

# FIRST SOLAR, INC. (FSLR)

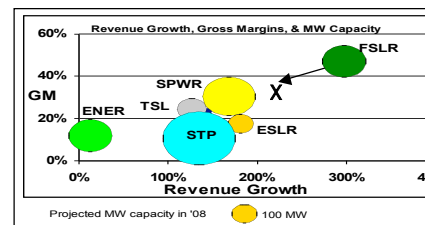
4050 East Cotton Center Boulevard  
Phoenix, AZ 85040

NASDAQ: FSLR

## Trends & Analyses

figures in \$000s except per share data & ratios

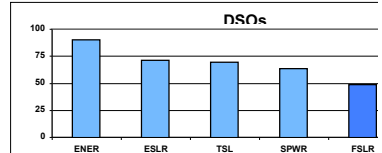
Financial Performance	Dec-07	Dec-08	Dec-09	Dec-10	2Q 06	2Q 07
Revenues	\$3,210	\$13,522	\$48,063	\$134,974	\$27,861	\$77,223
Revenue Growth		321%	255%	181%		177%
Net Income	(\$28,043)	(\$16,771)	(\$6,462)	\$3,974	(\$2,461)	\$44,418
Price to Book Value				5.1		15.6
Avg P/E				593.7		201.0
PEG Ratio				-3.9		0.9
Enterprise Value / EBITDA				71.5		87.5
Cash & Investments per Share	\$0.00	\$0.09	\$0.35	\$5.29	\$0.31	\$4.14
<b>Per Share Results</b>						
Sales	\$0.09	\$0.31	\$0.98	\$2.32	\$0.51	\$1.01
EPS (from operations)	(\$0.78)	(\$0.39)	(\$0.13)	\$0.07	(\$0.05)	\$0.49
EPS Growth		-50%	-66%	-152%		215%
Book Value	\$0.00	\$0.52	\$0.27	\$7.92	\$0.24	\$6.33
Avg Market Cap				\$2,359,328		\$7,494,767
Avg Share	36,028	43,198	48,846	58,255	54,358	76,089
Common Price						
High				53		117
Low				28		80
<b>Liquidity</b>						
Current Ratio		2.3	0.8	7.5	0.8	5.5
Days Sales Outstanding		117	8	149	4	16
Cash Flow to Long Term Debt		-304%	25%	-16%	6%	0%
<b>Coverage</b>						
OCF- Div / (Cap Exp + Int Exp)		(1.9)	0.1	(0.1)	0.2	0.0
EBIT to Interest Expense		(168)	(11)	3	(17)	5
<b>Capital Structure</b>						
LT Debt (& obligations) to Equity		22%	151%	13%	151%	20%
Fixed Assets to Equity		129%	562%	39%	562%	51%
LT Debt to Capitalization		18%	60%	12%	60%	17%
<b>Return on Investment</b>						
ROA		-40.2%	-6.3%	0.7%	-9.7%	24.6%
FCF/SE- free cash flows / equity		-86%	-256%	-15%	125%	17%
ROIC - return on invested capital		-41%	67%	3%	274%	14%
Gross Margin		-133%	34%	40%	33%	37%
Net Profit Margin		-124.0%	-13.4%	2.9%	-8.8%	57.5%
<b>Asset Utilization</b>						
Sales to WC		2.0	(6.5)	0.4	(15.1)	0.9
CapX / Assets		19%	42%	17%	23%	0%
Sales to Total Assets		0.3	0.5	0.2	1.1	0.4
<b>Operating Performance</b>						
R&D to Sales	119.7%	9.2%	4.9%	4.7%	5.5%	4.9%
SG&A to Sales	373.2%	68.9%	32.9%	24.7%	43.8%	24.4%
Days of Inventory		42	79	74	33	49
<b>Sustainable Growth</b>						
EBIT To Sales		-124.1%	-10.0%	2.1%	-16.6%	7.5%
Leverage		1.8	7.8	1.3	7.8	1.5
ROE		-74.1%	-49.2%	0.9%	-75.0%	36.9%
Sustainable Growth Rate		-74.1%	-49.2%	0.9%	-75.0%	36.9%



FSLR's leading revenue growth is lower and margins a little weaker - expectations of 70 growth in 2008

EPS growth driven by one time tax benefit, amounted to \$0.51 of the reported \$0.58 for

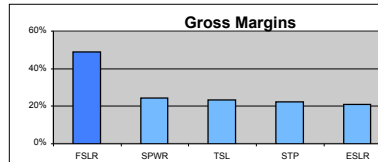
High price to sales ratio but low PEG ratio



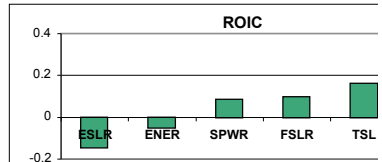
Low DSOs in comparison to peer group

Improving coverage

moderate debt level



FSLR's industry leading gross margins are up to 37% but down from 49% in Q4/06



Improving cost structure and days of inventory

Earnings boost result of tax benefit while E margins track in high single digits.