



Sungevity® On The Move With \$125 Million In Funding

-- Increased Efficiencies to Smart, Scalable Model Enable Leading Residential Solar Firm to Attract Substantial Investment --

OAKLAND, Calif., Jan. 16, 2013 /PRNewswire/ -- Sungevity®, Inc., a recognized leader in the global residential solar market, today announced the completion of a series of venture capital and project financings, securing up to \$125 million to support the company's growth initiatives. The funding includes \$40 million in equity financings raised in 2012 led by Oakland-based impact investment fund, Brightpath Capital Partners, and home improvement retailer, Lowe's. New equity investors Vision Ridge Partners, Craton Equity Partners and Eastern Sun Capital Partners, LLC, also participated. The funding also includes a combined \$85 million in new project financing commitments from two parties – 1) Energy Capital Partners (ECP), one of the leading energy infrastructure-focused private equity firms with over \$7.5 billion in capital commitments and 2) a leading commercial bank. Sungevity's new project financings will be used to support the development of solar projects across the nine states the company currently services Arizona, California, Colorado, Connecticut, Delaware, Maryland, Massachusetts, New Jersey and New York. The company also has a presence in Europe through Netherlands-based, Zonline, and in Australia through a joint venture called Sungevity Australia.

"Our ability to attract substantial investment from a list of respected backers is a powerful vote of confidence in our highly scalable growth model and customer-centric approach to doing business," said Andrew Birch, Sungevity's Chief Executive Officer. "We believe this new funding will take us into the next phase of growth and allow us to deliver on our mission of building the world's most energized network of customers who power their lives with sunshine."

"Energy Capital is excited to partner with Sungevity to provide an innovative and flexible capital solution to efficiently finance its on-going solar installations," said Nazar Massouh, who leads ECP's energy-focused mezzanine investment activities. "Sungevity's unique customer acquisition approach, scalable business model and stable cash flow generated by its established customer base, is a natural fit for our diversified energy portfolio."

Sungevity's leadership focused on driving increased efficiencies into its business model in 2012, including the optimization of its Solar Social Strategy, which helped the company effectively attack the sector's common hurdle of high-cost customer acquisition. Key components of the strategy include partnerships with for-profit and non-profit organizations, including Lowe's, Credo Mobile and Sierra Club, as well as the development of proprietary software that provides Sungevity customers with the capability to easily refer friends and family. As a result of these efforts -- combined with the company's already-established success in providing current customers with exceptional service -- Sungevity now acquires the majority of new clients through referrals from existing customers and partners. The company also leverages Internet and satellite technology to circumvent the high overhead costs related to providing potential customers with pricing quotes, and it partners with a network of preferred local installers to offset staff-related installation costs. As a result, the company has reduced installation costs by 30% in 2012.

"While overshadowed by news in the solar manufacturing sector, the downstream market, particularly residential solar, continues to experience rapid growth," said Rob Davenport, Brightpath Capital's Managing Partner. "Sungevity's model has demonstrated cost advantages and margin expansion potential that are unique within the sector and we believe the company is positioned for sustained growth."

"Sungevity's focus on innovation and superior customer experience, combined with their streamlined business model and the residential sector's high growth potential, make it a compelling opportunity," said Reuben Munger , Founder and Managing Partner of Vision Ridge Partners, L.L.C.

"There is a chasm between the reality and perception of residential solar's rapid growth," said David Asarnow , Principal at Craton Equity Partners. "Our backing reflects our confidence that Sungevity's smart and uniquely low-cost model will lead the way across that chasm."

The \$125 million in funding follows a series of strategic achievements and significant growth, including doubling the number of annual installations every year since the company started, expanding to Australia (the company's second international market) and filling four executive positions in the third quarter of 2012. Operational milestones for Sungevity include:

- Introduction of the world's first Remote Solar Design technology and business process in 2008.
- An exclusive relationship and equity investment from Lowe's, the world's second largest home improvement retailer, in May 2011.
- Expansion into six Northeast states, bringing U.S. presence to nine states: Arizona, California, Colorado, Connecticut, Delaware, Maryland, Massachusetts, New Jersey and New York in July 2011.
- Becoming the first U.S. residential solar company to expand internationally through an equity stake in new Dutch solar company, Zonline, in November 2011.
- Further expansion overseas in April 2012 through a joint venture called Sungevity Australia that will provide Australian homeowners with the first ever pay-as-you-go solar option.
- Cutting installation costs by over 30% in 2012.
- Significantly reducing customer acquisition costs by successfully activating Solar Social Strategy in 2012.

ABOUT SUNGEVITY

Sungevity's online iQuote process and solar lease program make it easy and affordable for homeowners to benefit from solar power. Leveraging web-based solar analytics and satellite imagery, Sungevity can deliver a firm quote within 24 hours without a home visit and provide homeowners with immediate savings on their electricity bills. This affordability and ease of use, combined with Sungevity's Solar Social Strategy, is all part of Sungevity's mission to accelerate solar into the mainstream. Aligned with Sungevity's mission and values, the company is recognized as a B Corp, a new type of corporation that harnesses the power of private enterprise to create public benefit for all stakeholders, not just shareholders. Sungevity was recognized by B Corp as one of the "Best for the World" companies for using the power of business to solve social and environmental problems. For more information, visit www.sungevity.com.

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