



## NEWS

## JA Solar Reports First Quarter 2008 Results

SOLAR ENERGY NEWS CENTER[Africa](#)[Asia/Pacific](#)[Europe](#)[North America](#)[South America](#)[Companies](#)[Governments/  
Funding](#)[Manufacturing](#)[Projects](#)[Products](#)[Technology](#)[Home](#)**May 12, 2008****Hebei, China: JA Solar Reports First Quarter 2008 Results**

JA Solar Holdings today reported financial results for the first quarter ended March 31, 2008.

Total revenue for the first quarter 2008 was RMB 1.12 billion (US\$160.0 million), an increase of 234.8% from first quarter 2007 revenue of RMB 335.1 million (US\$47.8 million), and an increase of 6.7% from fourth quarter 2007 revenue of RMB 1.05 billion (US\$150.0 million).

Total gross profit for the first quarter 2008 was RMB 235.9 million (US\$33.6 million) compared to RMB 68.8 million (US\$9.8 million) in the first quarter 2007, and RMB 222.7 million (US\$31.8 million) in the fourth quarter 2007. Gross margin was 21.0% in the first quarter 2008 compared to 20.5% in the first quarter 2007, and 21.2% in the fourth quarter 2007.

Samuel Yang, JA Solar's Chief Executive Officer, said, "We are excited about our results for the first quarter, as we achieved continued revenue growth and a strong increase in income from operations. We are experiencing strong market demand this year, and we anticipate continued high customer demand for 2009. To strengthen our supply position, we recently added GCL as another supply partner during the quarter, which gives us further confidence in meeting increased customer demand as we ramp up our production capacity.

"We have made significant progress with our key operational and R&D initiatives. Installation of our new cell lines is on track. We are confident that we will achieve our target of 500 MW of annual production capacity by year-end 2008. Our R&D programs are moving forward and have started delivering results."

JA Solar's CFO, Mr. Daniel Lui said, "Our Q1 results once again demonstrated that our operational execution and disciplined financial management enabled us to achieve impressive revenue growth, increase profitability, and maintain our margin target. As

we rapidly increase our size and scale with a continued emphasis on operational and cost efficiencies, we are confident that we will meet our growth targets, maintain profit margins, and grow profitably."

Based on current customer demand and market forecasts, the company reiterated expectations for revenue for the full year 2008 in the range of RMB 7.22 billion (US \$1.03 billion) to RMB 8.02 billion (US\$1.14 billion). Revenue guidance in RMB remains unchanged. The higher amount in USD is due to a lower USD/RMB exchange rate used in the first quarter 2008 than the fourth quarter 2007. Gross margin for 2008 is expected to remain above 20%.

JA Solar reiterated its target for total production output of no less than 340 MW for 2008, with a total annual production capacity of no less than 500 MW by year-end 2008. Currently, the company is building ten new solar cell manufacturing lines in Ningjin, Hebei Province. Between June to October 2008, we will add two 25 MW lines per month, totaling 250 MW of new capacity by the end of October. In its new production base in Yangzhou, JA Solar will add three 25 MW lines by the end of the fourth quarter 2008, totaling 75 MW of new capacity. Capital expenditures are expected to be RMB 966.8 million (US\$137.9 million), primarily for capacity expansion. R&D expense is expected to be RMB 35.1 million (US\$5.0 million).

JA Solar intends to offer, subject to market and other conditions, \$300 million aggregate principal amount of senior convertible notes due 2013 and American depositary shares, or ADSs, which are being borrowed by affiliates of the joint book-running managers of the notes offering pursuant to ADS lending agreements with JA Solar. JA Solar intends to grant to the underwriters of the notes offering an option to purchase up to an additional \$45 million aggregate principal amount of notes to the extent the underwriters sell more than \$300 million aggregate principal amount of notes in the notes offering.

The notes will pay interest semi-annually and mature on May 15, 2013.

JA Solar intends to use the net proceeds of the notes offering, after deducting underwriting discounts, offering expenses and the cost of capped call transactions described below, for the purchase and construction of manufacturing equipment and facilities, the purchase and prepayment of raw materials, working capital and other general corporate purposes.

Further details about: [JA Solar](#)

[Companies](#)

[Governments/  
Funding](#)

[Manufacturing](#)

[Projects](#)

[Products](#)

[Technology](#)

[Home](#)