



Q2 2014 Earnings Call Presentation

2015-03-03

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Agenda



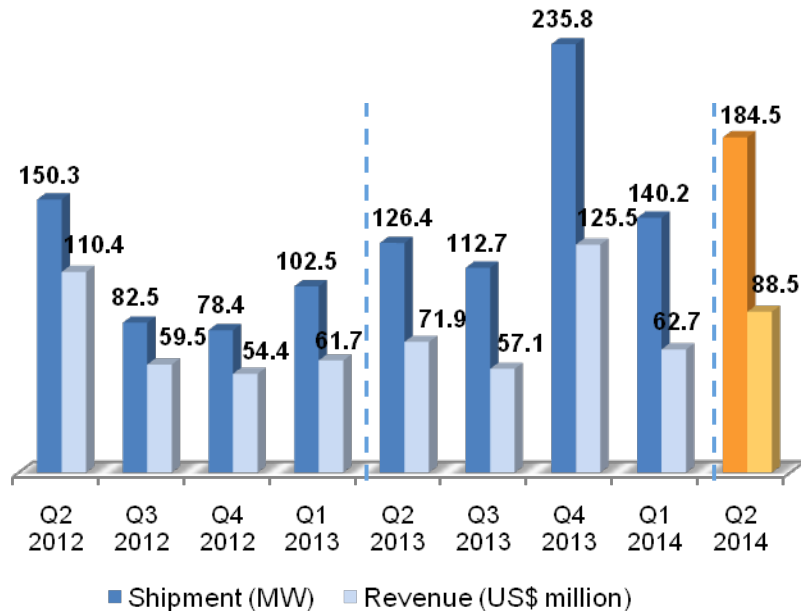
- Q2 2014 Performance Overview
- Q2 2014 Financial Details
- Technology Updates



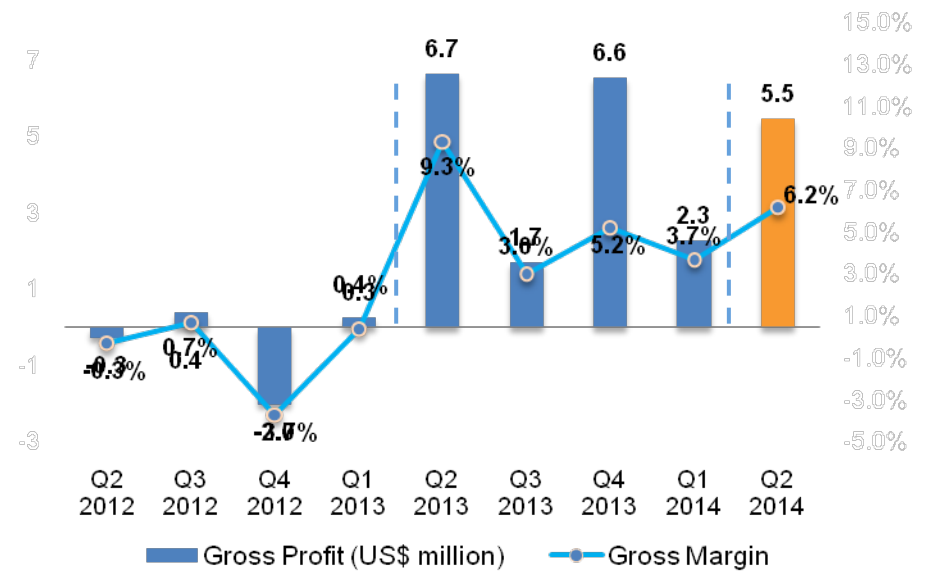
Q2 2014 Performance Overview

Items	Q2 2014	Q1 2014	Q2 2013
Shipments (MW)	184.5	140.2	126.4
ASP for Modules (US\$)	0.66	0.66	0.63
Revenue (US\$ million)	88.5	62.7	71.9
Gross Margin (%)	6.2%	3.7%	9.3
EPS (US\$)	-0.39	-0.99	-0.11

Quarterly Revenue & Shipments



Quarterly Gross Profit & Gross Margin (GAAP)



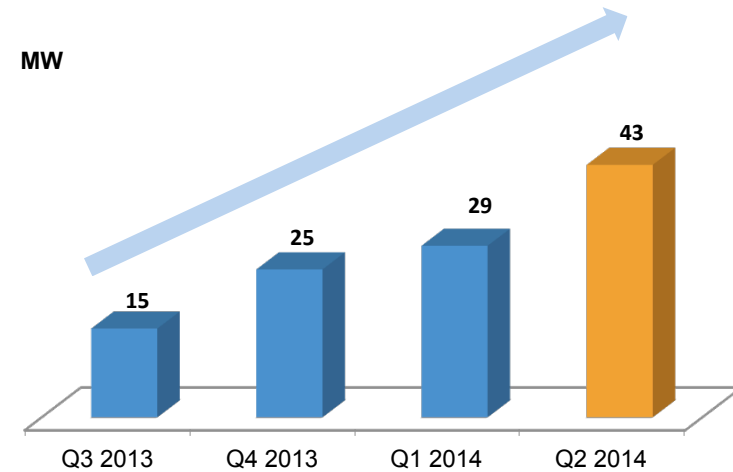
Turkey Plant- Optimize Global Supply Chain



Turkey Plant



Ramping up Shipment from Turkey Plant

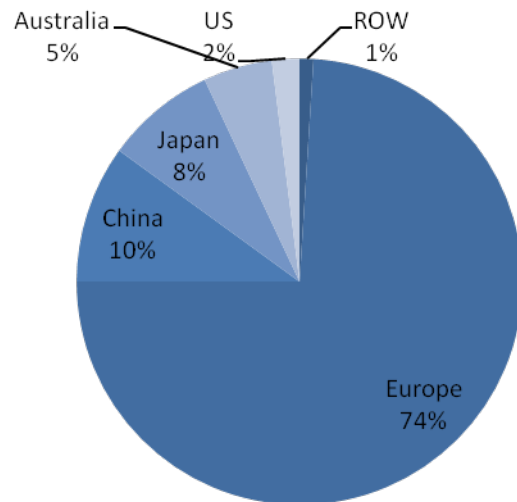


- Ramped up production utilization quarter by quarter;
- Achieved gross margin of approximately 7.8% in Q2 2014;
- Broadened local financing channels;
- Strengthened customer base in Turkey and surrounding markets.

Sales Breakdown by Geography

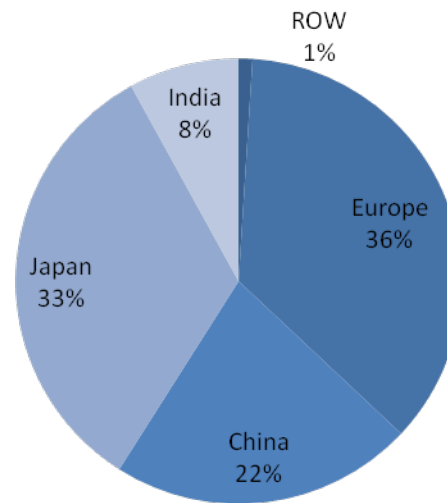
Q2 2013 Actual

US\$:71.9 million



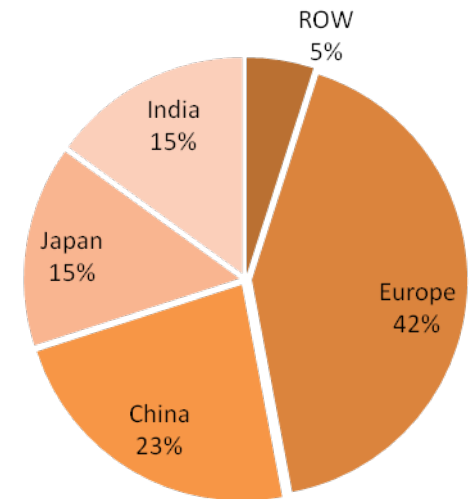
Q1 2014 Actual

US\$:62.7 million



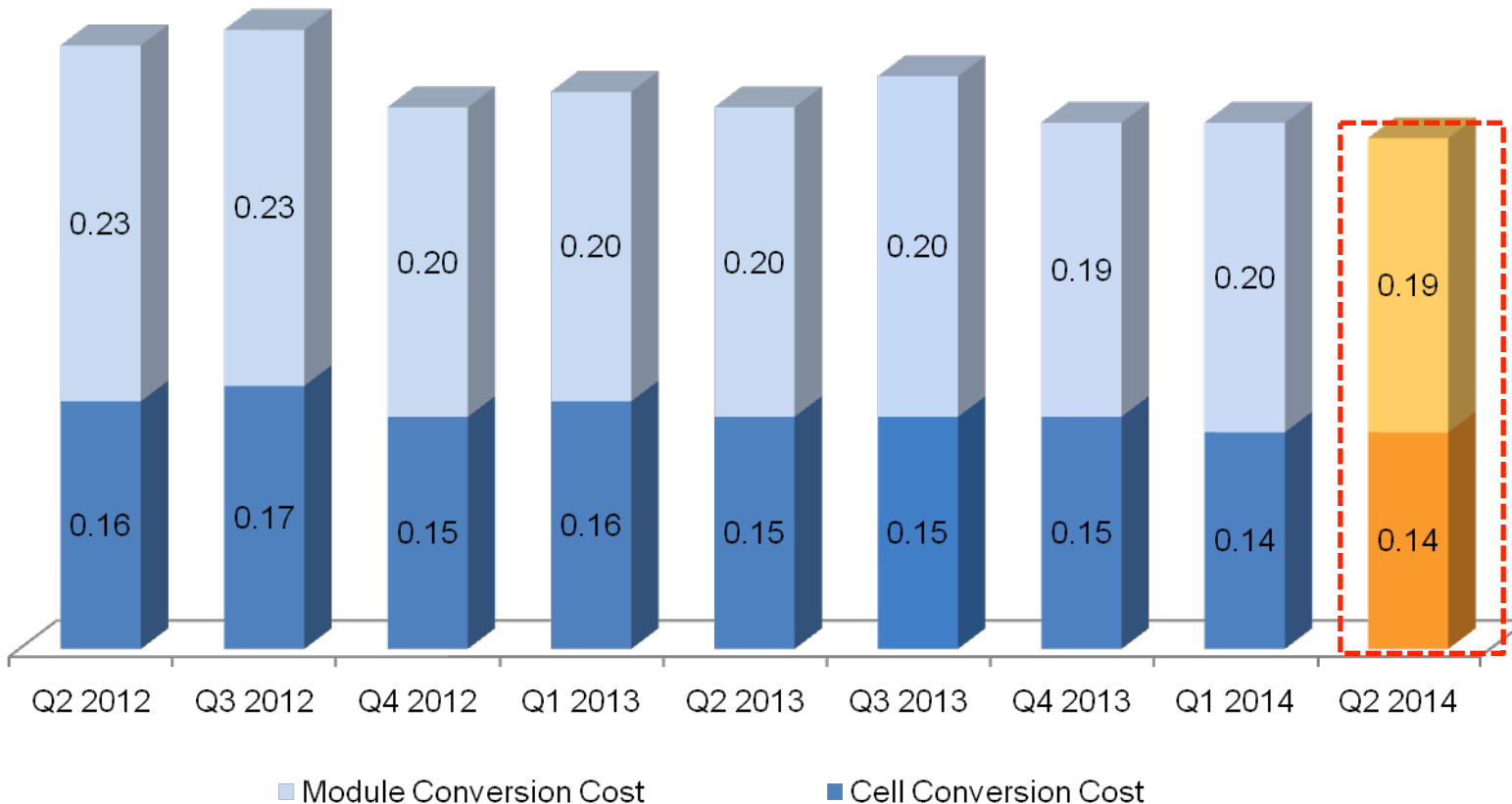
Q2 2014 Actual

US\$:88.5 million



Conversion Cost Roadmap

Unit: US\$/W



- Blended wafer costs in the second quarter of 2014 were US\$0.24 per watt, which was one cent or 4.3% higher than the previous quarter;

- Confident to further decrease blended conversion cost, as Turkey ramps up production volume and efficiency.

***Note:** Conversion cost refers to all manufacturing costs, excluding wafer cost

Q1 2014 Income Statement



Key Income Statement Data

(US\$ million, except share and per share data)

	Q2 2014	Q1 2014	Q2 2013
Sales	88.5	62.7	71.9
Cost of goods sold	(83.0)	(60.4)	(65.2)
Gross margin%	6.2%	3.7%	9.3%
R&D	(0.6)	(0.5)	(1.6)
General & administrative expense	(10.4)	(6.4)	(5.1)
Selling & marketing expense	(3.2)	(3.2)	(4.6)
Total operating expense	(14.2)	(10.1)	(11.2)
(Loss) from operations	(8.7)	(7.8)	(4.6)
Interest expense	7.2	(6.8)	(5.1)
(Loss) before income tax	(4.2)	(14.6)	(0.4)
Income tax benefit (expense)	(1.1)	(0.1)	(1.4)
Net (loss) attributable to ordinary shareholder	(5.7)	(14.7)	(1.4)
Weighted average ADS outstanding (diluted)	14,849,292	14,849,292	13,372,292
Net (loss) per ADS (diluted)	(0.39)	(0.99)	(0.11)

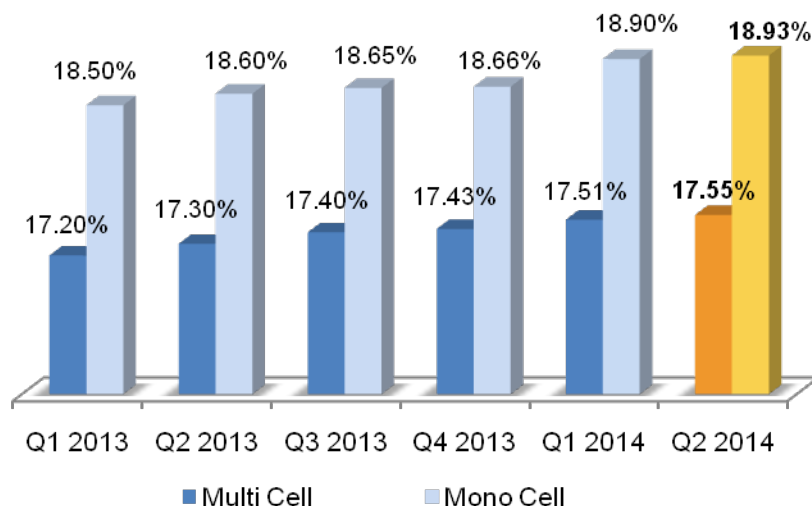
Q2 2014 Balance Sheet



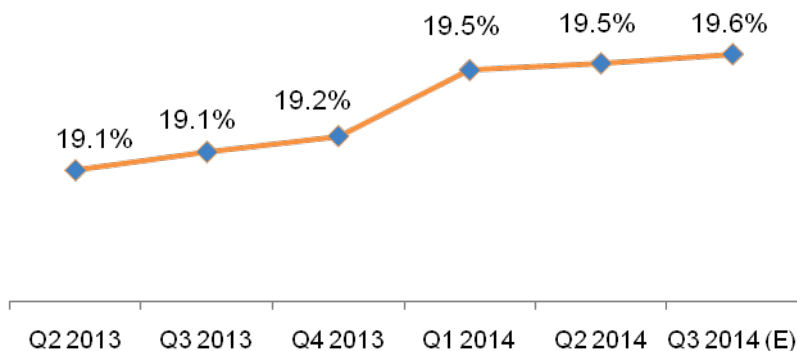
Key Balance Sheet Data	Q2 2014	Q1 2014
(US\$ in million)		
Cash and cash equivalents	30.8	30.1
Restricted cash	201.9	200.3
Accounts receivable (net)	72.9	68.8
Inventory	55.9	64.1
Project asset	10.5	10.3
Net PP&E	229.1	228.8
Total asset	747.6	771.6
Accounts payable	(88.9)	(86.0)
Short-term loans	(375.2)	(365.4)
Long-term debt	(264.0)	(265.3)
Total liabilities	(812.1)	(830.6)

Technology Updates

Cell Average Efficiency Roadmap



QSAR II Batch Average Efficiency



- **PID free:** -1000V, -1500V, double 85, water film
- Average power output : **270W/60 pc**
- **Unique structural design:** effectively decreases power loss
- Average conversion efficiency of **19.5%** in mass production in Q2 2014
- Piece highest efficiency reached **20.03%**

QSAR II™



- Received Black & Vitch certification for all of China-based plants
- Applying Black & Vitch as well as UL certifications in Turkey plant
- Turkey plant produced PV modules passed salt mist and ammonia test conducted by TUV Rhineland
- Five-year collaborative research agreement with the University of New South Wales, and New South Innovations, Australia

Thank You

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