

Growth / Investment

Fastest Growing Renewable Sector

- 40 – 45% CAGR 2005 – 2012 (E)
- Installed capacity doubled 2005 – 2007
- Over 150 MW Installed 2007
- US now # 4 in the world and will probably be # 3 next year
- US PV manufacturing shipments grew 74% last year

Attracting Significant Investment

- In 2007, 18 IPOs raised over \$8.7 billion
- In 2007, public companies saw share value increase over 200%
- 2008 industry has been affected by downturn with market caps down
- However, investment continues to flow through private placements: \$3.9b raised in the 1st 6 months of the year

Market Drivers

Energy Independence

- National security issue
- Benefits of distributed generation
- Job creation

Climate Change

- Clean, unobtrusive technology with unlimited resources
- State RPS Legislation / Solar subsidy programs

Energy Demand

- Improvements in technology are bringing down prices while fossil fuel costs continue to rise
- Stable, predictable generation during peak demand hours

Segments

	Utility Scale	Commercial	Residential	Other
Technology	<ul style="list-style-type: none"> ▪ Crystalline PV ▪ Thin Film ▪ CPV ▪ CSP 	<ul style="list-style-type: none"> ▪ Crystalline PV ▪ Thin Film 	<ul style="list-style-type: none"> ▪ Crystalline PV ▪ Specialized modules (roof-tiles) 	<ul style="list-style-type: none"> ▪ Crystalline PV ▪ Thin Film ▪ Specialized products
Models / Trends	<ul style="list-style-type: none"> ▪ PPA ▪ Utility players ▪ Fastest growing segment 	<ul style="list-style-type: none"> ▪ PPA ▪ Consolidation / Integration ▪ Big box retailers leading the way 	<ul style="list-style-type: none"> ▪ Value added distribution ▪ System sizes growing 	<ul style="list-style-type: none"> ▪ BIPV nascent in US ▪ Government installations

Trends / Challenges

Policy

- Spanish / German changes
- ITC extension / state programs
- Future legislation

Technology

- Must look at cost and performance over time
- Supply shocks
- Future 'disruptive' technologies

Market

- Consolidation
- Vertical integration
- Entrance of large players & utilities

Financial

- Volatility / misunderstanding in market
- Bubble risk
- Financial shocks