

DealReader

Solar Energy

Q4 2015



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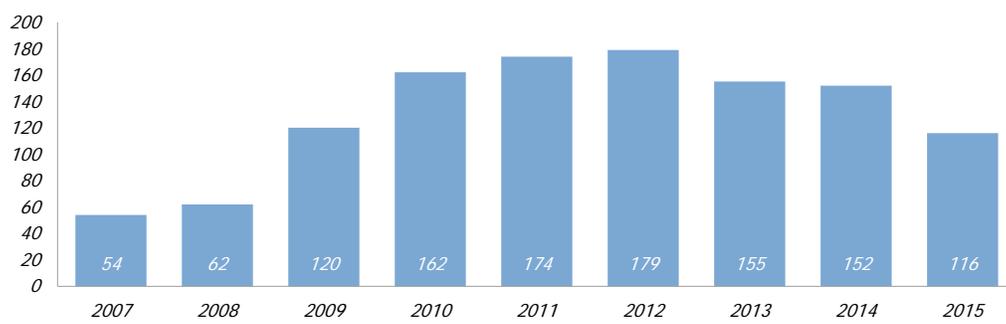
Q4 2015 Solar Energy Transaction Summary

Announcements

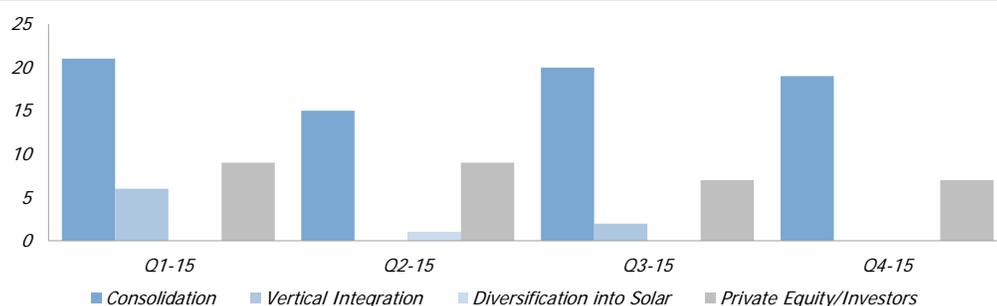
- Kilowatt Financial acquired Clean Power Finance (Dec-15)
- Concord Green Energy acquired five utility-scale solar projects from Canadian Solar (Dec-15)
- Tri Global Energy acquired K12 Solar (Dec-15)
- Shunfeng International Clean Energy acquired Suniva Inc. (Oct-15)
- Canadian Solar acquired a 60 MW portfolio of solar projects from KKR & Co. (Oct-15)

2015 Deal Volume Comparison

Annual Solar Energy Transaction Volume



Quarterly Comparison – M&A by Category



There were 116 completed solar energy M&A transactions in 2015, approximately 24% less than the 152 recorded in 2014. 2015 is the third year in a row exhibiting a decline in transaction volume. However, the overall level of transactions in the solar industry is still quite robust given the continued consolidation in the industry.

Within the solar M&A transactions, consolidation represented 65% of the volume, or 75 deals in 2015. The next largest category was investment in the solar energy industry by private equity or private investors with 28% of transactions, or 32 deals this year. Vertical integration accounted for 7% of the total, or 8 transactions, and diversification into the solar energy industry accounted for one transaction.

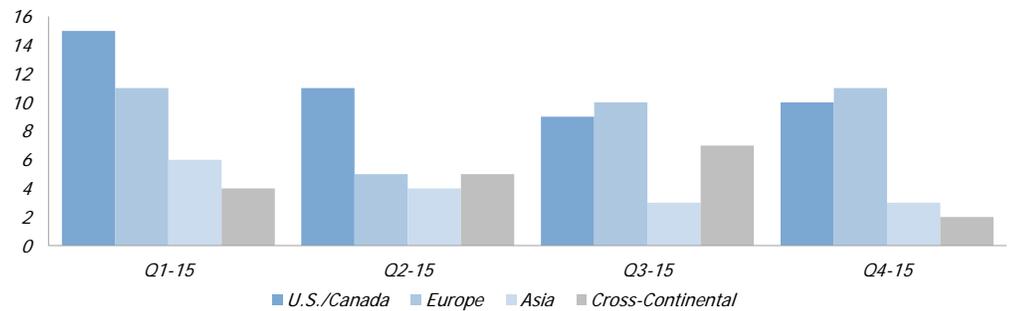
This year, 39% of the solar energy M&A transactions occurred within the U.S./Canada, surpassing Europe as the most active geography for M&A transactions in the sector. This represents a 7% share increase for the U.S./Canada geography as compared to the prior year. The number of transactions in Europe in 2015 was 37, or 32% of the total. Cross-Continental transactions accounted for 18 transactions, or 16% of the total for 2015, while deals within Asia represented 16 transactions, or approximately 14% of the total for 2015.

There were 83 acquisitions of companies categorized as producers of solar energy, representing the most common category of targets at 72% of the 2015 total. This category primarily represents the acquisition of solar projects. EPC integrators/developers were the next most frequent acquisition targets, accounting for 24 transactions, or 21% of the total. Companies categorized as balance of system providers recorded 8 transactions, or 7% of the total, while companies categorized as service providers for the solar industry accounted for one transaction in 2015. Vertically integrated companies did not account for any transactions in 2015.

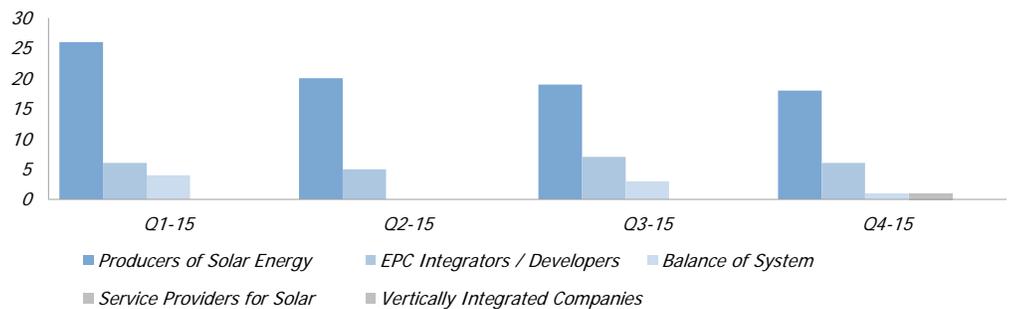
Echoing the trend in 2014, transaction activity was strongest among targets categorized as producers of solar energy. Consolidation amongst producers as well as private equity and private investment in solar largely drove demand for solar deals. Geographically, the North American market showed an increase in transaction activity potentially given the recent regulatory and tax incentive dynamics of the U.S. solar industry. While the total number of transactions decreased in 2015, the market dynamics in solar remain supportive for continued interest in M&A.

Sources: All information contained in this newsletter including the charts was obtained from company websites, Lincoln International's

Quarterly Comparison – M&A by Geography



Quarterly Comparison – M&A by Sector of Target Company



Q4 2015 Solar Energy Transaction Summary

#	Date	Acquirer	Seller	Target	Type*
1	Dec-15	Kilowatt Financial, LLC	Consortium of investors	Clean Power Finance, Inc.	1
2	Dec-15	Inter Far East Energy Corporation	Green Energy Technology Holding Co., Ltd.	Sompoom Solar Power Co., Ltd.	1
3	Dec-15	Numis Securities; Bluefield Solar Income Fund	Private	Three 5 MW solar projects	4
4	Dec-15	CHORUS Clean Energy AG	Private	Solar and wind projects in Germany	1
5	Dec-15	Concord Green Energy Inc.	Canadian Solar Solutions Inc.	Five utility-scale solar projects	1
6	Dec-15	CEE Management GmbH	Baywa re GmbH	24 MW solar project in the U.K.	4
7	Dec-15	DIF Infra 3 RE Canada Limited	Canadian Solar Inc.	10 MW utility-scale solar project in Canada	1
8	Dec-15	TerraForm Global, Inc.	Solarpack Corporacion Technologica, S.L.	Alto Cielo, S.A.	1
9	Dec-15	Capital Stage AG	Gamma Energy Ltd.	5 MW solar project in the U.K.	1
10	Dec-15	Caplor Energy Ltd.	Private	Southern Solar Ltd.	1
11	Dec-15	Tenaska and Soltage, LLC	Private	Portfolio of solar projects in New England	1
12	Dec-15	Mark Group Australia Pty Ltd.	Private	Solgen Energy Pty Ltd	1
13	Dec-15	Tri Global Energy, LLC	Private	K12 Solar, Inc.	1
14	Dec-15	Solar3D, Inc.	Private	Elite Solar	1
15	Nov-15	Solarplicity Limited	MAP Environmental Ltd.	MAP Environmental Ltd., Solar Division	1
16	Nov-15	John Laing Environmental Assets Group Ltd.	Private	2.3 MW portfolio of solar projects	4
17	Nov-15	NextEnergy Solar Fund Limited	Private	Five utility-scale solar projects	4
18	Nov-15	John Laing Environmental Assets Group Ltd.	Private	4.2 MW portfolio of solar projects	4
19	Oct-15	United Photovoltaics Investment Co., Ltd.	Hubei Qixing Auto-Body Company Limited	Hubei Jingtai Photovoltaics Power Co., Ltd.	1
20	Oct-15	Southern Power Company; Turner Enterprises	Solar Frontier Americas Inc.	15 MW solar project	1
21	Oct-15	Blue Earth Oregon Solar LLC	Pacific Northwest Solar, LLC	Moores Hallow Solar, LLC	1
22	Oct-15	NextEnergy Solar Fund Limited	Private	Solar projects in the U.K.	4
23	Oct-15	Shunfeng International Clean Energy Limited	Private	Suniva Inc.	1
24	Oct-15	Foresight Group	ReneSola Ltd.	17 MW solar project in the U.K.	4
25	Oct-15	Canadian Solar Inc.	KKR & Co. L.P.	60 MW portfolio of solar projects	1
26	Oct-15	TerraForm Power, Inc.	SunEdison, Inc.	34 MW portfolio of solar projects	1

* Key: 1=Consolidation, 2=Vertical Integration, 3=Diversification into Solar Energy, 4=Private Equity/Investors

Global Industry Groups

Aerospace & Defense
Automotive & Truck
Building & Infrastructure
Business Services
Chemicals
Consumer
Distribution
Electronics
Energy & Power
Financial Institutions
Food & Beverage
Healthcare
Industrials
Packaging
Technology & Media

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Frankfurt
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Moscow
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