



**ReneSola**  
Inspired by the Sun

**March 2011**

# Disclaimer



This presentation does not constitute an offer to sell or issue or the solicitation of an offer to buy or acquire securities of ReneSola Ltd (the “Company”) in any jurisdiction or an inducement to enter into investment activity, nor may it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.

The information herein has been prepared by the Company solely for use in this presentation. The information contained in this presentation has not been independently verified. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. None of the Company or any of its affiliates, advisors or representatives will be liable (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with the presentation.

By attending this presentation, participants agree not to remove this document, or any materials provided in connection herewith, from the conference room where such documents are provided. Participants agree further not to photograph, copy or otherwise reproduce these materials in any form or pass on these materials to any other person for any purpose, during the presentation or while in the conference room. Participants must return this presentation and all others materials provided in connection herewith to the Company at the completion of the presentation.

## Safe Harbor Statement



This presentation may contain forward-looking statements and management may make additional forward-looking statements in response to your questions. These statements are made under the "safe harbor" provisions of 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," "confident" and similar statements. Statements that are not historical facts, including statements concerning our beliefs, forecasts, estimates and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties that could cause actual results to differ materially from those projected or anticipated, including risks related to: the risk that our results of operations may fluctuate from period to period; the risk of PRC governmental policy changes; the risk that we face intense competition from other solar companies; the risk that PRC economic, political and social conditions as well as government policies can affect our business and other risks outlined in our public filings with the Securities and Exchange Commission, including our registration statement on Form F-1, as amended.

The forward-looking statements made in this presentation relate only to events or information as of the date on which the statements are made in this presentation. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.



## Business Highlights

## Business Highlights



*Record revenues, shipments and gross profit*



*In-house polysilicon started to contribute to profitability*



*Reduced processing cost and technological innovation - Virtus Wafer*



*Strong operating cash flows of US\$403mn and cash position of US\$324mn*



*Improved capital structure and disciplined CAPEX spending*

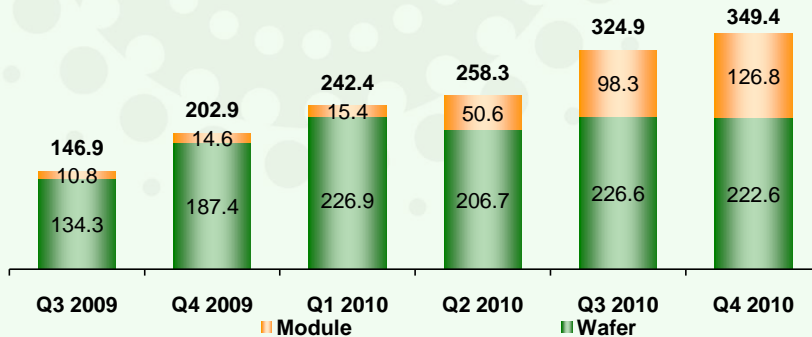


*AIM delisting effective November 30, 2010*

# Record revenues, shipments and gross profit

## Total Solar Wafer and Module Shipments

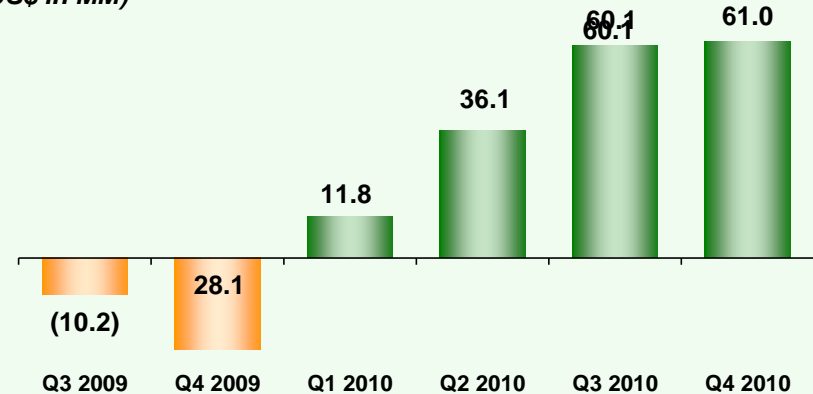
(Units in MW)



Note: The Company adjusted its efficiency calculation effective January 1, 2010. 2009 data is not adjusted.

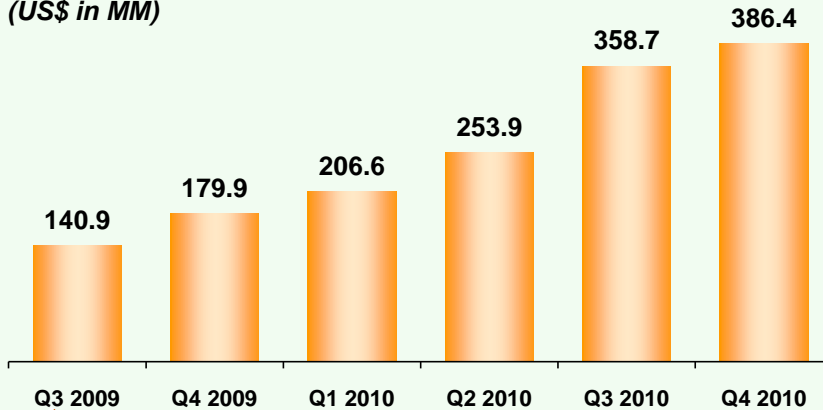
## Net Income

(US\$ in MM)

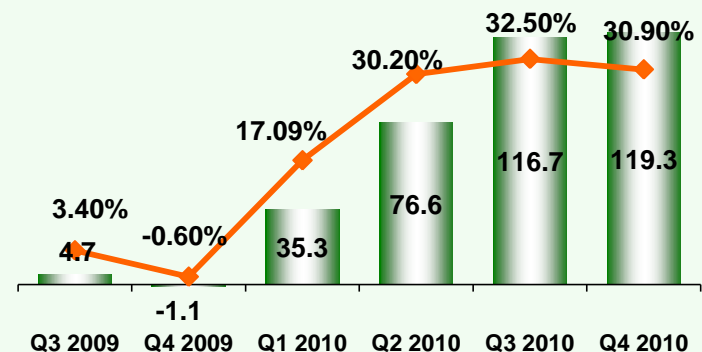


## Revenues

(US\$ in MM)



## Gross Profit and Margin

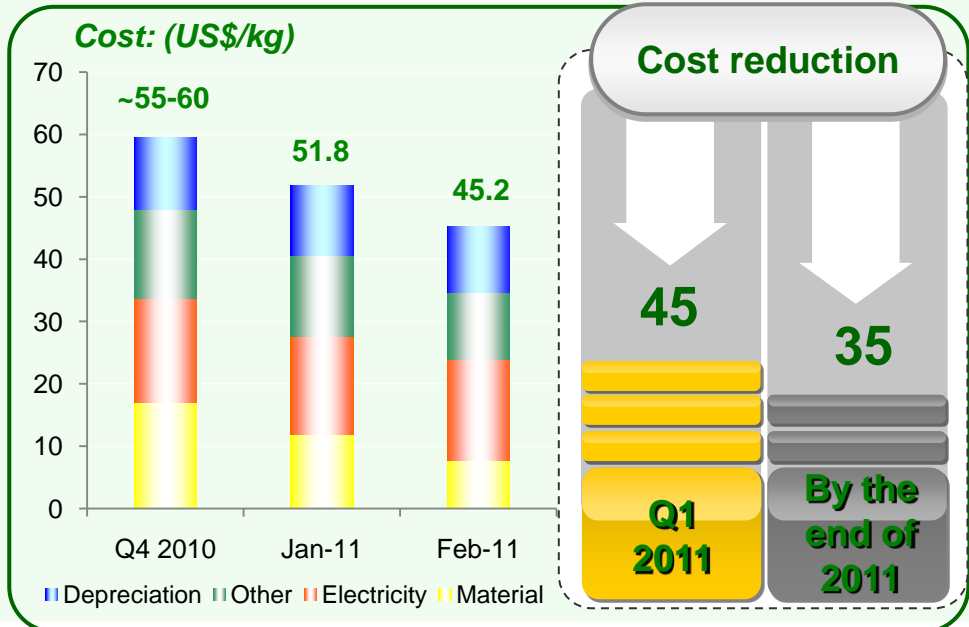
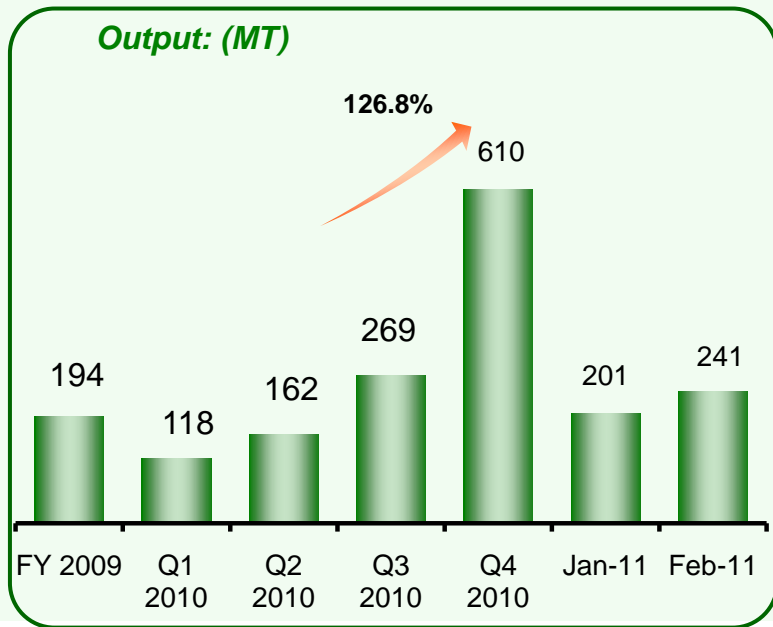


Among the highest gross profit and operating profit margins in the industry for 2010

# Polysilicon Production – Continued production ramp up and cost down

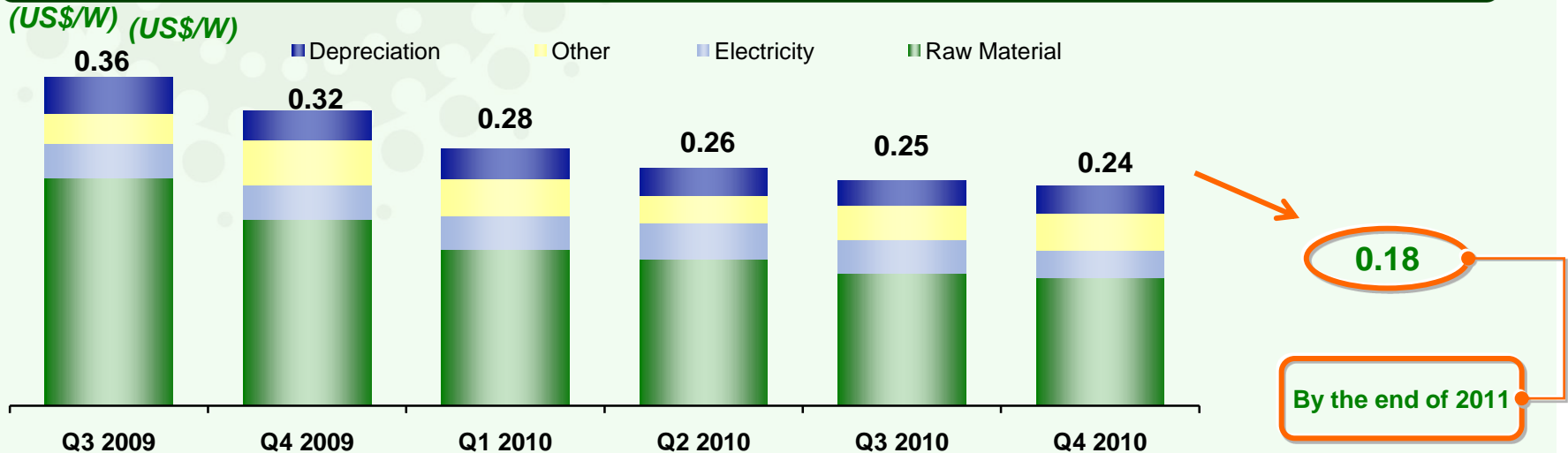
## Production Volume up and Cost down

- Produced approximately 610 MT in Q4 2010, an increase of 126.8% from approximately 269 MT in Q3 2010
- Cost reduction is a result of production ramp up and production yield improvement
- The current 3,000 MT is expected to be increased to 3,500 MT through de-bottlenecking without incurring additional CAPEX
- Plan to add 5,000 MT at below current market CAPEX/kg, total CAPEX budget is US\$150mn



# Wafer Business – Processing cost continues to decrease

## Wafer Processing Cost Breakdown



### Processing cost reduction is driven by:

- Increased slurry recycling
- Better supply chain management
- More efficient slicing

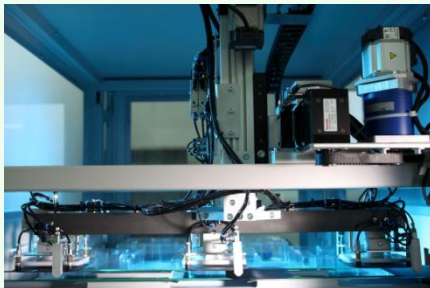


Over 20 long-term wafer contracts lasting for periods of 1 to 5 years and totaling 1.3 GW for 2011, which represents all of the Company's expected wafer shipments for 2011

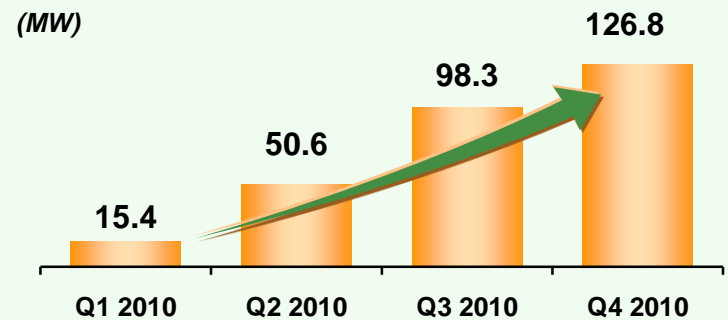


## Module Business - A significant contributor to revenues and profits

- Addressing market needs and strengthening our customer relationships
- Becoming a flexible sales strategy that has enhanced our competitive edge
- Delivered record total module shipments of 126.8 MW with third-party module ASP of \$1.85 in Q4 2010 driven primarily by strong market demand
- Seeking opportunity in both branded and non-branded services
- Expect to ship between 400 MW to 450 MW to new and existing customers in 2011



### Shipments for 2010





## Financial Highlights

## Q4 2010 Financial Highlights



*Achieved record results in terms of revenue, shipment and gross profits*



*Achieved over 30% wafer gross margin for 3<sup>rd</sup> consecutive quarter*



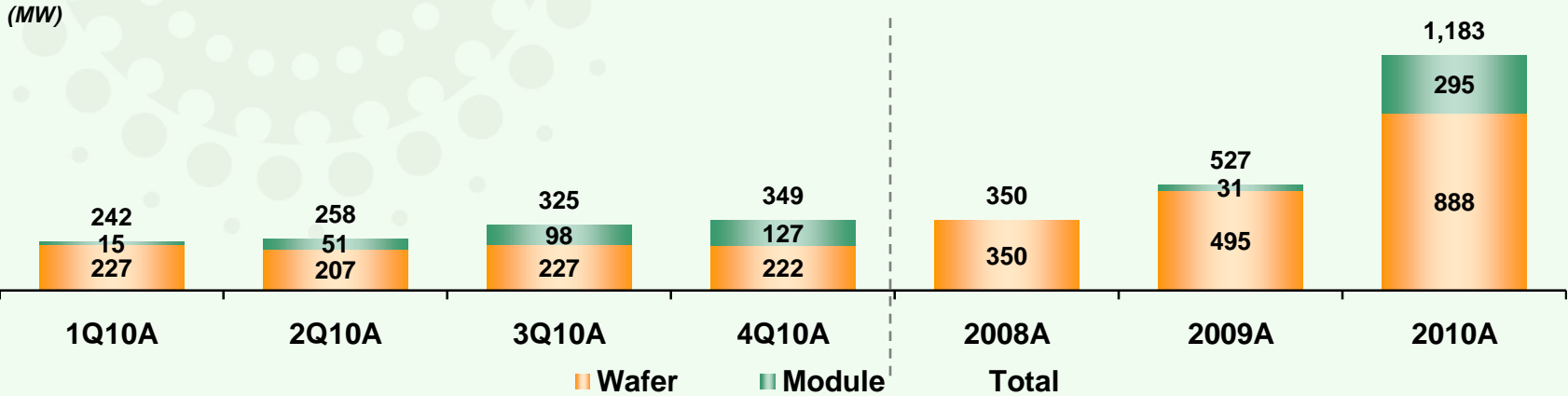
*Generated strong operating cash flows and cash position*



*Further reduced debt balances*

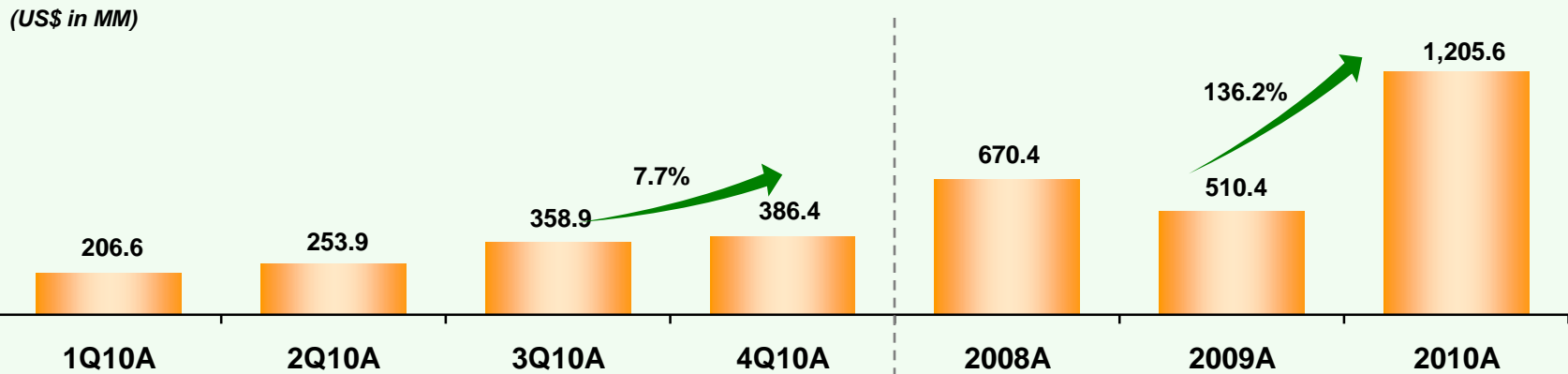
# Financials at a glance

## Total Solar Wafer and Module Shipments



Note: The Company adjusted its efficiency calculation effective January 1, 2010. 2008 and 2009 data are not adjusted.

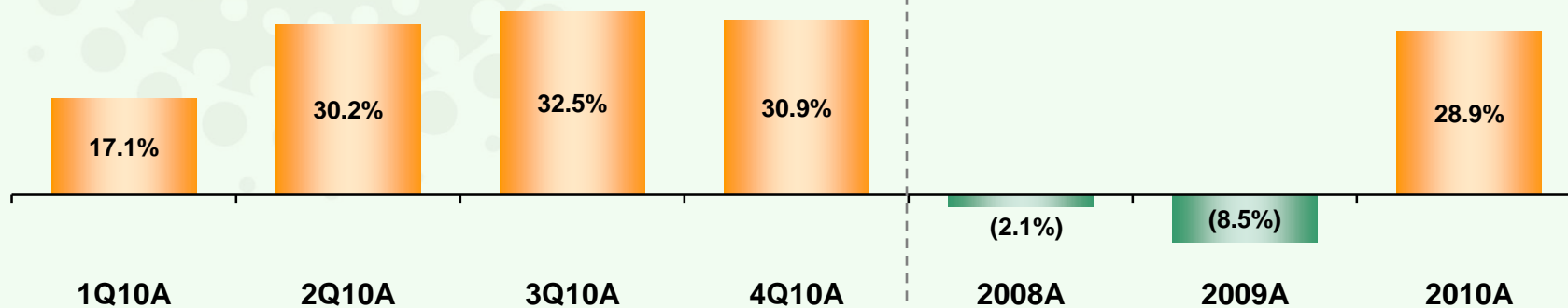
## Net Revenues



# Financials at a glance (cont'd)

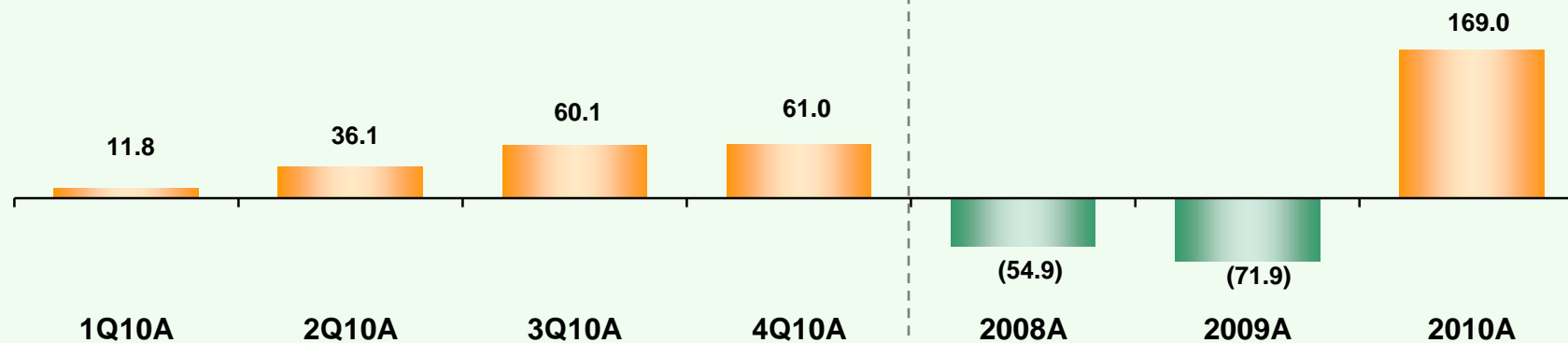
## Gross Margin

(%)



## Net Income

(US\$ in MM)



## Financial Performance – Financial Ratio



Financial Ratio	FY2010	FY2009
Total debt to EBITDA	169%	Negative EBITDA
Return on equity	34%	Net Loss
Return on assets	12%	Net Loss

Financial Ratio	2010 Q4	2010 Q3	2009 Q4
Trade Receivable Turnover Days	24	28	49
Trade Payable Turnover Days	72	74	44
Inventory Turnover Days	56	61	77
Interest Coverage Ratio	14	14	-4
Net debt to equity	34%	50%	105%

# Financial Performance – Income Statement Summary



US\$ Million	2006	2007	2008	2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	2010
Revenue	84.4	249.0	670.4	510.4	206.6	253.9	358.7	386.4	1,205.6
Gross Profit	24.7	53.5	-14.3	-43.2	35.3	76.6	116.7	119.3	348.0
Gross Margin	29.3%	21.5%	-2.1% (18.3%*)	-8.5% (5.5%*)	17.1%	30.2%	32.5%	30.9%	28.9%
Operating Expense	2.5	10.1	34.2	47.4	14.1	24.2	30.3	33.4	102.0
EBIT Margin	27.2%	16.6%	-6.8%	-17.7%	9.9%	20.9%	24.1%	22.2%	20.4%
Interest Expense	0.3	4.5	11.9	17.1	5.0	5.3	6.2	6.8	23.2
Tax Benefits (Expense)	2.7	6.2	2.4	41.2	-3.6	-11.6	-18.0	-26.7	-60.0
Net Income (Loss)	25.3	42.9	-54.9	-71.9	11.8	36.1	60.1	61.0	169.0
Net Margin	30.0%	17.2%	-8.2% (12.2%*)	-14.1% (3.7%*)	5.7%	14.2%	16.8%	15.8%	14.0%

Note: \* Excludes inventory write-downs of \$137.0 million in 2008, inventory write-downs of \$71.3 million in 2009, and provision of \$8.6 million in 2009

# Financial Performance – Balance Sheet Summary



US\$ Million Balance Sheet Summary								
	As of December 31				2010			
	2006	2007	2008	2009	31-Mar-10	30-Jun-10	30-Sep-10	31- Dec- 10
<b>Cash and Cash Equivalents</b>	9.9	53.1	112.3	106.8	98.0	171.2	211.6	290.7
<b>Restrictive cash</b>	0	0	6.0	25.3	44.2	75.4	75.1	33.6
<b>Accounts Receivable</b>	0.7	8.8	43.2	108.0	146.4	102.6	120.4	81.5
<b>Inventory</b>	44.8	110.6	193	137.8	122.3	164.8	163.6	170.6
<b>Accounts Payable</b>	4.9	13.1	37.9	93.4	129.2	190.8	209.4	220.8
<b>Short-term Borrowings</b>	14.7	71.7	192.0	358.6	406.6	388.0	353.6	400.8
<b>Long-term Borrowings</b>	-	17.8	32.8	189.3	171.4	189.1	188.6	121.5
<b>Convertible Notes</b>	-	128.3	138.9	32.5	-	-	-	-
<b>Shareholder Equity</b>	72.5	125.7	381.8	396.3	408.1	447.6	513.2	586.5



# Financial Performance – Cash Flow Summary



*Strong cash flows and positive free cash flow*

US\$ Million	2009			2010		
	1H 2009	2H 2009	FY 2009	1H 2010	2H 2010	FY 2010
Net cash provided by (used in) operating activities	9.1	(62.8)	(53.7)	168.4	234.8	403.2
Net cash used in investing activities	(209.5)	(48.2)	(257.7)	(96.9)	(54.4)	(151.3)
Net cash provided by (used in) financing activities	261.6	44.2	305.8	(7.2)	(65.6)	(72.8)
Net increase (decrease) in cash and cash equivalents	61.2	(66.7)	(5.5)	64.4	119.5	183.9
Cash and cash equivalents, end of period	173.5	106.8	106.8	171.2	290.7	290.7



## Capital Expenditures and Guidance

# Capacity Expansion and CAPEX

2011

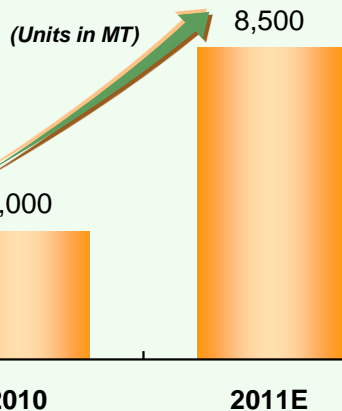
→ Expected to spend US\$350 million in 2011 to:

- Expand wafer capacity from the current 1.3 GW to 1.9 GW
- Increase module capacity from the current 400 MW to 600 MW,
- Expand polysilicon capacity from the current 3,000 MT to 8,500 MT

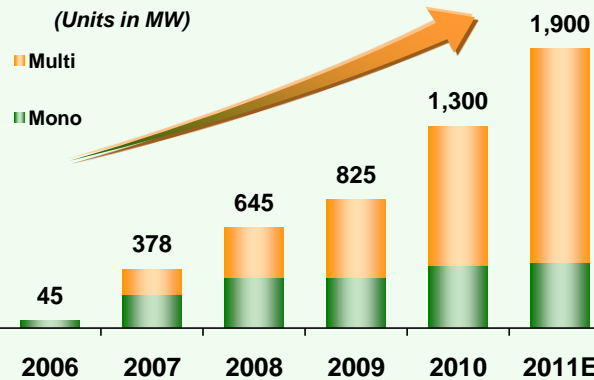
2010

→ Spent US\$56.3 million on CAPEX in Q4 2010, bringing total CAPEX in 2010 to US\$140.9 million

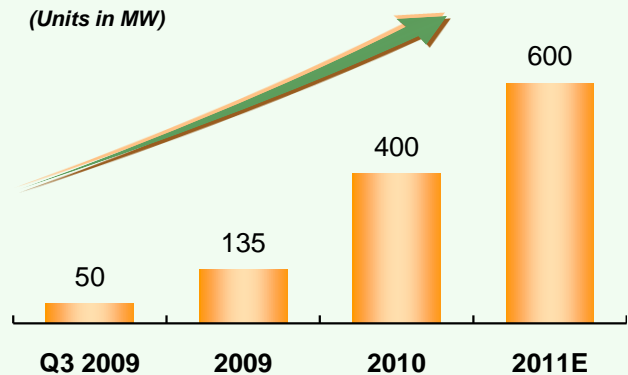
## Polysilicon



## Wafer



## Module



## Guidance

### Q1 2011 Guidance

- Total solar wafer and module shipments to be in the range of 320 MW ~ 330 MW
- Revenues to be in the range of \$310 million ~ 330 million
- Gross profit margin to be in the range of 30% to 32%

### FY2011 Guidance

- Total solar wafer and module shipments to be in the range of 1.6 GW ~ 1.7 GW

Thank you!



**ReneSola Ltd**  
Email: [ir@renesola.com](mailto:ir@renesola.com)