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Darnell Group

NEWS

Growth Opportunities for Inverters Quantified by Darnell Group

Corona, California, August 27, 2009 – Led by the growing photovoltaic (PV) market, the outlook for inverters used in alternative energy is expected to remain strong, according to Darnell Group’s third-edition analysis of “**Inverters for Alternative Energy Resources.**” The worldwide inverter dollar market is projected to increase from \$3.4 billion in 2009 to about \$4.8 in 2014, a compound annual growth rate (CAGR) of 7.0%. The worldwide unit market is expected to grow at a somewhat faster pace, with a CAGR of 9.2% over the same period.

The market forces driving growth in the inverter market will vary by region. In Europe, the primary driving forces are feed-in tariffs, which have been successfully used in 16 EU countries, most notably Germany, Italy and Spain. In fact, in Europe, renewable energy sources comprise the fastest-growing segment of the energy market. In North America, the alternative energy industry is driven by a combination of regulations, subsidies and tax incentives, and legislation. In contrast, Asia and the Rest of the World (ROW) employ a patchwork system of incentives, including subsidies and other government actions. In these regions, the primary focus on alternative energy is the alleviation of power shortages and the development of backup and emergency power.

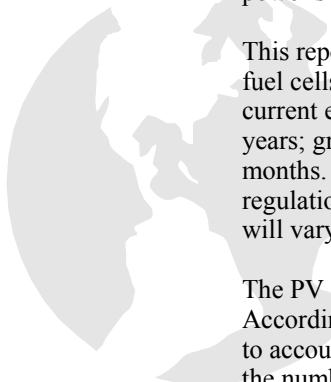
This report examines inverter applications in three categories: photovoltaics, small wind power and fuel cells. It looks at each application with respect to market size, region and wattage. Given the current economic slowdown, the Darnell Group does not expect consistent growth over the next five years; growth will be slower over the first two years of the period and will return to normal within 24 months. In addition, given the emerging nature of these technologies and their dependence on regulations, regional standards and government policies and programs, the effect on each application will vary, with some applications being more affected than others.

The PV segment is expected to be the single largest driver for the worldwide inverter market. According to the Electric Power Research Institute, by 2011 grid-connected PV systems are expected to account for more than 90% of new PV capacity. The PV industry is projected to see an increase in the number of larger commercial and industrial installations. The proliferation of these larger facilities will continue to fuel the need for larger and higher wattage inverter configurations. As a result, the average inverter size for this application will continue to increase.

The wattage forecasts presented are based on the three applications (PV, small wind power and fuel cells) covered in this report. Each particular wattage trend is calculated from both application sales trends and from wattage shifts occurring within each application. The wattage segment projections are divided into the following categories. For photovoltaic and fuel cell applications: <5kW, 5-25kW, 26-100kW, 101-250kW and >250kW. For small wind power applications: <1.0kW, 1-10kW, 11-20kW and 21-100kW.

Over 60 tables and graphs are presented in this report covering the inverter market for three applications and four regions, North America, Europe, Asia and the Rest of the World region (ROW). The focus of this comprehensive analysis will provide decision makers with a detailed and insightful look at the current and future opportunities available in the market for alternative energy resources.

Darnell Group is the leading source for worldwide strategic information covering the full spectrum of power electronics, energy storage and generation. The company specializes in the economic-business analysis of emerging power markets and technologies. Details for “**Inverters for Alternative Energy Resources**” are at: http://www.darnell.com/store/product_info.php?products_id=96



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