

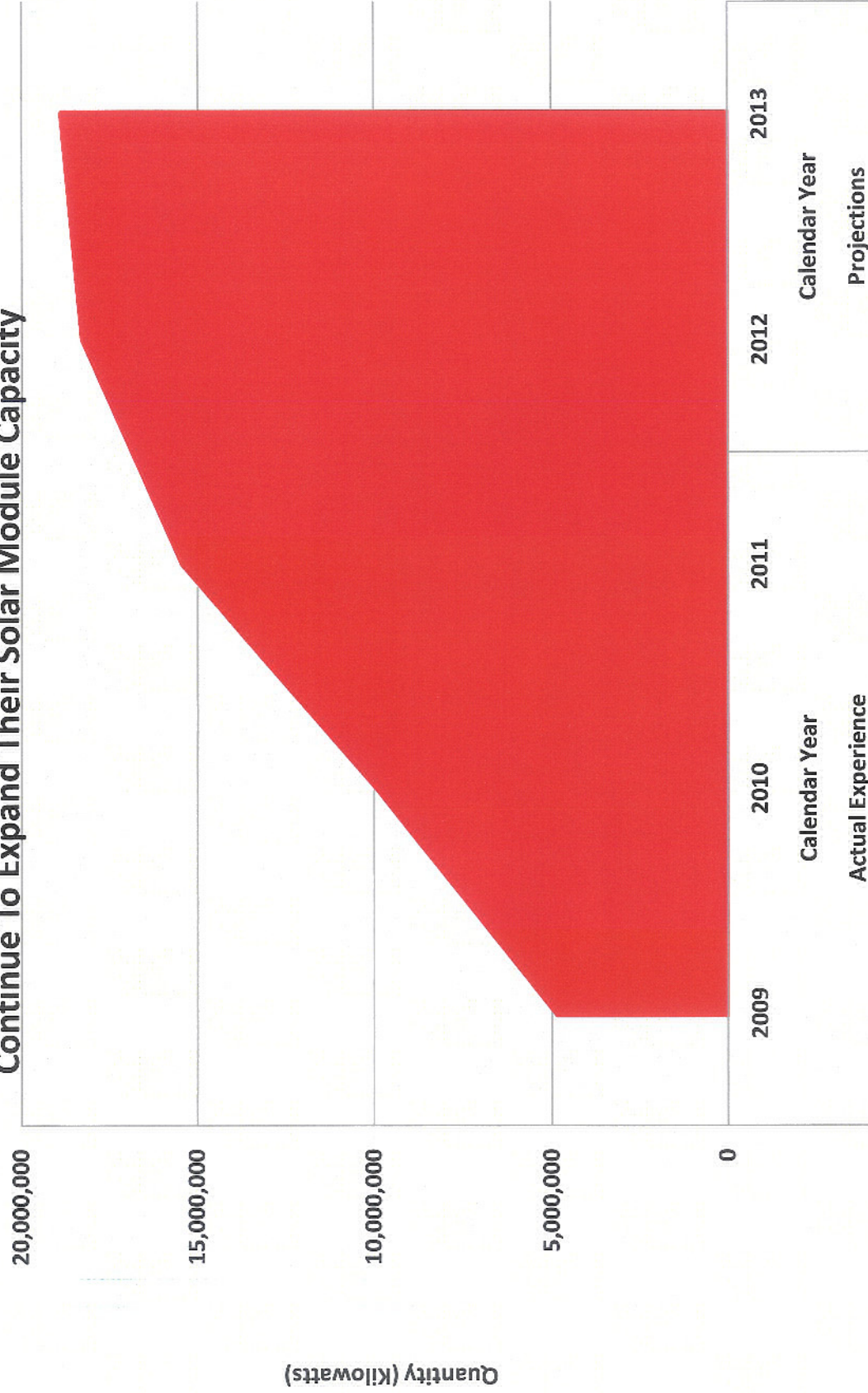
**CRYSTALLINE SILICON PHOTOVOLTAIC CELLS AND
MODULES FROM CHINA**

**INV. NOS. 701-TA-481 AND 731-TA-1190 (FINAL)
HEARING BEFORE THE U.S. INTERNATIONAL TRADE COMMISSION**

Handouts to accompany Petitioner's Testimony

October 3, 2012

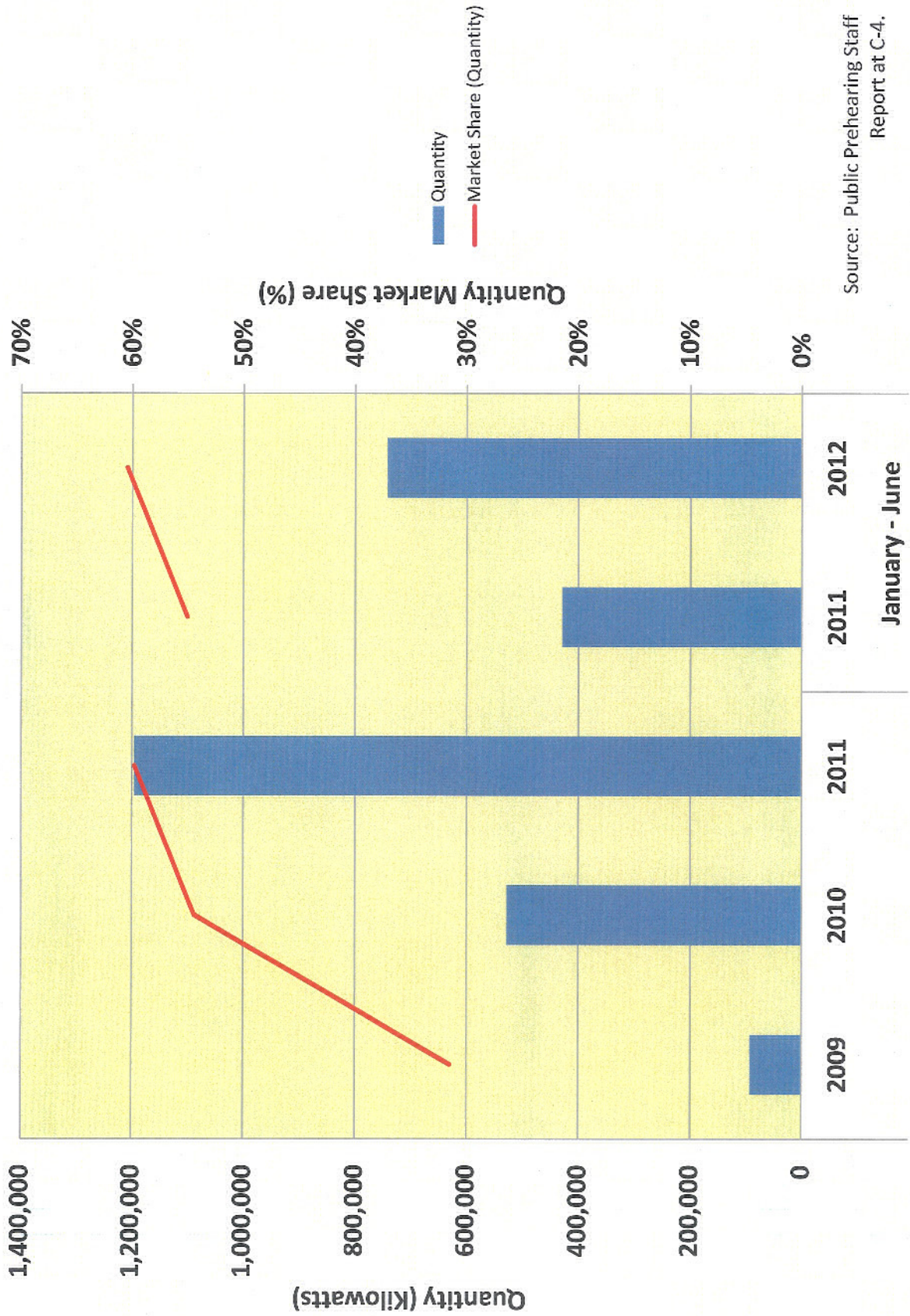
Responding Chinese Producers* Continue To Expand Their Solar Module Capacity



NOTE: Staff estimates that responding Chinese producers represented ***% of 2011 module production.

Source: Prehearing Staff Report at VII-11.

Increases in Subject Imports Were Material



Source: Public Prehearing Staff Report at C-4.

Chinese Overcapacity and Pricing Practices of Chinese CSPV Producers

“Suntech, to build market share, is selling solar panels on the American market for less than the cost of materials, assembly and shipping.” Shi Zhengron, founder and chief executive of Suntech Power Holdings, China and the world’s largest producer of CSPV cells and panels. Source: Keith Bradsher, *China Racing Ahead of U.S. in the Drive to Go Solar*, The New York Times, August 25, 2009.

Chinese Overcapacity and Pricing Practices of Chinese CSPV Producers (cont'd)

2011:

- **Canadian Solar:** “[m]any competitors, or potential competitors, particularly in China, continue to expand their production creating a potential oversupply of solar” cells and modules.¹
- **LDK Solar:** “the past and continued expansion of production capacity by us and our competitors may result in significant excess capacity in the overall PV industry.”²
- **Suntech** has cited the global imbalance between supply and demand caused by increasing capacity as a cause of the rapid decline in c-Si PV prices.³
- **Yingli:** “increased supply of PV modules due to production capacity expansion by PV module manufacturers” has caused the price of PV modules to fall beginning in 2008.
- **Trina:** “excess global capacity continues to impact the PV industry.”⁴

2012:

- **Jigar Shah:** “Everything’s crashing right now’ Shah told the Tribune-Review. ‘The Chinese are maybe overplaying their hand.’”⁵

¹ Source: Canadian Solar’s 2011 Form 20-F at 6, 13.

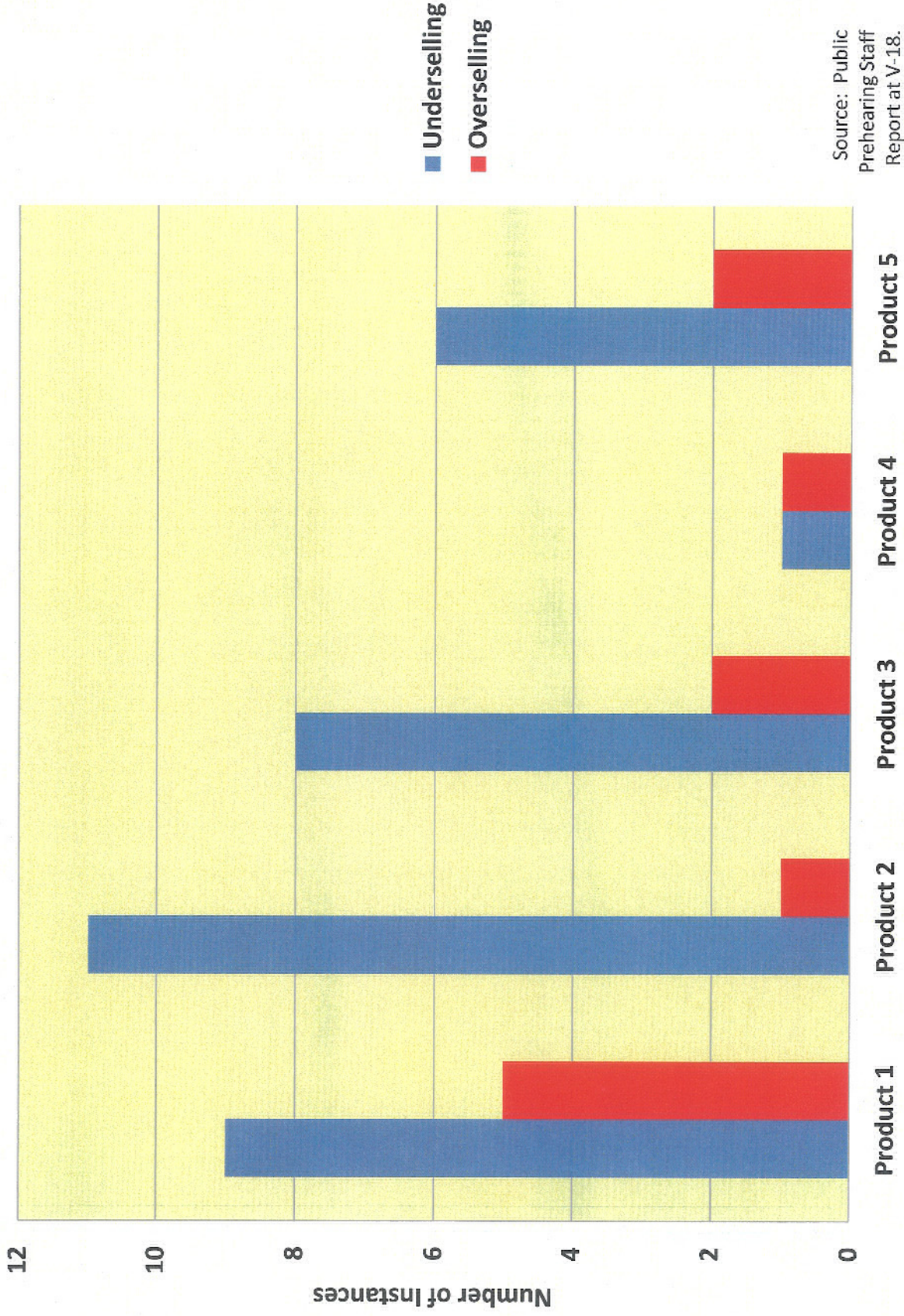
² Source: LDK Solar’s 2011 Form 20-F at 16, 33.

³ Sources: Suntech’s 2011 Form 20-F at 11; Reed Landberg, *Suntech Cuts Solar Shipments Target as Prices, Margin Fall*, Bloomberg, August 31, 2012.

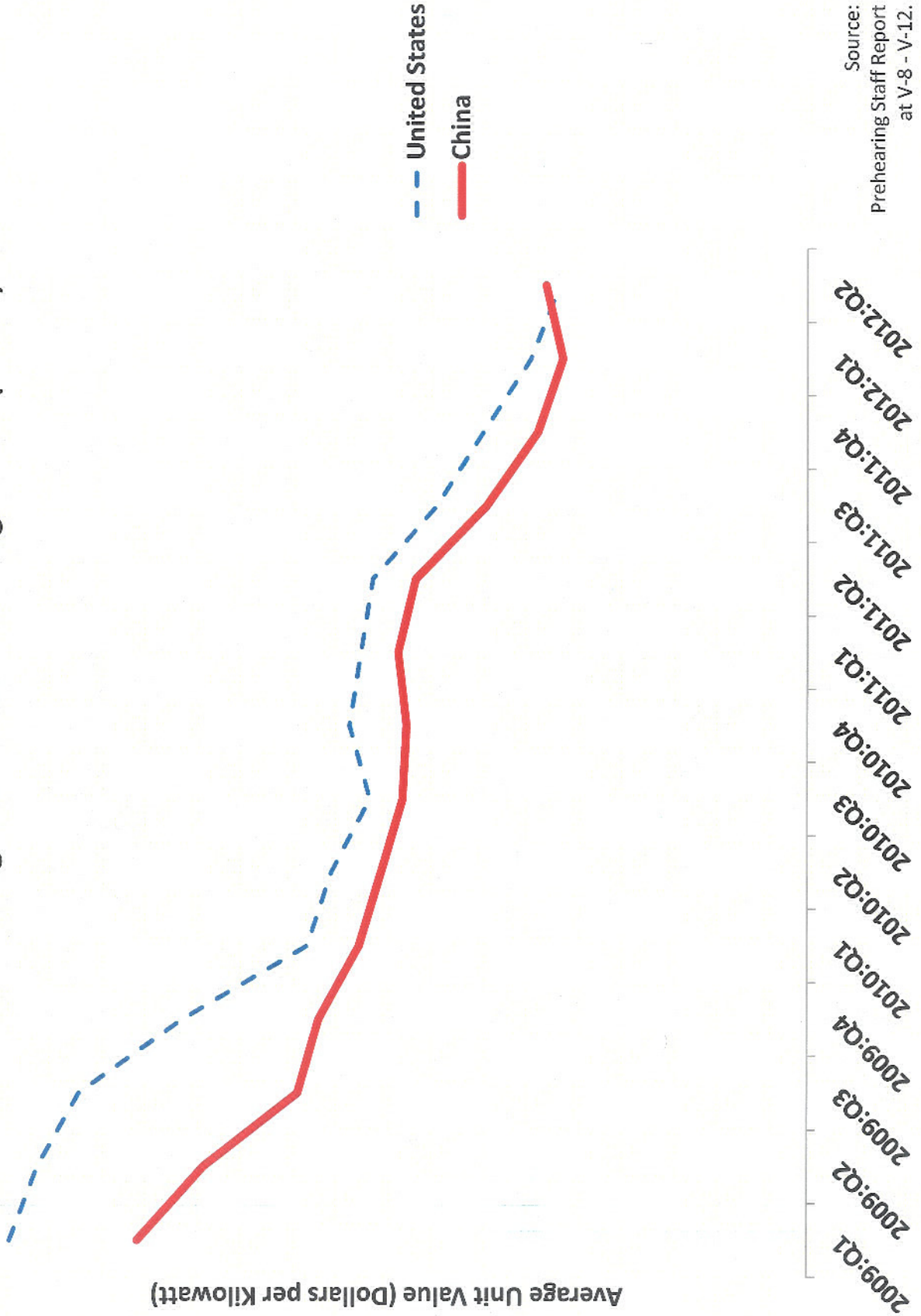
⁴ Sources: *Trina Solar Announces Second Quarter 2012 Results*; Trina Solar’s 2011 Form 20-F at 4.

⁵ Source: Lou Kilzer, *Solar cell industry in free fall*, Trib. Total Media, Aug. 1, 2012.

Underselling Was Pervasive and Significant



Underselling Was Pervasive and Significant (cont'd)



Source:
Prehearing Staff Report
at V-8 - V-12.

Price of Chinese C-Si Modules, October 20, 2011 (SEIA Trade Show, Dallas, TX)



Price of Chinese C-Si Modules, July 12, 2012 (InterSolar, San Francisco)

PWP-235W / P8Y-235
Electrical Data

Module	100	200	300	400	500
1MW	236	234	232	230	228
600KW	236	234	232	230	228
150KW	236	234	232	230	228

PWM-250W / P9X-250
Electrical Data

Module	100	200	300	400	500
1MW	250	248	246	244	242
600KW	250	248	246	244	242
150KW	250	248	246	244	242

Price Is By Far The Most Important Factor Considered By Purchasers



Source: Public Prehearing Staff Report at II-19.

The Industry Is Materially Injured

U.S. Modules Industry Performance

Item	2009-11	Jan-June 2011-12
U.S. Producers' Market Shares:		
Quantity*	-17.2	-8.2
Value*	-14.0	-9.6
Capacity Utilization*	9.7	-8.9
Unit Value of U.S. Shipments	-28.5	-39.4
Ending Inventory Quantity	130.8	15.0
Inventory to Shipments Ratio*	-11.4	1.2
PRWs	59.3	-23.0
Hours	44.3	-36.4
Wages	77.5	-30.7
Capital Expenditures	-0.7	-84.8
Operating Loss	-121.5	-22.6
Operating Margin*	-8.1	-8.3

* Percentage Point Change

Source: Public Prehearing Staff Report at C-4.

The Industry Is Materially Injured (cont'd)

Action	Company	Facility	Date	Jobs Lost
Shutdowns:				
	Sharp	Memphis, TN	Sep-12	400
	Solar Power Industries	Rostraver, PA	Aug-12	?
	Schott Solar	Albuquerque, NM	Jun-12	130
	MX Solar	Somerset, NJ	Jun-12	120
	Siliken	Windsor, CA	May-12	110
	Transform Solar	Nampa, ID	May-12	250
	BP Solar	Frederick, MD	Mar-12	320
	Solon Corp	Tucson, AZ	Oct-11	65
	SolarWorld	Camarillo, CA	Sep-11	186
	SpectraWatt	Fishkill, NY	Apr-11	117
	Evergreen Solar	Devens, MA	Mar-11	800
	Schott Solar	Billerica, MA	Jul-09	225
	12 Company Total		>	2,723