YGE 4\textsuperscript{th} Annual Global Investor Day

3:00 pm – 5:00 pm CDT
October 22, 2013
Room W471B, McCormick Place
Chicago, Illinois USA
<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
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</table>
| 3:00-3:30| **Speaker:** Mr. Yiyu Wang (CFO)  
**Topic:** PV Industry is Embracing New Opportunities |
| 3:30-3:50| **Speaker:** Mr. Robert Petrina (VP of YGE & MD of Yingli US)  
**Topic:** Yingli Solar’s Continued Momentum in the Americans & the Emerging Markets |
| 3:50-4:05| **Speaker:** Mr. Bryan Li (Executive Director & CSO)  
**Topic:** Downstream Opportunities in China |
| 4:05-5:00| **Speaker:** Ms. Qing Miao (VP of Corporate Communications) & All Other Officers  
**Q&A Session** |
Safe Harbor Statement

This presentation contains forward-looking statements. These statements constitute “forward-looking” statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “will,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates,” “target” and similar statements. Such statements are based upon management's current expectations and current market and operating conditions, and relate to events that involve known or unknown risks, uncertainties and other factors, all of which are difficult to predict and many of which are beyond Yingli Green Energy’s control, which may cause Yingli Green Energy’s actual results, performance or achievements to differ materially from those in the forward-looking statements. Further information regarding these and other risks, uncertainties or factors is included in Yingli Green Energy’s filings with the U.S. Securities and Exchange Commission. Yingli Green Energy does not undertake any obligation to update any forward-looking statement as a result of new information, future events or otherwise, except as required under applicable law.
PV Industry is Embracing New Opportunities

Yiyu Wang
Chief Financial Officer
Global PV industry is expected to continue growing ... China, U.S. and Japan become key growth drivers

The PV market has maintained robust growth despite volatility associated with reliance on a limited number of markets in the past years. 2012 marked a pivotal year for geographic diversification, and we have begun to see significant demand growth from multiple markets.

- **2008-2012**: Europe dominated the global PV market.
- **2013-2015**: Growth in markets outside of Europe, especially in China, the U.S. and Japan, will drive global PV industry development.

As % of global PV market

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>EU Zone</strong></td>
<td>85.2%</td>
<td>78.8%</td>
<td>79.7%</td>
<td>73.7%</td>
<td>55.2%</td>
<td>35.7%</td>
<td>34.9%</td>
<td>34.3%</td>
<td></td>
</tr>
<tr>
<td><strong>ROE Zone</strong></td>
<td>14.8%</td>
<td>22.2%</td>
<td>20.3%</td>
<td>26.3%</td>
<td>44.8%</td>
<td>64.3%</td>
<td>65.1%</td>
<td>65.7%</td>
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</tr>
</tbody>
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*Note: ROE Zone refers to China, Americas, APAC and ME& Africa*
How Does Yingli Seize This Opportunity
A Leading and Well Established PV Module Manufacturer

Quick Facts in 2013
- Over 18,000 employees globally
- 2.45 GW of vertically integrated nameplate manufacturing capacity (130% utilization rate)
- 4 manufacturing bases in China
- More than 25 subsidiaries and branch offices globally
- 3 R&D and after-sales service centers: China, Spain and U.S.
- Cumulative shipments exceed 7GW over 5 continents

The World’s Largest PV Module Supplier
- Ranked by NPD Solarbuzz as the world’s leading PV module supplier in terms of shipment volume for 2012
- Expected 3.2-3.3 GW of shipments in 2013

Source: NPD Solarbuzz and company public announcements
Our Strong R & D capabilities as A Key Differentiator

**Patents & Certificates**

<table>
<thead>
<tr>
<th>Year</th>
<th>Application</th>
<th>Issued Patent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>71</td>
<td>46</td>
</tr>
<tr>
<td>2011</td>
<td>211</td>
<td>142</td>
</tr>
<tr>
<td>2012</td>
<td>831</td>
<td>617</td>
</tr>
<tr>
<td>2013</td>
<td>1121</td>
<td>734</td>
</tr>
</tbody>
</table>

Local Technical Team Globally

We have experienced local technical teams based in major markets such as China, the U.S., Japan and Europe

**Benefits Include:**

- Convenient, efficient local service and support
- Reliable first-hand market feedback to headquarters helps to inform strategic decisions and product roadmaps

**Cell Efficiency Roadmap**

Note: All the efficiency numbers above refer to the average level

- Increased visibility for our cell efficiency improvement roadmap towards 2020 (previous guidance towards 2015)
- Increased cell efficiency target for commercial multi cells compared to previous guidance
Highly Competitive Cost Structure

**Overall Non-silicon Cost (Mono & Multi)**

Unit: US$/W

- **Q2 12**: 0.55
- **Q3 12**: 0.53
- **Q4 12**: 0.48
- **Q1 13**: 0.47
- **Q2 13**: 0.45

**How We Achieve This**

- Competitive advantages through vertically integrated business model
- Critical tech. parameter improvement
- Commitment to improving cell efficiency (current commercial multi/mono:17.6%/19.7%)
- Continuous improvements in efficiency of manufacturing process
- Effective procurement and inventory management

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**Overall Silicon Cost (Mono & Multi)**

Unit: US$/W

- **Q2 12**: 0.22
- **Q3 12**: 0.18
- **Q4 12**: 0.15
- **Q1 13**: 0.12
- **Q2 13**: 0.10

*Note: Excluding the impact of 3rd-party cells*
**Strong Bankable Brand Supported by Successful Marketing**

### Increasing Brand Recognition

#### Initiative Marketing Activities

- FIFA World Cup Brasil
- USA
- FC Bayern München

#### Yingli Ranked No.3 in the PV Brand Recognition Survey

<table>
<thead>
<tr>
<th>Brand</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMA</td>
<td>1</td>
</tr>
<tr>
<td>Sharp</td>
<td>2</td>
</tr>
<tr>
<td>Yingli</td>
<td>3</td>
</tr>
<tr>
<td>Solarworld</td>
<td>4</td>
</tr>
<tr>
<td>Sanyo</td>
<td>5</td>
</tr>
<tr>
<td>Bosch S.E.</td>
<td>6</td>
</tr>
<tr>
<td>Schott</td>
<td>7</td>
</tr>
<tr>
<td>Trina Solar</td>
<td>8</td>
</tr>
<tr>
<td>Aleo Solar</td>
<td>9</td>
</tr>
<tr>
<td>SMA</td>
<td>247</td>
</tr>
<tr>
<td>Sharp</td>
<td>182</td>
</tr>
<tr>
<td>Yingli</td>
<td>170</td>
</tr>
<tr>
<td>Solarworld</td>
<td>167</td>
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<tr>
<td>Sanyo</td>
<td>153</td>
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<tr>
<td>Bosch S.E.</td>
<td>124</td>
</tr>
<tr>
<td>Schott</td>
<td>116</td>
</tr>
<tr>
<td>Trina Solar</td>
<td>109</td>
</tr>
<tr>
<td>Aleo Solar</td>
<td>97</td>
</tr>
</tbody>
</table>

Source: EuPD research
Note: 875 customers investigated in this survey

### Brand Attributes

- We have achieved global brand recognition, with a leading track record for supplying modules for major projects across the world.
- We are recognized for excellence in sustainability, health and safety.
  - SA 8000 Social Accountability
  - ISO14001 Environment Management System
  - First China-based member of PV Cycle
  - First Chinese company and first PV manufacturer to join WWF’s Climate Savers Program
- We were the first PV manufacturer to provide Munich Re insurance for large-commercial and utility projects
- We provide a 10-year product workmanship warranty and 25-year linear power output warranty
  - Improved limited warranties for our most reliable and bankable product lines
  - Extended limited product warranty from five to ten years for all of its PV module products
- We are recognized globally for excellent customer service.
An Increasingly Diversified Global Customer Base

YGE Shipments by Geography*

*Note: based on countries where customers are based, not countries where modules are installed

Our regional shipments breakdown reflects the growing geographic diversity of the global PV market.

• China will account for ~24% of shipments for FY2013, representing an annual growth rate of 29.5%.
• Shipments to Japan will continue to increase and account for ~9% of shipments for FY 2013, growing 18 times the amount shipped in 2012.
• FY2013 shipments to the U.S. will more than double compared to 2012 and account for 23% of global shipments.
Steady Growth with New Opportunities in China

China Market Overview

• Shipments to China as a percentage of total sales are expected to continuously grow
• Due to improved supply-demand balance, we see the payment terms from domestic customers improving compared to 1H 2013
• ASP in 2H 2013 will be up slightly compared to 1H 2013

Yingli Solid Growth in China Market

Yingli’s Shipment in China Market (MW)

Competitive Advantages in China PV Market

• As a pioneer in China PV market with deep-root
• Superior product quality and high brand recognition
• Manufacturing bases in both the north and south of China
• Well-established sales channels
• Trust of long-term customers: 5 of the largest power conglomerates and 4 small utility companies

Shipments from China as % of Total Shipment

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>Q1 2013</th>
<th>Q2 2013</th>
<th>Q3 2013E</th>
<th>Q4 2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>24.0%</td>
<td>12.7%</td>
<td>28.0%</td>
<td>30.3%</td>
<td>33.6%</td>
</tr>
</tbody>
</table>

Yingli’s Shipment in China Market (MW)
Strong Footprint in Japan

Market Highlights

- Certificates obtained: JET, J-PEC and JISQ
- Local Branches & Team
  - Branch: Tokyo, Osaka and Kyushu
  - Team build-up: 18 local representatives (from BD to technical)
- Attractive FiT policy: In 2013, the energy purchase price of residential market (under 10 kW) is 38 yen per kWh, the non-residential market (over 10 kW) is 37.8 yen per kWh
- YGE provides Munich Re insurance for large-scale commercial and utility project developers, supplying additional confidence for investors in Japan
- We have cooperated with large corporations such as Toshiba and Hitachi

Project Highlights

- Location: Obihiro
  - Size: 1.2MW

- Location: Obihiro
  - Size: 623kW

- Location: Mie-Ken
  - Size: 17MW

- Location: Kamisu
  - Size: 500kW

- Location: Ibaraki-Ken
  - Size: 10MW
More Positive Fundamentals Going Forward in Europe

Price Undertaking Effective in August

• Undertaking between the European Commission and the Chinese Chamber of Commerce for Import and Export of Machinery and Electronic Products (“CCCME”) & Chinese Exporters
• Effective till the end of 2015
• Detailed terms are not disclosed, but key undertakings include:
  — Respect MIP (Minimum Import Price)
  — MIP to be adjusted with fluctuation of the benchmarking price
• As a result, the price of Chinese modules in Europe is expected to be close to the prices of other non-Chinese competitors

Market Fundamentals & Expectations

Market Fundamentals
• The MIP sets a floor for module ASPs in the EU region and results in an increase in unit margins versus recent quarters.
• The MIP facilitates still attractive solar IRRs for roof-top and small scale projects in most markets and segments which will drive demand, although large projects will remain challenging in some core markets.
• As the quota allocation is largely based on historical sales, Yingli is in a strong position to capture a leading share of the total quota.

Market Expectations
• Competition for brand share of roof-top in Europe will intensify with Yingli being well positioned for this shift.
• MIP buyers will seek incremental value such as brand, quality and performance – strengths of Yingli as quota will limit supply of Chinese modules imported into the EU market.
• European resources continue to be deployed to support other regions to capture emerging market opportunities outside of EU particularly in Africa and South America through our existing customers and our market expansion
Financial Highlights
Sustainable Profit Growth

Continuously Improved Profitability

Visibility for 2H13 & 2014

• Due to the improved supply-demand balance, we expect the PV module ASPs will increase slightly or remain flat in 2H 2013 and 2014

• Through R&D initiatives, we expect our non-silicon cost to decrease further, maintaining our position in the industry as a cost leader

• We will continue to monitor our OPEX closely and maintain our total dollar spend in 2014 similar to 2013 in spite of expected higher sales volume

Financial Outlook for 3Q 2013 & FY 2013

<table>
<thead>
<tr>
<th></th>
<th>3Q 2013E</th>
<th>FY 2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shipments(MW)</td>
<td>↑Low single digit% QoQ</td>
<td>3,200-3,300</td>
</tr>
<tr>
<td>Gross Margin(%)</td>
<td>11%-13%</td>
<td></td>
</tr>
</tbody>
</table>
Effective Cash Flow

Improved Cash Utilization

Active Cash Flow Management

- **Improved Working Capital Efficiency**
  - A more rational balance between credit policy and sales growth
  - Monitor trends and controls through internal analysis
  - Insurance (China Export & Credit Insurance Corporation)

- **AR COLLECTION**
  - Extended accounts payable period through negotiation and banking arrangement
  - Cost-oriented procurement (low-unit value and high-variety items purchased at high frequencies)

- **PROCUREMENT**
  - More accurate material consumption planning to increase turnover rate
  - Implementing JIT inventory management and vendor-managed inventory

- **INVENTORY**

- **Rational CAPEX Planning**
  - No further capacity expansions currently planned

- **Productive Finance Strategy**
  - Healthier debt structure
  - Creative financing such as supply-chain financing and leasing, etc.
Yingli Green Energy Holding Co. Ltd
Investor Day, Oct, 22\textsuperscript{nd} 2013
Solar Power International

Chicago, Illinois

By Robert Petrina
Managing Director
Yingli Green Energy is the #1 solar module supplier in the world

QUICK FACTS

- Yingli Green Energy is the world’s leading solar module supplier based on MW’s shipped
- 2.45 GW of manufacturing capacity
- Listed on NYSE (YGE)
- Over 6 GW of solar modules deployed worldwide, including more than 1 GW in the Americas

2012 MODULE SHIPMENTS (MW)

- Yingli, 2,300
- First Solar, 1,800
- Trina, 1,600
- Canadian, 1,550
- Suntech, 1,500
- Sharp, 1,050
- Jinko, 900
- SunPower, 850
- REC Group, 750
- Hanwha, 750

Source: IHS iSuppli

YINGLI SHIPMENT GROWTH, 2006-2013E (MW)

- CAGR: 87%
- 2013E: 3,200-3,300
- 2012: 2,297
- 2011: 1,604
- 2010: 1,062
- 2009: 525
- 2008: 282
- 2007: 143
- 2006: 51
Yingli is leading in North and South America, with over 1 GW of solar modules supplied to more than 30,000 projects in the region

YINGLI AMERICAS OVERVIEW

- Yingli Americas is on track to capture 15% of the U.S. market in 2013
- Diverse team of commercial and technical experts with established offices in San Francisco and New York, as well as emerging offices in Mexico City, São Paolo,
- The PV Testing Lab, a 12,000 sq. ft. R&D facility in South San Francisco, provides technical customer support while also conducting research and product development
- Secured largest solar module supply agreement in Yingli’s history, to provide Fluor Corporation with 200 MW for the Centinela Solar Project near San Diego, CA
- Frequently selected for high-profile projects, including: Brazil’s famous Maracanã Stadium and the NY JETS headquarters
Latin America & the Caribbean

• YGE sold more than 30 MW to Latin American and Caribbean in 1H ‘13
• Sales to 37 customers in 15 countries in 1H ‘13
• The Latin American market is exhibiting strong growth with YGE’s sales to DG customers increasing 26X YoY (1H 2012 vs. 1H ‘13)
• We are particularly optimistic about Mexico, Brazil, Colombia, Ecuador, Chile and the Caribbean Islands.
• Government sponsored opportunities could further expand opportunities in Uruguay, Peru, El Salvador and Honduras
In the Americas, Yingli panels are proven to perform with over 1 GW delivered for a broad range of applications

YINGLI AMERICAS PROJECT SHOWCASE

KAISER PERMANENTE
HOSPITALS, CALIFORNIA
15 MW

WILLIAM PATTERSON UNIV.
WAYNE, NEW JERSEY
2.7 MW

PLEASONTON FAMILY HOME
PLEASONTON, CALIFORNIA
11.2 kW

SAN DIEGO WATER AUTHORITY
SAN DIEGO, CALIFORNIA
1.7 MW

RUTGERS UNIVERSITY
E. BRUNSWICK, NEW JERSEY
1.4 MW

FRESNO FAMILY HOME
FRESNO, CALIFORNIA
24.7 kW

NY JETS HEADQUARTERS
FLORHAM PARK, NEW JERSEY
690 kW

HARVARD UNIV. ATHLETICS
CAMBRIDGE, MASSACHUSETTS
592 kW
We are one of the top utility project suppliers with over 700 MW of large-scale projects in operation and construction.
We have emerged as one of the leading solar panel suppliers in Latin America

**YLIIAMI LI AMERICAS PROJECT SHOWCASE: THE CARIBBEAN, CENTRAL, AND SOUTH AMERICA**

**ILUMINA POWER PLANT**
GUAYAMA, PUERTO RICO
24 MW

**MARACANA STADIUM**
RIO DE JANEIRO, BRAZIL
397 KW

**TACNA-PANAMERICA PLANTS**
TACNA AND MOQUEGUA, PERU
40 MW

**CITRUS DISTRIBUTOR**
MONTEMORELOS, MEXICO
55.8 KW

**VEGETABLE GREENHOUSE**
MAZATEPEC, MEXICO
62 KW

**COMMUNITY CENTER**
RIO DE JANEIRO, BRAZIL
4.6 KW

**FLORAPLANT**
TETECALITA, MEXICO
57.33 KW

**NUDO DE PARAMILLO SCHOOLS**
ITUANGO, COLOMBIA
12.5 KW
We strive for a balanced market-segment distribution in the US, showed significant strength in utility-sector in ‘13

YGEA Sales Distribution by Market Segment: Comparison With US Market

*Market data through Q1’13, YGEA data through Q2’13
Since 2010 we’ve grown faster than the market excluding a brief period in mid’12 impacted by trade case.
Market ASP’s have experienced a period of stability since Nov-12 and have leveled out.
Globally, Yingli Green Energy is known for quality in manufacturing, high-performance products, and brand.

**MANUFACTURING**

- 2.45+ GW of fully vertically integrated manufacturing capacity

**R&D**

- 3 cross-functional research and development labs sited strategically across the globe

**WARRANTY**

- Industry-leading product and performance warranties backed by strong-financials and NYSE listing

**BRAND**

- First solar energy company and first Chinese company to sponsor the FIFA World Cup™ and U.S. Soccer
Locally, Yingli Americas is known for customer service. We deliver quality panels with superior after-sales support.

TECHNICAL SUPPORT

- Full-service technical support and expedited warranty claim resolution through U.S.-based lab and engineering team

LOGISTICS SUPPORT

- Responsive and expert logistics management through dedicated in-house logistics team in tandem with top-tier third-party expediter

GUARANTEES

- Project-specific performance guarantees available to ensure your project delivers strong ROI

CO-MARKETING

- Co-marketing support to help you reach your end-consumer is available through our marketing team
Our California-based PV Testing Lab (PVTL) is dedicated to evaluating solar panel quality and performance

THE PVTL IS THE REGION’S MOST SOPHISTICATED PV TESTING LAB

PVTL’s mission is to utilize best-in-class equipment and methodology to characterize the quality and performance of photovoltaic panels in order to accelerate customer service and product development.

• 12,000 square foot facility located in South San Francisco, California
• Conducts reliability and durability testing far exceeding certification-grade tests in depth and breadth
• Equipped with state-of-art testing equipment, including a halm flash tester with integrated temperature control, environmental chambers, and a dynamic mechanical load tester
• Fast, highly accurate performance characterization and .PAN file development for PVSyst and PV*Sol
• 84+ kW of long term outdoor exposure arrays and custom-built data acquisition system test different products with high precision
• Close relationships with independent labs and engineers to better support our customers
Our .PAN files accurately predict system performance because of our sophisticated characterization testing

HALM FLASH TESTER ENABLES PRECISE SYSTEM PERFORMANCE MODELING

- **Field conditions do not equate to standard test conditions**, so accurate system modeling must account for **temperature and irradiance levels specific to your project location**

- **Not all .PAN files are created equal**: Yingli’s .PAN files are produced in-house by characterizing hundreds of panels to IEC 61853 standards – while most manufacturers use third-party labs that test ≤3 panels

- **We are the only solar panel manufacturer to utilize a HALM AAA flash tester with integrated temperature control at our own testing lab** for .PAN file creation

- **Our .PAN files are validated by our own analysis of outdoor test results** at the PVTL and by third-party labs

Our h.a.l.m. AAA Solar simulator with integrated temperature control allows us to create highly accurate .PAN files for PVsyst and PV*Sol modeling software.
The PVTL is closely aligned with independent labs so that we can support our customers and our industry effectively.

**CHARACTERIZATION**

- Our highly accurate .PAN files are used by Pvsyst and validated by SAIC, Black & Veatch and PV Evolution Labs.
- We participate in Sandia National Lab’s PV Performance Modeling Collective and regularly publish white papers on performance modeling.

**RELIABILITY**

- Our accelerated lifetime testing is corroborated by marathon testing conducted through TÜV Rheinland and PV Evolution Labs.
- The PVTL actively contributes to initiatives supporting Thresher Test adoption, which are led by NREL and Fraunhofer.
We help our customers grow their businesses and reach end-consumers through marketing initiatives

**DIGITAL**

We activate our soccer sponsorships digitally and at events to generate leads:

- Commercial and residential leads are shared with qualified customers in participating regions

**PRINT**

We offer co-branded printed collateral to complement our customers’ marketing programs:

- Case studies
- Datasheets
- 1-pagers

**EVENTS**

We help make our partners’ events successful by providing:

- Signs and banners, including design assistance
- Premiums, give-away’s, and other promotional items
- On-site support at dealer events
Downstream Opportunities in China

Bryan Li
Executive Director & Chief Strategic Officer
October 22, 2013
China market is emerging to become a substantial cornerstone to the global PV development with robust and continuous growth even during times of financial and economic crisis.
China consumed over 4,960\textsuperscript{1} terawatt-hour electricity in 2012, of which 8.3% of electricity is from renewables\textsuperscript{2} and with less than 0.1% from solar.

China had 7.91% of electricity from renewables\textsuperscript{2} in 2010. This percentage increased to 8.3% in 2012, among which less than 0.1\% was from solar generated power. Official targets\textsuperscript{3} aim to increase that share to at least 11.4 \% in 2015 and 15\% in 2020.

With over 4,960 terawatt-hour\textsuperscript{1} electricity consumption in 2012 and an increase of 5~10\% per year, China market has enormous potential for growth in renewable energy applications, especially in solar.

\begin{itemize}
  \item \textbf{[1]} Data source: The National Energy Administration (NEA) of China.
  \item \textbf{[2]} Renewables include wind, hydro, solar, gas and nuclear. \textbf{[3]} China’s 12th Five Year Plan (12FYP)
\end{itemize}
China’s Solar Roadmap - huge potential to go “greener” via solar development

Cumulative PV installation

- Very small
- Less than 1GW
- 2.5GW
- 35GW
- 200GW

Solar power as % of total energy consumption

- 2008: N/a
- 2009: 0.03%
- 2010: 0.06%
- 2011: 0.7%
- 2015E: 2.8%
- 2020E: 2.8%

Incentive policy

- 2008: No policy
- Concession bidding for on-grid large-scale PV project
- 2011: Uniform on-grid tariff (utility projects)
- 2012: Large-scale distributed generation projects are promoted for 500MW in total
- 2013:
  - FITs of RMB 0.9~1.0/kwh for utility projects as per location categories;
  - Subsidy of RMB 0.42/kwh for distributed generation systems;
  - Standard tenure for rewarding FITs and subsidy is 20 years
China recently introduced substantial favorable PV policies to grow home market with an installation target of 35GW by the end 2015

Substantial PV Policies Announced Recently

- In July 2013, the State Council required the state grid to purchase 100% of solar-generated electricity if a business holds “Electric Power Business License”.
- In July, the NDRC announced 1) a national installation target of 35GW by the end of 2015; 2) eligible projects would enjoy a 20-years period of subsidy/ FiT and 3) payment would be settled on a monthly basis.
- In August, the NDRC announced a new FiT scheme for utility projects according to location categories as below:

<table>
<thead>
<tr>
<th>Regions</th>
<th>Effective Sunlight (Hours/Year)</th>
<th>Previous (RMB/KwH)</th>
<th>Current (RMB/KwH)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier-1 region</td>
<td>1,600</td>
<td>1.00</td>
<td>0.90</td>
</tr>
<tr>
<td>Tier-2 region</td>
<td>1,400</td>
<td>1.00</td>
<td>0.95</td>
</tr>
<tr>
<td>Tier-3 region</td>
<td>1,200</td>
<td>1.00</td>
<td>1.00</td>
</tr>
</tbody>
</table>

- For distributed-generation solar projects, the FiT is **0.42 RMB/KwH** for both self-consumed power and power that sold to the grid on a whole electricity basis.
- Renewable surcharge increases from Rmn0.8 to 1.5/kwh.
- In September, the China Ministry of Finance announced a 50% immediate refund for solar project’s value added tax (VAT). Thus, VAT for solar projects’ revenue was reduced from 17% to 8.5%, effective on Oct. 1, 2013.

By the end of 2015, 39.3GW of PV projects would be installed in China. However, with total solar power generated, it would only occupy around **0.7%** among China’s energy mix in 2015.
In China, project IRRs for both utility plants & distributed generation systems are attractive, especially after government rebate for value-added-tax.

An Utility PV Plant

1. **Size:** 50 MW

2. **Project cost:** ($1.29/W, incl. tax)

3. **Occupied land:** (488 acres)

4. **Effective Sunlight:** (4.38 hours/day)

5. **FIT:** RMB 0.90 ($0.145)/kwh, 20 years

6. **Classification:** (Tier-1 region)

7. **Land rent:** $0.36M/year

   - Initial payment would be paid before the construction.
   - Every three years, land rent will adjust based on wheat commodity price floating.

8. **Financing:** project loan, 70%

9. **Interests rate:**

   - 1-2 yrs: 8.5%
   - 3-15 yrs: 6.65%

10. **Leveraged/Project IRR:** ~12%/~10%

11. **Payback Period:** ~8 years

A Distributed Generation System

1. **Size:** 19 KW

2. **System cost:** ($1.36/W, incl. tax)

3. **Rooftop Area:** (266 m²)

4. **Effective Sunlight:** (4.38 hours/day)

5. **EMC Price:** RMB 0.63 ($0.10)/kwh

6. **FIT:** RMB 0.42 ($0.07)/kwh, 20 years

**How to calculate EMC price?**

Residential electricity price ($0.11/kwh) x (1 - EMC discount rate 10%)

7. **Financing:** leasing agreement, 70%

8. **Interests rate:**

   - 1~10 yrs: 8.5%

9. **Leveraged/Project IRR:** ~15%/~12%

10. **Payback Period:** ~6 years
Yingli’s Quick Facts in China

- Over 10,000 of employees in China
- 4 manufacturing bases in China with 2.45 GW of vertically integrated manufacturing capacity
- Over 20 subsidiaries and controlling entities are based in China
- By end of Q3’13, accumulative PV module shipments in China has exceed 1.6GW
- 2 Stake Key Lab granted by Chinese Government

Yingli’s Key Successful Factors in Downstream

- Strategic Cooperation with China Development Bank, the Export-import Bank of China and other larger state-own commercial banks
- Robust cooperation with 5 largest power conglomerates and 4 utility companies
- Well connected to different levels of government authorities
- Experienced team for PV projects developments in respect of project sourcing, consultation & approval process, project design and installation, project financing, system monitoring & maintenance and etc.

Strong bankability, well-established sales channel, good track-record and experienced team are the keys to entry into Chinese PV downstream sector
Yingli aims to delivery integrated solar power solution in China

**EPC**
- **Equipment Procurement**
- **Site Construction**
  - build the project as per design from qualify agency
- **Grid Connection**
  - fully completed until the project is successfully connected to the grid

**Developer**
- **Project Approval**
  - obtain legal approvals from the governments
- **Energy Management Contract**
  - Negotiate with clients for payment of the electricity saving via PV systems at the market price or at a discount
- **Construction via Own Team or a EPC Company**
- **Grid Connection**
- **Power Purchase Agreement with the Grid**

**Investor**
- **As Investor/ Owner**
  - **As investor**, invest via controlling/non-controlling interest and receive yearly income; **As owner**, cut electricity bill via solar power generated
- **Sales and Securitization of the projects**
  - sell and securitize solar projects after development to recycle investment and lift the payback period

**O&M**
- **Daily Operation & Maintenance**
  - maintain daily operation for PV plants and systems

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**Project Financing**

**Utility Scale PV Plants**
- Bank
  - Loan
  - Asset guarantee
  - YINGLI

- Electricity Purchase Agreement
  - Monthly Payment Based on Electricity Generated
  - Grid

**Distributed Generation Systems**
- Finance Leasing Co.
  - Asset Transfer
  - Leasing
  - YINGLI

- Energy Management Contracts
  - Clients
  - Clients
  - Clients
In China, Yingli’s is skillful to approval procedures for PV utility projects & distributed generation systems.

1. **Project Evaluation**
2. **Preliminary Design:** by qualified agencies to provide overall design scheme on installation, plant layout, equipment selection and etc.
3. Obtain “Land Right” via either leasing or acquisition
   - 1. Project feasibility report
   - 2. Land use right pre-approval
   - 3. Environment evaluation approval
   - 4. Project planning and site selection
   - 5. Grid connection approval
   - 6. Soil & water conservation plan approval
   - 7. Safety evaluation registration form
   - 8. Equity fund certification
   - 9. Letter of bank loan intent
4. **Construction**
5. **Connection with Grid**
6. **Power Purchase Agreement with the Grid**
7. **Final Approval by State NDRC**
8. **Registration with Government Authorities**
   - 1. Preliminary request
   - 2. Project proposal
   - 3. Project feasibility report
   - 4. Environment evaluation approval
   - 5. Grid connection approval
   - 6. Safety evaluation registration form
   - 7. Equity fund certification
   - 8. Letter of bank loan intent

“Roof Leasing Agreement & Energy Management Agreement” with the property owner

Utility Plants

Distributed Generation System
Yingli has 500 MW plus solid downstream pipelines in China & targeted to develop by Dec. 2014, among which 120~130 MW is expected to be completed in 2013.
Yingli is aiming for the leading position in downstream PV business of China
Our Strategic Partners

Banks

Utility Companies
Thank you!

Please contact us or visit www.yinglisolar.com for more information.

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