

CHINA WIND POWER INTERNATIONAL CORP.

Closing Price (April 9, 2010):	\$1.19
52-Week Range:	\$1.50-\$0.80
Shares O/S:	57.3 million
Market Cap:	\$68.2 million
50-day Average Volume:	8,200
200-day Average Volume:	7,500
Fiscal Year-End:	March 31
Symbol:	TSX-V: CNW
Website:	www.chinawindpowerinternational.com



Source: www.bigcharts.com

THE COMPANY

China Wind Power International Corp. (“China Wind Power” or the “Company”) is an Ontario-based company that indirectly holds the exclusive rights for wind energy development in the Du Mon County of Heilongjiang Province in China. The Company is currently building a 546-megawatt (MW) wind farm in five phases, which it plans to complete by the fourth quarter of 2014. Phase 1 (49 MW) began commercial production in December 2009. Phase 2, with capacity of 49.5 MW, is expected to be completed by the end of the second quarter of 2010. China Wind Power’s longer-term goal is to expand its capacity to 1,150 MW.

INVESTMENT CONSIDERATIONS

Strengths

- The Company has exclusive rights to generate wind power in Du Mon County in Heilongjiang Province, China. The province is a major industrial and resource area, with a population of approximately 38 million.
- Heilongjiang Provincial Power Grid is obligated to purchase all power generated by Company.
- The Company has signed letters of intent to acquire wind farm sites in two other locations in the province.

Challenges

- The Company is at an early stage of development and has yet to become profitable.
- Requires various regulatory approvals for construction of last three phases of the project.
- Substantial further financing required for completion of all stages of the project.
- Possibility of delays in deliveries of turbines from manufacturers because of strong demand for these products.

Salient Statistics

Book Value per Share	\$0.79
Price/Book Value	1.5x
Cash as at Dec. 31/09 (millions)	\$1.65
Cash per Share	\$0.03
Total Assets at Dec. 31/09 (millions)	\$117.8
Assets per Share	\$2.06

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Note: Report prepared with public information only.

BACKGROUND

China Wind Power International Corp. was incorporated in Ontario on June 27, 2008. On July 16, 2009, the Company completed a reorganization under which it issued 29.3 million shares to acquire 100% of Daqing Longjiang Wind Power Technology Co. Ltd. On July 31, 2009, the Company completed a reverse takeover of Berkshire Griffin Inc under which every 16.51 shares of Berkshire were exchanged for 1 share of the new company. At that time, the Company completed a private placement financing for gross proceeds of \$27.3 million, the net proceeds of which provided a portion of the funds for the construction of the first two phases of its wind farm project. The Company's shares began trading on the TSX Venture Exchange on August 5, 2009.

Phase 1 of the project consisted of 34 turbines with a capacity of 49 MW, and went into commercial production in December 2009. The approximate \$71 million cost was financed with 26% equity and 74% debt.

INDUSTRY

The Chinese government is committed to the expansion of the wind power industry. The country is currently fourth in the world in wind power use and is committed to becoming number one by 2020. Capacity at the end of 2010 is expected to be 30 gigawatts (GW), compared with 12.2 GW at the end of 2008. By 2020, the target is 100 GW. The rapid growth of the Chinese wind power industry over the past few years, and the government requirement that wind project developers locally source at least 70% of their equipment, have led to China becoming the largest producer of wind turbines in the world.

FINANCIAL

Third-Quarter Fiscal 2010 Results

For the third quarter of fiscal 2010, China Wind Power incurred a loss of \$0.01 per share compared with a loss of \$0.01 per share for the same period in fiscal 2009 (before the Company reached commercial production of electricity). Revenue from electricity sales reached \$1.3 million in Q3/F2010 compared with zero in the year-earlier period. Approximately \$0.8 million was revenue related to the testing, tuning and calibration of Phase 1, and has been recorded as a reduction of the wind farm power plant cost; the balance is electricity revenue. The operating loss reached \$751,734 in Q3/F2010 compared with \$352,932 a year earlier, as the Company incurred higher amortization and stock-based compensation expenses in Q3/F2010 compared with Q3/F2009. The net loss for the quarter was \$626,296 compared with \$169,432 a year earlier.

<i>(\$000s)</i>	Q3/F2010	Q3/F2009
Electricity Sales	1,288	0
Less: Recovery of Costs	776	0
Net Revenue	512	0
Operating Loss	(752)	(353)
Net loss	(626)	(169)
EPS	(\$0.01)	(\$0.01)
Shares O/S (million)	57.3	29.3

Nine-Months 2010 Results

The latest results brought the loss for the first nine months of fiscal 2010 to \$0.10 per share compared with a loss of \$0.02 per share for the corresponding period of fiscal 2009. Revenue from electricity sales reached \$2.6 million compared with zero a year earlier. Approximately \$2.1 million was recorded as related to the testing, tuning and calibration of Phase 1. Operating losses reached \$3.93 million compared with \$0.8 million a year earlier, primarily as a result of higher stock-based compensation as well as increased amortization and general and administrative expense. The net loss for the latest three quarters was \$3.75 million compared with \$0.6 million a year earlier.

<i>(\$000s)</i>	9M/F2010	9M/F2009
Electricity Sales	2,622	0
Less: Recovery of Costs	2,110	0
Net Revenue	512	0
Operating Loss	(3,933)	(802)
Net Loss	(3,755)	(618)
EPS	(\$0.10)	(\$0.02)
Shares O/S (million)	38.5	29.3

OUTLOOK

The Company hopes to complete construction of Phase 2 by May 2010. Its capacity will be 49.5 MW. Each phase is expected to run at approximately 60% capacity for its first year and to operate at full capacity in the second year. As a result, we expect that Phase 1 will operate at full capacity for all of 2011 while Phase 2 will reach that level for approximately half of the year. The following table outlines the planned timing of the various phases of the overall project.

Construction Schedule				
Phase	Start	Finish	Capacity (MW)	Status
Phase 1	Q3/07	Q4/09	49	In service
Phase 2	Q2/09	Q2/10	49.5	Building
Phase 3	Q2/10	Q4/11	100	Approval process
Phase 4	Q2/11	Q4/13	200	Feasibility study
Phase 5	Q2/12	Q4/14	148.5	Feasibility study

The Company estimates, in its business plan, that a 49-MW phase of the project would produce the following average annual results over a 20-year period.

	US\$ Millions
Revenue - Wind Power	8.5
Revenue - Carbon Credits	<u>1.8</u>
Total Revenue	10.3
EBITDA	8.3
After-Tax Profit	3.2

VALUATION

At the present time, there are few publicly-traded companies in the wind-energy area which have reached profitability. Therefore, we have chosen other criteria to generate comparisons for China Wind Power International Corp. and have selected four other companies which operate in the same industry.

Only one of the comparables, China WindPower Group (listed on the Hong Kong Stock Exchange), has reached profitability and, as is shown in the table below, it is trading at approximately 30 times 2009 earnings. This company also operates in China and currently has approximately 566 MW of total capacity, with a further 349 MW of capacity under construction. The other three companies are at earlier stages of development and operate in North America.

For comparison, we have chosen “price-to-sales” and “price-to-book value” as our criteria. As shown, China Wind Power International Corp. is currently trading at 1.5 times book value compared with an average of 1.6 times for our comparable companies. Since the Company has only been generating sales for a nine-month period, we have annualized these sales and also used gross sales to produce a comparable figure to the sales of the other companies. On this basis, China Wind Power International Corp. is trading at 17.0 times sales, somewhat below the 17.8 multiple at which the four comparables are trading.

Thus, at their current level, China Wind Power International Corp.’s shares are less expensive than those of the comparable companies. Over the next few years, as the Company adds capacity and becomes profitable, investors should become more familiar with the Company and recognize its potential. This should lead to significant further capital appreciation for the stock.

Corporate Comparison

Company	Symbol	Stock Price	Shs. O/S million	Mkt. Cap. million	Sales/ Share	Price/ Sales	EPS 2009	P/E 2009	Book Value	Price/ BV
China WindPower Group	HK: 182*	\$0.90	7,300	\$6,570	\$0.10	9.0	\$0.03	30.0	\$0.45	2.0
Western Wind Energy	WND	\$1.65	46	\$76	\$0.07	23.5	na	na	\$0.54	3.1
Shear Wind	SWX	\$0.25	49	\$12	\$0.01	25.0	na	na	\$0.60	0.4
Run of River Power	ROR	\$0.27	74	\$20	\$0.02	13.5	na	na	\$0.30	0.9
Average						17.8				1.6
China Wind Power International Corp.	CNW	\$1.19	57	\$68	\$0.07	17.0	na	na	\$0.79	1.5

*Listed on the Hong Kong Stock Exchange. Figures in Hong Kong dollars. HK\$1 = C\$0.13.

MANAGEMENT AND DIRECTORS

Management

Jun Liu, Chairman and CEO. Mr. Liu has over 20 years of management and technology experience. He was founder of Heilongjiang Ruihao Group Company Ltd., a renewable energy and technology development company.

Walter Huang, Senior V.P., in charge of strategic development, corporate finance and IR. Mr. Huang was co-founder and partner in a U.S. investment firm.

Wendell Zhang, CFO. Mr. Zhang spent 10 years with Ernst & Young, in China and Canada.

Directors

Jun Liu, Walter Huang, Hongliang Xu, Joshua J. Gerstein, and Linda J. Dundas.

CORPORATE INFORMATION

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