

March 2, 2015

SN VALUATION [Stocks, Real Estate, Bonds]

First Solar (FSLR)

Price:	\$59.74	Net Tang. Bk Value Incl. Cash, Excl.	\$4,912,100,000	Net Tang. Book Yr. 5 (Inc. Cash):	\$6,077,866,387.50
Shares Outstanding:	100,290,000	Goodwill (NTBVIC):		Avg. Year Op. Cash:	\$233,153,277.50
Market Cap:	\$5,991,324,600	NTBVIC/Market Downside Recovery:	81.99%	Year 5 Disposition FCF Multiple:	3.0
Cash:	\$1,991,090,000	Op. Cash Flow:	\$233,153,278	Year 5 Disposition Price:	\$6,777,326,220.00
Debt:	\$216,920,000	Implied Years to Fill Gap:	4.63		
Net Cash:	\$1,774,170,000	Today's Equity if 5x Op. CF:	\$5,611,559,833		
Enterprise Value:	\$4,217,154,600			Net Tang. Book+ Gain Disposition:	\$6,777,326,220.00
				IRR:	2.50%
				Price:	\$67.58
				Target Market Cap:	\$6,777,326,220
				Target Enterprise Value:	\$5,003,156,220

* Our future intrinsic value measures the total return, which includes both capital appreciation and dividend income.

\$6BB market cap, \$2BB in cash, and \$3 BB in PP&E. The Co. reinvests heavily into PP&E or pays down debt, which is only \$200MM. Very responsible capital allocation on the surface level.

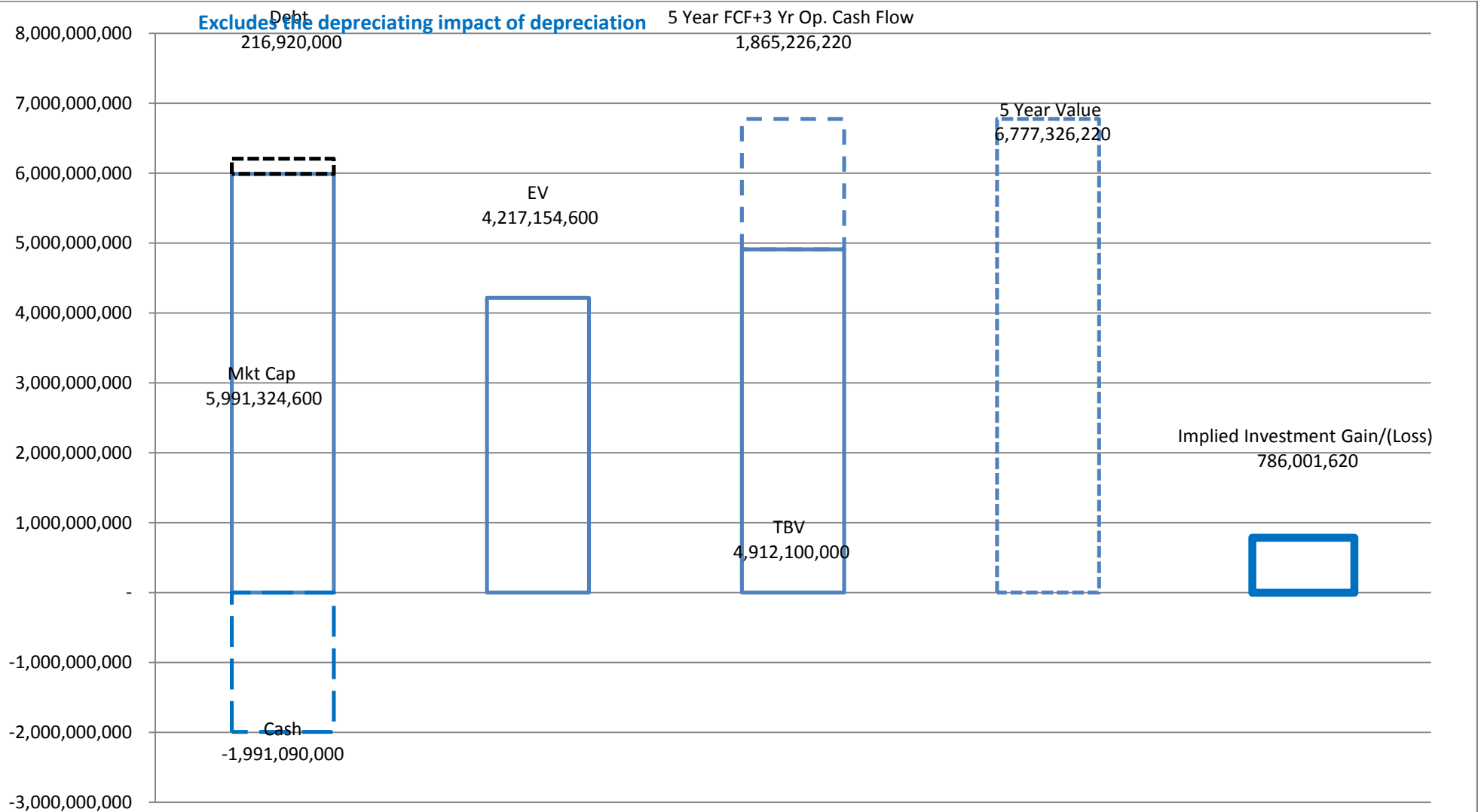
We like the secular trend away from oil to alternatives such as electric car, and with FSLR, solar energy.

Still a lot to develop but FSLR is a leading solar co.

Walton family, of Walmart, owns 25% of the stock through a trust, which is about \$1.5BB market cap.

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Excludes the depreciating impact of depreciation



Error

Company Name:	First Solar
Ticker Symbol:	FSLR
Last Price:	\$59.74
Net Cash/Share:	\$17.69
Net Cash to Last Price:	29.61%
Shares Outstanding:	100,290,000
Industry:	Solar
Sector:	Technology
Institutional Ownership:	#VALUE!
Mutual Fund Ownership:	#VALUE!
Insider Ownership:	#VALUE!
Float:	#VALUE!

Technicals	
52 week low:	Error
Today from 52 week low:	#VALUE!
52 week high:	Error
Today from 52 week high:	#VALUE!

Analyst/Consensus	
Analyst Sales Growth FY1:	10.10%
Analyst Sales Growth FY2:	9.10%
SN Valuation Estimate FY1:	0.00%
SN Valuation Estimate FY2:	0.00%

Analyst Earnings Estimate FY1:	\$3.84
Analyst Earnings Estimate FY2:	\$3.87
SN Valuation Earnings Est. FY1:	\$2.30
SN Valuation Earnings Est. FY2:	\$2.29

Multiples	
Market Value to Book:	1.20
EV to Book:	0.84
Market Value to Tangible Net Assets:	2.17
P/E Ratio:	15.09
Trailing P/E Ratio:	15.28
Forward P/E Ratio:	15.44
Beta:	Error
Dividend:	0.00
Dividend Yield:	0.00%
Dividend Date:	N/A
Ex-Dividend Date:	N/A

Competitors	
Average EV to EBITDA:	N/A
Company EV to EBITDA:	9.94
Average EV to EBIT:	N/A
Company EV to EBITA:	9.94

Market Capitalization:	\$5,991,324,600.00
Total Debt:	\$216,920,000.00
Total Cash:	\$1,991,090,000.00
Net Cash/(Debt):	\$1,774,170,000.00
Enterprise Value:	\$4,217,154,600.00
Current EV/Share:	\$42.05
EBITDA:	\$424,160,000.00
EV/EBITDA Multiple:	9.94
EV/EBITDA Multiple Average Year 1-5:	11.84
EV/FCF Multiple (excluding acquisition):	-15.25
	-250.32

Upper Range
DCF: EV/EBITDA Terminal Value

Implied TV from 3 X EV/EBITDA Multiple	\$1,068,420,150.00
Enterprise Value	\$1,068,420,150.00
Cash at Year 5:	\$1,906,856,387.50
Debt at Year 5:	\$216,920,000.00
Equity Value Year 5:	\$2,758,356,537.50
Equity/Share at Year 5:	\$27.50
Annualized Return:	-14.37%

Lower Range
DCF: Net Tangible Asset excluding Cash/Debt Terminal Value

Year 5 Net Tangible Assets excluding cash and debt	\$2,975,430,000.00
Enterprise Value	\$2,975,430,000.00
Cash at Year 5:	\$1,906,856,387.50
Debt at Year 5:	\$216,920,000.00
Equity Value Year 5:	\$4,665,366,387.50
Equity/Share at Year 5:	\$46.52
Annualized Return:	-4.88%

EVA

EVA today:	\$4,830,532,056.69
EVA in 5 Years:	\$3,790,067,440.83
EVA/Share:	\$37.79
Cash at Year 5:	\$1,906,856,387.50
Debt at Year 5:	\$216,920,000.00
Equity Value Year 5:	\$5,480,003,828.33
Equity/Share at Year 5:	\$54.64
Annualized return	-4.74%

Current Net Tangible Asset

Net Tangible Asset/Share:	\$46.93
Net Tangible Asset/Share in Year 5:	\$58.55
Annualized return	4.53%

Current Equity Price:	\$59.74
Selling at Discount?	Premium
Appreciation Potential:	-21.44%

Income Statement

Revenue:	\$3,390,000,000.00	100.0%
Cost of Goods Sold:	\$2,562,900,000.00	75.6%
Gross Profit:	\$827,100,000.00	24.4%
EBITDA:	\$669,500,000.00	19.7%
Net Income:	\$396,920,000.00	11.7%

Balance Sheet

Cash:	\$1,480,460,000.00
Short Term Investment:	\$510,630,000.00
A/R:	\$135,000,000.00
PP&E:	\$1,448,000,000.00
Assets:	\$6,608,560,000.00

A/P:	\$215,000,000.00
Deferred Tax:	\$0.00
Other Liabilities:	\$1,265,030,000.00
Short term Debt:	\$51,920,000.00
Long Term Debt:	\$165,000,000.00
Liabilities:	\$1,696,950,000.00

Retained Earnings:	\$2,300,000,000.00
Paid-In Capital:	\$2,697,100,000.00
Treasury Stock:	\$0.00
Stockholder's Equity:	\$4,997,100,000.00

Cash Flow

Net Income:	0.00
Depreciation/Amortization:	0.00
Change in Working capital:	-18,900,000.00
Cash from Operating Activities:	680,990,000.00

Capital Expenditures:	-257,550,000.00
Cash from Investing Activities:	-511,880,000.00

Total Cash Dividends Paid:	0.00
Issuance (Retirement) of Stock:	0.00
Issuance (Retirement) of Debt:	5,500,000.00
Cash from Financing Activities:	7,360,000.00

Profitability Margins

Debt to Equity:	4.34%
Return on Assets:	6.01%
Return on Capital:	7.61%
Return on Equity:	7.94%

SN VALUATION

LBO Pro Forma Income Statement

Name:

First Solar

Ticker:

FSLR

	Historical				Forecasted				
	12 months ending 2011-12-31	12 months ending 2012-12-31	12 months ending 2013-12-31	12 months ending 2014-12-31	2014	2015	2016	2017	2018
Revenue	2,766.21	3,368.55	3,308.99	3,391.81	3,391.81	3,391.81	3,391.81	3,391.81	3,391.81
COGS	1,794.46	2,515.80	2,446.24	2,564.71	2,577.78	2,577.78	2,577.78	2,577.78	2,577.78
Gross margin	971.75	852.75	862.75	827.10	814.03	814.03	814.03	814.03	814.03
SG&A	412.54	288.75	273.03	259.97	305.26	305.26	305.26	305.26	305.26
R&D	140.52	132.46	134.30	143.97	152.63	152.63	152.63	152.63	152.63
Unusual expense	453.73	469.10	86.90	0.00	0.00	0.00	0.00	0.00	0.00
Other operating expense	33.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation is: Included within COGS					0.00	0.00	0.00	0.00	0.00
Operating Income (EBITA)	-68.66	-37.56	368.52	424.16	356.14	356.14	356.14	356.14	356.14
Interest income/(expense)	14.28	-3.18	14.61	13.03	2.56	2.56	2.56	2.56	2.56
Gain (loss) on sale of asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.67	0.94	-4.92	-5.20	0.00	0.00	0.00	0.00	0.00
Income before tax	-53.71	-39.80	378.22	431.99	358.70	358.70	358.70	358.70	358.70
Tax	-14.22	56.54	25.18	30.12	125.54	125.54	125.54	125.54	125.54
Income after tax	-39.49	-96.34	353.04	401.87	233.15	233.15	233.15	233.15	233.15
Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity in affiliates	0.00	0.00	0.00	-4.95	-2.97	-3.27	-3.35	-3.28	-3.30
Net income	-39.49	-96.34	353.04	396.92	230.18	229.89	229.81	229.87	229.85
* Figures are in millions (\$)									
EPS (based off today's share count)	-\$0.39	-\$0.96	\$3.52	\$3.96	\$2.30	\$2.29	\$2.29	\$2.29	\$2.29
P/E (historical today's price; forecasted intrinsic price)	-151.72	-62.19	16.97	15.09	26.68	27.38	28.07	28.77	29.49
Revenue Growth	N/A	21.77%	-1.77%	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%
Tax Rate	26.48%	-142.06%	6.66%	6.97%	35.00%	35.00%	35.00%	35.00%	35.00%
Implied Debt Interest Rate	2.15%	-0.57%	6.54%	6.01%	1.55%	1.55%	1.55%	1.55%	1.55%
Margins									
COGS	64.87%	74.68%	73.93%	75.61%	76.00%	76.00%	76.00%	76.00%	76.00%
Gross margin	35.13%	25.32%	26.07%	24.39%	24.00%	24.00%	24.00%	24.00%	24.00%
SG&A	14.91%	8.57%	8.25%	7.64%	9.00%	9.00%	9.00%	9.00%	9.00%
R&D	5.08%	3.93%	4.06%	4.24%	4.50%	4.50%	4.50%	4.50%	4.50%
Unusual expense	16.40%	13.93%	2.63%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	1.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation is: Included within COGS	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating Income (EBITA)	-2.48%	-1.12%	11.14%	12.51%	10.50%	10.50%	10.50%	10.50%	10.50%
Interest income/(expense)	0.52%	-0.09%	0.44%	0.38%	0.08%	0.08%	0.08%	0.08%	0.08%
Gain (loss) on sale of asset	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.02%	0.03%	-0.15%	-0.15%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	-1.94%	-1.18%	11.43%	12.74%	10.58%	10.58%	10.58%	10.58%	10.58%
Tax	-0.51%	1.68%	0.76%	0.89%	3.70%	3.70%	3.70%	3.70%	3.70%
Income after tax	-1.43%	-2.86%	10.67%	11.85%	6.87%	6.87%	6.87%	6.87%	6.87%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity in affiliates	0.00%	0.00%	0.00%	-0.15%	-0.09%	-0.10%	-0.10%	-0.10%	-0.10%
Net income	-1.43%	-2.86%	10.67%	11.70%	6.79%	6.78%	6.78%	6.78%	6.78%

	As of					Adjustment		Adjusted Proforma	2014	2015	2016	2017	2018
	2011-12-31	2012-12-31	2013-12-31	2014-12-31	2014-12-31	+	-						
Cash	579.24	890.56	1,322.18	1,480.46	1,480.46			1,480.46	1,463.613278	1,446.77	1,429.92	1,413.07	1,396.23
Short term investment	92.52	113.31	441.99	510.63	510.63			510.63	510.63	510.63	510.63	510.63	510.63
Cash and Short term	671.76	1,003.87	1,764.17	1,991.09	1,991.09			1,991.09	1,974.24	1,957.40	1,940.55	1,923.70	1,906.86
Accounts Receivable	843.97	954.55	136.38	135.43	135.00			135.00	135.00	135.00	135.00	135.00	135.00
Other receivables	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Receivables	843.97	954.55	136.38	135.43	135.00			135.00	135.00	135.00	135.00	135.00	135.00
Total Inventory	475.87	434.92	398.95	505.09	505.09			505.09	505.09	505.09	505.09	505.09	505.09
Prepaid Expenses	151.63	39.58	16.58	32.40	32.40			32.40	32.40	32.40	32.40	32.40	32.40
Other Current Assets	470.03	391.67	1,068.31	478.87	437.00			437.00	437.00	437.00	437.00	437.00	437.00
Current Assets	2,613.26	2,814.59	3,374.39	3,142.88	3,100.58	0.00	0.00	3,100.58	3,083.733278	3,066.89	3,050.04	3,033.19	3,016.35
PP&E, Gross	2,433.74	2,328.88	2,508.89	2,583.12	2,583.00			2,583.00	2,833.00	3,083.00	3,333.00	3,583.00	3,833.00
Change in Depreciation	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	617.79	803.50	1,076.56	1,134.42	1,135.00			1,135.00	1,135.00	1,135.00	1,135.00	1,135.00	1,135.00
PP&E, Net	1,815.95	1,525.38	1,432.33	1,448.70	1,448.00			1,448.00	1,698.00	1,948.00	2,198.00	2,448.00	2,698.00
Goodwill	65.44	65.44	84.98	84.98	85.00	0.00		85.00	85.00	85.00	85.00	85.00	85.00
Intangibles	0.00	3.73	117.42	119.24	120.00			120.00	120.00	120.00	120.00	120.00	120.00
Long term investments	116.19	5.07	17.32	255.03	255.03			255.03	255.03	255.03	255.03	255.03	255.03
Other long term assets	1,166.76	1,900.22	1,468.62	1,599.95	1,599.95			1,599.95	1,599.95	1,599.95	1,599.95	1,599.95	1,599.95
Long Term Assets	3,164.34	3,499.84	3,120.67	3,507.90	3,507.98	0.00	0.00	3,507.98	3,757.98	4,007.98	4,257.98	4,507.98	4,757.98
Total Assets	5,777.60	6,314.43	6,495.06	6,650.78	6,608.56	0.00	0.00	6,608.56	6,841.71	7,074.87	7,308.02	7,541.17	7,774.33
Accounts Payable	176.45	350.23	261.33	214.66	215.00			215.00	215.00	215.00	215.00	215.00	215.00
Accrued Expense	406.66	554.43	320.08	398.16	399.00			399.00	399.00	399.00	399.00	399.00	399.00
Other current Liabilities	346.11	134.36	946.11	346.37	346.37			346.37	346.37	346.37	346.37	346.37	346.37
Total Current Liabilities	929.22	1,039.02	1,527.52	949.19	960.37	0.00	0.00	960.37	960.37	960.37	960.37	960.37	960.37
Notes Payables/Short Term Debt	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Current port. Of LT Debt/Capital Leases	44.51	62.35	60.54	51.92	51.92			51.92	51.92	51.92	51.92	51.92	51.92
Long term Debt	619.14	500.22	162.78	165.00	165.00	0.00	0.00	165.00	165.00	165.00	165.00	165.00	165.00
Capital Lease Obligations	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Interest Earning Debt	663.65	562.57	223.32	216.92	216.92	0.00	0.00	216.92	216.92	216.92	216.92	216.92	216.92
Deferred Income tax	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Minority Interest	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other liabilities	540.88	1,141.57	629.54	530.85	519.66			519.66	519.66	519.66	519.66	519.66	519.66
Total Liabilities	2,133.75	2,743.16	2,380.38	1,696.96	1,696.95	0.00	0.00	1,696.95	1,696.95	1,696.95	1,696.95	1,696.95	1,696.95
Redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	0.09	0.09	0.10	0.10	0.10		0.00	0.10	0.10	0.10	0.10	0.10	0.10
Additional Paid-in capital	2,022.74	2,065.53	2,646.02	2,697.56	2,697.00	0.00	0.00	2,697.00	2,697.00	2,697.00	2,697.00	2,697.00	2,697.00
Dividends Paid	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Retained Earnings	1,626.07	1,529.73	1,882.77	2,279.69	2,300.00			2,300.00	2,533.15	2,766.31	2,999.46	3,232.61	3,465.77
Treasury Stock	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Equity	-48.38	-38.48	-34.19	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Equity	3,600.52	3,556.87	4,494.70	4,924.01	4,997.10	0.00	0.00	4,997.10	5,230.25	5,463.41	5,696.56	5,929.71	6,162.87
Liability + Equity	5,734.27	6,300.03	6,875.08	6,620.97	6,694.05	0.00	0.00	6,694.05	6,927.20	7,160.36	7,393.51	7,626.66	7,859.82
Variance	43.33	14.40	-380.02	29.81	-85.49			-85.49	-85.49	-85.49	-85.49	-85.49	-85.49
Debt/Equity	0.18	0.16	0.05	0.04	0.04			0.04	0.04	0.04	0.04	0.04	0.04
Inventory Turnover	5.81	7.75	8.51	6.72	6.72			6.72	6.72	6.72	6.72	6.72	6.72
Inventory Turnover Days	62.79	47.13	42.90	54.35	54.35			54.35	54.35	54.35	54.35	54.35	54.35
Days Inventory Outstanding	96.79	63.10	58.03	71.88	71.52			71.88	71.52	71.52	71.52	71.52	71.52
Accounts Receivable Turnover	3.28	3.53	24.26	25.04	25.12			25.12	25.12	25.12	25.12	25.12	25.12
Accounts Receivable Turnover Days	111.36	103.43	15.04	14.57	14.53			14.53	14.53	14.53	14.53	14.53	14.53
Days Payable Outstanding	35.89	50.81	38.99	30.55	30.44			30.60	30.44	30.44	30.44	30.44	30.44
Days Sales Outstanding	111.36	103.43	15.04	14.57	14.53			14.57	14.53	14.53	14.53	14.53	14.53
Cash Conversion Cycle	172.26	115.72	34.09	55.91	55.60			55.86	55.60	55.60	55.60	55.60	55.60
Net tangible assets/share	\$35.25	\$34.78	\$42.80	\$47.06	\$47.78			\$50.11	\$52.43	\$54.76	\$57.08	\$59.41	\$59.41

SN VALUATION

LBO Adjusted Proforma Cash Flow

Ticker:

FSLR

	12 months ending 2011-12-31	12 months ending 2012-12-31	12 months ending 2013-12-31	12 months ending 2014-12-31	2014	2015	2016	2017	2018
Net Income	0.00	0.00	0.00	0.00	233.15	233.15	233.15	233.15	233.15
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Income + Depreciation	0.00	0.00	0.00	0.00	233.15	233.15	233.15	233.15	233.15
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Cash Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change in Working capital	-104.60	-23.35	-30.82	-18.90	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	-110.58	816.17	0.95	0.00	0.00	0.00	0.00	0.00
Other Receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory	0.00	40.95	45.97	-116.14	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses	0.00	112.05	23.00	-15.82	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	173.78	-88.90	-46.67	0.00	0.00	0.00	0.00	0.00
Cash from Operating Activities	-104.60	-23.35	-30.82	-18.90	233.15	233.15	233.15	233.15	233.15
Capital Expenditures Expenditures	-731.81	-379.23	-282.58	-257.55	-250.00	-250.00	-250.00	-250.00	-250.00
Long term investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Investing Activities	55.36	-4.50	-254.53	-254.33	0.00	0.00	0.00	0.00	0.00
Cash from Investing Activities	-676.45	-383.73	-537.11	-511.88	-250.00	-250.00	-250.00	-250.00	-250.00
Financing Cash flow items	126.58	19.56	6.87	1.86	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Stock	8.33	0.18	429.24	0.00	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Current Portion Debt	-	-	-	-	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Long Term Debt	436.31	-106.84	-334.95	5.50	0.00	0.00	0.00	0.00	0.00
Cash from Financing Activities	571.22	-89.10	101.16	7.36	0.00	0.00	0.00	0.00	0.00
Foreign Exchange effect	-21.37	6.31	3.59	-19.49	0.00	0.00	0.00	0.00	0.00
Beginning Cash Balance	160.07	0.00	1.50	0.00	1,480.46	1,463.61	1,446.77	1,429.92	1,413.07
Net Change in Cash	-160.07	295.68	423.78	156.98	-16.85	-16.85	-16.85	-16.85	-16.85
Ending Cash Balance	0.00	1.50	425.28	156.98	1,463.61	1,446.77	1,429.92	1,413.07	1,396.23
Capex to Revenue	26.46%	11.26%	8.54%	7.59%	7.37%	7.37%	7.37%	7.37%	7.37%
Depreciation to Sales	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Amortization to Sales	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A/R to Sales	30.51%	28.34%	4.12%	3.99%	3.99%	3.99%	3.99%	3.99%	3.99%
Distributable FCF/EV Yield	-18.52%	-9.65%	-13.47%	-12.59%	-0.40%	-0.40%	-0.40%	-0.40%	-0.40%
Dividend Yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FCF (Ops-Investing)	-836.41	-402.58	-313.40	-276.45	-16.85	-16.85	-16.85	-16.85	-16.85

SN VALUATION

LBO Debt Schedule

Ticker:

FSLR

	Proforma	2014	2015	2016	2017	2018
Net Change in Cash	156.98	-16.85	-16.85	-16.85	-16.85	-16.85
Current Portion Debt Repayment						
Long Term Debt Repayment						
Outstanding Debt	216.92	216.92	216.92	216.92	216.92	216.92
Current Portion Debt Balance	51.92	51.92	51.92	51.92	51.92	51.92
Long Term Debt Balance	165.00	165.00	165.00	165.00	165.00	165.00
Forward Libor Curve		3.00%	3.00%	3.00%	3.00%	3.00%
Spread		5.00%	5.00%	5.00%	5.00%	5.00%
Interest Rate		8.00%	8.00%	8.00%	8.00%	8.00%
Interest Expense		17.35	17.35	17.35	17.35	17.35
Cash Balance		1,991.09				
Interest @ 1.0%		19.91	19.91	19.91	19.91	19.91
Net Interest Expense/(Income)		(2.56)	(2.56)	(2.56)	(2.56)	(2.56)
Net Interest Rate		-1.55%	-1.55%	-1.55%	-1.55%	-1.55%
EBITDA		356.14	356.14	356.14	356.14	356.14
EBITDA/Interest Expense Coverage		20.52	20.52	20.52	20.52	20.52

Interest Rate Coverage Table

Debt Rating					
AAA	AAA	AAA	AAA	AAA	AAA
AA					
A+					
A					
A-					
BBB					
BB+					
BB					
B+					
B					
B-					
CCC					
CC					
C					
D					

*Source: NYU; Professor Damodaran

SN VALUATION

Altman Z Score

Company Name:

First Solar

Ticker:

FSLR

Period	2010	2011	2012	2013	2014	2015	2016	2017	2018
Working Capital	1,684.04	1,775.57	1,846.87	2,140.21	2,123.36	2,106.52	2,089.67	2,072.82	2,055.98
Total Assets	5,777.60	6,314.43	6,495.06	6,608.56	6,841.71	7,074.87	7,308.02	7,541.17	7,774.33
X1	0.29	0.28	0.28	0.32	0.31	0.30	0.29	0.27	0.26
Retained Earnings	1,626.07	1,529.73	1,882.77	2,300.00	2,533.15	2,766.31	2,999.46	3,232.61	3,465.77
Total Assets	5,777.60	6,314.43	6,495.06	6,608.56	6,841.71	7,074.87	7,308.02	7,541.17	7,774.33
X2	0.28	0.24	0.29	0.35	0.37	0.39	0.41	0.43	0.45
EBITDA	-68.66	-37.56	368.52	424.16	356.14	356.14	356.14	356.14	356.14
Total Assets	5,777.60	6,314.43	6,495.06	6,608.56	6,841.71	7,074.87	7,308.02	7,541.17	7,774.33
X3	-0.01	-0.01	0.06	0.06	0.05	0.05	0.05	0.05	0.05
Market Value of Equity	5,991.32	5,991.32	5,991.32	5,991.32	6,140.87	6,294.15	6,451.25	6,612.28	6,777.33
Total Liabilities	2,133.75	2,743.16	2,380.38	1,696.95	1,696.95	1,696.95	1,696.95	1,696.95	1,696.95
X4	2.81	2.18	2.52	3.53	3.62	3.71	3.80	3.90	3.99
Net Sales	2,766.21	3,368.55	3,308.99	3,391.81	3,391.81	3,391.81	3,391.81	3,391.81	3,391.81
Total Assets	5,777.60	6,314.43	6,495.06	6,608.56	6,841.71	7,074.87	7,308.02	7,541.17	7,774.33
X5	0.48	0.53	0.51	0.51	0.50	0.48	0.46	0.45	0.44
Altman Z Score	2.87	2.50	2.95	3.72	3.73	3.78	3.82	3.87	3.93

$$Z = 1.2 \times X1 + 1.4 \times X2 + 3.3 \times X3 + 0.6 \times X4 + 1.0 \times X5$$

Z-SCORE ABOVE 3.0 –The company is considered 'Safe' based on the financial figures only.

Blue

Z-SCORE BETWEEN 2.7 and 2.99 – 'On Alert'. This zone is an area where one should 'Exercise Caution'.

Green

Z-SCORE BETWEEN 1.8 and 2.7 – Good chance of the company going bankrupt within 2 years.

Yellow

Z-SCORE BELOW 1.80- Probability of Financial Catastrophe is Very High.

Red

Year	Present Value	Holding Period					Terminal Value			Sale Price
	0	1	2	3	4	5	6	7	8	TBV at Year 5 + 3 Years FCF
Tangible Book Value	4,912.10	5,145.25	5,378.41	5,611.56	5,844.71	6,077.87				6,077.87
Annual Change		233.15	233.15	233.15	233.15	233.15				
Annual FCF	(276.45)	(16.85)	(16.85)	(16.85)	(16.85)	(16.85)	(16.85)	(16.85)	(16.85)	(50.54)
Annual Op. Cash Flow	(18.90)	233.15	233.15	233.15	233.15	233.15	233.15	233.15	233.15	
Annual PP&E Investment	(257.55)	(250.00)	(250.00)	(250.00)	(250.00)	(250.00)	(250.00)	(250.00)	(250.00)	
Today's Tangible Book Value	4,912.10	5,125.83	5,348.85	5,581.59	5,824.44	6,077.87				6,027.33
Intrinsic Value IRR	4.35%									
Market Price	5,991.32	5,998.51	6,005.70	6,012.90	6,020.11	6,027.33				6,027.33
Market Price IRR	0.12%									

Debt	50.00%	2,995.66
Equity	50.00%	2,995.66
Total	100.00%	5,991.32

	Present Value	Holding Period					Terminal Value			Sale Price
	Historic	ProForma	1	2	3	4	5			
Book Equity	4997.1	2,995.66	3,062.80	3,129.94	3,197.07	3,264.21	3,331.35			
Goodwill	85	1,079.22	1,079.22	1,079.22	1,079.22	1,079.22	1,079.22			
Debt	165	3,160.66	3,160.66	3,160.66	3,160.66	3,160.66	3,160.66			
Debt Interest Rate		8.00%	8.00%	8.00%	8.00%	8.00%	8.00%			
Additional Interest Expense		255.41	255.41	255.41	255.41	255.41				
Tangible Book Value	4912.1	1,916.44	1,983.57	2,050.71	2,117.85	2,184.98	2,252.12			2,252.12
Annual Change			67.14	67.14	67.14	67.14	67.14			
Annual FCF	(276.45)		(182.86)	(182.86)	(182.86)	(182.86)	(182.86)	(182.86)	(182.86)	(548.59)
Annual Net Income	396.92		67.14	67.14	67.14	67.14	67.14	67.14	67.14	
Annual Op. Cash Flow	(18.90)		67.14	67.14	67.14	67.14	67.14	67.14	67.14	
Dividend Payments										
Annual PP&E Investment	(257.55)		(250.00)	(250.00)	(250.00)	(250.00)	(250.00)	(250.00)	(250.00)	
Debt Paydown	0.00							0.00	0.00	0.00

Sale Price in Year 5 1,703.53

Capital Left for Equity Investor 1,703.53
 Dividend Payments 0.00
 Total Cash In Flow 1,703.53

We assume the debt taken on by the investor is now on the Co's books, so the investor has no more liability from the deal.

Invested Equity 2,995.66
 IRR -10.68%

Value Creation
 TBV Growth (equals sum of NI Year 1-5) 335.68
 Cash Flow (Year 6-8) -548.59
-212.91

Value Dilution
 Debt 2,995.66
 Goodwill 994.22
 Additional Interest 1,277.05
5,266.94