

Corporate News

centrotherm photovoltaics achieves strong revenue growth in the first half of 2009

- Revenue up from EUR 140.1 million to EUR 264.1 million
- EBIT (before purchase price allocations) boosted from EUR 18.4 million to EUR 33.6 million
- Growth forecast for 2009 full year confirmed

Blaubeuren, August 13, 2009 – centrotherm photovoltaics AG set new records in terms of revenue, orders on hand and equipment shipments in the first half of 2009: despite the economic and financial crisis, the revenue of the technology and equipment provider for the manufacturing of solar silicon, crystalline solar cells and CIGS thin film modules rose by 88.5 percent, from EUR 140.1 million in the previous year to EUR 264.1 million. Earnings before interest, tax, depreciation, and amortization (EBITDA) improved from EUR 18.8 million in the previous year to EUR 35.8 million. This corresponds to an EBITDA margin of 13.5 percent (previous year: 13.4 percent). In terms of operating earnings (EBIT) before purchase price allocations, centrotherm photovoltaics achieved an increase of 83.3 percent to EUR 33.6 million (previous year: EUR 18.4 million). The EBIT margin correspondingly amounted to 12.7 percent (previous year: 13.1 percent). Including the effects from the purchase price allocations, EBIT amounted to EUR 25.8 million. The EBIT margin amounted to 9.8 percent (previous year: 13.1 percent). The margin trend in the first half of 2009 was particularly affected by start-up investments for initial orders in the silicon and thin film areas, which are still in their infancy.

“We continued to chart our profitable growth course in the second quarter, although it was somewhat less dynamic than in the record first quarter 2009, as anticipated,” commented Oliver M. Albrecht, CFO of centrotherm photovoltaics. Following record figures in order intake and order backlog in the first quarter 2009, order intake slowed down significantly as anticipated.

In the period from April to June 2009 centrotherm photovoltaics received orders amounting to EUR 14.5 million. Order intake in the prior-year period (Q2 2008) included four major orders including the largest solar cell order in the company's history. The order book amounted to EUR 1,010 million as of June 30, 2009 (previous year: EUR 990.2 million).

Significant events in the divisions

centrotherm photovoltaics continued to set a brisk pace in terms of deliveries of individual items of equipment and turnkey production lines: 9 lines and 130 individual items of equipment were shipped to customers both in Germany and abroad - more than ever before.

A notable success in the **solar cell** division was achieved with the Korean customer Hyundai Heavy Industries. At the world's largest shipbuilder, centrotherm photovoltaics is realizing its largest project in the solar cell division to date: five cell lines of 50 MW of production capacity each have been created. In this case, the "Vision" systems of the 100 percent subsidiary GP Solar were used. The measuring systems are the result of the Group's own research and development (R&D). "We place the highest priority on innovation and the successful implementation of our major projects," commented Robert M. Hartung, CEO of centrotherm photovoltaics, and continued: "Research and development has been a central component of our corporate strategy from the very start. This will also remain the case, as technological innovations are the key to maintaining the company's long-term position on the markets." The company invested a total of EUR 11.1 million in R&D in the first half of 2009 (previous year: EUR 7.5 million). Besides this, expenses of around EUR 6 million for process developments and ramp-up in the thin film area were incurred in the first half of 2009, which were not capitalized. The focus in this respect is an even more rapid production cycle times, and an optimal utilization of materials.

In early March the **solar silicon** division – being still in its infancy – achieved a first milestone in the form of "First Silicon Out", describing the production of first silicon from centrotherm photovoltaics reactors. Following suite, the company started to commission silicon equipment for an additional customer in Asia in the second quarter. The initial development step entails annual production of around 1,250 tonnes of polysilicon. The production is targeting microelectronics quality, as required particularly for chip manufacturing, as well as for solar cells. Another milestone achievement is to be expected from the **thin film** area: centrotherm photovoltaics started to commission the first CIGS thin-film production line for a Taiwanese customer. With a surface area of 1.5 m² this will be the first and to date largest CIGS module to be manufactured on a mass production basis.

Outlook

Although growth dynamics has slackened somewhat in the second quarter following the record set during the first three months of 2009 – in line with expectations – centrotherm

photovoltaics takes a highly confident stance in view of the well filled order book and the robust project pipeline. Albrecht commented as follows: "Therefore, we are reconfirming our budgeted revenue growth to EUR 500 million to EUR 550 million, accompanied by increases in EBITDA."

The interim report as of June 30, 2009 can be downloaded from www.centrotherm-pv.com in the Investor Relations area.

About centrotherm photovoltaics AG

Headquartered in Blaubeuren, Germany, centrotherm photovoltaics AG ranks as one of the world's leading technology and equipment providers for the manufacturing of solar silicon, crystalline solar cells and CIGS thin film modules. The broad product spectrum comprises key equipment and turnkey production lines for crystalline and thin-film solar cells. The product range is supplemented by reactors and converters for the manufacturing of solar silicon. centrotherm photovoltaics guarantees its customers important performance parameters such as production capacity, degree of efficacy, and completion deadlines for turnkey lines. The Group employs around 1,100 staff members, and operates in Europe, Asia and the USA. centrotherm photovoltaics achieved revenue in the 2008 financial year of EUR 375 million, EBIT of EUR 56 million*, and is listed in the TecDax of the Frankfurt Securities Exchange. (*before purchase price allocations)

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