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All values in U.S. dollars unless otherwise noted.

For Required Disclosures, please see page 32.

Investing In Energy Technology

What Was Alternative Is Now Mainstream

Valuation and Recommendation

- We would overweight the energy technology sector.
- Sector is undergoing structural change.
- We believe we are at the beginning of a multi-year phenomenon – the sector is similar to OSX 1995-1996 period, when investment lagged long-term secular trends.
- What was once alternative is becoming mainstream.
- Energy tech an increasingly critical component of portfolio allocation, in our opinion.
- Volatility of sector offers alpha opportunities on both the upside and downside, especially when contrasted with a performance benchmark.
- Sector appears to be emerging from a correction. Our recommendations are below.

Highlights

Expanding Coverage

- We are expanding our coverage to 14 companies from nine, adding sub-sector depth and breadth.

Industry Thesis

- We believe we are in the early stages of a long-term secular trend of increasing energy demand coupled with constrained supplies of traditional (fossil fuel) energy – leading to sustained higher energy prices.
- This is a global, not regional phenomenon.

Macro Drivers

- Sector performance increasingly directionally correlated with oil prices.
- Sub-sector-specific drivers: price and availability of oil, natural gas, coal and electricity.

Industry Drivers

- Scarcity of Oil and Gas Supply – Increases the comparative incumbent costs against which new technologies compete.
- Energy Security Concerns – Governmental policies and incentives are encouraging adoption of new technology.
- Environmental Factors – Less of a driver than during periods of low energy prices, but still a factor on the margins.

Performance Benchmark

- Initiating a price target for the premier Energy Tech index – WilderHill Clean Energy Index (symbol: ECO).
- Listed on the Amex. 40 stocks, rebalanced quarterly.
- Only currently tradeable Energy Tech Index – ETF from Powershares (symbol: PBW). Correlated ~98% to index.
- RBC ratings on individual names will be relative to our overall forecast of the ECO 25% 12-month expected return.

Bottom Line – Investment Opportunities

Outperform:

MEMC Electronic Materials (WFR): PT: \$47.00
General Cable (BGC): PT: \$45.00
Itron (ITRI): PT: \$73.00
Zoltek (ZOLT): PT: \$41.00
FuelCell Energy (FCEL): PT: \$16.00
Active Power (ACPW): PT: \$6.00

Underperform:

Ballard Power (BLDP): PT: \$4.00
Evergreen Solar (ESLR): PT: \$11.00
Plug Power (PLUG): PT: \$4.00

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Thesis

The Fundamentals Have Changed: Demand/Supply Environment

Long-term secular trend of higher energy demand coupled with scarcity of supply of traditional (fossil fuel-based) energy will likely lead to higher sustained energy prices.

Drivers that have pushed oil from a \$20-\$30 range in 2000-2003 to recent prices over \$70 include:

- Strong global demand;
- Limited surplus capacity, both upstream and downstream; and,
- Major geopolitical and weather risks that have increased desire for more surplus capacity.

Energy Demand

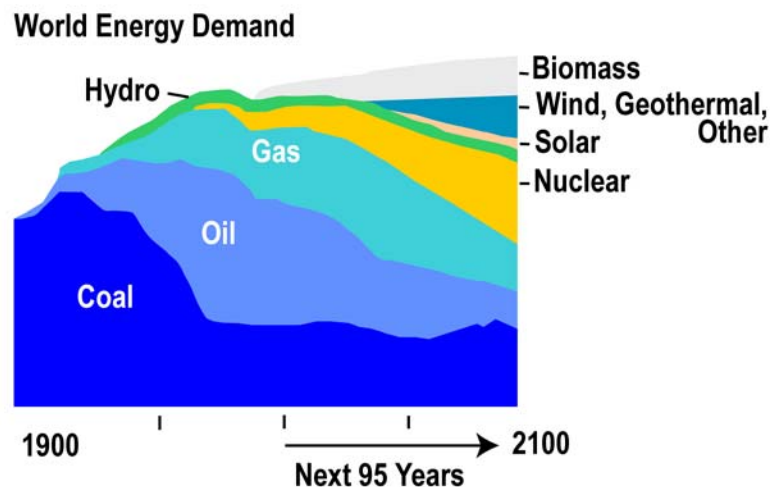
United States and China are the primary growth engines, but worldwide economic growth is accelerating demand across the board. According to the EIA, world oil demand grew from less than 1 million barrels per day during 1991-2002, 1.5 million barrels per day in 2003, to 2.6 million barrels per day in 2004. The EIA projects the annual growth rate for energy demand will increase to a 1.87% CAGR from 2005 to 2025, from 1.79% from 1985 to 2005.

Energy Supply

Of course, strong global demand would not be a major factor if the growth in supply could match or exceed the growth in demand. But the number of large oil deposit finds is decreasing, and the cost to create incremental capacity is increasing. Geopolitical risks create delivery uncertainty from abroad and environmental concerns impact full exploitation of domestic sources (i.e. Alaska National Wildlife Refuge).

We believe traditional energy supplies, even at higher prices, will struggle to maintain parity with demand growth over the long term, increasing the opportunity for energy technologies to fill the gap and exploit profitable markets.

Exhibit 1: World Energy Demand Will Increasingly Include New Technologies



Source: Chevron

A sustained higher energy price “floor” narrows or eliminates the cost premium that exists currently for many new energy technologies. We observe that the energy tech sector is increasingly trading correlated to oil prices, as we outline below. Above a threshold of about \$50 per barrel (RBC’s long-term oil floor forecast), developmental companies have greater visibility to profitability while growth and established companies have an increased opportunity to extract superior margins.

On a sub-sector level, commodity energy prices affect each industry to different degrees. The price and availability of oil, natural gas, coal and electricity drive government, industrial, commercial and consumer investment decisions over the long term.

Global Phenomenon

It is well known that surging demand from Asia, particularly China, and global risks to traditional energy supplies from volatile regions contribute to higher energy prices. But the key point is that the base commodities for energy, oil and natural gas, are traded on global markets – with price changes affecting governments, businesses and consumers to a relatively equal degree across regions.

The market opportunities for new energy technologies are thereby global as well. In the near term, key markets are primarily the First World countries and mega-demand growth regions such as China that can afford to apply governmental incentives, regulations or credits to offset the remaining economic gap between a new energy technology and incumbent traditional energy-generation competition.

But as each technology approaches its inherent profitable inflection point, compared to traditional ways of either adding energy supply or managing energy demand, global market opportunities will increase markedly.

Industry Drivers

Pulling the Inflection Point Closer

Scarcity of Oil & Gas Supply: Increasing the comparative incumbent costs against which new technologies compete.

Energy Security Concerns: Governmental policies and incentives encouraging new technology adoption.

Environmental Factors: Less of a driver than during periods of low energy prices, but still a factor on the margins.

Industry Structure

From the 93-million-mile level:

Here on Earth, energy is supplied from only three sources:

- 1) The Sun (wind, solar, animal power, decomposed carbon from life, etc.)
- 2) The Moon (tidal)
- 3) The Earth (geothermal and gravity energy storage)

While we do not truly “create” energy, we harness it and transform it into useable forms, primarily:

- 1) Transportation fuels
- 2) Heating fuels
- 3) Electricity

We use the term “create” for simplicity’s sake. Energy is first created (transformed) into a useable form, transmitted or transferred to the point of demand, and then used to satisfy demand.

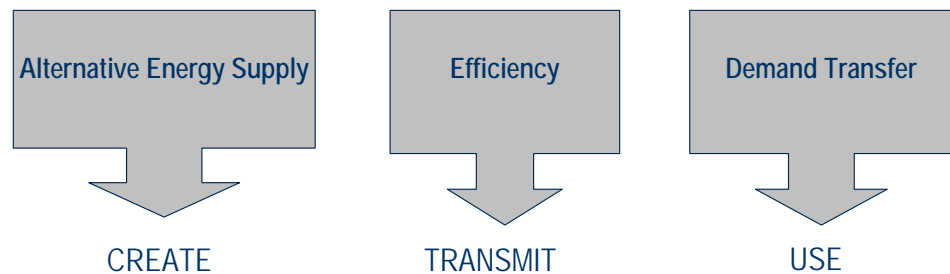
The majority of the world’s consumed energy is created from traditional carbon-based sources. But as we noted above, demand is growing, supplies will continue to be constrained and more expensive, and geopolitical and weather risks are likely to continue or increase.

There are only three ways to address the growing traditional energy demand/supply imbalance.

- On the supply side, we can either create energy from something other than fossil fuels or upgrade/maximize the existing carbon supplies we have.
- During energy transmission, we can increase efficiency to minimize losses, theft and wasted energy to maximize the percentage of supply that reaches the end point of use.
- On the demand side, we can smooth demand patterns, create “virtual” capacity, or manage demand of carbon-based energy by combining traditional energy sources with new technologies.

RBC Energy Technology Industry Segments

Exhibit 2: RBC Energy Tech Segments



Source: RBC Capital Markets

1) Alternative Energy Supply Segment

CREATE energy from a non-traditional source.

Sub-sectors:

- Solar
- Wind
- Fuel Cells
- Coal Technology
- Biofuels
- Nuclear Equipment

Goals:

- Create energy without using carbon as the source.
- Or upgrade/maximize existing carbon supplies.

2) Efficiency Segment

TRANSMIT energy from the supply source to end-users.

Sub-sectors:

- Meters
- Transmission
- Electronics

Goals:

- Increase the per unit output of an energy source asset.
- Reduce transmission losses and theft.
- Increase overall efficiency of an energy system, allowing demand to grow without comparable need to increase supply.

3) Demand Transfer Segment

USE energy in a different way, changing demand patterns.

Sub-Sectors:

- Hybrids
- Energy Storage

Goals:

- Demand smoothing – shift generation capacity from off-periods to peak periods, increasing overall supply capacity.
- Reduce overall need to increase carbon-based energy generation.
- Transfer energy supply from a traditional source to non-traditional source.
- Address reliability/availability demand.

Leading Indicators

Alt Energy Supply

- GDP → Industrial, Commercial, & Consumer + oil/gas/electricity price
- Government Mandates – “Relative Economics”
- Utility/IPP Capex Spend – Demand for Product

Efficiency

- GDP → Industrial, Commercial, & Consumer + oil/gas/electricity price
- Utility / IPP Capex Spend – Maximize output & profitability
- “Spark Spread” – oil/gas/coal cost versus Rate Base
- Government Policy

Demand Transfer

- GDP → Industrial, Commercial, & Consumer + oil/gas/electricity price
- Government Mandates – Fuel Efficiency, Emissions
- Energy Availability/Reliability – Industrial & Commercial

Investment Framework

Our framework for evaluating energy tech companies is composed of four steps:

1) Identify Life-Cycle Phase

Exhibit 3: Life-Cycle Stages and Valuation Methodology

<u>Stage</u>	<u>Metrics</u>	<u>Valuation</u>
Developmental	Cash Burn Available Financing Gross Margins	2/3/Terminal DCF
Growth	Profitability Business Model	EV/EBITDA; PEG Ratio, DCF
Established	Relative Growth Valuation	P/E, DCF

Source: RBC Capital Markets

- 2) Identify Market Opportunity
- 3) Identify Competitive Position
- 4) Evaluate Valuation

RBC Coverage List

Exhibit 4: RBC Energy Technology Coverage List

Ticker	Rating	Risk	Price	YTD % Return	RBC Target	Mkt Cap	T.Vol (000's/day)	RBC 2006E Revenue	RBC 2006E EPS	Stage	ECO?	
Alternative Energy Supply												
Solar												
Evergreen Solar	ESLR	UP	S	\$11.15	4.7%	\$11.00	\$745	1,328	\$100	(0.40)	DEV	ECO
Sunpower	SPWR	SP	S	\$30.39	(10.6)%	\$40.00	\$1,818	755	\$221	0.37	GRO	ECO
MEMC Electronics	WFR	OP	AA	\$35.02	58.0%	\$47.00	\$7,333	7,770	\$1,502	1.71	EST	ECO
Wind												
Zoltek	ZOLT	OP	S	\$28.05	219.5%	\$41.00	\$599	401	\$117	0.42	GRO	ECO
Fuel Cells												
Ballard Power	BLDP	UP	S	\$7.22	72.7%	\$4.00	\$814	562	\$56	(0.61)	DEV	ECO
FuelCell Energy	FCEL	OP	S	\$10.46	23.5%	\$16.00	\$511	975	\$35	(1.42)	DEV	ECO
Plug Power	PLUG	UP	S	\$5.11	(0.4)%	\$4.00	\$440	828	\$14	(0.51)	DEV	ECO
Coal Tech												
Headwaters	HW	SP	AA	\$27.45	(22.5)%	\$34.00	\$1,141	762	\$1,210	2.63	EST	
Efficiency												
Meters												
Esco Tech	ESE	SP	AA	\$51.30	15.3%	\$62.00	\$1,323	246	\$456	1.11	EST	
Itron	ITRI	OP	AA	\$59.80	49.4%	\$73.00	\$1,482	294	\$620	2.24	EST	ECO
Transmission												
American Superconductor	AMSC	SP	S	\$9.37	19.1%	\$12.00	\$307	124	\$58	(0.57)	DEV	ECO
General Cable	BGC	OP	AA	\$32.26	63.8%	\$45.00	\$1,631	598	\$3,328	1.75	EST	
Electronics												
Xantrex Tech	CA:XTX	SP	AA	\$8.95	11.9%	C\$ 11.00	C\$ 262.05	13	\$154	0.23	GRO	
Demand Transfer												
Energy Storage												
Active Power	ACPW	OP	S	\$4.41	14.5%	\$6.00	\$218	119	\$29	(0.44)	DEV	ECO

Source: RBC Capital Markets

Performance Benchmark

- We are initiating a price target for the premier Energy Tech index – the WilderHill Clean Energy Index (symbol: ECO).
- Listed on the Amex. 40 stocks; rebalanced quarterly.
- Only currently tradeable Energy Tech Index – ETF from Powershares (symbol: PBW). Correlated ~98% to index.
- RBC ratings on individual companies will be relative to our current forecast of the **ECO 25% 12-month expected return.**

Exhibit 5: ECO Component Weightings by RBC Sectors

Sector	Sub-Sector	# of Companies	% of index	Market Cap	Weighted Avg. YTD Return
Alt Supply		19	48.2%	22,994	41.1%
	Biofuels	2	5.9%	1,294	137.2%
	Fuel Cells	8	21.1%	3,377	25.2%
	Geothermal	1	2.4%	1,326	37.6%
	Microturbines	1	2.1%	313	1.8%
	Solar	6	13.5%	16,084	12.0%
	Wind	1	3.3%	599	194.0%
Demand Transfer		6	18.7%	4,992	24.9%
	Energy Storage	3	7.6%	4,212	-3.3%
	Hybrids	3	11.1%	780	53.1%
Efficiency		8	18.5%	8,808	9.2%
	Electronics	5	11.3%	6,034	1.0%
	Meters	1	2.6%	1,482	43.6%
	Transmission	2	4.7%	1,292	12.6%
Non Pure-Plays		7	14.6%	84,425	12.4%
	Industrial Gas	3	5.4%	46,156	15.3%
	Solar	2	5.0%	17,358	9.1%
	Utility	2	4.2%	20,911	11.4%
Grand Total		40	100.0%	121,220	27.3%

Source: RBC Capital Markets

ECO Versus Energy and Market Indices

The ECO Energy Technology index has outperformed all other energy indices year to date and for the past 12 months. The tradeable ETF (symbol: PBW) was the best-performing ETF of all available exchange-traded funds in the first quarter of 2006, returning 31%.

Exhibit 6: Annual Returns by Index

	2001*	2002*	2003*	2004*	2005	YTD
ECO	-7.7%	-43.7%	46.9%	13.0%	4.1%	27.3%
OSX	-30.2%	-0.5%	8.4%	31.9%	47.0%	17.6%
XOI	-3.0%	-14.1%	25.9%	28.2%	36.8%	11.3%
XNG	-29.9%	-21.4%	50.1%	32.4%	37.1%	3.2%
EPX	na	na	na	na	na	-2.4%
Russell 2000	1.0%	-21.6%	45.4%	17.0%	3.3%	7.1%
Nasdaq	-21.1%	-31.5%	50.0%	8.6%	1.4%	-1.2%
S&P 500	-13.0%	-23.4%	26.4%	9.0%	3.0%	1.7%

Source: RBC Capital Markets

Exhibit 7: Index Comparable Performance to the ECO

	2001*	2002*	2003*	2004*	2005	YTD
vs. OSX	22.4%	-43.2%	38.5%	-18.9%	-42.9%	9.7%
vs. XOI	-4.7%	-29.7%	21.0%	-15.2%	-32.8%	16.0%
vs. XNG	22.1%	-22.4%	-3.2%	-19.4%	-33.0%	24.1%
vs. EPX	na	na	na	na	na	29.7%
vs. Russell 2000	-8.8%	-22.1%	1.5%	-4.0%	0.8%	20.2%
vs. Nasdaq	13.3%	-12.2%	-3.1%	4.4%	2.7%	28.5%
vs. S&P 500	5.3%	-20.4%	20.5%	4.0%	1.1%	25.5%

Source: RBC Capital Markets

Trend Analysis – ECO Correlation to Oil

The ECO index has directionally moved with oil for each cycle trend since the ECO started trading in August 2004.

As shown, index advances have lasted five to seven months, while corrections are generally sharp but brief.

Exhibit 8: ECO Versus Oil

Minimum ECO Trend Move: 10.0%

ECO Trend	Start Date	End Date	Cycle Length	Start Price	End Price	ECO % Change	Oil % Change	Directionally Correlated?
ADVANCE	27-Sep-2004	7-Mar-2005	5.4 Months	\$130.28	\$167.03	28.2%	8.6%	YES
CORRECTION	7-Mar-2005	15-Apr-2005	1.3 Months	\$167.03	\$139.58	-16.4%	-6.3%	YES
ADVANCE	15-Apr-2005	12-Sep-2005	5.0 Months	\$139.58	\$195.20	39.8%	25.5%	YES
CORRECTION	12-Sep-2005	27-Oct-2005	1.5 Months	\$195.20	\$160.78	-17.6%	-3.6%	YES
ADVANCE	27-Oct-2005	8-May-2006	6.4 Months	\$160.78	\$254.40	58.2%	14.2%	YES
CORRECTION	8-May-2006	22-May-2006	0.5 Months	\$254.40	\$208.01	-18.2%	-1.8%	YES
ADVANCE	22-May-2006	31-May-2006	0.3 Months	\$208.01	\$220.15	5.8%	3.9%	YES

Source: RBC Capital Markets

Investable Energy Universe

We believe the energy technology sector must be a portion of any balanced portfolio's energy exposure. While volatile in the short term, the sector is well positioned to outperform over the long term, according to our macro thesis.

We believe the following list should compose the investable energy universe, allocated according to each investor's risk profile:

- Major Oils
- Exploration & Production (E&P)
- Coal
- Refiners
- Utilities
- Energy Tech

RBC Rating Methodology

ECO Target Framework

We use a bottom-up approach to reach our 12-month target price, which we will adjust quarterly as the index components are adjusted.

- We apply the RBC price targets for the companies we cover that are in the ECO index (10 out of 14 are in the ECO).
- We determine the First Call price target for the balance of ECO components that we do not yet cover (30 out of 40 in the index).
- We weigh each price target by that company's index contribution.
- We apply RBC's forecast for macro economic indicators (oil and GDP growth) as a multiplier.
- As the ECO index is rebalanced quarterly, by weighting and components, we will reassess our ECO target price and how well the companies we cover perform against this benchmark on a relative basis.

Our current ECO target is 275, representing 25% potential upside from current levels.

Stock Ratings Framework

Long-Term Commodity Price Deck

- Oil: \$50+/bbl
- Natural Gas: \$7+/mcf

Bottom-Up Approach

- One-Year Price Target on ECO: 275.00
- Continue to outperform traditional energy
- 25% 12-month return potential

Stock Ratings Relative to ECO's 25% 12-Month Return Potential

The ratings on each of our companies will be based on their projected 12-month performance within a 10% band of the index. For example, for a stock to be rated Outperform, our forecast is that it will outperform the index by at least 5%. An Underperform stock will lag the index by at least 5%.

Our current performance bands over the next 12 months are:

- Outperform: 30%+
- Sector Perform: 20%-30%
- Underperform: >20%

Portfolio Structure

Exhibit 9: RBC Portfolio Structure

	Ticker	Rating	Risk	Price	YTD % Return	RBC Target	Mkt Cap	% Delta To ECO Tgt
ECO INDEX	ECO	OP	S	\$220.15	27.3%	\$275.00		
Tradeable ETF	PBW			\$20.72	28.0%	\$25.88 **		
MidCap (> \$2B)								
MEMC Electronic Materials Inc	WFR	OP	AA	\$35.02	58.0%	\$47.00	7,333	9.3%
Small Cap (\$500M - \$2B)								
SunPower Corp	SPWR	SP	S	\$30.39	(10.6)%	\$40.00	1,818	6.7%
General Cable Corp	BGC	OP	AA	\$32.26	63.8%	\$45.00	1,631	14.6%
Itron Inc	ITRI	OP	AA	\$59.80	49.4%	\$73.00	1,482	(2.8)%
Headwaters Inc	HW	SP	AA	\$27.45	(22.5)%	\$34.00	1,141	(1.1)%
Esco Technologies Inc	ESE	SP	AA	\$51.30	15.3%	\$62.00	1,323	(4.1)%
Ballard Power Systems Inc WI	BLDP	UP	S	\$7.22	72.7%	\$4.00	814	(69.5)%
Evergreen Solar Inc	ESLR	UP	S	\$11.15	4.7%	\$11.00	745	(26.3)%
Zoltek Companies Inc	ZOLT	OP	S	\$28.05	219.5%	\$41.00	599	21.3%
FuelCell Energy Inc	FCEL	OP	S	\$10.46	23.5%	\$16.00	511	28.0%
Micro Cap (>\$500M)								
Plug Power Inc	PLUG	UP	S	\$5.11	(0.4)%	\$4.00	440	(46.6)%
American Superconductor Corp	AMSC	SP	S	\$9.37	19.1%	\$12.00	307	3.2%
Xantrex Technologies Inc	CA:XTX	SP	AA	\$8.95	11.9%	\$11.00	262	(2.0)%
Active Power Inc	ACPW	OP	S	\$4.41	14.5%	\$6.00	218	11.1%

Notes:

Outperform = More than 5% upside potential to ECO Benchmark

Sector Perform = Matches expected ECO performance within 5%

Underperform = Return expected to lag ECO by 5% or more

PBW target is the derivative of the return from our ECO target. PBW tracks the ECO with 98%+ correlation

Source: RBC Capital Markets

Energy Technology Coverage Valuations

Active Power (ACPW) – Outperform – PT \$6.00

Valuation:

Our 12 month price target of \$6 is derived from our DCF valuation range. Our DCF analysis utilizes separate terminal valuation techniques of 6% FCF growth in perpetuity and 9x EBITDA, both of which are discounted at 14% to yield a valuation range of \$6.25 to \$5.60, respectively.

Impediment:

Our price target is highly dependent upon a number of factors, including successful new product introductions/acceptance, the effectiveness of ACPW's key strategic partners in promoting and supporting its products, and the continued satisfactory performance of ACPW's key flywheel and power electronics technologies. Deterioration of any of these factors could prevent the stock from reaching our price target.

American Superconductor (AMSC) – Sector Perform – PT \$12.00

Valuation:

Our updated valuation is based on the mid-point of our target range of \$10-\$13 using a blended terminal value in 2010E of 9x EBITDA using a 21% discount rate.

Impediment:

Impediments to achieving our price target could include an inability of the company to continue its product development progress, limited commercial acceptance of new products, or an inability by its government partners to maintain R&D funding at current levels. In particular, we highlight that significant technology risk is present in the development of 2G HTS wire.

Ballard Power (BLDP) – Underperform – PT \$4.00

Valuation:

Our discounted cash flow analysis to 2015E using a blended terminal value of 10x EBITDA, results in a \$5 per share value and 9% terminal growth rate results in a \$3 per share value (each using a 21% discount rate).

Impediment:

Impediments to achieving our price target could include an inability for the company to continue its product development progress, limited commercial acceptance of new products, or an inability of industry over time to establish a moderate level of hydrogen infrastructure.

ESCO Technologies (ESE) – Sector Perform – PT \$62.00

Valuation:

Our price target is based on a 27x multiple of FY07E of \$2.31, within the historical trading range for its peer group of 23-30x, but a discount to our target of 29x for market-leader Itron.

Impediment:

Risks to our price target include a reversal of the utility capex spending cycle, delay or reduction in large contracts such as PG&E or slower than expected market adoption of next generation AMI projects.

Evergreen Solar (ESLR) – Underperform – PT \$11.00**Valuation:**

Our \$11 price target is derived from our DCF analysis to 2010 utilizing separate terminal valuation techniques of 7% FCF growth in perpetuity and 10x EBITDA, both of which discounted at 15% yield a valuation range of \$9 to \$12, respectively.

Impediment:

The solar industry depends on government subsidies around the world to make the delivered electricity of their products competitive with the grid and will so over the next 5-10 years. Evergreen is anticipating starting up its next plant in 2Q06; in addition it has a number of technology initiatives underway to improve gross margins. The solar industry contains other larger more capitalized players. Any negative outcomes/changes resulting from one of these issues could impede achievement of our price target.

FuelCell Energy (FCEL) – Outperform – PT \$16.00**Valuation:**

Our \$16 price target is the mid-point of our target range of \$14-\$18 using a blended terminal value in 2010E of 9x EBITDA, and 9% terminal growth rate along with a 20% discount rate.

Impediment:

Inability to generate significant product cost reductions or customer demand for the company's products could negatively affect our long-term DCF analysis and prevent the stock from achieving our price target objective.

General Cable (BGC) – Outperform – PT \$45.00**Valuation:**

Our valuation is based on a blended DCF average of \$46.00 using a WACC of 10-11% with a terminal growth rate between 2.5-3.5% and EBITDA multiple range of 8.5 – 9.5x, yielding a DCF of \$44.00.

Impediment:

Risks to our price target include reduced overall energy demand, slower transmission and distribution infrastructure investment or declining telco, industrial and military capex spending. Continued volatility in commodity prices combined with an inability of company to continue pricing pass-through would also negatively impact our outlook.

Headwaters (HW) – Sector Perform – PT \$34.00**Valuation:**

Our new 12-month price target is based on a sum-of-the-parts valuation assigning a 15x multiple to an estimated FY07E EPS of ~\$1.50 from the core construction materials and flyash businesses plus \$12 in optionality for a discounted EBITDA

from 2010 for new technology business opportunities such as clean coal, heavy oil upgrading, ethanol and coal-to-liquids.

Impediment:

Our price target is based on an outlook assuming an average organic revenue growth percentage in the mid-teens with operating margins in the 20% range through 2007E. Further deterioration of these or other important assumptions (including issues surrounding Section 29 tax credits for which the company is highly dependent or the housing and remodeling markets) could have a detrimental effect on our price target objective.

Itron (ITRI) – Outperform – PT \$73.00**Valuation:**

Our PT of \$73 is based on a multiple of 29x our FY07 Pro-Forma earnings estimate of \$2.52, a premium to a historical trading range of 20-25x in 2005 and 27x in early 2006. We believe multiple expansion is warranted given the company's market-leading position targeting a utility industry looking to reduce operating costs in a macro environment of higher/rising oil and gas commodity prices. Potential drivers that may cause us to adjust our price target upwards would be increased large-deal flow, ramping international growth, or acquisitions.

Impediment:

Our price target is based, among other factors, upon an outlook assuming an avg. rev growth of ~10% and minimum GM of 40%. In addition, the company's business is subject to lumpiness over time with the execution/completion of large contracts. While utility balance sheet improvements have driven increased capex, dividends and share repurchase plans could remain priorities through FY07 and impact projects such as meters/AMR. We also note that a marked change in outlook on long-term commodity prices could negatively impact utility capex spending decisions. Deterioration of these or other important assumptions could impede achievement of our price target.

MEMC Electronic Materials (WFR) – Outperform – PT \$47.00**Valuation:**

Our price target is based on the blended DCF average of \$49.50 using a WACC of 8–9% with a terminal growth rate between 4-5% and a 23x multiple on FY07E earnings of \$1.97, yielding a value of \$45.

Impediment:

Risks to our price target include the cyclicity of the semiconductor industry as well as any decline to our projected 30% CAGR growth in the solar market. A sustained decline in energy prices could impede demand for solar cells, which depend on MEMC's burgeoning solar wafer business.

Plug Power (PLUG) – Underperform – PT \$4.00**Valuation:**

Using our discounted cash flow model, we remain at a price target range of \$4-\$5 using a blended terminal 2010 value of 10x EBITDA, 9% terminal growth rate along with a 22% discount rate for each case.

Impediment:

Our price target is predicated on Plug Power's ability to achieve improvements in operating performance and reduction in cost of their fuel cell technology via scientific, engineering, supply chain, and manufacturing volume improvements such that commercial feasibility/acceptance is achieved. An inability or significant delay in achieving these improvements or other factors could have a negative impact on our valuation and rating.

SunPower Corp (SPWR) – Sector Perform – PT \$40.00**Valuation:**

Our price target is based on a PEG of 0.5 from a 53x multiple as a discount to 103% EPS growth YoY to our FY07E of 0.75. This is the mid-point of the stock's historical trading range of 45-60x forward earnings.

Impediment:

Risks to our price target include reduced overall energy demand or sustained increase in traditional energy supplies leading to lower electricity prices over the long-term. Our outlook is also dependent on rapid capacity expansion and the ability of the company to maintain margin strength in a declining incentive environment.

Xantrex Technology (XTX;TSX) – Sector Perform – PT C\$11.00**Valuation:**

Our 12 month price target is based on a 22x multiple of FY07E EPS (US\$0.29 and C\$0.36), resulting in C\$8 per share, which when combined with approximately C\$2.75 per share in cash, results in our C\$11 price target. Our 22x multiple is based on a PEG of 0.7 from an estimated 2-year CAGR of 30%, a discount from a normalized 1.0 PEG given the recent operational issues and uncertainty on supply chain resolution going forward.

Impediment:

Our price target depends, upon other things, sales ability to manage/execute timely and effective product and distribution partnership introductions in a high growth environment. In addition, the distributed power markets of solar and wind are still largely underpinned by subsidies, which on occasion are subject to intermittent funding challenges thereby negatively impacting end market growth, although improving geographic coverage has improved diversification.

Zoltek (ZOLT) – Outperform – PT \$41.00**Valuation:**

Our price target is based on the mid-point of a blended DCF average of \$44 using a WACC of 9.5 – 10.5% with a terminal growth rate between 5-6% and \$37 using a terminal EBITDA multiple between 9.5 –10.5.

Impediment:

Risks to our price target include a sustained decline in energy prices that impact the global wind market and our estimate of 20% CAGR worldwide growth. The company has also had difficulties in the past effectively increasing capacity, which could impact projections as the company aims to further double production in 2006.

Financial Models

Exhibit 10: Active Power, Inc. – Income Statement & Projections

	Fiscal Year 2005				Fiscal Year 2006				2004	2005	2006E	2007E
	1st Qtr Mar-05	2nd Qtr Jun-05	3rd Qtr Sept-05	4th Qtr Dec-05	1st Qtr Mar-06	2nd Qtr Jun-06E	3rd Qtr Sept-06E	4th Qtr Dec-06E				
Revenues												
Operating Revenues	\$3,438	\$4,674	\$4,516	\$5,160	\$5,569	\$5,850	\$7,750	\$9,319	\$15,782	\$17,788	\$28,488	\$51,108
Other Revenue	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	3,438	4,674	4,516	5,160	5,569	5,850	7,750	9,319	15,782	17,788	28,488	51,108
<i>YoY Growth Operating Revs</i>	6%	26%	11%	9%	62%	25%	72%	81%	78%	13%	60%	79%
Cost of Goods Sold	3,789	4,616	4,485	5,138	5,713	5,675	6,588	7,269	17,574	18,028	25,244	39,122
Gross Profit	(351)	58	31	22	(144)	176	1,163	2,050	(1,792)	(240)	3,244	11,986
<i>Product Gross Margin</i>	-10.2%	1.2%	0.7%	0.4%	-2.6%	3.0%	15.0%	22.0%	-11.4%	-1.3%	11.4%	23.5%
Operating Expenses												
Research and Development	2,231	2,807	2,793	3,341	2,225	2,200	2,100	2,100	9,835	11,172	8,625	8,300
Selling, General, & Administrative	3,574	3,575	2,912	3,793	4,153	4,353	4,553	4,703	12,298	13,854	17,762	17,950
Amortization of Deferred Stock Comp.	0	0	0	54	0	0	0	0	34	54	0	0
Total Operating Expenses	5,805	6,382	5,705	7,188	6,378	6,553	6,653	6,803	22,167	25,080	26,387	26,250
Operating Income	(6,156)	(6,324)	(5,674)	(7,166)	(6,522)	(6,378)	(5,491)	(4,753)	(23,959)	(25,320)	(23,143)	(14,264)
<i>Operating Margin</i>	-179.1%	-135.3%	-125.6%	-138.9%	-117.1%	-109.0%	-70.8%	-51.0%	-151.8%	-142.3%	-81.2%	-27.9%
Other Income (Expense)												
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	(155)
Interest Income	378	418	416	420	394	276	221	163	1,070	1,632	1,055	268
Change in Fair Value of Warrants	493	321	150	0	0	0	0	0	0	964	0	0
Other Income, Net	(42)	(19)	(80)	(26)	79	(12)	(10)	8	(91)	(167)	66	28
Total Other Income (Expense)	829	720	486	394	473	265	212	171	979	2,429	1,121	141
EBITDA	(5,666)	(5,883)	(5,206)	(6,649)	(6,048)	(5,906)	(5,015)	(4,268)	(21,645)	(23,404)	(21,237)	(12,166)
<i>EBITDA Margin</i>	-164.8%	-125.9%	-115.3%	-128.9%	-108.6%	-101.0%	-64.7%	-45.8%	-137.1%	-131.6%	-74.5%	-23.8%
Pretax Income	(5,327)	(5,604)	(5,188)	(6,772)	(6,049)	(6,113)	(5,279)	(4,582)	(22,980)	(22,891)	(22,022)	(14,123)
Income Taxes	0	0	0	0	0	0	0	0	0	0	0	0
Net Income from Cont. Ops.	(\$5,327)	(\$5,604)	(\$5,188)	(\$6,772)	(\$6,049)	(\$6,113)	(\$5,279)	(\$4,582)	(\$22,980)	(\$22,891)	(\$22,022)	(\$14,123)
Earnings Per Share												
EPS to Common from Cont. Ops.	(\$0.12)	(\$0.12)	(\$0.11)	(\$0.14)	(\$0.12)	(\$0.12)	(\$0.11)	(\$0.09)	(\$0.54)	(\$0.48)	(\$0.44)	(\$0.28)
Average Shares Outstanding	46,085	48,586	48,693	48,943	49,183	49,433	49,683	49,933	42,461	48,077	49,558	50,558
Diluted Shares Outstanding	46,085	48,586	48,693	48,943	49,183	49,433	49,683	49,933	42,461	48,077	49,558	50,558
Margin Analysis												
Gross Margin	-10.2%	1.2%	0.7%	0.4%	-2.6%	3.0%	15.0%	22.0%	-11.4%	-1.3%	11.4%	23.5%
Operating Margin	-179.1%	-135.3%	-125.6%	-138.9%	-117.1%	-109.0%	-70.8%	-51.0%	-151.8%	-142.3%	-81.2%	-27.9%
EBITDA Margin	-164.8%	-125.9%	-115.3%	-128.9%	-108.6%	-101.0%	-64.7%	-45.8%	-137.1%	-131.6%	-74.5%	-23.8%
Net Margin (Avail. to Common from Cont. Ops.)	-154.9%	-119.9%	-114.9%	-131.2%	-108.6%	-104.5%	-68.1%	-49.2%	-145.6%	-128.7%	-77.3%	-27.6%

Source: Company reports and RBC Capital Markets estimates

Exhibit 11: American Superconductor Corporation – Income Statement & Projections (000's)

	Fiscal Year 2006				Fiscal Year 2007				2005 Mar-05	2006 Mar-06	2007 Mar-07E
	Q1-06 Jun-05	Q2-06 Sept-05	Q3-06 Dec-05	Q4-06 Mar-06	Q1-07E Jun-06E	Q2-07E Sept-06E	Q3-07E Dec-06E	Q4-07E Mar-07E			
Revenue Breakdown											
AMSC Wires	2,928	3,880	3,209	4,192	3,200	3,584	4,014	4,496	11,512	14,209	15,294
Power Electronic Systems	3,272	4,730	1,426	5,574	4,500	5,200	5,500	4,900	15,664	15,002	20,100
SuperMachines	<u>6,002</u>	<u>2,271</u>	<u>8,863</u>	<u>4,528</u>	<u>3,900</u>	<u>3,900</u>	<u>3,900</u>	<u>3,900</u>	<u>31,108</u>	<u>21,664</u>	<u>15,600</u>
Total Revenues	12,202	10,881	13,498	14,293	11,600	12,684	13,414	13,296	58,283	50,874	50,994
Total Cost of Revenues	13,080	11,714	15,400	19,463	12,528	14,079	14,085	14,094	57,728	59,657	54,786
Gross Profit (loss)	(878)	(833)	(1,902)	(5,170)	(928)	(1,395)	(671)	(798)	554	(8,782)	(3,792)
Gross Margin	-7%	-8%	-14%	-36%	-8%	-11%	-5%	-6%	1%	-17%	-7%
Operating Costs											
Research & Development	3,121	3,764	3,877	3,993	3,799	3,858	3,882	3,883	9,120	14,755	15,423
Selling, General, and Administrative	2,350	2,599	2,500	2,500	2,562	2,540	2,526	2,532	9,043	9,949	10,160
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Operating Costs	5,471	6,363	6,377	6,493	6,361	6,399	6,407	6,415	18,163	24,704	25,582
Other Income (Expense)											
Interest Expense	0	0	0	0	0	0	0	0	0	0	0
Interest Income	711	624	826	636	656	614	534	461	803	2,797	2,265
Other Income, Net	<u>0</u>	<u>(187)</u>	<u>0</u>	<u>0</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>(114)</u>	<u>(187)</u>	<u>200</u>
Total Other Income (Expense)	711	437	826	636	706	664	584	511	689	2,610	2,465
Operating Income (loss)	(5,638)	(6,759)	(7,452)	(11,027)	(6,583)	(7,130)	(6,494)	(6,702)	(16,919)	(30,876)	(26,910)
Operating Margin	-46%	-62%	-55%	-77%	-57%	-56%	-48%	-50%	-29%	-61%	-53%
EBITDA	(4,401)	(5,213)	(6,280)	(9,648)	(5,190)	(5,610)	(4,810)	(4,861)	(9,824)	(25,542)	(20,471)
Pretax Income	(5,638)	(6,759)	(7,452)	(11,027)	(6,583)	(7,130)	(6,494)	(6,702)	(16,919)	(30,876)	(26,910)
Income Tax (Provision) / Benefit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Income from Cont. Ops.	(5,638)	(6,759)	(7,452)	(11,027)	(6,583)	(7,130)	(6,494)	(6,702)	(16,919)	(30,876)	(26,910)
Net Income Continuing Operations	(5,638)	(6,759)	(7,452)	(11,027)	(6,583)	(7,130)	(6,494)	(6,702)	(16,919)	(30,876)	(26,910)
Extraordinary Items	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(2,740)</u>	<u>0</u>	<u>0</u>
Net Income to Common	(5,638)	(6,759)	(7,452)	(11,027)	(6,583)	(7,130)	(6,494)	(6,702)	(19,659)	(30,877)	(26,910)
Fully Diluted Earnings											
EPS to Common from Cont. Ops.	\$ (0.17)	\$ (0.21)	\$ (0.23)	\$ (0.34)	\$ (0.20)	\$ (0.22)	\$ (0.20)	\$ (0.20)	\$ (0.60)	\$ (0.94)	\$ (0.82)
Reported Net EPS to Common	\$ (0.17)	\$ (0.21)	\$ (0.23)	\$ (0.34)	\$ (0.20)	\$ (0.22)	\$ (0.20)	\$ (0.20)	\$ (0.70)	\$ (0.94)	\$ (0.82)
Average Shares Outstanding	32,731	32,765	32,593	32,652	32,712	32,772	32,832	32,892	28,220	32,685	32,802
Diluted Shares Outstanding	32,731	32,765	32,593	32,652	32,712	32,772	32,832	32,892	28,220	32,685	32,802

Source: Company reports and RBC Capital Markets estimates

Exhibit 12: General Cable Corporation – Income Statement & Projections

	Fiscal Year 2006				Fiscal Year 2007				Annual Results		
	Q106A Mar-06	Q206E Jun-06	Q306E Sep-06	Q406E Dec-06	Q107E Mar-07	Q207E Jun-07	Q307E Sep-07	Q407E Dec-07	FY05A	FY06A	FY07E
<u>Revenues</u>											
Energy	300.1	324.5	324.5	321.2	324.6	350.9	350.9	347.4	849.6	1,270.3	1,373.8
Industrial & Specialty	354.2	372.1	370.3	370.3	386.7	406.3	404.3	404.3	989.8	1,466.8	1,601.5
Communications	150.0	153.0	146.9	141.0	153.0	156.1	149.8	143.8	541.4	590.9	602.8
Total Revenues	804.3	849.6	841.6	832.5	864.3	913.3	905.0	895.5	2,380.8	3,328.0	3,578.1
<i>Sequential Growth</i>	30.3%	5.6%	(0.9%)	(1.1%)	3.8%	5.7%	(0.9%)	(1.0%)			
<i>YoY Growth</i>	45.1%	39.6%	40.2%	34.8%	7.5%	7.5%	7.5%	7.6%	-	39.8%	7.5%
Cost of Revenues	706.7	745.6	739.3	731.2	757.9	799.8	790.9	782.5	2,091.5	2,922.9	3,131.1
Gross Profit	97.6	103.9	102.3	101.3	106.4	113.5	114.1	113.0	289.3	405.1	447.0
<i>Total Gross Margin</i>	12.1%	12.2%	12.2%	12.2%	12.3%	12.4%	12.6%	12.6%	12.2%	12.2%	12.5%
<u>Other Operating Expenses</u>											
Sales, General & Administrative	55.4	58.2	57.7	57.0	57.9	61.2	60.6	60.0	172.2	228.3	239.7
Total Operating Expenses	55.4	58.2	57.7	57.0	57.9	61.2	60.6	60.0	172.2	228.3	239.7
<i>Sequential Growth</i>	28.5%	5.0%	(0.9%)	(1.1%)	1.5%	5.7%	(0.9%)	(1.0%)			
EBITDA	54.7	50.4	49.6	49.6	54.1	58.1	59.5	59.3	168.1	204.3	231.0
<i>EBITDA Margin</i>	6.8%	5.9%	5.9%	6.0%	6.3%	6.4%	6.6%	6.6%	7.1%	6.1%	6.5%
<i>YoY Growth</i>	64.8%	12.8%	(8.6%)	38.1%	(1.1%)	15.3%	19.9%	19.6%	-	21.5%	13.1%
Operating Income (EBIT)	42.2	45.7	44.6	44.3	48.5	52.3	53.4	53.0	117.1	176.8	207.3
<i>Operating Margin</i>	5.2%	5.4%	5.3%	5.3%	5.6%	5.7%	5.9%	5.9%	4.9%	5.3%	5.8%
<i>Sequential Growth</i>	48.1%	8.4%	(2.5%)	(0.8%)	9.6%	7.8%	2.1%	(0.8%)			
<u>Other Income (Expense)</u>											
Interest Income	0.5	0.4	0.6	0.6	0.6	0.6	0.8	0.9	1.9	2.0	2.9
Interest Expense	(10.1)	(9.5)	(9.4)	(9.4)	(9.4)	(9.3)	(9.3)	(9.2)	(39.4)	(38.4)	(37.2)
Interest (Net)	(9.6)	(9.1)	(8.9)	(8.8)	(8.7)	(8.7)	(8.5)	(8.4)	(37.5)	(36.4)	(34.2)
Other (Net)	0.8	-	0.2	0.3	0.3	0.2	0.3	0.3	0.1	1.3	1.0
Total Other Income (Expense)	(8.8)	(9.1)	(8.7)	(8.6)	(8.4)	(8.5)	(8.2)	(8.1)	(37.4)	(35.1)	(33.2)
Pretax Income (EBT)	33.4	36.6	36.0	35.7	40.1	43.8	45.2	44.9	79.7	141.7	174.1
Income Taxes (Benefit)	12.0	13.2	13.1	13.0	14.6	16.0	16.5	16.4	28.7	51.3	63.5
Net Income	21.4	23.4	22.8	22.7	25.5	27.8	28.7	28.5	51.0	90.3	110.5
EPS from Cont. Ops	0.41	0.45	0.44	0.44	0.49	0.53	0.55	0.55	1.00	1.75	2.12

Source: Company reports and RBC Capital Markets estimates

Exhibit 13: Ballard Power Systems, Inc. – Income Statement & Projections (US\$ 000's)

	Fiscal Year 2005				Fiscal Year 2006				2004	2005	2006E	2007E
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr				
	Mar-05	Jun-05	Sept-05	Dec-05	Mar-06	Jun-06E	Sept-06E	Dec-06E				
Revenues												
Products	\$10,580	\$8,657	\$7,631	\$10,498	\$8,281	\$8,582	\$8,622	\$8,576	\$67,575	\$37,366	\$34,062	\$42,051
Engineering Services	408	294	8,496	7,169	4,255	6,500	6,000	5,500	13,798	16,367	22,255	20,000
Total Revenues	10,988	8,951	16,127	17,667	12,536	15,082	14,622	14,076	81,373	53,733	56,317	62,051
Sequential Growth	-46%	-19%	80%	10%	-29%	20%	-3%	-4%	-32%	-34%	5%	10%
Cost of Product Revenues	11,401	7,134	5,997	6,760	4,346	7,312	7,348	7,306	59,594	31,292	26,311	36,271
Gross Profit	(413)	1,817	10,130	10,907	8,190	7,771	7,275	6,770	21,779	22,441	30,006	25,780
Product Gross Margin (w/o engr services)	-7.8%	17.6%	21.4%	35.6%	47.5%	14.8%	14.8%	14.8%	11.8%	16.3%	22.8%	13.7%
Operating Expenses												
Research and Development	20,281	19,654	19,617	15,940	14,936	14,000	14,000	14,000	91,737	75,492	56,936	58,359
General & Administrative	4,390	4,581	4,032	4,540	3,574	3,894	3,427	3,859	15,671	17,543	14,754	16,957
Marketing	2,072	2,072	1,952	1,916	1,933	2,124	2,001	1,964	10,028	8,012	8,022	8,457
Capital Taxes	0	0	0	0	0	0	0	0	0	0	0	0
Amortization of Intangibles	6,914	6,891	6,862	5,427	5,385	5,385	5,385	5,385	40,094	26,094	21,540	1,533
Total Operating Expenses	33,657	33,198	32,463	27,823	25,828	25,403	24,813	25,208	157,530	127,141	101,252	85,307
Operating Income	(34,070)	(31,381)	(22,333)	(16,916)	(17,638)	(17,632)	(17,538)	(18,438)	(135,751)	(104,700)	(71,246)	(59,527)
Operating Margin	-310.1%	-350.6%	-138.5%	-95.7%	-140.7%	-116.9%	-119.9%	-131.0%	-166.8%	-194.9%	-126.5%	-95.9%
Other Income (Expense)												
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0
Investment Income / FX gain/loss	2,319	2,502	3,848	2,172	1,993	2,497	2,401	2,287	3,365	10,841	9,178	9,594
Equity in Loss of Associated Companies	(604)	(619)	(735)	(1,780)	(1,340)	(1,340)	(1,340)	(1,340)	(2,175)	(3,738)	(5,360)	(5,360)
Minority Interest	0	0	0	0	0	0	0	0	0	0	0	0
Gain on Issuance of Shares by Subsidiary	0	0	10,376	443	(65)	0	0	0	(1,102)	10,819	(65)	0
License and Royalty Fees	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Income (Expense)	1,715	1,883	13,489	835	588	1,157	1,061	947	88	17,922	3,753	4,234
EBITDA	(26,238)	(23,686)	(14,753)	(10,789)	(11,497)	(11,434)	(11,285)	(12,128)	(90,438)	(75,466)	(46,343)	(53,871)
EBITDA Margin	-238.8%	-264.6%	-91.5%	-61.1%	-91.7%	-75.8%	-77.2%	-86.2%	-111.1%	-140.4%	-82.3%	-86.8%
Pretax Income	(32,355)	(29,498)	(8,844)	(16,081)	(17,050)	(16,475)	(16,477)	(17,491)	(135,663)	(86,778)	(67,493)	(55,292)
Income Taxes	91	0	49	65	134	467	467	467	42	205	1,534	1,867
Net Income from Cont. Ops.	(\$32,446)	(\$29,498)	(\$8,893)	(\$16,146)	(\$17,184)	(\$16,941)	(\$16,944)	(\$17,958)	(\$135,621)	(\$86,983)	(\$69,027)	(\$57,159)
Preferred Stock Dividends	0	0	0	0	0	0	0	0	0	0	0	0
Net Income to Common from Cont. Ops.	(\$32,446)	(\$29,498)	(\$8,893)	(\$16,146)	(\$17,184)	(\$16,941)	(\$16,944)	(\$17,958)	(\$135,621)	(\$86,983)	(\$69,027)	(\$57,159)
Extraordinary Items / FX gain/loss	0	0	(12,624)	0	0	0	0	0	(39,322)	(12,624)	0	0
Net Income to Common	(\$32,446)	(\$29,498)	(\$21,517)	(\$16,146)	(\$17,184)	(\$16,941)	(\$16,944)	(\$17,958)	(\$174,943)	(\$99,607)	(\$69,027)	(\$57,159)
Earnings Per Share												
EPS to Common from Cont. Operations	(\$0.26)	(\$0.24)	(\$0.07)	(\$0.14)	(\$0.15)	(\$0.15)	(\$0.15)	(\$0.16)	(\$1.14)	(\$0.73)	(\$0.61)	(\$0.50)
Net EPS to Common - Reported	(\$0.26)	(\$0.24)	(\$0.18)	(\$0.14)	(\$0.15)	(\$0.15)	(\$0.15)	(\$0.16)	(\$1.48)	(\$0.83)	(\$0.61)	(\$0.50)
Average Shares Outstanding	122,732	123,678	119,779	112,725	112,861	113,087	113,313	113,539	118,460	119,729	113,200	114,108
Diluted Shares Outstanding	122,732	123,678	119,779	112,725	112,861	113,087	113,313	113,539	118,460	119,729	113,200	114,108

Source: Company reports and RBC Capital Markets estimates

Exhibit 14: ESCO Technologies – Income Statement & Projections

	Fiscal Year 2006				Fiscal Year 2007				Annual Results		
	Q106A Dec-05	Q206A Mar-06	Q306E Jun-06	Q406E Sep-06	Q107E Dec-06	Q207E Mar-07	Q307E Jun-07	Q407E Sep-07	FY05A	FY06E	FY07E
Revenues											
Filtration / Fluid Flow	41,446.0	45,048.0	45,991.6	43,331.1	42,689.4	46,399.4	47,371.3	44,631.0	171,700.0	175,816.6	181,091.1
Communications	19,133.0	43,239.0	41,000.0	42,000.0	48,000.0	54,000.0	74,300.0	90,000.0	138,038.0	145,372.0	266,300.0
Test	30,007.0	34,597.0	36,637.8	33,779.5	33,007.7	38,056.7	40,301.5	37,157.5	119,377.0	135,021.3	148,523.4
Total Revenues	90,586.0	122,884.0	123,629.3	119,110.6	123,697.1	138,456.1	161,972.9	171,788.5	429,115.0	456,209.9	595,914.5
<i>Sequential Growth</i>	(17.5%)	35.7%	0.6%	(3.7%)	3.9%	11.9%	17.0%	6.1%	-	6.3%	30.6%
<i>YoY Growth</i>	(13.2%)	15.8%	13.6%	8.5%	36.6%	12.7%	31.0%	44.2%	-	6.3%	30.6%
Cost of Revenues	64,027.0	80,514.0	79,724.7	76,659.8	79,376.5	88,894.8	102,705.7	108,202.5	282,113.0	300,925.4	379,179.5
Gross Profit	26,559.0	42,370.0	43,904.7	42,450.8	44,320.6	49,561.4	59,267.2	63,586.0	147,002.0	155,284.5	216,735.1
<i>Total Gross Margin</i>	29.3%	34.5%	35.5%	35.6%	35.8%	35.8%	36.6%	37.0%	34.3%	34.0%	36.4%
Other Operating Expenses											
Selling, General, Admin	23,619.0	26,703.0	26,580.3	25,608.8	25,357.9	27,691.2	29,155.1	29,204.0	84,814.0	102,511.1	111,408.3
Impairment / Amort / Stock	-	1,536.0	1,600.0	1,400.0	1,536.0	1,536.0	1,536.0	1,536.0	790.0	4,536.0	6,144.0
Other Expenses	(38.0)	(1,548.0)	(247.3)	(238.2)	(247.4)	(207.7)	(162.0)	(171.8)	(609.0)	(2,071.5)	(788.8)
Total Operating Expenses	23,581.0	26,691.0	27,933.0	26,770.6	26,646.5	29,019.5	30,529.1	30,568.3	84,995.0	104,975.6	116,763.4
<i>Sequential Growth</i>	7.7%	13.2%	4.7%	(4.2%)	(0.5%)	8.9%	5.2%	0.1%	-	-	-
EBITDA	6,056.0	19,820.0	9,629.5	16,601.2	18,638.4	21,549.1	29,787.7	34,109.3	74,191.0	52,106.6	104,084.6
<i>EBITDA Margin</i>	6.7%	16.1%	7.8%	13.9%	15.1%	15.6%	18.4%	19.9%	17.3%	11.4%	17.5%
<i>YoY Growth</i>	(69.1%)	3.8%	(44.5%)	(8.3%)	207.8%	8.7%	209.3%	105.5%	-	(29.8%)	99.8%
Operating Income (EBIT)	2,978.0	15,679.0	15,971.6	15,680.3	17,674.1	20,541.8	28,738.0	33,017.7	62,007.0	50,308.9	99,971.6
<i>Operating Margin</i>	3.3%	12.8%	12.9%	13.2%	14.3%	14.8%	17.7%	19.2%	14.4%	11.0%	16.8%
<i>Sequential Growth</i>	(80.4%)	426.5%	1.9%	(1.8%)	12.7%	16.2%	39.9%	14.9%	-	-	-
Other Income (Expense)											
Interest Income	717.0	100.0	452.4	203.3	210.1	277.8	315.0	363.7	1,900.0	1,472.7	1,166.7
Interest Expense	-	-	-	-	-	-	-	-	-	-	-
Interest (Net)	717.0	100.0	452.4	203.3	210.1	277.8	315.0	363.7	1,900.0	1,472.7	1,166.7
Total Other Income (Expense)	717.0	100.0	452.4	203.3	210.1	277.8	315.0	363.7	1,900.0	1,472.7	1,166.7
Pretax Income (EBT)	3,695.0	15,779.0	16,424.0	15,883.6	17,884.2	20,819.7	29,053.0	33,381.4	63,907.0	51,781.6	101,138.3
Income Taxes (Benefit)	1,491.0	8,436.0	6,241.1	6,035.8	6,796.0	7,911.5	11,040.2	12,684.9	20,363.0	22,203.9	38,432.6
Net Income	2,204.0	7,343.0	10,182.9	9,847.8	11,088.2	12,908.2	18,012.9	20,696.5	43,544.0	29,577.7	62,705.7
Add-back from Convertible Interest	-	-	-	-	-	-	-	-	-	-	-
Net Income from Cont. Ops	2,204.0	7,343.0	10,182.9	9,847.8	11,088.2	12,908.2	18,012.9	20,696.5	43,544.0	29,577.7	62,705.7
EPS from Cont. Ops	0.08	0.28	0.38	0.37	0.41	0.48	0.66	0.76	1.66	1.11	2.31

Source: Company reports and RBC Capital Markets estimates

Exhibit 15: Evergreen Solar – Income Statement & Projections (US\$ 000's)

	Fiscal Year 2005				Fiscal Year 2006				2003	2004	2005	2006E	2007E
	1st Qtr Mar-05	2nd Qtr Jun-05	3rd Qtr Sept-05	4th Qtr Dec-05	1st Qtr Mar-06	2nd Qtr Jun-06E	3rd Qtr Sept-06E	4th Qtr Dec-06E					
Revenues													
Product	\$10,287	\$10,679	\$11,092	\$11,569	\$11,566	\$20,470	\$31,205	\$36,100	\$7,746	\$22,240	\$43,627	\$99,341	\$194,489
Research	<u>235</u>	<u>0</u>	<u>94</u>	<u>76</u>	<u>325</u>	<u>200</u>	<u>200</u>	<u>200</u>	<u>1,565</u>	<u>1,296</u>	<u>405</u>	<u>925</u>	<u>800</u>
Total Revenues	10,522	10,679	11,186	11,645	11,891	20,670	31,405	36,300	9,311	23,536	44,032	100,266	195,289
YoY change	240%	124%	87%	20%	73%	94%	181%	212%	38%	153%	87%	128%	95%
Cost of Product Revenues	9,936	10,018	9,934	10,066	13,016	21,884	26,401	27,362	14,879	26,748	39,954	88,663	138,207
Gross Product Profit	<u>351</u>	<u>661</u>	<u>1,158</u>	<u>1,503</u>	<u>(1,450)</u>	<u>(1,414)</u>	<u>4,804</u>	<u>8,738</u>	<u>(7,133)</u>	<u>(4,508)</u>	<u>3,673</u>	<u>10,678</u>	<u>56,282</u>
Product Gross Margin (excl. research revs)	3%	6%	10%	13%	-13%	-7%	15%	24%	-92%	-20%	8%	11%	29%
Operating Expenses													
R&D (Including research revenue costs)	\$2,325	\$2,647	\$3,065	\$3,424	\$4,518	\$4,100	\$4,182	\$4,300	\$3,791	\$4,931	\$11,461	\$17,100	\$17,800
Sales, General & Administrative	1,960	2,992	3,115	4,207	4,399	4,450	4,500	4,500	5,337	7,797	12,274	17,849	22,264
Stock-based Compensation Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total operating expenses	4,285	5,639	6,180	7,631	8,917	8,550	8,682	8,800	9,128	12,728	23,735	34,949	40,064
Operating Income	(3,699)	(4,978)	(4,928)	(6,052)	(10,042)	(9,764)	(3,678)	138	(14,696)	(15,940)	(19,657)	(23,346)	17,018
Operating margin	-35%	-47%	-44%	-52%	-84%	-47%	-12%	0%	-158%	-68%	-45%	-23%	9%
Operating Income (less Qcells interest)	(3,658)	(4,696)	(4,618)	(5,490)	(8,558)	(9,589)	(4,404)	(1,178)	(14,696)	(15,940)	(18,462)	(23,728)	3,846
Operating margin	-35%	-44%	-41%	-47%	-72%	-56%	-18%	-4%	-158%	-68%	-42%	-29%	4%
Other Income (Expense)													
Interest expense	0	0	0	0	0	(984)	(984)	(984)	0	0	0	(2,953)	(4,315)
Interest income	158	397	55	450	0	691	555	426	222	(454)	1,060	1,672	436
Minority Interest (to Qcells)	41	282	310	562	1,484	176	(725)	(1,316)	0	0	1,195	(382)	(13,171)
Other income, net	<u>280</u>	<u>(194)</u>	<u>0</u>	<u>0</u>	<u>418</u>	<u>56</u>	<u>119</u>	<u>148</u>	<u>0</u>	<u>0</u>	<u>86</u>	<u>741</u>	<u>608</u>
Total Other Income (Expense)	479	485	365	1,012	1,902	(62)	(1,036)	(1,727)	222	(454)	2,341	(923)	(16,442)
EBITDA (less Qcell's interest)	(2,791)	(3,717)	(3,189)	(3,723)	(6,454)	(7,372)	(2,119)	1,556	(12,691)	(12,485)	(13,419)	(14,388)	18,159
EBITDA Margin	-27%	-35%	-29%	-32%	-54%	-36%	-7%	4%	-136%	-53%	-30%	-14%	9%
Pretax Income	(3,220)	(4,493)	(4,563)	(5,040)	(8,140)	(9,826)	(4,714)	(1,589)	(14,474)	(16,394)	(17,316)	(24,269)	575
Income Taxes	0	0	0	0	0	6	384	793	0	0	0	1,184	3,229
Pro-Forma Net Income from Cont. Ops.	(3,220)	(4,493)	(4,563)	(5,040)	(8,140)	(9,832)	(5,098)	(2,382)	(14,474)	(16,394)	(17,316)	(25,453)	(2,654)
Preferred Stock Dividends and Accretion	0	0	0	0	0	0	0	0	(13,498)	(2,904)	0	0	0
Extraordinary Items	41	0	0	0	0	0	0	0	(500)	(2,969)	41	0	0
Net Income to Common	(3,179)	(4,493)	(4,563)	(5,040)	(8,140)	(9,832)	(5,098)	(2,382)	(28,472)	(22,267)	(17,275)	(25,453)	(2,654)
Earnings Per Share													
Operating EPS	<u>(0.06)</u>	<u>(0.07)</u>	<u>(0.07)</u>	<u>(0.08)</u>	<u>(0.13)</u>	<u>(0.15)</u>	<u>(0.08)</u>	<u>(0.04)</u>	<u>(1.22)</u>	<u>(0.50)</u>	<u>(0.29)</u>	<u>(0.40)</u>	<u>(0.04)</u>
GAAP EPS	(0.06)	(0.07)	(0.07)	(0.08)	(0.13)	(0.15)	(0.08)	(0.04)	(2.39)	(0.68)	(0.29)	(0.40)	(0.04)
Average Shares Outstanding	54,914	60,973	61,178	61,510	63,771	63,930	64,090	64,250	11,899	32,847	59,644	64,011	64,653
Diluted Shares Outstanding	54,914	60,973	61,178	61,510	63,771	63,930	64,090	64,250	11,899	32,847	59,644	64,011	64,653
Margin Analysis													
Gross Margin	3%	6%	10%	13%	-13%	-7%	15%	24%	-92%	-20%	8%	11%	29%
Operating Margin	-35%	-47%	-44%	-52%	-84%	-47%	-12%	0%	-158%	-68%	-45%	-23%	9%
EBITDA Margin	-27%	-35%	-29%	-32%	-54%	-36%	-7%	4%	-136%	-53%	-30%	-14%	9%
Net Margin (Avail to Common from Cont. Ops.)	-31%	-42%	-41%	-43%	-68%	-48%	-16%	-7%	-155%	-70%	-39%	-25%	-1%

Source: Company reports and RBC Capital Markets estimates

Exhibit 16: FuelCell Energy – Income Statement & Projections (US\$ 000's)

	Fiscal Year 2006				Fiscal Year 2007				2004	2005	2006E	2007E
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr				
	Jan-06	Apr-06E	July-06E	Oct-06E	Jan-07E	Apr-07E	July-07E	Oct-07E				
Revenues												
Fuel Cell Revenues	\$3,000	\$4,500	\$6,050	\$7,800	\$5,300	\$6,300	\$7,400	\$9,500	\$12,636	\$17,398	\$21,350	\$28,500
R&D Contract Revenues	<u>2,944</u>	<u>3,200</u>	<u>3,800</u>	<u>3,735</u>	<u>3,420</u>	<u>3,539</u>	<u>3,623</u>	<u>3,579</u>	<u>18,750</u>	<u>12,972</u>	<u>13,679</u>	<u>14,161</u>
Total Revenues	5,944	7,700	9,850	11,535	8,720	9,839	11,023	13,079	31,386	30,370	35,029	42,661
<i>Sequential Growth Total</i>	-25%	30%	28%	17%	-24%	13%	12%	19%	-7%	-3%	15%	22%
<i>Sequential Growth Fuel Cell</i>	-28%	50%	34%	29%	0%	0%	0%	0%	-21%	38%	23%	33%
Cost of Revenues												
Fuel Cell Cost of Goods Sold	9,350	12,375	13,613	16,380	10,600	11,340	11,840	13,300	39,961	52,067	51,718	47,080
R&D Contract Costs	2,923	2,816	3,344	3,287	3,009	3,114	3,189	3,150	27,290	13,183	12,370	12,462
Gross Profit	(6,329)	(7,491)	(7,107)	(8,132)	(4,890)	(4,615)	(4,005)	(3,370)	(35,865)	(34,880)	(29,058)	(16,881)
<i>Fuel Cell Gross Margin Only (w/o Gen or R&D)</i>	-211.7%	-175.0%	-125.0%	-110.0%	-100.0%	-80.0%	-60.0%	-40.0%	-216.2%	-199.3%	-142.2%	-65.2%
Operating Expenses												
Research and Development	5,884	5,600	5,600	5,600	5,656	5,713	5,770	5,827	26,677	21,840	22,684	22,966
Selling, General, & Administrative	4,224	4,351	4,481	4,616	4,754	4,897	5,044	5,195	14,901	14,154	17,672	19,890
Purchased in-process R&D		0	0	0	0	0	0	0	12,200	0	0	0
Amortization of Deferred Stock Comp.	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	10,108	9,951	10,081	10,216	10,410	10,609	10,813	11,022	53,778	35,994	40,356	42,855
Operating Income	(16,437)	(17,442)	(17,188)	(18,347)	(15,300)	(15,225)	(14,819)	(14,393)	(89,643)	(70,874)	(69,414)	(59,736)
<i>Operating Margin</i>	-276.5%	-226.5%	-174.5%	-159.1%	-175.5%	-154.7%	-134.4%	-110.0%	-285.6%	-233.4%	-198.2%	-140.0%
Other Income (Expense)												
Interest Expense	(32)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(137)	(102)	(97)	(87)
Interest Income	1,538	1,649	1,643	1,398	1,194	1,014	815	702	2,472	5,190	6,228	3,725
Change in Fair Value of Warrants	71	70	70	70	52	0	0	0	19	70	281	52
Other Income, Net	(215)	0	0	0	0	0	0	0	0	(1,218)	(215)	0
Total Other Income (Expense)	1,362	1,698	1,691	1,446	1,224	992	793	681	2,354	3,940	6,197	3,690
EBITDA	(15,325)	(16,104)	(15,621)	(16,549)	(13,380)	(13,182)	(12,652)	(12,101)	(81,232)	(64,822)	(63,600)	(51,315)
<i>EBITDA Margin</i>	-257.8%	-209.1%	-158.6%	-143.5%	-153.4%	-134.0%	-114.8%	-92.5%	-258.8%	-213.4%	-181.6%	-120.3%
Pretax Income	(15,075)	(15,744)	(15,497)	(16,901)	(14,076)	(14,232)	(14,025)	(13,712)	(87,289)	(66,934)	(63,217)	(56,046)
Income Taxes	0	0	0	0	0	0	0	0	0	0	0	0
Net Income from Cont. Ops.	(\$15,075)	(\$15,744)	(\$15,497)	(\$16,901)	(\$14,076)	(\$14,232)	(\$14,025)	(\$13,712)	(\$87,289)	(\$66,934)	(\$63,217)	(\$56,046)
Minority Interest	0	0	0	0	0	0	0	0	0	0	0	0
Preferred Dividends	(1,595)	(1,450)	(1,450)	(1,450)	(1,450)	(1,450)	(1,450)	(1,450)	(240)	(6,077)	(5,945)	(5,800)
Net Income to Common from Cont. Ops.	(\$16,670)	(\$17,194)	(\$16,947)	(\$18,351)	(\$15,526)	(\$15,682)	(\$15,475)	(\$15,162)	(\$87,529)	(\$73,011)	(\$69,162)	(\$61,846)
Extraordinary Items / Disc Ops.	0	0	0	0	0	0	0	0	846	(1,252)	0	0
Net Income to Common	(\$16,670)	(\$17,194)	(\$16,947)	(\$18,351)	(\$15,526)	(\$15,682)	(\$15,475)	(\$15,162)	(\$86,683)	(\$74,263)	(\$69,162)	(\$61,846)
Earnings Per Share												
EPS to Common from Cont. Ops.	\$ (0.34)	\$ (0.35)	\$ (0.35)	\$ (0.38)	\$ (0.32)	\$ (0.32)	\$ (0.31)	\$ (0.31)	(\$1.83)	(\$1.51)	(\$1.42)	(\$1.26)
Net EPS to Common	\$ (0.34)	\$ (0.35)	\$ (0.35)	\$ (0.38)	\$ (0.32)	\$ (0.32)	\$ (0.31)	\$ (0.31)	(\$1.81)	(\$1.54)	(\$1.42)	(\$1.26)
Average Shares Outstanding	48,556	48,653	48,751	48,848	48,946	49,044	49,142	49,240	47,875	48,261	48,702	49,093
Diluted Shares Outstanding	48,556	48,653	48,751	48,848	48,946	49,044	49,142	49,240	47,875	48,261	48,702	49,093
Margin Analysis												
Gross Margin	-211.7%	-175.0%	-125.0%	-110.0%	-100.0%	-80.0%	-60.0%	-40.0%	-216.2%	-199.3%	-142.2%	-65.2%
Operating Margin	-276.5%	-226.5%	-174.5%	-159.1%	-175.5%	-154.7%	-134.4%	-110.0%	-285.6%	-233.4%	-198.2%	-140.0%
EBITDA Margin	-257.8%	-209.1%	-158.6%	-143.5%	-153.4%	-134.0%	-114.8%	-92.5%	-258.8%	-213.4%	-181.6%	-120.3%
Net Margin (Avail. to Common from Cont. Ops.)	-280.5%	-223.3%	-172.0%	-159.1%	-178.1%	-159.4%	-140.4%	-115.9%	-278.9%	-240.4%	-197.4%	-145.0%

Source: Company reports and RBC Capital Markets estimates

Exhibit 17: Headwaters Inc. – Income Statement & Projections (US\$ 000's)

	Fiscal Year 2006				Fiscal Year 2007				FY2004	FY2005	FY2006E	FY2007E
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr				
	Dec-05	Mar-06	June-06E	Sept-06E	Dec-06E	Mar-07E	June-07E	Sept-07E				
Revenues												
Coal combustion products	\$65,165	\$58,491	\$77,787	\$84,949	\$71,682	\$64,340	\$85,566	\$93,444	\$210,154	\$246,819	\$286,392	\$315,031
Construction Materials	\$129,969	\$131,709	\$163,816	\$165,899	\$140,367	\$142,246	\$176,921	\$179,171	\$134,027	\$519,927	\$591,394	\$638,705
Alternative Energy	<u>\$85,414</u>	<u>\$79,483</u>	<u>\$83,186</u>	<u>\$83,871</u>	<u>\$86,089</u>	<u>\$84,115</u>	<u>\$86,561</u>	<u>\$89,129</u>	<u>\$209,774</u>	<u>\$297,893</u>	<u>\$331,954</u>	<u>\$345,894</u>
Total Revenues	\$280,548	\$269,683	\$324,789	\$334,719	\$298,137	\$290,701	\$349,048	\$361,744	\$553,955	\$1,064,639	\$1,209,740	\$1,299,630
YoY % Growth	28%	21%	5%	6%	6%	8%	7%	8%	43%	92%	14%	7%
Cost of Revenues												
Cost of coal combustion products	48,962	46,347	57,608	61,581	53,858	50,890	63,369	68,214	150,081	185,749	214,498	236,331
Cost of construction materials	89,705	91,231	109,265	108,996	96,881	98,529	123,845	125,420	93,906	346,255	399,197	444,676
Cost of alternative energy	<u>47,685</u>	<u>52,590</u>	<u>51,660</u>	<u>51,660</u>	<u>51,660</u>	<u>51,429</u>	<u>51,429</u>	<u>52,243</u>	<u>90,225</u>	<u>140,972</u>	<u>203,595</u>	<u>206,761</u>
Total Cost of Goods Sold	186,352	190,168	218,534	222,237	202,400	200,848	238,643	245,877	334,212	672,976	817,290	887,767
Gross Profit	94,196	79,515	106,256	112,482	95,737	89,853	110,405	115,867	219,743	391,663	392,449	411,863
Gross Margin	33.6%	29.5%	32.7%	33.6%	32.1%	30.9%	31.6%	32.0%	39.7%	36.8%	32.4%	31.7%
Operating Expenses												
Research and Development	2,964	3,355	3,439	3,525	3,112	3,523	3,611	3,701	7,340	12,432	13,283	13,947
Selling, General, & Administrative	34,958	32,313	33,153	34,015	34,015	34,015	34,015	34,015	67,078	151,198	134,439	136,060
Amortization	6,036	6,105	6,368	6,630	6,406	6,681	6,957	7,233	17,567	24,331	25,139	27,276
Asset write-offs and other charges	0	0	0	0	0	0	0	0	0	(38,252)	0	0
Total Operating Expenses	43,958	41,773	42,960	44,170	43,533	44,219	44,583	44,949	91,985	149,709	172,860	177,284
Operating Income	50,238	37,742	63,296	68,312	52,204	45,633	65,823	70,919	127,758	241,954	219,589	234,579
Operating Margin	17.9%	14.0%	19.5%	20.4%	17.5%	15.7%	18.9%	19.6%	23.1%	22.7%	18.2%	18.0%
Other Income (Expense)												
Interest expense	(8,951)	(8,709)	(6,305)	(5,993)	(5,680)	(5,368)	(5,055)	(4,743)	(18,510)	(57,432)	(29,958)	(20,846)
Interest and net investment income	0	0	0	0	0	0	0	0	(505)	0	0	0
Losses on notes receivable and investments	0	0	70	70	70	70	70	70	0	70	140	280
Net gain on sale of facilities	0	0	0	0	0	0	0	0	0	0	0	0
Other, net	<u>(3,068)</u>	<u>(2,432)</u>	<u>(5,500)</u>	<u>(6,700)</u>	<u>(4,425)</u>	<u>(4,764)</u>	<u>(5,347)</u>	<u>(5,309)</u>	<u>(3,636)</u>	<u>(15,634)</u>	<u>(17,700)</u>	<u>(19,846)</u>
Total Other Income (Expense)	(12,019)	(11,141)	(11,735)	(12,623)	(10,035)	(10,062)	(10,333)	(9,982)	(22,651)	(72,996)	(47,518)	(40,412)
EBITDA	56,274	43,847	69,664	74,942	58,610	52,315	72,779	78,151	145,325	266,285	244,727	261,855
EBITDA Margin	20.1%	16.3%	21.4%	22.4%	19.7%	18.0%	20.9%	21.6%	26.2%	25.0%	20.2%	20.1%
Pretax Income	38,219	26,601	51,561	55,690	42,169	35,571	55,490	60,937	105,107	168,958	172,071	194,167
Income Taxes	<u>9,950</u>	<u>8,200</u>	<u>13,664</u>	<u>14,758</u>	<u>11,175</u>	<u>9,426</u>	<u>14,705</u>	<u>16,148</u>	<u>40,790</u>	<u>43,720</u>	<u>46,571</u>	<u>51,454</u>
Net Income from Cont. Ops.	\$28,269	\$18,401	\$37,897	\$40,932	\$30,994	\$26,145	\$40,785	\$44,788	\$64,317	\$125,238	\$125,499	\$142,713
Preferred Dividends and Accretion	0	0	0	0	0	0	0	0	0	0	0	0
Net Income to Common from Cont. Ops.	\$28,269	\$18,401	\$37,897	\$40,932	\$30,994	\$26,145	\$40,785	\$44,788	\$64,317	\$125,238	\$125,499	\$142,713
Extraordinary Items / Disc Ops.	0	0	0	0	0	0	0	0	(8,277)	(18,832)	0	0
Net Income to Common	\$28,269	\$18,401	\$37,897	\$40,932	\$30,994	\$26,145	\$40,785	\$44,788	\$56,040	\$106,406	\$125,499	\$142,713
Earnings Per Share												
EPS to Common	\$0.60	\$0.40	\$0.79	\$0.84	\$0.64	\$0.54	\$0.83	\$0.90	\$1.95	\$2.87	\$2.63	\$2.91
Net EPS to Common from Cont Ops.	<u>\$0.60</u>	<u>\$0.40</u>	<u>\$0.79</u>	<u>\$0.84</u>	<u>\$0.64</u>	<u>\$0.54</u>	<u>\$0.83</u>	<u>\$0.90</u>	<u>\$1.68</u>	<u>\$2.45</u>	<u>\$2.63</u>	<u>\$2.91</u>
Average Shares Outstanding	41,605	41,830	42,081	42,333	42,587	42,843	43,100	43,359	31,775	37,993	41,962	42,972
Diluted Shares Outstanding	48,626	48,934	49,228	49,523	49,820	50,119	50,420	50,722	33,019	45,083	49,078	50,270
Margin Analysis												
Gross Margin	33.6%	29.5%	32.7%	33.6%	32.1%	30.9%	31.6%	32.0%	39.7%	36.8%	32.4%	31.7%
Operating Margin	17.9%	14.0%	19.5%	20.4%	17.5%	15.7%	18.9%	19.6%	23.1%	22.7%	18.2%	18.0%
EBITDA Margin	20.1%	16.3%	21.4%	22.4%	19.7%	18.0%	20.9%	21.6%	26.2%	25.0%	20.2%	20.1%
Net Margin (Avail. to Common from Cont. Ops.)	10.1%	6.8%	11.7%	12.2%	26.5%	26.5%	26.5%	26.5%	11.6%	11.8%	10.4%	11.0%

Source: Company reports and RBC Capital Markets estimates

Exhibit 18: Itron, Inc. – Income Statement & Projections (US\$ 000's)

	Fiscal Year 2005				Fiscal Year 2006				2004 Dec-04	2005 Dec-05	2006 Dec-06E	2007 Dec-07E
	Q1-05	Q2-05	Q3-05	Q4-05	Q1-06	Q2-06E	Q3-06E	Q4-06E				
	Mar-05	Jun-05	Sept-05	Dec-05	Mar-06	Jun-06E	Sept-06E	Dec-06E				
Revenues												
Hardware	103,782	122,814	129,236	145,930	142,129	140,750	135,630	144,511	351,146	501,762	563,020	608,062
Software	12,688	12,309	11,909	14,022	13,424	14,005	14,565	15,126	48,048	50,928	57,120	62,832
Other revenues	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	116,470	135,123	141,145	159,952	155,553	154,755	150,195	159,637	399,194	552,690	620,140	670,894
YoY Growth									25.9%	38.5%	12.2%	8.2%
Cost of Revenues												
Hardware	58,461	70,821	72,909	87,671	81,517	80,509	76,495	81,938	198,281	289,862	320,459	348,675
Software	7,011	7,563	7,206	7,427	7,262	7,535	7,836	8,138	30,244	29,207	30,771	32,044
Total Cost of Sales	65,472	78,384	80,115	95,098	88,779	88,044	84,332	90,075	228,525	319,069	351,230	380,719
Gross Profit	50,998	56,739	61,030	64,854	66,774	66,711	65,864	69,561	170,669	233,621	268,911	290,175
	43.8%	42.0%	43.2%	40.5%	42.9%	43.1%	43.9%	43.6%	42.8%	42.3%	43.4%	43.3%
Operating Expenses												
Sales and Marketing	13,239	13,529	13,688	16,186	15,481	15,940	15,470	16,443	45,279	56,642	63,333	69,102
Product Development	11,914	11,414	11,807	11,942	12,870	13,154	12,767	13,569	44,379	47,077	52,360	55,013
General and Administrative	9,966	11,770	11,645	11,047	12,122	12,845	12,466	13,250	35,263	44,428	50,683	55,684
Amortization of Intangibles	9,716	9,715	9,712	9,703	7,313	7,313	7,313	7,313	27,901	38,846	29,252	29,252
Restructuring/One-time	390	0	0	0	0	0	0	0	13,658	390	0	0
Total operating expenses	45,225	46,428	46,852	48,878	47,786	49,252	48,016	50,575	166,480	187,383	195,628	209,052
Operating Income (loss)	5,773	10,311	14,178	15,976	18,988	17,460	17,848	18,987	4,189	46,238	73,282	81,123
Other Income (Expense)												
Equity in Affiliates	0	0	0	0	0	0	0	0	0	0	0	0
Interest Expense	(4,567)	(6,385)	(4,328)	(3,664)	(5,746)	(3,961)	(3,961)	(3,961)	(13,145)	(18,944)	(17,629)	(11,344)
Interest Income	4	94	69	135	362	381	541	705	166	302	1,989	4,446
Other Income, Net	101	454	(535)	(88)	(448)	(300)	(300)	(300)	(389)	(68)	(1,348)	(1,200)
Interest and Other, Net	(4,462)	(5,837)	(4,794)	(3,617)	(5,832)	(3,880)	(3,720)	(3,556)	(13,368)	(18,710)	(16,988)	(8,098)
Gain on Sale of Business Interests	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Income (Expense)	(4,462)	(5,837)	(4,794)	(3,617)	(5,832)	(3,880)	(3,720)	(3,556)	(13,368)	(18,710)	(16,988)	(8,098)
EBITDA (based on Pro-Forma)	20,314	23,500	25,281	28,106	26,023	25,768	26,854	28,329	59,116	97,201	106,975	116,815
Pretax Income	1,311	4,474	9,384	12,359	13,156	13,580	14,128	15,431	(9,179)	27,528	56,295	73,025
Income Tax (Provision) / Benefit	(494)	4,839	(3,382)	4,570	(6,087)	(6,111)	(6,357)	(6,944)	4,124	5,533	(25,499)	(32,861)
Net Income from Cont. Ops.	817	9,313	6,002	16,929	7,069	7,469	7,770	8,487	(5,055)	33,061	30,795	40,164
Net Income to Common (GAAP)	817	9,313	6,002	16,929	7,069	7,469	7,770	8,487	(5,055)	33,061	30,795	40,164
GAAP Fully Diluted Earnings												
GAAP EPS	\$ 0.04	\$ 0.38	\$ 0.23	\$ 0.65	\$ 0.27	\$ 0.28	\$ 0.29	\$ 0.32	(\$0.24)	\$1.30	\$1.17	\$ 1.48
Pro-Forma Operating Income	7,334	10,356	12,620	15,319	15,085	14,096	14,484	15,297	20,331	45,629	58,962	68,206
Fully Diluted - Pro Forma												
EPS to Common from Cont. Ops.	\$ 0.32	\$ 0.42	\$ 0.49	\$ 0.59	\$ 0.58	\$ 0.54	\$ 0.55	\$ 0.57	\$0.92	\$1.82	\$2.24	\$ 2.52
Average Shares Outstanding	21,451	22,811	24,441	24,823	25,057	25,207	25,357	25,507	20,921	23,382	25,282	25,882
Diluted Shares Outstanding	22,737	24,416	25,919	25,984	26,071	26,271	26,471	26,671	22,070	24,764	26,371	27,096

Source: Company reports and RBC Capital Markets estimates

Exhibit 19: SunPower Corp – Income Statement & Projections

	Fiscal Year 2006				Fiscal Year 2007				Annual Results		
	Q106A Mar-06	Q206E Jun-06	Q306E Sep-06	Q406E Dec-06	Q107E Mar-07	Q207E Jun-07	Q307E Sep-07	Q407E Dec-07	FY05A	FY06E	FY07E
<u>Revenues</u>											
Plant #1	41,958.0	51,670.0	60,250.0	66,850.0	77,737.5	84,437.5	86,950.0	86,950.0	78,736.0	220,728.0	336,075.0
Plant #2	-	-	-	-	1,675.0	1,675.0	6,700.0	10,887.5	-	-	20,937.5
Total Revenues	41,958.0	51,670.0	60,250.0	66,850.0	79,412.5	86,112.5	93,650.0	97,837.5	78,736.0	220,728.0	357,012.5
<i>Sequential Growth</i>	<i>43.0%</i>	<i>23.1%</i>	<i>16.6%</i>	<i>11.0%</i>	<i>18.8%</i>	<i>8.4%</i>	<i>8.8%</i>	<i>4.5%</i>			
<i>YoY Growth</i>	<i>278.3%</i>	<i>215.1%</i>	<i>175.1%</i>	<i>127.8%</i>	<i>89.3%</i>	<i>66.7%</i>	<i>55.4%</i>	<i>46.4%</i>	-	180.3%	61.7%
Cost of Revenues	34,897.0	42,173.6	46,806.3	50,312.5	61,371.6	65,701.5	70,977.8	73,666.1	69,623.0	174,189.3	271,717.0
Gross Profit	7,061.0	9,496.5	13,443.8	16,537.5	18,040.9	20,411.0	22,672.3	24,171.4	9,113.0	46,538.7	85,295.5
<i>Total Gross Margin</i>	<i>16.8%</i>	<i>18.4%</i>	<i>22.3%</i>	<i>24.7%</i>	<i>22.7%</i>	<i>23.7%</i>	<i>24.2%</i>	<i>24.7%</i>	<i>11.6%</i>	<i>21.1%</i>	<i>23.9%</i>
<u>Other Operating Expenses</u>											
Research & Development	1,577.0	1,640.1	1,672.9	1,706.3	1,791.7	1,881.2	1,975.3	2,074.1	6,138.0	6,596.3	7,722.3
Sales, General, & Admin.	3,582.0	4,119.3	4,448.8	4,315.4	4,962.7	5,359.7	5,788.5	6,020.0	9,823.0	16,465.5	22,130.9
Total Operating Expenses	5,159.0	5,759.4	6,121.7	6,021.7	6,754.3	7,240.9	7,763.8	8,094.1	15,961.0	23,061.8	29,853.1
<i>Sequential Growth</i>	<i>1.7%</i>	<i>11.6%</i>	<i>6.3%</i>	<i>(1.6%)</i>	<i>12.2%</i>	<i>7.2%</i>	<i>7.2%</i>	<i>4.3%</i>			
EBITDA	6,404.0	5,443.1	9,456.8	13,073.8	15,450.1	16,621.3	18,816.6	20,436.5	(6,848.0)	23,476.9	55,442.4
<i>EBITDA Margin</i>	<i>15.3%</i>	<i>10.5%</i>	<i>15.7%</i>	<i>19.6%</i>	<i>19.5%</i>	<i>19.3%</i>	<i>20.1%</i>	<i>20.9%</i>	<i>(8.7%)</i>	<i>10.6%</i>	<i>15.5%</i>
<i>YoY Growth</i>	<i>(249.2%)</i>	<i>(260.6%)</i>	<i>10068.6%</i>	<i>3.8%</i>	<i>141.3%</i>	<i>205.4%</i>	<i>99.0%</i>	<i>56.3%</i>	-	<i>(442.8%)</i>	<i>136.2%</i>
Operating Income (EBIT)	1,902.0	3,737.1	7,322.0	10,515.8	11,286.5	13,170.1	14,908.5	16,077.3	(6,848.0)	23,476.9	55,442.4
<i>Operating Margin</i>	<i>4.5%</i>	<i>7.2%</i>	<i>12.2%</i>	<i>15.7%</i>	<i>14.2%</i>	<i>15.3%</i>	<i>15.9%</i>	<i>16.4%</i>	<i>(8.7%)</i>	<i>10.6%</i>	<i>15.5%</i>
<i>Sequential Growth</i>	<i>157.0%</i>	<i>96.5%</i>	<i>95.9%</i>	<i>43.6%</i>	<i>7.3%</i>	<i>16.7%</i>	<i>13.2%</i>	<i>7.8%</i>			
<u>Other Income (Expense)</u>											
Interest Income	971.0	814.3	1,374.4	613.0	3,130.7	2,012.5	2,226.9	2,056.6	770.0	3,772.6	9,426.6
Interest Expense	-	-	-	-	-	-	-	-	(3,578.0)	-	-
Interest (Net)	971.0	814.3	1,374.4	613.0	3,130.7	2,012.5	2,226.9	2,056.6	(2,808.0)	3,772.6	9,426.6
Total Other Income (Expense)	971.0	814.3	1,374.4	613.0	3,130.7	2,012.5	2,226.9	2,056.6	(2,808.0)	3,772.6	9,426.6
Pretax Income (EBT)	2,873.0	4,551.3	8,696.4	11,128.8	14,417.2	15,182.5	17,135.4	18,133.9	(9,656.0)	27,249.5	64,869.0
Income Taxes (Benefit)	31.0	227.6	434.8	556.4	1,730.1	1,821.9	2,056.2	2,176.1	50.0	1,249.8	7,784.3
Net Income	2,842.0	4,323.8	8,261.6	10,572.3	12,687.1	13,360.6	15,079.1	15,957.8	(9,706.0)	25,999.7	57,084.7
Add-back from Convertible Interest	-	-	-	-	-	-	-	-	-	-	-
Net Income from Cont. Ops	2,842.0	4,323.8	8,261.6	10,572.3	12,687.1	13,360.6	15,079.1	15,957.8	(9,706.0)	25,999.7	57,084.7
EPS from Cont. Ops	0.04	0.06	0.11	0.14	0.17	0.18	0.20	0.21	(0.42)	0.37	0.75
<u>Extraordinary Items</u>											
Stock-based compensation	1,412.0	1,482.6	1,556.7	1,634.6	1,716.3	1,802.1	1,892.2	1,986.8	1,433.0	6,085.9	7,397.4
Amort of Intangibles	1,175.0	1,175.0	1,175.0	1,175.0	1,175.0	1,175.0	1,175.0	1,175.0	4,704.0	4,700.0	4,700.0
Total Extraordinary Items	2,587.0	2,657.6	2,731.7	2,809.6	2,891.3	2,977.1	3,067.2	3,161.8	6,137.0	10,785.9	12,097.4
Net Income to Common (GAAP)	255.0	1,666.2	5,529.8	7,762.7	9,795.8	10,383.5	12,011.9	12,796.0	(15,843.0)	15,213.8	44,987.2
EPS from Extraordinary Items	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.26)	(0.15)	(0.16)
EPS to Common (GAAP)	0.00	0.02	0.07	0.10	0.13	0.14	0.16	0.17	(0.68)	0.21	0.59
Average Shares Outstanding - Diluted	66,904	67,054	75,204	75,354	75,504	75,654	75,804	75,954	23,306	71,129	75,729

Source: Company reports and RBC Capital Markets estimates

Exhibit 20: Plug Power, Inc. – Income Statement & Projections (000's)

	Fiscal Year 2005				Fiscal Year 2006				2003	2004	2005	2006E	2007E
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr					
	Mar-05	Jun-05	Sept-05	Dec-05	Mar-06	Jun-06E	Sept-06E	Dec-06E					
Revenues													
Product Revenue	\$1,056	\$1,474	\$1,310	\$1,041	\$857	\$2,230	\$2,350	\$2,768	\$7,517	\$5,306	\$4,881	\$8,205	\$18,625
Contract and Other Revenue	<u>2,164</u>	<u>2,183</u>	<u>2,571</u>	<u>1,688</u>	<u>1,419</u>	<u>1,965</u>	<u>1,411</u>	<u>1,121</u>	<u>4,985</u>	<u>10,836</u>	<u>8,606</u>	<u>5,915</u>	<u>5,325</u>
Total Revenues	3,221	3,657	3,881	2,728	2,276	4,195	3,761	3,889	12,502	16,141	13,486	14,120	23,951
<i>Sequential Growth</i>									6%	29%	-16%	5%	70%
Cost of Goods Sold	3,622	4,231	4,161	4,160	3,758	5,400	5,500	6,500	14,160	18,842	16,173	21,158	28,400
Gross Profit	(402)	(574)	(280)	(1,431)	(1,482)	(1,205)	(1,739)	(2,611)	(1,658)	(2,701)	(2,687)	(7,038)	(4,449)
<i>Gross Margin</i>	-12.5%	-15.7%	-7.2%	-52.5%	-65.1%	-28.7%	-46.3%	-67.2%	-13.3%	-16.7%	-19.9%	-49.8%	-18.6%
Operating Expenses													
In Process R&D	0	0	0	0	0	0	0	0	3,289	0	0	0	0
Research and Development	9,449	7,364	9,508	8,811	8,985	9,164	9,348	9,535	37,336	33,317	35,132	37,032	37,772
Selling, General, & Administrative	1,968	1,907	1,981	1,691	2,433	2,555	2,682	2,482	6,353	7,171	7,547	10,151	10,530
Amortization of Intangibles	0	0	0	0	0	0	0	0	1,400	688	0	0	0
Non Cash Stock Based Compensation	<u>508</u>	<u>845</u>	<u>275</u>	<u>986</u>	<u>0</u>	<u>527</u>	<u>447</u>	<u>1,500</u>	<u>1,875</u>	<u>2,450</u>	<u>2,614</u>	<u>2,473</u>	<u>3,157</u>
Total Operating Expenses	11,925	10,117	11,763	11,488	11,418	12,246	12,477	13,516	50,253	43,626	45,293	49,656	51,460
Operating Income	(12,326)	(10,691)	(12,043)	(12,920)	(12,900)	(13,450)	(14,216)	(16,128)	(51,911)	(46,327)	(47,980)	(56,694)	(55,909)
<i>Operating Margin</i>	-382.7%	-292.4%	-310.3%	-473.5%	-566.8%	-320.6%	-378.0%	-414.7%	-415.2%	-287.0%	-355.8%	-401.5%	-233.4%
Other Income (Expense)													
Interest Expense	0	0	0	(37)	(49)	(62)	(62)	(62)	(16)	0	(37)	(235)	(259)
Interest Income	241	252	624	942	823	811	1,777	1,647	788	1,392	2,059	5,057	1,076
Equity in Affiliates	(451)	(448)	(448)	(4,438)	0	(511)	(540)	(613)	(1,900)	(1,804)	(5,785)	(1,664)	(2,125)
Other Income, Net	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Income (Expense)	(209)	(197)	176	(3,534)	774	238	1,174	972	(1,128)	(412)	(3,764)	3,157	(1,307)
EBITDA	(10,792)	(9,100)	(10,109)	(10,972)	(10,920)	(11,440)	(12,174)	(14,054)	(45,425)	(39,570)	(40,973)	(48,588)	(47,187)
<i>EBITDA Margin</i>	-335.1%	-248.9%	-260.5%	-402.1%	-479.9%	-272.7%	-323.7%	-361.4%	-363.3%	-245.1%	-303.8%	-344.1%	-197.0%
Pretax Income	(12,535)	(10,887)	(11,868)	(16,454)	(12,126)	(13,213)	(13,042)	(15,156)	(53,039)	(46,739)	(51,744)	(53,536)	(57,216)
Income Taxes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Income from Cont. Ops.	(\$12,535)	(\$10,887)	(\$11,868)	(\$16,454)	(\$12,126)	(\$13,213)	(\$13,042)	(\$15,156)	(\$53,039)	(\$46,739)	(\$51,744)	(\$53,536)	(\$57,216)
Preferred Dividends and Accretion	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income to Common from Cont. Ops.	(\$12,535)	(\$10,887)	(\$11,868)	(\$16,454)	(\$12,126)	(\$13,213)	(\$13,042)	(\$15,156)	(\$53,039)	(\$46,739)	(\$51,744)	(\$53,536)	(\$57,216)
Extraordinary Items / Disc Ops.	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income to Common	(\$12,535)	(\$10,887)	(\$11,868)	(\$16,454)	(\$12,126)	(\$13,213)	(\$13,042)	(\$15,156)	(\$53,039)	(\$46,739)	(\$51,744)	(\$53,536)	(\$57,216)
Earnings Per Share													
EPS to Common from Cont. Ops.	\$ (0.17)	\$ (0.15)	\$ (0.15)	\$ (0.19)	\$ (0.14)	\$ (0.15)	\$ (0.10)	\$ (0.12)	(\$0.88)	(\$0.64)	(\$0.66)	(\$0.51)	(\$0.46)
Net EPS to Common	\$ (0.17)	\$ (0.15)	\$ (0.15)	\$ (0.19)	\$ (0.14)	\$ (0.15)	\$ (0.10)	\$ (0.12)	(\$0.88)	(\$0.64)	(\$0.66)	(\$0.51)	(\$0.46)
Average Shares Outstanding	73,449	73,494	80,194	85,755	85,928	86,028	125,628	125,728	60,295	73,106	78,223	105,828	125,728
Diluted Shares Outstanding	73,449	73,494	80,194	85,755	85,928	86,028	125,628	125,728	60,295	73,106	78,223	105,828	125,728
Margin Analysis													
Gross Margin	-12.5%	-15.7%	-7.2%	-52.5%	-65.1%	-28.7%	-46.3%	-67.2%	-13.3%	-16.7%	-19.9%	-49.8%	-18.6%
Operating Margin	-382.7%	-292.4%	-310.3%	-473.5%	-566.8%	-320.6%	-378.0%	-414.7%	-415.2%	-287.0%	-355.8%	-401.5%	-233.4%
EBITDA Margin	-335.1%	-248.9%	-260.5%	-402.1%	-479.9%	-272.7%	-323.7%	-361.4%	-363.3%	-245.1%	-303.8%	-344.1%	-197.0%
Net Margin (Avail. to Common from Cont. Ops.)	-389.2%	-297.7%	-305.8%	-603.1%	-532.8%	-315.0%	-346.8%	-389.7%	-424.2%	-289.6%	-383.7%	-379.1%	-238.9%

Source: Company reports and RBC Capital Markets estimates

Exhibit 21: MEMC Electronic Materials – Income Statement & Projections

	Fiscal Year 2006				Fiscal Year 2007				Annual Results		
	Q106A Mar-06	Q206E Jun-06	Q306E Sep-06	Q406E Dec-06	Q107E Mar-07	Q207E Jun-07	Q307E Sep-07	Q407E Dec-07	FY05A	FY06E	FY07E
Revenues											
Product Revenues	339,906.0	364,520.0	384,730.0	412,740.0	404,700.0	421,220.0	440,950.0	459,540.0	1,117,665.0	1,501,896.0	1,726,410.0
Total Revenues	339,906.0	364,520.0	384,730.0	412,740.0	404,700.0	421,220.0	440,950.0	459,540.0	1,117,665.0	1,501,896.0	1,726,410.0
<i>Sequential Growth</i>	8.1%	7.2%	5.5%	7.3%	(1.9%)	4.1%	4.7%	4.2%			
<i>YoY Growth</i>	36.3%	33.0%	37.4%	31.3%	19.1%	15.6%	14.6%	11.3%	-	34.4%	14.9%
Cost of Revenues	203,461.0	211,421.6	221,219.8	235,261.8	234,726.0	244,307.6	257,955.8	268,830.9	737,021.0	871,364.2	1,005,820.3
Gross Profit	136,445.0	153,098.4	163,510.3	177,478.2	169,974.0	176,912.4	182,994.3	190,709.1	380,644.0	630,531.9	720,589.8
<i>Total Gross Margin</i>	40.1%	42.0%	42.5%	43.0%	42.0%	42.0%	41.5%	41.5%	34.1%	42.0%	41.7%
Other Operating Expenses											
Marketing & Admin	21,938.0	22,376.8	22,824.3	23,280.8	23,746.4	24,221.3	24,705.8	25,199.9	76,948.0	90,419.8	97,873.3
Research & Development	12,005.0	13,122.7	13,850.3	14,858.6	14,569.2	15,163.9	15,874.2	16,543.4	40,786.0	53,836.6	62,150.8
Total Operating Expenses	33,943.0	35,499.5	36,674.6	38,139.4	38,315.6	39,385.2	40,580.0	41,743.3	117,734.0	144,256.5	160,024.1
<i>Sequential Growth</i>	7.6%	4.6%	3.3%	4.0%	0.5%	2.8%	3.0%	2.9%			
EBITDA	118,536.0	124,326.6	134,135.5	147,297.3	140,236.2	146,622.8	152,021.2	159,077.6	262,910.0	486,275.4	560,565.7
<i>EBITDA Margin</i>	34.9%	34.1%	34.9%	35.7%	34.7%	34.8%	34.5%	34.6%	23.5%	32.4%	32.5%
<i>YoY Growth</i>	78.4%	61.3%	80.7%	43.1%	18.3%	17.9%	13.3%	8.0%	-	85.0%	15.3%
Operating Income (EBIT)	102,502.0	117,598.9	126,835.7	139,338.8	131,658.4	137,527.2	142,414.3	148,965.8	262,910.0	486,275.4	560,565.7
<i>Operating Margin</i>	30.2%	32.3%	33.0%	33.8%	32.5%	32.6%	32.3%	32.4%	23.5%	32.4%	32.5%
<i>Sequential Growth</i>	17.0%	14.7%	7.9%	9.9%	(5.5%)	4.5%	3.6%	4.6%			
Other Income (Expense)											
Interest Income	1,591.0	1,479.9	2,917.7	3,224.6	3,908.7	4,916.8	5,656.7	6,822.7	2,283.0	9,213.2	21,304.9
Interest Expense	(982.0)	(946.0)	(931.8)	(917.8)	(904.0)	(890.5)	(877.1)	(864.0)	(3,616.0)	(3,777.6)	(3,535.6)
Interest (Net)	609.0	533.9	1,986.0	2,306.8	3,004.7	4,026.3	4,779.6	5,958.7	(1,333.0)	5,435.7	17,769.3
Foreign Exchange Gain (Loss)	363.0	(100.5)	(125.6)	(157.0)	(5.0)	(97.0)	(96.2)	(88.8)	(1,496.0)	(20.2)	(287.1)
Other (Net)	497.0	21.0	26.3	32.8	144.3	56.1	64.9	74.5	234.0	577.1	339.7
Total Other Income (Expense)	1,469.0	454.4	1,886.6	2,182.6	3,143.9	3,985.3	4,748.2	5,944.4	(2,595.0)	5,992.6	17,821.9
Minority Interest in Subsidiaries	1,116.0	750.0	500.0	500.0	500.0	500.0	500.0	500.0	7,454.0	2,866.0	2,000.0
Pretax Income (EBT)	102,855.0	117,303.3	128,222.3	141,021.4	134,302.3	141,012.5	146,662.5	154,410.2	252,861.0	489,402.0	576,387.5
Income Taxes (Benefit)	19,542.5	22,287.6	24,362.2	26,794.1	25,517.4	26,792.4	27,865.9	29,337.9	(76,491.0)	92,986.4	109,513.6
Net Income	83,312.6	95,015.7	103,860.0	114,227.3	108,784.9	114,220.1	118,796.6	125,072.3	329,352.0	396,415.6	466,873.9
EPS from Cont. Ops	0.36	0.41	0.45	0.49	0.46	0.48	0.50	0.52	1.46	1.71	1.97

Note: Non-GAAP Estimates use 19% cash taxes vs. ~34% book tax rate

Source: Company reports and RBC Capital Markets estimates

Exhibit 22: Xantrex Corp. – Income Statement & Projections (US Dollars)

	Fiscal Year 2005				Fiscal Year 2006				FY 2004	FY 2005	FY 2006E	FY 2007E
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr				
	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06E	Sep-06E	Dec-06E				
Revenues												
Operating Revenues	\$34,036	\$35,027	\$36,399	\$37,055	\$34,655	\$38,001	\$39,924	\$41,759	\$143,112	\$142,517	\$154,339	\$172,102
Other Revenue	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	34,036	35,027	36,399	37,055	34,655	38,001	39,924	41,759	143,112	142,517	154,339	172,102
YoY Change (%)	-6%	7%	0%	-2%	2%	8%	10%	13%	5%	0%	8%	
Cost of Goods Sold	22,528	24,184	26,140	26,397	24,320	26,221	27,548	28,814	95,815	99,249	106,902	113,587
Gross Profit	11,508	10,843	10,259	10,658	10,335	11,780	12,376	12,945	47,297	43,268	47,437	58,515
Gross Margin	33.8%	31.0%	28.2%	28.8%	29.8%	31.0%	31.0%	31.0%	33.0%	30.4%	30.7%	34.0%
Operating Expenses												
Sales & Marketing	5,046	5,367	5,249	5,332	4,197	4,700	4,700	4,700	19,807	20,994	18,297	23,234
General & Admin.	2,073	2,905	2,970	2,797	2,458	2,500	2,400	2,400	9,784	10,745	9,758	11,531
Research & Development (Net)	2,243	2,545	2,412	2,223	2,289	2,318	2,435	2,547	7,843	9,423	9,590	10,498
Amortization of Intangible Assets	375	336	345	377	333	336	340	343	1,482	1,432	1,352	
Depreciation	375	336	345	377	333	333	333	333	1,468	1,432	1,332	1,332
Total Operating Expenses	10,112	11,488	11,321	11,105	9,610	10,187	10,208	10,323	40,384	44,026	40,329	46,595
Operating Income	1,396	(645)	(1,062)	(447)	725	1,593	2,168	2,622	6,913	(758)	7,108	11,920
Operating Margin	4.1%	-1.8%	-2.9%	-1.2%	2.1%	4.2%	5.4%	6.3%	4.8%	-0.5%	4.6%	6.1%
Other Income (Expense)												
Interest and foreign exchange (Net)	346	111	1,301	595	623	274	379	396	1,582	2,353	1,672	1,683
Intergration	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	52	0	0	0	(84)	0	52	0
Total Other Income (Expense)	346	111	1,301	595	675	274	379	396	1,498	2,353	1,724	1,683
EBITDA	2,401	393	(109)	648	1,638	2,495	3,060	3,504	10,858	3,333	10,698	14,169
EBITDA Margin	7.1%	1.1%	-0.3%	1.7%	4.7%	6.6%	7.7%	8.4%	7.6%	2.3%	6.9%	8.2%
Pretax Income	1,742	(534)	239	148	1,400	1,867	2,547	3,018	8,411	1,595	8,832	12,196
Income Taxes	<u>261</u>	<u>(19)</u>	<u>588</u>	<u>424</u>	<u>695</u>	<u>317</u>	<u>433</u>	<u>513</u>	<u>790</u>	<u>1,254</u>	<u>1,958</u>	<u>3,463</u>
Net Income from Cont. Ops.	\$1,481	(\$515)	(\$349)	(\$276)	\$705	\$1,550	\$2,114	\$2,505	\$7,621	\$341	\$6,874	\$8,732
Preferred Dividends	0	0	0	0	0	0	0	0	0	0	0	0
Net Income to Common from Cont. Ops.	\$1,481	(\$515)	(\$349)	(\$276)	\$705	\$1,550	\$2,114	\$2,505	\$7,621	\$341	\$6,874	\$8,732
Extraordinary Items / Disc. Ops.	0	0	0	0	0	0	0	0	0	0	0	0
Net Income to Common	\$1,481	(\$515)	(\$349)	(\$276)	\$705	\$1,550	\$2,114	\$2,505	\$7,621	\$341	\$6,874	\$8,732
Diluted Earnings Per Share												
EPS to Common from Cont. Ops.	\$0.05	(\$0.02)	(\$0.01)	(\$0.01)	\$0.02	\$0.05	\$0.07	\$0.08	\$0.25	\$0.01	\$0.23	\$ 0.29
Net EPS to Common	\$0.05	(\$0.02)	(\$0.01)	(\$0.01)	\$0.02	\$0.05	\$0.07	\$0.08	\$0.25	\$0.01	\$0.23	\$ 0.29
Average Shares Outstanding	30,131	30,232	30,213	29,987	29,745	29,849	29,954	30,058	28,894	30,141	29,902	30,322
Diluted Shares Outstanding	30,612	30,232	30,213	30,663	29,922	30,027	30,132	30,237	30,368	30,430	30,080	30,503
RESULTS IN C\$												
Exchange Rate (CAD/USD)	1.17	1.20	1.20	1.20	1.22	1.22	1.25	1.25				
Revenues	39,822	42,032	43,679	44,466	42,279	46,361	49,905	52,199	182,240	169,999	190,744	215,127
Ebitda	2,809	472	(131)	778	1,998	3,044	3,826	4,380	13,832	3,928	13,248	17,711
Net Income to Common from Cont. Ops	1,733	(618)	(419)	(331)	860	1,891	2,643	3,131	9,723	365	8,525	10,915
Diluted EPS to Common from Cont. Ops.	\$0.06	(\$0.02)	(\$0.01)	(\$0.01)	\$0.03	\$0.06	\$0.09	\$0.10	\$0.33	\$0.01	\$0.28	\$0.36
Other Summary Data												
Sequential Growth												
Distributed Power	-23.5%	34.4%	12.9%	-11.0%	18.0%	18.0%	25.0%	33.0%	-21.8%	-0.7%	26.4%	
Mobile Power	-2.4%	-3.3%	-4.0%	0.4%	5.0%	5.0%	5.0%	5.0%	16.5%	-2.3%	0.8%	
Programmable Power	16.6%	16.6%	16.6%	16.6%	5.0%	5.0%	5.0%	5.0%	30.9%	7.1%	2.0%	8.9%
Total Revenues	-10.4%	2.9%	3.9%	1.8%	-6.5%	9.7%	5.1%	4.6%	5.3%	-0.4%	8.3%	11.5%
Margin Analysis												
Gross Margin	33.8%	31.0%	28.2%	28.8%	29.8%	31.0%	31.0%	31.0%	33.0%	30.4%	30.7%	34.0%
Operating Margin	4.1%	-1.8%	-2.9%	-1.2%	2.1%	4.2%	5.4%	6.3%	4.8%	-0.5%	4.6%	6.1%
EBITDA Margin	7.1%	1.1%	-0.3%	1.7%	4.7%	6.6%	7.7%	8.4%	7.6%	2.3%	6.9%	8.2%
Net Margin (Avail. to Common from Cont. Ops.)	4.4%	-1.5%	-1.0%	-0.7%	2.0%	4.1%	5.3%	6.0%	5.3%	0.2%	4.5%	5.1%

Source: Company reports and RBC Capital Markets estimates

Exhibit 23: Zoltek – Income Statement & Projections

	Fiscal Year 2006				Fiscal Year 2007				Annual Results		
	Q106A Dec-05	Q206A Mar-06	Q306E Jun-06	Q406E Sep-06	Q107E Dec-06	Q207E Mar-07	Q307E Jun-07	Q407E Sep-07	FY05A	FY06E	FY07E
Revenues											
Product Sales	16,721.0	27,320.0	33,702.5	38,825.3	41,457.6	43,530.5	47,683.4	52,235.5	60,204.0	116,568.8	184,907.1
Total Revenues	16,721.0	27,320.0	33,702.5	38,825.3	41,457.6	43,530.5	47,683.4	52,235.5	60,204.0	116,568.8	184,907.1
<i>Sequential Growth</i>	4.4%	63.4%	23.4%	15.2%	6.8%	5.0%	9.5%	9.5%	-	93.6%	58.6%
<i>YoY Growth</i>	36.6%	90.9%	91.0%	142.5%	147.9%	59.3%	41.5%	34.5%	-	93.6%	58.6%
Cost of Revenues	13,966.0	19,887.0	23,928.8	26,789.4	28,191.2	29,165.5	31,947.9	34,736.6	56,836.0	84,571.2	124,041.1
Gross Profit	2,755.0	7,433.0	9,773.7	12,035.8	13,266.4	14,365.1	15,735.5	17,498.9	3,368.0	31,997.6	60,865.9
<i>Total Gross Margin</i>	16.5%	27.2%	29.0%	31.0%	32.0%	33.0%	33.0%	33.5%	5.6%	27.4%	32.9%
Other Operating Expenses											
Available Unused Capacity	-	-	-	-	-	-	-	-	2,347.0	-	-
Application & Development	1,078.0	1,290.0	1,354.5	1,422.2	1,493.3	1,568.0	1,646.4	1,728.7	3,324.0	5,144.7	6,436.5
Selling, General & Admin	2,557.0	2,972.0	2,674.8	2,808.5	2,864.7	2,922.0	2,980.4	3,040.1	5,846.0	11,012.3	11,807.2
Total Operating Expenses	3,635.0	4,262.0	4,029.3	4,230.8	4,358.0	4,490.0	4,626.8	4,768.8	11,517.0	16,157.1	18,243.7
<i>Sequential Growth</i>	18.2%	17.2%	(5.5%)	5.0%	3.0%	3.0%	3.0%	3.1%	-	-	-
EBITDA	(7,443.0)	34,810.0	8,492.9	10,251.7	11,556.3	12,730.5	14,147.2	15,846.3	(8,149.0)	15,840.5	42,622.3
<i>EBITDA Margin</i>	(44.5%)	127.4%	25.2%	26.4%	27.9%	29.2%	29.7%	30.3%	(13.5%)	13.6%	23.1%
<i>YoY Growth</i>	(128.9%)	(593.3%)	(267.0%)	19.9%	(255.3%)	(63.4%)	66.6%	54.6%	-	(294.4%)	169.1%
Operating Income (EBIT)	(880.0)	3,171.0	5,744.4	7,805.1	8,908.4	9,875.1	11,108.7	12,730.1	(8,149.0)	15,840.5	42,622.3
<i>Operating Margin</i>	(5.3%)	11.6%	17.0%	20.1%	21.5%	22.7%	23.3%	24.4%	(13.5%)	13.6%	23.1%
<i>Sequential Growth</i>	1695.9%	(460.3%)	81.2%	35.9%	14.1%	10.9%	12.5%	14.6%	-	-	-
Other Income (Expense)											
Interest Income	-	-	211.6	89.3	520.1	785.0	775.3	875.4	2.0	300.9	2,955.9
Interest Expense	(786.0)	(545.0)	(951.3)	(1,152.1)	(1,151.7)	(1,151.3)	(1,150.9)	(1,150.5)	(3,000.0)	(3,434.3)	(4,604.3)
Interest (Net)	(786.0)	(545.0)	(739.7)	(1,062.7)	(631.6)	(366.2)	(375.6)	(275.1)	(2,998.0)	(3,133.4)	(1,648.4)
Other (Net)	(12.0)	(168.0)	(389.0)	(142.8)	(177.9)	(219.4)	(232.3)	(193.1)	(1,776.0)	(711.8)	(822.7)
Total Other Income (Expense)	(798.0)	(713.0)	(1,128.7)	(1,205.5)	(809.5)	(585.7)	(607.8)	(468.1)	(4,774.0)	(3,845.2)	(2,471.2)
Minority Interest in Subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Preferred Dividends	-	-	-	-	-	-	-	-	-	-	-
Pretax Income (EBT)	(1,678.0)	2,458.0	4,615.8	6,599.6	8,098.9	9,289.4	10,500.8	12,262.0	(12,923.0)	11,995.3	40,151.1
Income Taxes (Benefit)	97.0	181.0	230.8	330.0	404.9	464.5	525.0	613.1	708.0	838.8	2,007.6
Net Income	(1,775.0)	2,277.0	4,385.0	6,269.6	7,694.0	8,824.9	9,975.8	11,648.9	(13,631.0)	11,156.6	38,143.5
Add-back from Convertible Interest	-	-	-	-	-	-	-	-	-	-	-
Net Income from Cont. Ops	(1,775.0)	2,277.0	4,385.0	6,269.6	7,694.0	8,824.9	9,975.8	11,648.9	(13,631.0)	11,156.6	38,143.5
EPS from Cont. Ops	(0.08)	0.11	0.14	0.19	0.23	0.26	0.29	0.34	(0.75)	0.42	1.12
Extraordinary Items											
Discontinued Operations	33.0	-	-	-	-	-	-	-	(1,719.0)	33.0	-
Amort of Convertible Expenses	8,030.0	(30,021.0)	(1,500.0)	(1,500.0)	(1,000.0)	(1,000.0)	(1,000.0)	(1,000.0)	(25,043.0)	(24,991.0)	(4,000.0)
Total Extraordinary Items	8,063.0	(30,021.0)	(1,500.0)	(1,500.0)	(1,000.0)	(1,000.0)	(1,000.0)	(1,000.0)	(26,762.0)	(24,958.0)	(4,000.0)
Net Income to Common (GAAP)	6,288.0	(27,744.0)	2,885.0	4,769.6	6,694.0	7,824.9	8,975.8	10,648.9	(40,393.0)	(13,801.4)	34,143.5
EPS from Extraordinary Items	0.36	(1.42)	(0.05)	(0.05)	(0.03)	(0.03)	(0.03)	(0.03)	(1.48)	(0.93)	(0.12)
EPS to Common (GAAP)	0.28	(1.31)	0.09	0.14	0.20	0.23	0.26	0.31	(2.23)	(0.51)	1.00
Average Shares Outstanding - Diluted	22,385	21,147	30,447	33,247	33,547	33,847	34,147	34,447	18,113	26,807	33,997

Note: Pro-Forma EPS excludes amortization of convertible expenses

Source: Company reports and RBC Capital Markets estimates

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