

# Powering people.™

Q1 2017 Financial Results  
May 9, 2017

**vivint.Solar**™

# Forward-Looking STATEMENTS

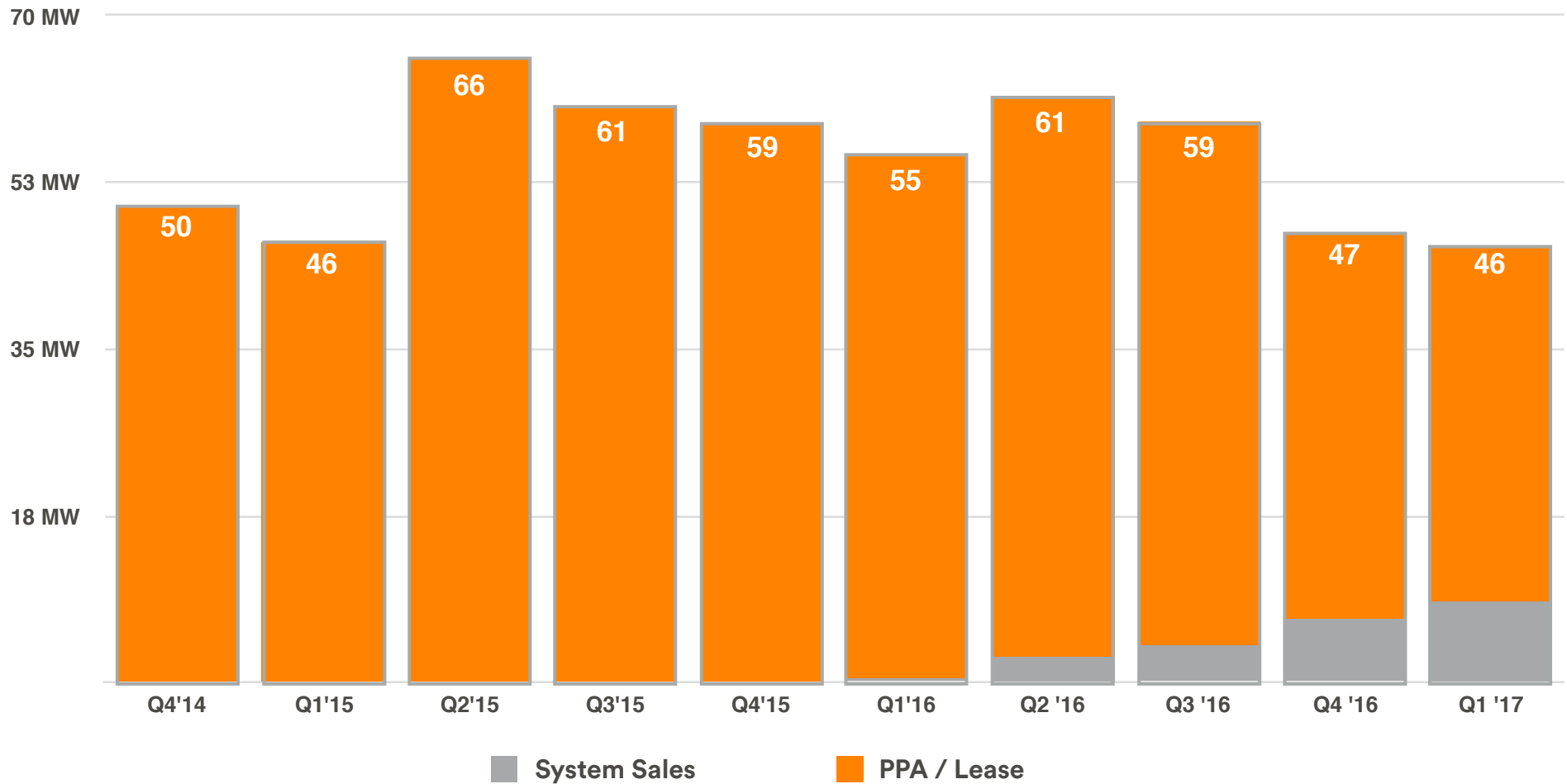
This presentation contains forward-looking statements. These statements may relate to, but are not limited to, expectations of future operating results or financial performance, such as estimates of nominal contracted payments remaining, estimated retained value, the capacity of solar energy systems to be installed, estimated revenue and estimated operating expenses, capital expenditures, the market price of electricity, estimated potential solar renewable energy credits, or SRECs, and state incentives, introduction of new products, expansion into new markets, regulatory compliance, plans for growth and future operations, demand for certain products, technological capabilities, strategic relationships as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “could,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “intend,” “potential,” “would,” “continue,” “ongoing” or the negative of these terms or other comparable terminology. You should not put undue reliance on any forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all.

Forward-looking statements are based on information available at the time those statements are made and/or management’s good faith beliefs and assumptions as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward looking statements including: the availability of additional financing on acceptable terms; changes in the retail price of traditional utility generated electricity; changes in electric utility policies and regulations; the availability of rebates, tax credits and other incentives, including SRECs and state incentives, that affect the pricing of our offering; regulations and policies related to net metering; changes in regulations, tariffs and other trade barriers and tax policy affecting us and our industry; our ability to manage our recent and future growth effectively, including attracting, training and retaining sales personnel and solar energy system installers; the availability and price of solar panels and other system components; the assumptions employed in calculating our operating metrics may be inaccurate; and such other risks identified in the registration statements and reports that Vivint Solar files with the U.S. Securities and Exchange Commission, or SEC, from time to time. Although we believe that expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in those statements will be achieved or will occur, and actual results could differ materially from those anticipated or implied in the forward-looking statements. Except as required by law, the issuer does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

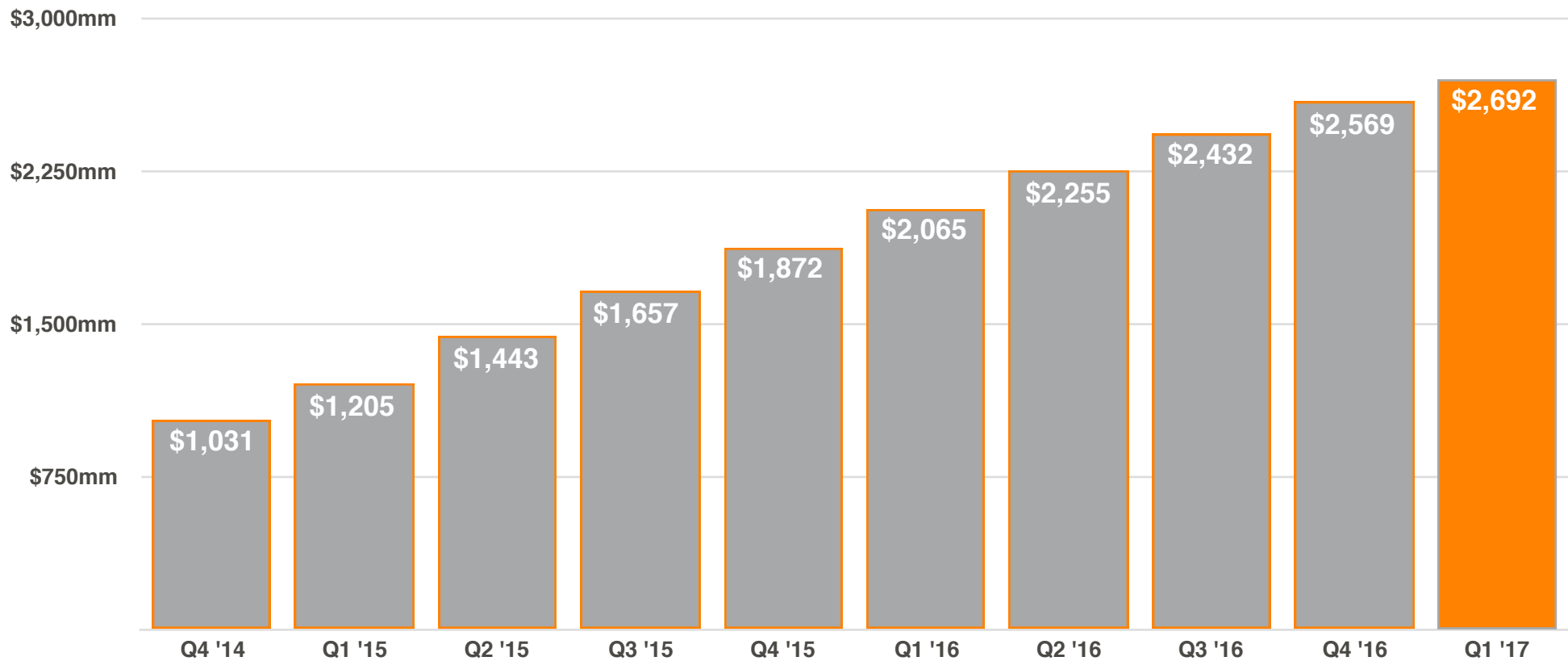
You should read the documents Vivint Solar has filed with the SEC for more complete information about the company. These documents are available on both the EDGAR section of the SEC’s website at [www.sec.gov](http://www.sec.gov) and the Investor Relations section of the company’s website at [www.vivintsolar.com](http://www.vivintsolar.com).

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# MW Installed — HISTORICAL GROWTH —

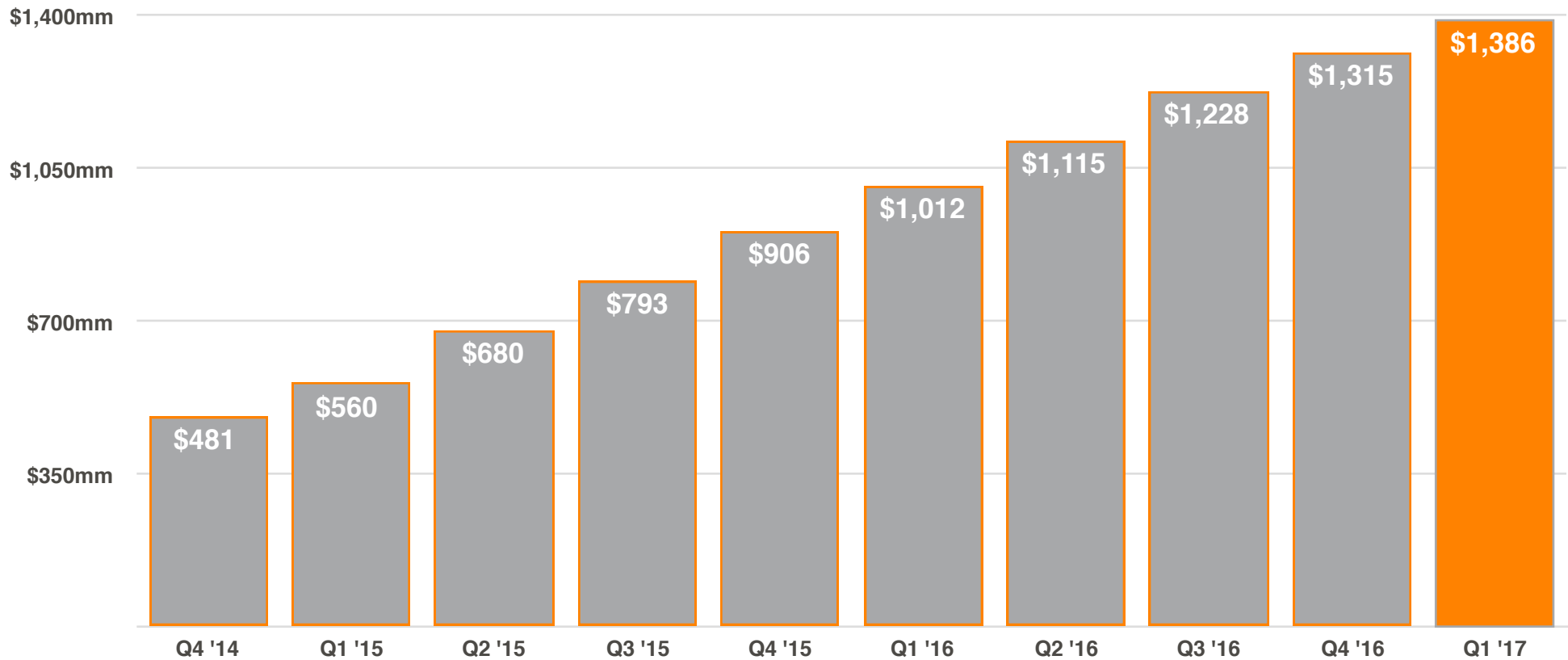


# Estimated Nominal Contracted PAYMENTS REMAINING



Note: Estimated nominal contracted payments remaining equals the sum of the remaining cash payments that our customers are expected to pay over the term of the agreements with us for systems installed as of the measurement date. Estimated nominal contracted payments remaining does not reflect potential customer defaults or cancellations as such amounts have been de minimis to date. For a power purchase agreement, we multiply the contract price per kilowatt-hour by the estimated annual energy output of the associated solar energy system to determine the estimated nominal contracted payments. For a customer lease, we include the monthly fees and upfront fee, if any, as set forth in the lease. The estimated nominal contracted payments remaining for a particular power purchase agreement or lease decline as the payments are made. Estimated nominal contracted payments include value attributable to long-term customer contracts that are owned by our investment funds. Currently, fund investors have contractual rights to a portion of these nominal contracted payments.

# Estimated RETAINED VALUE



Note: Estimated retained value represents the net cash flows, discounted at 6%, that Vivint Solar expects to receive from customers pursuant to long-term customer contracts net of estimated cash distributions to fund investors and estimated operating expenses for systems installed as of the measurement date. For purposes of the calculation, Vivint Solar aggregates the estimated retained value from the solar energy systems during the typical 20-year term of Vivint Solar's contracts, which Vivint Solar refers to as estimated retained value under energy contracts, and the estimated retained value associated with an assumed 10-year renewal term following the expiration of the initial contract term, which Vivint Solar refers to as estimated retained value of renewal. To calculate estimated retained value of renewal, Vivint Solar assumes all contracts are renewed at 90% of the contractual price in effect at the expiration of the initial term.

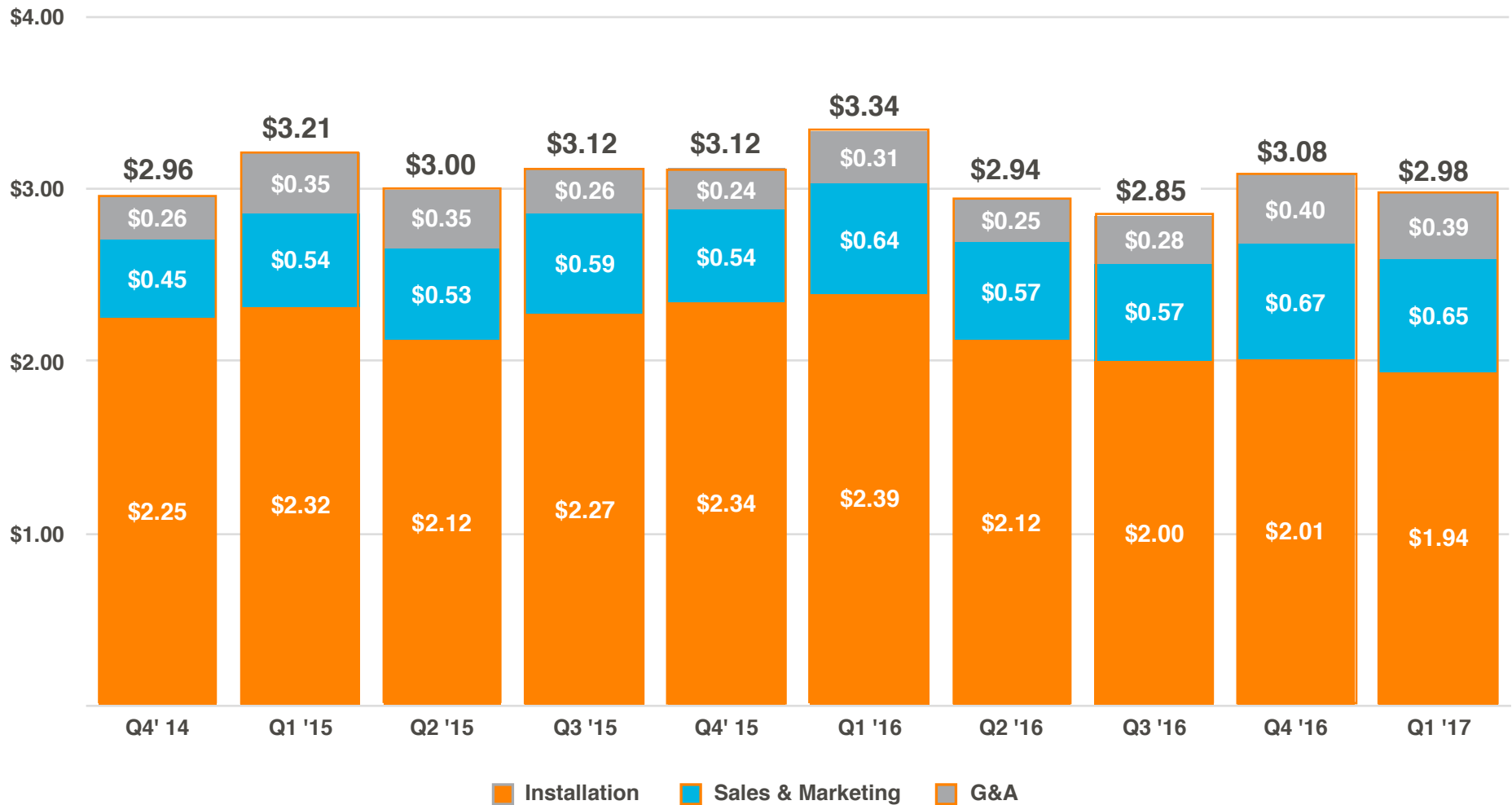
# Estimated — NET RETAINED VALUE —

	<u>Q1 '17</u>
<b>Gross retained value</b>	<b>\$1,386</b>
Less: debt - non-recourse	(\$748)
Less: debt - recourse	(\$137)
Plus: cash & cash equivalents	\$150
<b>Net retained value</b>	<b>\$652</b>
<b>Net retained value per share</b>	<b>\$5.90</b>

*Note: Amounts may not add due to rounding.*

Note: Estimated retained value represents the net cash flows, discounted at 6%, that Vivint Solar expects to receive from customers pursuant to long-term customer contracts net of estimated cash distributions to fund investors and estimated operating expenses for systems installed as of the measurement date. For purposes of the calculation, Vivint Solar aggregates the estimated retained value from the solar energy systems during the typical 20-year term of Vivint Solar's contracts, which Vivint Solar refers to as estimated retained value under energy contracts, and the estimated retained value associated with an assumed 10-year renewal term following the expiration of the initial contract term, which Vivint Solar refers to as estimated retained value of renewal. To calculate estimated retained value of renewal, Vivint Solar assumes all contracts are renewed at 90% of the contractual price in effect at the expiration of the initial term.

# Cost Per Watt — HISTORICAL TREND —



# — **Appendix** —



# Sensitivities

# — RETAINED VALUE —

## Estimated Retained Value

\$ amounts in millions

	4%	6%	8%
<b>Contracted</b>	\$1,280	\$1,068	\$903
<b>Renewal</b>	\$500	\$317	\$204
<b>Total</b>	\$1,780	\$1,386	\$1,107

Note: Sums might not total due to rounding.

## Estimated Retained Value per Watt

\$ amount per Watt

	4%	6%	8%
<b>Contracted</b>	\$1.82	\$1.52	\$1.29
<b>Renewal</b>	\$0.71	\$0.45	\$0.29
<b>Total</b>	\$2.54	\$1.97	\$1.58

Note: Sums might not total due to rounding.

Note: Estimated retained value represents the net cash flows, discounted at 6%, that Vivint Solar expects to receive from customers pursuant to long-term customer contracts net of estimated cash distributions to fund investors and estimated operating expenses for systems installed as of the measurement date. For purposes of the calculation, Vivint Solar aggregates the estimated retained value from the solar energy systems during the typical 20-year term of Vivint Solar's contracts, which Vivint Solar refers to as estimated retained value under energy contracts, and the estimated retained value associated with an assumed 10-year renewal term following the expiration of the initial contract term, which Vivint Solar refers to as estimated retained value of renewal. To calculate estimated retained value of renewal, Vivint Solar assumes all contracts are renewed at 90% of the contractual price in effect at the expiration of the initial term.

# GLOSSARY

## **Installations**

*represents the number of solar energy systems installed on customers' premises.*

## **MWs or megawatts**

*represents the DC nameplate megawatt production capacity.*

## **MW Installed**

*represents the aggregate megawatt nameplate capacity of solar energy systems for which panels, inverters, and mounting and racking hardware have been installed on customer premises in the period.*

## **MW Booked**

*represents the aggregate megawatt nameplate capacity of solar energy systems that were permitted during the period net of cancellations in the period.*

## **Nominal Contracted Payments Remaining**

*equals the sum of the remaining cash payments that Vivint Solar's customers are expected to pay over the term of their agreements for systems installed as of the measurement date. For a power purchase agreement, Vivint Solar multiplies the contract price per kilowatt-hour by the estimated annual energy output of the associated solar energy system to determine the estimated nominal contracted payments. For a customer lease, Vivint Solar includes the monthly fees and upfront fee, if any, as set forth in the lease.*

## **Retained Value**

*represents the net cash flows, discounted at 6%, that Vivint Solar expects to receive from customers pursuant to long-term customer contracts net of estimated cash distributions to fund investors and estimated operating expenses for systems installed as of the measurement date. For purposes of the calculation, Vivint Solar aggregates the estimated retained value from the solar energy systems during the typical 20-year term of Vivint Solar's contracts, which Vivint Solar refers to as estimated retained value under energy contracts, and the estimated retained value associated with an assumed 10-year renewal term following the expiration of the initial contract term, which Vivint Solar refers to as estimated retained value of renewal. To calculate estimated retained value of renewal, Vivint Solar assumes all contracts are renewed at 90% of the contractual price in effect at the expiration of the initial term.*

## **Retained Value per Watt**

*is calculated by dividing the estimated retained value as of the measurement date by the aggregate nameplate capacity of solar energy systems under long-term customer contracts that have been installed as of such date, and is subject to the same assumptions and uncertainties as estimated retained value.*

## **Undeployed Tax Equity Financing Capacity**

*represents a forecast of the amount of megawatts that can be deployed based on committed available tax equity financing for Energy Contracts.*

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