



## M&A Rumour and Activity

The Australian market finished the week 1.64% higher with the S&P / ASX 100 ending at 4773 points mainly due to a strong performance in the telco, healthcare and banking sectors. The Australian dollar increased 4.16% for the week to end at US72.91 cents, as the US dollar weakened to a three-week low.

Dong Energy said on 21 December 2016 that it has agreed to divest half of the Race Bank Offshore Wind Farm project, a 574MW offshore wind farm project in the UK, for £1.6 billion (\$2.7 billion) to Macquarie European Infrastructure Fund 5 and Macquarie Capital. The Race Bank project is due to be fully operational in 2018, and the deal price includes the price of a 50% equity stake and a commitment to fund half of the capital cost.

The Australian Financial Review reported that ESCO Pacific is understood to have secured Palisade Investment Partner as a co-investor in its \$225 million Ross River solar project in Queensland, with EnergyAustralia secured as a customer.

## Global news

**Canadian Solar Inc (CSIQ.O)** announced that its wholly owned subsidiary has sold 2 solar power plants in Canada (the 10MW AC BeamLight LP and the 10MW AC Alfred solar power plants) to affiliates of Concord Green Energy Inc for US\$115 million (\$157 million).

Czech utility player **CEZ AS (CEZP.PR)** said on 22 December 2016 that it had acquired 85.25MW of additional wind power capacity in Germany from Wpd AG for an undisclosed value.

**Global EcoPower SA (ALGEP.PA1)**, a French renewable energy firm, said on 20 December 2016 that it has acquired a 12.3MW wind farm project from a unit of French utility company Engie (ENGIE.PA) for an undisclosed value.

**Suzlon Energy Ltd (SUZL.NS)** agreed on 21 December 2016 to divest a 49% stake in a special purpose vehicle ("SPV") that would execute a 15MW solar photovoltaic project in India to AMP Solar for an undisclosed value. AMP Solar will also have the right to acquire the remaining 51% stake in the SPV at a later stage.

**PNE Wind AG (PNEGn.DE)** announced on 29 December 2016 that it has closed the sale of an 80% stake in PNE Wind YieldCo Deutschland GmbH, a yieldco which controls a 142.5MW portfolio of operational wind plants, to Allianz Renewable Energy Fund II for €103 million (\$147 million).

**Innogy SE (IGY.DE)**, the renewables, grids and retail operations unit of RWE AG (RWE.G.DE), announced on 3 January 2017 that it has completed the acquisition of Belectric Solar and Battery GmbH for an undisclosed value.

**Eolus Vind AB (EOLUb.ST)** said on 4 January 2017 that that it has agreed to buy a 60% stake in a wind project in California from ZCF Wind Wall LCC for US\$450,000 (\$610,000).

French nuclear power company **Areva SA (AREVA.PA)** said on 5 January 2017 that it has completed the sale of its 50% stake in offshore wind turbines maker Adwen to Spain's Gamesa (GAM.MC). Areva SA had exercised its option in September 2016 to sell its 50% stake in Adwen to Gamesa for €60 million (\$86 million).

## News Headlines and Key Sector Developments

**Carnegie Clean Energy Limited (CCE.AX)** said on 17 December 2016 that it has agreed to form a 50/50 joint venture with **Lendlease Services Pty Ltd** to deliver solar, battery storage and microgrid opportunities (through EPC contracts) in Australia.

Ticker	News/Event	Ticker	News/Event
AGL.AX	Received notification of proposed industrial action from the Victorian branch of the Electrical Trades Union (ETU)	ORG.AX	Redeemed all of the Origin Energy Subordinated Notes (ORGHA.AX). The notes have been redeemed for their face value of AUD100 per note and a final interest amount of AUD1.43 per note has been paid
APA.AX	Entered into a new 3-year agreement, multi-asset, multi-service gas transportation contract with AGL Energy (AGL.AX) replacing a contract with AGL on the Moomba Sydney Pipeline that expired on 31 December 2016	ORG.AX	Signed an LNG Sale and Purchase Agreement (SPA) with ENN LNG Trading Company Limited for the delivery of 280,000 tonnes of liquefied natural gas per year to China for a period of 5 years
MALA.KL	Accepted a conditional offer letter from the government of Malaysia to construct and develop a 50MW large scale solar PV plant		

Source: Thomson Reuters, Company Announcements, LCC research



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The table below is for the period from 19 December 2016 to 6 January 2017.

Ticker	Company Name	Australian Activities	Market Cap (A\$ m)	Open Price	Close Price	Week High	Week Low	Weekly change (%)	Volume Trend	EV/ EBITDA	EV/ EBIT
AGL.AX	AGL Energy	Wind PD, O, OP; Solar R, C, PD, O, OP	15,024	20.91	22.21	22.18	20.89	▲ 4.2%	■■■■■	10.7x	15.0x
APA.AX	APA Group	Wind O, OP	9,928	8.28	8.91	8.75	8.28	▲ 5.8%	■■■■■	14.9x	24.6x
CSR.AX	CSR Ltd	Solar R, C	2,280	4.36	4.52	4.56	4.28	▲ 4.9%	■■■■■	6.5x	8.5x
IFN.AX	Infgen Energy Ltd	Wind PD, O, OP; Solar PD	719	0.84	0.92	0.90	0.84	▲ 7.0%	■■■■■	10.9x	19.2x
ORG.AX	Origin Energy Ltd	Wind O, OP; Solar R, C	11,775	6.50	6.71	6.56	6.29	▲ 3.5%	■■■■■	14.4x	25.0x
RFX.AX	RedFlow Ltd	Battery OEM	115	0.31	0.29	0.32	0.29	▼ (6.5%)	■■■■■	n.m.	n.m.
BOSH.BO	Bosch Ltd	Battery OEM	12,979	408.42	425.92	410.48	388.25	▲ 5.8%	■■■■■	32.2x	40.4x
SUZL.BO	Suzlon Energy Ltd	Wind OEM, DB	1,483	0.29	0.30	0.29	0.28	▲ 1.8%	■■■■■	12.6x	17.0x
ABG.MC	Abengoa SA	CST OEM, PD, DB	292	0.70	0.62	0.70	0.62	▼ (7.8%)	■■■■■	n.m.	n.m.
ENOR.MC	Elecnor SA	Wind PD, DB; Solar PD, DB	1,132	12.85	12.93	13.02	12.66	▲ 1.2%	■■■■■	10.1x	16.6x
GAM.MC	Gamesa	Wind OEM	7,903	26.42	28.10	27.64	25.99	▲ 7.8%	■■■■■	8.8x	12.3x
GAS.MC	Gas Natural SDG SA	Wind D	25,751	25.02	25.56	25.67	25.00	▲ 1.5%	■■■■■	8.1x	12.9x
VWS.CO	Vestas Wind Systems A/S	Wind PD	20,395	83.53	91.41	86.82	82.18	▲ 10.7%	■■■■■	7.4x	9.0x
SIEGn.DE	Siemens AG	Wind OEM, DB	143,328	165.90	167.46	168.17	163.16	▲ 1.3%	■■■■■	12.2x	16.9x
S92G.DE	SMA Solar Technology AG	Solar Inverter OEM	1,282	35.39	36.68	37.44	35.14	▲ 1.4%	■■■■■	3.3x	5.9x
ALSO.PA	Alstom SA	Wind OEM, DB	8,430	37.21	38.40	38.05	37.08	▲ 2.4%	■■■■■	7.6x	15.3x
AREVA.PA	Areva SA	CST OEM, PD, DB	2,668	6.60	6.96	6.68	6.36	▲ 5.8%	■■■■■	15.7x	n.m.
ENGIE.PA	Engie SA	Wind O, OP	42,768	17.41	17.56	17.77	17.39	▼ (0.1%)	■■■■■	6.1x	10.9x
MALA.KL	Malakoff Corporation Bhd	Wind I	2,065	0.43	0.41	0.44	0.43	▼ (4.1%)	■■■■■	7.6x	15.4x
005930.KS	Samsung Electronics Co Ltd	Battery OEM	324,312	2071.51	2067.03	2119.84	2067.05	▼ (1.0%)	■■■■■	4.7x	8.5x
051910.KS	LG Chem Ltd	Battery OEM	20,131	293.11	303.77	309.48	293.11	▲ 0.6%	■■■■■	5.7x	9.6x
JLG.L	John Laing Group PLC	Wind I	1,683	4.70	4.54	4.77	4.43	▼ (4.3%)	■■■■■	5.8x	5.8x
ENPH.O	Enphase Energy Inc	Solar Inverter OEM	94	1.68	1.52	1.83	1.52	▼ (15.2%)	■■■■■	n.m.	n.m.
CSIQ.O	Canadian Solar Inc	Solar Panel OEM, R, C, PD	1,000	17.42	17.42	17.74	16.95	▼ (0.7%)	■■■■■	13.0x	13.0x
FSLR.O	First Solar Inc	Solar Panel OEM, DB	4,749	48.31	45.70	48.93	44.47	▼ (5.3%)	■■■■■	3.0x	4.5x
HQCL.O	Hanwha Q Cells Co Ltd	Solar Panel OEM	934	12.17	11.23	12.51	11.37	▼ (7.1%)	■■■■■	5.0x	6.1x
SPWR.O	SunPower Corp	Solar Panel OEM, R, C, DB	1,338	10.35	9.67	10.60	9.48	▼ (6.8%)	■■■■■	n.m.	n.m.
TSLA.O	Tesla Motors Inc	Battery OEM	50,598	279.49	314.10	297.28	275.83	▲ 12.3%	■■■■■	354.9x	n.m.
DQ.N	Daqo New Energy Corp	Solar Panel OEM	293	28.78	28.08	29.95	28.20	▼ (2.4%)	■■■■■	4.1x	6.1x
GE.N	General Electric Co	Wind OEM, DB, I	383,533	43.82	43.35	44.61	43.77	▼ (1.6%)	■■■■■	27.6x	51.1x
JKS.N	JinkoSolar Holding Co Ltd	Solar Panel OEM	681	21.90	21.56	22.18	21.37	▼ (0.8%)	■■■■■	9.0x	9.0x
SOL.N	ReneSolar Ltd	Solar Panel OEM	90	0.98	0.89	0.98	0.84	▼ (7.5%)	■■■■■	7.1x	31.1x
TSL.N	Trina Solar Ltd	Solar Panel OEM	1,202	13.32	13.00	13.42	12.85	▼ (1.7%)	■■■■■	8.9x	8.9x
YGE.N	Yingli Green Energy Ltd	Solar Panel OEM	71	4.11	3.90	4.17	3.81	▼ (6.2%)	■■■■■	n.m.	n.m.
MEL.NZ	Meridian Energy Ltd	Wind PD, O, OP	6,369	2.42	2.46	2.48	2.41	▲ 1.7%	■■■■■	12.2x	19.4x
TLT.NZ	Tilt Renewables Ltd	Wind PD, O, OP; Solar PD	603	1.83	1.91	1.93	1.83	▲ 1.8%	■■■■■	n.m.	n.m.
TPW.NZ	TrustPower Ltd	Wind PD, O, OP	1,456	4.24	4.61	4.41	4.20	▲ 9.8%	■■■■■	n.m.	n.m.
1088.HK	China Shenhua Energy Co Ltd	Wind I	62,882	2.68	2.73	2.68	2.53	▲ 4.2%	■■■■■	6.2x	9.7x
1165.HK	Shunfeng International Ltd	Solar Panel OEM	366	0.10	0.08	0.10	0.08	▼ (14.7%)	■■■■■	7.7x	17.3x
1211.HK	BYD Co Ltd	Battery OEM	24,876	7.55	7.53	7.64	7.22	▲ 0.1%	■■■■■	13.5x	26.4x
0002.HK	CLP Holdings Ltd	Wind PD, O, OP	32,840	12.85	13.00	13.33	12.76	▲ 1.6%	■■■■■	11.8x	17.5x
0579.HK	Beijing Jingneng Clean Energy	Wind O, OP	2,843	0.41	0.41	0.43	0.39	▲ 2.6%	■■■■■	6.6x	10.1x
RATCH.BK	Ratchaburi Electricity PCL	Wind PD, I; Solar PD, I	2,802	1.92	1.93	1.95	1.90	▲ 0.3%	■■■■■	16.0x	20.4x
ABBN.S	ABB Ltd	Solar Inverter OEM, DB	66,032	29.01	29.56	29.55	28.87	▲ 2.1%	■■■■■	10.3x	13.5x
002202.SZ	Xinjiang Goldwind S&T Co Ltd	Wind OEM, DB, OP, I	8,614	3.33	3.33	3.46	3.30	▼ (0.4%)	■■■■■	17.7x	17.7x
300118.SZ	Risen Energy Co Ltd	Solar Panel OEM	2,210	3.24	3.25	3.30	3.21	▼ (0.0%)	■■■■■	17.5x	17.5x
601016.SS	CECEP Wind-Power Corp	Wind I	3,737	1.88	1.79	1.93	1.86	▼ (4.4%)	■■■■■	53.1x	53.1x
6758.T	Sony Corp	Battery OEM	49,141	39.89	38.90	40.13	38.95	▼ (2.4%)	■■■■■	7.3x	21.1x
8002.T	Marubeni Corp	Wind I	13,697	7.94	7.88	8.07	7.79	▼ (0.9%)	■■■■■	18.8x	47.5x
8015.T	Toyota Tsusho Corp	Wind I	12,773	36.20	36.07	36.28	35.25	▼ (0.0%)	■■■■■	9.2x	16.7x
8031.T	Mitsui & Co Ltd	Wind PD, O, OP	34,512	19.81	19.21	19.90	19.33	▼ (3.1%)	■■■■■	14.1x	30.2x

**Codes**

PD	Project Development	DB	Design & Build
O	Owner	OEM	Original Equipment Manufacturer
OP	Operator	R	Residential Solutions
I	Investor	C	Commercial Solutions

Source: Thomson Reuters, LCC research



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