

## **Trina Solar Announces Third Quarter 2015 Results**

Johannesburg, South Africa, 24 November 2015 - Trina Solar Limited (NYSE: TSL) ("Trina Solar" or the "Company"), a global leader in photovoltaic ("PV") modules, solutions, and services, today announced its unaudited financial results for the third quarter of 2015.

### **Third Quarter 2015 Financial and Operating Highlights**

[if !supportLists]· [endif]Total module shipments from the Company's manufacturing facilities were 1,703.2 MW, consisting of 1,353.2 MW of external shipments and 350.0 MW of shipments to the Company's own downstream PV power projects. Total module shipments increased 38.3% sequentially and 60.1% year-over-year.

[if !supportLists]· [endif]Total PV power projects connected to the grid were 251.9 MW in the third quarter.

[if !supportLists]· [endif]Net revenues were \$792.6 million, an increase of 9.6% from the second quarter of 2015 and 28.5% from the third quarter of 2014.

[if !supportLists]· [endif]Gross margin was 17.4%, compared with 20.0% in the second quarter of 2015 and 16.7% in the third quarter of 2014.

[if !supportLists]· [endif]Operating income was \$5.8 million, compared with operating income of \$60.7 million from the second quarter of 2015 and \$35.6 million from the third quarter of 2014.

[if !supportLists]· [endif]Non-GAAP operating income, which excluded the impact of the Solyndra settlement provision, was \$50.8 million.

[if !supportLists]· [endif]Net loss attributable to Trina Solar's ordinary shareholders was \$20.0 million, compared with net income attributable to its ordinary shareholders of \$40.9 million in the second quarter of 2015, and net income attributable to its ordinary shareholders of \$11.5 million in the third quarter of 2014.

[if !supportLists]· [endif]Loss per fully diluted American Depositary Share ("ADS": each ADS represents 50 of the Company's ordinary shares) was \$0.24, compared with earnings per fully diluted ADS of \$0.42 in the second quarter of 2015 and earnings per fully diluted ADS of \$0.14 in the third quarter of 2014.

[if !supportLists]· [endif]Non-GAAP net income attributable to Trina

Solar's ordinary shareholders, excluding the impact of the Solyndra settlement, was \$18.3 million, or \$0.21 per diluted ADS. See "About Non-GAAP Finance Measures" for details of the reconciliation of GAAP to Non-GAAP measure.

[if !supportLists]· [endif]The Company raised its guidance for 2015 total PV module shipments to 5.5 GW to 5.6 GW from its original guidance of 4.9 GW to 5.1 GW, of which 4.6 GW to 4.7 GW will be shipped to third party customers. The revised guidance represents an increase of 50.3% to 53.0% from 2014.

Mr. Jifan Gao, Chairman and CEO of Trina Solar, commented, "We had a solid quarter of operations that came in ahead of our expectations, despite the one-off negative impact from the settlement of the Solyndra lawsuit and currency fluctuations that we experienced. We shipped a record 1.7 GW of modules, which enables us to achieve a significant milestone of over 15 GW of module shipments cumulatively since our inception. We also connected 251.9 MW of projects to the grid in the third quarter, making our total retained projects reach 610.4 MW. This further strengthened our position as a leading module manufacturer and positioned us well to become a world-class solar project player. We maintained strong growth momentum in China and the US, with record shipments to both markets and continued to execute our strategy to increase our presence in new and emerging markets, such as India and Thailand. New and emerging markets have become our third largest destination for shipments over the past two quarters.

"We remain committed to executing our long-term strategies and successfully diversifying our financing channels to meet our growth initiatives. Our cost advantage was further solidified with the help of our ongoing technological developments, and our gross profit margin was in line with our expectations given declining average selling prices.

"In R&D, we achieved a number of breakthroughs, including developing the high-efficiency p-type multi-crystalline silicon solar cell of 21.3% efficiency. We also made key advances in silicon-based heterojunction (HJ) cells, where we achieved 22.0% efficiency in the laboratory. In addition, we introduced a 'Desert Double Glass' module for hot and dry climates that will be ready for production by the end of the year.

"On the manufacturing and operations side, we remain committed to reducing our carbon footprint throughout the lifecycle of our products, which has brought us recognition from reputable global institutions. We have also extended our vision by initiating the establishment of the Energy Management System ISO50001/GBT23331 in an effort to improve the PV industry.

"Downstream, we far exceeded our 190.0 MW guidance for the quarter by connecting a total of 251.9 MW of projects to the grid, including 38.9 MW of distributed generation ("DG"). We have continued to leverage our superior project execution capabilities and diversified funding channels to position ourselves firmly ahead of the competition.

"Looking ahead, the increasing rate of solar adoption globally in both developed and emerging markets will be further augmented by the growing percentage of power generated by solar. With our leading technology, cost advantage, diversified financing channels, and flexible manufacturing model, we are confident that Trina Solar is well-positioned to capture the many opportunities that lie ahead for the foreseeable future."

### **Third Quarter 2015 Results**

#### *Net Revenues*

Net revenues were \$792.6 million, an increase of 9.6% sequentially and 28.5% year-over-year, including electricity revenues from downstream solar power projects of \$15.3 million. Total shipments were 1,703.2 MW, consisting of 1,353.2 MW of external shipments, which were recognised in revenue, and 350.0 MW of shipments to the Company's downstream power projects. This compares with total shipments of 1,231.6 MW, consisting of 1,000.7 MW of external shipments and 230.9 MW of internal shipments in the second quarter of 2015, and total shipments of 1,063.8 MW, consisting of 936.8 MW of external shipments and 127.0 MW of internal shipments in the third quarter of 2014. The sequential and year-over-year increases in revenues and shipments were largely driven by growing demand from China, the US and emerging markets.

### *Gross Profit and Margin*

Gross profit was \$138.2 million, compared with \$144.9 million in the second quarter of 2015 and \$102.8 million in the third quarter of 2014. Gross margin was 17.4%, compared with 20.0% in the second quarter of 2015 and 16.7% in the third quarter of 2014. Gross profit for electricity revenues generated from build-to-own solar power projects was \$10.2 million, representing a gross margin of 66.9%. The sequential decrease in gross margin was mainly due to average selling price decreasing in most of the major markets at a faster rate than the decline in the Company's cost per watt, as well as the change in sales mix as more shipments were made to China and emerging markets such as India in the third quarter of 2015. The year-over-year increase in gross margin was primarily due to the Company's cost per watt decreasing at a greater rate than the Company's average selling price. This was the result of greater economies of scale and improvements in operational efficiency, which drove down both material and labor costs on a per watt basis.

### *Operating Expenses, Income and Margin*

Operating expenses were \$132.3 million, an increase of 57.2% sequentially and 97.1% year-over-year. The sequential increase was primarily due to the provision provided for the settlement of Solyndra lawsuit ("Solyndra settlement provision") of \$45.0 million, and an increase in general and administrative expenses primarily resulted from an increase of accounts receivable provision. The Company's operating expenses represented 16.7% of its third quarter net revenues, an increase from 11.6% in the second quarter of 2015 and 10.9% in the third quarter of 2014. Operating expenses included an accounts receivable provision of \$1.5 million in the third quarter of 2015, compared with a reversal of accounts receivable provisions of \$3.1 million in the second quarter of 2015. If excluding the Solyndra settlement provision, the Company's operating expenses were \$87.3 million, representing 11.0% of its third quarter net revenues, a decrease from 11.6% in the second quarter of 2015 and an increase from 10.9% in the third quarter of 2014. See "Legal Proceedings" for more details of Solyndra settlement provision.

As a result, operating income was \$5.8 million, compared with \$60.7 million in the second quarter of 2015 and \$35.6 million in the third quarter of 2014. Operating margin was 0.7%, compared with 8.4% in the second quarter of 2015 and 5.8% in the third quarter of 2014.

Non-GAAP operating income, which excluded the impact of the Solyndra settlement provision, was \$50.8 million. See "About Non-GAAP Financial Measures" for details of the reconciliation of GAAP to non-GAAP measures.

### *Net Interest Expense*

Net interest expense was \$13.1 million, compared with \$12.4 million in the second quarter of 2015 and \$7.0 million in the third quarter of 2014.

### *Foreign Currency Exchange Gain (Loss)*

The Company recorded a foreign currency exchange loss of \$13.1 million, which included a loss on change in fair value of foreign exchange derivative instruments of \$1.6 million. This compares with a net foreign currency exchange gain of \$5.1 million in the second quarter of 2015 and a loss of \$15.1 million in the third quarter of 2014. The foreign currency exchange loss in the third quarter of 2015 primarily resulted from the depreciation of the RMB against the USD.

### *Income Tax Expense/ Benefit*

Income tax benefit was \$3.1 million, compared with income tax expense of \$11.8 million in the second quarter of 2015 and income tax expense of \$5.2 million in the third quarter of 2014. The tax benefit primarily resulted from the provision provided as a result of the settlement of the Solyndra lawsuit which caused the loss before income taxes to the Company in the third quarter of 2015. See "Legal Proceedings" for more details.

### *Net Income/ (Loss) and Earnings/ (Loss) per ADS*

Net loss attributable to ordinary shareholders of Trina Solar was \$20.0

million, compared with net income attributable to ordinary shareholders of Trina Solar of \$40.9 million in the second quarter of 2015 and \$11.5 million in the third quarter of 2014, respectively. Loss per fully diluted ADS was \$0.24, compared with earnings per fully diluted ADS of \$0.42 in the second quarter of 2015 and \$0.14 in the third quarter of 2014 respectively.

Non-GAAP net income attributable to Trina Solar's ordinary shareholders, which excluded the impact of the Solyndra settlement provision, was \$18.3 million, or \$0.21 per fully diluted ADS. See "About Non-GAAP Financial Measures" for details of the reconciliation of GAAP to non-GAAP measures.

### *Financial Condition*

As of September 30, 2015, the Company had \$486.1 million in cash and cash equivalents, and restricted cash. Total bank borrowings were \$1,173.7 million, of which \$1,005.3 million consisted of short-term borrowings and the current portion of long-term borrowings.

Total shareholders' equity was \$1,011.9 million as of September 30, 2015, a decrease from \$1,031.6 million at the end of the second quarter of 2015.

## **Operations and Business Updates**

### *Manufacturing Capacity*

As of September 30, 2015, the Company had the following annualised in-house manufacturing capacities:

[if !supportLists]· [endif]ingot production capacity of approximately 2.3 GW;  
[if !supportLists]· [endif]wafer capacity of approximately 1.8 GW;  
[if !supportLists]· [endif]PV cell capacity of approximately 3.4 GW; and  
[if !supportLists]· [endif]PV module capacity of approximately 4.7 GW.

### *Solar Power Project Development*

In the third quarter of 2015, the Company connected a total of 251.9 MW PV power projects to the grid, including 38.9 MW of DG projects and 213.0 MW of utility projects in China. This exceeded the Company's guidance of 180.0 MW to 200.0 MW. The 213.0 MW of utility PV power projects consisted of a 133.0 MW project in Yunnan, which was a portion of a total 300.0 MW project, and another 80.0 MW project in Xinjiang. The 38.9 MW of DG projects consisted of 7.9 MW in Jiangsu, 8.5 MW in Shandong, 11.8 MW in Zhejiang and 10.7 MW in Shanghai.

As of September 30, 2015 the Company had a total of 610.4 MW downstream operating assets that generated electricity power, including 588.2 MW in China, 4.2 MW in the US, and 18.0 MW in Europe. The 588.2 MW projects in China consisted of 513.0 MW of utility projects and 75.2 MW of DG projects.

## **Legal Proceedings**

In October 2012, the trustee of Solyndra LLC ("Solyndra"), a manufacturer of solar panels based in California, filed a lawsuit against Trina Solar, including its subsidiary Trina Solar (U.S.), Inc., and other Chinese manufacturers of photovoltaic solar panels in the U.S. District Court in California, asserting antitrust and related state-law claims against the defendants in the lawsuit. Trina Solar has entered into a settlement agreement with Solyndra on November 17, 2015, pursuant to which it has agreed to a settlement in the total amount of \$45.0 million payable no later than December 31, 2015. The parties have agreed to a release of all claims and a dismissal with prejudice of the litigation against Trina Solar, and Trina Solar has not admitted to any wrongdoing or any validity to the allegations made against it in the lawsuit.

Mr. Gao, Chairman and CEO of Trina Solar, said, "We have entered into a settlement with Solyndra to avoid a burdensome and protracted litigation. The resolution to the litigation with Solyndra puts this matter behind us and allows us to focus our attention and resources on our business."

## **Fourth Quarter and Fiscal Year 2015 Guidance**

### *Fourth Quarter of 2015 Guidance*

The Company expects to ship between 1, 500 MW to 1, 650 MW of PV modules, of which 1, 350 MW to 1, 450 MW will be shipped to third party customers. The Company's downstream projects will obtain module supplies from its own manufacturing business or third party suppliers as the situation may require. The Company expects to connect 280 MW to 320 MW of PV projects to the grid in the fourth quarter of 2015.

### *Fiscal Year 2015 Guidance*

The Company raises its full-year guidance of total PV module shipments to 5.5 GW to 5.6 GW from its original guidance of 4.9 GW to 5.1 GW, of which 4.6 GW to 4.7 GW will be shipped to third party customers. This revised guidance would represent an increase of 50.3% to 53.0% from 2014.

The Company reiterates its guidance to connect to the grid between 700 MW and 750 MW of downstream PV power projects across the world, including 30% to 40% of DG projects in China.

### **Conference Call**

The Company will host a conference call on Monday, November 23, 2015 at 8:00 a.m. U.S. Eastern Time (9:00 p.m. Beijing /Hong Kong, November 23, 2015), to discuss results for the third quarter of 2015.

Joining Jifan Gao, Chairman and CEO of Trina Solar, on the call will be Teresa Tan, Chief Financial Officer, and Yvonne Young, Investor Relations Director. The Company plans to distribute its earnings announcement before the call.

To participate in the conference call, please dial the following number five to ten minutes prior to the scheduled conference call time +1 (800) 884-2382. International callers should dial +1 (660) 422-4933. The conference ID for the call is 7434 8388.



If you are unable to participate in the call at this time, a replay will be available from 11:30 a.m. Eastern Time on November 23, 2015 through 11:59 p.m. Eastern Time on December 8, 2015. To access the replay, please dial +1(855)859-2056, international callers should dial +1(404)537-3406, and enter the conference ID 7434 8388.

This conference call will be broadcast live over the Internet and can be accessed by all interested parties on Trina Solar's website [www.trinasolar.com](http://www.trinasolar.com). To listen to the live webcast, please go to Trina Solar's website at least fifteen minutes prior to the start of the call to register, download, and install any necessary audio software. For those unable to participate during the live broadcast, a replay will be available shortly after the call on Trina Solar's website for 90 days.