



M&A Rumour and Activity

The Australian market finished the week 1.16% lower with the S&P / ASX 100 ending at 4692 points, losing all of its 2017 gains as the market digested the increasing certainty of a “hard Brexit”. The Australian dollar increased 0.72% for the week to end at US 75.53 cents following data showing China’s economy expanded at a faster-than-expected pace in the fourth quarter of 2016.

AGL Energy Limited (AGL.AX) announced on 19 January 2017 that it has reached financial close on the sale of the 200MW Silverton Wind Farm project in western New South Wales to the Powering Australian Renewables Fund (PARF) for AUD 36 million. The AUD 36 million sale includes AGL writing an offtake agreement with the wind farm project at \$65/MWh (real) for an initial five-year period, with a put/call option to extend for another 5 years at the same or lower price. PARF is a partnership between AGL, QIC and Future Fund for the development of 1,000MW of large-scale renewable energy projects.

DUET Group (DUE.AX) on 16 January 2017 that it is has entered into a scheme implementation agreement with a consortium comprising Cheung Kong Property Infrastructure Holdings Limited (and its partners), under which the consortium will acquire DUET Group’s stabled securities on issue of \$3.03 per stapled security, valuing DUET Group at AUD 7.3 billion (13.1x EV/EBITDA multiple). DUET Group previously acquired the 30MW Cullerin Range Wind Farm from Origin Energy for AUD 72 million in June 2016

Global news

Borex Inc (BLX.TO) said on 18 January 2017 that it has finalised the acquisition of **Enercon Canada**’s entire economic interest in the 230MW Niagara Region wind farm in Ontario province for USD 177.3 million (AUD 234 million).

Japanese renewable energy firm **SB Energy Corp** announced on 16 January 2017 that it has sold its stake in the 100MW offshore wind project in Ibaraki, Japan, to **Wind Power Group** for an undisclosed value.

Off-grid solar company **d.light** announced on 16 January 2016 that it received an additional USD 10.5 million (AUD 13.86 million) in financing that will help it expand its operations and step up the distribution of its solar home systems in Africa and Asia.

US renewables developer **Longroad Energy Holdings LLC** said on 17 January 2017 that it has acquired 3 GW of solar projects from **7X Energy Inc** for an undisclosed value.

Mint said on 18 January 2017 that US private equity firm **I Squared Capital** through **Amplus Energy Solutions Pvt Ltd** has shown interest in buying Indian solar company **Kiran Energy Solar Power Pvt Ltd**.

SeeNews reported on 18 January 2017 that French renewable energy company **Neoen SAS** has set up a joint venture with Dublin-based **BNRG Renewables** to build solar power plants in Ireland at a total cost of over EUR 220 million (AUD 312 million).

SeeNews reported that US solar developer and operator **Silicon Ranch Corp** raised USD 55 million (AUD 72 million) in an equity round led by Switzerland-based private markets investment management company **Partners Group**.

News Headlines and Key Sector Developments

AGL Energy Limited (AGL.AX) said on 19 January 2017 that a joint venture consisting of GE and CATCON was the successful tenderer for the EPC contract at the Silverton Wind Farm. GE/CATCON will construct the AUD 450 million Silverton wind farm, which is targeted to be fully operational by mid-2018.

RenewEconomy reported on 19 January 2017 that Luminous Energy has won the development approval for a AUD 300 million, 300MW solar PV project in Queensland. Meanwhile, *ABC* reported on 17 January 2017 Infinergy Pacific is in the process of developing a planning application the 100MW Metz solar farm in northern New South Wales.

RenewEconomy reported on 16 January 2017 that Engie SA (ENGIE.PA) is seeking proposals for large-scale solar projects in Australia.

Ticker	News/Event	Ticker	News/Event
AGL.AX	Announced that it has finalised a four-year agreement to supply electricity to the Portland Smelter Joint Venture Participants’ aluminium smelter in Portland, Victoria for an undisclosed sum	ORG.AX	Issued 1,754,907,693 fully paid ordinary shares as a result of the vesting and exercise of deferred share rights issued pursuant to the rules of the Origin Energy Limited Equity Incentive Plan
GAM.MC	Signed two contracts with Iberdrola for the supply of 134 wind turbines for a total power of 325.5 megawatts in Mexico for an undisclosed sum	SUZL.NS	Achieved 10,000 MW cumulative wind energy installations in India

Source: Thomson Reuters, Company Announcements, LCC research



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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	15,313	21.95	22.77	22.84	21.95	▲ 3.4%	▬▬▬▬	10.9x	15.3x
APA.AX	APA Group	Wind O, OP	9,639	8.80	8.65	8.97	8.54	▼ (2.1%)	▬▬▬▬	14.6x	24.2x
CSR.AX	CSR Ltd	Solar R, C	2,144	4.40	4.25	4.41	4.23	▼ (2.1%)	▬▬▬▬	6.1x	8.0x
IFN.AX	Infigen Energy Ltd	Wind PD, O, OP; Solar PD	781	0.90	1.00	1.01	0.90	▲ 9.9%	▬▬▬▬	11.5x	20.2x
ORG.AX	Origin Energy Ltd	Wind O, OP; Solar R, C	12,758	7.32	7.27	7.41	7.14	▲ 1.7%	▬▬▬▬	15.0x	26.2x
RFX.AX	RedFlow Ltd	Battery OEM	109	0.27	0.28	0.28	0.27	▲ 1.9%	▬▬▬▬	n.m.	n.m.
BOSH.BO	Bosch Ltd	Battery OEM	12,649	417.97	414.21	432.23	408.31	▼ (0.5%)	▬▬▬▬	32.5x	40.7x
SUZL.BO	Suzlon Energy Ltd	Wind OEM, DB	1,696	0.30	0.34	0.35	0.29	▲ 14.7%	▬▬▬▬	13.1x	17.6x
ABG.MC	Abengoa SA	CST OEM, PD, DB	285	0.61	0.60	0.66	0.58	▲ 0.8%	▬▬▬▬	n.m.	n.m.
ENOR.MC	Elecnor SA	Wind PD, DB; Solar PD, DB	1,126	13.40	12.99	13.46	12.79	▼ (2.0%)	▬▬▬▬	10.2x	16.7x
GAM.MC	Gamesa	Wind OEM	7,586	27.96	27.25	28.15	26.93	▼ (2.7%)	▬▬▬▬	8.6x	12.0x
GAS.MC	Gas Natural SDG SA	Wind D	24,878	24.96	24.94	25.40	24.85	▼ (0.1%)	▬▬▬▬	8.1x	12.9x
VWS.CO	Vestas Wind Systems A/S	Wind PD	20,038	91.14	90.69	91.51	88.98	▼ (0.1%)	▬▬▬▬	7.5x	9.0x
SIEGn.DE	Siemens AG	Wind OEM, DB	140,400	164.28	165.73	166.09	162.75	▲ 0.3%	▬▬▬▬	12.2x	16.9x
S92G.DE	SMA Solar Technology AG	Solar Inverter OEM	1,195	35.52	34.56	36.32	34.07	▼ (3.2%)	▬▬▬▬	3.0x	5.5x
ALSO.PA	Alstom SA	Wind OEM, DB	7,964	37.80	36.39	38.03	35.82	▼ (3.8%)	▬▬▬▬	7.4x	14.8x
AREVA.PA	Areva SA	CST OEM, PD, DB	2,510	6.41	6.57	6.59	6.23	▲ 2.0%	▬▬▬▬	15.6x	n.m.
ENGIE.PA	Engie SA	Wind O, OP	40,002	16.53	16.48	16.86	16.37	▼ (0.5%)	▬▬▬▬	6.0x	10.7x
MALA.KL	Malakoff Corporation Bhd	Wind I	1,950	0.40	0.39	0.41	0.39	▼ (3.3%)	▬▬▬▬	7.6x	15.3x
005930.KS	Samsung Electronics Co Ltd	Battery OEM	329,012	2085.26	2096.92	2139.57	2054.71	▼ (1.4%)	▬▬▬▬	4.9x	8.8x
051910.KS	LG Chem Ltd	Battery OEM	20,771	319.07	294.25	323.64	291.99	▼ (8.5%)	▬▬▬▬	5.9x	10.1x
JLG.L	John Laing Group PLC	Wind I	1,586	4.24	4.32	4.34	4.19	▼ (0.6%)	▬▬▬▬	5.7x	5.7x
ENPH.O	Enphase Energy Inc	Solar Inverter OEM	152	1.81	2.45	2.65	1.78	▲ 19.3%	▬▬▬▬	n.m.	n.m.
CSIQ.O	Canadian Solar Inc	Solar Panel OEM, R, C, PD	954	16.58	16.60	17.27	16.39	▲ 0.0%	▬▬▬▬	13.0x	13.0x
FSLR.O	First Solar Inc	Solar Panel OEM, DB	4,781	46.55	46.01	48.55	45.20	▼ (3.5%)	▬▬▬▬	3.2x	4.8x
HQCL.O	Hanwha Q Cells Co Ltd	Solar Panel OEM	901	10.68	10.83	11.57	10.59	▼ (3.9%)	▬▬▬▬	5.0x	6.1x
SPWR.O	SunPower Corp	Solar Panel OEM, R, C, DB	1,281	9.76	9.25	10.16	9.01	▼ (6.8%)	▬▬▬▬	n.m.	n.m.
TSLA.O	Tesla Motors Inc	Battery OEM	52,196	306.71	324.02	329.03	306.16	▲ 2.2%	▬▬▬▬	379.5x	n.m.
DQ.N	Daqo New Energy Corp	Solar Panel OEM	322	28.32	30.82	30.82	27.83	▲ 8.4%	▬▬▬▬	4.4x	6.5x
GE.N	General Electric Co	Wind OEM, DB, I	357,581	41.81	40.42	41.94	40.12	▼ (3.3%)	▬▬▬▬	26.9x	49.8x
JKS.N	JinkoSolar Holding Co Ltd	Solar Panel OEM	659	20.80	20.85	22.31	20.59	▼ (0.5%)	▬▬▬▬	9.0x	9.0x
SOL.N	ReneSola Ltd	Solar Panel OEM	88	0.91	0.86	0.95	0.84	▼ (7.3%)	▬▬▬▬	7.1x	31.1x
TSL.N	Trina Solar Ltd	Solar Panel OEM	1,211	13.16	13.09	13.55	13.07	▼ (3.0%)	▬▬▬▬	9.0x	9.0x
YGE.N	Yingli Green Energy Ltd	Solar Panel OEM	67	3.67	3.71	3.78	3.60	▼ (0.4%)	▬▬▬▬	n.m.	n.m.
MEL.NZ	Meridian Energy Ltd	Wind PD, O, OP	6,547	2.56	2.55	2.59	2.52	▲ 0.3%	▬▬▬▬	12.6x	20.1x
TLT.NZ	Tilt Renewables Ltd	Wind PD, O, OP; Solar PD	649	1.95	2.07	2.07	1.95	▲ 6.1%	▬▬▬▬	n.m.	n.m.
TPW.NZ	TrustPower Ltd	Wind PD, O, OP	1,402	4.61	4.47	4.62	4.45	▼ (3.1%)	▬▬▬▬	n.m.	n.m.
1088.HK	China Shenhua Energy Co Ltd	Wind I	63,505	2.79	2.68	2.81	2.67	▼ (4.7%)	▬▬▬▬	6.4x	10.0x
1165.HK	Shunfeng International Ltd	Solar Panel OEM	376	0.07	0.09	0.09	0.07	▲ 19.1%	▬▬▬▬	7.8x	17.5x
1211.HK	BYD Co Ltd	Battery OEM	23,719	7.56	7.36	7.59	7.08	▼ (2.7%)	▬▬▬▬	13.3x	26.1x
0002.HK	CLP Holdings Ltd	Wind PD, O, OP	32,298	13.04	12.78	13.07	12.70	▼ (1.3%)	▬▬▬▬	12.0x	17.7x
0579.HK	Beijing Jingneng Clean Energy	Wind O, OP	2,732	0.40	0.40	0.40	0.39	▼ (1.2%)	▬▬▬▬	6.6x	10.1x
RATCH.BK	Ratchaburi Electricity PCL	Wind PD, I; Solar PD, I	2,755	1.95	1.90	1.95	1.89	▼ (1.6%)	▬▬▬▬	16.1x	20.5x
ABBN.S	ABB Ltd	Solar Inverter OEM, DB	66,864	29.86	30.19	30.27	29.25	▲ 0.7%	▬▬▬▬	10.8x	14.1x
002202.SZ	Xinjiang Goldwind S&T Co Ltd	Wind OEM, DB, OP, I	8,273	3.18	3.20	3.24	2.98	▲ 0.8%	▬▬▬▬	17.5x	17.5x
300118.SZ	Risen Energy Co Ltd	Solar Panel OEM	1,955	3.06	2.89	3.06	2.75	▼ (5.2%)	▬▬▬▬	16.3x	16.3x
601016.SS	CECEP Wind-Power Corp	Wind I	3,264	1.68	1.57	1.68	1.53	▼ (6.3%)	▬▬▬▬	49.5x	49.5x
6758.T	Sony Corp	Battery OEM	50,676	41.21	40.11	41.90	39.90	▼ (2.9%)	▬▬▬▬	7.7x	22.1x
8002.T	Marubeni Corp	Wind I	13,806	7.94	7.94	7.97	7.69	▲ 0.6%	▬▬▬▬	18.9x	47.8x
8015.T	Toyota Tsusho Corp	Wind I	12,333	35.38	34.83	35.38	33.82	▼ (1.1%)	▬▬▬▬	9.1x	16.6x
8031.T	Mitsui & Co Ltd	Wind PD, O, OP	34,225	19.22	19.05	19.26	18.56	▼ (0.4%)	▬▬▬▬	14.1x	30.3x

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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