



Baird Cleantech Conference



Are your modules STR Protected™?

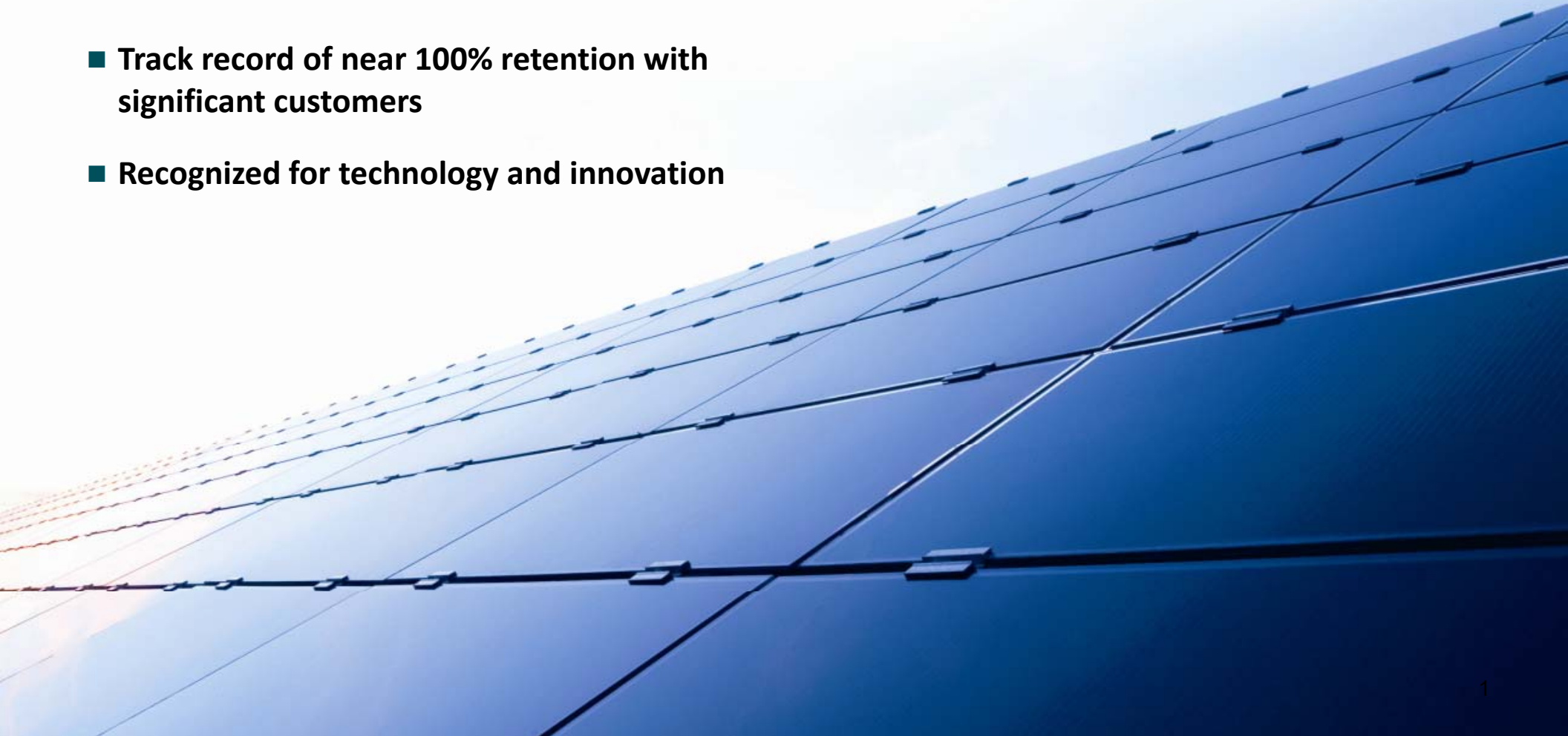
December 1, 2011

Global Leader in Solar Encapsulation



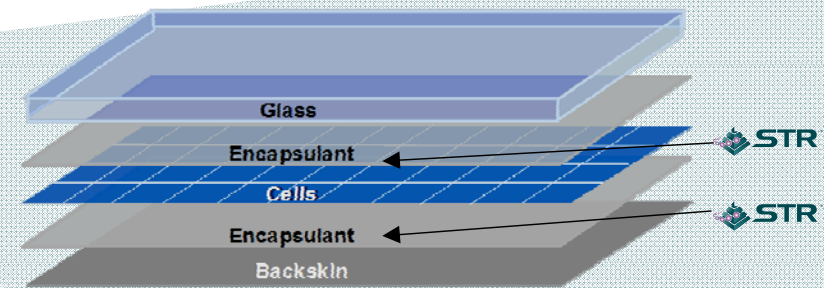
STR Solar Has Been Making Encapsulant Since 1975

- Leading supplier of encapsulant to the industry
- 2006 – 2010 revenue growth: 55% CAGR
- First to develop EVA solar encapsulant
- 2006 – 2010 operating cash flow: 28% CAGR
- Track record of near 100% retention with significant customers
- Recognized for technology and innovation

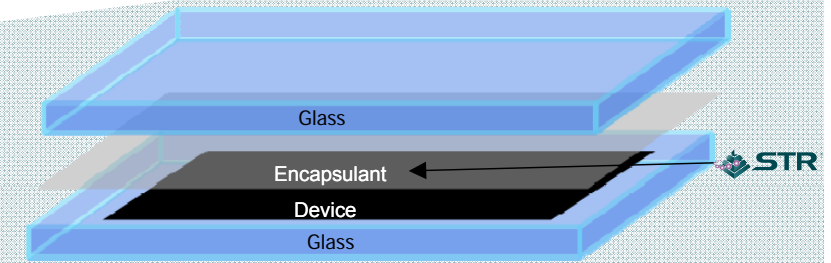
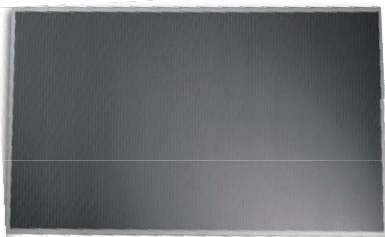


Encapsulant is a Critical Component of Solar Modules

Typical Crystalline-silicon module stack



Typical Thin-film module stack

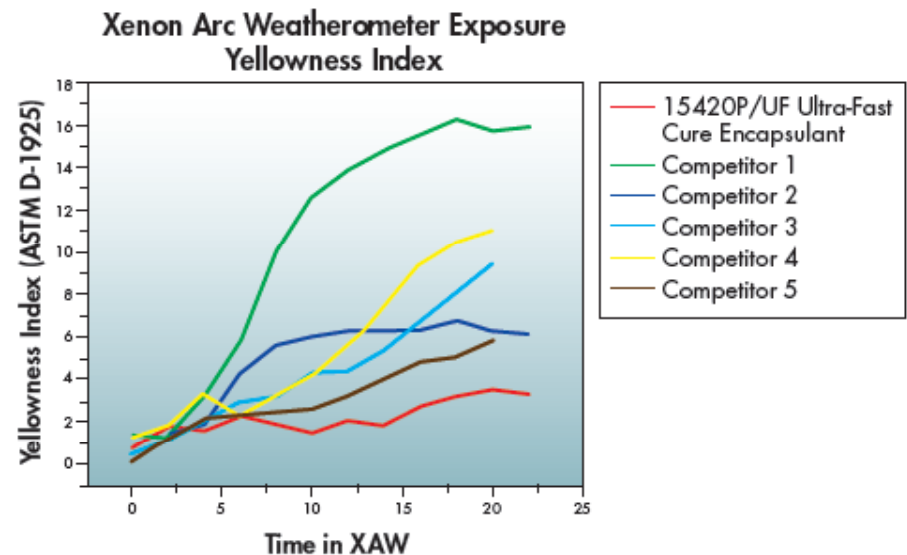
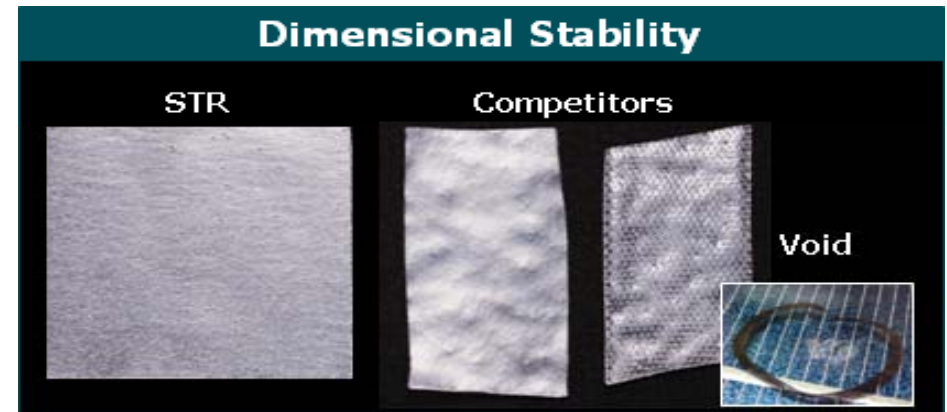


Critical Component for c-Si and Thin-Film Modules

- Adheres components
- Provides electrical isolation
- Protects cells from damage
- Allows expansion and contraction
- Provides moisture barrier
- Remains clear and flexible for 25+ years

STR Recognized for Superior Product Performance

- **Superior dimensional stability lowers module processing cost**
 - Eliminates shrinkage
 - Eliminates voids
 - Increases throughput
- **Protects high-quality module brands**
 - Superior long-term module reliability and performance
 - Increases module power output
 - Increases lifetime
 - Reduces risk of warranty claims
- **Superior level of technical service**
- **STR Protected™**
 - Leverage proven track record of field performance for over 35 years
 - +10 Gigawatts of STR Protected™ Modules in the field
 - Project “Bankability”
 - Market to lenders, insurance companies, project developers



Strategic Initiatives

Cost Reduction

- Paperless EVA
- Relentless focus with vendors to reduce raw material cost
- Reduce scrap from 4.6%
- Lower effective tax rate

R&D and Product Innovation

- New state-of-the-art R&D facility
- Expanding scientific talent
- Develop value-added solutions similar to:
 - Mega fast cure EVA
 - High-light transmission EVA

Optimization of Global Capacity

- Migrate production to Malaysia
- Complete China manufacturing plant
- Consolidate U.S. manufacturing

Customer Relationships

- Expanded product portfolio
- STR Protected[™]
- Continue to expand team in China

New State-of-the-Art R&D Facility

- ❖ 20,000 square feet
- ❖ EVA and non-EVA product development
- ❖ Engineering cost reduction research
- ❖ Accelerate commercialization of new products

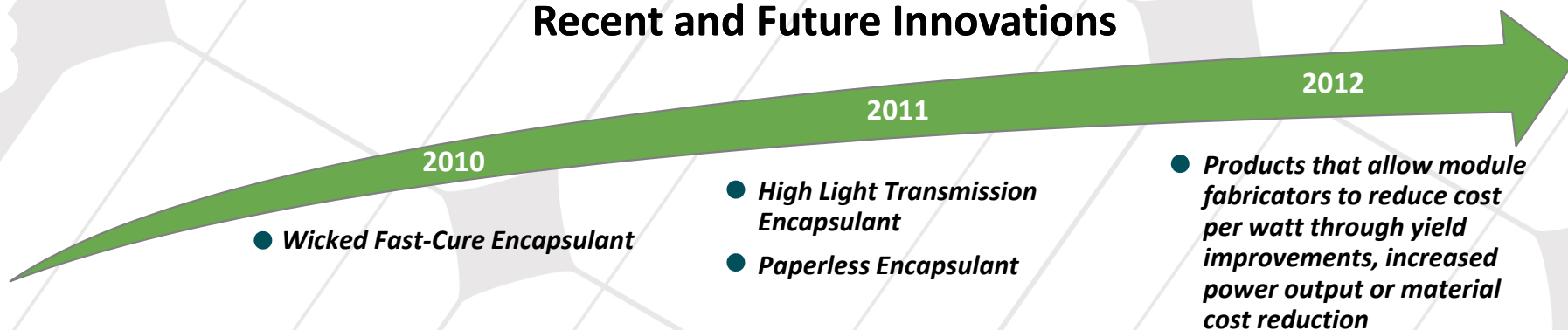
Paperless EVA Encapsulants

- ❖ Lower cost to produce
- ❖ Helps sustain market share
- ❖ Expands addressable market

High-Light Transmission EVA Encapsulant

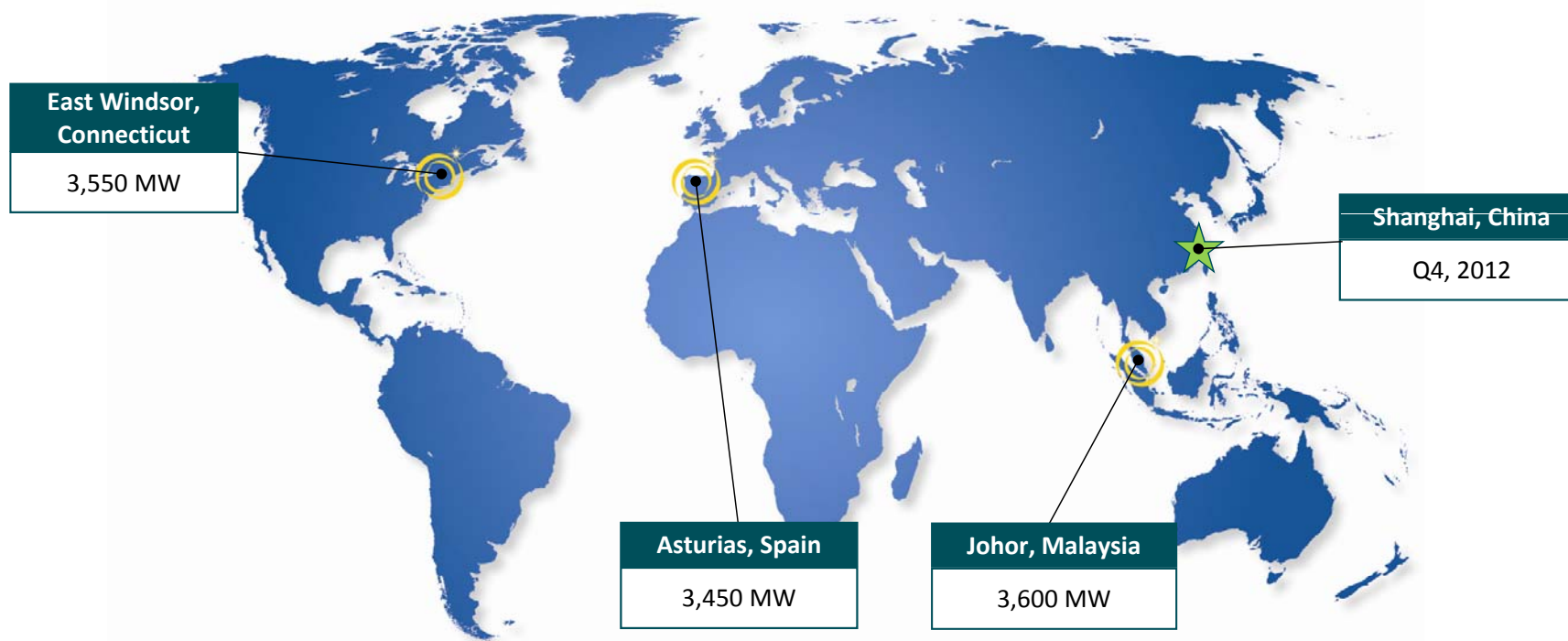
- ❖ Increases module output by up to 1%
- ❖ Increases incremental value by up to \$12.5 million/GW

Recent and Future Innovations



Committed to Maintaining Technological Superiority

Anticipated 10.6 GW of Global Capacity as of December 31, 2011



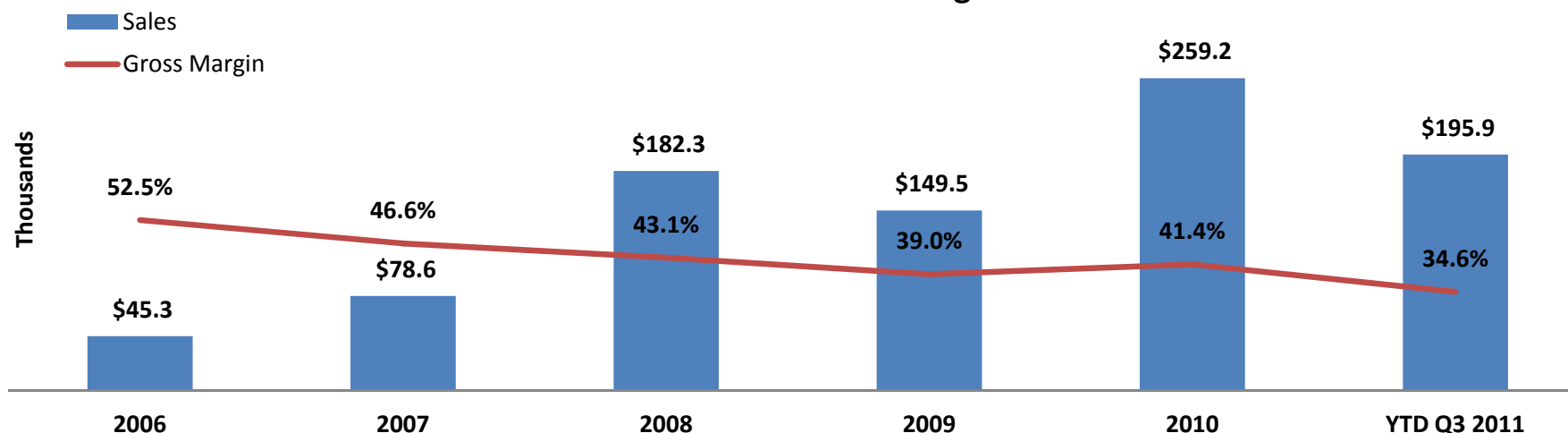
Approximately 8.7 GW of global capacity at end of Q3 2011.

Capacity utilization during Q3 2011 was approximately 65%.

Capacity plan ensures long-term ability to serve growing market.

2011 Global Solar market dynamics have provided headwind for all participants in value chain.

Historical Sales and Gross Margin Trend



STR's strong liquidity provides financial flexibility to pursue profitable growth strategy in Solar industry.

Cash and Cash equivalents as of 9/30/11:	\$129.6M
Less: Expected tax payment for sale of QA:	<u>\$102.0M</u>
Pro-forma cash balance:	\$ 27.6M

External debt	\$ -
New undrawn credit facility	<u>\$150.0M</u>
Pro-forma liquidity:	\$177.6M