

Corporate News

Successful first quarter in centrotherm photovoltaics' core business

- Silicon business grows by 30.6 percent
- Positive margin trend in Solar Cell & Module segment reflects trend turnaround
- Tapping of new sales markets

Blaubeuren, May 11, 2010 – centrotherm photovoltaics AG achieved consolidated revenue of EUR 115.3 million in the first quarter of 2010, and benefited from strong demand for single equipment items, particularly in its Solar Cell & Module segment. The Silicon & Wafer segment also showed a positive trend, with revenue in this area reporting a significant increase of 30.6 percent. "With a strong first quarter, we are following on directly from the positive trend in the 2009 business year in this area," commented Oliver M. Albrecht, CFO of centrotherm photovoltaics. The technology and equipment provider for the manufacturing of solar silicon, crystalline solar cells and modules, and CIGS thin film modules achieved consolidated operating earnings (EBIT) of EUR 9.8 million. The EBIT margin amounted to 8.5 percent. The consolidated net result stood at EUR 6.6 million in the first quarter of 2010. The total assets of centrotherm photovoltaics amounted to EUR 781.6 million (previous year: EUR 740.3 million). The equity ratio stood at 44.9 percent (previous year: 46.5 percent).

Consolidated revenue amounted to EUR 131.0 million in the extremely strong prior-year quarter. EBIT in the previous year's period totaled EUR 14.7 million, and consolidated net income EUR 10.5 million. One reason for the decline in the first quarter of 2010 were higher other operating expenses of EUR 23.6 million. "Although we were unable to best the extremely strong first quarter of 2009, we are very confident of further progress in view of agreements signed in Asia, and new sales markets such as the Arabian Peninsula," commented Mr. Albrecht, before adding: "We remain on our growth path with our solid balance sheet structure and a good liquidity position of almost EUR 160 million." The company is budgeting revenue growth of between EUR 550 million and EUR 580 million in 2010.

"Our highly efficient technologies and turnkey systems lead to significant cost savings for our customers. Pursuing our strategy, we regard ourselves as well positioned to further expand our leading competitive position," commented Robert M. Hartung, CEO of

centrotherm photovoltaics. As the result of its high export ratio of 94.0 percent (previous year: 88.3 percent), centrotherm photovoltaics is largely independent of the forthcoming modifications to the German Renewable Energies Act (EEG).

Segment trends and order book position

In the Silicon & Wafer area, the company generated revenue of EUR 43.3 million from the sale of silicon production technology and systems, 30.6 percent more than in the prior-year period (EUR 33.2 million). The share of Group revenue amounted to 37.6 percent.

Operating earnings (EBIT) also reported significantly positive progress: these were up from EUR 4.1 million in the prior-year period to EUR 7.0 million. This segment's order book amounted to EUR 537.7 million on March 31.

In the Solar Cell & Module segment, centrotherm photovoltaics achieved revenue of EUR 68.2 million (previous year: EUR 86.4 million). A particularly positive factor was the fact that, despite the fall in revenue, EBIT showed gratifying progress in the first three months, and amounted to EUR 11.7 million, as in the previous year period. This represents an increase in the EBIT margin to 17.1 percent (previous year: 13.6 percent). The Solar Cell & Module segment contributed 59.2 percent of consolidated revenue. In the Solar Cell & Module segment, the company reported EUR 203.4 million of orders as of March 31.

In its Thin Film segment, centrotherm photovoltaics achieved revenue of EUR 3.8 million (previous year: EUR 11.4 million). Additionally anticipated project costs and investments in process and technology development exerted a negative impact on segment earnings. Operating earnings (EBIT) came in at minus EUR 8.8 million (previous year: minus EUR 1.2 million). As of March 31, centrotherm photovoltaics reported an order book position of EUR 16.0 million in its Thin Film segment. "We continue to invest in processes, and we are continuously working on boosting efficiencies," noted Robert M. Hartung.

The Group's total order book position amounted to EUR 757.0 million as of March 31 (previous year: EUR 1,256.0 million). The quarter was especially characterized by high demand for single equipment items in the Solar Cell & Module area. Mr. Hartung went on to comment: "We anticipate that the current demand boomed for single equipment will continue, and that we will receive further turnkey orders over the course of the year."

Projects successfully concluded

In the first three months of the new 2010 financial year, centrotherm photovoltaics successfully concluded a number of major projects. For example, several turnkey projects in the Solar Cell & Module area achieved final acceptance. The company is working on further international projects in its Silicon & Wafer segment. "Along with efficiency enhancements, which are accompanied by cost reductions at the same time, we currently regard supply security as one of the key growth drivers," commented Robert M. Hartung. Oil, gas, coal and uranium represent finite resources. Energy consumption is growing in countries such as China and India, however. For this reason, many countries are considering silicon and solar cell production opportunities, as renewable energy sources are inexhaustible. "The development of new solar technologies, and their deployment in high quality and efficiency-enhancing production systems, ranks among centrotherm photovoltaics' strengths," noted Mr. Hartung.

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The interim report as of March 31, 2010 can be downloaded from www.centrotherm.de in the Investor Relations area.

About centrotherm photovoltaics AG

centrotherm photovoltaics AG, headquartered in Blaubeuren, is one of the world's leading technology and equipment providers 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. 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-creation chain. centrotherm photovoltaics guarantees its customers important performance parameters such as production capacity, efficiencies, and completion deadlines. The Group employs around 1,100 staff members, and operates in Europe, Asia and the USA. In the 2009 financial year, centrotherm photovoltaics achieved revenue of EUR 509.1 million, and EBIT of EUR 37.2 million. The company is listed in the TecDax of the Frankfurt Securities Exchange.

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