



CONERGY

First Half Year 2008 Results

August 2008



Agenda

| **Financials**

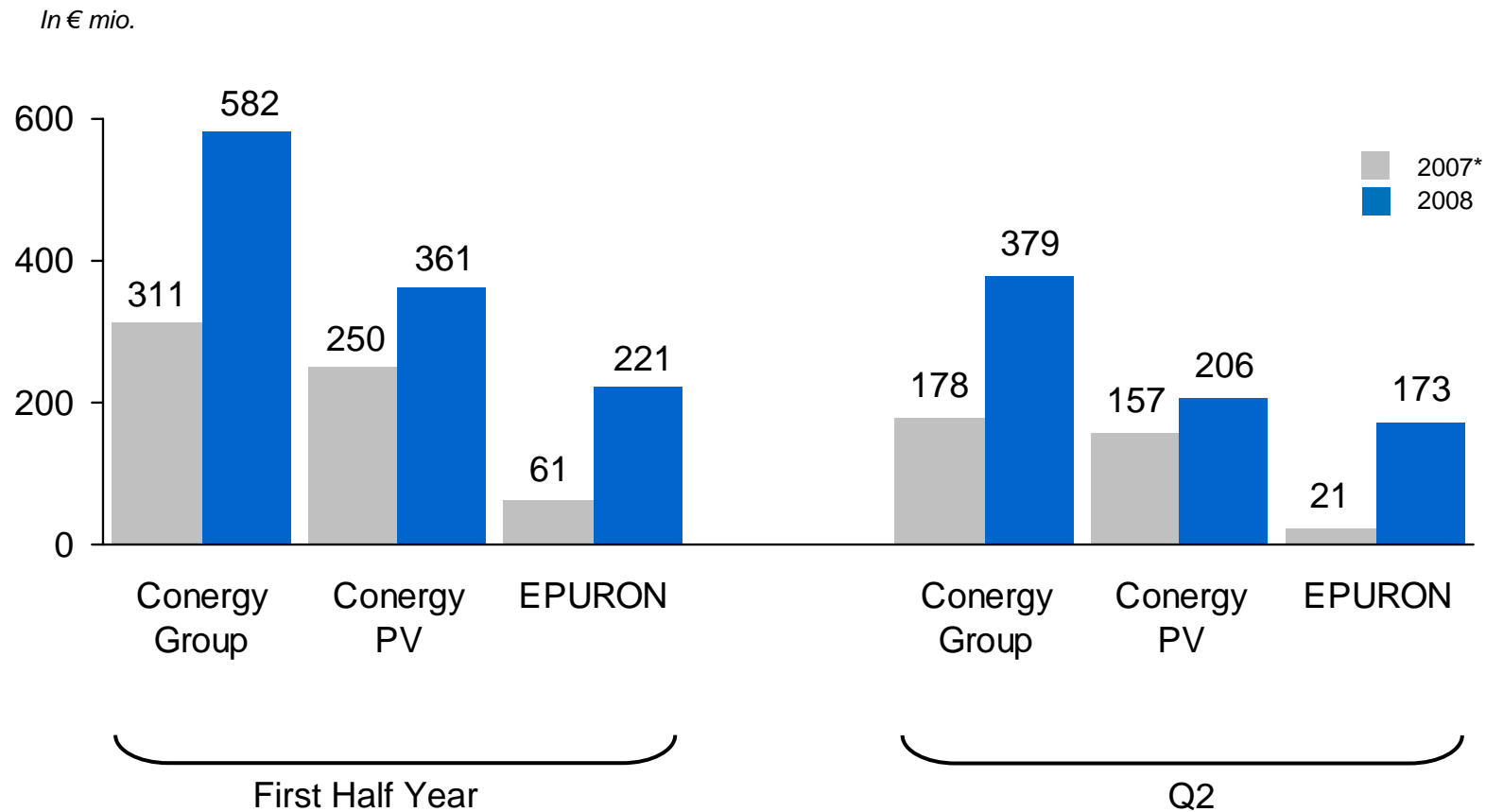
| **Conergy 2.0 – update on restructuring**

| **Market outlook - Summary**

Key Financial Data First Half Year 2008

- | Sales up by 87% to €582 mio.
- | Gross Margin increased to 13.9% (1HY 2007: 13.2%)
- | EBITDA €- 19 mio. / €3 mio. before one-time effects
- | EBIT €- 33 mio. / €-8 mio. before one-time effects
- | Working Capital reduced by 15.8% since Q1 2008

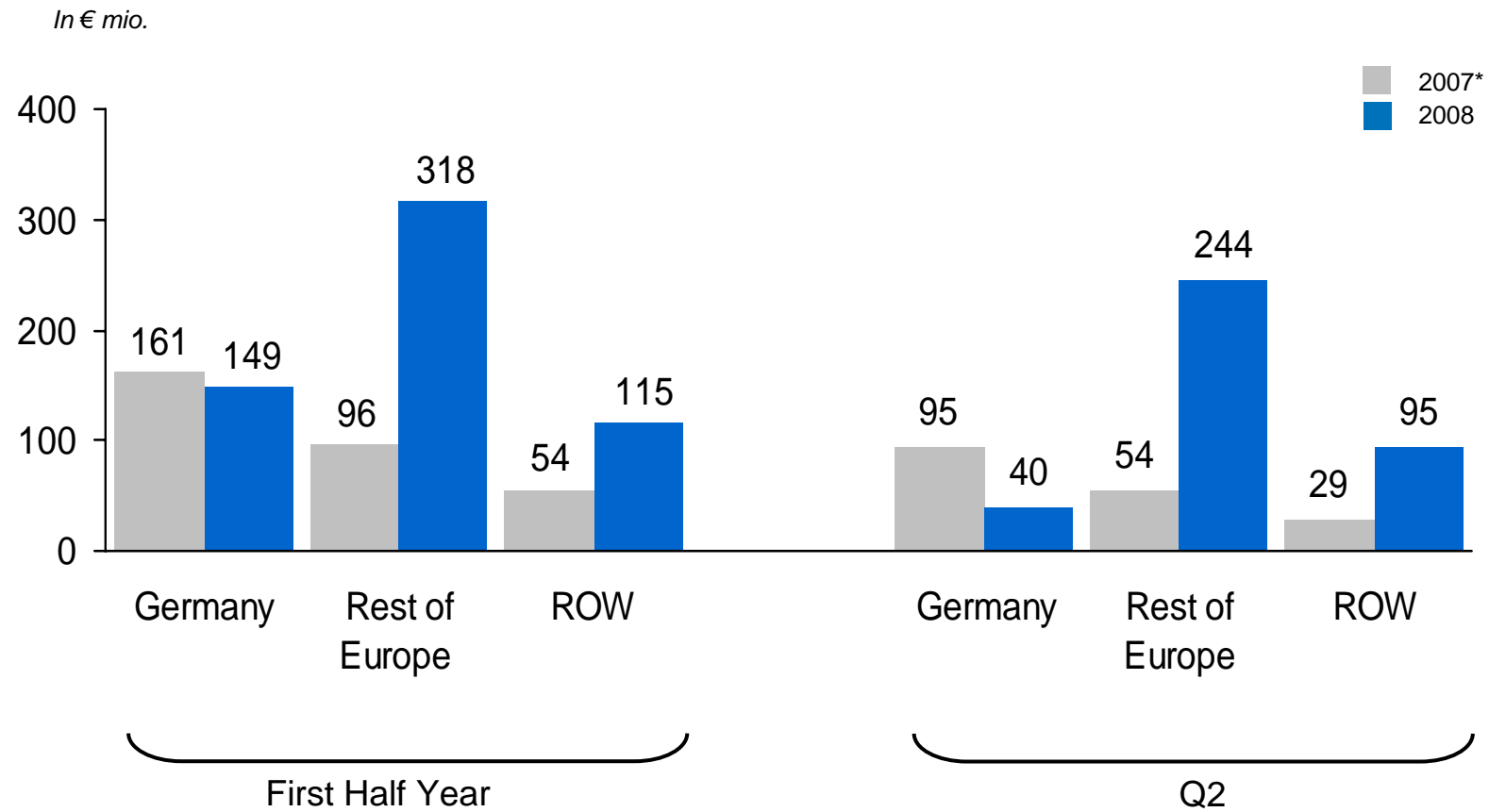
Sales Development Conergy Group and Segments First Half Year /Q2 2008



* restated

08-08-07

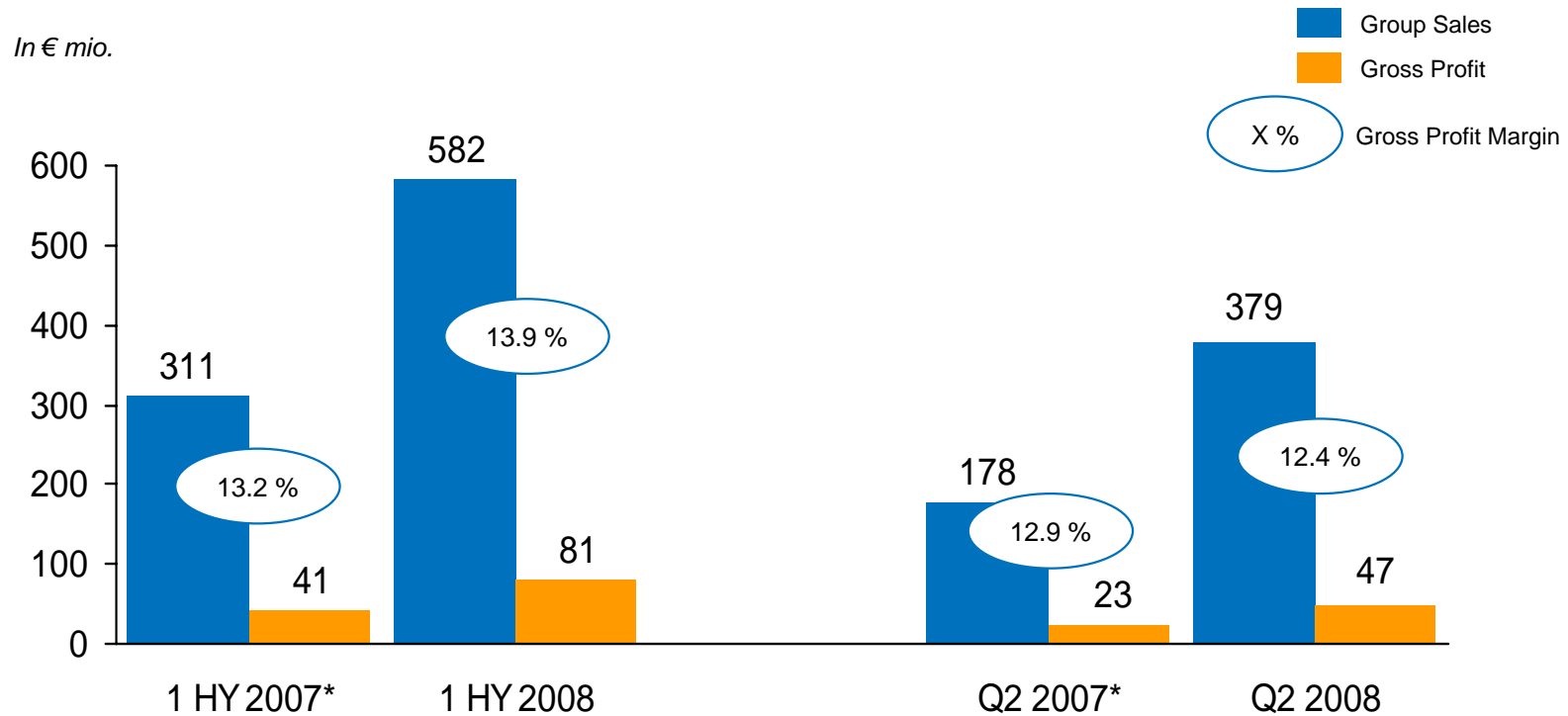
Sales Development Regions First Half Year /Q2 2008



* restated

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Group Sales and Gross Profit Development First Half Year / Q2 2008



* restated



Group Income Statement – First Half Year / Q2 2008

In €mio.	1HY 2007*	1HY 2008	Q2 2007*	Q2 2008
Revenues	311	582	178	379
Gross Profit	41	81	23	47
Other Operating Profit	15	22	9	11
Personnel Expenses	-46	-62	-24	-29
Operating Expenses	-54	-60	-35	-28
EBITDA	-44	-19	-27	1
Depreciation & Amortisation	-4	-14	-2	-8
EBIT (Continuing Operations)	-48	-33	-29	-7
Financial Result	-5	-27	-3	-13
Income Tax	21	1	14	-3
Earnings before Discontinued Operations	-32	-59	-18	-23
Earnings Discontinued Operations	-1	-8	0	-1
Net Income	-33	-67	-18	-24

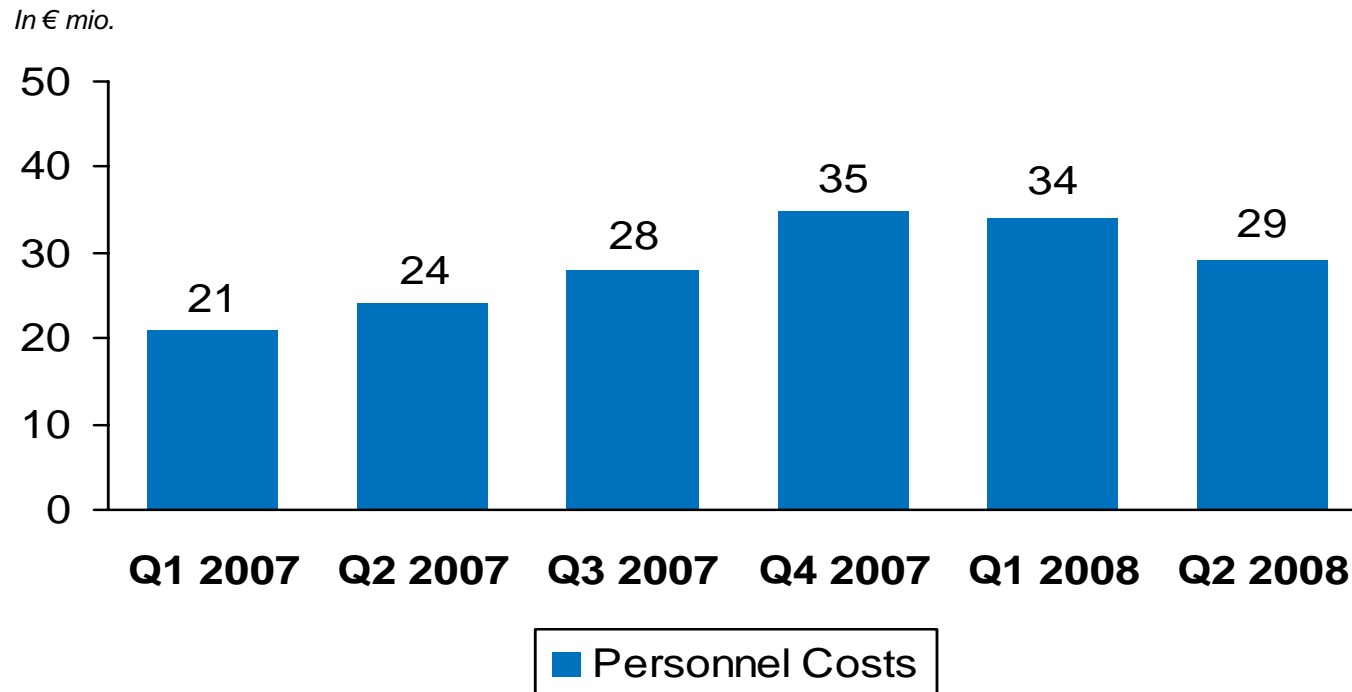
Changes in 1HY 2008

- | FTEs reduced by 606 since 31 December 2007
- | One-time effects of €-25 Mio.:
 - | Restructuring cost €-18 Mio
 - | Ramp-up costs Frankfurt (Oder) €-1 Mio.
 - | Net currency translation effects €-6

* restated

08-08-07

Personnel Costs



Balance Sheet (short version)

In €mio.	30.06.2007*	31.12.2007	31.03.2008	30.06.2008
Non-Current assets	272	310	323	306
Current assets	666	700	646	600
Assets held for sale	-	26	22	39
Total current assets	666	726	668	639
TOTAL ASSETS	938	1.036	991	945
Total equity	270	125	84	60
Non-current liabilities	57	168	160	142
Current liabilities	611	725	733	729
Liabilities from assets held for sale	-	18	14	14
Total current liabilities	611	743	747	743
TOTAL EQUITY AND LIABILITIES	938	1.036	991	945

* restated

Working Capital Development

In € mio.	30.06.2007*	31.12.2007	31.03.2008	30.06.2008
Sales	311	706	203	582
Inventory	262	342	402	252
Trade Receivables	276	213	155	241
Trade Payables	298	282	189	183
Working Capital	240	273	368	310

* restated

Working Capital Development: Inventory

In €mio.	30.06.2007*	31.12.2007	31.03.2008	30.06.2008	%
Inventory	262	342	402	252	-37 %
Raw Materials and Supplies	22	25	22	14	- 36 %
Unfinished Goods	57	54	116	45	- 61 %
Finished Goods	114	226	204	154	- 25 %
Prepayments made	69	37	60	39	- 35 %

* restated

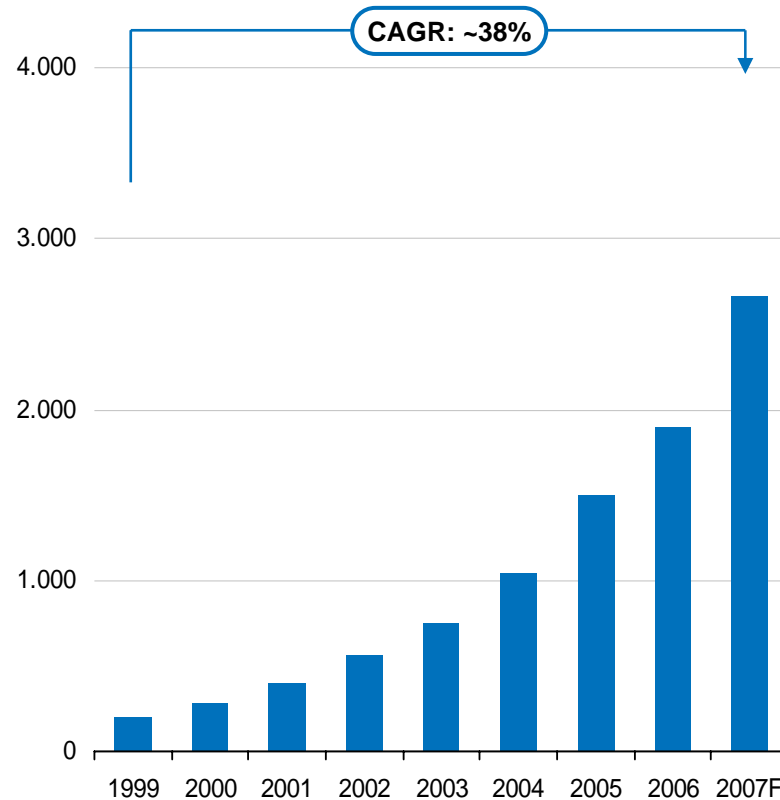
Update on restructuring

	Completed/ achieved	Comments
Management restructuring	✓	<ul style="list-style-type: none"> Replacement of board members at the end of last year Dieter Ammer confirmed as CEO for the next two years Key hires and internal changes have significantly improved 2nd management level
Cost cutting	✓	<ul style="list-style-type: none"> Cost reduction by 15% compared to year end level 2007 Staff reduction by over 600 employees since December 2007
Divestment of non-core businesses	(✓)	<ul style="list-style-type: none"> Divestment of non-core activities (solar heating, biomass) Currently in the process to divest the wind turbine production business
Corporate Restructuring	(✓)	<ul style="list-style-type: none"> Merger of SunTechnics into Conergy (Germany) Simplifying group structure by placing all PV business under the roof of "Conergy PV" Reporting under new structure starting 2009 EPURON will focus on wind park, biogas and CSP development
MEMC contract renegotiation	✓	<ul style="list-style-type: none"> Sales volume adjusted to c.\$ 3.5 - 4 billion compared to \$ 7-8 billion of the original agreement All payments made under contract First test deliveries started
Frankfurt/Oder	(✓)	<ul style="list-style-type: none"> Plant in Frankfurt/Oder operating Possible Joint Venture with an experienced and financially strong partner envisaged

Our market has been growing in the past and will be growing even faster in the future

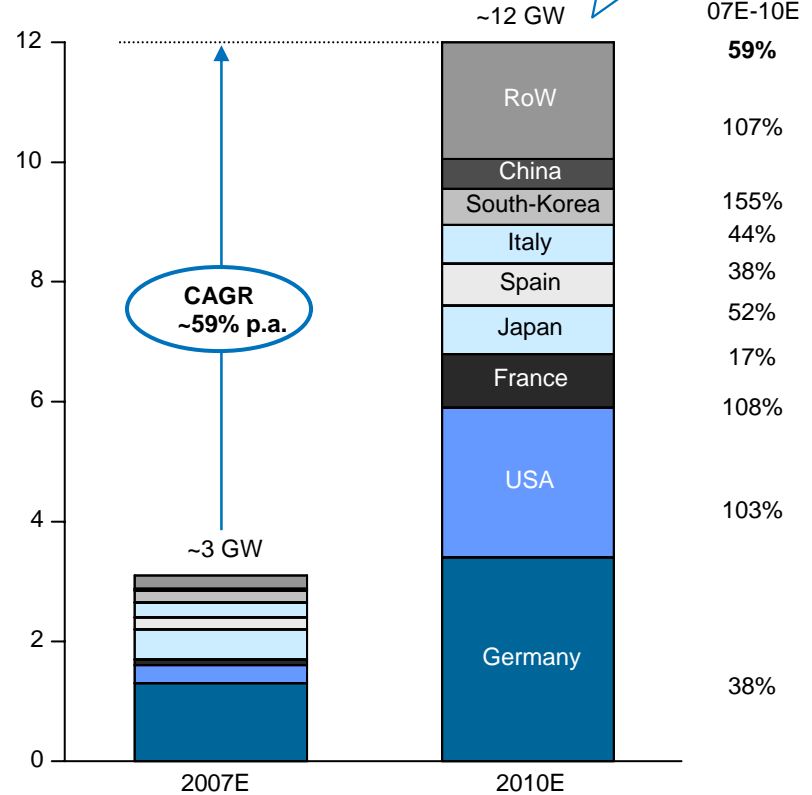
Strong growth in the past...

Annually installed capacity in MWp



... with higher growth in the future following new regulatory incentives

Global Solar PV demand (in GW)



Recent studies, e.g. LBBW indicate even higher demand of ~15 GW

(1) Prices for PV modules and systems vary significantly depending on several factors, like for example target customer segment (residential, commercial industrial, investors), system size or possibly region within country. Average system price therefore represents a global average.

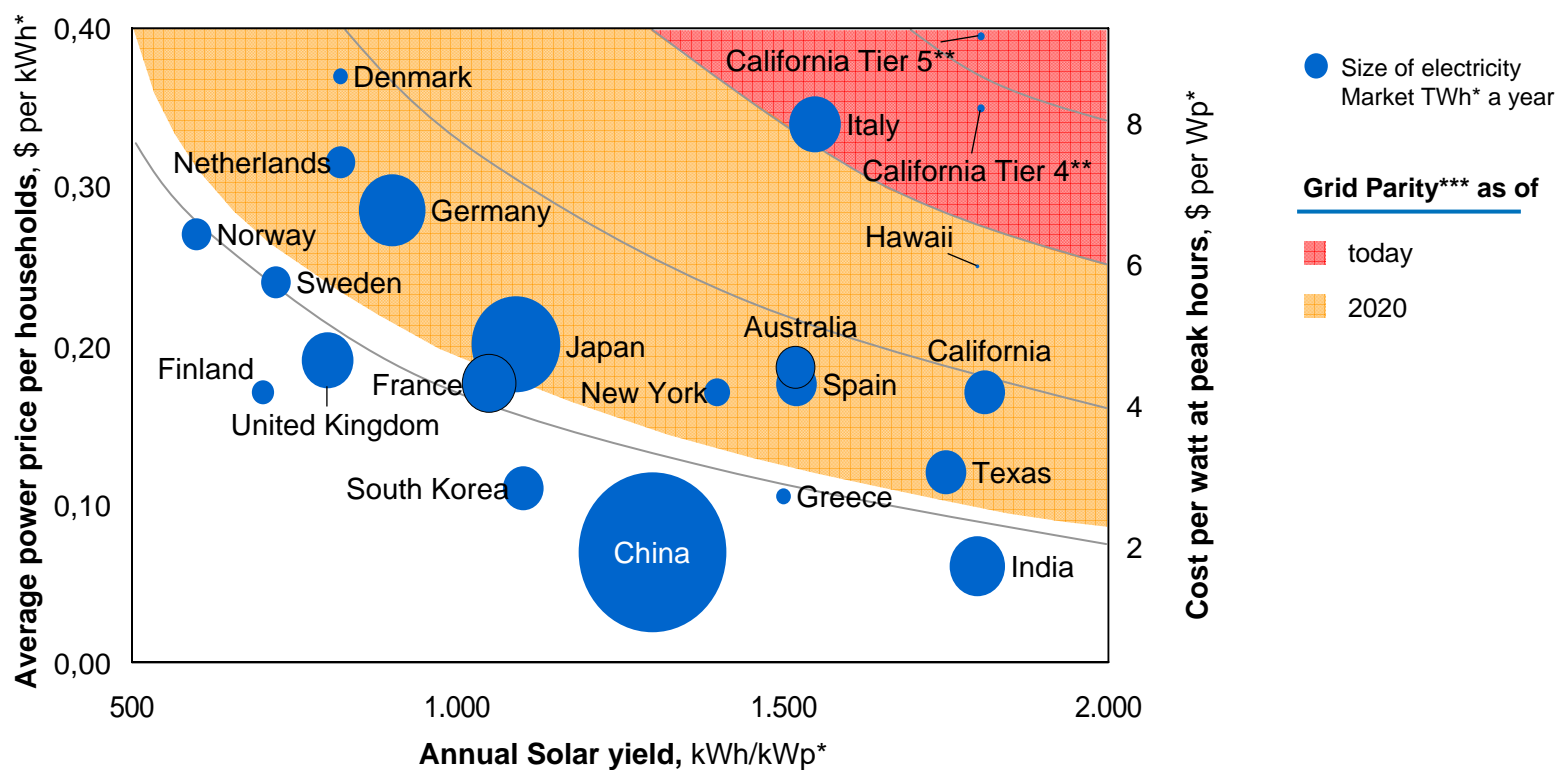
Source: EPIA 2006; LBBW 2006; Bain analysis, also considering LBBW 2007, RBC 2007, EPIA 2007

The market is changing rapidly fuelled by technological progress and governmental incentive schemes for PV

PV market trends

Market structure	<ul style="list-style-type: none"> Change from upstream (supply) to a downstream (demand) driven market environment expected midterm Ongoing internationalisation (driven by the development of new markets)
Grid parity	<ul style="list-style-type: none"> Partly reached in certain markets (e.g. in California in peak times) Expected in Germany and Spain between 2014 and 2016 May be earlier driven by expected silicon price drop
Efficiency	<ul style="list-style-type: none"> Ongoing, large R&D investments Increase near-term efficiency of standard silicon based cells from 14% to 16% - additional potential in the future expected (22% - 24% are currently in tests)
Technology	<ul style="list-style-type: none"> Step changes in technology expected (silicon vs. thin-film vs. nano vs. concentrator, etc.) Metallurgic (dirty) silicon as opportunity

Today grid parity is already achieved in Italy and parts of California – the competitiveness of solar power increases significantly until 2020



* kWh= kilowatt hour; kWp = kilowatt peak; TWh = terawatt hour, Wp = watt peak; the annual solar yield is the amount of electricity generated by a south facing 1 kW peak-rated module in 1 year, or the equivalent number of hours that the module operates at peak rating

** Tier 4 and 5 are names of regulated forms of electricity generation and usage

*** Unsubsidized cost to end users of solar energy equals cost of conventional electricity



“Within three to seven years, **unsubsidized solar power** could cost no more to end customers in many markets, such as California and Italy, than electricity generated by fossil fuels or by renewable alternatives to solar. **By 2020, global installed solar capacity could be 20 or 40 times its level today**“

McKinsey & Company, *The McKinsey Quarterly*, June 2008



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Thank you for your attention.