

Corporate News

centrotherm photovoltaics' sales and earnings leap in first nine months of 2008

- **Revenue (EUR 236.9 million) and EBIT (EUR 30.4 million) more than doubled**
- **EBIT margin at 12.5 percent**
- **Record order backlog exceeds EUR 1 billion as of September 30, 2008**
- **Acquisition of centrotherm Thermal Solutions successfully concluded**
- **Revenue expectation for full 2008 year: EUR 350-380 million**

Blaubeuren, November 12, 2008 – centrotherm photovoltaics AG looks back on a very successful nine-month period: the supplier of technology, equipment, and services for solar silicon and solar cell production continued its very strong growth during the reporting period, and has significantly improved all key financial figures compared with the previous year. Revenue rose from EUR 91.7 million in the first nine months of 2007 to EUR 236.9 million in the first nine months of 2008. The company's business across all regions contributed to the increase in revenue. The highest proportion of sales was generated in Asia (62 percent). EBIT, too, more than doubled during the first nine months of 2008 to EUR 30.4 million (prior-year period: EUR 11.9 million). The EBIT margin correspondingly improved to 12.5 percent (prior-year period: 11.9 percent). Consolidated net income more than tripled during the first three quarters of 2008 and came in at EUR 23.7 million (previous year period: EUR 7.2 million).

The order book, which amounted to EUR 462.7 million as of December 31, 2007, exceeded the EUR 1 billion level at the end of the third quarter, at EUR 1,005,382. "We are extremely pleased with our nine-month figures," commented Oliver Albrecht, CFO of centrotherm photovoltaics. "We have successfully exploited the opportunities available to us, and we have bolstered our strong market position."

The company, which is based in Blaubeuren, intensified its research and activities, as previously announced. centrotherm photovoltaics invested EUR 12.3 million during the reporting period (prior-year period: EUR 3.6 million). The company had already presented the initial results of its research and develop efforts, the "GP Solar Inspect Product Line", at this year's "European Photovoltaics Solar Energy Conference" at Valencia in Spain. This product line comprises high-performance optical measuring systems, which deliver sustained improvements in the quality control of wafer, solar cell, and module production.

Growth strategy successfully implemented

During the third quarter, centrotherm photovoltaics has continued to focus on implementing its strategy of integrating key equipment and technology into the Group. In April 2008, centrotherm photovoltaics purchased the remaining shares in GP Solar, a provider of products, consulting, and technology for photovoltaics with a focus on quality control and process technology for solar cell and solar module production. Following this transaction, centrotherm also acquired the entirety of SolMic GmbH in August. SolMic is a specialist for technology and engineering services revolving around design and process-optimization for the manufacturing of polysilicon, ingots, and wafers.

A further, strategically important transaction occurred after the end of the reporting period, with the acquisition of centrotherm Thermal Solutions GmbH & Co. KG, a leading provider of thermal reduction plants for solar cells, and an important supplier to centrotherm photovoltaics.

"Our aim is to further extend our technology leadership along the solar value-creation chain, and to establish ourselves globally as a provider of production plants for solar silicon and turnkey production lines for the manufacturing of solar cells and thin-film modules," commented Oliver Albrecht. "We have come a lot closer to reaching this goal over recent months. We are convinced these strategic measures will enable us to achieve a significant enhancement in the value of centrotherm photovoltaics." These acquisitions also boost the number of employees within the Group: the company employed 508 staff members as of September 30, 2008 (prior-year period: 113). The current number is already around 900, which mainly reflects the integration of centrotherm Thermal Solutions.

Outlook

Experts expect the solar industry to continue to grow despite the global financial crisis and its consequences for the real economy. Oliver Albrecht commented: "We have good reason to believe we will participate in this forecast growth in the future." centrotherm photovoltaics has further expanded its range of services through the integration of key technology and equipment, and has reinforced its strong market position. This is also reflected in the well filled order book. As a rule, these orders are secured through prepayments or letters of credit. From the very start, centrotherm photovoltaics has pursued the aim of enabling its customers to cut their production costs, and thereby produce solar cells and solar silicon with even greater efficiency in terms of costs and manufacturing processes. "This focus on cost-reduction is paying off, particularly in today's currently tense market environment," Oliver Albrecht went on to say. "We are also benefiting from our comfortable capital backing, which allows us to implement strategic measures, and finance further growth."

On this basis, as well as in the expectation of further seasonally strong fourth quarter, centrotherm photovoltaics anticipates sales of EUR 350-380 million for the full 2008 financial year, accompanied by at least constant margins compared with the first nine-month period of 2008. The consolidation of centrotherm Thermal Solutions from November 1 will have only a minor impact on 2008 sales, but will already incur positive effects on the EBITA margin.

The interim report as of September 30, 2008 can be downloaded in both German and English from the company's website at www.centrotherm-pv.de under the menu item Investor Relations.

centrotherm photovoltaics AG
Johannes-Schmid-Strasse 8
89143 Blaubeuren
Internet: www.centrotherm-pv.de
ISIN: DE000A0JMMN2
WKN: A0JMMN
Admitted to the Regulated Market/Prime Standard, Frankfurt Securities Exchange
Corporate domicile: Germany

Company contact:

Saskia Schultz-Ebert
Senior Manager Investor Relations
Tel: +49 7344 918-8890
E-mail: saskia.schultz-ebert@centrotherm.de

Press contact:

Christina Siebels, Grit Pauli
HOSCHKE & CONSORTEN Public Relations GmbH
Tel: +49 40 3690 50-58 /-31
E-mail: c.siebels@hoschke.de; g.pauli@hoschke.de