

RAPID TAKE-OFF IN 2006

 **5.3%** of overall electricity consumption

 Increase in production from **0.7** in 2004 to **62.4** billion kWh in 2012

Growth driven by

Germany
Spain
Italy

80%

of the installed base in Europe in 2012

Growth key factors



Public policies favour investment in this sector



80% Decrease in module prices



Price war between producers



75% of imports of components come from China

EMERGENCY LANDING IN 2011



End of subsidies



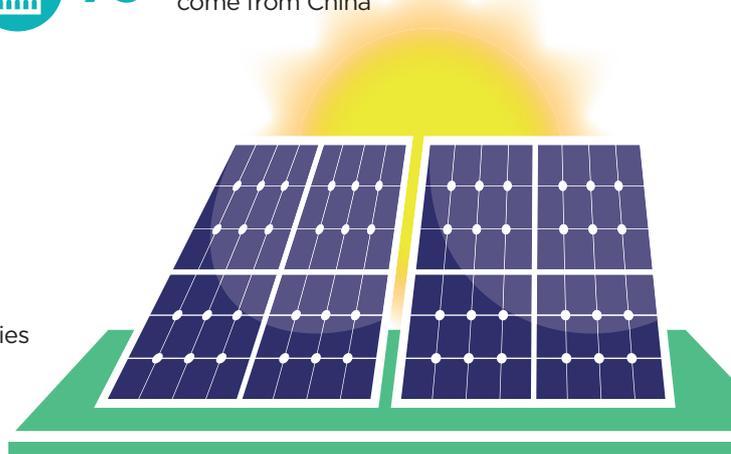
Solar bubble explosion



Multiplication of speculative projects



Peak in company insolvencies in 2011-2012



SHORT TERM DEVELOPMENT OBSTACLES

Electricity production overcapacity



Lower industrial activity



Downward pressure on bulk energy prices



Energy saving initiatives

by **2020** Reduction of energy consumption, comparable to the closing of **400** power plants

Authorities restrict attempts to « decarbonise »



to allow an amortisation of costs linked to past investments



to avoid penalising “traditional” producers

MEDIUM TERM BRIGHTER PROSPECTS

European electrical integration



Intermittent generation under control and development of storage resources



10% Interconnection goal: reached today only by **Germany** and **France**



New legislation in favour of energy transition encourage the use of photovoltaics

Scissor effect



Rise of the cost of tradition power

Reduction in the cost of the installation of photovoltaic systems -> more profitable investments