


PHOTOVOLTAICS: SUMMARY



- ❑ The PV sector has now proved sceptics wrong and is fully accepted as a long-term viable pillar in the future energy landscape; the industry hit \$100bn in sales in 2016⁽¹⁾
 - ❑ PV looks set to penetrate ever-lower irradiation geographies, due to:
 - cost curve (scale, higher efficiencies via advanced processes) – driving grid parity
 - improving economics for energy storage – obviating the need for production-based incentives
 - ❑ PV demand growth continues to exceed expectations (currently driven by China), but structural over-supply limits the duration of any price stabilisations
 - ❑ Sector consolidation (bankruptcies, restructuring, M&A) has eased but many companies remain vulnerable – severe excess capacity, stressed balance sheets, limited equity funding availability
 - ❑ PV ‘sweetspots’ remain dynamic (manufacturers → developers → yieldco’s ...), ensuring that sustainably positive economic returns are elusive
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- ❑ The holy grail for PV remains building-integrated (BIPV), an opportunity which will eventually accommodate greater diversity (less commoditisation?) in technologies and business models
 - ❑ Energy/Power majors are now convinced of the long-term viability (and threat) of PV, but generally struggle to identify desirable value chain positionings for participation in the sector
 - ❑ Potentially interesting (but risky) technology-oriented investment opportunities exist in balance-of-systems (incl. storage), manufacturing (tools), materials (perovskites, 3rd gen PV ...), new business models (financing, ownership), BIPV