

October 22, 2014

ELIY Power Forms Strategic Partnership with Enphase Energy in Distributed Electricity Storage Systems

Globally supplying lithium-ion battery modules

ELIY Power Co., Ltd. (Head Office: Shinagawa-ku, Tokyo, Japan; President: Hiroichi Yoshida) today announced that it has concluded a memorandum of understanding for a long-term global strategic partnership in connection with distributed electricity storage systems with Enphase Energy, Inc. (Head Office: Petaluma, California, USA; President and CEO: Paul Nahi), the top global market shareholder in microinverters for solar power generation.

Since its establishment in 2006, ELIY Power has been developing and manufacturing large-sized lithium-ion batteries with a top priority of safety. Adopting the independently developed lithium iron phosphate as anode material, the large-sized lithium-ion battery induces no smoke, ignition, or explosion when it is nailed. It thus became the world's first product of this kind to acquire a TÜV-S mark that certifies conformity to the safety standards issued by TÜV Rheinland.

Established in the U.S. State of California in 2006, Enphase Energy is a manufacturer with the largest worldwide market share in microinverters*¹ for solar panels for residential houses. It has global sales networks in the United States, Canada, the United Kingdom, France, the Netherlands and many other countries in the world.

In accordance with the memorandum of understanding executed, ELIY Power will develop, manufacture and supply battery modules with an approximate capacity of 1.2 kWh each for Enphase Energy as its sole partner. Meanwhile, Enphase Energy will be releasing a distributed electricity storage & energy management system consisting of solar panels, an interactive microinverter and a battery module in 2015.

This distributed electricity storage system integrates the interactive microinverter recently developed by Enphase Energy earlier than any other company in the world with ELIY Power's battery module to individually perform alternating current (AC) conversion. In linkage with the AC-type solar power generation system composed of solar panels and Enphase Energy's microinverter, the system achieves optimal energy management for residential houses. As all wiring is made with AC cables, the system requires no high voltage direct current (DC) wiring unlike the conventional concentrated system. This leads to ease of installation and a high level of safety. It also facilitates system expansion easily.

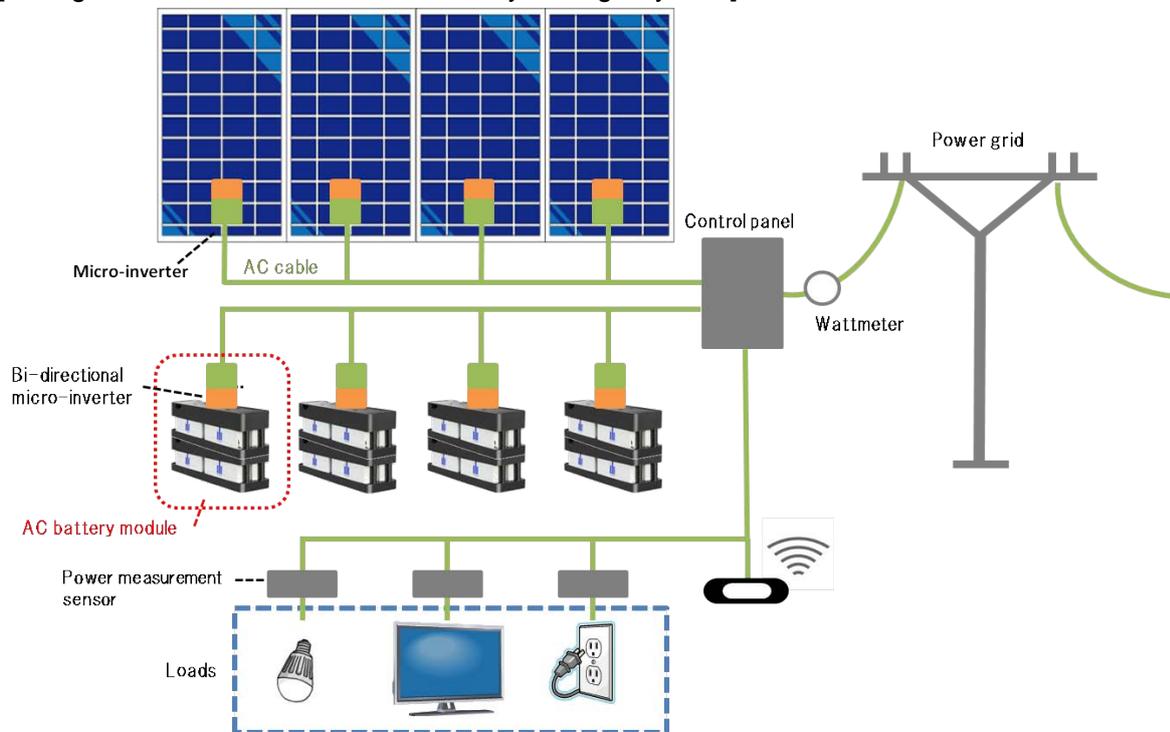
Mr. Reghu Belur, co-founder and vice-president of Enphase Energy, comments, "For selecting a storage battery to be introduced to our new distributed electricity storage system, we searched all over the world for a partner best suited to stationary electricity storage systems with a particular emphasis on performance and safety. As a result of our thorough examination of different battery materials from battery manufacturers around the world, we have selected ELIY Power as our partner, as it manufactures long-life lithium-ion batteries with lithium iron phosphate adopted as cathode material and with paramount safety and performance in a fully automated line that satisfies high quality standards. ELIY Power's lithium-ion batteries are so high in performance and quality

that they will further heighten the level of performance and reliability of Enphase’s distributed electricity storage systems.”

Hiroichi Yoshida, president of ELIY Power, says: “As leader in the micro-inverter market, Enphase Energy studied and compared storage batteries from battery manufacturers around the world to eventually give high marks to the performance and safety features of our lithium-ion batteries. We feel greatly honored to have been selected as a strategic partner. We will supply a quantity of lithium-ion battery modules that is sufficient for sales expansion of this newly distributed electricity storage system. We are convinced that the distributed electricity storage system will help resolve the energy issues facing the United States, Japan and the rest of the world.”

*1 A small-sized inverter attached to each solar cell module to convert the direct current generated from the solar cell into alternating current. One to several such inverters are joined in parallel and connected to the power grid.

[Configuration of the Distributed Electricity Storage System]



[Corporate Profile of Enphase Energy]

Company Name	Enphase Energy, Inc
President and CEO	Paul Nahi
Location	Petaluma, California, USA
Year of Establishment	2006
Business	Development, manufacturing and sale of micro-inverters
Number of Employees	More than 400
Annual Sales	230 million US dollars (for 2013)
Stock Listing	Nasdaq (2012)

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