



Evolve
Capital Partners

Finance & Technology Market Update

Q2:2016 Issue

Energy Storage, LED & China's Capital Exodus



**SPECIALIZED INVESTMENT BANKERS AT THE INTERSECTION OF
FINANCE AND TECHNOLOGY**

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Executive Summary

Executive Summary

Summary of Newsletter

SUMMARY

- This newsletter is intended to provide insight into sustainability, energy efficiency, and LED global capital markets. We seek to provide a snapshot of market activity and detailed analysis of trends.
- The key observations we made over the second quarter of 2016 are below.

SECTOR DEFINITIONS / DISCUSSION TOPICS

Energy Storage Systems & Solar-Plus-Storage

Energy Storage Systems includes firms that are engaged in providing technology that stores electrical energy, which can be deployed at a later time. In particular, we focus on Lithium Ion batteries, as this technology will be a major component in storage for renewable energy. Solar-Plus-Storage in the context of this newsletter describes distributed generation assets with integrated energy storage.

LED Consolidation

“LED” includes companies that manufacture light emitting diodes, fixtures, or related lighting products. We also examine components of end markets in our analysis of the LED lighting industry.

Capital Flight From China

In this issue, we discuss and analyze China’s rapidly shrinking foreign exchange reserves. China’s balance of payments continues to fall as the country’s central planners appear to be running out of options for propping up domestic growth, spurring an exodus of capital.

KEY OBSERVATIONS



ESS Becoming Increasingly Essential

Energy Storage Solutions (“ESS”) is becoming increasingly essential as renewable generation proliferates. Retirement of coal power plants and falling technology costs are also providing momentum to ESS, and utilities, consumers, and DG developers are all active participants in this marketplace. We discuss ESS market drivers, activity, and business models that have shown initial success in this space.



Regional & Corporate Consolidation in LED

Regional and corporate consolidation continue to advance as the LED industry approaches maturity. Additionally, LED manufacturers are seeking to differentiate themselves through quality and diverse product offerings more than ever before.



Flurry of Outbound M&A’s from China

Appetite for Chinese M&A, mostly outbound, is off to a fast start, evidenced by a series of record breaking M&A cross border deals and falling foreign exchange reserves. While a myriad of structural and political factors contribute to capital flight from China, we focus our attention on M&A opportunities among sustainability, energy efficiency, and “industrial technology” firms.



Firm Qualifications

Firm Qualifications

We Focus Exclusively on Finance and Technology Related Firms

ABOUT ECP

- Evolve Capital Partners (ECP) is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology.
- We are dedicated advisors focused on evolving industries, and we support sustainable growth through transformational M&A / financing transactions.
- ECP is a dedicated, creative, and fully independent investment bank that advises private and public companies on merger, divestiture and acquisition transactions, raise capital through private placements in complex situations.
- We also provide structured finance advisory services — our investment banking practice provides a comprehensive suite of solutions to businesses.
- With over 30 engagements executed by its leaders, Evolve Capital Partners has served as a proud partner, bringing renewed value to companies at the intersection of finance and technology.
- We were founded in 2012 and are based in New York, NY.

FINANCIAL ADVISORY SERVICES

Few investment banks have transaction experience across both corporate and asset finance.



Our Clients

- Corporates
- Management Teams
- VC & PE Funds
- Independent Directors / Boards



Our Services

- M&A
- Strategic Alliances
- Capital Raises and Asset Finance
- Financial Restructurings



Industry Focus

- Finance and Technology Firms

*BPO
IoT
B2B*

*Specialty Finance
Enterprise Software
Analytics*

*Payments
Lending
InsuranceTech*

*Securities
Financial Services
Financial Management*

Firm Qualifications

LeaseDimensions M&A Sell-side Case Study

Transaction Overview & Rationale

Overview of the Transaction

- LeaseDimensions (the “Company”) engaged Evolve Capital Partners (ECP) to advise on the sale of the 25 year old firm.
- The Company can be categorized as a Business Process Outsourcing (BPO) firm, with considerable operating history and generating above average margins. The Company provides lease and loan servicing to banks, large corporations and emerging growth companies across North America.

Significance of the Transaction

- The buyer, Genpact, is a large international BPO with a \$5 billion market capitalization. The acquisition of LeaseDimensions allows Genpact to effectively provide onshore servicing capabilities, and represents an ongoing consolidation of third party independent servicing companies.
- LeaseDimensions will remain a standalone company and will receive significant support to rapidly expand operations and expand into ancillary asset classes.

Evolve Capital Partners Role in the Transaction

- ECP served as the exclusive strategic and financial advisor to LeaseDimensions.
- ECP developed a detailed and comprehensive set of marketing materials to highlight the unique value proposition of the Company and to enable efficient and thorough buyer diligence.
- ECP drafted tailored selling script in the form of brief presentations that specifically articulated strategic fit, rationale and directly addressed questions from interested parties.
- We leveraged our relationships to understand each party’s interest level and concerns throughout the process and informed them on the Company’s attributes and quality of its servicing offerings.
- ECP generated qualified indications of interest from numerous strategic and financial buyers and was able to generate a significant increase in the final valuation from the initial indications of interest through a negotiated process.

Financial Advisor

February 2017



LeaseDimensions

has been acquired by:

GENPACT

GENERATING IMPACTSM

*Exclusive financial advisor to
LeaseDimensions*

BPO

Strategic

M&A



Deal Activity

Deal Activity

Key Industry Transactions in Q3 2016

We monitor the finance & technology space from all angles, this includes deals in the energy technology and sustainable technology segments. Over the last few months, we have seen some of the larger players in these areas make significant moves to expand their coverage and market penetration. Deals include acquisitions made by TESLA, ENGIE, Oracle, GE and others.

Highlighted M&A Transactions

Date	Acquirer	Target	Comments
06/21/16			Tesla Motors approached SolarCity Corporation on June 21, 2016 to consider the acquisition of its business. SolarCity designs, manufactures, installs, monitors, maintains, leases, and sells solar energy systems to government, residential, and commercial customers in the United States.
05/10/16			ENGIE SA purchased an 80% stake in Green Charge Networks, LLC, who develops and manufactures energy storage systems for commercial, retail, and industrial customers, on May 10, 2016.
05/02/16			Oracle Corporation acquired Opower, Inc. on May 2, 2016 for \$547.27 million. Opower provides cloud-based software to the utility industry in the United States. Its software analyzes energy data and presents personalized insights to consumers in order to motivate reductions in energy consumption.
04/25/16			EDF Renewable Energy, Inc. purchased Grosolar for an undisclosed amount on April 25, 2016. Grosolar, provides turnkey engineering, procurement, and construction (EPC) of solar photovoltaic (PV) projects for developers, financiers, utilities, and commercial, government, and other institutional clients.
04/21/16			General Electric purchased Daintree Networks, Inc. on April 21, 2016 for \$77 million. Daintree Networks develops open networked wireless products and software solutions for lighting and control, monitoring, and optimization of commercial buildings and industrial facilities.

Sources: Capital IQ



Energy Storage Systems

Industry Landscape

Energy Storage Systems, LED, and China's Capital Exodus

- Utility scale energy storage is booming, due in large part to a proliferation in distributed generation, renewable portfolio standards, and retirement of coal-fired power plants. ESS describes any technology that can absorb electricity when it is produced and release stored energy at a later time.
- There has been a flurry of M&A and financing activity across the sector in the last three months and continues.
- According to the Department of Energy, there are at least 1,118 ESS projects 100 kW or larger worldwide that have either been announced or are operational, amounting to 187,327 MW in total capacity.
- Excluding pumped hydro, which accounts for ~95% of total storage capacity, there are at least 758 global utility scale ESS projects announced or operational totaling 8,440 MW in capacity.
- The United States accounts for 342 non-hydro ESS systems 100 kW or larger, representing 45% of the global total. The capacity of U.S. projects is slightly smaller compared to their international counterparts, as U.S. ESS accounts for 2,804 MW, or 33%, of the global total.

Sources: Wall Street Research, DOE, Ecofys, MIT

Recent Transactions

Date	Acquirer	Target	Type	Comments
06/16	Undisclosed	 PosiGen Solar Solutions	Financing	PosiGen, Inc. sells and leases solar power systems, solar hot water systems, and energy efficiency upgrade solutions for homeowners, and commercial and government clients in Louisiana, New York, and Connecticut. It received \$6 million in equity financing from an unknown source in June, 2016.
05/16	 John Hancock	 SolarCity	Financing	SolarCity Corporation designs, manufactures, installs, monitors, maintains, leases, and sells solar energy systems to government, residential, and commercial customers in the United States. The company received financing from John Hancock Financial of \$227 million in May, 2016.
04/16	 EnerSys Powerful Solutions™	 ENSER Unleash the Power	Acquisition	The ENSER Corp. designs, develops, qualifies and manufactures thermal batteries. Its services include dynamic environmental testing, climatic testing, non-destructive and specialized test services. EnerSys Inc. acquired The ENSER Corp, trading as The Enser Corp of Alabama, for an undisclosed amount in April, 2016.

Industry Landscape (Cont'd.)

Energy Storage Systems, LED, and China's Capital Exodus

TECHNOLOGIES DEPLOYED

- Conventional electrochemical batteries, including Lead Acid ("Pb-Ac"), Nickel Cadmium ("Ni-Cd"), and in particular Lithium Ion ("Li-Ion"), have been found to be among the most promising at providing cost effective solutions to grid problems caused or magnified by renewable energy.
- Battery energy storage solutions ("BESS") also offers peak-shaving benefits to consumers who implement ESS alongside behind-the-meter power systems. Please see the appendix for the industry hierarchy.

TECHNOLOGIES DEPLOYED

- Lithium Ion BESS are being used for large utility scale projects as well as behind-the-meter storage. According to the DOE, there are at least 322 Li-Ion projects 100 kW or larger worldwide that have been announced or are operational, totaling 1,303 MW in capacity.
- The U.S. accounts for 127 utility scale Li-Ion ESS projects, or 39%, totaling 426 MW of storage capacity, or 33% of the global total.

Sources: Wall Street Research, DOE, Ecofys, MIT, Frost & Sullivan

MARKET GROWTH

\$8.5 bn	Expected value of the BESS market by 2024	~10 to ~12 GW	Expected value of the BESS market by 2024	43%	Expected CAGR of the BESS market during 2015-24
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- Projections show that total BESS (including behind-the-meter) will grow from ~430 MW as of 2015 to ~10 to ~12 GW by 2024, the majority of which will be Li-Ion technology. The total market is expected to grow to ~\$8.5 billion by 2024 at an approximate CAGR of 43%.
- The U.S. is projected to lead BESS installations. China, Japan, and Germany are also expected to be large markets for BESS.
- The following page displays a sample of utility scale projects under way, an overview of residential solar-plus-storage, a brief insight into the strategies that firms are using to promote solar-plus-storage.
- Some of the key companies expected to make an impact on BESS include AES Energy Storage, NGK Insulators, LG Chem, Sumitomo Electric, GE, Samsung SDI, and others. However, we conclude this section with case studies of a sample of small- and mid-cap BESS companies that are also playing a significant role in both utility scale and behind-the-meter ESS.

Behind-the-Meter BESS

Energy Storage Systems, LED, and China's Capital Exodus

A future growth engine of the alternative energy sector will be a consolidation of solar, inverter, and energy storage companies



DOWNSTREAM SOLAR

- The solar industry is highly fragmented and many firms will be unable to survive as subsidies decline.
- Best-in-class solar firms will maintain cost advantages from pricing power and technology deployment. Companies will compete on software and sales.
- The market is huge and it is estimated that over 55GW of solar power will be deployed in 2015, up over 15% YoY and 45% in the U.S.

INVERTERS

- The global market is estimated to be \$7.3 billion⁽¹⁾ and is highly fragmented.
- Enphase, a leader, is expanding its product-line to address solar-plus-storage and energy management systems and recently introduced a modular storage device.
- Global and regional diversified power solutions companies may look to acquire smaller companies as the residential market is growing rapidly.

ENERGY STORAGE

- Energy storage businesses are receiving increased levels of interest from both strategic and financial parties. A key driver is the falling cost of lithium ion.
- Utilities view energy storage as an enhancer for reliability purposes and transmission avoidance, and allows utilities to accept renewable energy sources under a variety of weather conditions.

Representative Transactions

Date	Acquirer	Target	Type	Comments
05/16	MITHRIL	stem	Financing	In May 2016, EDF Stem, Inc., received Series C financing from Mithril Capital Management. The additional \$15 million brought the total Series C financing up to \$68 million.
04/16	Cambridge Innovation Capital octopus ventures	origamienergy shaping energy technology	Financing	In April 2016, Origami Energy raised \$20 million in Series A financing from Cambridge Innovation Capital, Octopus Ventures, and other private investors.

Sources: Wall Street Research and Greentech Media. Notes: ⁽¹⁾Wall Street Research, April 15, 2015.

Solar-Plus-Storage Partnerships & Deployment Strategies

Energy Storage Systems, LED, and China's Capital Exodus

- The solar-plus-storage market is in a state of rapid expansion
- GTM research estimates that there are about 22 MW of deployed solar-plus-storage as of 2015 and projects that number will reach 769 MW by 2020.
- The estimated U.S. market value of solar-plus-storage was \$246 million in 2015 and is expected to grow to \$643 million by the end of 2016. The U.S. market will grow to \$3.1 billion by 2020, and 422 MW will be installed that year alone.

Companies Providing Behind-the-Meter Solar-Plus-Storage



SolarCity launched a “self-supply” program in Hawaii to supply customers with a complete renewable energy system, which includes rooftop panels, electric water heaters, Tesla’s Powerwall ESS system, and Nest’s smart thermostat.



Tesla’s purchase of SolarCity is considered forward integration with Tesla investing in a distribution channel that may have needs for Tesla Power’s storage and connectivity technology offerings.



SunPower partnered with STEM in early 2015 to provide storage solutions to its customers. The decision by SunPower was made in large part by consumer demand for complete energy systems. The company also partnered with EnerNOC for its energy management software.



Juicebox has not published a comprehensive list of its solar developer partnerships, but the company has trained and certified over 50 installers on how to integrate its energy storage and dispatch solutions, effectively creating its sales pipeline through education initiatives.



Arise Solar is one installer now working with JuiceBox technology.

Sources: Wall Street Research, Greentech Media

Transaction Themes

Energy Storage Systems, LED, and China's Capital Exodus



Green Charge Networks' acquisition by ENGIE SA was successful and closed in May, 2016. The deal included the sale of an 80% stake.

Green Charge will benefit from the support of a larger family of ENGIE businesses in North America, providing renewable and natural gas-fired power production, natural gas and liquefied natural gas (LNG) deliveries, retail energy sales to homes and businesses, and services to enhance energy efficiency.



Stem set up a \$135 million project financing fund in 2015 to finance the purchase and installation of battery systems. At the time, the company had hoped to install hundreds of systems over the next several months, and had already contracted with a large hotel chain to install 68 systems.



UniEnergy Technologies raised \$25 million in funding from Orix in December 2015, an investment firm that provides financing for renewable energy projects and ESS.



Sonnen, a German ESS company, opened an office in Los Angeles in 2016 with plans to tackle the U.S. market for ESS. The company had previously established partnerships with two solar companies: SolarWorld, a crystalline-silicon solar manufacturer, and PetersenDean, a residential roofing company.

Source: Capital IQ, Greencharge Networks, Stem



LED Markets

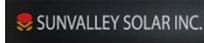


Industry Landscape

Energy Storage Systems, LED, and China's Capital Exodus

- The LED market is a dynamic and quickly evolving space.
- Consolidation continues at a rapid pace as the market approaches maturity, especially in the upstream market. LED chips and packaging are areas that have undergone major consolidation in the last couple of years, primarily due to intense margin pressure, technology acquisition, and competition for market share.
- Vertical integration is another driver of consolidation, as up- and mid-stream LED companies are looking for entry into packaging and downstream markets to secure their client bases and capture more value.
- Regional consolidation is occurring alongside market consolidation – more than 90% of China's LED manufacturing now occurs in one of the following five regions: Guangdong, Zhejiang, Jiangsu, Fujian, Shanghai.
- Historically, competition among LED manufacturers has occurred primarily on price. However, as LED technology improves, and as global energy efficiency goals become more pronounced, manufacturers are beginning to rely on quality to protect and gain market share.
- The ESCO market is driving quality enhancements to lighting products, with many ESCO projects requiring high quality installations.

Recent Transactions

Acquirer	Target	Type	Comments
 FULHAM <small>Lighting - Global Intelligent Sustainable</small>	Lumotech Led Driver Business	Acquisition	Fulham Co. Inc., agreed to acquire Led Driver Business from Lumotech ultimately owned by Nualight Ltd for an undisclosed amount. The transaction would enhance Fulham Co Inc's portfolio of electronic business. With completion of this acquisition, Lumotech will become Fulham Co Inc's new European Design Centre.
 SUNVALLEY SOLAR INC.	RaycoEnergy	Acquisition	Sunvalley Solar Inc. acquired Rayco Energy Inc. for US\$0.4 million contingent payout and stock. Under the terms of the acquisition, Sunvalley Solar Inc issued 75,500 Series B preferred shares that are convertible to 10 shares of Sunvalley Solar Inc's common stock and paid US\$0.4 million conditioned upon Rayco Energy Inc's net profit in 2016. The acquisition will expand Sunvalley Solar Inc., solar power business to Northern California and serve residential consumers
 ANGELES EQUITY PARTNERS	ERP	Acquisition	Angeles Equity Partners LLC acquired an undisclosed majority stake in ERP Power LLC, formerly known as Energy Recovery Products Inc, a portfolio company of Convergent Capital LLC, for an undisclosed amount. The acquisition is in line with the growth strategy of ERP Power LLC.

Sources: Capital IQ, FACTSET, WCP LED Lighting Report 2012, GTAT

Key Areas of Competition

Energy Storage Systems, **LED**, and China's Capital Exodus



Wavelength

The color of light produced by LEDs is determined by its wavelength. As demand for high quality lighting increases, manufacturers have sought to improve color quality by fine tuning the wavelength emitted from their LEDs. LED manufacturers are also fine tuning products that emit light outside of the visible spectrum (such as infrared) for specialized applications.



Die Count

LED products may contain die counts ranging from 1 to 25 or higher. Die count increases the luminosity from individual lamps, but superior color mixing can also be achieved by mixing LEDs that produce different wavelengths.



Correlated Color Temperature (CCT) Tuning

CCT is a measure of color appearance. White light can have both “warm” and “cool” appearances depending on the CCT value – lights with low CCT values give the appearance of “warm” light while higher values give off “cool” light, and tuning allows manufacturers to cater to a broad spectrum of customer preferences.



Efficiency

Manufacturers continue to compete on energy efficiency and product longevity to maximize benefits to their customers.



China's Capital Exodus

Introduction

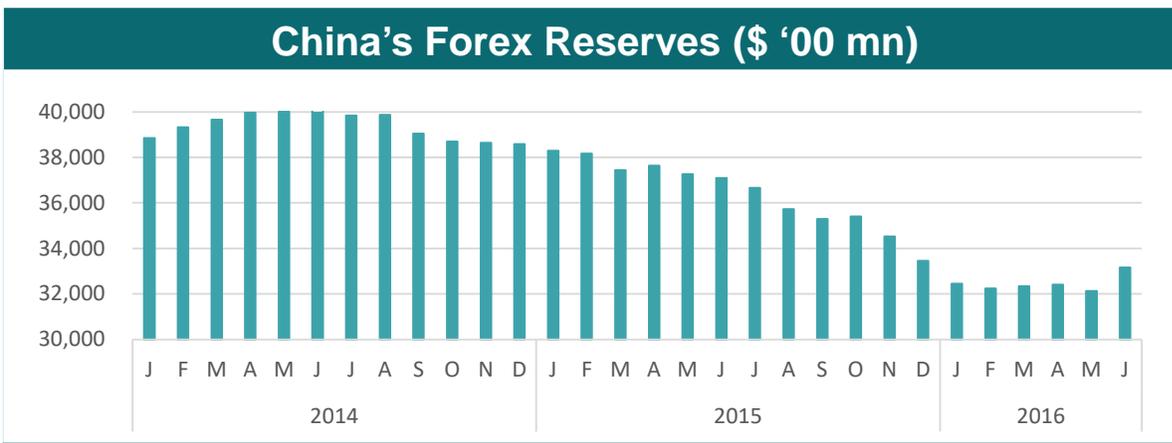
Energy Storage Systems, LED, and China's Capital Exodus

- After years of supporting artificially high growth rates, the Chinese government is now faced with the challenge of stabilizing its currency through frequent market intervention and currency devaluation, prompting large scale capital flight by Chinese citizens and investors
- From June 2014 to February 2016, Chinese foreign exchange reserves have fallen by nearly \$800 billion, almost 20% of its total reserves (see table)
- At the end of March, China's foreign-currency holdings rose to \$3.213 trillion, up by \$10.26 billion from the end of February.
- While investment opportunities in China continue to be of interest to foreign investors, 58 percent of 2016 M&A transaction involving a Chinese counterparty have been outbound.
- A large portion of outbound capital has gone to real estate, energy – including alternative energy – and technology-based investments
- In our last newsletter, we predicted that economic growth in China will likely contract in 2016 and capital will likely flow out of China as investors seek yield-generating assets in the U.S. This will drive more cross-border deals between the U.S. and China.

Some Calm from the top, or not.....

The governor of China central bank, Mr. Zhou Xiaochuan, hinted in a news conference that the RMB is back to normalcy and there is no need to weaken the RMB to stimulate the nation's exports or boost the competitiveness of products made in China.

Sources: PBOC, Thomson Reuters



Date	Target	Acquirer	Value (\$mn)	Target Description
06/02/16	Integrated Memory Logic Ltd. (US)	Beijing E-Town Chipone Technology Co. Ltd.	\$136	Integrated is a fabless semiconductor company that designs, manufactures and markets application-specific analog, power management, and mixed signal integrated circuits primarily for display, mobile systems and lighting markets.
05/03/16	GD Solar Co., Ltd. (China)	Tianjin Zhonghuan Semiconductor Co., Ltd.	\$109	GD Solar operates as a holding company with interest in providing solar power electric generation services. The firm's products include crystalline, thin-film and CPV.

Major Causes of Capital Flight

Energy Storage Systems, LED, and China's Capital Exodus

China Capital Flight in recent months is a direct result of people's fear of China's slower growth and imminent Chinese depreciation. Four primary factors that contribute to the Chinese capital flight:



China's Growth Slows Significantly Since Last Year

China's GDP has expanded at a growth rate of above 7% for more than three decades. However, the GDP growth rate dropped to 6.9%. The government then guided forecasted GDP growth rate lower to 6.5% range in 2016.



Fears of Increasing Interest Rate Differential

Expectations are rife that the US is going to gradually increase interest rates while China's interest is declining, fueling the expectation that the RMB will be devalued soon. Mundell's trinity states that central bank independency, exchange rate and free capital flow cannot hold simultaneously. Therefore, if China continues to hold monetary policy independent and free capital flow (which means China will continue depleting its massive foreign reserve), the fixed exchange rate will maintain. However, investors are not betting on this. China has started tightening the capital flow out of China since early 2016. This action itself exacerbates the fear that something is seriously wrong.



The Commodity Super Cycle is Ending

In the past, most of the FDI funds flowing into China were making bets on China's commodity consumption boom. As China's cheap labor turns raw commodity into Made-in-China goods. Now, as China's growth slows, and many production centers are moving away from China, foreign investors start pulling funds.



Limited Investment Opportunities Within The Mainland

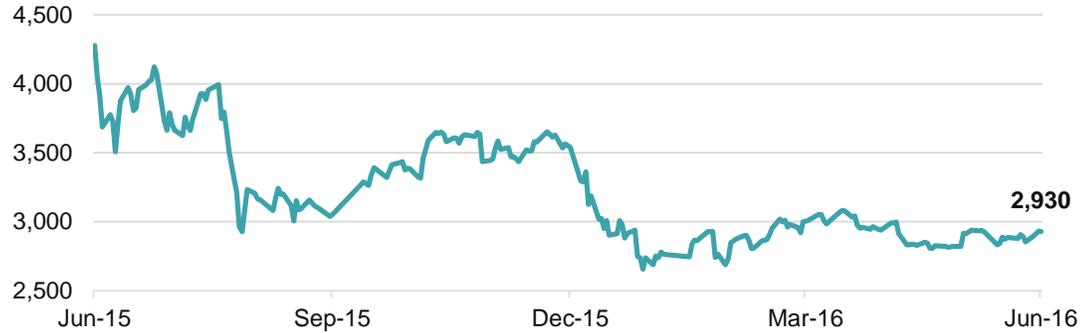
The 2015 Chinese stock market crash and limited investment opportunities within China is forcing investors to invest overseas. Granted, the Chinese stock market is often volatile. However, the summer 2015 crash has let many investors to reconsider investment opportunities and risk management. There are not many good opportunities in China right now. As the society is heavily leveraged, investments are more concentrated in the sectors such as real estate and government sponsored fixed income like wealth management products. Company profits are squeezed and investors are disappointed with the capital markets. Therefore, many investors are seeking way out.

Sources: PBOC, Thomson Reuters

China Macroeconomic Summary

Energy Storage Systems, LED, and China's Capital Exodus

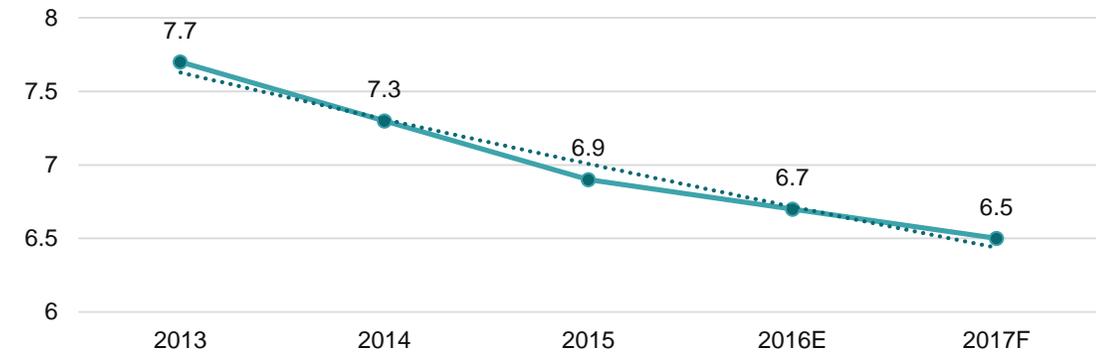
Shanghai Stock Exchange Composite Index



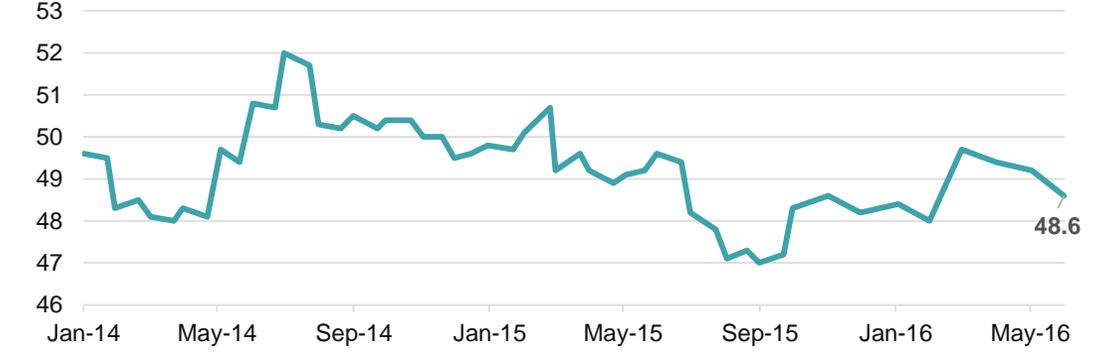
RMB / USD Exchange Rate



China's GDP Growth Rate (%)



China's Manufacturing PMI Index



Sources: Market Data, World Bank



Public Trading Comparables

Public Trading Comparables

Sustainability, Energy Storage, Resource Efficiency

(All figures in \$. Figures in millions, except per share data, as of June 30, 2016)

Company Name	Day Close Price	% of 52-Wk High	Total Enterprise Value	Market Capitalization	LTM Total Revenue	LTM EBITDA	TEV/Total Revenues LTM	TEV/EBITDA LTM
Sunrun, Inc.	\$5.93	34.0%	\$1,518	\$605	\$354	\$-160	4.3x	NM
SolarCity Corp.	\$23.93	40.2%	\$6,080	\$2,353	\$455	\$-549	13.4x	NM
Vivint Solar, Inc.	\$3.07	19.4%	\$1,033	\$329	\$72	\$-199	14.4x	NM
Real Goods Solar, Inc.	\$4.02	8.5%	\$7	\$3	\$40	\$-13	0.2x	NM
Capital Stage AG	\$6.55	61.7%	\$1,523	\$542	\$134	\$96	11.7x	16.4x
Mean							8.8x	16.4x
Median							11.7x	16.4x

Source: Capital IQ

Public Trading Comparables

Sustainability, Energy Storage, Resource Efficiency

(All figures in \$. Figures in millions, except per share data, as of June 30, 2016)

Company Name	Day Close Price	% of 52-Wk High	Total Enterprise Value	Market Capitalization	LTM Total Revenue	LTM EBITDA	TEV/Total Revenues LTM	TEV/EBITDA LTM
General Electric Company	\$31.48	100.4%	\$470,940	\$289,479	\$117,654	\$15,391	4.0x	30.6x
Tesla Motors, Inc.	\$212.28	76.9%	\$33,229	\$31,264	\$4,235	\$-360	7.8x	NM
Toshiba Corporation	\$2.69	73.1%	\$19,425	\$11,396	\$50,451	\$-4,404	0.4x	NM
BYD Company Ltd.	\$5.99	99.5%	\$25,757	\$19,806	\$13,171	\$1,594	2.0x	16.2x
LG Chem, Ltd.	\$225.51	74.9%	\$14,940	\$14,864	\$17,741	\$2,791	0.9x	5.4x
Samsung SDI Co. Ltd.	\$93.67	82.8%	\$6,215	\$6,438	\$6,739	\$-85	0.9x	32.9x
NGK Insulators Ltd.	\$19.93	68.4%	\$6,552	\$6,510	\$3,879	\$964	1.5x	6.2x
EnerSys	\$59.47	93.5%	\$2,823	\$2,580	\$2,316	\$315	1.2x	9.0x
Saft Groupe S.A.	\$40.58	96.0%	\$1,098	\$1,038	\$825	\$163	1.3x	6.5x
Maxwell Technologies, Inc.	\$5.28	68.2%	\$146	\$167	\$168	\$0	0.9x	NM
Enphase Energy, Inc.	\$1.99	26.3%	\$100	\$93	\$335	\$-24	0.3x	NM
Hydrogenics Corporation	\$6.90	60.8%	\$79	\$87	\$33	\$-7	2.4x	NM
China BAK Battery, Inc.	\$2.60	67.1%	\$57	\$45	\$16	\$-7	3.5x	NM
Ensync, Inc.	\$0.37	38.9%	\$-1	\$18	\$1	\$-15	NM	NM
Mean							2.1x	15.2x
Median							1.3x	9.0x

Source: Capital IQ

Public Trading Comparables

Sustainability, Energy Storage, Resource Efficiency

ENERGY EFFICIENCY TECHNOLOGIES

(All figures in \$. Figures in millions, except per share data, as of June 30, 2016)

Company Name	Day Close Price	% of 52-Wk High	Total Enterprise Value	Market Capitalization	LTM Total Revenue	LTM EBITDA	TEV/Total Revenues LTM	TEV/EBITDA LTM
Itron, Inc.	\$43.10	96.7%	\$1,911	\$1,648	\$1,884	\$139	1.0x	13.8x
Silver Spring Networks, Inc.	\$12.15	76.3%	\$493	\$618	\$395	\$46	1.2x	10.8x
EnerNOC, Inc.	\$6.32	63.0%	\$187	\$179	\$402	\$-47	0.5x	NM
Digi International, Inc.	\$10.73	81.6%	\$162	\$278	\$216	\$18	0.8x	9.1x
Mean							0.8x	8.4x
Median							0.8x	10.0x

Source: Capital IQ

Public Trading Comparables

Sustainability, Energy Storage, Resource Efficiency

ENERGY SERVICES

(All figures in \$. Figures in millions, except per share data, as of June 30, 2016)

Company Name	Day Close Price	% of 52-Wk High	Total Enterprise Value	Market Capitalization	LTM Total Revenue	LTM EBITDA	TEV/Total Revenues LTM	TEV/EBITDA LTM
Ameresco, Inc.	\$4.37	71.8%	\$405	\$204	\$649	\$44	0.6x	9.1x
Lime Energy Co.	\$2.22	57.9%	\$41	\$21	\$117	\$1	0.3x	NM
ESCO Technologies Inc.	\$39.94	100.0%	\$1,088	\$1,028	\$560	\$90	1.9x	12.0x
Honeywell International Inc.	\$116.32	99.3%	\$96,415	\$88,649	\$38,890	\$7,822	2.5x	12.3x
Johnson Controls, Inc.	\$44.26	91.6%	\$36,507	\$28,697	\$36,317	\$3,265	1.0x	9.8x
Ecology & Environment, Inc.	\$10.22	90.8%	\$38	\$44	\$115	\$7	0.3x	5.7x
Mean							1.1x	9.8x
Median							0.8x	9.8x

Source: Capital IQ

Public Trading Comparables

Sustainability, Energy Storage, Resource Efficiency

LED

(All figures in \$. Figures in millions, except per share data, as of June 30, 2016)

Company Name	Day Close Price	% of 52-Wk High	Total Enterprise Value	Market Capitalization	LTM Total Revenue	LTM EBITDA	TEV/Total Revenues LTM	TEV/EBITDA LTM
Acuity Brands, Inc.	\$247.96	97.6%	\$10,885	\$10.868	\$3,125	\$537	3.5x	20.3x
OSRAM Licht AG	\$51.69	88.4%	\$4,449	\$5,402	\$6,474	\$768	0.7x	4.1x
Cree, Inc.	\$24.44	83.7%	\$2,036	\$2,432	\$1,610	\$119	1.3x	17.1x
Nanometrics Inc.	\$20.79	100.9%	\$424	\$507	\$184	\$17	2.3x	NM
Revolution Lighting Tech	\$6.18	50.8%	\$158	\$121	\$137	\$7	1.2x	23.1x
TCP International Hldgs. Ltd.	\$1.16	9.7%	\$98	\$33	\$486	\$41	0.2x	2.4x
Energy Focus, Inc.	\$6.24	19.5%	\$43	\$73	\$60	\$7	0.7x	6.4x
eMagin Corp.	\$1.92	77.7%	\$47	\$56	\$26	\$-3	1.8x	NM
Orion Energy Systems, Inc.	\$1.16	47.4%	\$22	\$33	\$68	\$-10	0.3x	NM
Mean							1.3x	12.2x
Median							1.2x	11.7x

Source: Capital IQ

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