



SAN FRANCISCO, April 9, 2008 /PRNewswire/ -- The Cleantech Group(TM), founders of the cleantech investment category and providers of leading global market research, released today 1Q08 results for cleantech investments in North America, Europe and Israel totaling \$1.25 billion, up 42 percent from the same period a year ago.

1Q08 represents the second consecutive quarterly decline since the record third quarter of 2007, yet is an all-time record for a first quarter period in the cleantech category, and also the first time a first quarter has exceeded the \$1 billion mark.

Cleantech Group recorded 79 transactions in 1Q08, averaging \$15.8 million per round, up 53 percent from the \$10.3 million average a year ago. The increase represents the 4th consecutive quarter of double-digit growth on a year-over-year basis. On a sequential basis, the \$1.25 billion invested in 1Q08 was down 20 percent from what was a very strong 4Q07, reflecting possible seasonality in the sector.

"While the long-term investment trend shows continued expansion of the category as a whole, we are seeing contraction in what had been the market-leading sectors of first generation biofuels and second generation solar," said John Balbach, Managing Partner, Cleantech Group. "This healthy minor correction indicates exuberance is giving way to tempered optimism."

Cleantech Group's data suggests two high profile investment waves have peaked:

- ETHANOL AND WIND (2005-2006): Powered by investments in US ethanol and European wind energy companies, the wave peaked in 3Q06 at \$1.52 billion and has steadily declined since.
- THIN FILM SOLAR (2007): Driven by investments in US and European thin-film solar companies, this wave peaked in 3Q07 at \$1.83 billion invested, and has since contracted for two consecutive quarters, to \$1.56 billion 4Q07 and \$1.25 billion in 1Q08. Thin-film technologies accounted for approximately two-thirds of investments in solar, while crystalline technologies accounted for one-third.

Top Five Global Venture Investors (by number of participations):

Company	Deals	Amount \$(mil)
▪ Khosla Ventures	9 deals, including 3 undisclosed deals	205
▪ New Enterprise Associates	4 deals, total of the rounds	84.4
▪ Kleiner Perkins Caufield	deals, including 1 & Byers undisclosed deal	80
▪ Element Partners	4 deals, total of the rounds	68.9
▪ Israel Cleantech Ventures	4 deals, total of the rounds	16.6

Source: Cleantech Group, LLC (TM) North America

[...]

Europe and Israel

European and Israeli cleantech companies received USD \$377 million in 29 transactions. The quarter was up 63.8 percent year-over-year, a record first quarter, and up 4 percent quarter-over-quarter. The top five investments accounted for 75 percent of the total, including three solar companies in Israel and Germany, one wave energy company in the UK, and one materials company in Sweden. Excluding Israel, European cleantech companies raised \$245 million, representing a lowered 7 percent growth versus a year ago.

Western Europe, including the UK, was tracked at \$217 million invested in 18 transactions. Israel had a breakout quarter with \$132 million across nine companies, the highest ever for the country, driven mainly by a \$105 million investment in solar thermal concentrator company Solel Solar Systems. This is a 75 percent increase from the previous quarter. Energy Generation continues to dominate European cleantech investing, accounting for 80 percent of the \$377 million total, and up 75 percent from 4Q07.

[...]

The Cleantech Group, LLC provides insight, opportunities and builds relationships that catalyze and accelerate market adoption and commercialization of clean technologies globally. The Cleantech Group founded the cleantech investment category and through its membership services brings together investors, executives, thought leaders, policy makers, and entrepreneurs to facilitate the growth of cleantech globally. Visit <http://www.cleantech.com/>.