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TIDM JHL
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Jetion Holdings Limited
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Jetion Holdings Limited
("Jetion" or "the Company")
Pre Close Statement

Jetion Holdings Limited (AIM: JHL), the manufacturer of solar cells and modules, is pleased to provide an update on trading for the full year to 31 December 2007.

The Directors of the Company are pleased to report that following the successful Initial Public Offering in July 2007, when Jetion was admitted to trading on AIM, the Company has continued to grow profitably during the second half of the year.

For the year as a whole, the Company's production, revenues and profit after taxation* will be slightly ahead of expectations.

Furthermore the Directors are pleased to confirm that they expect trading in calendar year 2008 to be in line with market expectations.

2007 - Key highlights

- 35.2MW of production for the full year - cell manufacturing capacity increased from 25MW to 50MW per annum in May 2007
- Significant expansion in module capacity to 40MW per annum by year end 2007 and cell conversion into modules - 8.2MW for full year
- Further expansion to 100MW per annum cell capacity is on track for commencement in Q4 2008 - all equipment ordered for expansion
- Joint Venture established in Europe to broaden customer base and to capture additional value downstream
- Demand continued to outstrip supply in second half of 2007 - this has continued into 2008
- Wafers equivalent to 90MW of production secured under favourable terms

Operational Update

Total production in 2007 was 35.2MW, (14MW in 2006), representing a 151% increase in output. Production has exceeded the Company's expectations of 32MW at the time of listing on AIM. Solar cell capacity was expanded to 50MW per annum following the successful commissioning of the second 25MW per annum production line in May 2007. The Company is also delighted with the production utilisation levels achieved in the year, which it believes to be among the best in the industry.

In the first half of 2007, production totalled 13.7MW, 95% of which was sold as solar cells. Production in the second half totalled 21.5MW, an increase of 56% compared with the first half. In line with the strategy announced at the time of listing, an increasing proportion of cells were converted into higher value modules during the second half when modules accounted for approximately 35% of

the production mix. For the year as a whole, 8.2MW of the total of 35.2MW production was processed into solar modules. Module capacity had increased to 40MW per annum by the end of 2007.

This increase in module manufacturing has enabled the Company to increase its customer base, particularly in one of its target markets, Europe. The Company expects its European Joint Venture, ("the JV") established in October 2007 to continue to strengthen its European presence throughout 2008. The Company is pleased to report that over 1MW of sales were achieved through the JV in Q4 2007.

Jetion's production mix for 2007 included some 3.7MW of cells and 1.4MW of modules manufactured under tollgate and other subcontracting arrangements. These represented less than 5% of sales and the activities were terminated by the year end.

During 2007 Jetion purchased and commissioned three wafer slicing machines. Looking forward, a further machine is anticipated to be purchased and commissioned in the coming year expanding capacity to approximately 17MW per annum.

As a result of the product mix and the substantial growth in production, revenues will be slightly ahead of market expectations.

The industry faced cost pressures on silicon and wafer supplies in the second half of the year. These pressures have been offset through a series of strategic steps which included changes to the product mix, procurement initiatives and operational improvements. The company believes, therefore, that the profit after tax* will be slightly ahead of expectations.

Outlook

Trading for the calendar year 2008 is expected to be in line with market expectations.

In 2008 Jetion intends to add a further two production lines, increasing capacity to 100MW per annum all of which is expected to be used for the Company's own sales.

The Company continues to move production towards modules and is targeting a higher proportion of the production mix to be modules in 2008. It is anticipated that 50% of cell production will be converted to modules in 2008.

Jetion has contracted the sale of its anticipated production for 2008 and has agreed prices in RMB for sales in the first half.

Jetion will benefit from new supply contracts signed in the second half of 2007 which provide silicon wafers at a discount to current market prices. The Company has negotiated contracts for all its silicon wafer requirements for 2008, two thirds of which are at a discount to prevailing market prices. As a result, the Company will continue to manage any cost pressures in its raw material supplies.

Commenting on trading, Dipesh Shah, Chairman of Jetion said:

"Jetion continues to be well placed to capitalise on the rapidly growing solar industry and is expanding its expertise and know how to ensure that the business continues to grow in line with market expectations.

"The Directors are confident that Jetion is in excellent shape as it enters 2008 and that it will continue its aggressive growth of production, revenues and profits, whilst controlling costs, as new capacity comes on line and increased module revenues positively impact our production mix.

"We are also delighted to report good trading in the second half of 2007 - and look forward to adding shareholder value in the coming year."

*before any possible share option charges

Conference Call

The Company will host a conference call for investment analysts commencing at 08.15a.m. The details for the call are as follows:

UK Toll free : 0808109 1498
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