



NEWS

LDK Solar Updates Fourth Quarter and 2009 Outlook
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[Africa](#)[Asia/Pacific](#)[Europe](#)[North America](#)[South America](#)[Companies](#)[Governments/
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Chinese wafer manufacturer, LDK Solar today provided an updated outlook for the fourth quarter of 2008. Based upon preliminary data for the fourth quarter, LDK Solar estimates revenue to be in the range of \$425 to \$435 million and wafer shipments between 245 to 255 MW and gross margin between 10% and 13%. This compares to its previously issued guidance for the fourth quarter of 2008 of revenue in the range of \$555 to \$565 million and wafer shipments in the range of 260 to 270 MW, and gross margin between 18% and 21%. Our capacity reached 1,460 MW at the end of 2008.

During the fourth quarter of 2008, LDK Solar experienced lower demand as customers requested to delay shipments until 2009 in light of the current global economic crisis and tight credit markets. The decrease in overall wafer shipments during the quarter was partially offset by much higher than expected OEM wafer shipments. The company also announced that it experienced a delay in ramping production at its 1,000 MT polysilicon plant due to issues in the final stages of plant commissioning.

While the optimization process has taken longer than expected, the plant is currently in production, and is expected to ramp up to its designed full capacity in mid 2009. Construction of the 15,000 MT polysilicon plant remains on schedule and the Company expects to commence silicon production in this facility during the second quarter of 2009.

As a result of these dynamics affecting the global business environment, LDK Solar expects 2009 fiscal year results to be impacted by lower ASPs and lower wafer shipment volumes than previously anticipated. The company's updated outlook for the full year of fiscal 2009 is as follows:

- Revenue to be in the range of \$2.3 billion to \$2.5 billion;
- Wafer shipments in the range of 1.57 GW to 1.67 GW;
- Annualized wafer production capacity to be 2.3 GW by the end of 2009;
- Gross margin between 22% and 27%; and
- Production of between 3,000 and 5,000 MT of polysilicon in 2009.

"Late in the fourth quarter, we experienced a slowdown in our business related to the current global financial crisis," stated Xiaofeng Peng, Chairman and CEO of LDK Solar. "Despite a difficult operating environment, we remain focused on executing our growth strategy and believe that our competitive positioning as the largest and lowest-cost wafer producers in the solar industry will provide us with a competitive edge for navigating through these challenging times. We continue to have a solid cash position, with more than \$380 million, in addition to unused credit facilities totaling in excess of \$850 million and will continue to conservatively manage our resources. Our operations remain at full

capacity, with contract backlog remaining strong for 2009."

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