Ormat Technologies, Inc.
Second Quarter 2017 Earnings Call

August 3, 2017

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Disclaimer

Information provided during this presentation may contain statements relating to current expectations, estimates, forecasts and projections about future events that are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995.

These forward-looking statements generally relate to the company's plans, objectives and expectations for future operations, and are based on management's current estimates and projections of future results or trends. Actual future results may differ materially from those projected as a result of certain risks and uncertainties.

For a discussion of such risks and uncertainties, please see risk factors as described in the Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 1, 2017.

In addition, during this presentation, statements may be made that include a financial measure defined as non-GAAP financial measures by the Securities and Exchange Commission, such as EBITDA and adjusted EBITDA. These measures may be different from non-GAAP financial measures used by other companies. The presentation of this financial information is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP.

Management of Ormat Technologies believes that EBITDA and adjusted EBITDA may provide meaningful supplemental information regarding liquidity measurement that both management and investors benefit from referring to this non-GAAP financial measures in assessing Ormat Technologies' liquidity, and when planning and forecasting future periods. This non-GAAP financial measures may also facilitate management's internal comparison to the company's historical liquidity.

EBITDA and Adjusted EBITDA are not a measurement of financial performance or liquidity under accounting principles generally accepted in the United States of America and should not be considered as an alternative to cash flow from operating activities or as a measure of liquidity or an alternative to net earnings as indicators of our operating performance or any other measures of performance derived in accordance with accounting principles generally accepted in the United States of America. EBITDA and Adjusted EBITDA are presented because we believe they are frequently used by securities analysts, investors and other interested parties in the evaluation of a company's ability to service and/or incur debt. However, other companies in our industry may calculate EBITDA and Adjusted EBITDA differently than we do.

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Agenda

- Second Quarter 2017 prepared remarks
  - Q2 2017 highlights: Isaac Angel, CEO
  - Financial overview: Doron Blachar, CFO
  - Operations & business updates: Isaac Angel, CEO
- Q & A

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Q2 2017 Highlights

($ millions, except per share amounts)	2Q 2017	2Q 2016	Change (%)
Revenues			
Electricity	$111.8	$104.0	7.5%
Product	$67.6	$55.9	21.0%
Total Revenues	$179.4	$159.9	12.2%
Gross profit	$70.5	$65.8	7.1%
Gross margin (%)	39.3%	41.2%	(4.6%)
Operating income	$53.2	$51.9	2.4%
Net income attributable to the Company's shareholders	$35.0	$24.3	43.9%
Diluted EPS	$0.69	$0.49	40.8%
Adjusted Net income attributable to the Company's stockholders (1)	$29.5	24.3	21.3%
Adjusted Diluted EPS(1)	$0.58	$0.49	18.4%
Adjusted EBITDA	$88.1	$81.2	8.5%

(1) Adjusted Net income attributable to the Company's stockholders and diluted EPS excludes $5.5 million and $0.11 per diluted share, respectively, of one-time benefit related to tax restructuring as will be fully described in our quarterly report on Form 10Q that will be filled with the SEC on August 4, 2017.

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Financial Results

Doron Blachar, CFO

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Total Revenues

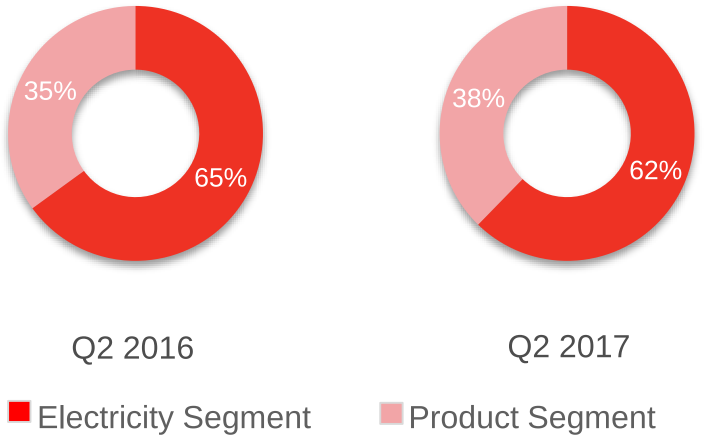
Total Revenues

+19.5 million (12.2%)

Total Cost of Revenues

+14.8 million (15.7%)

Segment Contribution



All amounts in million USD

Electricity Segment

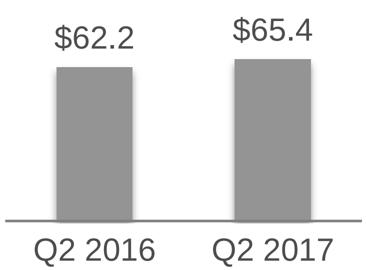
Revenues

+$7.8 million (7.5%)

- The consolidation of the Bouillante power plant in Guadeloupe, effective July 5, 2016, with revenues of $5.0 million for Q2 2017
- Increase in generation in the Puna power plant as a result of successful improvement of the resource performance

Cost of Revenues

+$3.2 million (5.1%)



- Additional cost of revenues from the consolidation of the Bouillante power plant

All amounts in million USD

Product Segment

Revenues

+$11.7 million (21.0%)

Cost of Revenues

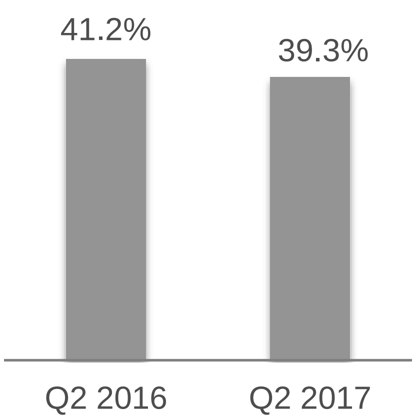
+$11.6 million (36.5%)

- The increase is mainly due to:
  - Revenue recognition of $46 million in Q2 2017 for projects in Turkey starting this year, partially offset by other projects in Turkey, which were completed during 2016
- Offset by:
  - Decrease in revenues from our geothermal project in Chile which is close to completion
  - Timing of revenue recognition and a different product mix

All amounts in million USD

Gross Margin

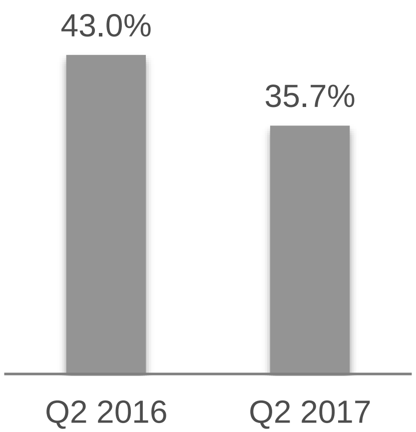
Combined



Electricity Segment

- Increase due to higher efficiency in certain operating power plants

Product Segment



- Additional costs associated with our project in Chile
- Different product mix and different margins in the various sales contracts between the periods

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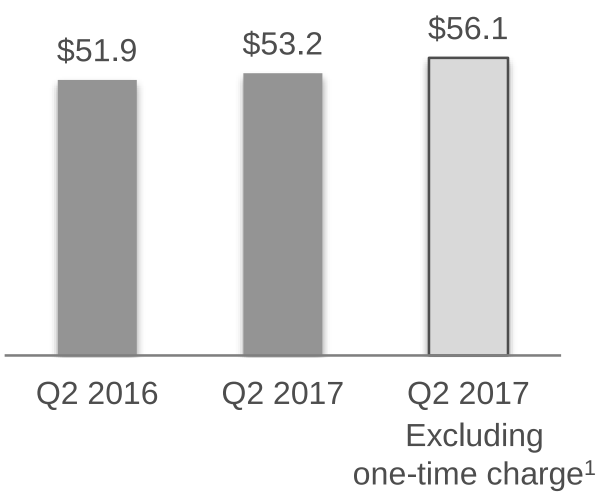
Operating Income

Total

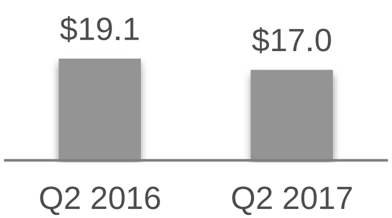


Electricity Segment

+$3.3 million (10.1%)

Product Segment

-$2.0 million (10.7%)



(1) One time charge includes $2.9 million dollars expenses that relate to a $2.1 million non-cash charge for stock-based compensation expense associated with the acceleration of the vesting period of the stock options of the CEO and the CFO as part of ORIX's acquisition; and $0.9 million of costs associated with the ORIX transaction and Ormat's M&A activities.

All amounts in million USD

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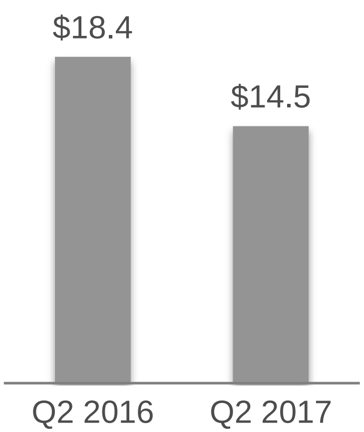
Interest Expense, Net

-$3.9 million (21.0%)



- Decrease as a result of:
  - Repayment of $250 million of senior unsecured bonds with interest at a fixed rate of 7% per annum, through the issuance of $204 million senior unsecured bonds which bear average interest of 4.2%
  - Lower interest expense as a result of principal payments of long term debt and revolving credit lines with banks
  - $1.1 million decrease due to the increase in capitalized interest costs capitalized to projects
- Partially offset by
  - Increase in interest expense in connection with the Don A. Campbell I project finance debt

All amounts in million USD

Tax Restructuring

- Released a portion of our valuation allowance against the U.S. deferred tax assets
- Accrued withholding taxes for expected future dividends to the US from Israeli subsidiary

- Net impact of $5.5 million is reflected in the income tax provision in the income statement
- Global effective tax is expected to increase in future periods
- Cash tax payments in the US are not expected due to NOLs and production and foreign tax credits

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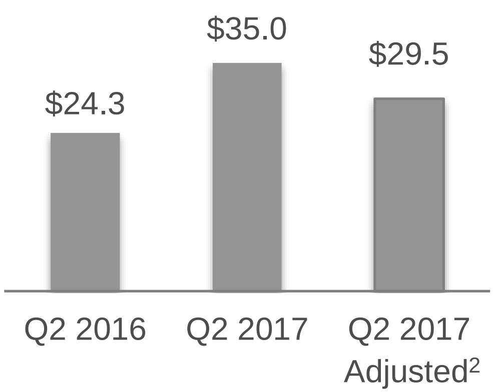
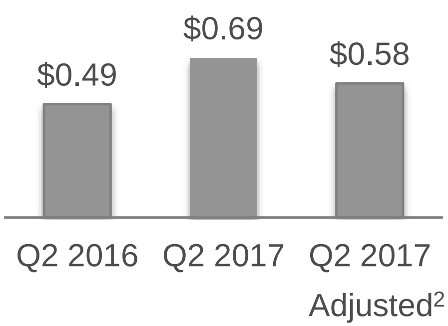
Net Income Attributable to the Company's Stockholders & EPS

Net Income Attributable to the Company's Stockholders



Earnings per Share (Diluted)[1]



(1) Weighted average number of shares used in computation of earnings per share (diluted) attributable to the Company's stockholders is 50,624 for Q2 2017 and 50,137 for Q2 2016
(2) Adjusted Net income attributable to the Company's stockholders and diluted EPS excludes $5.5 million and $0.11 per diluted share, respectively, of one-time benefit related to the impact of the tax restructuring

All amounts in million USD

Adjusted EBITDA

Total

+$6.9 million (8.5%)

	Q2-16	Q2-17
D&A[1]	23.8	25.7

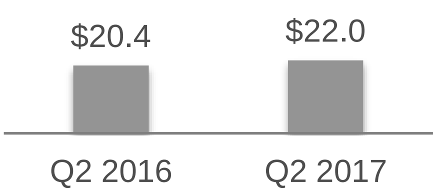
Electricity Segment

+$5.3 million (8.6%)

	Q2-16	Q2-17
D&A[1]	23.0	24.9

Product Segment

+$1.6 million (8.0%)



	Q2-16	Q2-17
D&A[1]	0.8	0.8

(1) D&A is excluding deferred financing costs
All amounts in million USD; For EBITDA reconciliation see appendix

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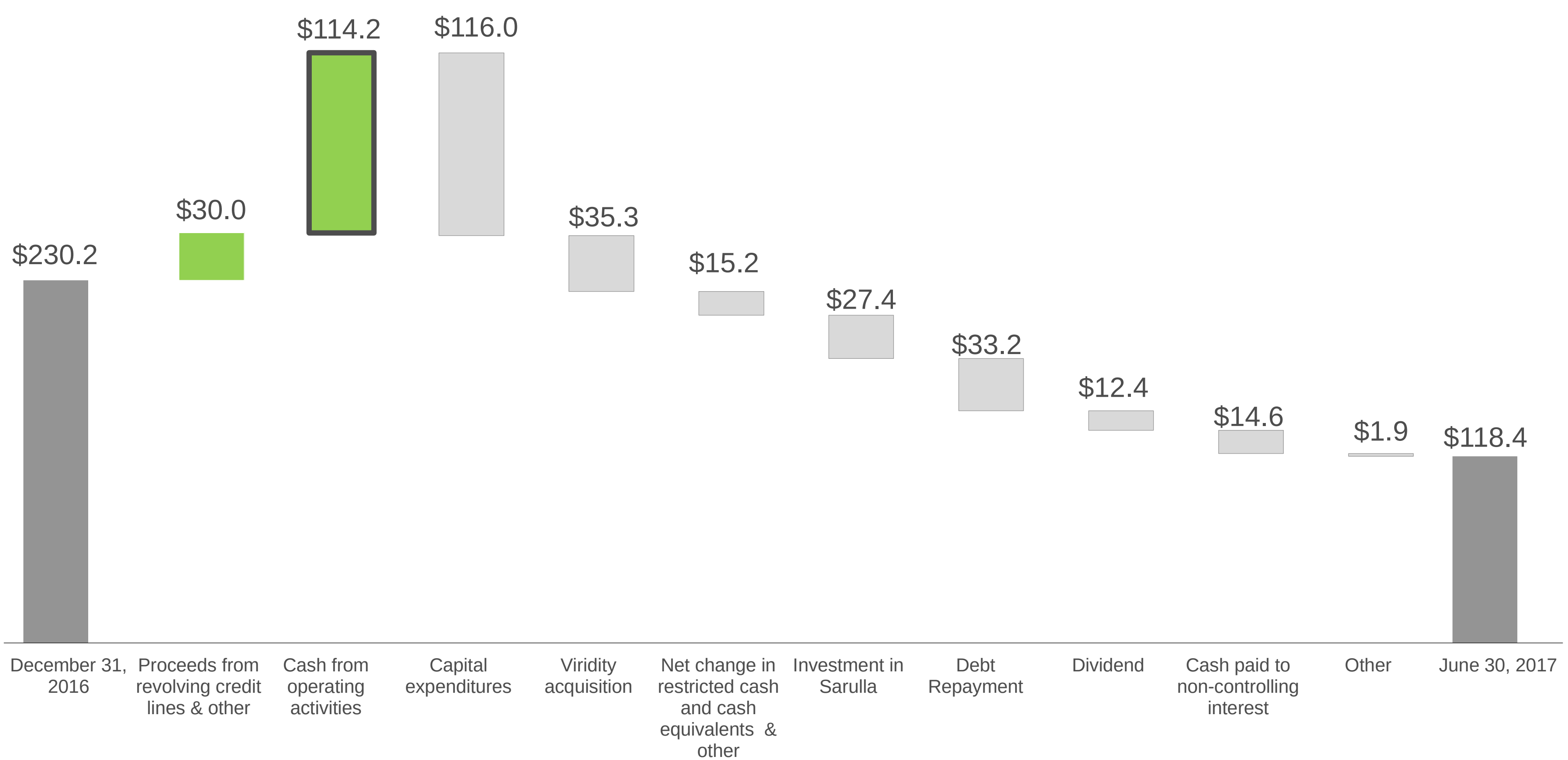
Cash and Cash Equivalents



All amounts in million USD

Payment of Principal Due by Period

The average interest rate for the total debt is 5.0%

	Q3-2017	Q4-2017	FY 2017
Long-term non-recourse debt & limited recourse debt	5	5	11
Senior Secured Notes (non-recourse) due 2033	3	13	16
Long-term loans (full recourse)	2	4	6
Total	$10	$23	$33

	Remaining Total	2017	2018	2019	2020	2021	Thereafter
Long-term non-recourse debt & limited recourse debt	279	11	21	21	21	21	183
Senior Secured Notes (non-recourse) due 2033	376	16	32	33	33	20	241
Total non-recourse debt (69%)	**655**	**27**	**54**	**54**	**55**	**42**	**424**
Revolving bank credit	30		30	0	0	0	0
Long-term Loans (full-recourse)	65	6	11	5	5	5	33
Senior Unsecured Bonds (full-recourse)	204	0	0	0	67	0	137
Total full-recourse debt (31%)	**299**	**6**	**41**	**5**	**72**	**5**	**170**
Total	**$954[1]**	**$33**	**$95**	**$59**	**$127**	**$47**	**$594**

(1) Including deferred financing costs of $16.4 million

All amounts in million USD

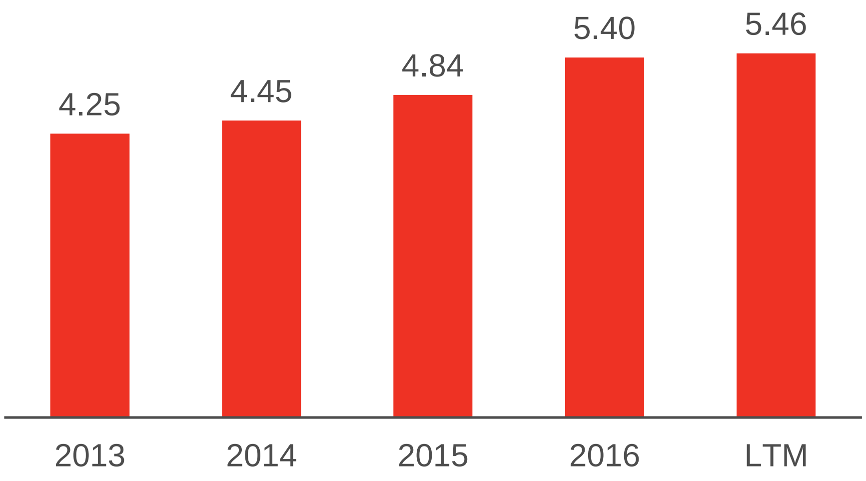
Operations & Business Updates

Isaac Angel, CEO

Generation

- Generation increased by 2.4% in Q2 2017 from Q2 2016
  - Increase in generation at the Puna power plant in Hawaii
  - Consolidation of the Bouillante power plant in Guadalupe (Acquired in July 5, 2016)

Generation (million MWh)



Puna Geothermal Power Plant , Hawaii

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Recent Developments

ORIX Transaction and Commercial Cooperation Agreement

- ORIX acquired 22% ownership stake in Ormat
- Certain governance changes were implemented
- Commercial Cooperation Agreement in now effective

- Expected Value for the Commercial Cooperation Agreement
  - Geothermal
    - Ormat exclusive rights can potentially
      - Increase Ormat’s backlog
      - Open new markets to Ormat
  - Renewable energy
    - Ormat can enhance and accelerate its strategic growth plans in the renewable energy market and in the energy storage market leveraging ORIX's global presence and strong positioning in Asia
  - Access to capital

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Business Developments

First Portfolio PPA for 150 MW with SCPPA

- Portfolio PPA covers both new projects and re-contracting of existing power plants
- Energy deliveries under the portfolio PPA are expected to start in the fourth quarter of 2017 and the entire portfolio is expected to be on line by the end of 2022
- The portfolio PPA has a minimum capacity of 135 MW and maximum potential capacity of 185 MW
- The portfolio PPA is for 26 years, expiring in December 31, 2043
- Fixed price of $75.50 per MWh
- PPA is strengthening our ability to deliver long-term growth

Product Segment

- Backlog of approximately $192 million as of August 3, 2017
  - Includes revenues for the period between July 1 and August 3, 2017
- Added new orders for a total of $50 million
- We expect overall lower margin for the products segment compared to previous years

Future Growth

- Expanding geographical footprint and diversifying technologies
  - 2016 - added 44 MW from Olkaria III, Kenya & Bouillante, Guadeloupe
  - March 2017 - added 14 MW from SIL, the first unit of the 330 MW Sarulla geothermal project in Indonesia
- Expect to add between 200 MW and 210 MW by YE 2019

Project	Projected Capacity	Expected COD	PPA
Honduras, Platanares	35 MW	Q3 2017	v
U.S. – Tungsten Mountain	24 MW	Q4 2017	v
Indonesia - Sarulla Project, NIL 1&2	28 MW[1]	2017& 2018	v
Kenya - Olkaria Repowering	10 MW	2018	v
U.S - McGinness Hills Phase 3	48 MW	2018	v
Guadeloupe- Bouillante	10 MW	2019	TBD
U.S. - Dixie Meadows	15 -20 MW	2019/2020	v

[1] Ormat's share is 12.75% in Sarulla

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Energy Storage

- March 15, 2017 - closed the acquisition of substantially all the business and assets of Viridity Energy, Inc. for $35 million
- Viridity acquisition - a platform to develop and expand opportunities in the energy storage market
- The integration plan is continuing as planned
- Increased staff in order to support storage activity in the west coast in addition to Viridity's activity in the east coast
- Participating in multiple RFPs
- Looking at other potential acquisitions in the global storage markets
- Targeting acquisition prospects that will broaden our capabilities and strengthen our offering globally

viridityenergy
An ORMAT Company

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Capital Needs for the Remainder of 2017

Capital Needs (millions)

$120	Construction & enhancements
$11	Maintenance CapEx
$7	Exploration
$2	Production facility
$140	**Total CapEx**
$33	Debt repayment
$173	**Total**

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2017 Guidance

- We are reiterating our 2017 full-year guidance:
- **2017 revenues guidance between $680 million and $700 million**
  - Electricity Segment - between $460 million and $470 million
  - Product Segment - between $220 million and $230 million
- **Adjusted EBITDA 2017 guidance:**
  - Between $340 million and $350 million
  - Annual Adjusted EBITDA attributable to non-controlling interest of approximately $23 million

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Save the Date!

- **Investors and Analyst Day, September 26, 2017, New York**

- Presentations by:

- Senior management team
- Viridity Energy management team
- ORIX

Q&A

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Reconciliation of EBITDA Adjusted EBITDA and Additional Cash Flows Information

We calculate EBITDA as net income before interest, taxes, depreciation and amortization. We calculate Adjusted EBITDA as net income before interest, taxes, depreciation and amortization, adjusted for (i) termination fees, (ii) impairment of long-lived assets, (iii) write-off of unsuccessful exploration activities, (iv) any mark-to-market gains or losses from accounting for derivatives, (v) merger and acquisition transaction cost, (vi) stock-based compensation, (vii) gain from extinguishment of liability, and (viii) gain on sale of subsidiary and property, plant and equipment. EBITDA and Adjusted EBITDA are not a measurement of financial performance or liquidity under accounting principles generally accepted in the United States of America and should not be considered as an alternative to cash flow from operating activities or as a measure of liquidity or an alternative to net earnings as indicators of our operating performance or any other measures of performance derived in accordance with accounting principles generally accepted in the United States of America. EBITDA and Adjusted EBITDA are presented because we believe they are frequently used by securities analysts, investors and other interested parties in the evaluation of a company's ability to service and/or incur debt. However, other companies in our industry may calculate EBITDA and Adjusted EBITDA differently than we do.

The following tables reconcile net cash provided by (used in) operating activities and net income to EBITDA and Adjusted EBITDA for the three-month and six months periods ended June 30, 2017 and 2016.

	Three Months Ended June 30		Six Months Ended June 30	
	2017	2016	2017	2016
	(in thousands)		(in thousands)	
Net cash provided by operating activities	$ 42,695	$ 92,529	$ 114,158	$ 119,573
Adjusted for:				
Interest expense, net (excluding amortization of deferred financing costs)	13,266	17,165	26,671	31,292
Interest income	(362)	(245)	(606)	(565)
Income tax provision	6,369	7,890	17,255	17,399
Adjustments to reconcile net income or loss to net cash provided by operating activities (excluding depreciation and amortization)	22,570	(42,519)	17,901	(12,437)
EBITDA	**$ 84,538**	**$ 74,820**	**$ 175,379**	**$ 155,262**
Mark-to-market gains or losses from accounting for derivatives	(940)	4,240	(2,463)	2,494
Stock-based compensation	3,630	817	5,343	1,659
Merger and acquisition transaction cost	900	500	1,700	647
Write-off of unsuccessful exploration activities	—	863	—	1,420
Adjusted EBITDA	**$ 88,128**	**$ 81,240**	**$ 179,959**	**$ 161,482**
Net cash used in investing activities	$ (65,367)	$ (10,669)	$ (194,105)	$ (55,289)
Net cash provided by (used in) financing activities	$ (33,076)	$ (37,802)	$ (31,877)	$ (57,647)

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Reconciliation of EBITDA Adjusted EBITDA and Additional Cash Flows Information

	Three Months Ended June 30		Six Months Ended June 30	
	2017	2016	2017	2016
	(in thousands)		(in thousands)	
Net income	$ 38,242	$ 24,933	$ 77,977	$ 55,878
Adjusted for:				
Interest expense, net (including amortization of deferred financing costs)	14,178	18,156	28,857	33,859
Income tax provision	6,369	7,890	17,255	17,399
Depreciation and amortization	25,749	23,841	51,290	48,126
EBITDA	**$ 84,538**	**$ 74,820**	**$ 175,379**	**$ 155,262**
Mark-to-market gains or losses from accounting for derivatives	(940)	4,240	(2,463)	2,494
Stock-based compensation	3,630	817	5,343	1,659
Merger and acquisition transaction cost	900	500	1,700	647
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