



## Press Release

For immediate release, 2 July 2009

### Clean energy shares rebound by 36% in Q2 on hopes for easing of credit squeeze and optimism about “green stimulus” funds

**Power storage companies were the lead sector, followed by wind and energy efficiency, as clean energy shares mounted a strong comeback in the second quarter of 2009, after a big retreat in the previous seven months. The WilderHill New Energy Global Innovation Index, or NEX, which tracks the performance of clean energy stocks worldwide, jumped 36% between 1 April and 30 June.**

This jump marked a striking contrast with the NEX's performance during the worst period of the financial crisis. In the first quarter of 2009, it slipped by 9%, and in the fourth quarter of 2008, it fell 36%. In 2008 as a whole, the NEX lost 61%, compared to falls of 30% to 40% for broad stock market indices such as the US S&P 500 and the UK FTSE 100. At 220.24 at the close on 30 June, the NEX stood 67% above its lowest point of 132 reached in November and again in early March, but it still remained 53% below its all-time intra-day high of 468.75 reached in November 2007.

The main reasons for the NEX's powerful rebound in Q2 2009 – exceeding by far the 15% recovery in the S&P 500 index – were an uptick in oil prices from the lows reached last winter, and optimism that the billions of dollars committed by world governments to “green stimulus” packages will generate sales and profits for the clean energy industry over the next two years.

In addition there was a general increase in investor risk appetite, disproportionately benefiting high technology growth sectors such as clean energy – the opposite of the flight for “safety” that characterised investor behaviour in the closing months of 2008. Finally, hopes are now rising that debt finance for projects such as wind farms and solar parks will begin to flow a bit more quickly after last winter's freeze caused by the banking crisis.

The best performing sector within clean energy in Q2 was power storage, with its eight companies in the NEX climbing an average of 67% in the second quarter. Wind companies managed a 41% rebound in Q2, just ahead of energy efficiency firms. The battered biofuels and biomass sector rose 40%, energy conversion stocks increased by an average of 35%, and solar stocks by 28%. “Other renewable” stocks rose 20%.

Among the best performing individual shares were Japanese energy-efficient motor maker Meidensha, with a rise of 143% in Q2, Chinese battery maker BYD with a 126% gain, and Chinese PV module maker Yingli Solar with a 119% advance. The worst three performers had relatively modest setbacks in the quarter just finished – American PV manufacturing equipment supplier GT Solar fell 13%, Chinese energy-saving light bulb maker Zhejiang Yankon fell 9% and so did US lithium battery producer Ultralife.

Michael Liebreich, chairman and CEO of New Energy Finance, said: “It is heartening to see clean energy stocks performing well in the second quarter of 2009. They were punished severely during the financial crisis – arguably too severely, given the sector's long-term growth potential. The improvement in investor confidence in Q2 has enabled quoted firms such as Vestas, Q-Cells, Suntech and SunPower to raise billions of dollars of new equity.

“The higher oil price has helped to rekindle investor interest in clean energy stock, but it was certainly not the only factor. The NEX out-performed the AMEX Oil Index in the second quarter, as the markets took a rosier view of the clean energy sector’s prospects than they did during the winter. Our latest estimate is that the governments of major economies have committed \$162.8bn to “green stimulus” programmes since last autumn.”

At the end of the second quarter, three stocks were added to the NEX. They are US energy efficiency provider Universal Display, German PV installer Phoenix Solar, and US wind turbine tower and nacelle maker Broadwind Energy. These changes take the number of index constituents up from 85 to 88. The NEX is the most broadly based index focusing on the world clean energy sector.

The NEX’s better performance in the second quarter came as new investment in clean energy also rallied from lows in Q1. Details of the rebound in overall investment in Q2 will be revealed in a separate press release from New Energy Finance.

## **ABOUT WILDERHILL NEW ENERGY GLOBAL INNOVATION INDEX**

WilderHill New Energy Global Innovation Index (NEX) comprises companies worldwide with technologies focusing on generation and use of cleaner energy, conservation, efficiency and advancing renewable energy generally. Included are lower-carbon approaches relevant to climate change, smarter solutions that avoid greenhouse gases and technologies reducing emissions relative to traditional fossil fuel use. A majority of companies in NEX are listed on exchanges outside of the United States.

The NEX calculates live in several currencies including the US dollar, the euro, the pound sterling, and the Japanese yen.

The NEX Index launched on 1 February 1 2006 and is published by WilderHill New Energy Finance LLC as a partnership between New Energy Finance Limited based in London, Joshua Landess based in the US, and Dr Rob Wilder based in the US. For more info, see <http://www.nexindex.com>.

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## **ABOUT NEW ENERGY FINANCE:**

New Energy Finance is the world’s leading independent provider of subscription-based research to decision-makers in renewable energy, carbon markets, energy efficiency, biofuels, carbon capture and storage, and nuclear power. The company has a staff of more than 130, based in London, Washington DC, New York, Palo Alto, Beijing, Shanghai, New Delhi, Hyderabad, Cape Town, São Paulo, Sydney and Perth.

New Energy Finance’s Insight Services provide deep market analysis to investors in wind, solar, bioenergy, geothermal, carbon capture and storage, energy efficiency, nuclear power and the traditional energy markets. We also have dedicated services for each of the major emerging

carbon markets: European, International (Kyoto), Australia, and the US where it covers the planned regional markets as well as potential federal initiatives as well as the voluntary carbon market. Our Industry Intelligence service provides access to the most comprehensive database of investors and investments in clean energy. The New Energy Finance Briefing is the leading global news and newsletter service focusing on clean energy investment. New Energy Finance is co-publisher of the first global stock-market index of quoted clean energy companies (ticker symbol NEX). The company also undertakes custom research and consultancy and runs senior-level networking events.

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## **ABOUT JOSHUA LANDESS**

Josh Landess is a pioneer in the creation of alternative energy stock market indexes, creating his first in 2000. In 2004, Landess and Wilder, with the American Stock Exchange led the team that created the WilderHill Clean Energy Index® (ticker: ECO). In January 2006, Landess and Wilder collaborated with New Energy Finance to create The WilderHill New Energy Global Innovation Index, the first global index in new energy put out over the tape.

## **ABOUT DR ROB WILDER**

Dr Rob Wilder is widely published in the fields of energy and environment and is co-Founder and Manager of the WilderHill Clean Energy Index® (ECO), the first index of companies for renewable energy, energy efficiency and lower-carbon solutions. It is tracked by a WilderHill Clean Energy Portfolio exchange-traded fund that built up over \$1 billion in assets after launching in 2005. <http://www.wildershares.com>

## **DISCLAIMER NOTE**

The WilderHill New Energy Global Innovation Index (“NEX”) is published by WilderHill New Energy Finance LLC, and is calculated by Dow Jones Indexes, a business unit of Dow Jones & Company, Inc. (“Dow Jones”). No financial instruments or products based on the NEX are sponsored, endorsed, or sold by WilderHill New Energy Finance, LLC or Dow Jones Indexes, and WilderHill New Energy Finance, LLC and Dow Jones Indexes make no representation regarding the advisability of investing in such product(s). Past results for the WilderHill New Energy Global

Innovation Index (NEX) are no guarantee of future performance. Wide swings in the valuation of WilderHill New Energy Global Innovation Index should be expected; the Index is highly volatile and we anticipate this is an inherent aspect of clean energy securities. WHNEF LLC assumes no responsibility for the accuracy or completeness of the above data and disclaims all express and implied warranties in connection herewith.