



GLOBAL MARKETS  
SUMMARY OF INVESTMENT ANALYSIS

**Name of the company: JA Solar Holdings Co., Ltd. (ADR)**

**Ticker (Exchange)/Price of share: JASO (Nasdaq) / 3.83 USD (closing price at 30.10.09)**

**Sector: Technology**

**Industry: Semiconductors**

**Description:**

Ja Solar Holdings So., (JA Solar) is a company that deals with the development, manufacture and marketing of photovoltaic, solar cells that convert sunlight into electricity. Solar cells that produce are installed and integrate into solar modules and systems that convert sunlight via a process known as the photovoltaic effect. The company sells its products to manufacturers of solar modules. The company is headquartered in Shanghai, China.

**Commentary:**

- In September the company announced that it plans to use the so-called "Silicon ink technology", or a new nanotechnology for the production of silicon, in order to provide to the market a new generation of highly efficient solar products.
- Silicon ink is a new innovation in nanotechnology, which could lead to a revolution in the way of producing of solar panels and to reduce dramatically the cost of solar energy. The company, which manufactures the product, is Innovalight. Ja Solar and Innovalight have joined forces in order to commercialize the technology. It can be used to produce solar cells that produce energy for about 50 cents per watt, as current price is 4.84 U.S. dollars, which means reducing the cost by more than 8 times. The new cells will be much cheaper than traditional solar cells.
- JA Solar currently is developing these new highly efficient solar cells for their R & D pilot line in Yangzhou. This could set new standards in the solar industry for the production and integration into solar panels and equipment.
- Since the start of the crisis, the price of silicon has declined significantly, this reflects on the profit of the solar industry. But when Ja Solar any market position, which helps to benefit from lower prices due to its efficiency, partners, Chinese subsidies and new technologies. The company can produce its products in a large scale, which will lead to stable profit in the near future.
- \$ 700 billion stimulation package granted by the Chinese government has used aggressively for investments in renewable, energy sources. Nation sees opportunity in the industry to surpass the West countries in 21st century. Before 2020 is expected 270 GW of electricity to be produced from solar, wind and nuclear energy. As a result, Chinese companies will overtake its U.S. rival Sunpower (SPWR) and First Solar (FSLR). Last year the Chinese economy marked growth by 8.9%, while the first three quarters the economy has achieved GDP growth of 7.7%.

**Graph:**

**JASO – 6 months graph**



*Short-term target price, defined using both technical and fundamental analysis\*: \$ 4.60*



*\* A potential risk for the company and for the stock price could be the following: slowing economy, decreasing revenues, lower cash flows, decreasing recommendations of analysts and others. Due to a great number of factors reaching the target price is not guaranteed, all data are based on the expectations for the company development. In case of short-term speculations and abrupt changes we recommend selling in order to minimize the loss to 10%.*

**Basic fundamental data:**

Market Capitalization:	618.23 bln. USD	Forward P/E:	20.16
Beta:	3.2	Profit Margin (ttm)	-9.71%
ROA (ttm)	-5.15	ROE (ttm)	-8.32%

**Main competitors and related companies:**

First Solar Inc.  
Suntech Power

Trina Solar  
Solarfun Power

**Updated at: 02.11.2009**

Sources: [www.bloomberg.com](http://www.bloomberg.com), [www.reuters.com](http://www.reuters.com), [www.nyse.com](http://www.nyse.com), [www.yahoo.com](http://www.yahoo.com); [www.bigcharts.com](http://www.bigcharts.com); [www.greentechmedia.com](http://www.greentechmedia.com); [www.newser.com](http://www.newser.com)

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