



## **Third Quarter Results 2009**

12. November 2009

## Current key facts boosting PV business.

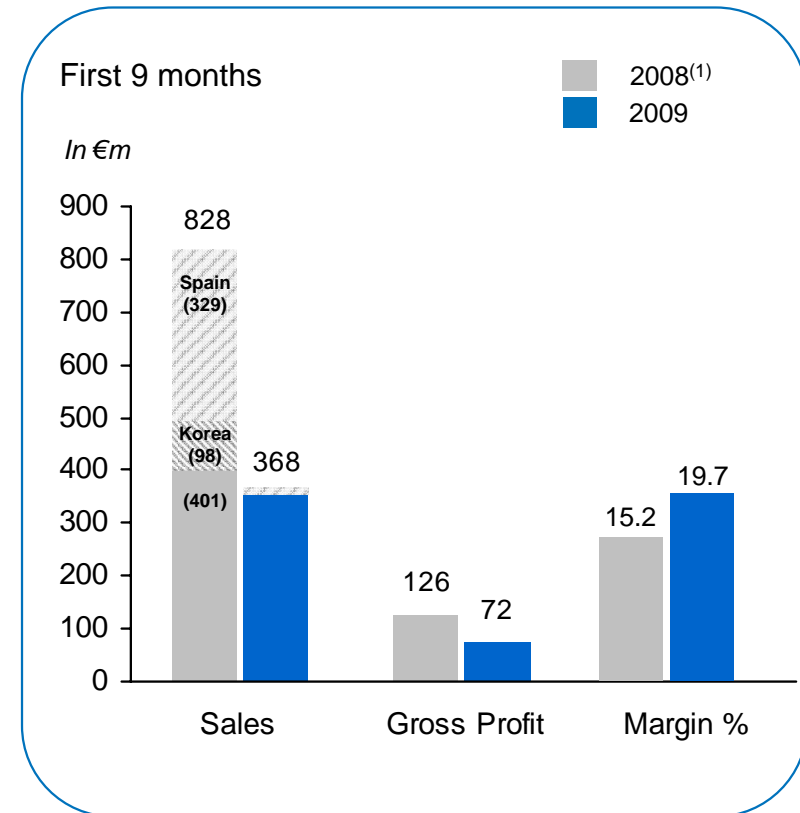
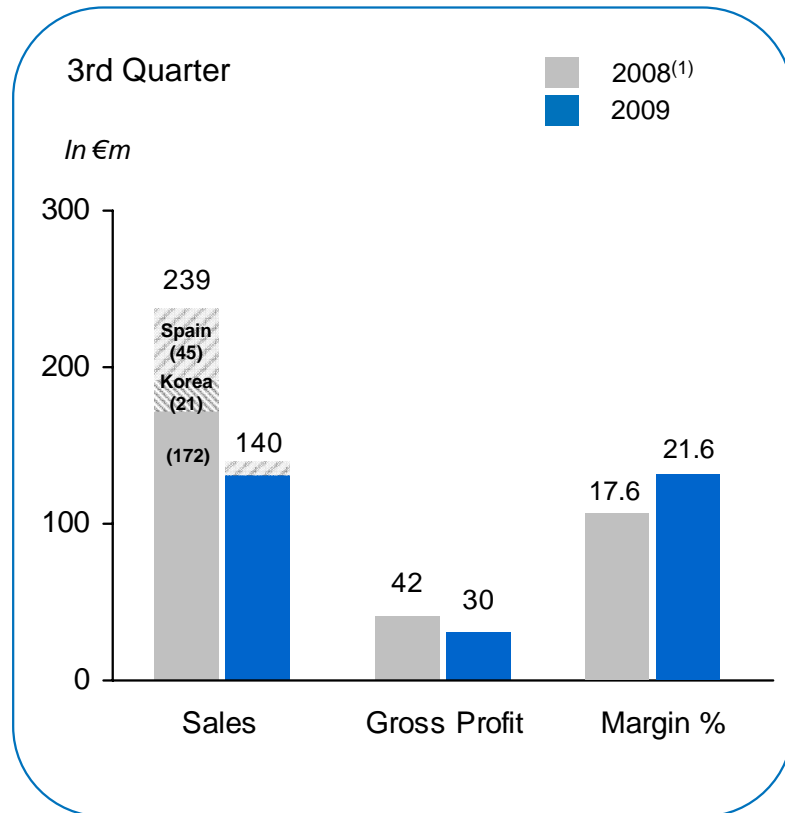
- 1 New German administration: „commitment to solar energy“**
  - | decrease of feed-in-tariff by 30% off the stove
  - | degression so long untouched; changes in consent with industry
- 2 German PV market 2009/2010: strong growth despite financial crisis**
  - | 2.500 MW in 2009, 3.000 MW in 2010 expected
  - | buyer's market with strong competition: quality and brand more and more important
- 3 Germany: grid parity to be expected in 2012/2013**
  - | sunny California and Italy to reach grid parity even earlier (2011, 2012)
  - | after reaching grid parity another boom in pv market expected
  - | steady development of self-supporting pv markets
- 4 Silicon and fossile power prices main drivers for PV market development**
  - | since 01/2009: silicon spot market prices declined by up to 80%; thus module prices have fallen by 30%
  - | fossile power prices increased strongly (Germany: +100% expected between 2000 and 2014)

## Key financial data Q1-Q3 2009

- | **Sales:** Sales down to €368m Q1-Q3 2009 (Q1-Q3 2008: 828m)
- | **Gross Margin:** increased to 19.7% Q1-Q3 2009 (Q1-Q3 2008: 15.2%)
- | **Net income:** loss almost halved to €79m Q1-Q3 2009 (€145m in Q1-Q3 2008)\*
- | **Working Capital:** reduced from €255m at year end 2008 to €185m
- | **Positive operating cash flow Q1-Q3 2009**

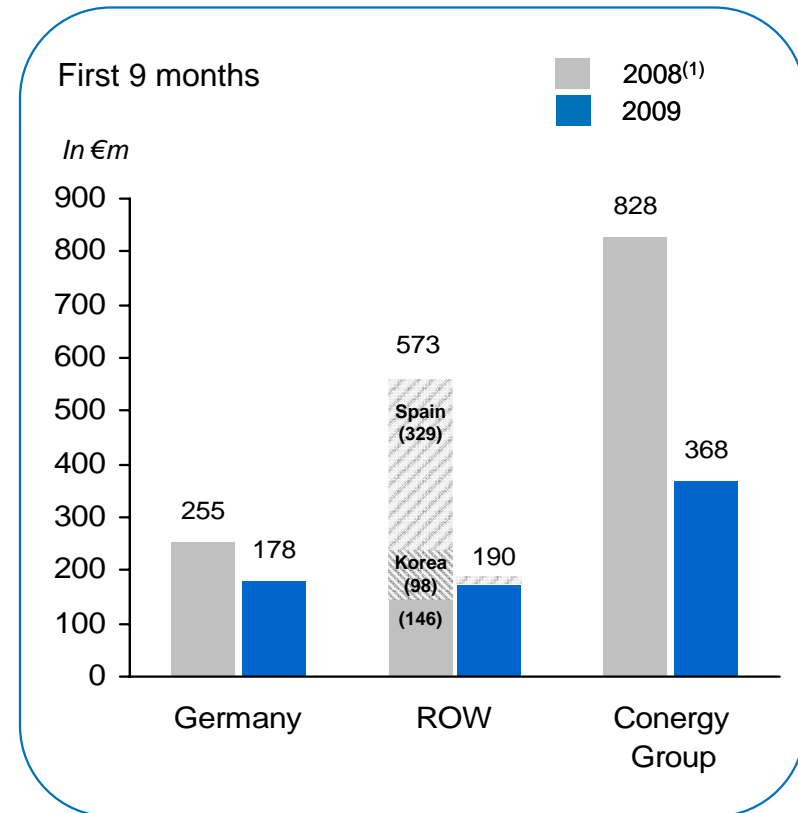
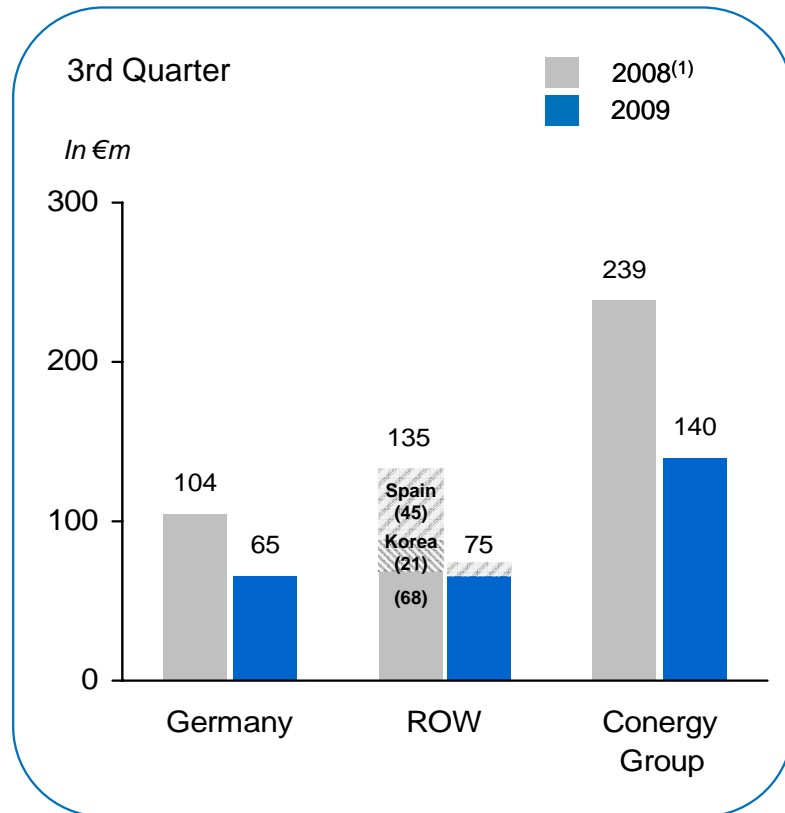
\*incl. discontinued operations – no discontinued operations in 2009

## Development of group sales and gross profit



<sup>(1)</sup> 2008 figures have been restated

## Sales development by regions



<sup>(1)</sup> 2008 figures have been restated

## Reconciliation of gross profit to net income

In €m	Q3 2008 <sup>(1)</sup>	Q3 2009	Q1-Q3 2008 <sup>(1)</sup>	Q1-Q3 2009
<b>Gross Profit</b>	<b>41.9</b>	<b>30.3</b>	<b>125.8</b>	<b>72.4</b>
Other Operating Income	6.1	7.2	28.0	31.0
Personnel Expenses	-24.0	-22.3	-87.8	-68.7
Operating Expenses	-32.4	-24.1	-93.8	-79.1
<b>EBITDA</b>	<b>-8.4</b>	<b>-8.9</b>	<b>-27.8</b>	<b>-44.4</b>
Depreciation and amortization	-5.3	-6.0	-19.3	-17.5
<b>EBIT</b>	<b>-13.7</b>	<b>-14.9</b>	<b>-47.1</b>	<b>-61.9</b>
Financial Result	-21.6	-4.8	-49.1	-16.5
Income Tax	-3.2	-0.3	-1.4	-0.6
<b>Net Income from continuing operations</b>	<b>-38.5</b>	<b>-20.0</b>	<b>-97.6</b>	<b>-79.0</b>
<b>Net Income</b>	<b>-77.5</b>	<b>-20.0</b>	<b>-144.5</b>	<b>-79.0</b>

### 3rd Quarter

#### **Other operating income:**

3.9 Change in provisions to supply and project contract risks

#### **Other operating expenses:**

7.0 Rent and Lease  
 3.0 Selling costs  
 2.8 Write down receivables  
 2.2 Consultants  
 2.2 Temporary work (FFO)

<sup>(1)</sup> 2008 figures have been restated

## Balance sheet (short version)

In € m	30.09.2008	31.12.2008	30.09.2009
<b>Non-Current assets</b>	<b>302.0</b>	<b>319.7</b>	<b>304.7</b>
<i>Thereof deferred tax assets</i>	46.2	79.6	74.2
<b>Total current assets</b>	<b>533.2</b>	<b>427.1</b>	<b>351.1</b>
<i>Thereof assets held for sale</i>	13.8	0.4	4.3
<b>TOTAL ASSETS</b>	<b>835.2</b>	<b>746.8</b>	<b>655.8</b>
<b>Total equity</b>	<b>-19.2</b>	<b>196.8</b>	<b>118.1</b>
<b>Non-current liabilities</b>	<b>141.8</b>	<b>131.3</b>	<b>111.0</b>
<b>Current liabilities</b>	<b>697.9</b>	<b>414.8</b>	<b>424.6</b>
<i>Liabilities from assets held for sale</i>	14.7	3.9	2.1
<b>Total current liabilities</b>	<b>712.6</b>	<b>418.7</b>	<b>426.7</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>835.2</b>	<b>746.8</b>	<b>655.8</b>

## Working capital development

In €m	30.09.2008	31.12.2008	30.06.2009	30.09.2009
<b>Sales (Rolling 12 months)</b>	<b>1,039.5 <sup>(1)</sup></b>	<b>1,006.2 <sup>(2)</sup></b>	<b>645.0 <sup>(3)</sup></b>	<b>546.5 <sup>(4)</sup></b>
Inventory	248.1	245.6	175.0	189.5
Trade Receivables	135.0	120.9	90.0	92.9
Trade Payables	138.8	111.2	67.0	97.6
<b>Working Capital</b>	<b>244.3</b>	<b>255.3</b>	<b>198.0</b>	<b>184.8</b>
Working Capital/Sales	24%	25%	31%	34%

- (1) Restated Q4 2007 + Q1-Q3 2008 (12 months)
- (2) Restated Full year sales 2008 (12 months)
- (3) Restated Q2 –Q4 2008 + Q1 2009 (12 months)
- (4) Q4 2008 + Q1-Q3 2009 (12 months)

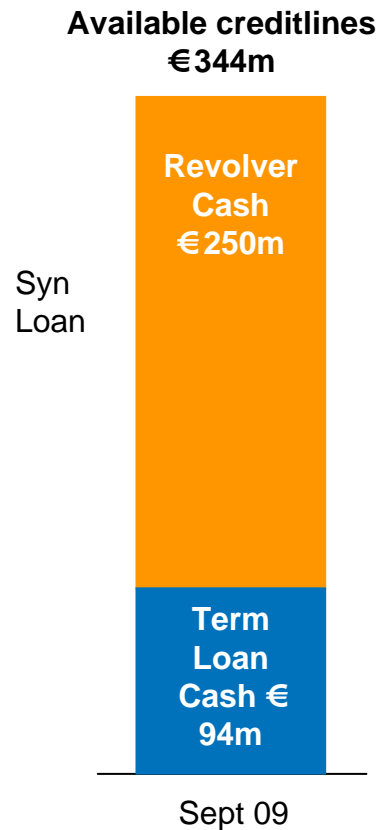
<sup>(1)</sup> 2008 figures have been restated

## Cash flow statement

In €m	Q3 2008 <sup>(1)</sup>	Q3 2009	Q1-Q3 2008 <sup>(1)</sup>	Q1-Q3 2009
<b>EBIT</b>	<b>-13.7</b>	<b>-14.9</b>	<b>-47.1</b>	<b>-61.9</b>
Non cash relevant items	3.8	12.6	25.6	29.9
<b>Gross operating cash flow</b>	<b>-9.9</b>	<b>-2.3</b>	<b>-21.5</b>	<b>-32.0</b>
Changes in W/C	66.1	7.2	33.8	54.0
Changes in other net assets	-16.1	-12.5	-49.2	-12.3
<b>Cash generated from operating activities (continued operations)</b>	<b>40.1</b>	<b>-7.6</b>	<b>-36.9</b>	<b>9.7</b>
Cash generated from operating activities (Discontinued Operations)	5.9	-	-18.6	-
<b>Cash generated from operating activities (total)</b>	<b>46.0</b>	<b>-7.6</b>	<b>-55.5</b>	<b>9.7</b>
Cash generated from investing activities	-20.7	-0.1	-35.6	-6.5
Cash generated from financing activities	-7.7	7.0	81.4	6.8
<b>Change in net financial position (total)</b>	<b>17.6</b>	<b>-0.7</b>	<b>-9.7</b>	<b>10.0</b>

<sup>(1)</sup> 2008 figures have been restated

## Current corporate debt arrangements



### Net liabilities and gearing

In €m	30.09.2009
<b>Non-current borrowings</b>	<b>67.2</b>
<b>Current borrowings</b>	<b>273.9</b>
<b>Borrowings</b>	<b>341.1</b>
Cash and cash equivalents	37.6
<b>Net liabilities related to continuing operations</b>	<b>303.5</b>

## Summary

### **Stabilization of business despite economical crisis**

- | gross profit margin rises to 21.5 percent
- | net result significantly improved: loss decreased by 75% compared to previous year's quarter
- | W/C decreased by 60m since end of Q3/08; positive operative cashflow in first three quarters 2009

### **Q3 sales amount to €140.2m; PV market still burdened...**

- | reduction in module prices by more than 30% since 01/09
- | restricted debt financing from banks; some projects shifted into future quarters
- | strong market recovery seen at end of Q3
- | wafer, cell and module production site in Frankfurt (Oder): additional lines ramped up

### **Tough measures and cutbacks take effect; positive results despite difficult market environment**

- | EBIT loss on previous year level despite significantly lower turnover
- | personal costs / consultancy fees reduced compared to previous year
- | net debt reduced from €550 to €303m

### **Outlook 2010**

- | Conergy's aim is to increase sales in 2010 and for the first time again generate an operating profit.

## Outlook

While Conergy expects the market for photovoltaics to recover in the fourth quarter of 2009 for seasonal reasons, the global financial and economic crisis as well as the cautious approach that the banks have adopted in its wake with respect to the provision of funds for major projects continues to have a negative impact on business. The photovoltaics market is expected to decline in 2009 - both in terms of volume but especially in terms of sales - compared to its unusually strong performance the previous year even though the general political climate for the ongoing development of the renewables markets remains positive. The Management Board thus expects Conergy to post sales in 2009 that are substantially lower year on year.

Given both the lower sales volume and the loss incurred to date, the Management Board anticipates an operating loss (EBIT) in the mid to high double-digit millions. As before, our aim is to increase sales in 2010 and for the first time again generate an operating profit.



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