

# Solar Energy Index Underperforms S&P in Q2 2010

## Winner's Circle\*

Company	% Change	Sector
PV Crystalox Solar	+10%	W
Sunways AG	+17%	C
Yingli Green Energy	(20%)	I
SAG Solarstrom AG	+2%	D

## Worst Performers\*

Company	% Change	Sector
LDK Solar Co. Ltd.	(21%)	W
Canadian Solar Inc.	(60%)	C
Renewable Energy Corp.	(48%)	I
Kerself	(43%)	D

\*Based on quarter-over-quarter share price performance

## Solar Energy Highlights

From last quarter:

- Overall Index decreased 20.0%
- Wafers / Ingots Index decreased 7.4%
- Cells / Modules Index decreased 19.8%
- Vertically Integrated Index decreased 23.5%
- EPC Integrators / Developers Index decreased 16.0%

## EBITDA Margins\*

Wafers / Ingots	20%
Cells / Modules	12%
Vertically Integrated	14%
EPC Integrators / Developers	9%

## 3 Year Revenue CAGR\*

Wafers / Ingots	53%
Cells / Modules	56%
Vertically Integrated	60%
EPC Integrators / Developers	31%

\*Source: Capital IQ as of June 30, 2010 or latest available  
Note: Average for each sector; CAGR stands for compound annual growth rate

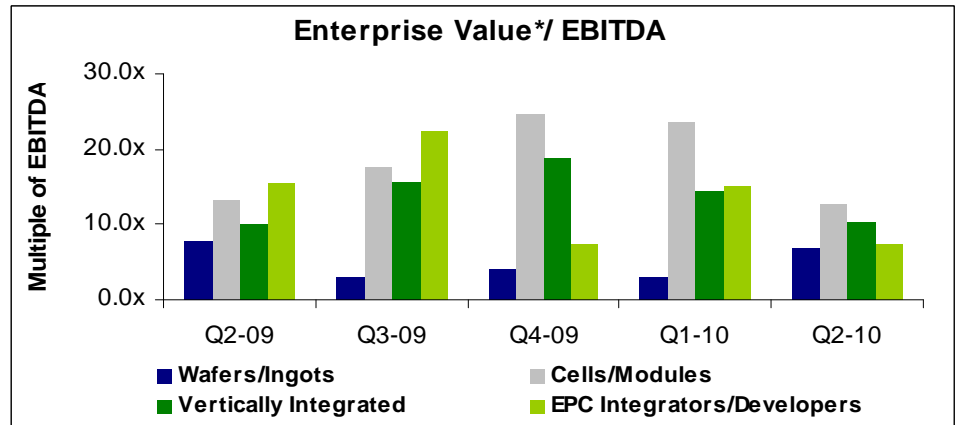
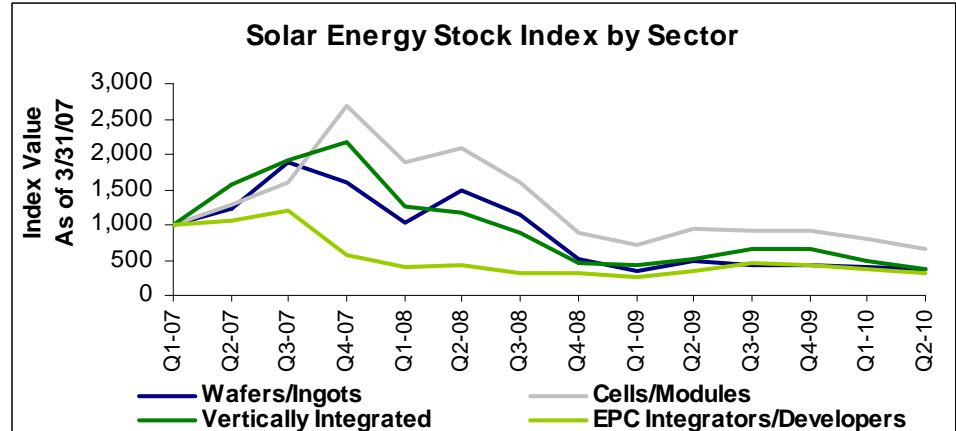
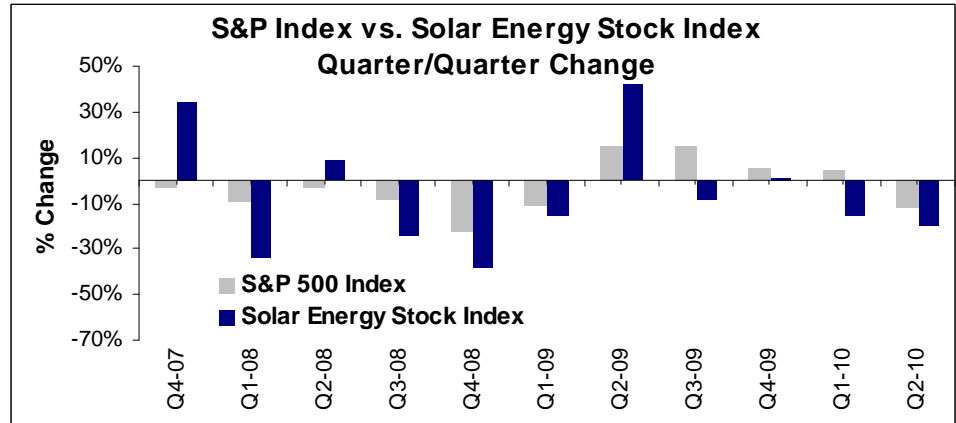
## Solar Energy Sector Guide

Wafers / Ingots Producers (W)

Cells / Modules Production (C)

Vertically Integrated Companies (I)

Engineering, Procurement and Construction ("EPC") Integrators / Developers (D)



\* Enterprise Value is calculated as Market Cap on June 30, 2010 plus debt, preferred equity and minority interest less cash

## About the Solar Energy Stock Index

Similar to the S&P 500 Index, the Solar Stock Index is a market cap weighted composite index. The index is prepared by first selecting a base period, in this case, Q1 2007, and totaling the market caps of the companies in each sector in this period. This period and total market cap is set to a base index, in this case, 1000. Next, for each sector, the current period's total market cap is calculated, divided by the base period's total market cap and then multiplied by the base index (1000). The result is the index value used for plotting in the graph above.

# Solar Energy Stock Index Data

Company	Exchange	Stock		Diluted		Ave. Cash		EV/ EBITDA	EV/ Sales	Market Cap	Net Debt
		Price	LTM Sales	EPS	Conversion Cycle	Current Ratio					
		(\$M)		(days)		(\$M)		(\$M)			
<b>Wafers / Ingots</b>											
LDK Solar Co.Ltd.	New York	\$ 5.17	\$ 1,162	\$ (1.85)	193	0.6	NM	2.0x	\$ 679	\$ 1,641	
PV Crystalox Solar plc	London	0.81	301	0.09	121	3.2	3.4x	0.8x	337	(89)	
ReneSola Ltd.	London	3.02	610	(0.19)	90	0.8	10.7x	1.6x	521	474	
<b>Average Wafers / Ingots</b>			<b>691</b>		<b>134</b>	<b>1.5</b>	<b>7.0x</b>	<b>1.5x</b>	<b>513</b>	<b>675</b>	
<b>Cells / Modules</b>											
Aleo Solar AG	Frankfurt	\$ 13.33	\$ 560	\$ 2.34	56	2.0	4.2x	0.3x	\$ 174	\$ 16	
Canadian Solar Inc.	Nasdaq	9.78	664	1.41	107	1.5	12.4x	1.0x	418	227	
China Sunergy Co. Ltd.	Nasdaq	3.58	352	0.32	29	1.7	NM	0.5x	159	9	
Delsolar Co. Ltd.	Taiwan	1.59	134	(0.03)	60	10.1	45.3x	1.6x	396	(178)	
Energy Conversion Devices, Inc.	Nasdaq	4.10	220	(10.62)	147	5.9	NM	1.3x	188	107	
E-Ton Solar Tech. Co. Ltd	Taiwan	1.35	457	(0.31)	74	2.2	NM	1.5x	338	243	
Evergreen Solar Inc.	Nasdaq	0.68	295	(1.13)	69	3.9	22.4x	1.5x	142	304	
First Solar, Inc.	Nasdaq	113.83	2,216	7.54	70	4.4	10.6x	4.1x	9,709	(550)	
Gintech Energy Corporation	Taiwan	2.65	565	0.16	53	1.6	12.9x	1.7x	844	107	
JA Solar Holdings Co., Ltd.	Nasdaq	4.64	804	0.30	49	5.8	6.3x	1.0x	785	(7)	
Motech Industries, Inc.	Taiwan	3.06	625	0.04	67	4.6	18.9x	1.7x	1,154	(113)	
Q-Cells SE	Frankfurt	6.68	1,025	(11.04)	206	2.0	NM	1.5x	774	806	
Solar-Fabrik AG	Frankfurt	4.31	187	(0.13)	97	4.8	4.6x	0.3x	50	0	
Solarfun Power Holdings Co. Ltd.	Nasdaq	6.77	674	(0.09)	83	2.0	5.1x	0.9x	394	183	
Solaria Energia y Medio Ambiente, S.A.	Madrid	2.10	218	(0.04)	55	1.5	NM	1.4x	210	90	
Solon AG für Solartechnik	Frankfurt	5.44	527	(26.33)	235	1.0	NM	1.1x	68	487	
SunPower Corporation	Nasdaq	12.10	1,660	0.58	54	2.5	9.1x	1.1x	1,125	638	
Suntech Power Holdings Co. Ltd.	New York	9.17	1,966	0.58	71	1.4	8.6x	1.3x	1,644	819	
Sunways AG	Frankfurt	5.81	244	2.55	49	1.7	4.0x	0.3x	67	(5)	
<b>Average Cells / Modules</b>			<b>705</b>		<b>86</b>	<b>3.2</b>	<b>12.6x</b>	<b>1.3x</b>	<b>981</b>	<b>168</b>	
<b>Vertically Integrated</b>											
Renewable Energy Corporation ASA	Oslo	\$ 2.44	\$ 1,500	\$ (0.59)	1	0.7	16.5x	2.8x	\$ 2,437	\$ 1,815	
Solar Power, Inc.	OTC	0.54	53	(0.17)	18	1.5	NM	0.5x	28	(3)	
SolarWorld AG	Frankfurt	11.60	1,351	0.46	316	7.5	8.7x	1.2x	1,296	374	
Trina Solar Ltd.	New York	17.28	1,050	2.26	64	2.6	5.7x	1.3x	1,364	15	
Yingli Green Energy Holding Co. Ltd.	New York	10.18	1,284	(0.13)	92	1.1	NM	1.6x	1,511	286	
<b>Average Vertically Integrated</b>			<b>1,047</b>		<b>98</b>	<b>2.7</b>	<b>10.3x</b>	<b>1.5x</b>	<b>1,327</b>	<b>497</b>	
<b>EPC Integrators / Developers</b>											
Akeena Solar, Inc.	Nasdaq	\$ 0.68	\$ 27	\$ (0.38)	104	1.7	NM	0.9x	\$ 27	\$ (2)	
Centrosolar AG	Frankfurt	5.67	421	(1.44)	92	1.3	5.7x	0.5x	115	81	
Conergy AG	Frankfurt	0.91	879	(0.18)	111	1.0	NM	0.8x	360	326	
Kerself S.p.A.	Milan	5.39	187	0.08	-	0.9	6.7x	1.8x	93	219	
Phönix Solar AG	Frankfurt	38.92	656	3.27	80	1.7	8.7x	0.4x	261	(2)	
Premier Power Renewable Energy, Inc.	OTC	1.40	29	0.07	-	1.1	NM	1.4x	41	1	
Real Goods Solar, Inc.	Nasdaq	3.16	70	(0.01)	60	2.7	NM	0.7x	58	(9)	
SAG Solarstrom AG	Frankfurt	5.70	221	0.74	-	1.0	8.7x	0.5x	67	54	
<b>Average EPC Integrators / Developers</b>			<b>311</b>		<b>90</b>	<b>1.4</b>	<b>7.4x</b>	<b>0.9x</b>	<b>128</b>	<b>84</b>	
<b>Average Solar Energy Index</b>			<b>663</b>		<b>93</b>	<b>2.6</b>	<b>10.9x</b>	<b>1.2x</b>	<b>795</b>	<b>239</b>	

Note: Data in table above is sourced from Capital IQ as of June 30, 2010 or latest available data.

Stock price adjusted for dividends and splits.

Stock Index does not include polysilicon producers, diversified multi-divisional electronics firms such as Bosch, Kyocera, Mitsubishi Electric, Sanyo and Sharp, and diversified energy firms such as BP.

## Contact

Lincoln International's Renewable Energy Group is led by a former CEO of a public company. The firm's Renewable Energy team provides transactional, financial and strategic advisory services to renewable energy companies and private equity groups with an interest in the renewable energy space.

For more information, please contact:

Jack Calderon, Managing Director  
(Chicago)  
jcalderon@lincolnternational.com

Christoph Ulrich, Director (Frankfurt)  
c.ulrich@lincolnternational.de

Iván Marina, Managing Director  
(Madrid)  
i.marina@lincolnternational.es

Géraud Estrangin, Director (Paris)  
g.estrangin@lincolnternational.fr

Eric Wijs, Managing Director (Amsterdam)  
e.wijs@lincolnternational.nl

Hideyuki Fujisawa, Director (Tokyo)  
hfujisawa@lincolnternational.com

Chaim Lubin, Associate (Chicago)  
clubin@lincolnternational.com

## About Lincoln International

Lincoln International specializes in merger and acquisition advisory services, private capital raising and restructuring advice on mid-market transactions. Lincoln International also provides fairness opinions, valuations and pension advisory services on a wide range of transaction sizes. With ten offices in Asia, Europe and North America, and strategic partnerships with leading institutions in China and India, Lincoln International has strong local knowledge and contacts in the key global economies. The organization provides clients with senior-level attention, in-depth industry expertise and integrated resources. By being focused and independent, Lincoln International serves its clients without conflicts of interest. More information about Lincoln International can be obtained at [www.lincolnternational.com](http://www.lincolnternational.com).

Lincoln International LLC

500 West Madison, Suite 3900  
Chicago, IL 60661  
(312) 580-8339



AMSTERDAM | CHICAGO | FRANKFURT  
LONDON | LOS ANGELES | MADRID  
NEW YORK | PARIS | TOKYO | VIENNA

Results you can rely on

Contributors

Cynthia Goulet, Associate: [cgoulet@lincolnternational.com](mailto:cgoulet@lincolnternational.com)