

Corporate News

centrotherm international AG takes positive stock of 2018 and decides strategic course of action for the future

- **Targets exceeded in 2018 with Group revenue of around EUR 180 million and a positive EBITDA of EUR 6.6 million**
- **Earnings after tax of around EUR 2 million**
- **New innovative system generations for the segments photovoltaics, semiconductors, microelectronics and high-performance fibers**
- **centrotherm positions itself for the future with its *challenge 23* strategy concept**

Blaubeuren, April 3, 2019 – centrotherm international AG, Blaubeuren, (ISIN: DE000A1TNMM9 and DE000A1TNMN7) has exceeded its targets for fiscal year 2018. Group revenue increased to EUR 180.0 million and exceeded the forecast range of between EUR 110 and 150 million. The Group also outperformed its forecast of breakeven in EBITDA by achieving earnings before interest, taxes, depreciation and amortization (EBITDA) of EUR 6.6 million. centrotherm significantly raised its operating result in 2018, particularly when compared with the previous year. Adjusted for one-off effects, EBITDA in fiscal year 2017 was still negative at around EUR -6.0 million. After tax, the centrotherm Group delivered a positive result of EUR 2.0 million.

Jan von Schuckmann, Chief Executive Officer: “The successful acceptance of major projects before the end of 2018 was a factor that enabled us to outperform our targets. Bringing these projects to a conclusion forms an important basis for the future of the centrotherm Group.” Gunter Fauth, Chief Operations Officer went on to add: “Measures under our *challenge 23* strategy concept have already contributed to improving earnings. We were successful in reducing costs and improving efficiency at both centrotherm international AG and at our subsidiary FHR Anlagenbau GmbH.”

Positive order trend despite low investment activity in the photovoltaic industry

Demand from the semiconductor and microelectronics industry was very positive in the year under review. New orders in this business unit doubled to around EUR 45 million compared with the previous year, marking the highest level of order intake from the semiconductor and microelectronics industry in the history of the company. A temporary hold was put on significant investments in new production capacities for high-efficiency solar cells during the past fiscal year due to changes made in China's

photovoltaic subsidy policy in May 2018. Despite the lower order volume from the photovoltaic industry, the centrotherm Group received orders totaling EUR 88.2 million in fiscal year 2018. In the previous year, major projects had contributed to a high order intake. The order backlog as of December 31, 2018 stood at EUR 84.9 million.

Launch of new innovative system generations in all business units

centrotherm has established itself in the photovoltaic market with its production solutions for the manufacturing of PERC solar cells with efficiencies of significantly more than 22 %. A new system generation for PECVD and LPCVD processes and solar cell concepts with passivated contacts will enable solar cell manufacturers to achieve further significant increases in efficiency. In the semiconductor segment, production systems with innovative automation enable customers to process 300 mm wafers in mass production. Furthermore, centrotherm has recently extended its product range with ovens for the manufacturing of high-performance fibers, examples being ceramic or carbon fibers. The c.OXI Carbon oxidization oven in particular has achieved recognition in the sector thanks to its significant energy savings and substantially improved fiber quality.

Jan von Schuckmann: "With this new innovative generation of systems, we are providing a very broad range of product solutions for various industries. This reinforces our technology leadership as well as our competitive capabilities on the international markets."

***challenge 23* strategy concept paves the way for the future**

centrotherm is positioning itself for the future with *challenge 23* and its extensive package of measures. The aim is to enhance the productivity and efficiency of production workflows. Further training for staff in preparation for a wider scope of tasks also plays an important role in building flexibility into production at the Blaubeuren location. In addition, production capacities required in the important sales market of China will be created by centrotherm Machinery Kunshan newly established in 2018. The centrotherm technology group can generate valuable cost advantages through manufacturing components in China and through the global purchasing of parts. In addition, delivery times that represent a significant and also decisive factor in the awarding of contracts are shortened.

"Along with our innovative capability, expanding our presence in China is very significant in strategic terms. On the one hand we are closer to our customers. On the other, we have a good basis for holding our own as a German company against the competition in the sales market of China that is so important to us. Our technology expertise and Research & Development remain in Blaubeuren. Critical and sensitive system components such as the process modules will be produced here," Gunter Fauth emphasizes.

Outlook for the current fiscal year 2019

The Management Board considers the centrotherm Group to be technologically well equipped to serve market requirements. This is also emphasized by a major order worth more than EUR 40 million that was placed with centrotherm in mid-February 2019. In fiscal year 2019, the Management Board anticipates that all sectors will generally perform well. Owing to large-scale projects that will largely only impact revenue in 2020, the revenue target for the centrotherm Group has been set between EUR 90 and 150 million in fiscal year 2019. Due to high price- and competitive pressure, in particular in the photovoltaic industry, breakeven through to positive EBITDA is expected for the Group.

Note: The full report for the financial year 2018 is available in German for downloading from our website under the Investor Relations heading.

Key Figures for centrotherm Group

in TEUR	01.01.2018- 31.12.2018	01.01.2017- 31.12.2017
Revenue	179,945	101,851
Total operating performance	127,107	149,786
EBITDA	6,604	18,554
EBIT	3,512	15,409
Earnings after tax	1,963	11,954
Earnings per share in EUR	0.09	0.56
Weighted average number of shares in T	21,162	21,162
Total expenses R&D	11,014	8,072
Order intake	88,231	175,478
	31.12.2018	31.12.2017
Total assets	151,722	207,629
Equity	57,874	55,943
Equity ratio in %	38.1	26.9
Number of employees (as of reporting date)	633	640
Order book	84,865	175,308

About centrotherm international AG

centrotherm has been developing and realizing innovative thermal solutions for over 70 years. As a leading and globally operating technology group, we offer production solutions for the photovoltaic, semiconductor and microelectronics industries.

The continuous further development of our successful solutions in thermal processing and coating, such as for manufacturing crystalline solar cells and power semiconductors, form the basis for our successful partnerships with industry, research and development.

Our customers worldwide appreciate our production systems' process stability, scalability and availability in mass production. Above and beyond this, our work is distinguished by the fact that we create high-end process technology solutions which are specific for our customers and tailored to their requirements, and the fact that we are outstanding in system building.

We jointly confront the daily challenges of setting new trends, maximizing the efficiency of producing, for example, solar cells and semiconductors, and securing investments, coupled with our long machine lifetimes.

In this way, we generate valuable competitive advantages for our customers through targeted process innovations and production solutions.

Our around 650 staff worldwide are committed to the further development of high-tech solutions for key markets.

centrotherm international AG

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Inclusion: Basic Board, Frankfurt Stock Exchange

Corporate domicile: Germany

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