

Premier Power Renewable Energy reports 2008 results

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Premier Power Renewable Energy, Inc. on Tuesday announced financial results for the fiscal year and fourth quarter, which ended December 31, 2008.

Premier Power Renewable Energy, Inc., a global leader in design, engineering and development of solar projects for the commercial, government and residential markets in the U.S. and Europe, on Tuesday announced financial results for the fiscal year and fourth quarter, which ended December 31, 2008.

Revenue for the full 12 months of 2008 came in at \$44.2 million, a 165 percent increase over 2007, while gross profit margins were 12.5 percent, compared with 25.4 percent in the previous year. Sales in Europe grew by 650 percent, while sales in the U.S. grew more than 100 percent. Growth in Europe was due largely to increased commercial rooftop sales, while U.S. sales grew in several markets, most notably in the government sector. Growth in the company's U.S. residential business was spurred by the opening of a Southern California residential sales office. During 2008, operating expense as a percent of sales decreased to 11 percent from 20 percent in 2007. The company maintained this efficiency even as it incurred additional costs associated with becoming a publicly traded company.

"Premier Power achieved excellent levels of growth, profitability and customer satisfaction in 2008 -trends we fully expect to continue in 2009," said Dean R. Marks, chief executive officer, Premier Power. "We performed extremely well in both of our geographic markets in 2008. We expanded our European operations with a new office in Madrid, supplementing our first office in Pamplona and grew that business 650 percent. Our U.S. operations, with offices in California and New Jersey, continue to perform strongly, driven primarily by commercial installations such as the recently completed largest bidirectional tracker deployment in the U.S. at the West County Wastewater District in Richmond, CA. While we logged extraordinary growth in 2008, we also maintained operational discipline, significantly decreasing operating expenses as a percentage of revenue."

Total operating expenses for 2008 were \$4,729,542, consisting of sales and marketing costs of \$2,224,362 and administrative costs of \$2,505,180. Those figures contrast with total operating expenses for the 2007 fiscal year of \$3,371,778, consisting of sales and marketing costs of \$1,493,890 and administrative costs of \$1,877,888, representing an increase of approximately 40 percent.

Net income for 2008 was \$569,068, and \$793,383 on a pro forma basis including the minority interest in Spain acquired by Premier Power in 2008, compared with \$843,865 in 2007. Net income in 2008 was impacted by the costs associated with substantial growth, including two new office openings and those related to becoming a publicly traded company.

Premier Power maintains a strong balance sheet ending the year with \$5.8 million in cash, inventory of \$1.4 million, accounts receivable of \$4.7 million and accounts payable of \$3.7 million, all significantly below one-month levels. As a result of profitability, the balance sheet improved throughout the year. The company maintains a financial leverage ratio of less than one.

"From expanded Federal and state level support in the U.S. and continued feed-in tariff support in Europe, we are excited by the prospects of the solar energy industry in 2009," said Marks. "Our technology-agnostic approach provides an unsurpassed solar energy solution for each individual customer, whether it's a system using mono crystalline, poly crystalline, cylindrical CIGS or thin film modules or a design with dual axis trackers, single axis trackers or fixed-mount systems."

Notwithstanding the global economic downturn, the pipeline of potential sales that Premier Power expects continues to expand. The state of the economy has caused large commercial and agricultural enterprises and smaller residential customers to shift more resources to cleaner, more cost-effective solar power, enabling Premier Power to convert this heightened interest into revenue-generating opportunities.

For more information, visit www.premierpower.com.

