

## Corporate News

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**centrotherm photovoltaics reports a successful first half in 2011: Sales and earnings up strongly thanks to outstanding technology and market leadership**

- **Sales up 54.0 % at EUR 428.6 million, operating profit climbs 57.2 % to EUR 53.2 million**
- **Solar Cell & Module division returns EBIT margin of 21.4 %**
- **Full-year sales and earnings forecast for 2011 confirmed**

*Blaubeuren, August 10, 2011* – The technological strengths of centrotherm photovoltaics AG have once again proven their worth in the first half of 2011. In the first six months the world's leading supplier of equipment and technology to the photovoltaics sector increased its sales by 54.0 % to EUR 428.6 million (H1 2010: EUR 278.3 million). At the same time, consolidated operating profits (EBIT) were up 57.2 % at EUR 53.2 million (H1 2010: EUR 33.9 million). The EBIT margin came in at 12.4 % (H1 2010: 12.2 %). The Solar Cell & Module division accounted for the lion's share of the company's success, contributing around 89 % of sales with an EBIT margin of 21.4 % (H1 2010: 23.4 %). Consolidated earnings in the first half were up 63.3 % at EUR 37.4 million (H1 2010: EUR 22.9 million). As a result, earnings per share climbed 63.9 % to EUR 1.77 (H1 2010: EUR 1.08). The equity ratio amounted to 44.7 % (December 31, 2010: 49.2 %). The return on capital employed (ROCE) rose to 29.8 % (H1 2010: 26.5 %).

“In the first six months of this year, we have profited from strong demand which is clearly reflected in our Group figures,” commented Dr. Thomas Riegler, CFO of centrotherm photovoltaics AG. “Sales were driven predominantly by single systems which accounted for 86.1 % of sales revenues – that's more than four fifths – especially in the Solar Cell & Module segment.” Sales revenues generated by the service and replacement parts business in the first half of 2011 climbed 79.7 % to EUR 17.0 million (H1 2010: EUR 9.5 million). This business is scheduled for further development in future.

### **Development by segments**

In the first half of 2011, the Silicon & Wafer segment was determined by technological developments and non-recurrent effects, alongside the consistent implementing of projects, with several major projects being brought to completion at the same time. centrotherm photovoltaics achieved sales revenues of EUR 33.9 million through the sale of technology and plants for the production of silicon, thereby falling short of the high level posted a year ago (H1 2010: EUR 90.7 million). Segment EBIT came to EUR minus 15.8 million due to a

comparatively low level of revenues coupled with non-recurrent expenses (H1 2010: EUR 7.8 million). Improvements in the result are to be achieved by the end of the financial year 2011 through a focused sales campaign and a cost efficiency program. Moreover, centrotherm photovoltaics anticipate a positive contribution to revenue and profit from the major project in Qatar in the second half of 2011. In addition, customers are currently placing increasing importance on integrated production lines and positioning themselves along the whole value chain. centrotherm photovoltaics therefore expects considerable revenue potential in the future, particularly from the Ingot & Wafering business. With this in mind, the photovoltaics specialist has strategically positioned itself through new products such as brick cropping and ingot squaring saws and upgrades to the current crystallisation furnaces. On June 30 this year, orders on hand in this segment stood at EUR 243.4 million (December 31, 2010: EUR 277.1 million).

The company achieved record results in the Solar Cell & Module segment: Sales revenues doubled to EUR 382.0 million (H1 2010: EUR 180.3 million). This segment contributed 89.1 % of consolidated turnover (H1 2010: 64.8 %). Operating profits (EBIT) were up 93.4 % at EUR 81.7 million (H1 2010: EUR 42.2 million), with an EBIT margin of 21.4 % (H1 2010: 23.4 %). At the end of the first six months orders on hand in the Solar Cell & Module segment stood at EUR 444.9 million (December 31, 2010: EUR 513.8 million).

In the Thin Film segment centrotherm photovoltaics generated sales revenues of EUR 12.7 million (H1 2010: EUR 7.2 million). Earnings (EBIT) developed in line with expectations, improving to a negative EUR 12.6 million (H1 2010: minus EUR 16.2 million), due in particular to the cost of the ongoing technological development of thin film systems. On June 30, orders on hand in this segment came in at EUR 27.0 million (December 31, 2010: EUR 52.9 million).

### **Order book and R&D**

On June 30, 2011 the Group had orders on hand totaling EUR 715.2 million (December 31, 2010: EUR 843.8 million). Orders received in the first six months amounted to EUR 344.5 million (H1 2010: EUR 353.3 million). The number of employees on the qualifying date of June 30, 2011 stood at 1,899 (December 31, 2010: 1,448). This increase was primarily due to the increased volume of business and the first-time consolidation of the Group's Chinese subsidiary in Shanghai. As a pioneer in the solar industry specializing in high-tech products, centrotherm photovoltaics invested a total of EUR 21.7 million (H1 2010: EUR 18.8 million) in research & development (R&D) in the first six months of 2011.

**Outlook: Full-year sales and earnings forecast for 2011 confirmed**

In a difficult market, the company is nevertheless aware that manufacturers of solar cells are experiencing a perceptible demand for high-performance cells and modules. In order to achieve high levels of efficiency they in turn require the latest technology, resulting in growing demand for upgrade packages from centrotherm photovoltaics. "Both the market in general and our customers in particular recognize our technological strengths and our competence all along the solar value chain. With this in mind we are confirming our forecast for financial year 2011 with sales rising to between EUR 690 and 710 million and an EBIT margin in the low double-digit range," explained Robert M. Hartung, CEO and Management Board Chairman of centrotherm photovoltaics AG.

**Note:**

The full report for the first half of 2011 can be downloaded from the Investor Relations section of company's website at [www.centrotherm.de](http://www.centrotherm.de).

**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, ingots and bricks, crystalline solar cells and thin film modules. As a consequence, 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 about 1,900 staff members, and operates in Europe, Asia and the USA. Centrotherm photovoltaics achieved revenue in the 2010 financial year of EUR 624,2 million, EBIT of EUR 75.4 million. The company is listed in the TecDAX index on the Frankfurt Stock Exchange.

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