

Quarterly Industry Update

As of March 31, 2017

Industry: Energy Storage



Industry Summary

Cogent Valuation identified Energy Storage publicly traded companies, IPOs, and recent M&A transactions within the Energy Storage industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since March 31, 2016, the median 52-week share price return of the Energy Storage industry was 6.4%. Between March 31, 2015 and March 31, 2017, the median EV/EBITDA multiple increased from 11.0 to 11.0. Furthermore, the median price-to-earnings multiple increased from 17.1 to 18.4 over the same period.

Comparable Public Company Key Statistics

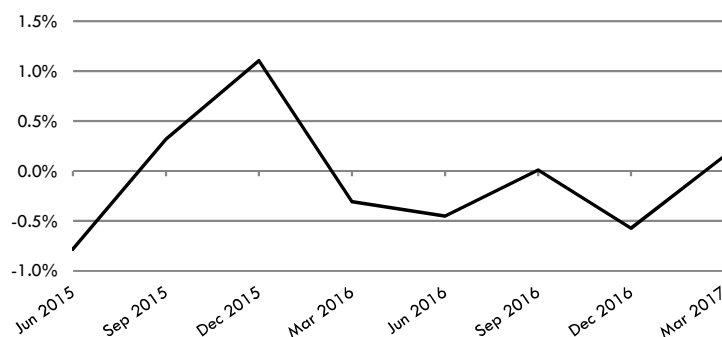
Median 52-Week Return	6.4%	Median EV/Revenue Multiple	0.9x	Median Price/Earnings Multiple	18.4x
Median 3-Year CAGR Return	-9.4%	Median EV/EBITDA Multiple	11.0x	Median EV/Gross CF Multiple	16.3x

Comparable Public Company Market Price Returns As of March 31, 2017

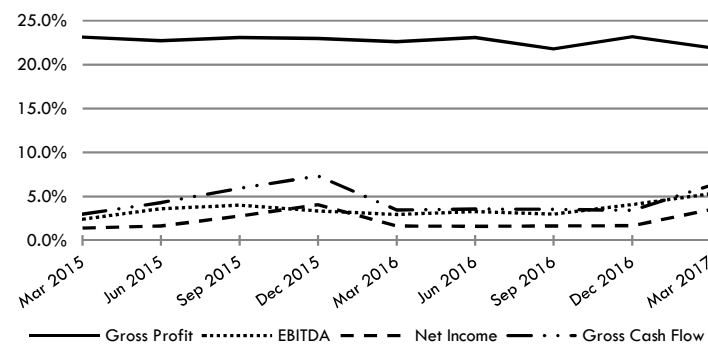
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2016	2015	2014	2013	2012
CBAK Energy Technology, Inc.	-4.4%	-4.4%	-42.5%	-38.2%	-23.5%	-23.5%	-49.9%	51.9%	-16.7%	39.6%	-49.5%
EnerSys	1.1%	1.1%	41.7%	10.9%	4.4%	17.9%	39.6%	-9.4%	-11.9%	86.3%	44.9%
Highpower International, Inc.	68.1%	68.1%	111.2%	-1.0%	-9.4%	31.6%	-21.7%	-39.6%	94.1%	148.6%	5.1%
P10 Industries, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ultralife Corporation	10.1%	10.1%	6.4%	17.7%	8.6%	1.0%	-23.4%	106.4%	-11.8%	9.6%	-19.4%
Universal Power Group, Inc.	-8.2%	-8.2%	-15.2%	-25.2%	-14.0%	-10.5%	-17.0%	-26.5%	47.1%	-12.3%	-19.3%
Median of Industry Public Companies	1.1%	1.1%	6.4%	-1.0%	-9.4%	1.0%	-21.7%	-9.4%	-11.8%	39.6%	-19.3%

(Multiple year periods are calculated as the average annual return.)

Median Quarterly Revenue Growth of All Energy Storage Companies



Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



Median Public Company Multiples of the Energy Storage Industry

Date:	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	3/31/2017
EV/Revenues Multiple	0.7x	0.8x	1.0x	1.1x	0.8x	1.0x	0.8x	0.9x	0.9x
EV/EBITDA Multiple	11.0x	11.7x	10.7x	13.1x	11.3x	11.3x	12.1x	11.3x	11.0x
Price/Earnings Multiple	17.1x	16.3x	11.3x	12.7x	13.8x	15.2x	22.4x	19.3x	18.4x
EV/Gross Cash Flows Multiple	14.1x	14.0x	11.3x	10.9x	12.2x	15.1x	15.4x	17.2x	16.3x

This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact [Steven Kam](mailto:Steven.Kam@CogentValuation.com) at 415-392-0888 for additional information or questions in connection with this research report. Copyright © 2017 Cogent Valuation. All Rights Reserved.

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Industry: Energy Storage



Industry Initial Public Offerings (dollars in millions, except share prices)

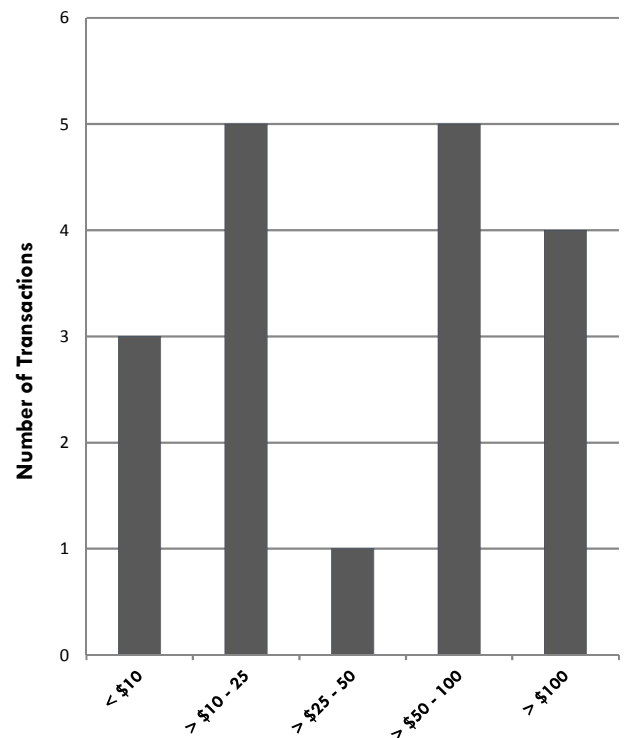
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
6/19/2008	Highpower International, Inc.	\$3.25	0.5	\$1.7	\$51.9	\$15.7	\$79.6	\$6.4	\$2.9	\$7.0
6/27/2007	Polypore International, LP	\$19.00	15.0	\$285.0	\$1,410.5	\$1,057.1	\$494.2	\$141.6	(\$26.1)	\$181.6
12/20/2006	Universal Power Group, Inc.	\$7.00	3.0	\$21.0	\$32.0	\$11.7	\$89.3	\$3.3	\$1.4	\$3.4
3/23/2005	EnSync, Inc.	\$0.39	12.0	\$4.6	\$9.1	\$2.9	\$0.1	(\$1.9)	(\$1.9)	(\$1.8)
10/26/2000	Hydrogenics Corporation	\$12.00	7.0	\$84.0	\$6.8	\$4.1	N/A	N/A	N/A	N/A
8/7/2000	P10 Industries, Inc.	\$17.00	8.0	\$136.0	\$23.3	\$0.0	\$3.4	(\$13.2)	(\$16.0)	(\$12.5)
9/30/1997	Power-One Inc.	\$14.00	5.0	\$70.0	\$76.9	\$40.9	\$73.6	\$13.1	\$3.0	\$15.4
Median of All IPOs		nm	nm	\$70.0	\$32.0	\$11.7	\$76.6	\$4.8	(\$0.3)	\$5.2

nm: not meaningful

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
1/24/2017	Mitsumi Electric Co., Ltd.	Minebea Co., Ltd.	\$651.5	100%
1/23/2017	Fiamm Batterie S.r.l.	Hitachi Chemical Co.	\$92.2	51%
12/15/2016	Prudent Energy Inc.	VanSpar Mining Inc.	\$3.3	100%
8/15/2016	Saft Groupe S.A.	TOTAL S.A.	\$1,368.3	100%
6/8/2016	Lepidico Limited	Platypus Minerals Ltd	\$11.2	100%
6/1/2016	Creasefield Ltd	Solid State plc	\$2.2	100%
4/8/2016	T&T Ener techno Co., Ltd.	Shenzhen Selen Science	\$86.4	100%
6/30/2015	Leclanché SA	Oakridge Global Energy	\$52.6	50%
5/5/2015	Magna Steyr Battery	Samsung SDI Co. Ltd.	\$120.0	100%
12/30/2014	SK Continental E-motion	SK Innovation Co., Ltd.	\$14.9	100%
11/24/2014	Ener-tek International, Inc.	OM Group Inc.	\$24.0	100%
5/16/2014	A123 Energy Solutions	NEC Corporation	\$100.0	100%
12/27/2013	Shenzhen Eyang Energy	N/A	\$1.7	100%
11/1/2013	Quallion LLC	EnerSys	\$30.0	100%
9/30/2013	Elttek Electric Vehicles	Valeo SA	\$20.3	100%
8/23/2013	Millennium Power Solutions	Blue Earth Inc.	\$15.2	100%
1/1/2013	Johnson Controls	Saft Groupe S.A.	\$145.0	100%
10/19/2012	Axeon Holdings	Johnson Matthey	\$65.1	100%
Median of the 18 M&A Transaction Targets			\$41.3	100%

Size of the 18 M&A Transactions (dollars in millions)



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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