

China CleanTech Index

Quarterly Performance Report

October 2011

Produced by:



Published in China by:

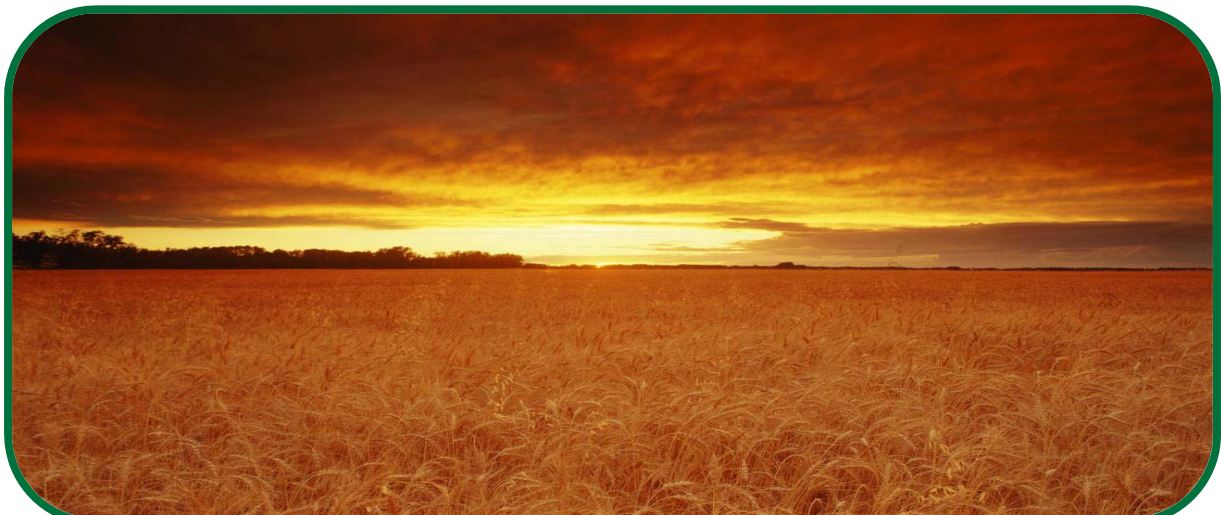


To request further information or to be added to the distribution list for future China CleanTech Index reports, please see www.sinocleantech.com

or contact china-index@auscleantech.com.au

Table of Contents

1. China CleanTech Index Overview	3
2. China CleanTech Index Performance	5
3. Component Sub-indices	9
4. Index Component Companies	11



Disclaimer

Whilst Australian CleanTech Pty Ltd provides this report with the skill, diligence and care normally exercised by qualified persons in the performance of comparable work, Australian CleanTech is not be liable to and does not indemnify any party that may rely on the content of the report, against any action, suit, claim, demand, loss, cost or expense whatsoever arising out of or referable to this document. By accepting this report, the reader, their organisations and any associated bodies corporate release Australian CleanTech from liability of any kind whatsoever arising out of or referable to this report.

In addition, nothing herein is intended to be nor should be construed as investment advice. Australian CleanTech does not recommend that any financial product should be bought, sold or held by you, and nothing in this document should be construed as an offer, nor the solicitation of an offer, to buy or sell securities by Australian CleanTech. You should not make any investment decision without consulting a fully qualified financial adviser.



1. China CleanTech Index Overview

The China CleanTech Index provides the definitive measure of the performance of Chinese cleantech companies that are listed on stock exchanges around the world.

The cleantech industry is split into a number of sub-sectors as detailed in the table below. Each of the sub-sectors contains companies that have both environmental and economic benefits.

Biogas	Geothermal – Hot dry rocks and conventional
Biofuels	Low Emissions Transport Technologies
Carbon Trading	Solar Thermal and Photovoltaics
Energy Efficiency & Biomaterials	Waste Management & Recycling
Energy Storage & Fuel Cells	Water
Environmental Services	Wave, Tidal & Hydro
Green Buildings	Wind Generation

The cleantech sector is fundamentally different to Socially Responsible Investments (SRI) or Environmental, Social and Governance (ESG) performance. SRI and ESG look at incremental improvements in company performance and can be seen as ‘operational hygiene’ measures that find the best in class. Cleantech focuses on companies whose output positively enhances the communities and ecologies in which they reside. It is about doing ‘more good’ rather than ‘less bad’.

With over 130 companies falling under the coverage of the Index and with a combined market capitalisation of over 700 billion Renminbi (US\$112 billion), the China CleanTech Index presents for the first time a picture of the Chinese cleantech industry’s growth in a single measure.

The Index is weighted by market capitalisation and is benchmarked against the following indices to show its relative performance:

- **Wilder Hill New Energy Global Innovation Index (NEX)** – which measures the performance of global clean energy stocks
- **Cleantech Index (CTIUS)** – which measures the performance of global cleantech stocks
- **China Shanghai Composite Index (SHCOMP)** – which measures the performance of stocks listed in Shanghai.
- **MSCI World (MSCI)** – which provides a measure of the performance of global stock markets.



The rules for the formulation and management of the Index have been developed with reference to global best practice. An overview of these rules is provided in the Index Launch report.

The China Cleantech Index is updated each month and published on the on the SinoCleantech website at www.sinocleantech.com and on the Australian CleanTech website at www.auscleantech.com.au.

Monthly results can be emailed directly to interested parties by subscribing at www.sinocleantech.com.



2. China CleanTech Index Performance

The China CleanTech Index underperformed all but one of its benchmarks for the month of September 2011.

The China CleanTech Index fell from 54.1 to 45.0 over the month of September recording a 16.7% loss. This compared to the NEX loss of 22.8%, the CTIUS loss of 15.7%, the Shanghai Composite loss of 8.1% and the MSCI loss of 8.8%.

The China CleanTech 20 fared slightly better with a loss of 15.0%.

Over the third quarter of the 2011, the China CleanTech Index recorded a loss of 27.1%, better than the NEX loss of 35.8%, but worse than the CTIUS loss of 26.9%, the Shanghai Composite loss of 14.6% and the MSCI loss of 17.1%.

Percentage Change	2009	2010	SEP'11	3Q11	6 Months	12 Months	3 Years
China CleanTech Index (CCTI)	77.5%	-9.6%	-16.7%	-27.1%	-44.7%	-39.4%	-33.7%
China CleanTech 20 (CCT20)	59.6%	-15.6%	-15.0%	-26.8%	-45.1%	-38.4%	-48.0%
Wilder Hill New Energy Global Innovation Index (NEX)	39.7%	-14.6%	-22.8%	-35.8%	-44.2%	-36.6%	-52.4%
Cleantech Index (CTIUS)	38.1%	7.3%	-15.7%	-26.9%	-29.8%	-13.9%	-21.7%
China Shanghai Composite Index (SHCOMP)	80.0%	-14.3%	-8.1%	-14.6%	-19.4%	-11.2%	2.9%
MSCI World (MSCI)	27.0%	9.6%	-8.8%	-17.1%	-17.3%	-6.4%	-5.1%

The market capitalisation of the 133 stocks in the China CleanTech Index is RMB 709 billion (US\$112 billion), after its rebalance, falling from its peak of RMB 911 billion in February 2011.



Best and Worst Stocks

The best and worst performers in terms of share price performance over the third quarter of 2011 are shown in the table below.

September 2011	
Best Performers Share Price Gain > 10%	Worst Performers Share Price Loss > 50%
China Sunergy China Ritar Power Corp.	Ledman Optoelectronic JA Solar Holdings JinkoSolar Holding Co., Ltd. ReneSola Ltd. Suntech Power Holdings Trina Solar Yingli Green Energy
3 Months to September 2011	
Best Performers Share Price Gain > 25%	Worst Performers Share Price Loss > 60%
China Solar & Clean Energy Solns., Inc. China Ritar Power Corp. Hunan Corun New Energy Co., Ltd.	Canadian Solar Inc Green Energy Technology Hanwha Solarone Co Ltd JA Solar Holdings JinkoSolar Holding Co., Ltd. ReneSola Ltd. Suntech Power Holdings Trina Solar Yingli Green Energy

Index Rebalance

The China CleanTech Index underwent its quarterly rebalancing at the end of September which took account of recent share issues and other corporate activity.

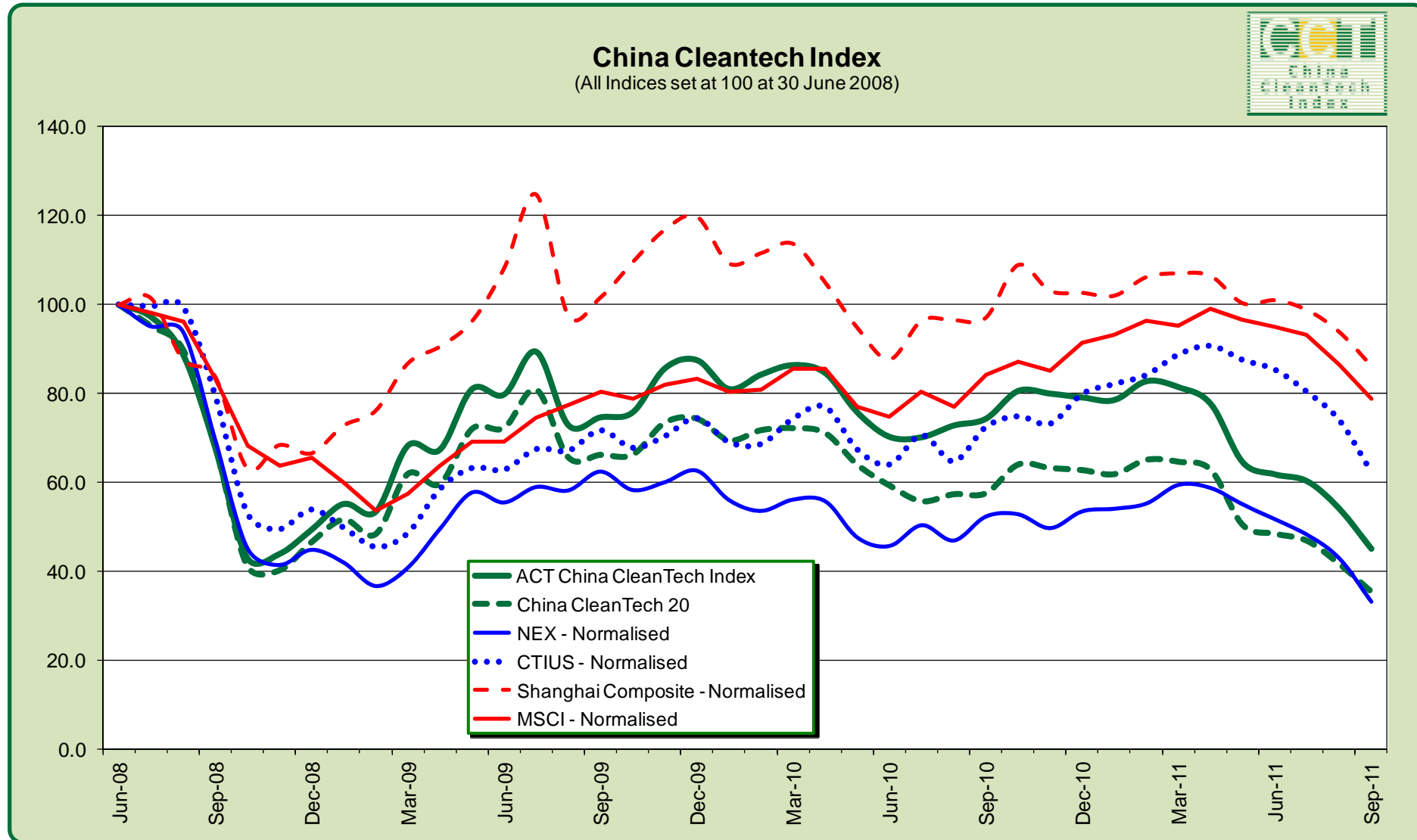
There were 19 companies added to the index at the end of September following ongoing research by Sino Cleantech into the activities of Chinese listed companies. The 19 new companies are listed in the table below.

Exchange	Sector	Chinese Company Name	Company Name	Share Code	Currency
Shenzhen SX (SHE)	ENERGY EFFICIENCY & BIOMATERIALS	鸿利光电	Guangzhou Hongli Opto Electronic Co Ltd	300219	RMB
Shenzhen SX (SHE)	ENERGY EFFICIENCY & BIOMATERIALS	奥拓电子	Shenzhen AOTO Electronics Co Ltd	002587	RMB
Shenzhen SX (SHE)	ENERGY EFFICIENCY &	瑞丰光电	Shenzhen Refond Optoelectronics Co Ltd	300241	RMB



Exchange	Sector	Chinese Company Name	Company Name	Share Code	Currency
	BIOMATERIALS				
Shenzhen SX (SHE)	ENVIRONMENTAL SERVICES	三聚环保	Beijing SJ Environmental Protection and New Material Co. Ltd	300072	RMB
Shenzhen SX (SHE)	ENVIRONMENTAL SERVICES	易世达	Dalian East New Energy Development CO.,Ltd	300125	RMB
Shenzhen SX (SHE)	ENVIRONMENTAL SERVICES	先河环保	Hebei Sailhero Environmental Protection High-tech Co.,Ltd	300137	RMB
Shenzhen SX (SHE)	GREEN BUILDINGS	北新建材	Beijing New Building Materials Public Limited Company	000786	RMB
Shenzhen SX (SHE)	SOLAR	奥克股份	Liao Ning Oxiranchem, Inc	300082	RMB
Shenzhen SX (SHE)	SOLAR	向日葵	Zhejiang Sunflower Light Energy Science & Technology Limited	300111	RMB
Shenzhen SX (SHE)	STORAGE & FUEL CELLS	当升科技	Beijing Easpring Material Technology Co., Ltd.	300073	RMB
Shenzhen SX (SHE)	STORAGE & FUEL CELLS	天齐锂业	Sichuan Tianqi Lithium Industries, Inc.	002466	RMB
Shenzhen SX (SHE)	ENERGY EFFICIENCY & BIOMATERIALS	洲明科技	Unilumin Group Co Ltd	300232	RMB
Shenzhen SX (SHE)	WATER	大禹节水	Gansu DAYU Water-saving Group Co Ltd	300021	RMB
Shanghai (SH)	WATER	国中水务	Heilongjiang Interchina Water Treatment Co Ltd	600187	RMB
Shenzhen SX (SHE)	WATER	中电环保	Nanjing CEC Environmental Protection Co., Ltd	300172	RMB
Shanghai (SH)	WATER	钱江水利	Qian Jiang Water Resources Development Co., Ltd	600283	RMB
Shanghai (SH)	WAVE, TIDAL, HYDRO	三峡水利	Chongqing Three Gorges Water Conservancy	600116	RMB
Shanghai (SH)	WAVE, TIDAL, HYDRO	文山电力	Yunnan Wenshan Electric Power Co., Ltd	600995	RMB
Shenzhen SX (SHE)	WIND	天顺风能	Titan Wind Energy (suzhou) Co Ltd	002531	RMB





3. Component Sub-Indices

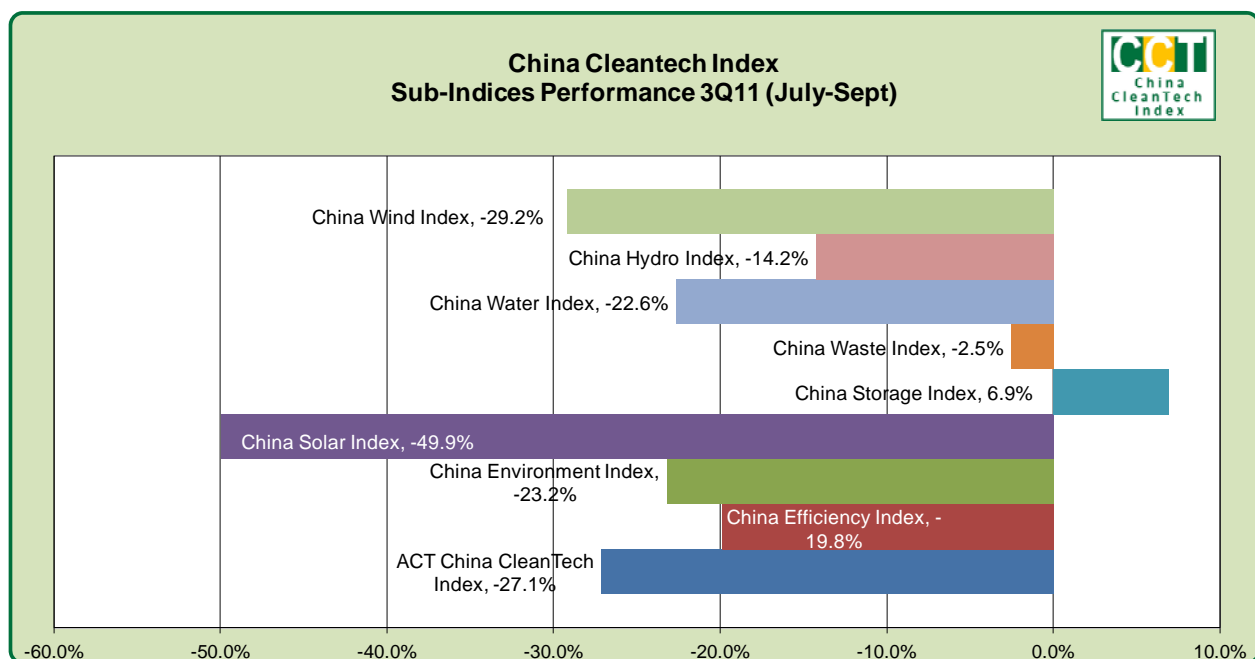
To provide an analysis of the China CleanTech Index, eight sub-indices have been developed. The performance of each of these sub-indices over the last three financial years is shown in the table and charts below.

The best performing sectors for the three months to September 2011 were China Storage Index and the China Waste Index.

The worst performer was the China Solar Index which was driven down by investment sentiment that profits would fall due to the declining global demand for panels and the increasing supply capacity.

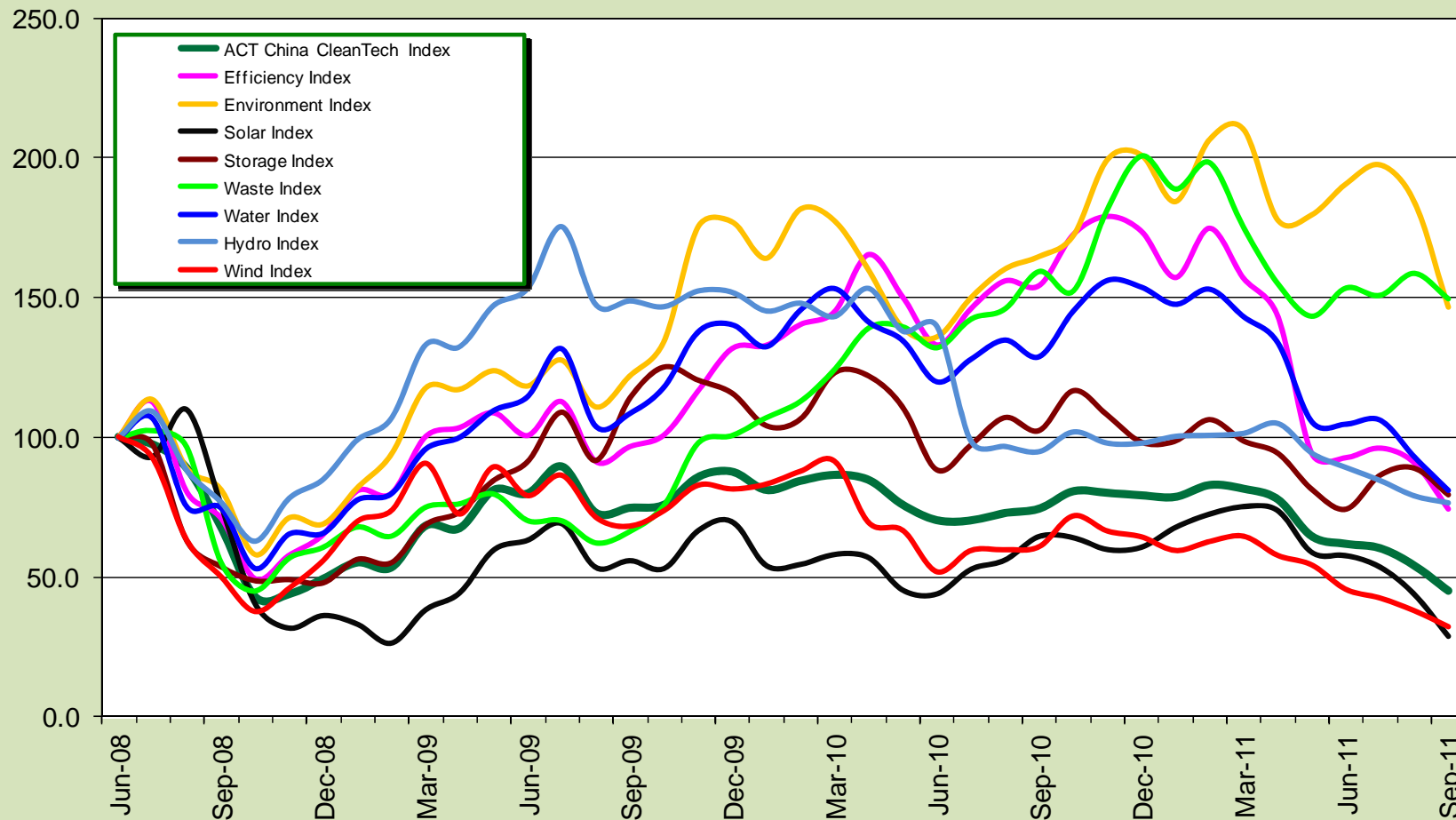
China CleanTech Sub-Indices

	2009	2010	1H11	3Q11
China Efficiency Index	102.4%	31.8%	-46.7%	-19.8%
China Environment Index	157.4%	13.5%	-5.1%	-23.2%
China Solar Index	92.4%	-13.0%	-4.9%	-49.9%
China Storage Index	141.0%	-15.1%	-24.4%	6.9%
China Waste Index	65.7%	99.1%	-23.5%	-2.5%
China Water Index	113.5%	9.6%	-31.9%	-22.6%
China Hydro Index	78.9%	-35.6%	-8.9%	-14.2%
China Wind Index	45.8%	-21.0%	-29.2%	-29.2%



ChinaCleantech Index Sub-Indices Chart

(China Cleantech Sub-Indices set at 100 at 30 June 2008)



4. Index Component Companies

The 20 largest Index constituents by market capitalisation on 30 September 2011 are provided in the table below. These stocks will be the constituents of the China CleanTech 20 until the Index rebalance on 31 December 2011.

In the China CleanTech 20, the greatest sub-sector representations are Water and Solar, each with six companies and then Wind with five companies.

	Company		Sector	Exchange	Code
1	China Yangtze Power Co., Ltd.	长江电力	WAVE, TIDAL, HYDRO	Shanghai (SH)	SH600900
2	Sinovel Wind Group Company Limited	华锐风电	WIND	Shanghai (SH)	SH601558
3	China Longyuan Power Group Corp		WIND	HKSE	HK:916
4	Chongqing Water Group Company Limited	重庆水务	WATER	Shanghai (SH)	SH601158
5	Xinjiang Goldwind Science & Technology Co.	金风科技	WIND	Shenzhen SX (SHE)	SZ002202
6	Gcl-Poly Energy Holdings		SOLAR	HKSE	HK:3800
7	Tsinghua Tongfang Co., Ltd.	同方股份	ENERGY EFFICIENCY & BIOMATERIALS	Shanghai (SH)	SH600100
8	Huaneng Renewables Corp Ltd		WIND	HKSE	HK:958
9	Beijing Originwater Technology Co., Ltd.	碧水源	WATER	Shenzhen SX (SHE)	SZ300070
10	Foshan Electrical And Lighting Co., Ltd.	佛山照明	ENERGY EFFICIENCY & BIOMATERIALS	Shenzhen SX (SHE)	SZ000541
11	Beijing Capital Co., Ltd.	首创股份	WATER	Shanghai (SH)	SH600008
12	Eguard Resources Development Co., Ltd.	桑德环境	WASTE	Shenzhen SX (SHE)	SZ000826
13	Chengdu Xingrong Investment Co.,Ltd	兴蓉投资	WATER	Shenzhen SX (SHE)	SZ000598
14	Shanghai 3f New Materials Company Ltd	三爱富	ENVIRONMENTAL SERVICES	Shanghai (SH)	SH600636
15	Shanghai Aero Auto Electromechanical	航天机电	SOLAR	Shanghai (SH)	SH600151
16	Zhongshan Public Utilities Group Co., Ltd.	中山公用	WATER	Shenzhen SX (SHE)	SZ000685
17	Hunan Corun New Energy Co., Ltd.	科力远	STORAGE & FUEL CELLS	Shanghai (SH)	SH600478
18	Shanghai Chaori Solar Energy Science	超日太阳	SOLAR	Shenzhen SX (SHE)	SZ002506
19	Zhejiang Sunflower Light Energy Science & Technology Limited	向日葵	SOLAR	Shenzhen SX (SHE)	300111
20	Tianjin Capital Environmental Protection Group Company Ltd.	创业环保	WATER	Shanghai (SH)	SH600874

