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GCL-Poly Energy Holdings Limited

保利協鑫能源控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3800)

Business Performance for First Quarter of 2012

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “Board”) of GCL-Poly Energy Holdings Limited (the “Company”, and together with its subsidiaries the “Group”) is pleased to announce that according to the preliminary statistics, the operating performance of the solar (polysilicon and wafer) and power businesses of the Group for the first quarter of 2012 were as follows:

Polysilicon Business

The Group’s polysilicon production volume for the first quarter of 2012 was approximately 12,235 MT, representing an increase of approximately 106.4% compared with 5,927 MT over the same period of 2011 and an increase of approximately 11.3% compared with 10,988 MT over the fourth quarter of 2011.

The Group sold 3,041 MT of polysilicon during the first quarter of 2012, compared with 914 MT and 945 MT of polysilicon sold during the first and fourth quarter of 2011, respectively. As the Group has commenced wafer production since the first quarter of 2010, most of the polysilicon produced was consumed in-house for the wafer production.

The average selling price of polysilicon sold was US\$25.98 per kg for the first quarter of 2012 (1st quarter of 2011: US\$62.17 per kg; 4th quarter of 2011: US\$26.20 per kg).

The production costs of polysilicon for the first quarter of 2012 was approximately US\$19.7 per kg (1st quarter of 2011: US\$22.3 per kg; 4th quarter of 2011: US\$19.3 per kg).

Wafer Business

During the first quarter of 2012, the Group's total wafer production volume was 1,164 MW, representing an increase of approximately 22.14% and a decrease of approximately 3.96% compared with 953 MW and 1,212 MW over the first quarter and the fourth quarter of 2011, respectively.

The Group's total wafer sales volume for the first quarter of 2012 was 1,234 MW, representing an increase of approximately 28.68% and a decrease of approximately 0.64% compared with 959 MW and 1,242 MW over the same period and the fourth quarter of last year, respectively. Average selling price of wafer sold was US\$0.28 per watt for the first quarter of 2012 (1st quarter of 2011: US\$0.76 per watt; 4th quarter of 2011: US\$0.32 per watt).

The Group's wafer processing cost for the first quarter of 2012 was approximately US\$0.135 per watt (1st quarter of 2011: US\$0.23 per watt; 4th quarter of 2011: US\$0.15 per watt).

Solar Business Outlook

During the period from the second half last year to the first quarter of 2012, due to the economic downturn in Europe and the US, the survival of the fittest and over-capacity situation still prevailing in the industry. However, consolidation within the industry is expected to end soon and the Group expects a turnaround to happen in the second half of this year. The Group expects there will be limited room for further decrease in the selling prices of polysilicon and wafer and the prices will be stable in the second half of 2012.

With our strong research and development capability and economy of scale production, we are able to continuously keep our production cost down. The Group expects that the downward trend of the production costs of polysilicon and wafer will be maintained in 2012. By the end of the second quarter of this year, the Group expects the target polysilicon production cost will be below US\$18.5 per kg, and the target wafer processing cost will be below US\$0.13 per watt.

Power Business

The Group's total electricity sales volume for the first quarter of 2012 was approximately 1,259,331 MWh (1st quarter of 2011: 1,125,155 MWh), representing an increase of approximately 11.93% compared with the same period of last year. The total steam sales volume for the first three months of 2012 was approximately 2,106,922 tonnes (1st quarter of 2011: 1,993,724 tonnes), representing an increase of approximately 5.65% compared with the same period of 2011.

The information contained in this announcement represents a preliminary assessment based on the management accounts of the Group and such information has not been audited or reviewed by the Company's auditors.

Shareholders and potential shareholders of the Company and investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
GCL-Poly Energy Holdings Limited
Zhu Gong Shan
Chairman

Hong Kong, 17 May 2012

As at the date of this announcement, the Board comprises Mr. Zhu Gong Shan (Chairman), Mr. Sha Hong Qiu, Mr. Ji Jun, Mr. Shu Hua, Mr. Yu Bao Dong, Ms. Sun Wei and Mr. Zhu Yu Feng as executive directors; Mr. Chau Kwok Man, Cliff and Mr. Zhang Qing as non-executive directors; Mr. Qian Zhi Xin, Ir. Dr. Raymond Ho Chung Tai, Mr. Xue Zhong Su and Mr. Yip Tai Him as independent non-executive directors.

Forward-Looking Statements

This announcement contains forward-looking statements relating to the business outlook and forecast business plans of the Company. These forward-looking statements are based on information currently available to the Group and are stated herein on the basis of the outlook at the time of this announcement. They are based on certain expectations, assumptions and premises, some of which are subjective or beyond our control. These forward-looking statements may prove to be incorrect and may not be realized in future. Underlying the forward-looking statements is a large number of risks and uncertainties.