

Q2: Quarterly Industry Update

AS OF JUNE 30, 2017

Solar Energy

INDUSTRY SUMMARY

COGENT VALUATION identified **Solar Energy** publicly traded companies, IPOs, and recent M&A transactions within the Solar Energy 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 June 30, 2016, the median 52-week share price return of the Solar Energy industry was -17.7%. Between June 30, 2015 and June 30, 2017, the median EV/EBITDA multiple decreased from 8.5 to 7.5. However, the median price-to-earnings multiple increased from 8.4 to 10.8 over the same period.

Public Company Key Statistics

Median 52-Week
Return

-17.7%

Median 3-Year CAGR
Return

-20.1%

Median EV/Revenue
Multiple

1.0x

Median EV/EBITDA
Multiple

1.0x

Median Price/Earnings
Multiple

10.8x

Median EV/Gross CF
Multiple

16.5x

Comparable Public Company Market Price Returns as of June 30, 2017

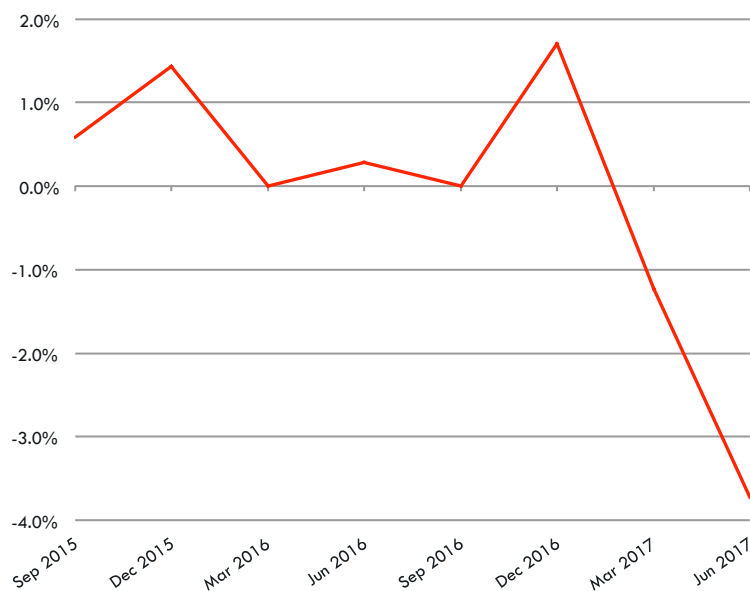
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
Ascent Solar Technologies, Inc.	-82.8%	-68.8%	-99.3%	-99.3%	-98.2%	-99.9%	-86.4%	-84.8%
Canadian Solar Inc.	30.7%	29.7%	5.3%	-25.4%	-20.1%	-57.9%	19.7%	-18.9%
China Sunergy Co., Ltd.	165.7%	4.1%	-51.5%	-82.6%	-74.4%	-98.1%	-9.8%	-79.8%
Ellomay Capital Ltd.	8.3%	8.8%	16.0%	2.8%	-3.4%	-6.0%	-11.2%	-0.4%
Enphase Energy, Inc.	-14.4%	-36.9%	-56.5%	-66.3%	-53.4%	-71.2%	-75.4%	125.4%
First Solar, Inc.	24.3%	47.2%	-17.7%	-7.9%	-17.5%	-51.4%	48.0%	-18.4%
JA Solar Holdings Co., Ltd.	33.4%	-2.9%	-7.3%	-13.8%	-16.4%	-50.9%	18.5%	-10.7%
JinkoSolar Holding Co., Ltd.	36.6%	25.5%	2.1%	-16.1%	-11.7%	-45.0%	40.4%	-32.7%
Song Da Industry Trade	16.1%	35.3%	6.9%	-4.9%	-1.3%	0.6%	-18.1%	8.9%
SunPower Corporation	41.3%	53.1%	-39.7%	-42.7%	-38.9%	-78.0%	16.2%	-13.4%
ThinkSmart Limited	-29.1%	-24.8%	N/A	N/A	N/A	N/A	N/A	N/A
Yingli Green Energy	-12.7%	4.6%	-44.1%	-57.0%	-60.7%	-42.6%	-80.7%	-53.5%
Median of Industry Public Companies	20.2%	6.7%	-17.7%	-25.4%	-20.1%	-51.4%	-9.8%	-18.4%

Multiple year periods are calculated as the average annual return.

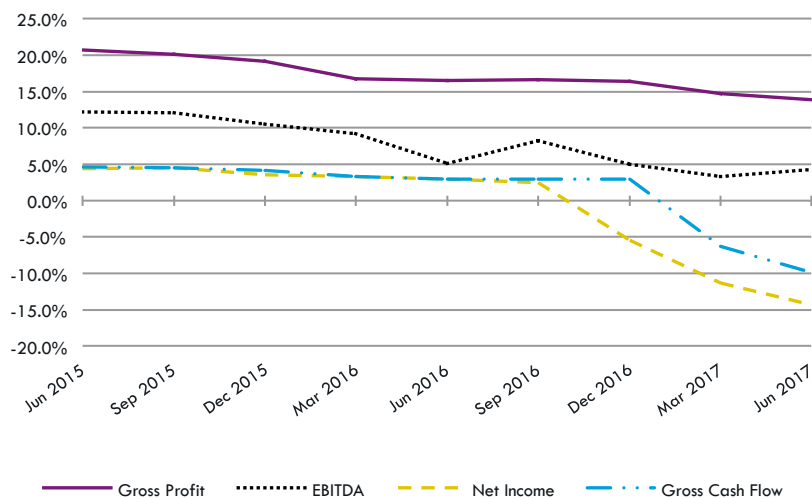
■ Highest Return
 ■ Lowest Return
 ■ Median Return

Industry Revenue Growth and Profit Margins for the Past Two Years

Median Quarterly Revenue Growth of All Solar Energy Companies



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



Median Public Companies

The chart below illustrates Public Company Multiples.

	6/30/17	3/31/17	12/31/16	9/30/16	6/30/16	3/31/16	12/31/15	9/30/15
EV/Revenues Multiple	1.0x	0.9x	1.1x	1.2x	0.9x	1.1x	1.3x	1.1x
EV/EBITDA Multiple	7.5x	6.8x	6.0x	6.8x	7.3x	7.2x	9.3x	9.0x
Price/Earnings Multiple	10.8x	5.4x	5.0x	5.4x	6.4x	7.9x	9.7x	7.8x
EV/Gross Cash Flows Multiple	16.5x	8.5x	14.9x	11.2x	13.3x	9.5x	19.7x	12.0x

■ Highest Multiple
 ■ Lowest Multiple
 ■ Median Multiple

Industry Initial Public Offerings—Industry: Solar Energy

(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
11/27/16	Ripasso Energy AB (publ)	\$0.43	5.8	\$2.5	\$170.1	\$0.0	\$22.5	(\$9.8)	(\$15.4)	(\$9.8)
8/5/15	Sunrun Inc.	\$14.00	17.9	\$250.6	\$2,240.8	\$559.0	\$238.6	(\$111.1)	(\$52.4)	(\$63.5)
3/26/15	SolarEdge Technologies, Inc.	\$18.00	7.0	\$126.0	\$133.3	\$4.7	\$215.4	\$1.7	(\$2.4)	\$3.9
9/30/14	Vivint Solar, Inc.	\$16.00	20.6	\$329.6	\$724.2	\$154.1	\$20.4	(\$117.7)	(\$19.5)	(\$113.4)
12/12/12	SolarCity Corporation	\$8.00	11.5	\$92.0	\$1,151.2	\$299.3	\$124.1	(\$40.7)	(\$47.1)	(\$22.3)
3/29/12	Enphase Energy, Inc.	\$6.00	6.5	\$53.8	\$106.2	\$33.9	\$149.5	(\$26.4)	(\$32.3)	(\$24.0)
5/13/10	JinkoSolar Holding Co., Ltd.	\$11.00	5.8	\$64.2	\$2,587.5	\$1,143.6	\$1,876.2	\$254.9	\$164.9	\$254.9
6/7/07	Yingli Green Energy Holding Company Limited	\$11.00	29.0	\$319.0	\$3,367.9	\$1,414.7	\$1,866.4	\$427.9	\$199.6	\$434.7
5/17/07	China Sunergy Co., Ltd.	\$11.00	8.5	\$93.5	\$176.3	\$77.9	\$149.5	\$16.9	\$11.8	\$18.7
2/6/07	JA Solar Holdings Co., Ltd.	\$15.00	15.0	\$225.0	\$492.9	\$150.0	\$696.5	\$142.5	\$128.4	\$142.5
12/18/06	Trina Solar Limited	\$18.50	5.3	\$98.1	\$112.5	\$44.3	\$91.6	\$14.8	\$10.0	\$15.8
11/16/06	First Solar, Inc.	\$20.00	20.0	\$400.0	\$255.1	\$71.0	\$95.9	(\$5.1)	(\$11.3)	\$2.4
11/8/06	Canadian Solar Inc.	\$15.00	7.7	\$115.5	\$66.3	\$23.2	\$50.7	\$7.8	(\$3.6)	\$8.0
7/10/06	Ascent Solar Technologies, Inc.	\$5.50	3.0	\$16.5	\$0.2	\$0.2	\$0.0	\$0.0	(\$7.2)	\$0.0
12/13/05	Suntech Power Holdings Co. Ltd.	\$15.00	26.4	\$395.7	\$135.2	\$51.3	\$174.7	\$44.0	\$31.1	\$46.6
5/31/16	GTN Limited	nm	nm	\$115.5	\$176.3	\$71.0	\$149.5	\$1.7	(\$3.6)	\$3.9


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■ Highest Return
 ■ Lowest Return
 ■ Median Return

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought
11/21/16	SolarCity Corporation	Tesla Motors, Inc.	\$6,543.2	100%
11/1/16	Human Energy Alliance Labs	MJP International Ltd.	\$4.4	80%
5/4/16	Global Resource Options	EDF Renewable Energy	\$34.8	100%
4/29/16	Desri Portal Ridge	Firstar Development, LLC	\$37.8	100%
3/24/16	Caithness Energy	Global Infrastructure Partners	\$20.0	100%
2/11/16	Gestamp Asetym Solar	KKR & Co. L.P.	\$800.0	80%
11/2/15	Aaron Services Ltd.	Lakehouse plc	\$15.4	100%
10/15/15	Suniva Inc.	Shunfeng International	\$45.0	63%
8/5/15	Energy Source Partners	Revolution Lighting Tech	\$30.1	100%

 USA

 International

 Highest

 Lowest

 Median

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

(Continued from previous page)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
7/30/15	Solairedirect SA	ENGIE SA	\$275.4	95%
6/25/15	Solar Alliance of Amer.	Finavera Wind Energy	\$5.0	100%
5/28/15	Solar Juice Pty Ltd.	SPI China (HK) Limited	\$28.0	80%
5/13/15	REC Solar ASA	Bluestar Elkem Investment	\$634.4	100%
3/30/15	Recurrent Energy, LLC	Canadian Solar Inc.	\$265.0	100%
12/31/14	Next Phase Solar, Inc.	Enphase Energy, Inc.	\$2.5	100%
11/18/14	Avacos Solar	ONEnergy Inc.	\$1.4	100%
11/4/14	Hudson Energy Solar Corp.	SunEdison, Inc.; TerraForm Power, Inc.	\$56.0	100%
9/22/14	Tripod Energy AB	Innotech Solar AS	\$6.4	100%
Median of the 18 M&A Transaction Targets			\$32.4	100%

■ USA

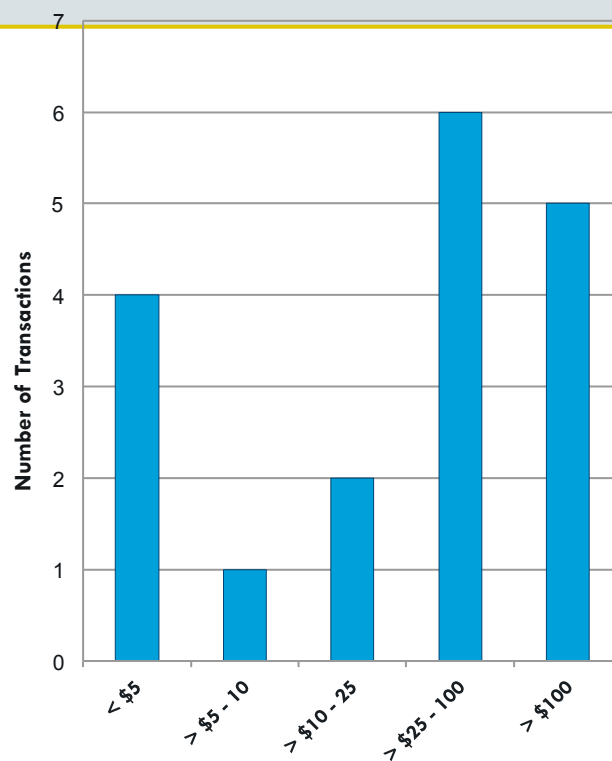
■ International

■ Highest

■ Lowest

■ Median

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of June 30, 2017



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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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