

RECENT PRICE	69.13	P/E RATIO	28.8 (Trailing: 16.7 Median: NMF)	RELATIVE P/E RATIO	1.55	DIV'D YLD	Nil	VALUE LINE
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[illegible]

First Solar has been having a difficult time getting its profit guidance right. For the fifth straight quarter, the builder of large solar projects wasn't close to its own estimates. In the first quarter, share earnings came in at \$1.10, versus management's projection of about \$0.60.

Earnings should get worse before improving. Due to the completion dates being deferred on certain facilities, we think that First Solar's share net will decline \$1.30, to \$2.40 this year. For 2015, as more solar farms come onstream, the bottom line should recover partially to \$4.25 a share.

A change in the tax code could boost demand for large projects through year end 2016. That's when the investment tax credit for using green energy is set to drop from 30% to 10%. Although, the market for such facilities may currently be soft, there has been a recent surge in RFPs (Request for Proposals). Most are coming from large companies, usually electric utilities, seeking bids on building commercial scale industrial solar plants.

The spinoff of some assets seems likely. Management has been discussing the

Company's Financial Strength	A
Stock's Price Stability	5
Price Growth Persistence	30
Earnings Predictability	40

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