Prometheus Capital

First Solar (FSLR)

BUY: 278.3 (+15%)

US equities PUI | 25th January 2026

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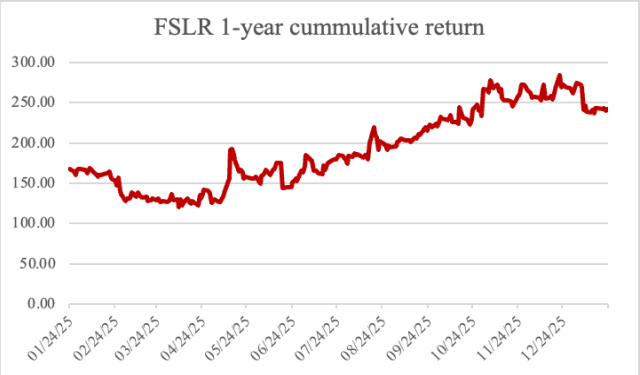
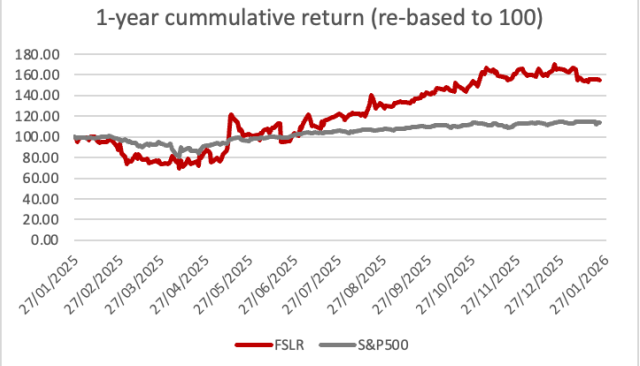
Basic information

Last Closing Price	$242.15
Target Price	$278.3
+/- potential	+15%
Ticker	FSLR
GICS Sector	Information technology
GICS Sub-Industry	Semiconductors

1-year cumulative return



1 Year returns: FSLR vs. S&P500



Market Cap	$25.98 billion
Basic Shares O/S	107.31 million
52-Wk High	$285.99
52-Wk Low	$116.56

[$ in million]	FY21	FY22	FY23	FY24
Gross profit	730	70	1301	1858
EBITDA	720	120	1252	1898
EBIT	460	(150)	944	1481
Net Income	469	(44)	831	1292

Source: *Factset*

Key Executives

Mark Widmar	CEO & director
Markus Gloeckler	CTO
Georges Antoun	CCO

Investment Thesis

Driven by persistent cost reductions and the explosive surge in AI-related electricity demand—projected by McKinsey to grow at a 41% CAGR through 2030—the transition toward renewable energy has reached a critical inflection point. First Solar (FSLR) is uniquely strategically positioned to capture this tailwind, as management continues to scale its domestic infrastructure and advance its thin-film technology to meet the specific reliability needs of hyperscale data centre operators. Unlike its international counterparts, the company's vertically integrated, 100% U.S.-based supply chain provides a significant geopolitical moat, offering buyers price stability and order security while insulating margins from rising global trade tensions and tariffs. Despite these fundamental strengths and a robust multi-year backlog, the market currently values FSLR at a mere 11x forward P/E, a level that fails to align with its historical growth rates or its role as a key beneficiary of "U.S.-first" industrial policy. Consequently, we see clear-cut upside potential for both fundamental expansion and a significant valuation re-rating as the company continues to execute on this multi-sector growth catalyst.

Valuation

We are valuing First Solar using a 50/50 blend between the DCF and comparable company valuations, consequently arriving at a target price for the stock of $278.3, which is a +15% gain from its last close price.

Investment Thesis

Over the past few years, there has been a clear trend towards increased renewable energy, driven by cost reductions and societal and regulatory pressures related to climate change. More recently, this trend has been further exacerbated through the increase in AI energy demand, which, according to Mckinsey is projected to have a CAGR of 41% to 2030.

First Solar, operating in the photovoltaic manufacturing industry and catering to the renewable solar industry, is positioned to reap the rewards and benefit greatly from this increase in demand. The management continues to develop the technology of the company and is investing in building the infrastructure for the future of the company. As highlighted through the continuous expansion of new manufacturing facilities and developments in their product. Consequently, management is strategically positioning itself to have the capacity to fulfil the increased demand for renewable energy.

Another key factor for First Solar's strategic positioning is not only limited to the industry but rather its geographical location. Being one of the only major US-based photovoltaic manufacturing companies, it provides a key advantage over its competitors to be at the heart of the US economy, from which the majority of the AI energy demand is located. Furthermore, the current increase in geopolitical tensions regarding trade and tariffs between the US and China creates key advantages for First Solar's full US-based supply chain. The lack of supply chain risks provides a cost advantage as well as a shift of US buyers from First Solar's Chinese counterparts towards an emphasis on safety within their suppliers. Buyers have a sense of security in the stability of prices, but also in the fulfilment of orders when choosing First Solar. Moreover, from the administration, we see a US-first ideology that targets US production first, providing a key catalyst towards increasing future sales and margins of the company.

Overall, we see that given First Solar's strategic alignment with key macro trends that benefit the photovoltaic industry, they are at a key inflection point in increased sales growth rates. Adding on, we see that the market is valuing the company with slight negative sentiment in the valuation of the company that not only does not align with past figures and growth rates in comparison to competitors, but also does not match the forecasts of tailwinds and growth catalysts that the company is positioned to capture. Trading at a mere 11 forward P/E ratio, we see that not only is there lots of upward potential concerning multiple expansion and a re-rating of the stock, but also clear-cut upside towards an increase in the company's fundamentals as growth continues.

Company Overview

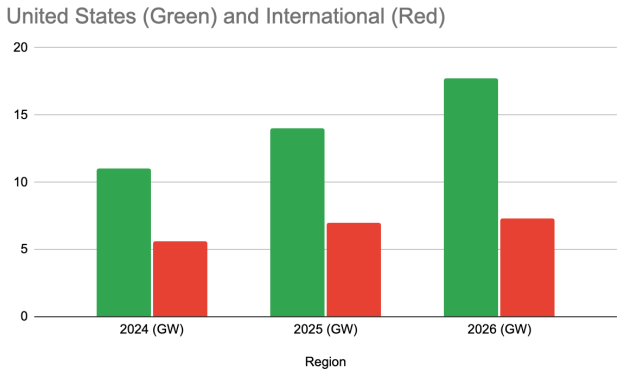
Business Model & Operations

First Solar Inc. (FSLR) is a leading American solar technology company and the world's largest manufacturer of thin-film photovoltaic (PV) modules. The technology that First Solar focuses on is unlike most of the industry, which uses crystalline silicon technology. This semiconductor enables a complete process of manufacturing that continuously converts a piece of glass into a ready solar module in a span of about four hours. This single-roof production model has the benefit of being more traceable and having a carbon footprint that is up to 2.5 times less than the traditional silicon panels, and makes the company a leader in the area of solar procurement that is environmentally friendly through ESG.

On the one hand, First Solar has been a vertically integrated developer historically. On the other hand, it has made a strategic transition into being a pure-play module manufacturer. Over the past few years, the company has left its project development and North American Operations and Maintenance (O&M) divisions to concentrate on increasing its manufacturing capacity. Its present product roadmap focuses on the Series 7 module, which is optimised for the utility-scale market at around 20 per cent efficiency and a dedicated galvanised steel back-rail platform aimed at saving balance-of-system (BOS) expenses and shorter installation time.

By early 2026, First Solar will have retained a leading role in the U.S. market, supported by a huge built-in backlog of more than 60 GW into 2030. The company is taking an aggressive domestic expansion, having active facilities in Ohio, and new commissioned plants in Alabama and Louisiana. This growth is largely facilitated by the Section 45X production tax credits in the Inflation Reduction Act (IRA), which gives them a major cost advantage compared to imported silicon modules. First Solar has a vision of expanding its nameplate capacity to around 25 GW globally by the end of 2026, which is far enough to firmly plant First Solar as the main alternative to Chinese-controlled supply chains.

Figure 1.1: Manufacturing Capacity Ramp-Up (GW)



Revenue Structure & Geographic Exposure

First Solar has managed to make its strategic change into being a pure-play module manufacturer, mostly abandoning its old project development and Engineering, Procurement, and Construction (EPC) business. By the fiscal year 2025, the company had almost entirely relied on the Modules segment in the generation and sale of high-endurance thin-film photovoltaic (PV) modules.

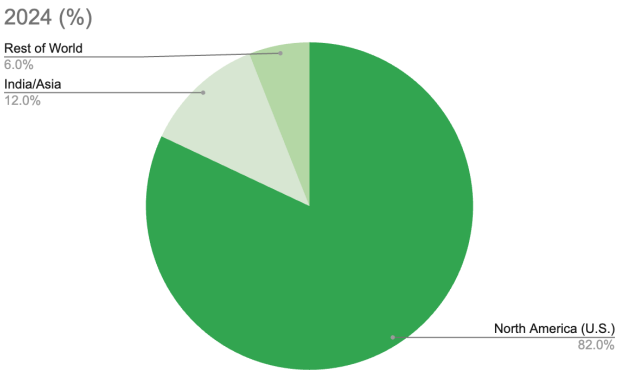
With a record contracted backlog of 68.5 GW at the beginning of 2025, the company is financially stable to offer a clear picture of revenues until 2030. One key factor in the present profitability is the Section 45X Advanced Manufacturing Production Tax Credit of the Inflation Reduction Act (IRA) of the U.S. In the case of FY2025, First Solar revised its guidance to expect between $1.575 billion and $1.625 billion in tax credits alone, which greatly supports its net income per diluted share.

Geographically, First Solar is still significantly concentrated in the North American market, where utility-scale demand has been outpacing other geographical locations. Such a domestic orientation will enable the company to maximise IRA incentives, and still be shielded (by price volatility and trade tariffs) on silicon supply chains relating to China.

The company is undertaking an enormous international capacity expansion to satisfy this need:

- United States: The capacity of the nameplate is planned to go over 14 GW per year by the end of 2026, with three facilities already established in Ohio and the expansion of new ones in Alabama (in service late 2024) and Louisiana (commissioned end of 2025).
- International Markets: First Solar has the U.S. as its main target but is increasing its presence in India, where it is hoping to take advantage of good local policies to generate about 1 GW in a single year.
- Global Target: The company has set a goal of 25 GW in world manufacturing capacity by the year 2026.

Figure 1.2: Geographic Revenue Exposure



Industry Outlook & Strategic Positioning

First Solar holds a special competitive niche in the world of the photovoltaic (PV) industry, being the largest manufacturer of non-silicon thin-film modules. In contrast to the rest of the market (ca. 95 per cent of which is crystalline silicon (c-Si)-based), in China, which depends on the availability of crystalline silicon (c-Si) as the supply chain, First Solar employs its own cadmium telluride (CdTe) technology. This distinction enables the company to retain a vertically integrated, domestic manufacturing presence that is mostly shielded against the geopolitics and silicon price fluctuations of its competitors.

Macroeconomic Drivers & Supply Chain

The manufacturing process of the company is highly streamlined, whereby it takes about four hours to transform a sheet of glass into a functional module. Some of the macroeconomic and supply chain issues are:

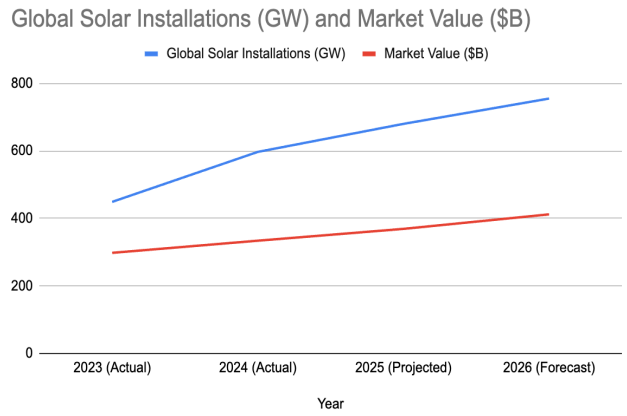
Critical Raw Materials: Tellurium is the main semiconductor compound, which is a byproduct of copper and lead refining. First Solar guarantees its demand by forming strategic alliances, including with 5N Plus that purifies tellurium into semiconductor-grade.

Float Glass/Specialised Coatings: Glass accounts for 15-20% of the total cost of the module. First Solar has also developed localised supply chain suppliers such as Nippon Sheet Glass (NSG) Group and Vitro

Architectural Glass to provide a close proximity to its Ohio and Pennsylvania manufacturing centres.

Economic Impact: First Solar is expected to employ more than 30,000 individuals in the U.S., both directly and indirectly, in 2026, providing a total economic impact of about 10 billion dollars to the country.

Figure 1.3: Global Solar Industry Outlook



Industry Evolution & Outlook (2025-2030)

The solar PV industry has ceased to be a subsidised subsector and has become one of the chief sources of worldwide energy. By 2025, renewables had overtaken fossil fuels in the generation of power in the EU.

Market Expansion: The solar PV market in the world will increase at a CAGR of 10.6% between 2025 and 2030, which is estimated to be worth 609 billion.

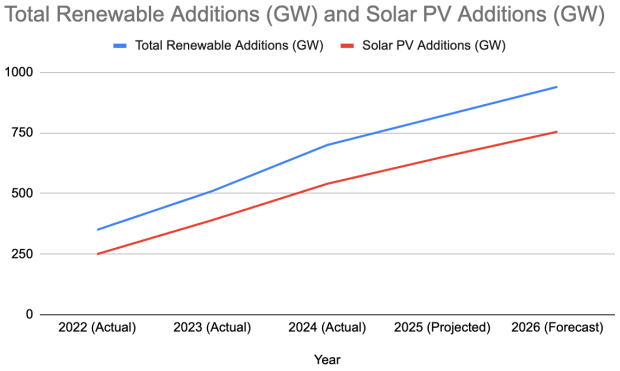
Technological Shift: Thin-film technology is capturing market share in the utility-scale market, although silicon continues to dominate with more than 1,000 GW of added capacity around the world, compared to CdTe with approximately 30 GW of capacity. This is due to the fact that CdTe performs better in high-heat and humid conditions, in which silicon performance normally reduces.

Sector Prognosis 2026: The industry is in the stage of full-scale implementation, with policy templates, such as the U.S. Inflation Reduction Act (IRA) and India's Production Linked Incentive (PLI) plans, becoming solidified in physical structures. First Solar is also in a good position to take advantage of the change with a world manufacturing capacity of 25 GW by 2026.

Key Risks

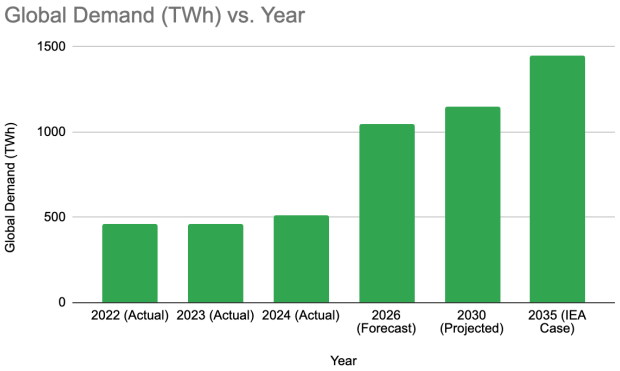
Upside Risks: First Solar might enjoy prolonged growth in the world electricity demand and faster growth in low-emission generation capacity. With estimates of the world electricity demand of 4.3% in 2024, the total consumption is expected to grow by approximately 1,080 TWh/year (almost twice the average annual growth of the last ten years). Meanwhile, clean generation is being built at a rapid rate: the IEA projects a roughly 700 GW of renewable capacity additions by 2024, of which more than three-quarters of the contributions will be made by solar PV.

Figure 2.1: Global Renewable Capacity Additions



The next important driver is the data-centre and AI-based electricity demand, which creates the need to add more generation capacity (which is usually satisfied by utility-scale renewables). Global data-centre electricity consumption is estimated by the IEA at an estimated 415 TWh in 2024 (approx. 1.5% of global electricity) and is projected at an estimated 945 TWh in its Base Case in 2030 (approx. 15% annual growth). In a faster-growth Lift-Off sensitivity, the IEA projects that the electricity demand of data-centre might reach up to more than 1,700 TWh in 2035. Individually, Bloomberg has also highlighted the infrastructure required to support this demand, projecting that the world would require an extra power generation capacity of 362 GW by 2035 in order to support data-centre demand.

Figure 2.2: Global Data-Centre Electricity Demand Outlook (IEA

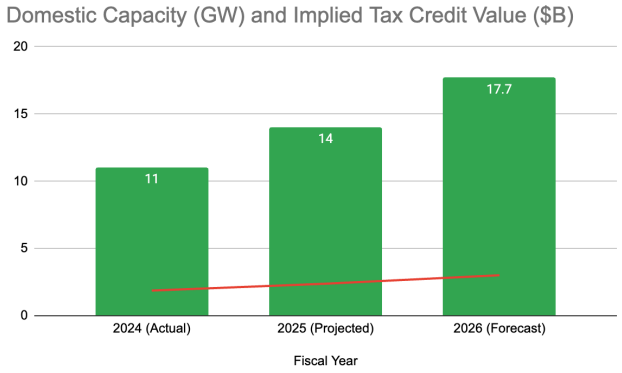


In the case of First Solar, a more rapid utility-scale generation construction to facilitate such demand trends would reinforce higher-than-anticipated module

demand and contracted deliveries, particularly in markets where utility-scale renewables form a major channel through which the company can add to incremental supply.

Downside Risks: First Solar is vulnerable to material regulatory/policy risk because the company depends on clean energy incentives in the U.S, especially Section 45X Advanced Manufacturing Production Credit (a federal incentive from the Inflation Reduction Act that compensates manufacturers for each watt of solar modules produced domestically). The value of modules produced in the country is about 0.17/watt (i.e., the company receives a fixed subsidy for every watt of solar modules manufactured in the U.S) to the company which, taking into consideration the 25-30 GW of modules per year that the company plans to manufacture, means that the tax credits are guided to be between $1.575 billion and $1.625 billion for FY2025.. Since these credits constitute a significant portion of anticipated operating income and free cash flow, any reduction, delay or repeal would have a significant, compressing effect on margins and profitability.

Figure 2.3 Implied Annual Value of Section 45X Tax Credits



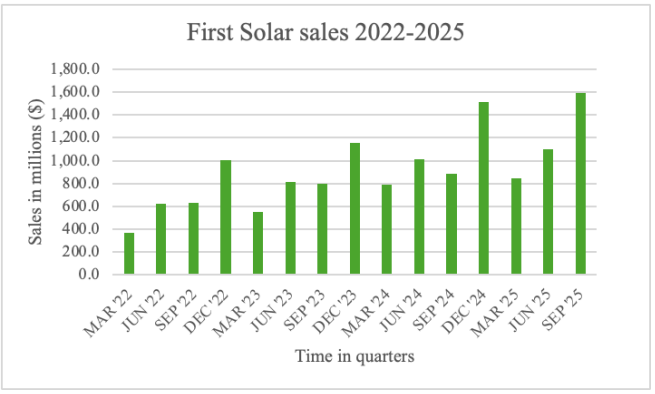
There is also the demand risk. The utility-scale solar installations in the U.S. (with the company's manufacturing footprint concentrated in Ohio and Alabama, and new ones planned in Louisiana, while project demand is primarily driven by high-irradiance states such as Texas, California, and the Southwest) are averaging approximately 15-20 GW/year, and thus the fast-growing capacity of First Solar may surpass the domestic demand in case deployment is stalled by changes in policy, interconnection bottlenecks in the grid or due to increased financing costs. It may result in the reduced utilisation of installations and price pressure.

Execution risk is high during the period when the company intends to launch new manufacturing plants. Industry standards indicate that big greenfield undertakings always take 6-18 months to start and 10 - 30% cost increases, which may go ahead with revenue recognition and undermine imminent free cash flow. Also, prices of global modules are currently moving down to around $0.22 - 0.26/W, and long-run competition among low-cost Asian manufacturers may squeeze the gross margins by several percentage points despite the technological differentiation of First Solar.

Financial Analysis

From the sales figure we can identify the fact that over the past 15 quarters, we have seen a huge amount of growth in the sales of the company. Quarterly, we see that there is some cyclicality, but this trend would smooth out when looking at the trailing twelve-month basis. On a year-on-year basis on average, the growth rate in sales has been 27.6%. This is a considerably fast-growing business and is rarely seen when looking at the utilities and energy sector. Moreover, there has been a clear inflection point in the increase in sales growth in the most recent September 2025 quarter. In the past, usually the fourth quarter of the year is higher than the next three quarters, yet for September 2025, we see that the sales of that quarter exceed the sales of the previous December 2024 quarter, which has never happened before.

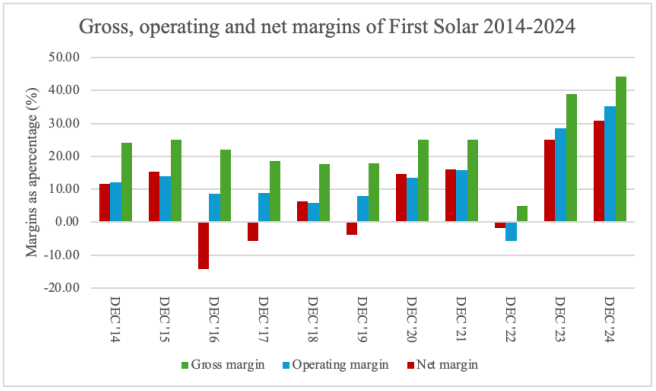
Figure 3.1 Sales 2022-2025



Now, when looking at the figure 3.2 below, we do an analysis based on the margins for the company. We see that there is a clear reacceleration in increasing the profitability of the company as seen in all three of the gross, operating and net margins moving upwards. Thus, highlighting an increase in overall cash, the firm is making investments that allow for future investments and expansion to grow their market share in the renewable energy manufacturing industry. We saw that due to high inflationary pressures and

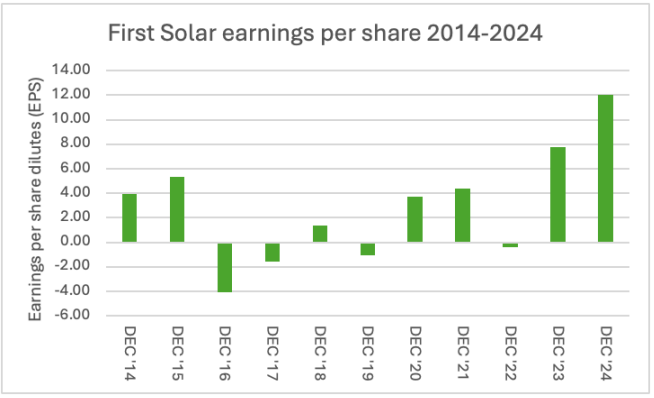
logistics costs in 2022, which led to a one-off sharp decline in the margins, but we are seeing that the trend has picked up very positively in the following years and is continuing into 2025. This trend is projected to also continue towards 2026, with FSLR slightly increasing its margins yet again. This is mainly due to the continued 45x tax credits that the company is receiving and benefits from the Inflation Reduction Act. Furthermore, FSLR is also pulling its pricing power levers by increasing prices to further increase its margins. First Solar has secured many long-term high-margin contracts[MB1] that continue to help drive up its margins. Lastly, we see that the margins are also continuously increasing from efficiencies that will arise from an anticipated new manufacturing capacity expected to be operational in 2026.

Figure 3.2 Gross, operating and net margins



For FSLR, we see that the business is heading in a direction of high revenue growth as well as margin expansion, as shown in the two figures above. Both these lead to the fact that the business is growing its bottom line at a faster rate than its sales are growing. This is highlighted by the fact that the earnings per share are growing faster as margins are expanding. The trend continuing means that the business is able to turn sales into profits at a more efficient rate. Therefore, it enables First Solar to make future investments and provide value back to the shareholders through dividends or share buybacks.

Figure 3.3 Earnings per share



At the moment, we see that the business is still in growth mode and is in its business life of gaining market share and expanding through continued investments back into the business. From a shareholder point of view, this is highly positive for the long term as this will allow the company to continue to expand its sales and gain more high-quality contract,s which in turn can allow the business to gain economies of scale.

When looking at the free cash flow, this demonstrates a clear trend towards profitability and bringing in cash for the business. Moreover, we see that this allows the company to continue on its path of growing without having to take on high-interest-bearing debt. Additionally, we also see that the rate at which the free cash flow is growing in comparison to the shares outstanding is considerably higher. This highlights key steps of management to ensure that the shareholder is not being diluted as much and the stock-based compensation is becoming a smaller amount in comparison to the free cash flow. On average, in the past 10 years, the shares outstanding have grown 0.66%.

Figure 3.4 Free cash flow

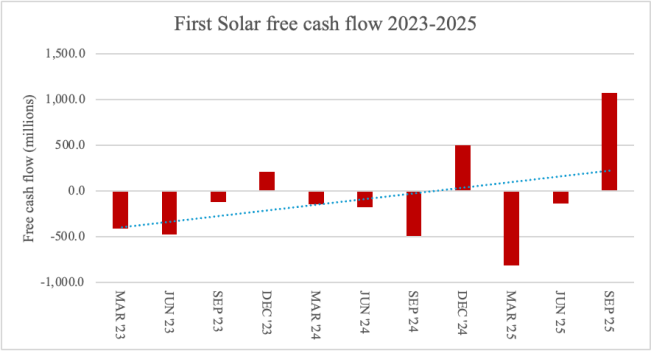


Figure 3.5 Stock-based compensation

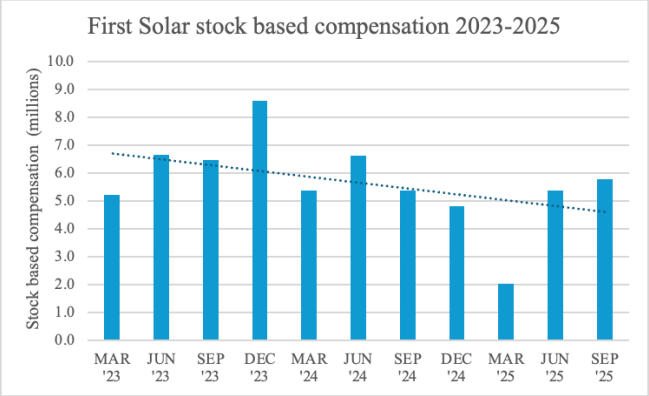
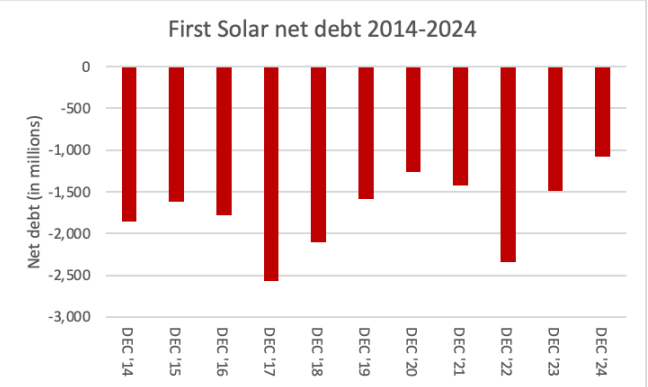


Figure 3.6 Net debt



As shown in the graphs above, there is a positive trend in the free cash flow growth, whereas the stock-based compensation is going in a negative direction.

Regarding the timeframe of 2023-2025 for the free cash flow, this was chosen as there was high volatility within the free cash flows of the business, and there was no emphasis towards this aspect of the financials for management. However, as the company has continued to grow and become stronger, it is also starting to show that the management is able to pull on the margin levers that it has available, which have clearly also pushed the free cash flows into the positive direction, as shown in the past three years. Therefore, these years are a clearer indication of the direction in which the future growth of the company's free cash flow is heading.

Finally, analysing the debt levels of First Solar, we can look towards the net debt levels in Figure 3.6. We see that over the past decade, these debt levels have remained quite consistent, with certain changes that depend on investments and the use of cash levels. We do see that in the latest year of 2024 in the graph that this has been much lower, as there have been continuous investments towards building out the different manufacturing facilities of the company. Moreover, when analysing the net debt, we see that these values are negative, which demonstrates that the company has a net cash positon as when a company has more cash than debt, then the net debt becomes negative.

Management

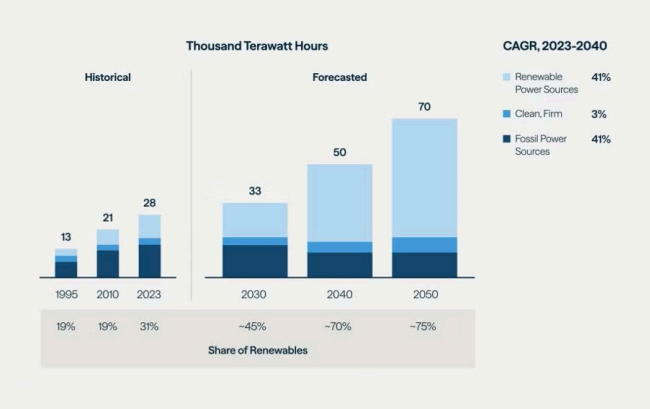
The management team, led by CEO Mark Widmar, has successfully transitioned First Solar from a niche thin-film manufacturer into a cornerstone of U.S. energy security by maintaining a strong balance sheet and focusing on good fundamentals and a clear growth trajectory. He has led the company since 2016 and has created a clear technological roadmap for the company with extensive solar sector knowledge himself. The company has a substantial cash position, $2 billion, for a $25 billion market cap company and has continuously demonstrated exceptional capital discipline. This financial stability has allowed the company to fund a massive $1.1 billion expansion in Louisiana and a $4.5 billion facility in South Carolina, largely through internal cash flows and the strategic monetisation of Section 45X tax credits. Management's early move to sell over $2 billion in these credits at approximately $0.96 on the dollar highlights a proactive approach to liquidity that fuels growth without diluting shareholder value.

At the moment, we see that the company is continuing to progress in the growth stage of its business life and is growing in size and operations. However, we are seeing that over the years, there has been a focus on still ensuring that the financials are also moving in a positive direction as well. There has been clear success from management towards boosting free cash flows for the company, which is projected to continue on this trend. This is highly accretive for the long-term shareholder, as based on this positive track record of management to be able to continue growing free cash flows, it means that once the company becomes more mature and earns more free cash flow, then this can be returned to the shareholder through stock buyback plans as well as dividends. Continuing from the perspective of the shareholder, as previously mentioned, management continues to keep the investor in mind during decision-making, as the stock-based compensation remains low at only an average dilution of 0.66% in the past decade. This growth is starting to become minimal in comparison to the explosive

growth of the free cash flow from the negative to positive in the past year.

Furthermore, management has pivoted the company's commercial strategy to capture the exponential surge in AI-driven data centre energy demand. By securing long-term partnerships with hyperscale big tech firms like Microsoft and Google, First Solar is positioning its Series 7 modules as the renewable energy pathway for the AI era. Management's decision to double down on a 100% U.S.-based supply chain has created a significant geopolitical moat, insulating the company from the tariff volatility that has been apparent in Trump's second term and reducing risks to its margins. This allows for the crystalline silicon that they require to be acquired at a lower rate in comparison to competitors, and makes them have a unique aspect that sets them apart as a company. To further emphasise how large an opportunity the upcoming AI energy demand will be, the following figure from McKinsey's global energy perspective report from 2024 highlights this quite well in the following graph.

Figure 4.1 Forecasted renewable energy demand



Source: McKinsey 2024

This strategic foresight aligns perfectly with the current market's demand for supply chain certainty and domestic content, making First Solar a unique beneficiary of both industrial policy and the technological revolution.

Impact on valuation: Neutral - The maangement reamins consistent in ensuring that the shareholder is taken into account, but at the core, there is a clear emphasis on continuing to gain market share and grow operations for the company. This is highly beneficial for the future outlook of the company to remain competitive in the photovoltaic market. Moreover, the additions of ensuring a clear focus towards a strong and resilient balance sheet, as well as continuing to grow margins highlights management's emphasis on growth. Management also leaning into the AI demand can be seen as a positive catalyst for the company and them taking advantage of opportunities as they appear for them, which illuminates proactivity rather than standing on the back foot and being too conservative. However, for a small market cap company in a growing and competitive solar manufacturing market, it is vital that First Solar continues to remain ambitious in achieving higher growth and increasing its market share, as otherwise its product can become redundant quite quickly. Adding on, we saw that in Q3 of 2024, there was significant volatility in the solar panel market that created reductions in sales for the company that management highlighted during the earnings call. These sorts of events and volatility show clearly the long-term focused viewpoint of the management of First Solar and that it remains resilient towards its goals and targets. In addition to this, the fact that management has ensured that they have a strong balance sheet with debt and cash positions under good control, it means that First Solar is well positioned to handle times of uncertainty and volatility. Therefore, this shows that management is on all the right tracks at the moment, but this is what is required to succeed in this sort of brutal industry, which is why the neutral rating for management is given and fair.

Valuation Deep Dive

DCF Analysis

Our DCF model uses a six-year explicit forecast horizon (FY2022–FY2027E), deliberately capturing both the company's recent loss-making period and its projected high-growth trajectory. This approach reflects the capital-intensive nature of First Solar's manufacturing expansion, with planned facilities in Louisiana and ongoing capacity buildouts in Ohio and Alabama, while incorporating management's guidance on achieving 25-30 GW of annual production capacity. Free cash flows progress from -$30.24M in FY2022

through the investment-heavy period of -$784.52M (FY2023) and -$308.08M (FY2024), before turning positive at $367.18M (FY2025E), $1,097.07M (FY2026E), and $2,417.45M (FY2027E) as operational efficiencies materialize and Section 45X Advanced Manufacturing Production Credits contribute approximately $4-5 billion annually to operating income.

Year	Dec'22*	Dec'23*	Dec'24*	Dec'25E*	Dec'26E*	Dec'27E*
Free Cash Flow ($mm)	-30,24	-784,52	-308,80	367,18	1.097,07	2.417,45
Discount Factor	0,9188	0,8442	0,7756	0,7126	0,6547	0,6015
Present Value of FCF ($mm)	-27,78	-662,26	-239,50	261,65	718,28	1.454,21
Sum of PV of FCFs ($mm)	1.504,59					
PV of Terminal Value ($mm)	31.247,43					
Enterprise Value ($mm)	**32.752,02**					

**Figures taken from FactSet*

The Weighted Average Cost of Capital (WACC) of 8.84% reflects First Solar's conservative capital structure, with equity comprising 98% of total capital (E/(D+E) = 0.98) and minimal debt leverage (D/(D+E) = 0.021). The cost of equity of 8.80% was derived using CAPM with a risk-free rate of 4.23% (10-year U.S. Treasury yield as of January 2025), a levered beta of 1.03 sourced from FactSet, and a market risk premium of 4.46%. The after-tax cost of debt of 10.33% incorporates the company's 11.47% pre-tax borrowing rate and a 10% effective tax rate (three-year average). For the terminal growth rate, some sources cited a negative 5-year CAGR taking the negative yearly FCF from 2019 to 2024, however we feel this would not be representative of the future of First Solar's as their FCF in the coming years is showing high expected growth. The conservative terminal growth rate of 4.0% is justified by the structural tailwinds supporting utility-scale solar deployment: the IEA projects approximately 700 GW of annual renewable capacity additions with solar PV contributing over three-quarters, while data centre electricity demand is forecast to grow at 15% annually through 2030, creating sustained demand for First Solar's CdTe modules.

Weighted Average Cost of Capital	
Cost of Debt	11.47
Tax Rate	10%
D/(D+E)	0,021
After Tax Cost of Debt	**10,33**
Risk Free Rate (10-Yr Treasury Yield)	4,23
Expected Market Return	8,69
Market Risk Premium	4,46
Levered Beta	1.03
E/(D+E)	0,98
Cost of Equity	**8,8**
WACC	**8,84093**

Key Assumptions	
WACC*	8,84%
Terminal Growth Rate	4,00%

The DCF yields an Enterprise Value of **$32,752M**, which, after subtracting total debt of $718.8M and adding cash equivalents of $1,801.2M, produces an Equity Value of **$33,834M**. Dividing by 107.31M shares outstanding results in an implied share price of **$315.30**, suggesting **30.2% upside** from current levels. The terminal value of $51,945M, discounted to a present value of $31,247M, constitutes approximately 95% of enterprise value, a proportion that, while high, is consistent with First Solar's current position in an early-stage growth phase where near-term FCFs are depressed by their heavy capital expenditure. This weighting underscores both the opportunity and the sensitivity of the valuation to terminal assumptions.

Share Price DCF	
Equity Value	33.834,42
Total Common Stock (As of Jan 26')	107,31
Implied Share Price	**315,2961**
Current Share Price	242,15
Upside/Downside	**30,2%**

Comparable Company Analysis

To complement our intrinsic valuation, we applied an EV/EBITDA multiple approach using a peer group spanning the broader U.S. power and clean energy sector. Given First Solar's position as the largest solar module manufacturer in the Western Hemisphere with a significant margin advantage, direct solar comparables are limited; accordingly, we selected companies that compete for similar utility-scale contracts and share exposure to clean energy policy dynamics. The peer group includes Hubbell (HUBB), Bloom Energy (BE), Nextpower (NXT), NuScale Power (SMR), Powell Industries (POWL), Itron (ITRI), and GE Vernova (GEV).

Company Name	Ticker	P/E (x)	EV/EBITDA (x)	EV/EBIT (x)
First Solar	**FSLR-US**	**18,59**	**11,68**	**15,33**
Hubbell	HUBB-US	30,11	19,77	23,08
Bloom Energy A	BE-US	-	196,65	275,57
Nextpower A	NXT-US	27,28	19,99	20,62
NuScale Power A	SMR-US	-	-	-
Powell Industries	POWL-US	28,13	20,31	20,98
Itron	ITRI-US	17,57	12,51	14,64
GE Vernova	GEV-US	106,60	72,71	117,30
Average		**38,05**	**50,52**	**69,65**
Median		**27,71**	**19,99**	**20,98**

The median EV/EBITDA multiple across the peer group is 20.52x, while the average is 58.38x, the latter skewed by outliers such as Bloom Energy (248.93x), reflecting its early-stage profitability profile. First Solar currently trades at 11.68x EV/EBITDA, representing a substantial discount to both the median and average. Applying First Solar's current trading multiple of 11.68x to its trailing EBITDA of $2,127.2M yields an Enterprise Value of $24,846M. After the equity bridge adjustment (subtracting $718.8M debt, adding $1,801.2M cash), we derive an Equity Value of $25,928M, implying a share price of $241.62, a practically insignificant 0.22% discount to the current price of $242.15.

This finding is further corroborated by the P/E analysis. First Solar trades at a P/E of 18.59x, closely aligned with the peer group median of 20.52x and well below the average of 38.05x. The proximity to the median P/E suggests the market is valuing First Solar's earnings power in line with comparable clean energy companies, reinforcing the conclusion that the stock is fairly valued on current fundamentals.

Together, these metrics indicate that from an operational profitability perspective, First Solar is valued fairly at its current market price. The market appears to have appropriately priced in the company's near-term EBITDA generation and earnings capacity, accounting for both the margin pressure from declining global module prices ($0.22-0.26/W) and the execution risks associated with greenfield manufacturing expansions. The divergence between our DCF-implied value and the comps-implied value, therefore, reflects the market's conservative stance on First Solar's longer-term growth trajectory and the full realisation of Section 45X tax credit benefits, an upside that we believe is not yet fully captured in current trading multiples.

Final Valuation Methodology

We assign equal weighting (50/50) to our DCF and comparable company valuations to balance the forward-looking cash flow potential captured by the DCF against the market-based reality check provided by trading multiples. The DCF methodology is particularly relevant for First Solar given its multi-year capacity expansion plan and the significant contribution of government incentives to future profitability, which are not fully reflected in current-year EBITDA. Conversely, the EV/EBITDA approach grounds the valuation in observable market pricing and accounts for execution risks that the market is currently discounting, including the 6-18 month ramp delays and 10-30% cost overruns typical of greenfield manufacturing projects.

Valuation Summary	
Implied Share Price DCF	315,296054
Implied Share Price Comps	241,618638
Avg of DCF and Comp	278,457346
Current Share price	242,15
Upside/Downside	15,0%

The blended target price of **$278.46** implies **15% upside** from the current share price of $242.15. While the comps analysis suggests fair valuation on current operating metrics (-0.22% discount), our DCF captures the structural advantages not yet reflected in trading multiples, including a politically stable supply-chain, differentiated CdTe technology, domestic manufacturing benefiting from IRA incentives, and contracted backlog providing revenue visibility. We believe this upside will materialise as Section 45X tax credit contributions become more visible in reported earnings.

Industry Landscape

Industry Outlook

The global solar photovoltaic (PV) market is experiencing unprecedented growth, driven by accelerating decarbonization mandates and surging electricity demand. The IEA projects approximately 700 GW of annual renewable capacity additions by 2024-2025, with solar PV contributing over three-quarters of this expansion, nearly twice the average annual growth of the preceding decade. Global

electricity demand is forecast to grow at 4.3% annually, adding approximately 1,080 TWh/year, creating sustained demand for utility-scale generation assets.

A critical demand driver is the data centre and AI-related electricity consumption boom. The IEA estimates global data centre electricity demand at 415 TWh in 2024 (approximately 1.5% of global electricity), projected to reach 945 TWh by 2030 under base case assumptions (roughly 15% annual growth). Bloomberg projects that an additional 362 GW of power generation capacity will be required by 2035 solely to support data centre demand. This structural tailwind favours utility-scale solar developers, First Solar's core customer base, as hyperscalers increasingly mandate renewable energy procurement for new facilities.

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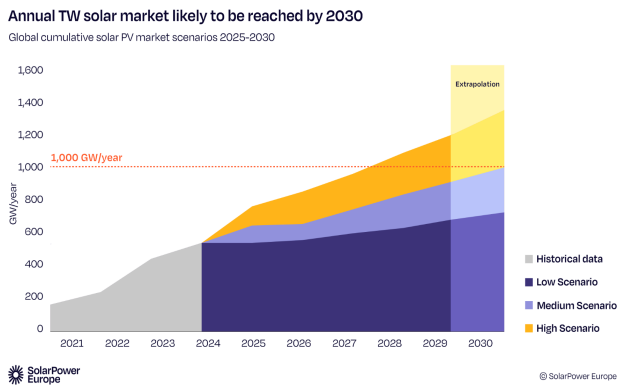

Source: SolarPower Europe

However, the industry faces significant headwinds. Global module prices have declined to $0.22-0.26/W, pressured by overcapacity from Chinese manufacturers and aggressive pricing strategies. Supply chain bottlenecks, polysilicon price volatility, and grid interconnection delays continue to constrain project deployment timelines. Geopolitical tensions, particularly US-China trade friction and evolving tariff regimes, are reshaping competitive dynamics, creating both risks and opportunities for domestically-focused manufacturers.

US-EU Trade Tensions: Supply Chain Advantage

Amid escalating trade and geopolitical tensions between the US, EU, and China, First Solar's vertically integrated domestic manufacturing footprint provides a distinct competitive moat. While competitors relying on Asian supply chains face tariff exposure, import restrictions, and Uyghur Forced Labor Prevention Act (UFLPA) compliance risks, First Solar's US-based production (Ohio, Alabama, with Louisiana planned) insulates the company from these disruptions. The Inflation Reduction Act's Section 45X Advanced Manufacturing Production Credit, worth approximately $0.17/watt for domestically produced modules, further amplifies this advantage, translating to $4-5 billion annually in tax credits at full production capacity of 25-30 GW. European customers seeking supply chain security and ESG compliance are increasingly turning to First Solar as a reliable non-Chinese alternative, positioning the company to capture market share as trade barriers intensify.

Competitive Positioning

First Solar occupies a unique position as the largest solar module manufacturer in the Western Hemisphere and the largest US-based solar manufacturer. Its cadmium telluride (CdTe) thin-film technology differentiates it from conventional crystalline silicon competitors such as **JinkoSolar, LONGi Green Energy, Trina Solar, and Canadian Solar**, all of which rely heavily on Chinese manufacturing and face tariff exposure, UFLPA compliance risks, and supply chain vulnerabilities that First Solar avoids.

US Utility-Scale Solar Module Market Share (2024)

Company	Headquarters	Manufacturing Base	US Market Share (%)
First Solar	**USA (Arizona)**	**USA (Ohio, Alabama, Louisiana)**	**27%**
JinkoSolar	China	China, Malaysia, USA (Florida)	16%
LONGi Green Energy	China	China, Vietnam, Malaysia	14%
Trina Solar	China	China, Vietnam, Thailand	11%
Canadian Solar	Canada	China, Thailand, Vietnam	9%
Hanwha Q Cells	South Korea	South Korea, China, USA (Georgia)	9%
JA Solar	China	China, Vietnam, Malaysia	7%
Others	Various	Various	7%
Total			**100%**

Within the domestic market, First Solar competes with **Hanwha Q Cells** (which operates US manufacturing in Georgia) and emerging players like Meyer Burger for utility-scale contracts. However, First Solar's scale, contracted backlog, and Section 45X eligibility provide a significant cost advantage.

SWOT Analysis

Strengths	Weaknesses
• Vertically integrated US manufacturing insulated from trade tensions and tariff exposure • Differentiated CdTe thin-film technology with superior high-temperature performance • Section 45X tax credits providing $4-5B annual benefit at full capacity • Strong contracted backlog providing multi-year revenue visibility • Young, efficient manufacturing facilities with ongoing capacity expansion	• Limited geographic diversification, heavy reliance on US market • Concentrated customer base in utility-scale segment with limited exposure to distributed solar • Execution risk on greenfield manufacturing expansions (6-18 month delays, 10-30% cost overruns typical) • Single technology platform, no crystalline silicon offering to hedge technology risk

Opportunities	Threats
• Data center/AI electricity demand driving utility-scale solar procurement • European market penetration as customers seek non-Chinese supply chain alternatives • Grid modernization investments expanding addressable market • Potential M&A to acquire crystalline silicon capabilities or downstream project development assets • Long-term power purchase agreements with hyperscalers (Google, Amazon, Microsoft)	• Potential reduction, delay, or repeal of Section 45X credits under policy changes • Continued module price declines ($0.22-0.26/W) compressing gross margins • Chinese manufacturer overcapacity intensifying pricing pressure • Grid interconnection bottlenecks limiting US deployment to 15-20 GW annually • Rising interest rates increasing project financing costs for customers

Final Recommendation

Overall, concluding we see that from the current valuation, the markets are not pricing in the high growth rates of the company, as well as the overall macro energy demand tailwinds that the company is positioned to benefit from. Moreover, the risk-reward is tilted towards the reward side with a valuation lower than competitors, while growth remains resilient and fundamentals and financials stay strong and pointed towards the upside.

Appendix

Income Statement (Source: Factset):

	DEC '24	DEC '23	DEC '22	DEC '21	DEC '20	DEC '19	DEC '18	DEC '17	DEC '16	DEC '15	DEC '14
Sales	4,206.3	3,318.6	2,619.3	2,923.4	2,711.3	3,063.0	2,245.7	2,941.3	2,904.6	3,577.2	3,391.8
Cost of Goods Sold (COGS) incl. D&A	2,346.1	2,024.8	2,491.3	2,193.8	2,031.0	2,515.3	1,851.7	2,392.4	2,266.1	2,677.7	2,577.4
COGS excluding D&A	1,928.4	1,716.8	2,221.6	1,933.9	1,798.1	2,310.0	1,717.4	2,272.9	2,035.2	2,419.8	2,329.8
Depreciation & Amortization Expense	417.7	308.0	269.7	259.9	232.9	205.3	134.3	119.5	230.9	257.8	247.6
Depreciation	407.2	297.5	258.8	249.0	222.1	195.1	124.4	111.2	220.8	248.6	246.4
Amortization of Intangibles	10.5	10.5	10.9	10.9	10.8	10.2	9.9	8.3	10.1	9.2	1.2
Gross Income	1,860.2	1,293.8	128.0	729.5	680.3	547.7	394.1	548.9	638.4	899.6	814.4
SG&A Expense	379.6	349.9	277.5	269.4	316.7	302.1	261.3	291.3	387.8	402.6	402.9
Research & Development	191.4	152.3	112.8	99.1	93.7	96.6	84.5	88.6	124.8	130.6	144.0
Other SG&A	188.3	197.6	164.7	170.3	222.9	205.5	176.9	202.7	263.0	272.0	259.0
EBIT (Operating Income)	1,480.6	943.9	-149.5	460.1	363.6	245.6	132.8	257.7	250.6	497.0	411.4
Nonoperating Income - Net	-26.0	-2.3	122.0	111.1	-35.3	21.5	-5.8	41.3	50.4	19.7	16.7
Nonoperating Interest Income	89.1	97.7	33.3	6.2	16.6	48.9	59.8	35.7	25.2	22.5	18.0
Other Income (Expense)	-115.0	-100.0	88.7	104.9	-51.9	-27.4	-65.6	5.6	25.2	-2.8	-1.4
Interest Expense	38.9	13.0	12.2	12.8	16.8	18.5	17.3	19.8	20.5	0.0	1.3
Gross Interest Expense	38.9	13.0	12.2	12.8	18.6	21.1	23.1	21.6	26.2	12.4	9.3
Interest Capitalized	0.0	0.0	0.0	0.0	1.8	2.6	5.8	1.7	5.6	12.4	8.0
Unusual Expense - Net	9.4	37.3	-48.4	-13.8	18.4	368.7	-3.5	77.0	818.8	0.0	-5.2
Impairments			57.8				0.0	0.0	74.9		
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	74.9	0.0	0.0
Other Intangibles	0.0	0.0	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property,Plant & Equipment			56.5								
Restructuring Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	37.2	743.9	0.0	0.0
Legal Claim Expense	0.4	35.6	0.0	0.0	6.0	363.0					
Unrealized Valuation Gain/Loss	-9.0	-1.7	76.0	13.8	-12.4	-5.7	3.5	-39.8	0.0	0.0	5.2
Investments	0.0										
Hedges/Derivatives	-9.0	-1.7	76.0	13.8	-12.4	-5.7	3.5	-39.8	0.0	0.0	5.2
Other Intangibles		0.0	0.0								
Excpl Chrgs - Others	0.0	0.0	-30.2								
Restructuring of Debt	0.0	0.0	-30.2								
Pretax Income	1,406.3	891.3	8.6	572.2	293.2	-120.1	113.1	202.1	-537.3	519.8	432.0

Income Taxes	114.3	60.5	52.8	103.5	-107.3	-5.5	3.4	372.0	23.2	-6.2	30.1
Income Taxes - Current Domestic	112.4	53.0	8.8	13.0	-145.1	13.9	-57.8	120.0	-13.1	24.4	17.3
Income Taxes - Current Foreign	21.8	20.8	50.0	10.1	26.3	41.1	8.8	11.1	-29.0	23.2	6.9
Income Taxes - Deferred Domestic	-34.3	-24.8	-14.6	62.3	20.3	-62.4	33.9	231.9	80.8	2.4	8.1
Income Taxes - Deferred Foreign	14.4	11.6	8.6	18.1	-8.7	2.0	18.6	9.0	-15.5	-56.2	-2.2
Equity in Earnings of Affiliates	0.0	0.0	0.0	0.0	-2.1	-0.3	34.6	4.3	144.3	20.4	-4.9
Consolidated Net Income	1,292.0	830.8	-44.2	468.7	398.4	-114.9	144.3	-165.6	-416.1	546.4	396.9
Net Income	1,292.0	830.8	-44.2	468.7	398.4	-114.9	144.3	-165.6	-416.1	546.4	396.9
Net Income available to Common	1,292.0	830.8	-44.2	468.7	398.4	-114.9	144.3	-165.6	-416.1	546.4	396.9
Per Share											
EPS (recurring)	12.08	7.98	-0.73	4.29	3.85	1.36	1.34	-1.07	1.53	5.37	3.87
EPS (basic)	12.07	7.78	-0.41	4.41	3.76	-1.09	1.38	-1.59	-4.05	5.42	3.97
Basic Shares Outstanding	107.02	106.80	106.55	106.26	105.87	105.31	104.75	104.33	102.87	100.89	100.05
Total Shares Outstanding	107.06	106.85	106.61	106.33	105.98	105.45	104.89	104.47	104.03	101.77	100.29
EPS (diluted)	12.02	7.74	-0.41	4.38	3.73	-1.09	1.36	-1.59	-4.05	5.37	3.91
Diluted Shares Outstanding	107.53	107.37	106.55	106.92	106.69	105.31	106.11	104.33	102.87	101.82	101.64
Total Shares Outstanding	107.06	106.85	106.61	106.33	105.98	105.45	104.89	104.47	104.03	101.77	100.29
Earnings Persistence	73.81	73.70	79.77	86.88	80.11	86.59	72.34	72.72	79.31	74.99	86.58
EBITDA											
EBITDA	1,898.2	1,251.9	120.2	720.0	596.6	450.9	267.1	377.2	481.6	754.8	659.0
EBIT	1,480.6	943.9	-149.5	460.1	363.6	245.6	132.8	257.7	250.6	497.0	411.4
Depreciation & Amortization Expense	417.7	308.0	269.7	259.9	232.9	205.3	134.3	119.5	230.9	257.8	247.6

Balance sheet (Source: Factset):

	DEC '24	DEC '23	DEC '22	DEC '21	DEC '20	DEC '19	DEC '18	DEC '17	DEC '16	DEC '15	DEC '14
Assets											
Cash & Short-Term Investments	1,801	2,111	2,581	1,828	1,749	2,178	2,569	3,004	1,998	1,905	2,076
Cash Only	1,630	1,955	1,484	1,452	1,229	1,366	1,423	2,280	1,384	1,199	1,557
Total Short Term Investments	172	155	1,097	375	520	812	1,146	725	614	706	519
Short-Term Receivables	1,809	1,408	355	455	294	712	613	419	511	561	225
Accounts Receivables, Net	1,283	683	355	455	293	682	586	407	488	561	225
Accounts Receivables, Gross	1,284	684	356	455	296	684	588	409	488	561	232
Bad Debt/Doubtful Accounts	-1	-2	-1	-1	-3	-1	-1	-2	0	0	-7
Other Receivables	526	725	0	0	2	30	26	12	22	0	0
Inventories	1,084	820	621	666	568	497	445	201	426	517	630
Finished Goods	755	530	417	434	412	295	252	123	302	309	442
Work in Progress	116	78	67	66	65	60	41	14	13	20	21
Raw Materials	214	211	138	167	91	88	94	36	48	51	42
Progress Payments & Other	0	0	0	0	0	54	57	29	63	137	125
Other Current Assets	395	297	234	243	404	209	195	130	152	174	230
Prepaid Expenses	82	70	52	70	232	186	150	73	77	75	42
Miscellaneous Current Assets	313	227	182	173	172	23	44	57	75	99	188
Total Current Assets	5,089	4,635	3,791	3,191	3,015	3,596	3,822	3,755	3,087	3,158	3,161
Net Property, Plant & Equipment	5,583	4,527	3,666	3,390	3,246	3,137	2,525	1,996	1,840	1,378	2,236
Property, Plant & Equipment - Gross	7,674	6,221	5,135	4,686	4,396	4,577	3,845	3,215	3,371	2,718	3,371
Buildings	1,585	1,037	893	693	694	664	568	424	379	411	382
Land & Improvements	39	35	35	18	14	14	14	8	8	12	12
Machinery & Equipment	4,801	3,593	2,774	2,809	2,482	2,967	1,826	1,510	1,909	2,062	1,850
Construction in Progress	859	1,224	1,122	462	420	243	406	641	111	38	154
Leases	29										
Other Property, Plant & Equipment	247	230	217	496	559	542	1,031	631	964	195	972
Operating Lease Right-of-Use Assets	114	101	93	208	227	146					
Accumulated Depreciation	2,091	1,694	1,468	1,296	1,150	1,439	1,319	1,219	1,531	1,340	1,134
Total Long-Term Investments	473	362	204	291	333	315	352	708	672	768	688
LT Investment - Affiliate Companies	0	0	0	0	0	3	3	220	235	400	255
Other Long-Term Investments	221	210	191	248	310	304	318	425	371	334	407
Long-Term Note Receivable	252	152	13	42	23	8	31	63	66	35	26

Intangible Assets	83	94	46	60	71	79	89	95	102	195	204
Goodwill	28	30	14	14	14	14	14	14	14	85	85
Other Intangible Assets	55	65	31	46	56	65	74	80	88	110	119
Deferred Tax Assets	209	143	79	59	104	131	78	51	255	358	222
Other Assets	688	604	465	423	341	257	256	260	868	1,460	212
Deferred Charges	34	24				4	65	105	728	1,299	52
Tangible Other Assets	653	580	465	423	341	254	191	155	140	161	160
Total Assets	12,124	10,365	8,251	7,414	7,109	7,516	7,121	6,865	6,824	7,316	6,724
Liabilities & Shareholders' Equity											
Current											
ST Debt & Curr. Portion LT Debt	250	107	9	17	56	29	6	13	28	38	52
Accounts Payable	482	207	341	193	183	218	233	120	149	338	215
Income Tax Payable	77	22	29	5	15	17	21	20	13	1	2
Other Current Liabilities	1,268	970	658	512	594	1,055	586	497	719	584	733
Accrued Payroll	31	56	48	35	52	65	42	74	48	64	43
Miscellaneous Current Liabilities	1,238	914	610	478	542	989	544	423	671	520	690
Total Current Liabilities	2,077	1,306	1,038	727	847	1,318	845	650	908	961	1,001
Long-Term											
Long-Term Debt	469	518	225	382	427	567	461	424	187	251	165
Long-Term Debt excl Lease Obligations	373	464	184	236	238	454	461	424	187	251	163
Capital and Operating Lease Obligations	96	54	41	146	189	113	0	0	0	0	2
Provision for Risks & Charges	14	20	23	39	79	200	295	288	247	269	217
Deferred Tax Liabilities	55	43	29	28	24						
Other Liabilities	1,531	1,791	1,100	279	211	334	307	403	264	287	314
Other Liabilities (excl. Deferred Income)	203	200	155	183	166	263	259	340	264	287	314
Deferred Income	1,328	1,592	945	96	45	71	48	63	0	0	0
Total Liabilities	4,147	3,678	2,415	1,454	1,588	2,419	1,909	1,766	1,606	1,768	1,697
Equity											
Common Equity	7,978	6,687	5,836	5,960	5,521	5,097	5,212	5,099	5,218	5,548	5,027
Common Stock Par/Carry Value	0	0	0	0	0	0	0	0	0	0	0
Additional Paid-In Capital/Capital Surplus	2,898	2,890	2,887	2,871	2,867	2,849	2,825	2,799	2,765	2,743	2,698
Retained Earnings	5,263	3,971	3,140	3,184	2,716	2,327	2,442	2,297	2,463	2,790	2,280
Cumulative Translation Adjustment/Unrealized For. Exch. Gain	-127	-118	-121	-89	-76	-73	-66	-65		-70	-53

Unrealized Gain/Loss Marketable Securities	-56	-55	-65	-8	17	-5	11	68	0	87	102
Other Appropriated Reserves	0	-1	-6	1	-2	-1	1	-1	-10	-2	1
Total Shareholders' Equity	7,978	6,687	5,836	5,960	5,521	5,097	5,212	5,099	5,218	5,548	5,027
Total Equity	7,978	6,687	5,836	5,960	5,521	5,097	5,212	5,099	5,218	5,548	5,027
Total Liabilities & Shareholders' Equity	12,124	10,365	8,251	7,414	7,109	7,516	7,121	6,865	6,824	7,316	6,724

Cash flow Statement (Source: Factset):

	DEC '24	DEC '23	DEC '22	DEC '21	DEC '20	DEC '19	DEC '18	DEC '17	DEC '16	DEC '15	DEC '14
Operating Activities											
Net Income / Starting Line	1,292.0	830.8	-44.2	468.7	398.4	-114.9	144.3	-165.6	-416.1	546.4	396.9
Depreciation, Depletion & Amortization	417.7	308.0	269.7	259.9	232.9	205.5	130.7	115.3	230.9	257.8	245.8
Depreciation and Depletion	407.2	297.5	258.8	249.0	222.1		109.8	99.5	220.8	248.6	244.6
Amortization of Intangible Assets	10.5	10.5	10.9	10.9	10.8		20.9	15.8	10.1	9.2	1.2
Deferred Taxes & Investment Tax Credit	-54.8	-60.8	-12.8	49.8	36.0	-59.9	-10.1	173.4	90.6	-17.5	14.1
Deferred Taxes	-54.8	-60.8	-12.8	49.8	36.0	-59.9	-10.1	173.4	90.6	-17.5	14.1
Other Funds	46.1	51.0	-338.0	-204.2	-67.7	-81.7	-265.4	52.2	699.0	17.8	33.4
Funds from Operations	1,701.1	1,128.9	-125.3	574.3	599.6	-51.1	-0.5	175.3	604.4	804.5	690.2
Changes in Working Capital	-483.1	-526.7	998.6	-336.7	-562.5	225.3	-326.3	1,166.1	-397.6	-1,165.5	-9.2
Receivables	-235.0	-963.9	118.7	-97.0	345.2	-73.6	-202.3	85.8	178.9	-340.3	453.8
Inventories	-276.8	-205.1	16.7	-136.4	-145.4	-83.5	-257.2	212.8	95.8	113.5	-99.9
Accounts Payable	268.7	79.3	5.6	34.9	-43.3	-0.3	96.4	-47.2	-191.6	143.9	-52.3
Income Taxes Payable									-61.4	-13.3	-1.0
Other Accruals				-78.7	-615.3	401.3	101.4	-261.0	162.3	-164.7	-426.4
Other Assets/Liabilities	-240.0	563.0	857.7	-59.6	-103.6	-18.5	-64.6	1,175.8	-581.6	-904.6	116.6
Net Operating Cash Flow	1,218.0	602.3	873.4	237.6	37.1	174.2	-326.8	1,341.4	206.8	-360.9	681.0
Investing Activities											
Capital Expenditures	-1,526.1	-1,386.8	-903.6	-540.3	-416.6	-668.7	-739.8	-514.4	-229.5	-166.4	-257.5
Capital Expenditures (Fixed Assets)	-1,526.1	-1,386.8	-903.6	-540.3	-416.6	-668.7	-739.8	-514.4	-229.5	-166.4	-257.5
Net Assets from Acquisitions	0.0	-35.7	0.0	0.0	0.0	0.0				0.0	-4.3
Sale of Fixed Assets & Businesses	0.0	7.7	442.3	300.5	0.0	0.0			0.0	0.1	1.5
Purchase/Sale of Investments	-24.2	951.1	-728.2	147.5	290.9	309.3	63.3	-112.9	394.2	11.1	-125.6
Purchase of Investments	2,516.1	3,612.8	3,375.0	2,147.1	901.9	1,177.3	1,369.0	581.0	427.4	639.1	403.1
Sale/Maturity of Investments	2,491.9	4,563.9	2,646.8	2,294.6	1,192.8	1,486.6	1,432.3	468.0	821.6	650.2	277.4
Other Funds	-13.0	-9.0	-3.1	-6.7	-5.5	-2.9	-6.1	-0.2	-20.2	43.1	-125.9

Other Uses	-13.0	-9.0	-3.1	-6.7	-5.5	-2.9	-6.1	-0.2	-20.2	-0.9	-125.9
Other Sources	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	44.0	0.0
Net Investing Cash Flow	-1,563.3	-472.8	-1,192.6	-99.0	-131.2	-362.3	-682.7	-627.5	144.5	-112.1	-511.9
Financing Activities											
Change in Capital Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-20.4	0.0	0.0
Repurchase of Common & Preferred Stk.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-20.4	0.0	0.0
Sale of Common & Preferred Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from Sale of Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from Stock Options	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Issuance/Reduction of Debt, Net	52.6	368.0	321.5	56.5	-68.7	90.0	272.0	229.1	-115.8	98.9	5.5
Change in Long-Term Debt	52.6	368.0	321.5	56.5	-68.7	90.0	272.0	229.1	-115.8	98.9	5.5
Issuance of Long-Term Debt	258.5	368.0	397.4	129.2	156.7	120.1	290.9	258.4	576.8	146.0	65.6
Reduction in Long-Term Debt	-205.8	0.0	-75.9	-72.7	-225.3	-30.1	-18.9	-29.3	-692.6	-47.1	-60.1
Other Funds	-27.8	-31.1	-12.1	-16.0	-13.9	-15.1	-16.8	-37.1	-0.2	38.2	1.9
Other Uses	-27.8	-31.1	-12.1	-16.0	-13.9	-16.1	-16.8	-37.1	-0.2	-24.3	-29.3
Other Sources	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	62.4	31.2
Net Financing Cash Flow	24.8	336.9	309.4	40.6	-82.6	74.9	255.2	192.0	-136.4	137.1	7.4
All Activities											
Exchange Rate Effect	-6.4	5.3	47.4	3.2	3.8	-3.0	-13.6	8.9	-6.3	-19.3	-19.5
Net Change in Cash	-326.8	471.6	37.6	182.2	-172.9	-116.1	-767.9	914.8	208.6	-355.2	157.0
Free Cash Flow	-308.1	-784.5	-30.2	-302.7	-379.5	-494.5	-1,066.6	827.0	-22.7	-527.4	423.4
Free Cash Flow per Share	-2.9	-7.3	-0.3	-2.8	-3.6	-4.7	-10.1	7.9	-0.2	-5.2	4.2