

Stock Index

Solar Energy

Q2 2016



Solar Energy Highlights

- Overall Solar Index decreased 18.6% from last quarter
- Wafers / Ingots Index decreased 20.6% from last quarter
- Cells / Modules Index decreased 6.3% from last quarter
- Vertically Integrated Index decreased 24.3% from last quarter
- EPC Integrators / Developers Index decreased 3.5% from last quarter

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 2009, 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 on the following page.

Solar Energy Index Underperforms S&P in Q2 2016

Winner's Circle		Sector
PV Crystalox Solar plc	(3%)	W
E-Ton Solar Tech. Co. Ltd	5%	C
Renewable Energy Corp. ASA	6%	I
SolarCity Corporation	(3%)	D
Worst Performers		Sector
GCL-Poly Energy Holdings	(21%)	W
JA Solar Holdings Co., Ltd.	(20%)	C
SunPower Corporation	(31%)	I
Real Goods Solar, Inc.	(72%)	D

Based on quarter-over-quarter share price performance

EBITDA Margins	
Wafers / Ingots	22%
Cells / Modules	15%
Vertically Integrated	12%
EPC Integrators / Developers	72%

3 Year Revenue CAGR	
Wafers / Ingots	7%
Cells / Modules	14%
Vertically Integrated	17%
EPC Integrators / Developers	21%

Source: Capital IQ as of June 30, 2016 or latest available
Note: Average for each sector; CAGR stands for compound annual growth rate

Solar Energy Sector Guide

Wafers/Ingots Producers (W)

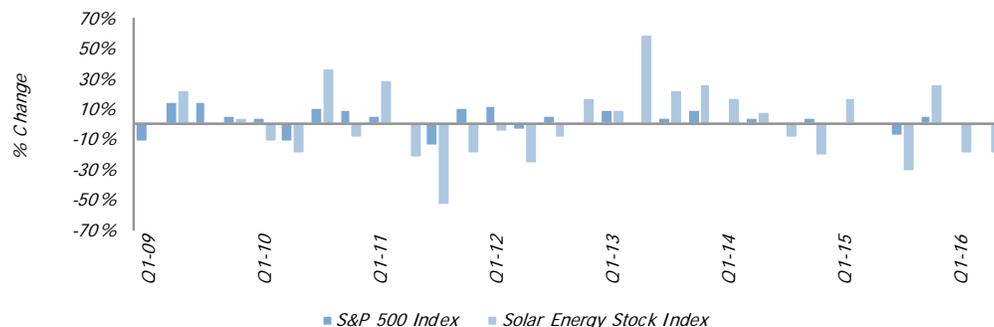
Cells/Modules Production (C)

Vertically Integrated Companies (I)

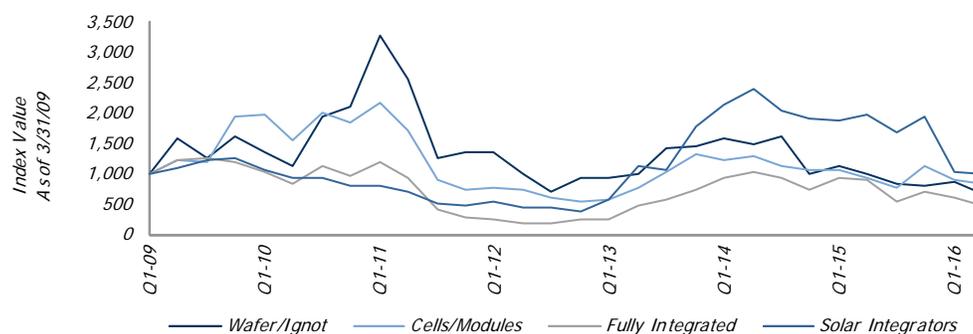
Engineering, Procurement and Construction ("EPC") Integrators / Developers (D)

S&P Index vs. Solar Energy Stock Index

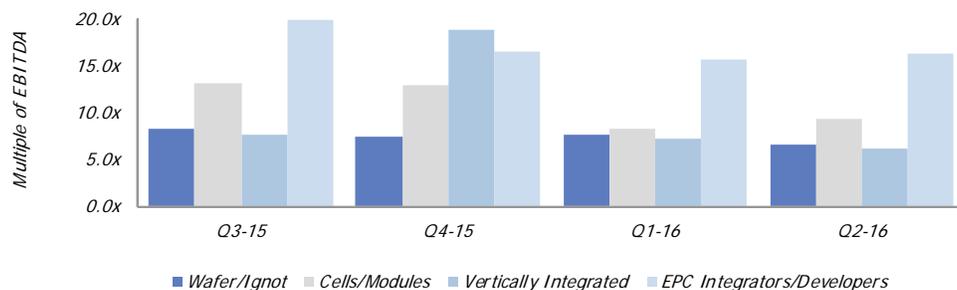
Quarter / Quarter Change



Solar Energy Stock Index by Sector



Enterprise Value⁽¹⁾ / EBITDA



(1) Enterprise Value is calculated as market cap on June 30, 2016 plus debt, preferred equity and minority interest less cash

Solar Energy Stock Index Data

Company	Exchange	Stock Price	LTM Sales (\$ in millions)	Diluted EPS	Current Ratio	EV/ EBITDA	EV/ Sales	Market Cap (\$ in millions)	Net Debt (\$ in millions)
Wafers / Ingots									
GCL-Poly Energy Holdings Ltd.	Hong Kong	\$0.13	\$3,261	\$0.02	0.8	7.6x	2.4x	\$2,420	\$5,132
PV Crystalox Solar plc	London	0.14	72	(0.10)	6.3	NM	0.1x	22	(14)
ReneSola Ltd.	New York	1.24	1,194	0.18	0.6	5.6x	0.7x	126	698
Average Wafers / Ingots			\$1,509		2.6	6.6x	1.1x	\$856	\$1,936
Cells / Modules									
E-Ton Solar Tech. Co. Ltd	Taiwan	\$0.37	\$152	(\$0.03)	2.8	NM	1.4x	\$285	(\$59)
Gintech Energy Corporation	Taiwan	0.81	542	0.05	2.3	4.9x	0.7x	363	24
Hanwha Q CELLS Co., Ltd.	New York	14.40	1,982	1.10	1.0	8.3x	1.0x	1,198	771
JA Solar Holdings Co., Ltd.	Nasdaq	6.85	2,186	1.92	1.3	2.7x	0.3x	326	374
Motech Industries, Inc.	Taiwan	1.03	933	0.04	1.5	5.0x	0.6x	506	70
Neo Solar Power Corporation	Taiwan	0.55	726	(0.03)	1.6	18.5x	1.0x	560	165
Solaria Energia y Medio Ambiente, S.A.	Madrid	0.62	19	0.07	0.5	17.0x	8.3x	67	87
Average Cells / Modules			\$934		1.6	9.4x	1.9x	\$472	\$204
Vertically Integrated									
Canadian Solar Inc.	Nasdaq	\$15.12	\$3,328	\$2.29	0.8	8.5x	0.8x	\$874	\$1,902
First Solar, Inc.	Nasdaq	48.48	3,958	7.60	3.1	3.3x	0.9x	4,957	(1,536)
JinkoSolar Holding Co., Ltd.	New York	20.38	2,816	4.41	0.9	7.2x	0.9x	639	1,670
Renewable Energy Corporation ASA	Oslo	0.17	324	(0.07)	2.5	NM	1.6x	449	84
SolarWorld AG	Frankfurt	7.16	954	(3.28)	2.2	NM	0.3x	107	222
SunPower Corporation	Nasdaq	15.49	1,520	(1.93)	2.3	NM	2.3x	2,138	1,288
Trina Solar Ltd.	New York	7.74	3,294	1.05	1.0	5.5x	0.6x	716	1,346
Yingli Green Energy Holding Co. Ltd.	New York	4.06	1,410	(42.52)	0.5	NM	1.8x	738	1,620
Average Vertically Integrated			\$2,200		1.7	6.1x	1.2x	\$1,327	\$825
EPC Integrators / Developers									
Capital Stage AG	Frankfurt	\$6.55	\$130	\$0.14	1.6	16.4x	11.7x	\$542	\$972
Real Goods Solar, Inc.	Nasdaq	4.02	40	(20.29)	0.6	NM	0.2x	3	4
SolarCity Corporation	Nasdaq	23.93	455	(0.63)	0.7	NM	13.4x	2,353	2,891
Average EPC Integrators / Developers			\$208		1.0	16.4x	8.4x	\$966	\$1,289
Average Solar Energy Index			\$1,395		1.7	8.5x	2.4x	\$923	\$843

Note: Data in table above is sourced from Capital IQ as of June 30, 2016 or latest available data.

Stock price adjusted for dividends and splits.

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

Global Industry Groups

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Food & Beverage
Healthcare
Industrials
Packaging
Technology & Media

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Valuations & Opinions
Special Situations

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Lincoln's Renewable Energy Group

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. For more information, please contact:

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