

Corporate News

centrotherm photovoltaics remains on growth path

- Revenue up by 35.9 percent to EUR 509.1 million (previous year: EUR 374.7 million)
- EBITDA rises 1.9 percent to EUR 58.6 million (previous year: EUR 57.5 million)
- EBIT down to EUR 37.2 million (previous year: EUR 43.5 million)
- Order book at EUR 797.4 million as of December 31, 2009 (previous year: EUR 990.2 million)
- Revenue growth to between EUR 550 million and EUR 580 million budgeted for 2010

Blaubeuren, March 25, 2010 – With today's presentation of its 2009 annual report, centrotherm photovoltaics AG confirms its preliminary figures published on February 25, 2010. Oliver M. Albrecht, CFO of centrotherm photovoltaics AG, commented: "We look back on a successful 2009 insofar as we reported profitable growth in an extremely difficult market environment." Revenue at the technology and equipment provider for the manufacturing of solar silicon, crystalline solar cells, solar modules and CIGS thin film modules grew 35.9 percent to EUR 509.1 million (previous year: EUR 374.7 million). In particular, this reflected strong revenue growth in the silicon area.

Earnings before interest, tax, depreciation and amortization (EBITDA) rose to EUR 58.6 million (previous year: EUR 57.5 million). This represents an EBITDA margin of 11.5 percent (previous year: 15.3 percent). Operating earnings (EBIT) before purchase price allocations were down from EUR 55.7 million to EUR 52.7 million. Operating earnings (EBIT) after purchase price allocations before interest and tax amounted to EUR 37.2 million (previous year: EUR 43.5 million). The EBIT margin on revenue stood at 7.3 percent (previous year: 11.6 percent). Scheduled depreciation/amortization of EUR 15.5 million applied to assets capitalized as part of purchase price allocations were the particular reason for the decline. Above and beyond this, the company incurred additional investments and expenses in the Thin Film Module area. In this segment, apart from the sale of individual equipment to produce thin film modules, centrotherm photovoltaics concentrated on its first project in Taiwan. A turnkey production line based on highly efficient CIGS technology (copper-indium-gallium-diselenide) is being set up in Taiwan with a capacity of around 30 megawatts. centrotherm photovoltaics generated total consolidated net income of EUR 28.5 million (previous year: EUR 34.6 million). The further rise in staff numbers from 1,050 to

1,131 as of December 31, 2009 is in line with the company's strategic preparation for further profitable growth in the future.

Solid balance sheet and liquidity position

centrotherm photovoltaics commands a very solid balance sheet structure. Total assets rose by 11.2 percent to EUR 740.3 million (previous year: EUR 665.8 million). The equity ratio amounted to 46.5 percent (previous year: 47.8 percent). As a result, all non-current assets are fully covered by equity. The high liquidity position of EUR 168.2 million (status as of December 31, 2009) provides a foundation for further growth. Cash flow from operating activities amounted to TEUR 49,723 at the end of the last financial year (previous year: TEUR 65,050).

Strong international market position

"With our highly efficient production systems, we enable our customers to produce solar silicon, crystalline solar cells and thin film modules to a high quality, and, at the same time, on a cost-effective basis," commented Robert M. Hartung, CEO of centrotherm photovoltaics. "As a result, we are creating significant advantages for clients in periods of declining margins and rising competitive pressure." The photovoltaics specialist from Blaubeuren generates around 90 percent of its revenue abroad, and has developed a strong international market position, particularly in Asia. Numerous Asian companies rely on centrotherm photovoltaics' expertise, including Yingli Solar, Trina Solar and Hyundai Heavy Industries, for example. The Asian region accounted for a revenue share of 71.1 percent. The other European regions were the second largest sales market at 10.6 percent, followed by Germany at 9.3 percent.

Segment trends and order book position

The Silicon & Wafer segment registered strong demand that had a positive impact on total revenue. In this area, the company generated revenue of EUR 218.7 million (previous year: EUR 38.0 million) with the sale of technology and equipment for the silicon production. This represents a 42.9 percent share of consolidated revenue. This area's profitable growth is also reflected in its EBIT operating earnings: at EUR 30.4 million, it made a significant contribution to consolidated earnings. This segment's order book amounted to EUR 583.9 million on December 31, 2009.

In its Solar Cell & Module segment, centrotherm photovoltaics noted significantly reticent investment behavior due to the difficult economic environment. Demand, particularly for single equipment, did not recover until the fourth quarter of 2009. The company generated

revenue of EUR 239.9 million in this area. Its share of total revenue came in at 47.1 percent. As a consequence, the Solar Cell & Module segment remains the Group's largest segment in terms of revenue. Its operating earnings (EBIT) amounted to EUR 18.7 million. In this segment, the company reported orders of EUR 203.9 million as of December 31, 2009.

Along with the sale of individual equipment for thin film module production, the company's Thin Film Module division in 2009 concentrated fully on the realization of its first thin film project in Taiwan — the installation of a turnkey production line with a capacity of around 30 megawatts. centrotherm photovoltaics is backing highly efficient CIGS technology because it offers the best prospects of achieving the highest efficiencies in thin film mass production. Compared with other thin film technologies, this production process also uses no toxic process gases. The intensive project work and continuous further development of systems and technologies is also evident in revenue and earnings trends, along with higher process and technology development investments. In overall terms, centrotherm photovoltaics generated revenue of EUR 50.6 million. Segment earnings were negatively impacted to a greater extent than budgeted by project start-up costs. The EBIT operating result amounted to minus EUR 11.9 million. The order book in the Thin Film Module segment amounted to EUR 9.6 million on December 31, 2009.

"We are pursuing our strategy of growing along the photovoltaic value-creation chain, and we are optimally positioned to do so with our divisions," commented Dr. Peter Fath, the company's Chief Technology Officer. "We enjoy good utilization levels thanks to our total order book position of EUR 797.4 million as of December 31, 2009, and we are looking to the future with confidence."

Promising start to 2010 — major order from Qatar

The market situation has improved significantly in the first quarter of 2010. For instance, in its Solar Cell & Module segment, centrotherm photovoltaics has signed orders with a volume of around EUR 70 million in the first two months alone. In its Silicon & Wafer area, the company signed a major order in Qatar in March for the construction of the first polysilicon production location on the Arabian Peninsula. The company is supplying technology and equipment to produce high-purity silicon. "This market offers enormous potential. With our system, we are creating a lighthouse project for other investors from this region," noted Robert M. Hartung. In line with the company's policy, centrotherm photovoltaics does not recognize major orders as new order intake until corresponding collateral has been provided.

Outlook

For 2010, centrotherm photovoltaics is budgeting that its revenue will grow to between EUR 550 million and EUR 580 million. The company will benefit from its strong international orientation and innovations in all business areas. Mr. Hartung went on to comment: "We will expand further, including in promising regions such as India and the Arabian Peninsula. In addition, we are pursuing our demanding and sophisticated development roadmap in order to more strongly expand our technology leadership." centrotherm photovoltaics defines development objectives for its individual divisions as part of a binding roadmap. These include, for example, annual efficiency enhancements of 0.5 percent in the mono-crystalline cell area. The company is planning to invest around EUR 50 million in research and development in 2010. Primarily it will be on the Silicon & Wafer and Solar Cell & Module segments. Besides this, the company continues to invest in the Thin Film Module division in order to pursue its technology transfer from the CIGS pilot line to mass production.

--- End of the announcement ---

The 2009 annual report is available for download at www.centrotherm-pv.com in the Investor Relations area.

About centrotherm photovoltaics AG

centrotherm photovoltaics AG, which is based at Blaubeuren, is 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, efficiencies, and completion deadlines for turnkey lines. The Group employs more than 1,100 staff members, and operates 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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