

Corporate News

centrotherm photovoltaics boosts Group earnings by almost 50 percent to EUR 37.4 million in the first nine months of 2010

- **Revenue up by 22.3 percent to EUR 458.4 million**
- **EBIT leaps 52.7 percent to EUR 54.2 million**
- **New order intake of EUR 707.7 million**

Blaubeuren, November 10, 2010 – centrotherm photovoltaics AG is benefiting from the ongoing order boom in the solar sector, and announces strong figures for the first nine months of this year: the international technology and equipment provider for the photovoltaics sector boosted revenue by 22.3 percent to EUR 458.4 million (prior-year period: EUR 374.7 million). Consolidated operating profit (EBIT) improved by 52.7 percent to EUR 54.2 million (prior-year period: EUR 35.5 million). The photovoltaics specialist's EBIT margin increased to 11.8 percent (prior-year period: 9.5 percent). Consolidated net income also reported a marked increase (49.5 percent) during the first nine months of 2010 to reach EUR 37.4 million (prior-year period: EUR 25.0 million). With a 49.2 percent increase, earnings per share rose by almost one half to EUR 1.76 (prior-year period: EUR 1.18). An excellent 29.1 percent was achieved in terms of return on capital employed (ROCE), compared with 21.0 percent in the prior-year period.

"With these solid figures, we are underscoring our attractive business model once again", comments Dr. Thomas Riegler, CFO of centrotherm photovoltaics AG. "Over the past nine months, we have benefited from an outright order boom, particularly in the Solar Cell & Module segment, and we have further expanded our market share. As a market leader that has committed itself to the permanent further development of highly efficient production systems for polysilicon, solar cells and modules, we remain on a profitable growth path, and we look with confidence to the months ahead."

High order book position and inflow of new orders

The order book amounted to EUR 747.7 million as of September 30, 2010 (prior-year period: EUR 922.4 million). The company reported a total inflow of EUR 707.7 million of new orders (prior-year period: EUR 472.1 million). Two factors, in particular, resulted in this strong order flow: "Asian customers are expanding along the photovoltaic value chain, and in doing so are focusing their investments on high-efficiency technology, in order to realize economies of scale and declining manufacturing costs", explains Robert M. Hartung, CEO

of centrotherm photovoltaics AG. "We are registering strong demand for single equipment items, and, at the same time, a resumption of demand in the turnkey business. This is reflected in high sales generated abroad." The export ratio was at a record-breaking 95.3 percent during the first nine months of 2010 (prior-year period: 91.6 percent). In the company's foreign business, the Asian market dominated with revenue of EUR 385.0 million, representing an 84.0 percent share of total Group revenue.

Production capacities tripled

Up to 60 systems per month on average left the centrotherm production halls – three times the volume level compared with the prior-year period, and, at the same time, representing a new record in the company's history. The Swabia-based company prepared itself for this development at the start of the year with flexible production structures and processes.

As pioneering thought leaders and pace setters offering high-tech products in the solar sector, centrotherm photovoltaics invested a total of EUR 30.3 million in research and development (prior-year period: EUR 19.4 million). The number of employees was up by 24.6 percent to 1,409 staff members (prior-year period: 1,131 staff members).

Key segment results

In the Silicon & Wafer segment, revenue was up by 11.0 percent to EUR 151.3 million (prior-year period: EUR 136.3 million), and operating profit (EBIT) improved to EUR 18.9 million (prior-year period: EUR 12.8 million). The EBIT margin increased by around one third to 12.5 percent (prior-year period: 9.4 percent). In the first nine months of this year, centrotherm photovoltaics observed a continuous growth in customer interest to expand along the solar value chain. For example, a silicon customer ordered multi-crystalline ingot furnaces in order to expand its production. Operating highlights included the commissioning and successful production of first silicon on centrotherm photovoltaics systems ("First Silicon Out") at four major projects in Asia and Europe. In overall terms, there is an identifiable trend toward the expansion of existing factory capacities, and growing interest outside Southeast Asia.

The Solar Cell & Module segment continued to make a significant contribution to the company's success, and achieved the highest order intake in the company's history in the third quarter of 2010, at EUR 311.1 million. A new record result was also achieved in terms of revenue, which grew by more than one half (55.1 percent) to reach EUR 295.2 million in the first nine months of this year (prior-year period: EUR 190.4 million). Operating profit

(EBIT) registered a marked increase of 152.0 percent to EUR 60.1 million (prior-year period: EUR 23.9 million). This represents a 20.4 percent EBIT margin (prior-year period: 12.5 percent). This positive development was particularly due to strong demand and high delivery volumes for single equipment items, including upgrade packages for the further enhancement of solar cell efficiency. Along with the commissioning of a 60 MW production line at Chinese state operation Lu'an Group Corp., operating highlights included the ordering of turnkey lines to manufacture crystalline solar cells placed by two major Chinese companies.

Revenue dropped to EUR 11.9 million in the Thin Film Module segment (prior-year period: EUR 48.0 million). The segment result (EBIT) amounted to EUR -24.7 million (prior-year period: EUR -1.1 million), which was mainly burdened by costs for the further technical development of equipment.

Outlook: revenue forecast for the full 2010 year confirmed

"Due to the gratifying new order trend, we are confirming our forecasts of EUR 580 million to EUR 600 million of revenue for the full year, which we raised when we announced our half-year figures", notes CEO Robert M. Hartung. "We are also anticipating an EBIT margin of around 11 percent for 2010."

Note:

The full report for the first nine months of 2010 can be downloaded from the company's website at www.centrotherm-pv.com, in the Investor Relations area.

About centrotherm photovoltaics AG

centrotherm photovoltaics AG, which is based at Blaubeuren, Germany, is the world's leading technology and equipment provider for the photovoltaics sector. The company equips well-known solar companies and new sector entrants with turnkey production lines and single equipment to manufacture silicon, crystalline solar cells and thin film modules. Consequently, the Group possesses a broad and well-founded technological basis, as well as key equipment at practically all steps of the photovoltaics value chain. centrotherm photovoltaics guarantees its customers important performance parameters such as production capacity, efficiencies, and completion deadlines. The Group employs around 1,400 staff, and operates globally in Europe, Asia and the USA. centrotherm photovoltaics achieved revenue in the 2009 financial year of EUR 509.1 million, EBIT of EUR 37.2 million, and is listed in the TecDax of the Frankfurt Securities Exchange.

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