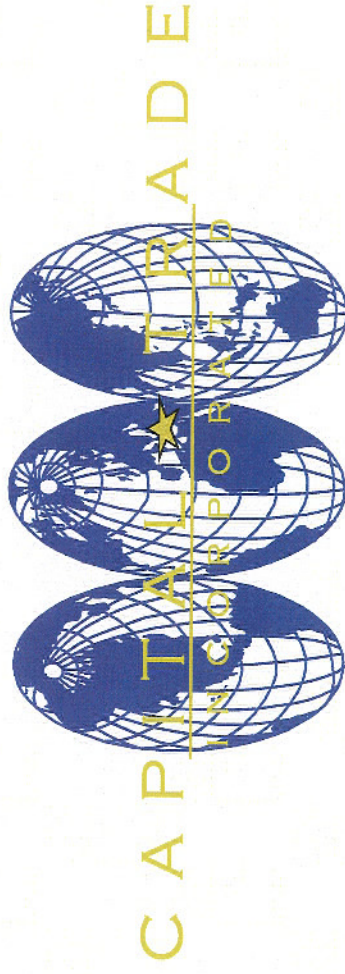


Crystalline Silicon Photovoltaic Cells and Modules From China

701-TA-481 and 731-TA-1190 (Final)

October 3, 2012



Dr. Seth T. Kaplan
(202) 463-1850

Chinese Solar Industry Development



Chinese Industrial Policy

- The 11th Five Year Plan ('06-'10) targets the solar energy industry.
- State Council's guidelines prioritize "Low cost, mass development and utilization of renewable energy."

"We will give priority to researching and developing...high-performance low-cost solar voltaic cells and technologies to use them."

China 12th 5 Year Plan

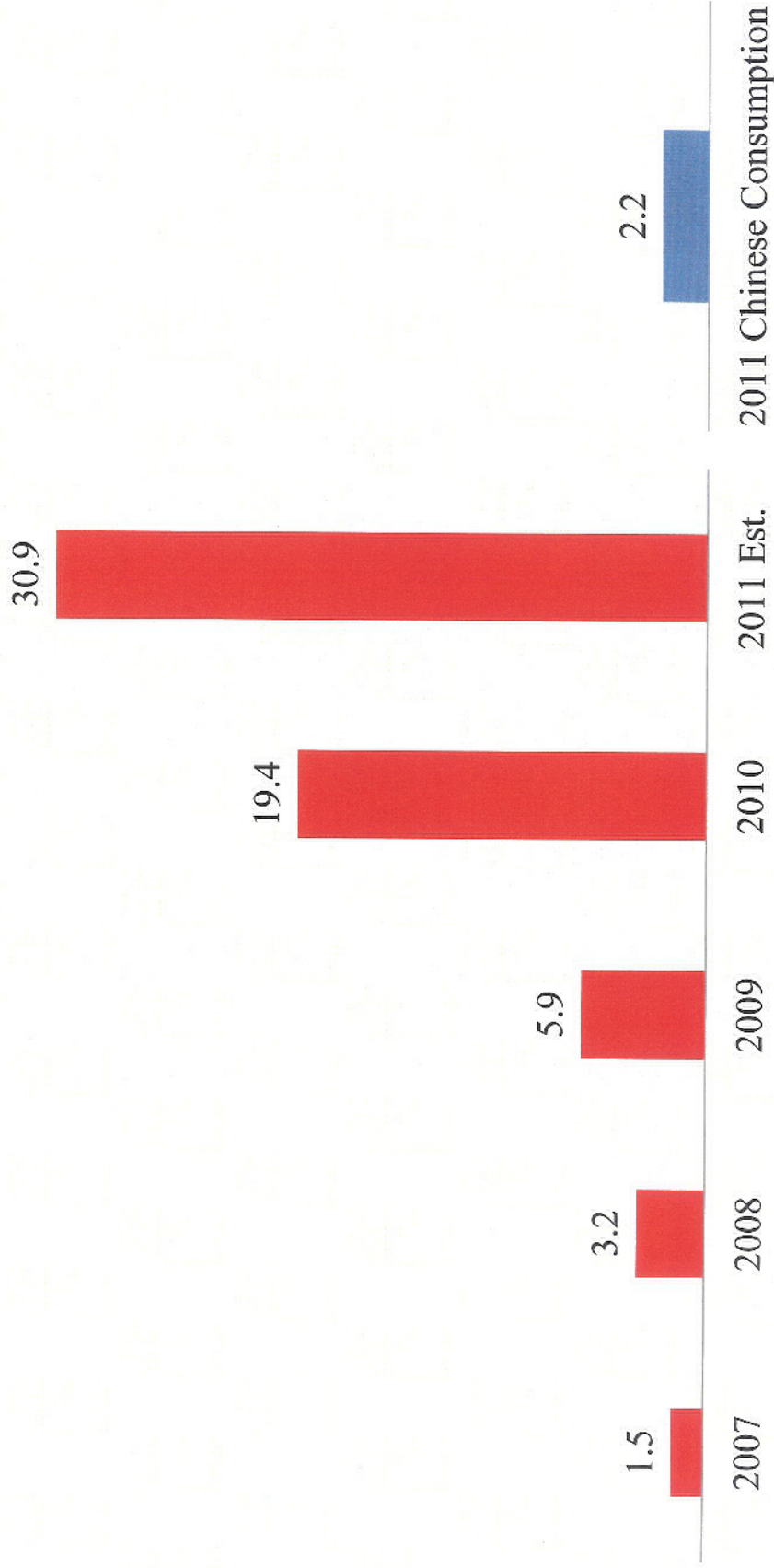
- New energy industry identified as “strategic emerging industry”
- Solar photovoltaic energy part of new energy industry

China Photovoltaic 5 Year Plan 2011-2015

- Capacity & production increases
- Price level targeting
- Export orientation
- Technological advances and innovations

Geometric Growth of Production Capacity

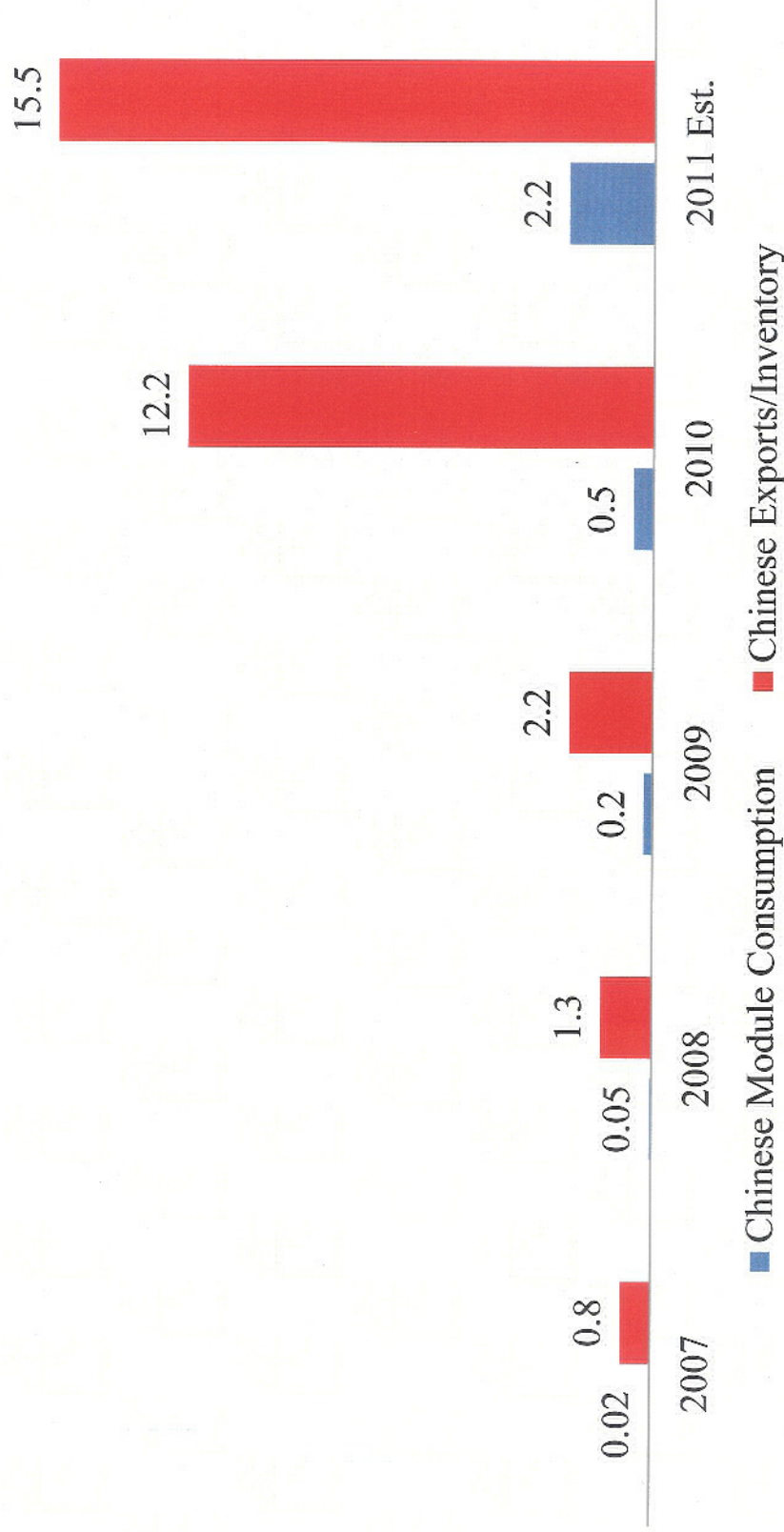
Chinese Module Capacity (GWs)



Source: Capacity: Goldman Sachs Global Investment Research, *Global: Clean Energy Solar* (February 29, 2012).
Chinese Consumption: European Photovoltaic Industry Association, *Global Market Outlook: For Photovoltaics until 2016* (May 2012).

Targeting of Foreign Markets

Chinese Module Shipments (GWs)



Source: Capacity: Goldman Sachs Global Investment Research, *Global: Clean Energy Solar* (February 29, 2012); Chinese Consumption: European Photovoltaic Industry Association. Global Market Outlook: For Photovoltaics until 2016 (May 2012).

Targeting of Foreign Markets

- Targeting US Market Share

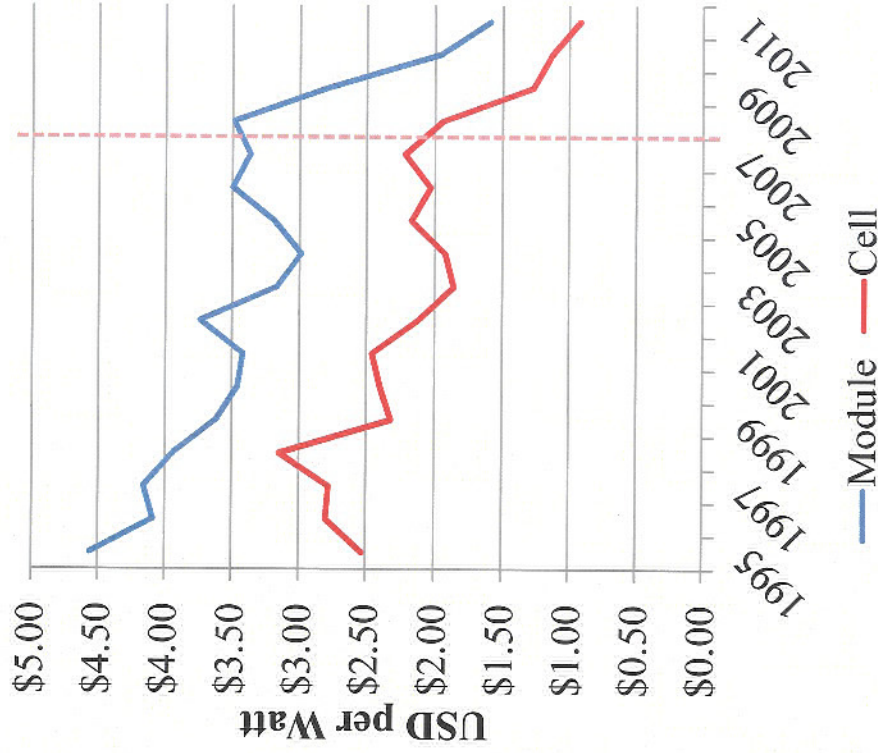
“{W}e have become a leading module supplier in North America and expect to capture nearly 15 percent of the North American Solar Market in 2011.” Yingli Green Energy Holdings Earnings Release (8/22/11)

- Below Cost Sales in the US

“Shi Zhengrong, the chief executive and founder of China’s biggest solar panel manufacturer, Suntech Power Holdings, said in an interview here that Suntech, to build market share, is selling solar panels on the American market for less than cost of the materials, assembly and shipping.” New York Times (8/25/2009)

Supply Glut and Price Collapse

- “The current PV market conditions are far from rosy, as excess PV module production has driven down module prices to historic lows”
Lux Research
- “Market conditions were exacerbated by an over-supply of solar power products driven by increased manufacturing capacity, which adversely affected the prices of solar power products”
Trina 2011 20-F
- “Following a short period of recovery after the financial crisis in 2008, the industry experienced a challenging year in 2011 when capacity and supply of solar panels far exceeded the demand in the market”
Suntech 2011 20-F

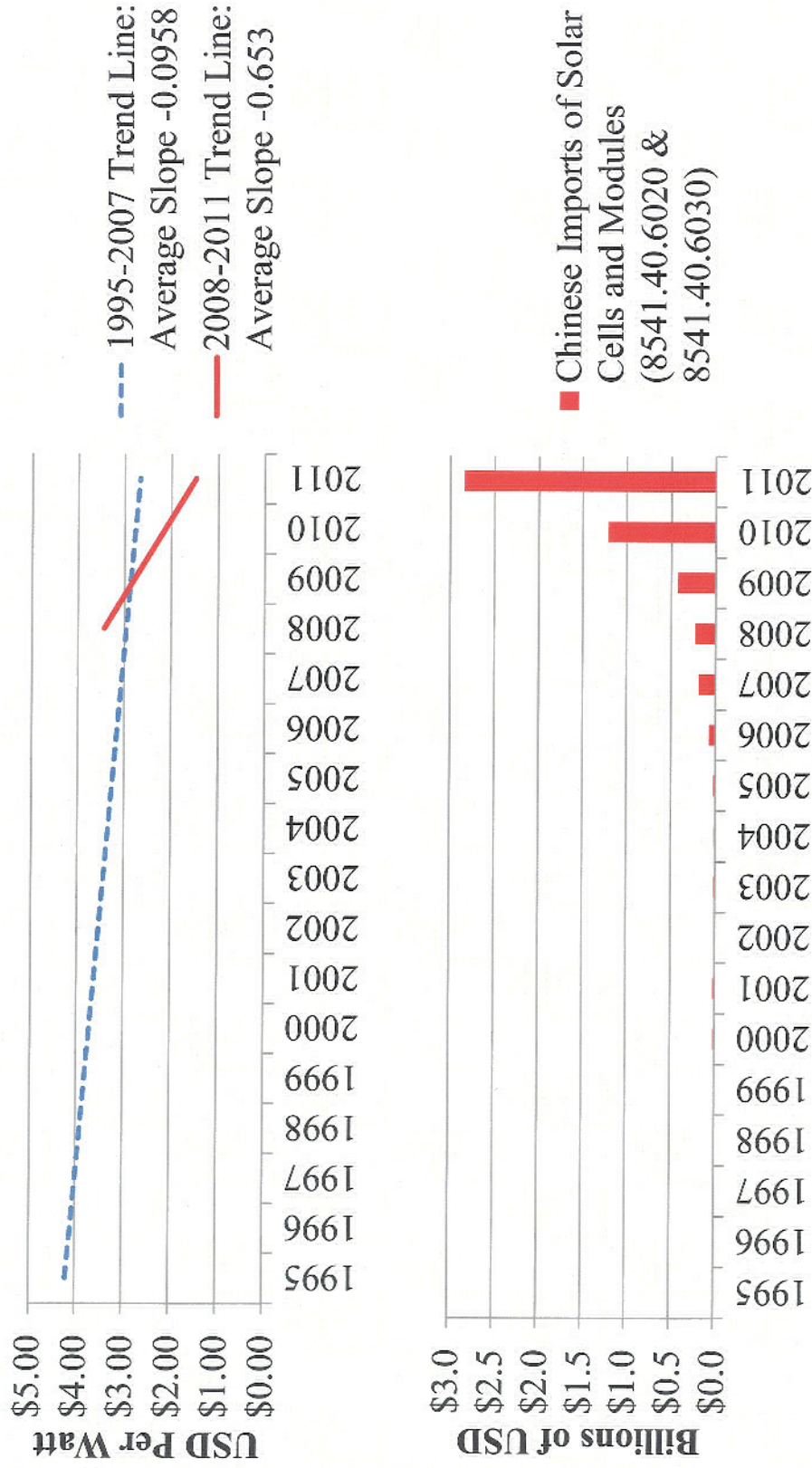


Source: Quotations: Suntech Power Holdings Co. Ltd. SEC Filing Form 20-F. (April 27, 2012) at 4; Trina Solar. SEC Filing Form 20-F. (March 29, 2012) at 57; & Lux Research. Searching for Game Changers in Photovoltaics Materials Innovations. (March 2012) From <http://www.luxresearchinc.com/>.

Module and Cell Prices: EIA Table 10.8 US Photovoltaic Cell and Module Shipments by Type, Trade, and Nominal Prices, 1982-2009; & Solar Photovoltaic Cell/Module Shipments Report for 2010 and 2011.

Supply Glut and Price Collapse

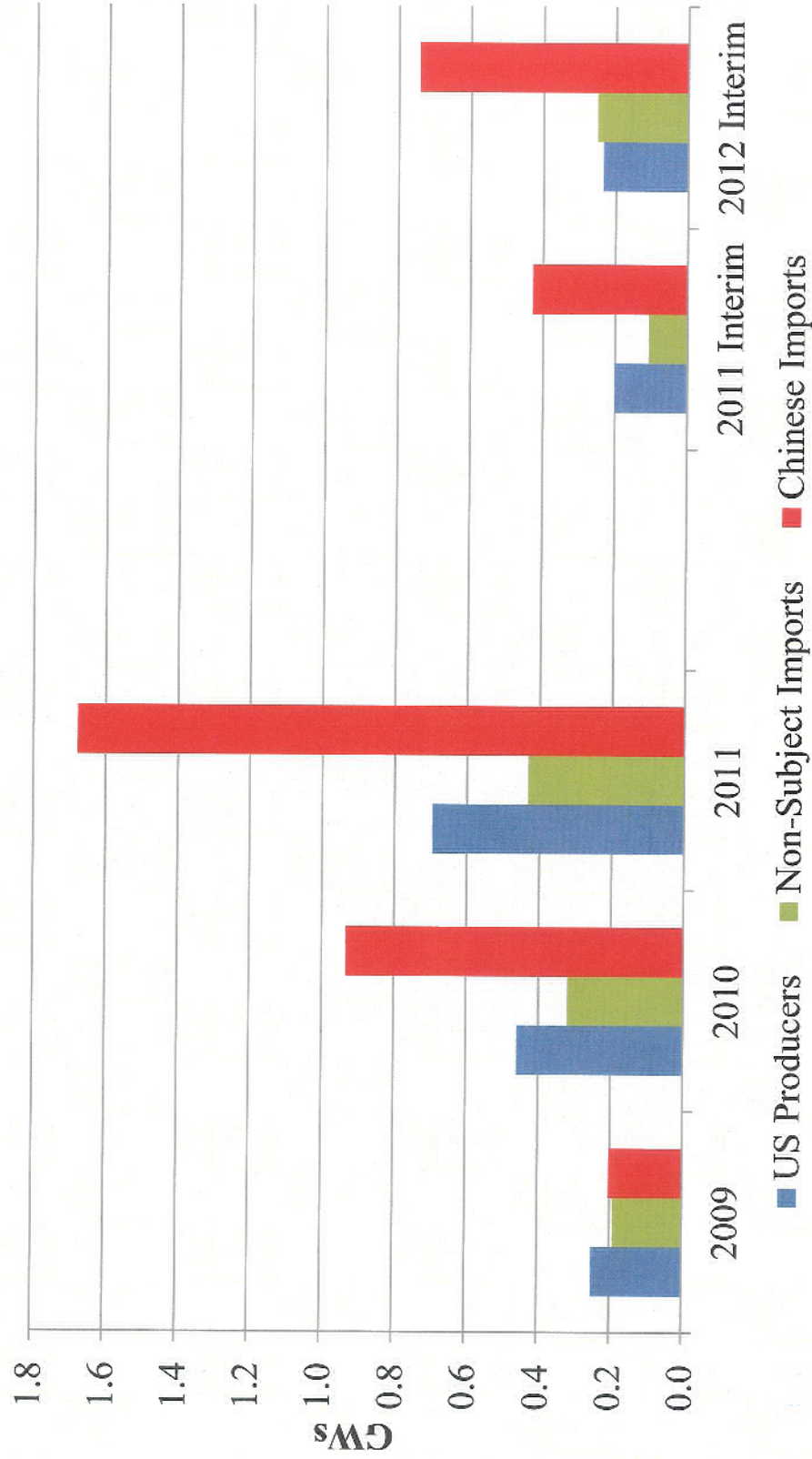
Module Price Trends and Chinese Imports



Source: Module Prices: EIA Table 10.8 US Photovoltaic Cell and Module Shipments by Type, Trade, and Nominal Prices, 1982-2009 & Solar Photovoltaic Cell/Module Shipments Report for 2010 and 2011.
 Import Data: USITC Trade Databse (HS 8541406020 and HS 8541406030).

Harm to US Producers

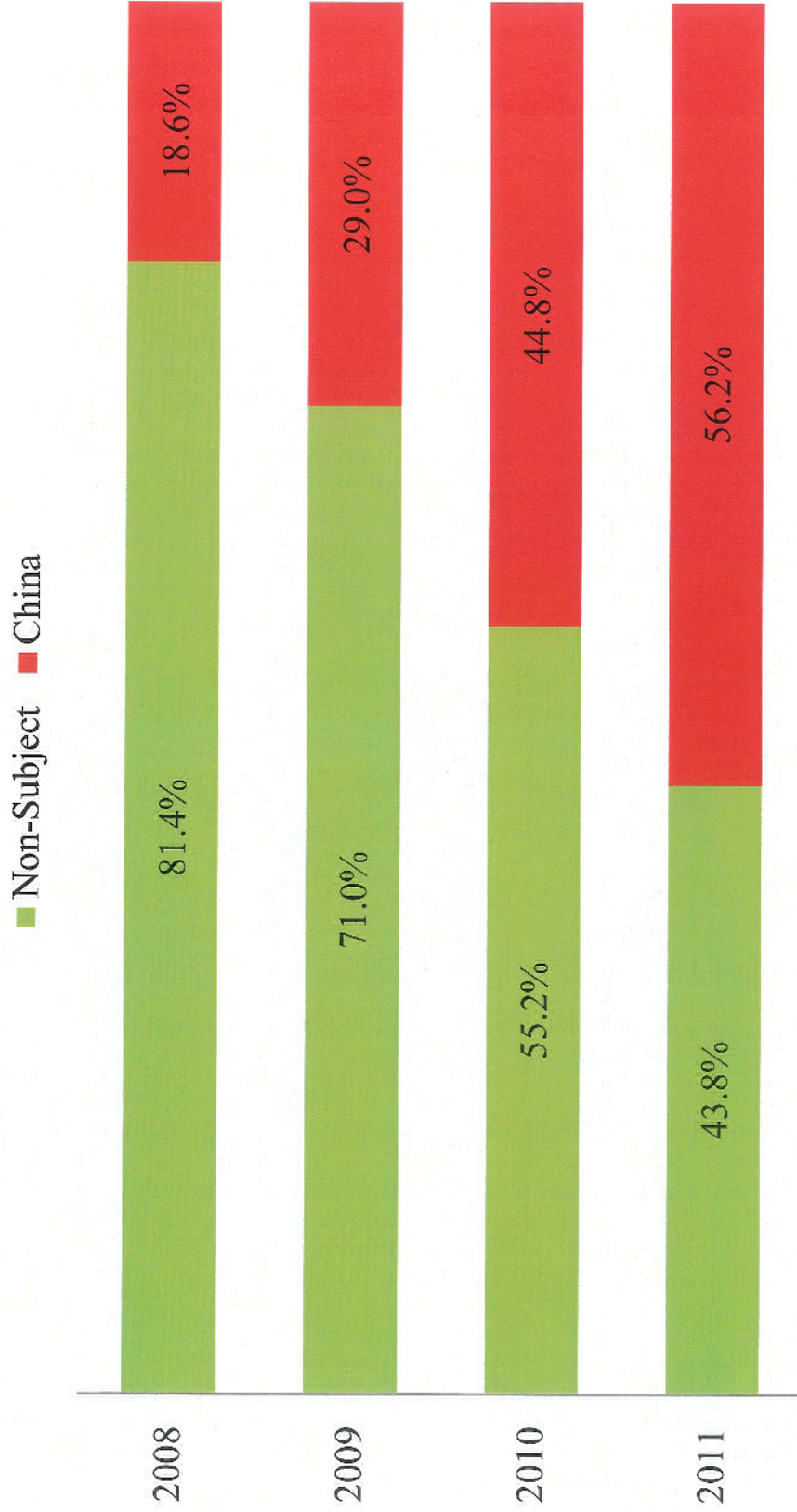
US Shipments of c-Si Modules



Source: ITC Staff Pre-Hearing Report Table IV-4.

Harm to US Producers

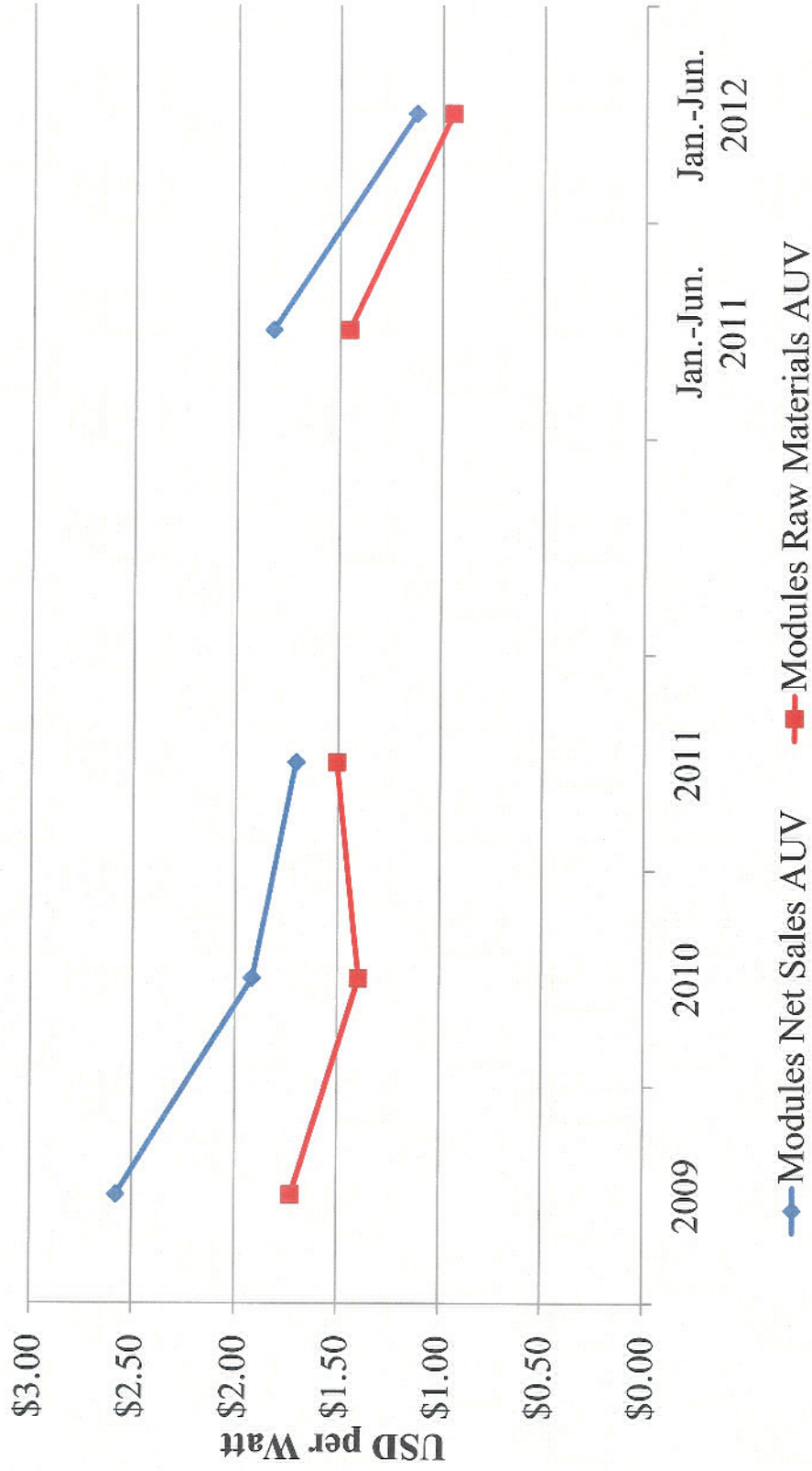
Official US Imports of Cells and Modules



Source: USITC Trade Dataweb (HS 8541406020 and HS 8541406030).

Harm to US Producers

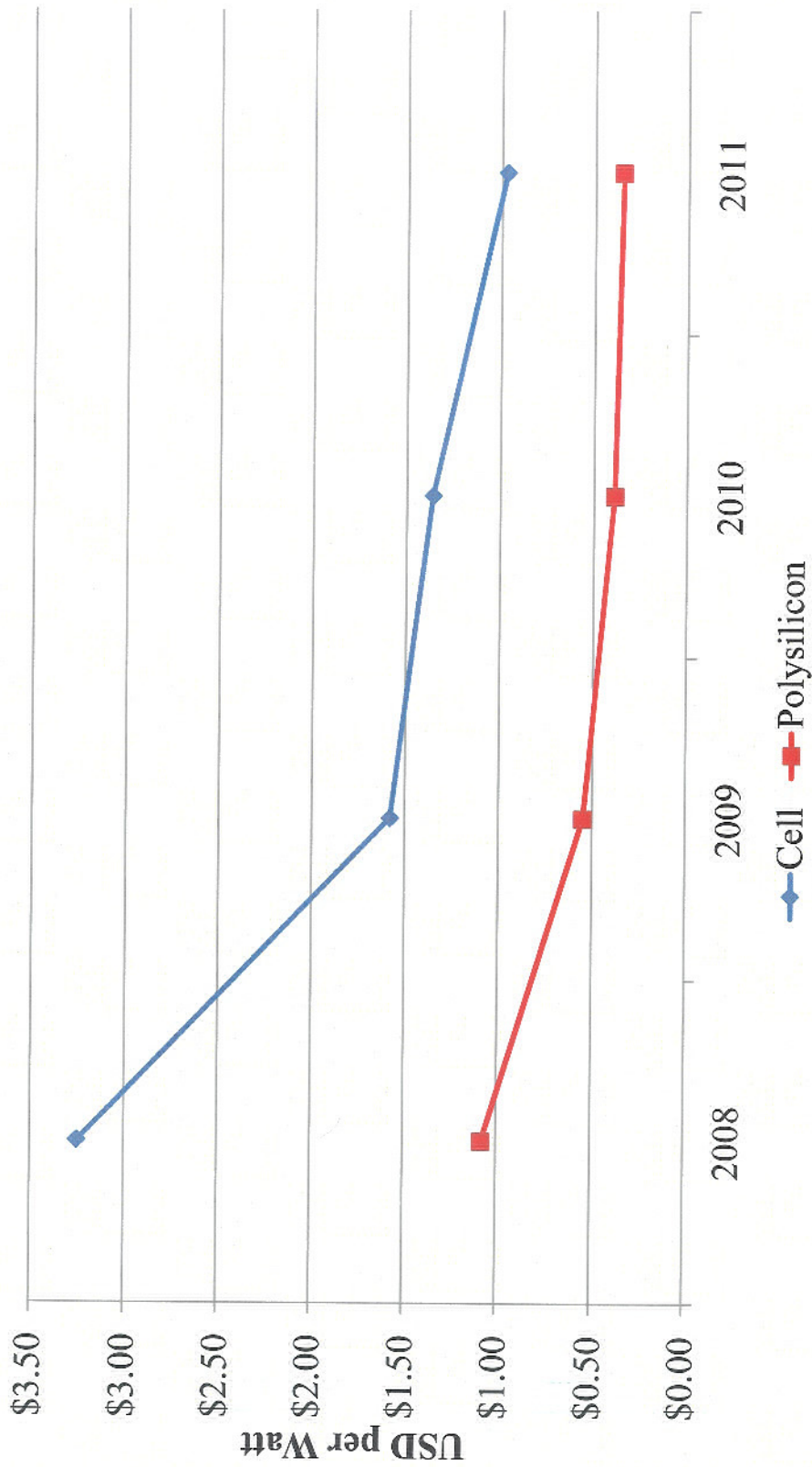
Commission Data Show a Cost-Price Squeeze



Source: ITC Staff Pre-Hearing Report Table VI-2.

Harm to US Producers

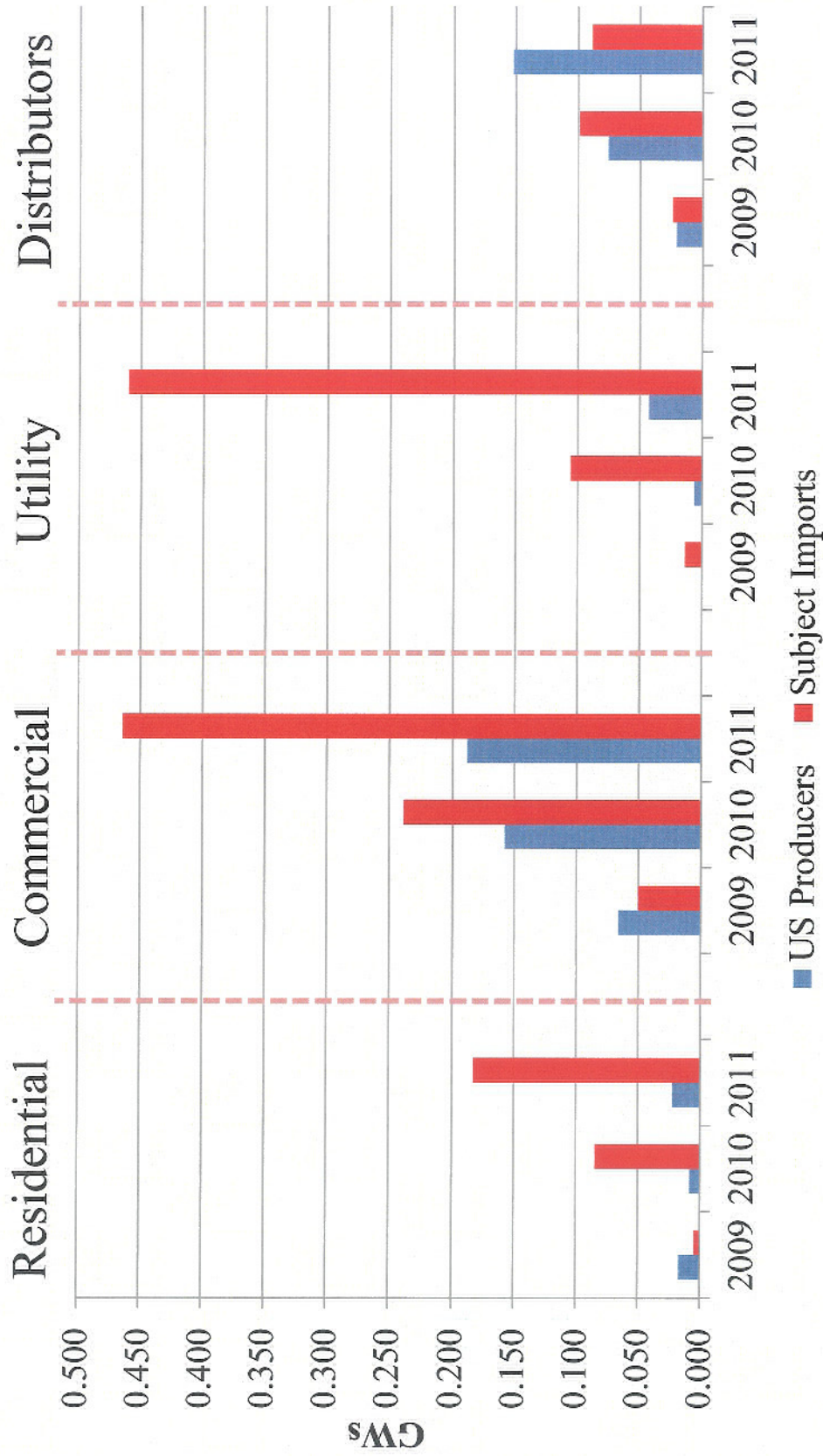
Respondents Have Acknowledged the Cost-Price Squeeze



Source: Exhibits to Testimony on Behalf of the Joint Defense CSPV Cells from China Invs. Nos. 701-TA-481 and 731-TA-1190 (Preliminary) at 7.

Harm to US Producers

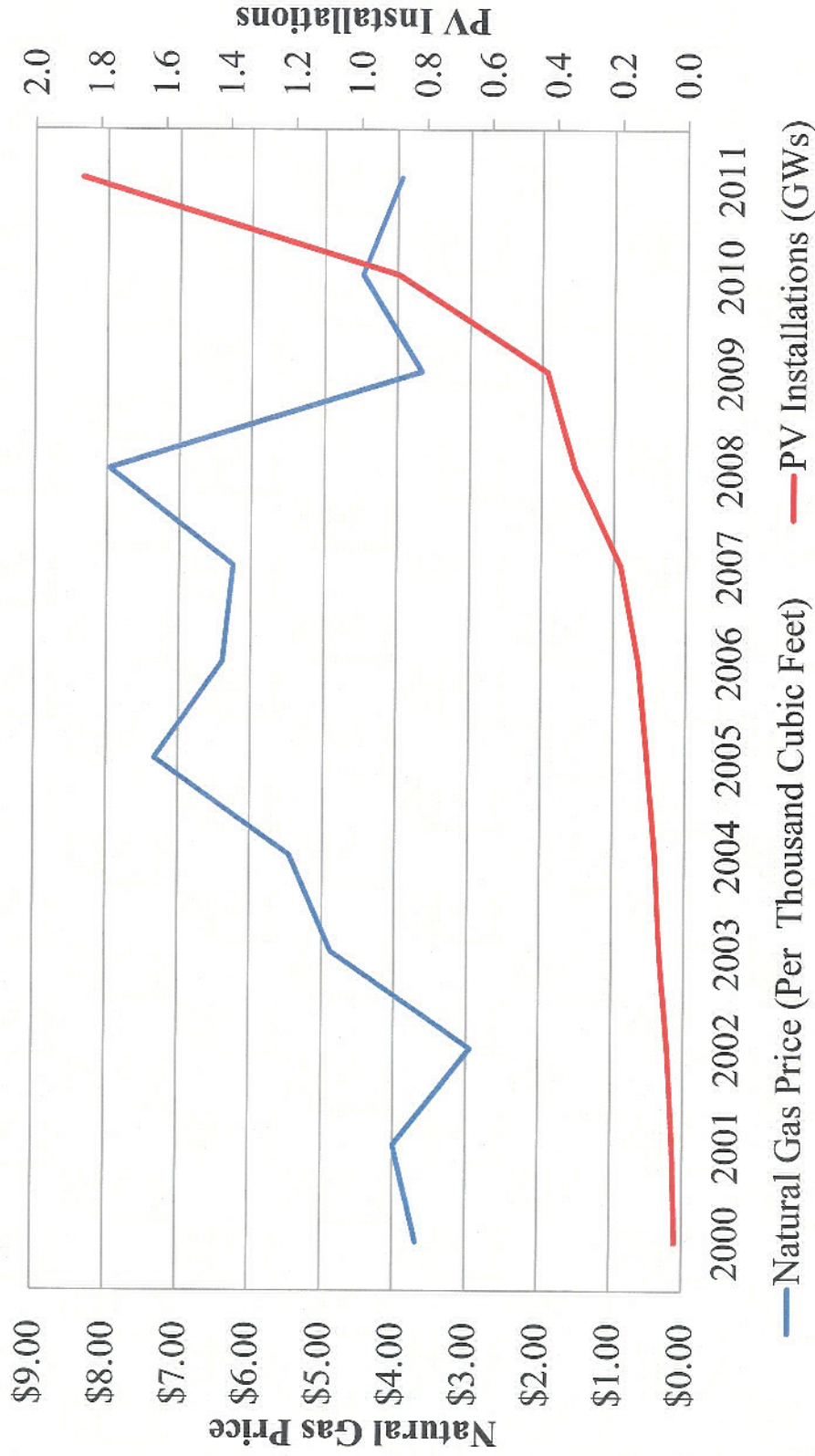
US c-Si Shipments: Domestic Producers & Subject Imports



Source: Calculated by multiplying the percentages from ITC Staff Pre-Hearing Table II-1 by the shipment quantities in Table IV-4.

Harm to US Producers

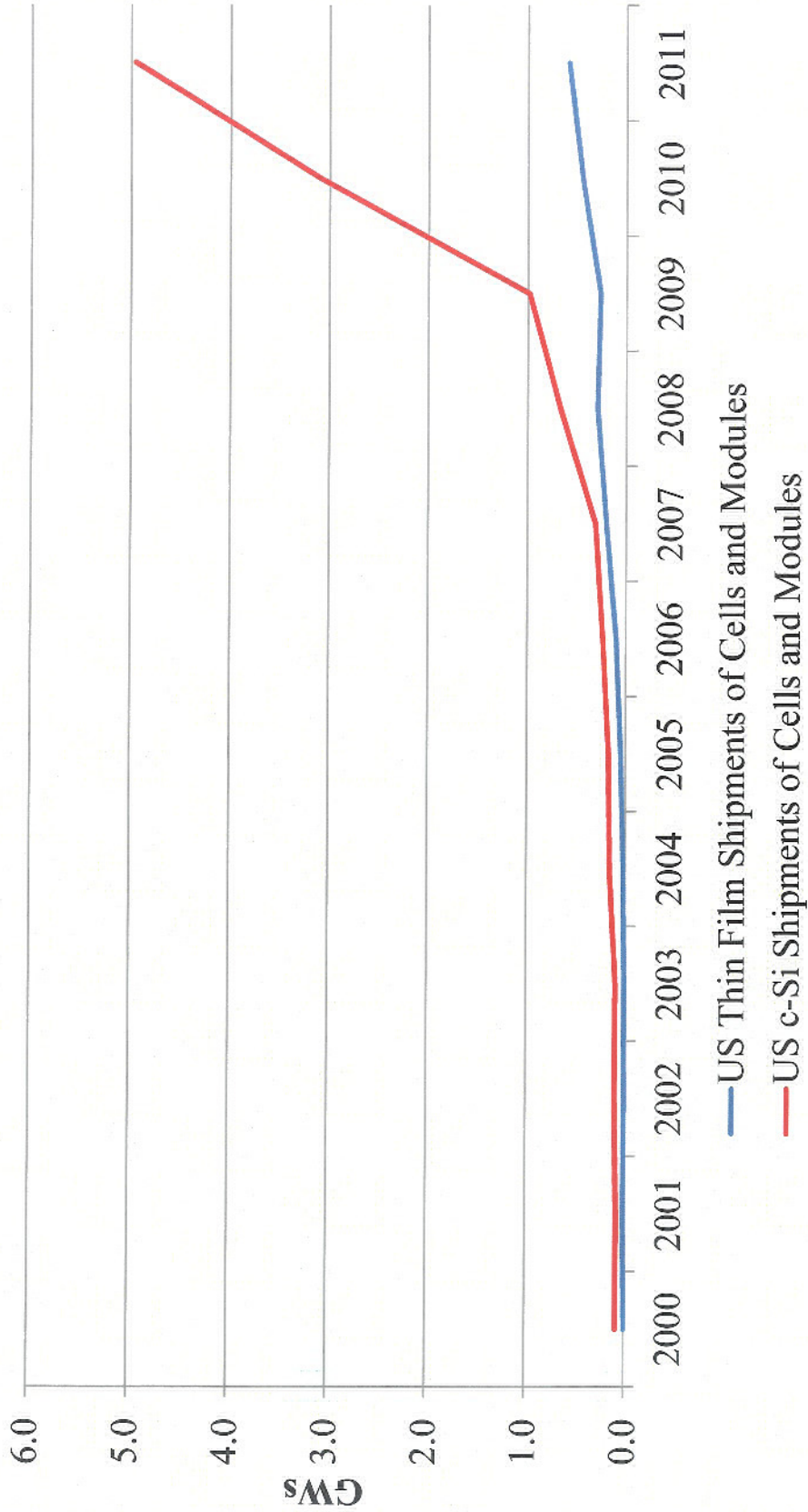
PV Installations Increased During Natural Gas Price Volatility



Source: EIA Natural Gas Annual Price Data; & SEIA Market Insight Reports for years 2007-2011 and 2012 Q2.

Harm to US Producers

US c-Si Shipments Have Outpaced Thin Film



Source: EIA Table 10.8 US Photovoltaic Cell and Module Shipments by Type, Trade, and Nominal Prices, 1982-2009; & Solar Photovoltaic Cell/Module Shipments Report for 2010 and 2011.