

# Flash Note

By MAKE Consulting

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## Cash Flow Issues Push Chinese OEMs to Reduce Dependency on IPPs

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Increased competition and oversupply has put downward price pressure on wind turbines in the Chinese market, which has resulted in the creation of a buyer's market. The growing bargaining power of IPPs has led to a higher level of account receivables and inventories in the balance sheets of turbine OEMs. Recent financial results and investment activities of several leading Chinese turbine OEMs indicate cash flow shortfalls. As a response, leading OEMs have directed more resources into wind power project development in order to reduce a dependency on IPPs for new turbine sales.

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*Annual publishing plan is tentative and subject to change*

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