

From: [Bonyun, Sean](#)
To: [Christian, Karen](#); [Harrison, Todd](#);
Subject: FW: Solyndra Statement on Friday Hearing. We will have no additional comments
Date: Tuesday, September 20, 2011 4:52:34 PM

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From: David Miller [<mailto:david.miller@solyndra.com>]
Sent: Tuesday, September 20, 2011 04:45 PM
To: David Miller <david.miller@solyndra.com>
Subject: Solyndra Statement on Friday Hearing. We will have no additional comments

Statement Regarding Hearing of Subcommittee on Oversight and Investigations,
Committee on Energy and Commerce, U.S. House of Representatives

Today Solyndra's President and CEO, Brian Harrison, and its CFO, Bill Stover, communicated to Chairman Stearns and Members of the House Subcommittee on Oversight and Investigations that, due to the ongoing Department of Justice investigation and on the advice of their counsel, they will be unable to provide substantive answers to the Subcommittee's questions and that present circumstances require both gentlemen to exercise their fifth amendment rights in the face of questioning that might occur.

The company is not aware of any wrongdoing by Solyndra officers, directors or employees in conjunction with the DOE loan guarantee or otherwise, and the company is cooperating fully with the office of the United States Attorney for the Northern District of California in its investigation. The company believes that the record will establish that Solyndra carefully followed the rules of the competitive application process, starting in December 2006 under the Bush administration and continuing under the Obama administration. The Department of Energy (DOE) conducted extensive due diligence on Solyndra prior to final approval of the DOE loan guarantee. Consistent with the DOE loan guarantee program requirements, all loan proceeds were used to build out the company's state of the art Fab 2 facility from green field to a working fab that was already producing panels at an annual run rate of over 100 megawatts when operations were suspended in

connection with the Chapter 11 reorganization filing.

At the same time Solyndra was successfully building out its Fab 2 facility, the competitive landscape for solar photovoltaic panels was changing dramatically. Market conditions led to an oversupply of panels worldwide, which had a substantial negative impact on pricing of the company's panels and the company's ability to rapidly ramp its sales. As late as August, the company believed that existing investors and the DOE would come to a financing arrangement that would have secured the capital the company needed to achieve positive cash flow from operations. The Company's investors had offered a transaction pursuant to which the required capital would have been invested, however, the terms of such transaction were not acceptable to the DOE. Ultimately, it was a failure to secure this financing that left the company with no other option but to seek to reorganize through a bankruptcy filing under Chapter 11.

The decision to suspend operations and file for reorganization has had a devastating effect on the company's talented workforce as well as a negative impact on the businesses of Solyndra's valued partners, suppliers and customers. This was not a decision taken lightly. The majority of Solyndra's workforce was in the United States and the company did all that it could to keep these manufacturing jobs that are so vital to the country, in place. A small number of employees remain while Solyndra evaluates options, including a sale of the business and the licensing of its advanced CIGS technology and manufacturing expertise in order to maximize the value of the assets for Solyndra's creditors, including the DOE.

The company is confident that the investigation will clarify the facts surrounding the events leading to the DOE loan guarantee to Solyndra and looks forward to a time when its executives can more freely discuss their views on these events.