



Press Release

SUNTECH ANNOUNCES PRELIMINARY FINANCIAL RESULTS FOR THE FOURTH QUARTER AND FULL YEAR 2011

Exceeds Shipment Guidance Improves Accounts Receivable and Inventory by more than \$450 Million Completes Third Quarter 2011 Impairment Assessment of Goodwill, Intangibles, and Certain Investments

SAN FRANCISCO and WUXI, China, Feb. 17, 2012 /PRNewswire-Asia/ -- Suntech Power Holdings Co., Ltd. (NYSE: STP), the world's largest producer of solar panels, today announced preliminary financial results for the fourth quarter and full year ended December 31, 2011.

Suntech exceeded shipment guidance for the fourth quarter of 2011. The Company previously expected shipments to decline by approximately 20% from the third quarter of 2011, but currently anticipates shipments to decline by approximately 10% from the third quarter of 2011. Revenues in the fourth quarter of 2011 are expected to be in the range of \$610 million to \$630 million. Gross margin is expected to be in the middle of the previously guided range of 9% to 11%.

Suntech expects shipments for the full year 2011 to be approximately 2.09GW, above previous guidance of 2GW. Revenues for the full year 2011 are expected to be in the range of \$3.13 billion to \$3.15 billion.

In the fourth quarter of 2011, due to continuing stringent working capital management, Suntech significantly reduced accounts receivable and inventory by a total of approximately \$450 million, which was partially offset by an approximate \$85 million decrease in accounts payable. This result exceeds Suntech's stated goal to reduce accounts receivable and inventory by a total of \$200 million in the fourth quarter of 2011. Net debt declined by approximately \$200 million in the fourth quarter of 2011. Cash and restricted cash increased from \$567.7 million as of September 30, 2011 to over \$700 million as of December 31, 2011.

Dr. Zhengrong Shi, Suntech's Chairman and CEO, said, "Our sales and operations teams both performed well in the fourth quarter, enabling us to achieve key goals and improvements across our business. We exceeded shipment guidance and improved our cash position through ongoing management of accounts receivable and inventory. We also completed the impairment assessment for the third quarter of 2011. The charges that we incurred were all non-cash and will not impact our operations moving forward. We will continue to implement the initiatives necessary to maintain our position as the leading supplier of solar panels."

Impairments of Goodwill, Intangibles, Certain Investments and Other Long Term Assets

As stated on the Company's third quarter 2011 earnings announcement, due to the challenging solar market conditions and the significant reduction in the Company's market capitalization in the third quarter of 2011, Suntech initiated an assessment of its goodwill, intangibles, and certain investments. Suntech recently completed its analysis and has recorded impairment charges of \$571 million in the third quarter of 2011. These charges consist of \$407 million in non-cash impairments of goodwill and intangible assets; \$109 million of non-cash impairments of Suntech's investments in, and prepayments to, Nitel Solar and Shunda; and a \$55 million non-cash write-down of equipment and facilities.

Suntech will publish updated financial results for the third quarter of 2011 together with its financial results for the fourth quarter and full year 2011 on March 8, 2012 at 8am EST. Please visit Suntech's investor relations website at ir.suntech-power.com for dial-in details for the conference call. The estimates presented in this press release are preliminary, unaudited and subject to further adjustments.

About Suntech

Suntech Power Holdings Co., Ltd. (NYSE: STP) produces industry-leading solar products for residential, commercial, industrial, and utility applications. With regional headquarters in China, Switzerland, and the United States, and gigawatt-scale manufacturing worldwide, Suntech has delivered more than 20,000,000 photovoltaic panels to over a thousand customers in more than 80 countries. Suntech's pioneering R&D creates customer-centric innovations that are driving solar to grid parity against fossil fuels. Our mission is to provide everyone with reliable access to nature's cleanest and most abundant energy source.

For more information about our people and products visit <http://www.suntech-power.com>.

Safe Harbor Statement

This press release contains forward-looking statements. These statements constitute "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "plans to", "expects to", "anticipates," "future," "intends to," "plans," "believes," "considers" and similar statements, and includes preliminary financial results for the third quarter, fourth quarter and full year including shipments, revenues, gross margin, working capital improvement, cash and impairments, and Suntech's ability to maintain its position as the leading supplier of solar panels. Such statements involve certain risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Further information regarding these and other risks is included in Suntech's filings with the U.S. Securities and Exchange Commission, including its annual report on Form 20-F. Suntech does not undertake any obligation to update any forward-looking statement as a result of new information, future events or otherwise, except as required under applicable law.

For further information, please contact:

Rory Macpherson
Investor Relations Director
Tel: +1-415-268-8975
Email: ir@suntech-power.com

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