,940
Gross profit/margin	(310,215)	(8,337)	(569)	(359)	355,106	(4,151)	16,669	1,627	2,443	-	-	-	52,214
Total OpEx	167,702	-	-	-	(14,062)	(68,269)	-	(5,016)	-	(23)	(3,504)	-	76,828
Operating loss	(477,917)	(8,337)	(569)	(359)	369,168	64,118	16,669	6,643	2,443	23	3,504	-	(24,614)
Other expense, net	10,570	-	-	4,546	-	-	-	-	-	-	-	-	15,116
Income (loss) before income taxes and equity in earnings of unconsolidated investees	(467,347)	(8,337)	(569)	4,187	369,168	64,118	16,669	6,643	2,443	23	3,504	-	(9,498)
Benefit from (provision for) income taxes	(3,081)	-	-	-	-	-	-	-	-	-	-	1,072	(2,009)
Equity in earnings (loss) of unconsolidated investees	(13,415)	29	-	-	-	-	-	-	-	-	-	-	(13,386)
Net loss	(483,843)	(8,308)	(569)	4,187	369,168	64,118	16,669	6,643	2,443	23	3,504	1,072	(24,893)
Net loss attributable to noncontrolling interests and redeemable noncontrolling interests	36,726	-	-	-	-	(13,758)	-	-	-	-	-	-	22,968
Net loss attributable to stockholders	$ (447,117)	(8,308)	(569)	4,187	369,168	50,360	16,669	6,643	2,443	23	3,504	1,072	$ (1,925)

Please see the company's earnings press release dated July 30, 2018 for additional information regarding the company's GAAP to non-GAAP reconciliations

GAAP to Non-GAAP Reconciliation

- 8point3. In 2015, 8point3 Energy Partners LP ("8point3 Energy Partners"), a joint YieldCo vehicle, was formed by the company and First Solar, Inc. ("First Solar" and, together with the company, the "Sponsors") to own, operate and acquire solar energy generation assets. Class A shares of 8point3 Energy Partners were formally listed on the NASDAQ Global Select Market under the trading symbol “CAFD.” Immediately after the IPO, the company contributed a portfolio of 170 MW of its solar generation assets (the “SPWR Projects”) to 8point3 Operating Company, LLC ("OpCo"), 8point3 Energy Partners' primary operating subsidiary. In exchange for the SPWR Projects, the company received cash proceeds as well as equity interests in several 8point3 Energy Partners affiliated entities: primarily common and subordinated units representing a 40.7% (since reduced to 36.5% via a secondary issuance of shares in fiscal 2016) stake in OpCo and a 50.0% economic and management stake in 8point3 Holding Company, LLC (“Holdings”), the parent company of the general partner of 8point3 Energy Partners and the owner of incentive distribution rights in OpCo. Holdings, OpCo, 8point3 Energy Partners and their respective subsidiaries are referred to herein as the “8point3 Group” or “8point3.”

  The company includes adjustments related to the sales of projects contributed to 8point3 previously based on the difference between the fair market value of the consideration received and the net carrying value of the projects contributed, of which, a portion is deferred in proportion to the company’s retained equity stake in 8point3. Prior to the adoption of ASC 606, these sales are recognized under either real estate, lease, or consolidation accounting guidance depending upon the nature of the individual asset contributed, with outcomes ranging from no, partial, or full profit recognition. The company adopted ASC 606 on January 1, 2018, using the full retrospective method, which required the company to restate each prior period presented. The company recorded a material amount of deferred profit associated with projects sold to 8point3 in 2015, the majority of which had previously been deferred under real estate accounting. Accordingly, the company's carrying value in the 8point3 materially increased upon adoption which required the company to evaluate its investment in 8point3 for other-than-temporary impairment ("OTTI"). In accordance with such evaluation, the company recognized a non-cash impairment charge on the 8point3 investment balance in the prior periods that were affected. On June 19, 2018, the company sold its equity interest in 8point3.

- Utility and power plant projects. The company includes adjustments related to the revenue recognition of certain utility and power plant projects based the ratio of costs incurred to date to the total estimated costs at completion of the performance obligations and, when relevant, the allocation of revenue and margin to the company’s project development efforts at the time of initial project sale. Prior to the adoption of ASC 606, such projects are accounted for under real estate accounting guidance, under which no separate allocation to the company’s project development efforts occurs and the amount of revenue and margin that is recognized may be limited in circumstances where the company has certain forms of continuing involvement in the project. Under ASC 606, such projects are accounted for when the customer obtains control of the promised goods or services which generally results in earlier recognition of revenue and profit than previous GAAP. Over the life of each project, cumulative revenue and gross profit will eventually be equivalent under both ASC 606 and non-GAAP once these projects are completed.

- Sale-leaseback transactions. The company includes adjustments primarily related to the revenue recognition on certain sale-leaseback transactions based on the net proceeds received from the buyer-lessor. Under GAAP, these transactions are accounted for under the financing method in accordance with real estate accounting guidance. Under such guidance, no revenue or profit is recognized at the inception of the transaction, and the net proceeds from the buyer-lessor are recorded as a financing liability. Imputed interest is recorded on the liability equal to the company’s incremental borrowing rate adjusted solely to prevent negative amortization.

GAAP to Non-GAAP Reconciliation

Other Non-GAAP Adjustments

- Impairment of property, plant, and equipment. In the second quarter of fiscal 2018, the Company announced its proposed plan to change the corporate structure into the Upstream business unit and Downstream business unit, and long-term strategy to replace interdigitated back contact technology to new generation technology. Accordingly, the Company expects to upgrade the equipment associated with our manufacturing operations for the production of NGT over the next several years. As a result of these events, the Company deemed it was necessary to evaluate the potential for impairment in its ability to recover the carrying amount of these asset groups. In accordance with such evaluation, the Company recognized a non-cash impairment charge on its property, plant and equipment. Such asset impairment is excluded from the Company's segment results as it is non-cash in nature and not reflective of ongoing segment results.
- Impairment of residential lease assets. In fiscal 2017, the company made the decision to sell its interest in the residential lease portfolio and as a result of this triggering event, determined it was necessary to evaluate the potential for impairment in its ability to recover the carrying amount of the residential lease portfolio. In accordance with such evaluation, the company recognized a non-cash impairment charge on its solar power systems leased and to be leased and an allowance for losses related financing receivables. In connection with the impairment loss, the carrying values of its solar power systems leased and to be leased were reduced which resulted in lower depreciation charges. Management believes that it is appropriate to exclude the impact of residential lease assets impairment and its corresponding depreciation savings from the company's non-GAAP financial measures as they are not reflective of ongoing operating results and do not contribute to a meaningful evaluation of a company's past operating performance
- Cost of above-market polysilicon. The company has entered in previous years into multiple long-term, fixed-price supply agreements to purchase polysilicon for periods of up to 10 years. The prices in these supply agreements, which incorporate a cash portion and a non-cash portion attributable to the amortization of prepayments made under the agreements, significantly exceed market prices. Additionally, in order to reduce inventory and improve working capital, the Company has periodically elected to sell polysilicon inventory in the marketplace at prices below the Company's purchase price, thereby incurring a loss. Management believes that it is appropriate to exclude the impact of its above-market cost of polysilicon, including the effect of above-market polysilicon on product costs, losses incurred on sales of polysilicon to third parties, and inventory reserves and project asset impairments from the company's non-GAAP financial measures as they are not reflective of ongoing operating results and do not contribute to a meaningful evaluation of a company's past operating performance.
- Stock-based compensation. Stock-based compensation relates primarily to the company's equity incentive awards. Stock-based compensation is a non-cash expense that is dependent on market forces that are difficult to predict. Management believes that this adjustment for stock-based compensation provides investors with a basis to measure the company's core performance, including compared with the performance of other companies, without the period-to-period variability created by stock-based compensation.
- Amortization of intangible assets. The company incurs amortization of intangible assets as a result of acquisitions, which includes patents, purchased technology, project pipeline assets, and in-process research and development. Management believes that it is appropriate to exclude these amortization charges from the company's non-GAAP financial measures as they arise from prior acquisitions, are not reflective of ongoing operating results, and do not contribute to a meaningful evaluation of a company's past operating performance.

GAAP to Non-GAAP Reconciliation

- Depreciation of idle equipment. In the fourth quarter of 2017, the company changed the deployment plan for its next generation of solar cell technology, which made certain then temporarily idle equipment obsolete, and therefore, the Company revised its depreciation estimates to reflect the use of the assets over its shortened useful life. Such asset depreciation is excluded from the company's non-GAAP financial measures as it is non-cash in nature and not reflective of ongoing operating results. Excluding this data provides investors with a basis to compare the company's performance against the performance of other companies without such charges.
- Non-cash interest expense. The company incurs non-cash interest expense related to the amortization of items such as original issuance discounts on its debt. The company excludes non-cash interest expense because the expense does not reflect its financial results in the period incurred. Management believes that this adjustment for non-cash interest expense provides investors with a basis to evaluate the company's performance, including compared with the performance of other companies, without non-cash interest expense.
- Restructuring expense. The company incurs restructuring expenses related to reorganization plans aimed towards realigning resources consistent with the company's global strategy and improving its overall operating efficiency and cost structure. Restructuring charges are excluded from non-GAAP financial measures because they are not considered core operating activities and such costs have historically occurred infrequently. Although the company has engaged in restructuring activities in the past, each has been a discrete event based on a unique set of business objectives. As such, management believes that it is appropriate to exclude restructuring charges from the company's non-GAAP financial measures as they are not reflective of ongoing operating results or contribute to a meaningful evaluation of a company's past operating performance.
- IPO-related costs. Costs incurred related to the IPO of 8point3 included legal, accounting, advisory, valuation, and other expenses, as well as modifications to or terminations of certain existing financing structures in preparation for the sale to 8point3. As these costs are non-recurring in nature, excluding this data provides investors with a basis to evaluate the company's performance, including compared with the performance of other companies, without similar impacts.
- Other. The company combines amounts previously disclosed under separate captions into "Other" when amounts do not have a significant impact on the presented fiscal periods. Management believes that these adjustments provide investors with a basis to evaluate the company's performance, including compared with the performance of other companies, without similar impacts.
- Tax effect. This amount is used to present each of the adjustments described above on an after-tax basis in connection with the presentation of non-GAAP net income (loss) and non-GAAP net income (loss) per diluted share. The company's non-GAAP tax amount is based on estimated cash tax expense and reserves. The company forecasts its annual cash tax liability and allocates the tax to each quarter in a manner generally consistent with its GAAP methodology. This approach is designed to enhance investors' ability to understand the impact of the company's tax expense on its current operations, provide improved modeling accuracy, and substantially reduce fluctuations caused by GAAP to non-GAAP adjustments, which may not reflect actual cash tax expense.
- Adjusted EBITDA adjustments. When calculating Adjusted EBITDA, in addition to adjustments described above, the company excludes the impact during the period of the following items:
  - Cash interest expense, net of interest income
  - Provision for (benefit from) income taxes
  - Depreciation

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July 30, 2018