FIRST SOLAR Q4'18 EARNINGS CALL

February 21, 2019

First Solar

LEADING THE WORLD'S SUSTAINABLE ENERGY FUTURE

IMPORTANT INFORMATION

Cautionary Note Regarding Forward Looking Statements

This presentation contains forward-looking statements which are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements in this presentation, other than statements of historical fact, are forward-looking statements. These forward-looking statements include, but are not limited to, statements concerning: effects resulting from certain module manufacturing changes and associated restructuring activities; our business strategy, including anticipated trends and developments in and management plans for our business and the markets in which we operate; future financial results, operating results, revenues, gross margin, operating expenses, products, projected costs (including estimated future module collection and recycling costs), warranties, solar module technology and cost reduction roadmaps, restructuring, product reliability, investments in unconsolidated affiliates, and capital expenditures; our ability to continue to reduce the cost per watt of our solar modules; our ability to expand manufacturing capacity worldwide; our ability to reduce the costs to construct photovoltaic ("PV") solar power systems; research and development ("R&D") programs; sales and marketing initiatives; the impact of U.S. tax reform; and competition. These forward-looking statements are often characterized by the use of words such as "estimate," "expect," "anticipate," "project," "plan," "intend," "seek," "believe," "forecast," "foresee," "likely," "may," "should," "goal," "target," "might," "will," "could," "predict," "continue" and the negative or plural of these words and other comparable terminology. Forward-looking statements are only predictions based on our current expectations and our projections about future events and therefore speak only as of the date of this presentation. You should not place undue reliance on these forward-looking statements. We undertake no obligation to update any of these forward-looking statements for any reason, whether as a result of new information, future developments or otherwise. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from those expressed or implied by these statements. These factors include, but are not limited to: structural imbalances in global supply and demand for PV solar modules; the market for renewable energy, including solar energy; our competitive position and other key competitive factors; reduction, elimination, or expiration of government subsidies, policies, and support programs for solar energy projects; the impact of public policies, such as tariffs or other trade remedies imposed on solar cells and modules; our ability to execute on our long-term strategic plans; our ability to execute on our solar module technology and cost reduction roadmaps; our ability to improve the conversion efficiency of our solar modules; interest rate fluctuations and both our and our customers' ability to secure financing; our ability to attract new customers and to develop and maintain existing customer and supplier relationships; our ability to successfully develop and complete our systems business projects; our ability to convert existing production facilities to support new product lines, such as Series 6 module manufacturing; general economic and business conditions, including those influenced by U.S., international, and geopolitical events; environmental responsibility, including with respect to cadmium telluride ("CdTe") and other semiconductor materials; claims under our limited warranty obligations; changes in, or the failure to comply with, government regulations and environmental, health, and safety requirements; effects resulting from pending litigation, including the class action lawsuit against us; future collection and recycling costs for solar modules covered by our module collection and recycling program; our ability to protect our intellectual property; our ability to prevent and/or minimize the impact of cyber-attacks or other breaches of our information systems; our continued investment in R&D; the supply and price of components and raw materials, including CdTe; our ability to attract and retain key executive officers and associates; and the matters discussed under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" of our most recent Annual Report on Form 10-K and our subsequently filed Quarterly Reports on Form 10-Q, as supplemented by our other filings with the Securities and Exchange Commission.

AGENDA

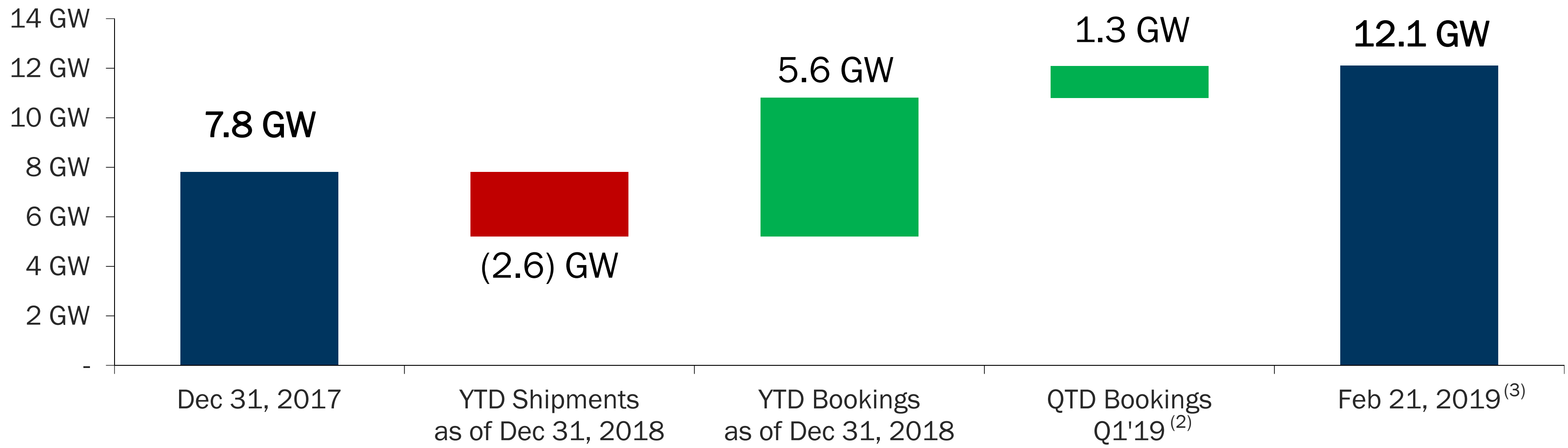
- Business & Technology Update
- Q4’18 Financial Results
- 2019 Guidance
- Q&A

2018 REVIEW

- Bookings/Pipeline
  - Module and Systems Bookings of $\underline{5.6\text{GW}_{DC}}$
    - Including $\underline{1.3\text{GW}_{DC}}$ of new systems PPAs signed
    - $\underline{0.5\text{GW}_{DC}}$ of new EPC bookings
  - O&M Bookings of $\underline{3.5\text{GW}_{DC}}$
- Technology, Manufacturing & Operations:
  - Series 6
    - Started production at three factories
      - Ohio, Malaysia and Vietnam
    - Produced approximately $\underline{0.7\text{GW}_{DC}}$ of modules
- Financial
  - Earnings per share of <u>$1.36</u>
  - Ending Net Cash of <u>$2.1 billion</u>



EXPECTED MODULE SHIPMENTS[1] (GW_{DC}): SYSTEMS + THIRD-PARTY MODULE



The above table presents the actual module shipments for 2018 through Dec 31, 2018, new module volume bookings through Feb 21, 2019, and the expected module shipments beyond Feb 21, 2019. A module is considered to be shipped when it leaves one of our manufacturing plants. Expected module shipments do not have a direct correlation to expected revenues as expected module shipments do not represent total systems revenues and do not consider the timing of when all revenue recognition criteria are met, including timing of module installation.

(1) Expected Module Shipments includes systems projects and contracted 3rd party module-only sales. Systems projects include (a) under sales agreement, (b) executed PPA not under sales agreement and (c) no PPA and not under sales agreement, but electricity to be sold on an open contract basis.

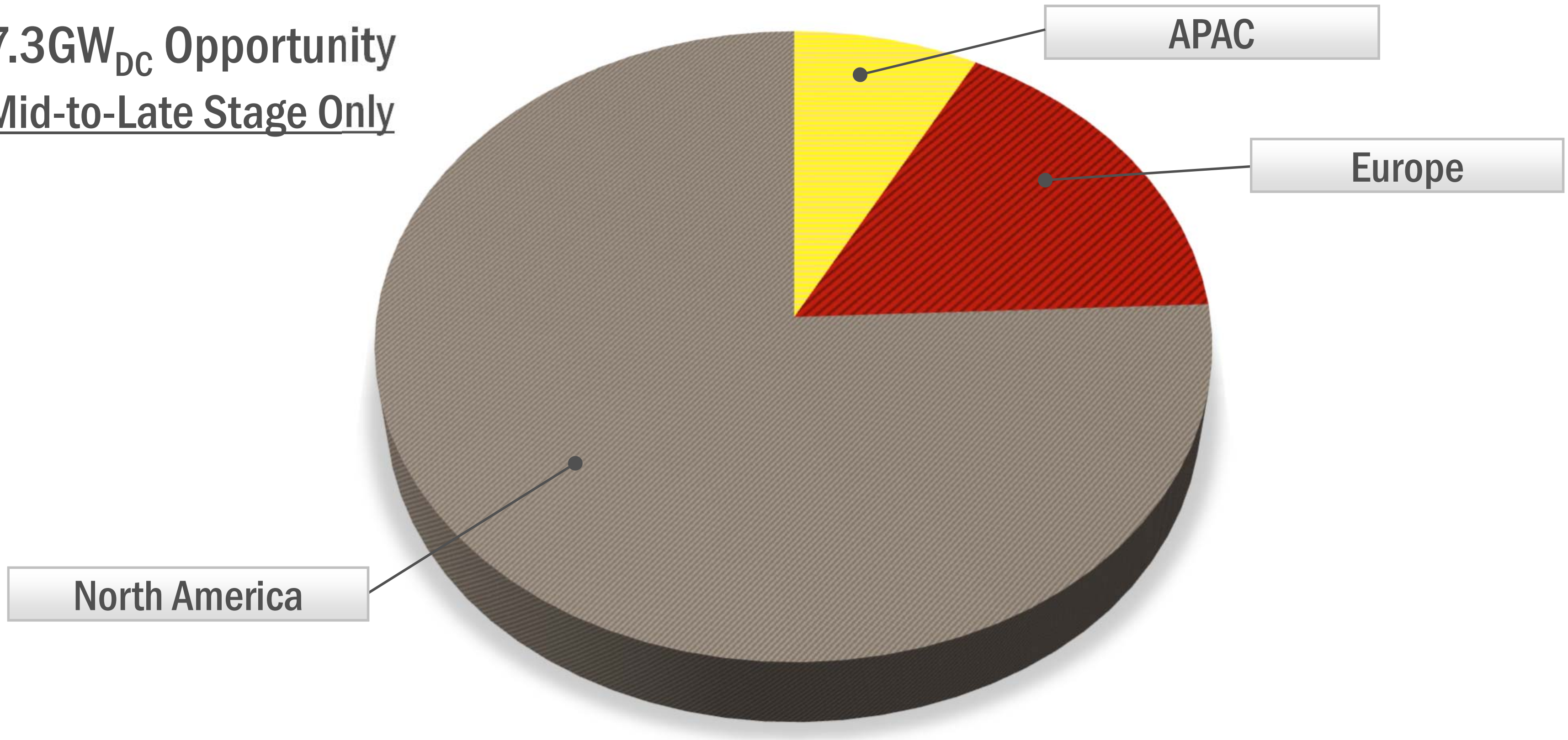
(2) Reflects new bookings from Jan 1, 2019 to Feb 21, 2019.

(3) Balance includes remaining shipment volumes as of Dec 31, 2018 and bookings through Feb 21, 2019. Shipments from Jan 1 to Feb 21, 2019 not deducted.

POTENTIAL BOOKING OPPORTUNITIES: BY GEOGRAPHY

7.3GW$_{DC}$ Opportunity

Mid-to-Late Stage Only



SERIES 6 OPERATIONS UPDATE

METRIC	Feb 2019 VS Oct 2018*
MWs Produced per Day	65%
Capacity Utilization Percentage	30 pts
Yield Percentage	7 pts
Watts per Module	10 watts

New Factory Highlights:

- Vietnam #2 factory started production in early 2019
- Construction on second Ohio factory on track to plan

*October 2018 full month fleet average compared to February month-to-date average. Feb month-to-date excludes 2nd Vietnam factory.

Q4 2018 FINANCIAL RESULTS

KEY INCOME STATEMENT DATA

(in millions, except gross profit % and net income per share data) (Unaudited)	Q4'18	Q/Q	Y/Y	2018	Y/Y
Net sales	$ 691.2	2%	104%	$ 2,244.0	(24)%
Gross profit %	14.2 %	-4.9 ppt	-4.1 ppt	17.5 %	-1.2 ppt
Selling, general and administrative	51.3	53%	(7)%	176.9	(13)%
Research and development	21.4	(4)%	(9)%	84.5	(5)%
Production start-up	14.6	(0.1)	(5.9)	90.7	48.1
Restructuring and asset impairments	—	0.0	1.9	—	(37.2)
Operating (loss) income	11.0	(47.5)	46.1	40.1	(137.8)
Other income, net	32.1	38.1	33.3	39.7	15.7
Income tax expense	4.4	6.8	403.2	(3.4)	368.6
Equity in earnings of unconsolidated affiliates, net of tax	(0.5)	2.7	0.7	34.6	30.3
Net income	$ 52.1	$ (5.7)	$ 484.6	$ 144.3	$ 309.9
Share count - Diluted	105.8	0%	1%	106.1	2%
Net income per share - Diluted	$ 0.49	$ (0.05)	$ 4.63	$ 1.36	$ 2.95

KEY BALANCE SHEET AND CASH FLOW DATA

(in millions) (Unaudited)	Q4'18	Q3'18	Q4'17	Q/Q	Y/Y
Assets & Liabilities					
Cash, cash equivalents, and marketable securities	$ 2,547.3	$ 2,729.9	$ 2,988.9	$ (182.6)	$ (441.6)
Accounts receivable trade, net	128.3	141.7	211.8	(13.4)	(83.5)
Accounts receivable, unbilled and retainage	458.2	421.1	174.6	37.1	283.6
Inventories — current	387.9	296.0	172.4	91.9	215.5
Balance of systems parts	56.9	51.4	28.8	5.5	28.1
PV solar power systems, net	308.6	310.5	417.1	(1.9)	(108.5)
Project assets — current and noncurrent	498.4	492.6	502.7	5.8	(4.3)
Restricted cash — current and noncurrent	159.1	89.3	61.9	69.8	97.2
Long-term debt — current and noncurrent	$ 466.8	$ 466.1	$ 393.5	$ 0.7	$ 73.3
Cash Flow					
Net cash provided by operating activities	$ (185.5)	$ (225.2)	$ 434.0	$ 39.7	$ (619.5)

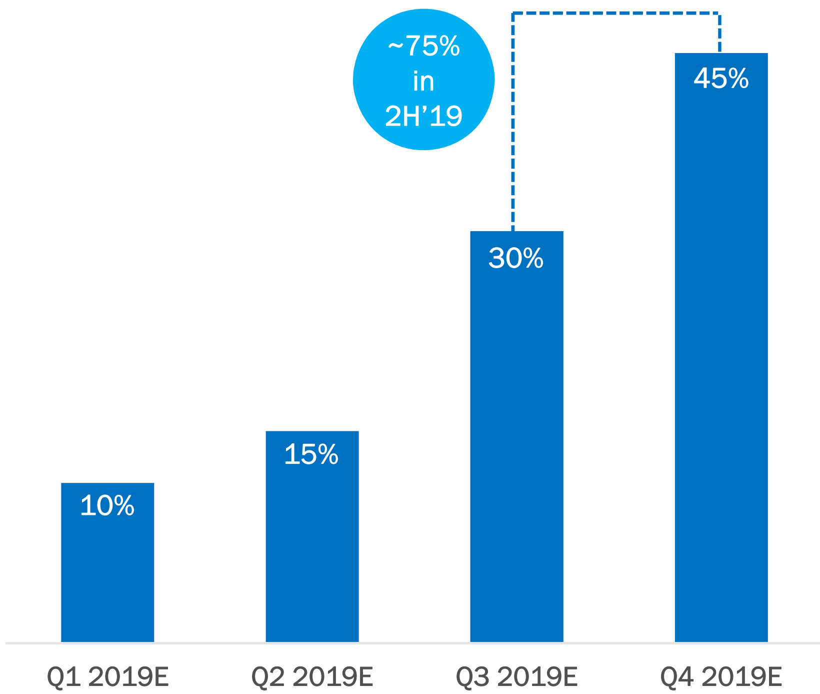
2019 GUIDANCE AS OF FEBRUARY 21, 2019

	Prior	Current
Net Sales	$3.25B to $3.45B	Unchanged
Gross Margin (%)[1]	20% to 21%	**19.5% to 20.5%**
Operating Expenses[2]	$390M to $410M	**$375M to $395M**
Operating Income	$260M to $310M	Unchanged
Earnings Per Share	$2.25 to $2.75	Unchanged
Net Cash Balance[3]	$1.6B to $1.8B	Unchanged
Capital Expenditures	$650M to $750M	Unchanged
Shipments	5.4GW to 5.6GW	Unchanged

1. Includes $35 to $45 million of ramp costs ($20 to $30 million previously)
2. Includes $75 to $85 million of production start-up expense ($90 to $100 million previously)
3. Defined as cash and marketable securities less expected debt at the end of 2019

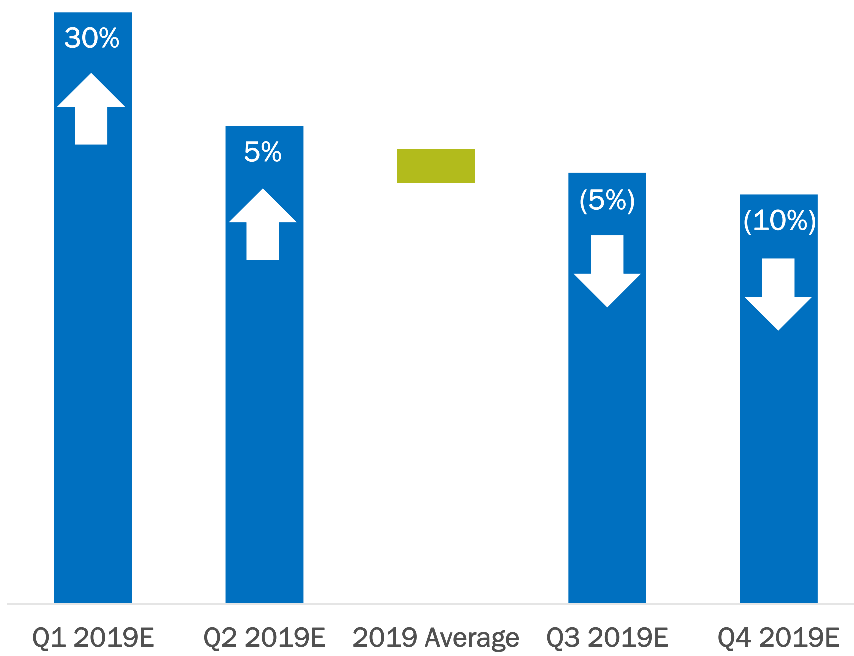
SERIES 6: 2019 SALES AND COST PER WATT BY QUARTER

Series 6 2019 3rd Party Sales by Quarter (in MW)*



Series 6 2019 Module Cost per Watt by Quarter*

Percent difference relative to full year average



Series 6 Sales and Cost Profile Leads to Stronger 2H'19 Earnings

*Percentages shown are approximate

SUMMARY & HIGHLIGHTS

BOOKINGS:

- 5.6GW$_{DC}$ booked in 2018
- 1.3GW$_{DC}$ booked year-to-date 2019
- 7.3 GW$_{DC}$ of mid-to-late stage opportunities

SERIES 6:

- Start of Series 6 production at second Vietnam factory
- Series 6 fleet throughput and efficiency improving

FINANCIALS:

- 2018 Revenue of $2.2 billion and EPS of $1.36
- Q4’18 Revenue of $691 million and EPS $0.49
- 2018 ending Net Cash of $2.1 billion
- Maintain 2019 EPS guidance of $2.25 to $2.75

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