

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF \_\_\_\_\_

In re Evergreen Solar, Inc.  
Debtor

Case No. 11-12590 (MFW)  
Reporting Period: January 1 - January 28, 2012

**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	x		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a			x
Schedule of Professional Fees Paid	MOR-1b	x		
Copies of bank statements				
Cash disbursements journals				
Statement of Operations	MOR-2	x		
Balance Sheet	MOR-3	x		
Status of Postpetition Taxes	MOR-4			x
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4	x		
Listing of aged accounts payable	MOR-4	x		
Accounts Receivable Reconciliation and Aging	MOR-5	x		
Debtor Questionnaire	MOR-5	x		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Authorized Individual\*

\_\_\_\_\_  
Date

Paul Kawa  
\_\_\_\_\_  
Printed Name of Authorized Individual

Chief Financial Officer  
\_\_\_\_\_  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

Evergreen Solar, Inc.  
Case No. 11-12590

**Schedule of Receipts & Disbursements**

\$ amounts in 000's	Eight Weeks Ended 01/28/12			Variance Fav/(Unfav)
	Plan	Actual		
<b>Receipts:</b>				
Proceeds from asset sales	\$ -	\$ 10,606.5	\$ 10,606.5	
Return of letter of credit collateral	-	657.9	657.9	
Return of interest payment	-	3,749.9	3,749.9	
<b>Total Receipts</b>	<b>\$ -</b>	<b>\$ 15,014.3</b>	<b>\$ 15,014.3</b>	
<b>Disbursements</b>				
Wind down	\$ 1,308.0	\$ 306.3	\$ 1,001.7	
Asset disposal	3,850.0	211.8	3,638.2	
Professionals	6,206.7	3,540.4	2,666.3	
13's professional fees	-	997.7	(997.7)	
Administrative expenses (pre-December)	168.0	68.9	99.1	
Severance (COBRA)	271.1	86.7	184.4	
<b>Total Disbursements</b>	<b>\$ 11,803.8</b>	<b>\$ 5,211.8</b>	<b>\$ 6,592.0</b>	
Transfer of funds to 13's	-	13,169.5	(13,169.5)	
<b>Net Cash Flow</b>	<b>\$ 11,803.8</b>	<b>\$ 3,367.0</b>	<b>\$ 8,436.8</b>	

Note:

Minor rounding differences may exist due to the presentation in \$000's

In re \_\_\_\_\_  
Debtor

Case No. \_\_\_\_\_  
Reporting Period: \_\_\_\_\_

### SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT')]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>								
<b>RECEIPTS</b>								
CASH SALES								
ACCOUNTS RECEIVABLE								
LOANS AND ADVANCES								
SALE OF ASSETS								
OTHER (ATTACH LIST)								
TRANSFERS (FROM DIP ACCTS)								
<b>TOTAL RECEIPTS</b>								
<b>DISBURSEMENTS</b>								
NET PAYROLL								
PAYROLL TAXES								
SALES, USE, & OTHER TAXES								
INVENTORY PURCHASES								
SECURED/RENTAL/LEASES								
INSURANCE								
ADMINISTRATIVE								
SELLING								
OTHER (ATTACH LIST)								
OWNER DRAW *								
TRANSFERS (TO DIP ACCTS)								
PROFESSIONAL FEES								
U.S. TRUSTEE QUARTERLY FEES								
COURT COSTS								
<b>TOTAL DISBURSEMENTS</b>								
<b>NET CASH FLOW</b>								
(RECEIPTS LESS DISBURSEMENTS)								
<b>CASH - END OF MONTH</b>								

\* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

#### THE FOLLOWING SECTION MUST BE COMPLETED

**DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)**

<b>TOTAL DISBURSEMENTS</b>	\$ 1,767,800
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	\$
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	\$
<b>TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES</b>	\$ 1,767,800

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
EVERGREEN SOLAR, INC.,<sup>2</sup> ) Case No. 11-12590 (MFW)  
Debtor. )

February 29, 2012

Office of the United States Trustee

Subject: Attestation Regarding Bank Account Reconciliations

The debtor, Evergreen Solar, Inc., hereby submits this attestation regarding bank account reconciliations in lieu of providing copies of bank statements and copies of all account reconciliations.

The debtor has, on a timely basis, performed all bank account reconciliation in the ordinary course of its business. Copies of bank account statements and reconciliations are available for inspection upon request by the United States Trustee's Office.

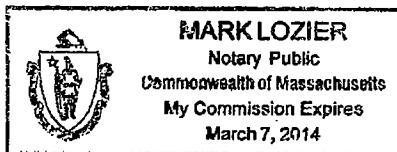
*Paul Kawa*

Name: Paul Kawa  
Position: Chief Financial Officer

Sworn to and Subscribed  
before me on this 29th  
day of February, 2012.

*Paul Kawa*  
Notary Public

My Commission Expires: 02/29/12 03/07/2014



<sup>2</sup> The last four digits of the Debtor's federal tax identification number are 2254. The Debtor's mailing address is 138 Bartlett Street, Marlboro, MA 01752.

In re: Evergreen Solar, Inc.  
Debtor

Case No. 11-12590 (MFW)  
Reporting Period: January 1 - January 28, 2012

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID**

This schedule is to include all retained professional payments from case inception to current month.

In re: Evergreen Solar, Inc.  
Debtor

Case No. 11-12590 (MFW)  
Reporting Period: January 1 - January 28, 2012

**STATEMENT OF OPERATIONS**  
(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

	Month	Cumulative Filing to Date
<b>REVENUES</b>		
Product Revenue	\$0	\$4,307,515
Royalty Revenue	0	1,000,000
Less: Returns and Allowances	0	0
Net Revenue	\$0	\$5,307,515
<b>COST OF GOODS SOLD</b>		
Beginning Inventory		
Add: Purchases		
Add: Cost of Labor		
Add: Other Costs (attach schedule)	0	12,959,195
Less: Ending Inventory		
Cost of Goods Sold	0	12,959,195
Gross Profit	0	-7,651,680
<b>OPERATING EXPENSES</b>		
Audit, Tax & Legal Fees	0	444,300
Bad Debts	0	0
Employee Benefits Programs	1,388	643,040
Insider Compensation*		
Insurance	88,951	650,001
Intercompany Marketing Fee	0	590,284
Intercompany Charge - Hubei	0	937,355
IT	14,003	496,334
Repairs and Maintenance	0	16,901
Rent and Lease Expense	2,500	-175,854
Salaries & Wages	60,918	5,946,484
Supplies / Materials	0	672,453
Taxes - Payroll	5,969	280,584
Taxes - Real Estate	181,140	1,204,498
Taxes - Other	30,000	103,107
Travel and Entertainment	-3,080	91,057
Utilities	21,516	464,379
Other	75,329	698,132
Total Operating Expenses Before Depreciation	478,634	13,063,055
Depreciation/Depletion/Amortization	0	965,280
Net Profit (Loss) Before Other Income & Expenses	-478,634	-21,680,015
<b>OTHER INCOME AND EXPENSES</b>		
Other Income	-14,722	-522,979
Interest Expense **	0	6,014,492
Other Expense	0	788,072
Net Profit (Loss) Before Reorganization Items	-463,912	-27,959,600
<b>REORGANIZATION ITEMS</b>		
Professional Fees and Other Reorganization Costs ***	2,306,098	20,114,133
U. S. Trustee Quarterly Fees	30,000	50,000
Interest Earned on Accumulated Cash from Chapter 11 (see continuation sheet)		
Gain (Loss) on Sale of Assets	0	147,602,495
Total Reorganization Expenses	2,336,098	167,766,628
Income Taxes		
Net Profit (Loss)	(\$2,800,010)	(\$195,726,228)

\* "Insider" is defined in 11 U.S.C. Section 101(31).

\*\* Interest expense and amortization of deferred financing costs for the period 08/16 - 10/29/11 for 13% Notes.

Ceased recording interest expense effective November 2011.

\*\*\* Includes the write-off of restructuring costs prior to the petition date in addition to post petition restructuring costs

## BALANCE SHEET

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>CURRENT ASSETS</b>		
Unrestricted Cash and Equivalents	\$19,358,879	\$55,102,206
Accounts Receivable (Net)	0	4,987,664
Intercompany Receivables	10,336,633	83,785,630
Inventories	0	13,761,736
Prepaid Cost of Inventory	0	8,995,004
Assets Held for Sale	11,888,214	0
Other Current Assets (attach schedule)	4,141,083	15,599,163
<b>TOTAL CURRENT ASSETS</b>	<b>45,724,809</b>	<b>182,231,403</b>
<b>PROPERTY AND EQUIPMENT</b>		
Real Property and Improvements	0	209,954,740
Machinery and Equipment	0	258,121,608
Furniture, Fixtures and Office Equipment	0	6,077,374
Construction-in-Progress	0	16,771,316
Leasehold Improvements	0	7,137,865
Less Accumulated Depreciation	0	435,099,078
<b>TOTAL PROPERTY &amp; EQUIPMENT</b>	<b>0</b>	<b>62,963,825</b>
<b>OTHER ASSETS</b>		
Loans to Insiders*	0	0
Restricted Cash	199,045	1,324,308
Deferred Financing Costs	5,963,333	7,009,382
Loans and Related Interest Receivable	8,660,687	8,785,535
Prepaid Cost of Inventory	0	63,743,742
Investments in Subsidiaries and Intercompany Loans	2,631,114	38,579,525
Other Assets (attach schedule)	0	0
<b>TOTAL OTHER ASSETS</b>	<b>17,454,179</b>	<b>119,442,492</b>
<b>TOTAL ASSETS</b>	<b>\$63,178,988</b>	<b>\$364,637,720</b>
<b>LIABILITIES AND OWNER EQUITY</b>		
<b>LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)</b>		
Accounts Payable	\$1,802,118	\$0
Intercompany Payables	492,833	0
Other Accrued Expenses	3,510,812	0
Accrued Employee Compensation	7,126	0
Amounts Due to Insiders*	0	0
Other Postpetition Liabilities (attach schedule)	0	0
<b>TOTAL POSTPETITION LIABILITIES</b>	<b>5,812,889</b>	<b>0</b>
<b>LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)</b>		
Accounts Payable	12,801,101	12,493,678
Goods Received Not Invoiced	0	353,261
Intercompany Payables	3,730,520	76,461,938
Other Accrued Expenses	4,033,795	6,001,892
Accrued Employee Compensation	0	30,342
Accrued Debt Interest	15,753,043	10,766,124
Accrued Warranty	4,346,764	4,346,764
Secured Debt	122,646,518	165,000,000
Unsecured Debt	208,306,000	208,306,000
Debt Discount	-18,091,963	-18,401,150
Deferred Income Taxes	1,204,049	1,204,049
<b>TOTAL PRE-PETITION LIABILITIES</b>	<b>354,729,827</b>	<b>466,562,898</b>
<b>TOTAL LIABILITIES</b>	<b>360,542,716</b>	<b>466,562,898</b>
<b>OWNER EQUITY</b>		
Capital Stock	416,519	416,519
Additional Paid-In Capital	1,050,524,326	1,050,236,648
Owner's Equity Account	0	0
Retained Earnings - Pre-Petition	-1,152,579,412	-1,152,579,412
Retained Earnings - Postpetition	-195,726,228	0
Adjustments to Owner Equity (attach schedule)	0	0
Accumulated Other Comprehensive Income	1,067	1,067
<b>NET OWNER EQUITY</b>	<b>-297,363,728</b>	<b>-101,925,178</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>\$63,178,988</b>	<b>\$364,637,720</b>

\*"Insider" is defined in 11 U.S.C. Section 101(31).

In re: Evergreen Solar, Inc.  
Debtor

Case No. 11-12590 (MFW)  
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**BALANCE SHEET - continuation sheet**

Restricted Cash is cash that is restricted for a specific use and not available to fund operations. Typically, restricted cash is segregated into a separate account, such as an escrow account.

IN THE UNITED STATES BANKRUPTCY COURT  
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EVERGREEN SOLAR, INC.,<sup>1</sup> ) Case No. 11-12590 (MFW)  
Debtor. )

February 29, 2012

Office of the United States Trustee

Subject: Attestation Regarding Postpetition Taxes

The debtor, Evergreen Solar, Inc., hereby submits this attestation regarding postpetition taxes.

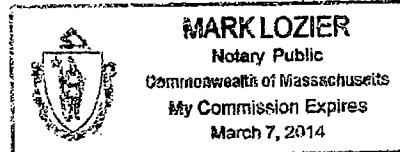
All postpetition taxes for the debtor, which are not subject to dispute or reconciliation, are current. There are no material tax disputes or reconciliations.

Paul Kawa

Name: Paul Kawa  
Position: Chief Financial Officer

Sworn to and Subscribed  
before me on this 29th  
day of February, 2012.

Mark Lozier  
Notary Public



My Commission Expires: 03/07/2014

<sup>1</sup> The last four digits of the Debtor's federal tax identification number are 2254. The Debtor's mailing address is 138 Bartlett Street, Marlboro, MA 01752.

In re: Evergreen Solar, Inc.  
Debtor

Case No. 11-12590 (MFW)  
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## ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

### Accounts Receivable Reconciliation

	<b>Amount</b>
Total Accounts Receivable at the beginning of the reporting period	0
+ Amounts billed during the period	0
- Amounts collected during the period	0
- Other	0
Total Accounts Receivable at the end of the reporting period	0

### Accounts Receivable Aging

	<b>Amount</b>
0 - 30 days old	0
31 - 60 days old	0
61 - 90 days old	0
91+ days old	0
Total Accounts Receivable	0
Amount considered uncollectible (Bad Debt)	0
Accounts Receivable (Net)	0

## DEBTOR QUESTIONNAIRE

<b>Must be completed each month</b>	<b>Yes</b>	<b>No</b>
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below. (a)		x
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		x
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below. (a)		x
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	x	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		x

(a) The final December 2010 German VAT return has not yet been completed and filed.