

0 (PWER)

Price:	\$6.32	Net Tang. Bk Value Incl. Cash (NTBVIC):	\$493,310,000.00	Net Tang. Book Yr. 5 (Inc. Cash):	\$810,145,857.27
Market Cap:	\$771,672,000	NTBVIC/Market Downside Recovery:	0.64	Avg. Year FCF/Share:	\$51,273,030.41
Cash:	\$265,770,000	Op. Cash Flow:	\$84,598,944	Year 5 Disposition FCF Multiple:	3.0
Debt:	\$0	Implied Years to Fill Gap:	3.29	Year 5 Disposition Price:	\$963,964,948.50
Net Cash:	\$265,770,000	Today's Equity if 5x Op. CF:	\$747,106,833		
Enterprise Value:	\$505,902,000	Net Tang. Book+5 FCF+ Gain Disposition:			\$963,964,948.50
Shares Outstanding:	122,100,000	IRR:			4.55%
		Price:			\$7.89
		Target Market Cap:			\$963,964,949
		Target Enterprise Value:			\$698,194,949

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

ABB to acquire Power One for \$1 BB, or \$6.35/share. Our calculation is showing \$771MM, but the buyout price includes Preferred shares which converts to 27MM common shares. We have a 5 year value of \$7.89, although it came down from \$9.83 when we wrote the piece about the business in Dec. 2012. The stock was at \$4, so it jumped 50% in the past 4 months as a result of the merger.

The information contained here reflects the views of SN Valuation or its affiliates and sources it believes are reliable as of the date of this publication. SN Valuation makes no representations or warranties concerning the accuracy of any data. There is no guarantee that any projection, forecast or opinion in this material will be realized. Past performance does not guarantee future results. The views expressed here may change at any time after the date of this publication. This document is for informational purposes only and does not constitute investment advice. SN Valuation does not provide tax, legal or accounting advice. It does not take an investor's personal investment objectives or financial situation into account; investors should discuss their individual circumstances with appropriate professionals before making any decisions. This information should not be construed as sales or marketing material or an offer on solicitation for the purchase or sale of any financial instrument, product or service sponsored by SN Valuation or its affiliates.

<b>Company Name:</b>	
Ticker Symbol:	PWER
<b>Last Price:</b>	<b>\$6.32</b>
Net Cash/Share:	\$2.18
Net Cash to Last Price:	34.44%
Shares Outstanding:	122,100,000
Industry:	Electronic Components
Sector:	Technology
Institutional Ownership:	79.82%
Mutual Fund Ownership:	1.71%
Insider Ownership:	0.00%
Retail Ownership:	-81.53%
Float:	0.00%

<b>Technicals</b>	
52 week low:	\$3.51
Today from 52 week low:	80.06%
52 week high:	\$7.16
Today from 52 week high:	13.29%
50 day Moving Average:	\$4.33
200 day Moving Average:	\$4.67

<b>Analyst/Consensus</b>	
Analyst Sales Growth FY1:	-12.10%
Analyst Sales Growth FY2:	4.90%
SN Valuation Estimate FY1:	1.00%
SN Valuation Estimate FY2:	1.00%

Analyst Earnings Estimate FY1:	\$0.21
Analyst Earnings Estimate FY2:	\$0.30
SN Valuation Earnings Est. FY1:	\$0.51
SN Valuation Earnings Est. FY2:	\$0.51

<b>Multiples</b>	
Market Value to Book:	1.49
EV to Book:	0.98
Market Value to Tangible Net Assets:	3.63
P/E Ratio:	16.94
Trailing P/E Ratio:	17.81
Forward P/E Ratio:	21.13
Beta:	2.15
Dividend:	0
Dividend Yield:	0.00%
Dividend Date:	N/A
Ex-Dividend Date:	N/A

<b>Competitors</b>	
Average EV to EBITDA:	N/A
Company EV to EBITDA:	3.84
Average EV to EBIT:	N/A
Company EV to EBITA:	4.69

Market Capitalization:	\$771,672,000.00
Total Debt:	\$0.00
Total Cash:	\$265,770,000.00
Net Cash/(Debt):	\$265,770,000.00
Enterprise Value:	\$505,902,000.00
Current EV/Share:	\$4.14
EBITDA:	\$131,810,000.00
EV/EBITDA Multiple:	3.84
EV/EBITDA Multiple Average Year 1-5:	4.30
EV/FCF Multiple (excluding acquisition):	8.44
EV/FCF Multiple Average Year 1-5 (excluding acquisition):	9.87

<b>Upper Range</b>	
<b>DCF: EV/EBITDA Terminal Value</b>	
Implied TV from 3 X EV/EBITDA Multiple	\$290,180,301.40
Enterprise Value	\$290,180,301.40
Cash at Year 5:	\$522,135,152.06
Debt at Year 5:	\$0.00
Equity Value Year 5:	\$812,315,453.45
<b>Equity/Share at Year 5:</b>	<b>\$6.65</b>
Annualized Return:	1.03%

<b>Lower Range</b>	
<b>DCF: Net Tangible Asset excluding Cash/Debt Terminal Value</b>	
Year 5 Net Tangible Assets excluding cash and debt	\$212,550,000.00
Enterprise Value	\$212,550,000.00
Cash at Year 5:	\$522,135,152.06
Debt at Year 5:	\$0.00
Equity Value Year 5:	\$734,685,152.06
<b>Equity/Share at Year 5:</b>	<b>\$6.02</b>
Annualized Return:	-0.98%

<b>EVA</b>	
EVA today:	\$523,221,617.74
EVA in 5 Years:	\$540,192,695.61
EVA/Share:	\$4.42
Cash at Year 5:	\$522,135,152.06
Debt at Year 5:	\$0.00
Equity Value Year 5:	\$1,062,327,847.67
<b>Equity/Share at Year 5:</b>	<b>\$8.70</b>
<b>Annualized return</b>	<b>0.64%</b>

<b>Current Net Tangible Asset</b>	
<b>Net Tangible Asset/Share:</b>	<b>\$3.91</b>
<b>Net Tangible Asset/Share in Year 5:</b>	<b>\$6.51</b>
Annualized return	10.71%
Current Equity Price:	\$6.32
Selling at Discount?	Premium
Appreciation Potential:	-38.09%

<b>Dividend Model</b>	
<b>Next Year Dividend</b>	<b>\$0.00</b>
<b>WACC:</b>	<b>11.00%</b>
Dividend:	\$0.00
Net Income:	\$45,560,000.00

<b>Income Statement</b>		
Revenue:	\$1,020,000,000.00	100.0%
Cost of Goods Sold:	\$759,880,000.00	74.5%
Gross Profit:	\$260,120,000.00	25.5%
EBITDA:	\$130,450,000.00	12.8%
Net Income:	\$45,560,000.00	4.5%

<b>Balance Sheet</b>	
Cash:	\$230,530,000.00
Short Term Investment:	\$35,240,000.00
A/R:	\$205,000,000.00
PP&E:	\$95,000,000.00
Assets:	\$775,310,000.00
A/P:	\$131,080,000.00
Deferred Tax:	\$0.00
Other Liabilities:	\$150,920,000.00
Short term Debt:	\$0.00
Long Term Debt:	\$0.00
Liabilities:	\$282,000,000.00
Retained Earnings:	-\$197,000,000.00
Paid-In Capital:	\$661,510,000.00
Treasury Stock:	\$0.00
Stockholder's Equity:	\$517,150,000.00

<b>Cash Flow</b>	
Net Income:	55,660,000.00
Depreciation/Amortization:	22,230,000.00
Change in Working capital:	3,580,000.00
Cash from Operating Activities:	91,260,000.00
Capital Expenditures:	-31,340,000.00
Cash from Investing Activities:	-66,290,000.00
Total Cash Dividends Paid:	0.00
Issuance (Retirement) of Stock:	-3,940,000.00
Issuance (Retirement) of Debt:	0.00
Cash from Financing Activities:	-6,030,000.00

<b>Profitability Margins</b>	
Debt to Equity:	0.00%
Return on Assets:	7.18%
Return on Capital:	10.76%
Return on Equity:	10.76%

SN VALUATION

LBO Pro Forma Income Statement

Name:

0

Ticker:

PWER

	Historical				Forecasted				
	52 weeks ending 2010-01-03	52 weeks ending 2011-01-02	52 weeks ending 2012-01-01	52 weeks ending 2012-12-30	2013	2014	2015	2016	2017
Revenue	431.57	1,047.14	1,016.71	1,022.58	1,032.81	1,043.13	1,053.57	1,064.10	1,074.74
COGS	335.28	644.02	704.01	762.45	774.60	782.35	790.17	798.08	806.06
Gross margin	96.29	403.12	312.70	260.13	258.20	260.78	263.39	266.03	268.69
SG&A	57.66	74.63	88.46	104.18	113.61	114.74	115.89	117.05	118.22
R&D	30.31	36.40	48.08	46.09	51.64	52.16	52.68	53.21	53.74
Unusual expense	56.43	31.64	1.34	0.28	0.00	0.00	0.00	0.00	0.00
Other operating expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation is: Excluded from COGS					0.00	0.00	0.00	0.00	0.00
Operating Income (EBITA)	-48.11	260.45	174.82	109.58	92.95	93.88	94.82	95.77	96.73
Interest income/(expense)	-7.51	-8.67	-3.54	-0.30	2.66	2.66	2.66	2.66	2.66
Gain (loss) on sale of asset	0.00	0.00	18.43	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.20	0.00	7.76	-10.31	0.00	0.00	0.00	0.00	0.00
Income before tax	-56.97	250.25	195.64	97.33	95.61	96.54	97.48	98.43	99.38
Tax	6.86	103.61	59.92	41.41	33.46	33.79	34.12	34.45	34.78
Income after tax	-63.83	146.64	135.72	55.92	62.15	62.75	63.36	63.98	64.60
Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity in affiliates	0.57	1.22	0.58	-0.25	0.15	0.07	0.06	0.07	0.07
Net income	-63.27	147.86	136.30	55.66	62.29	62.82	63.42	64.05	64.67
*Figures are in millions (\$)									
EPS (based off today's share count)	-\$0.52	\$1.21	\$1.12	\$0.46	\$0.51	\$0.51	\$0.52	\$0.52	\$0.53
P/E (historical today's price; forecasted intrinsic price)	-12.20	5.22	5.66	13.86	12.79	13.08	13.38	13.67	13.97
Revenue Growth	N/A	142.64%	-2.91%	0.58%	1.00%	1.00%	1.00%	1.00%	1.00%
Tax Rate	-12.04%	41.40%	30.63%	42.55%	35.00%	35.00%	35.00%	35.00%	35.00%
Implied Debt Interest Rate	-9.40%	-24.08%	0.00%	0.00%	NA	NA	NA	NA	NA
Margins									
COGS	77.69%	61.50%	69.24%	74.56%	75.00%	75.00%	75.00%	75.00%	75.00%
Gross margin	22.31%	38.50%	30.76%	25.44%	25.00%	25.00%	25.00%	25.00%	25.00%
SG&A	13.36%	7.13%	8.70%	10.19%	11.00%	11.00%	11.00%	11.00%	11.00%
R&D	7.02%	3.48%	4.73%	4.51%	5.00%	5.00%	5.00%	5.00%	5.00%
Unusual expense	13.08%	3.02%	0.13%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation is: Excluded from COGS	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating Income (EBITA)	-11.15%	24.87%	17.19%	10.72%	9.00%	9.00%	9.00%	9.00%	9.00%
Interest income/(expense)	-1.74%	-0.83%	-0.03%	-0.03%	0.26%	0.25%	0.25%	0.25%	0.25%
Gain (loss) on sale of asset	0.00%	0.00%	1.81%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.05%	0.00%	0.76%	-1.01%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	-13.20%	23.90%	19.24%	9.52%	9.26%	9.25%	9.25%	9.25%	9.25%
Tax	1.59%	9.89%	5.89%	4.05%	3.24%	3.24%	3.24%	3.24%	3.24%
Income after tax	-14.79%	14.00%	13.35%	5.47%	6.02%	6.08%	6.13%	6.19%	6.25%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity in affiliates	0.13%	0.12%	0.06%	-0.02%	0.01%	0.01%	0.01%	0.01%	0.01%
Net income	-14.66%	14.12%	13.41%	5.44%	6.03%	6.02%	6.02%	6.02%	6.02%

	As of 2010-01-03	As of 2011-01-02	As of 2012-01-01	As of 2012-12-30	Adjustment		Adjusted Proforma	2011	2012	2013	2014	2015
					+	-						
Cash	89.55	227.91	204.88	230.53	230.53		230.53	280.13	330.56	381.82	433.93	486.90
Short term investment	0.00	0.00	0.00	35.24	35.24		35.24	35.24	35.24	35.24	35.24	35.24
<b>Cash and Short term</b>	<b>89.55</b>	<b>227.91</b>	<b>204.88</b>	<b>265.77</b>	<b>265.77</b>		<b>265.77</b>	<b>315.37</b>	<b>365.80</b>	<b>417.06</b>	<b>469.17</b>	<b>522.14</b>
Accounts Receivable	119.78	262.55	233.25	205.56	205.00		205.00	205.00	205.00	205.00	205.00	205.00
Other receivables	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Receivables</b>	<b>119.78</b>	<b>262.55</b>	<b>233.25</b>	<b>205.56</b>	<b>205.00</b>		<b>205.00</b>	<b>205.00</b>	<b>205.00</b>	<b>205.00</b>	<b>205.00</b>	<b>205.00</b>
Total Inventory	73.17	152.29	160.51	160.23	160.23		160.23	160.23	160.23	160.23	160.23	160.23
Prepaid Expenses	10.61	21.67	15.35	18.79	18.79		18.79	18.79	18.79	18.79	18.79	18.79
Other Current Assets	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00
<b>Current Assets</b>	<b>293.11</b>	<b>664.42</b>	<b>613.99</b>	<b>650.35</b>	<b>649.79</b>	<b>0.00</b>	<b>649.79</b>	<b>699.39</b>	<b>749.82</b>	<b>801.08</b>	<b>853.19</b>	<b>906.16</b>
PP&E, Gross	137.11	136.22	185.04	185.00	185.00		185.00	220.00	255.00	290.00	325.00	360.00
Change in Depreciation		15.36	17.72	22.23	22.23		22.23	22.45	22.68	22.90	23.13	23.36
Accumulated Depreciation	88.20	72.90	89.67	90.00	90.00		90.00	112.45	135.13	158.03	181.17	204.53
<b>PP&amp;E, Net</b>	<b>48.91</b>	<b>63.32</b>	<b>95.37</b>	<b>95.00</b>	<b>95.00</b>		<b>95.00</b>	<b>107.55</b>	<b>119.87</b>	<b>131.97</b>	<b>143.83</b>	<b>155.47</b>
Goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Intangibles	18.60	18.80	17.41	15.55	15.55		15.55	15.55	15.55	15.55	15.55	15.55
Long term investments	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00
Other long term assets	7.94	7.29	15.24	14.97	14.97		14.97	14.97	14.97	14.97	14.97	14.97
<b>Long Term Assets</b>	<b>75.45</b>	<b>89.41</b>	<b>128.02</b>	<b>125.52</b>	<b>125.52</b>		<b>125.52</b>	<b>138.07</b>	<b>150.39</b>	<b>162.49</b>	<b>174.35</b>	<b>185.99</b>
<b>Total Assets</b>	<b>368.56</b>	<b>753.83</b>	<b>742.01</b>	<b>775.87</b>	<b>775.31</b>	<b>0.00</b>	<b>775.31</b>	<b>837.46</b>	<b>900.21</b>	<b>963.57</b>	<b>1,027.55</b>	<b>1,092.15</b>
Accounts Payable	89.07	213.10	177.33	131.08	131.08		131.08	131.08	131.08	131.08	131.08	131.08
Accrued Expense	26.12	67.34	64.75	73.38	73.38		73.38	73.38	73.38	73.38	73.38	73.38
Other current Liabilities	18.82	104.29	4.02	3.60	3.60		3.60	3.60	3.60	3.60	3.60	3.60
<b>Total Current Liabilities</b>	<b>134.01</b>	<b>384.73</b>	<b>246.10</b>	<b>208.06</b>	<b>208.06</b>	<b>0.00</b>	<b>208.06</b>	<b>208.06</b>	<b>208.06</b>	<b>208.06</b>	<b>208.06</b>	<b>208.06</b>
Notes Payables/Short Term Debt	0.50	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	1.27	0.10	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00
Long term Debt	78.15	35.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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
<b>Total Interest Earning Debt</b>	<b>79.92</b>	<b>36.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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	16.28	39.45	56.82	73.94	73.94		73.94	73.94	73.94	73.94	73.94	73.94
<b>Total Liabilities</b>	<b>230.21</b>	<b>460.19</b>	<b>302.92</b>	<b>282.00</b>	<b>282.00</b>	<b>0.00</b>	<b>282.00</b>	<b>282.00</b>	<b>282.00</b>	<b>282.00</b>	<b>282.00</b>	<b>282.00</b>
Redeemable Preferred Stock	18.53	19.60	36.33	36.33	36.33		36.33	36.33	36.33	36.33	36.33	36.33
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	0.10	0.12	0.12	0.12	0.00	0.12	0.12	0.12	0.12	0.12	0.12
Additional Paid-in capital	620.26	629.69	652.97	661.39	661.39	0.00	661.39	661.39	661.39	661.39	661.39	661.39
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	-537.03	-389.18	-252.88	-197.22	-197.00		-197.00	-134.85	-72.10	-8.74	55.24	119.84
Treasury Stock	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00
Other Equity	39.27	41.42	4.05	16.31	16.31		16.31	16.31	16.31	16.31	16.31	16.31
<b>Total Equity</b>	<b>141.12</b>	<b>301.63</b>	<b>440.59</b>	<b>516.93</b>	<b>517.15</b>	<b>0.00</b>	<b>517.15</b>	<b>579.30</b>	<b>642.05</b>	<b>705.41</b>	<b>769.39</b>	<b>833.99</b>
<b>Liability + Equity</b>	<b>371.33</b>	<b>761.82</b>	<b>743.51</b>	<b>798.93</b>	<b>799.15</b>	<b>0.00</b>	<b>799.15</b>	<b>861.30</b>	<b>924.05</b>	<b>987.41</b>	<b>1,051.39</b>	<b>1,115.99</b>
<b>Variance</b>	<b>-2.77</b>	<b>-7.99</b>	<b>-1.50</b>	<b>-23.06</b>	<b>-23.84</b>		<b>-23.84</b>	<b>-23.84</b>	<b>-23.84</b>	<b>-23.84</b>	<b>-23.84</b>	<b>-23.84</b>
<b>Debt/Equity</b>	<b>0.57</b>	<b>0.12</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Inventory Turnover	5.90	6.88	6.33	6.38	6.45		6.38	6.45	6.51	6.58	6.64	6.71
Inventory Turnover Days	61.88	53.08	57.62	57.19	56.63		57.19	56.63	56.07	55.51	54.96	54.42
Days Inventory Outstanding	79.66	86.31	83.22	76.71	75.50		76.71	75.50	74.75	74.01	73.28	72.56
Accounts Receivable Turnover	3.60	3.99	4.36	4.97	5.04		4.99	5.04	5.09	5.14	5.19	5.24
Accounts Receivable Turnover Days	101.30	91.52	83.74	73.37	72.45		73.17	72.45	71.73	71.02	70.32	69.62
Days Payable Outstanding	96.97	120.77	91.94	62.75	61.77		62.75	61.77	61.15	60.55	59.95	59.36
Days Sales Outstanding	101.30	91.52	83.74	73.37	72.45		73.37	73.17	72.45	71.73	71.02	70.32
Cash Conversion Cycle	83.99	57.05	75.02	87.33	86.18		87.33	86.91	86.05	85.20	84.35	83.52
Net tangible assets/share	\$1.13	\$2.40	\$3.60	\$4.04	\$4.04		\$4.55	\$5.06	\$5.58	\$6.11	\$6.64	\$7.17

SN VALUATION

LBO Adjusted Proforma Cash Flow

Ticker:

PWER

	52 weeks ending 2010-01-03	52 weeks ending 2011-01-02	52 weeks ending 2012-01-01	52 weeks ending 2012-12-30	2011	2012	2013	2014	2015
Net Income	-63.27	147.86	136.30	55.66	62.15	62.75	63.36	63.98	64.60
Depreciation	17.05	15.36	17.72	22.23	22.45	22.68	22.90	23.13	23.36
<b>Net Income + Depreciation</b>	<b>-46.22</b>	<b>163.22</b>	<b>154.02</b>	<b>77.89</b>	<b>84.60</b>	<b>85.43</b>	<b>86.26</b>	<b>87.11</b>	<b>87.96</b>
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Taxes	-0.21	-3.73	-2.78	-8.38	0.00	0.00	0.00	0.00	0.00
Non Cash Items	43.44	12.36	-8.56	18.16	0.00	0.00	0.00	0.00	0.00
Change in Working capital	57.96	38.09	-104.12	3.58	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	-142.77	29.30	27.69	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	-79.12	-8.22	0.28	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses	0.00	-11.06	6.32	-3.44	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	124.03	-35.77	-46.25	0.00	0.00	0.00	0.00	0.00
<b>Cash from Operating Activities</b>	<b>54.97</b>	<b>209.94</b>	<b>38.56</b>	<b>91.25</b>	<b>84.60</b>	<b>85.43</b>	<b>86.26</b>	<b>87.11</b>	<b>87.96</b>
Capital Expenditures Expenditures	-6.75	-27.63	-42.21	-31.34	-35.00	-35.00	-35.00	-35.00	-35.00
Long term investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Investing Activities	0.19	-2.26	-0.40	-34.95	0.00	0.00	0.00	0.00	0.00
<b>Cash from Investing Activities</b>	<b>-6.56</b>	<b>-29.89</b>	<b>-42.61</b>	<b>-66.29</b>	<b>-35.00</b>	<b>-35.00</b>	<b>-35.00</b>	<b>-35.00</b>	<b>-35.00</b>
Financing Cash flow items	-0.17	-2.92	-4.63	-2.10	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	-0.94	-2.36	-2.02	0.00	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Stock	20.41	-22.75	-4.70	-3.94	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	-8.75	-14.84	-0.11	0.00	0.00	0.00	0.00	0.00	0.00
<b>Cash from Financing Activities</b>	<b>10.55</b>	<b>-42.87</b>	<b>-11.46</b>	<b>-6.04</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Foreign Exchange effect	2.17	1.20	-7.50	6.71	0.00	0.00	0.00	0.00	0.00
Beginning Cash Balance	28.41	89.55	227.91	204.88	230.53	280.13	330.56	381.82	433.93
<b>Net Change in Cash</b>	<b>61.14</b>	<b>138.35</b>	<b>-23.03</b>	<b>25.64</b>	<b>49.60</b>	<b>50.43</b>	<b>51.26</b>	<b>52.11</b>	<b>52.96</b>
Ending Cash Balance	89.55	227.91	204.88	230.52	280.13	330.56	381.82	433.93	486.90
Capex to Revenue	1.56%	2.64%	4.15%	3.06%	3.39%	3.36%	3.32%	3.29%	3.26%
Depreciation to Sales	3.95%	1.47%	1.74%	2.17%	2.17%	2.17%	2.17%	2.17%	2.17%
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	27.75%	25.07%	22.94%	20.10%	19.90%	19.71%	19.51%	19.32%	19.13%
Distributable FCF Yield	9.57%	35.59%	-0.80%	4.93%	9.80%	9.97%	10.13%	10.30%	10.47%
Dividend Yield	-0.12%	-0.31%	-0.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>FCF (Ops-Investing-Dividends)</b>	<b>49.16</b>	<b>184.67</b>	<b>-1.63</b>	<b>59.91</b>	<b>49.60</b>	<b>50.43</b>	<b>51.26</b>	<b>52.11</b>	<b>52.96</b>

# SN VALUATION

# LBO Debt Schedule

Ticker:

PWER

	Proforma	2013	2014	2015	2016	2017
<b>Net Change in Cash</b>	<b>25.64</b>	<b>49.60</b>	<b>50.43</b>	<b>51.26</b>	<b>52.11</b>	<b>52.96</b>
Current Portion Debt Repayment						
Long Term Debt Repayment						
<b>Outstanding Debt</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Current Portion Debt Balance	0.00	0.00	0.00	0.00	0.00	0.00
Long Term Debt Balance	0.00	0.00	0.00	0.00	0.00	0.00
Forward Libor Curve		3.00%	3.00%	3.00%	3.00%	3.00%
Spread		4.00%	4.00%	4.00%	4.00%	4.00%
<b>Interest Rate</b>		<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>
<b>Interest Expense</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Cash Balance		265.77				
Interest @ 1.0%		2.66	2.66	2.66	2.66	2.66
<b>Net Interest Expense/(Income)</b>		<b>(2.66)</b>	<b>(2.66)</b>	<b>(2.66)</b>	<b>(2.66)</b>	<b>(2.66)</b>
<b>Net Interest Rate</b>		<b>#DIV/0!</b>	<b>#DIV/0!</b>	<b>#DIV/0!</b>	<b>#DIV/0!</b>	<b>#DIV/0!</b>
EBITDA		92.95	93.88	94.82	95.77	96.73
<b>EBITDA/Interest Expense Coverage</b>		<b>#DIV/0!</b>	<b>#DIV/0!</b>	<b>#DIV/0!</b>	<b>#DIV/0!</b>	<b>#DIV/0!</b>

## Interest Rate Coverage Table

Debt Rating	2013	2014	2015	2016	2017
AAA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
AA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
A+	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
A	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
A-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
BBB	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
BB+	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
BB	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
B+	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
B	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
B-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CCC	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CC	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
C	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
D	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

\*Source: NYU; Professor Damodaran

# Altman Z Score

Company Name:

0

Ticker:

PWER

Period	2009	2010	2011	2012	2013	2014	2015	2016	2017
Working Capital	159.10	279.69	367.89	441.73	491.33	541.76	593.02	645.13	698.10
Total Assets	368.56	753.83	742.01	775.31	837.46	900.21	963.57	1,027.55	1,092.15
<b>X1</b>	<b>0.43</b>	<b>0.37</b>	<b>0.50</b>	<b>0.57</b>	<b>0.59</b>	<b>0.60</b>	<b>0.62</b>	<b>0.63</b>	<b>0.64</b>
Retained Earnings	-537.03	-389.18	-252.88	-197.00	-134.85	-72.10	-8.74	55.24	119.84
Total Assets	368.56	753.83	742.01	775.31	837.46	900.21	963.57	1,027.55	1,092.15
<b>X2</b>	<b>-1.46</b>	<b>-0.52</b>	<b>-0.34</b>	<b>-0.25</b>	<b>-0.16</b>	<b>-0.08</b>	<b>-0.01</b>	<b>0.05</b>	<b>0.11</b>
EBITDA	-48.11	260.45	174.82	109.58	92.95	93.88	94.82	95.77	96.73
Total Assets	368.56	753.83	742.01	775.31	837.46	900.21	963.57	1,027.55	1,092.15
<b>X3</b>	<b>-0.13</b>	<b>0.35</b>	<b>0.24</b>	<b>0.14</b>	<b>0.11</b>	<b>0.10</b>	<b>0.10</b>	<b>0.09</b>	<b>0.09</b>
Market Value of Equity	771.67	771.67	771.67	771.67	796.45	822.02	848.42	875.66	903.77
Total Liabilities	230.21	460.19	302.92	282.00	282.00	282.00	282.00	282.00	282.00
<b>X4</b>	<b>3.35</b>	<b>1.68</b>	<b>2.55</b>	<b>2.74</b>	<b>2.82</b>	<b>2.91</b>	<b>3.01</b>	<b>3.11</b>	<b>3.20</b>
Net Sales	431.57	1,047.14	1,016.71	1,022.58	1,032.81	1,043.13	1,053.57	1,064.10	1,074.74
Total Assets	368.56	753.83	742.01	775.31	837.46	900.21	963.57	1,027.55	1,092.15
<b>X5</b>	<b>1.17</b>	<b>1.39</b>	<b>1.37</b>	<b>1.32</b>	<b>1.23</b>	<b>1.16</b>	<b>1.09</b>	<b>1.04</b>	<b>0.98</b>
<b>Altman Z Score</b>	<b>1.23</b>	<b>3.26</b>	<b>3.79</b>	<b>3.76</b>	<b>3.77</b>	<b>3.86</b>	<b>3.95</b>	<b>4.03</b>	<b>4.12</b>

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

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