



CONERGY

Results second quarter 2010

12. August 2010

Q2 2010: Conergy in a nutshell

1 Profitable at operational level for the third consecutive quarter

- | Sales increase to € 239.4 (+ 50%)
- | Positive EBITDA of € 25.8m (Δ 61.3m)

2 Positive net profit in second quarter and increase in full-year EBITDA guidance

- | Positive net profit of € 7.9m
- | Increase in full-year EBITDA guidance from in the low double-digit millions to € 30-40m

3 End of July: Agreement on loans with banks, all parties committed to support Conergy

- | Loans extended to end of 2011, subject to result of the independent business review
- | Three payments of amortizable loan postponed to end of 2011
- | Operational activities will not be affected by possible changes to the capital structure

4 Restructuring completed – focus now on operational activities

- | Flexible agreement with MEMC announced in late January
- | Cost structure has been adapted to market environment
- | Conergy can now focus on growing its business

Drivers for good first half of 2010

1 Germany: Well setup Conergy sales teams coped with high demand

- | Announced legislative FIT changes increased demand from all customer groups
- | Pull-in effects propelled the market, sales rose rapidly

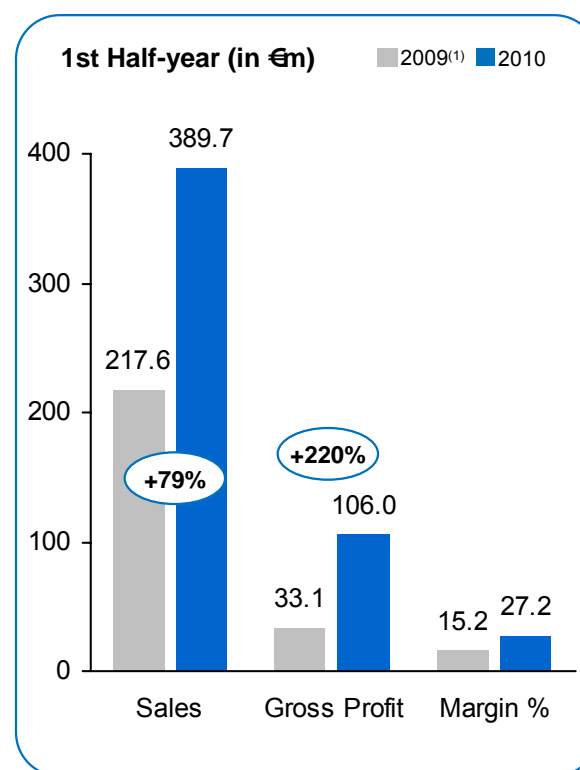
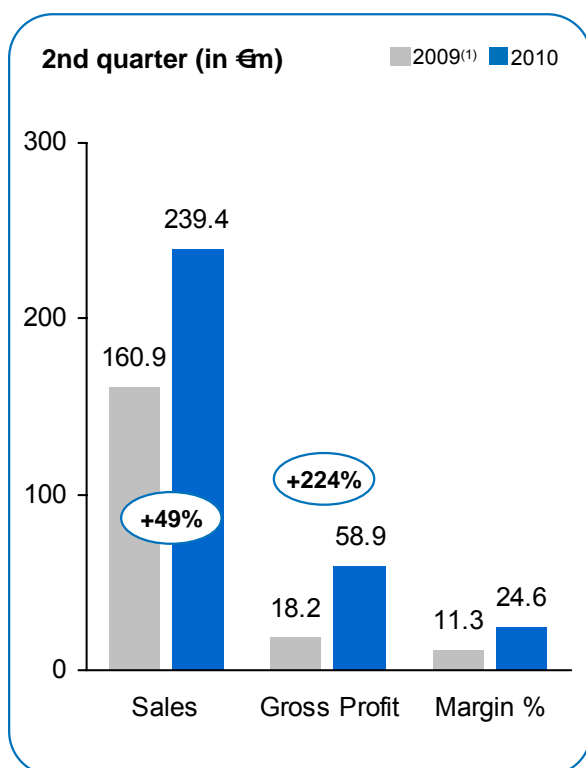
2 Broad international footprint: Conergy key markets have shown proper growth

- | Strong Italy: sales tripled in Q2 2010 compared to Q1 2010
- | Sales in France, Spain and Australia more than doubled in first half of 2010

3 System Supplier strategy pays off: Conergy in-house products with high demand

- | Two of three Conergy large projects are equipped with Conergy system technology
- | Conergy PowerPlus modules with high demand; share in projects almost tripled since 2008
- | Increase of own components in Conergy solar parks by 56% within only one year
- | Positive effects on gross profit margin in first half of 2010

Development of group sales and gross profit

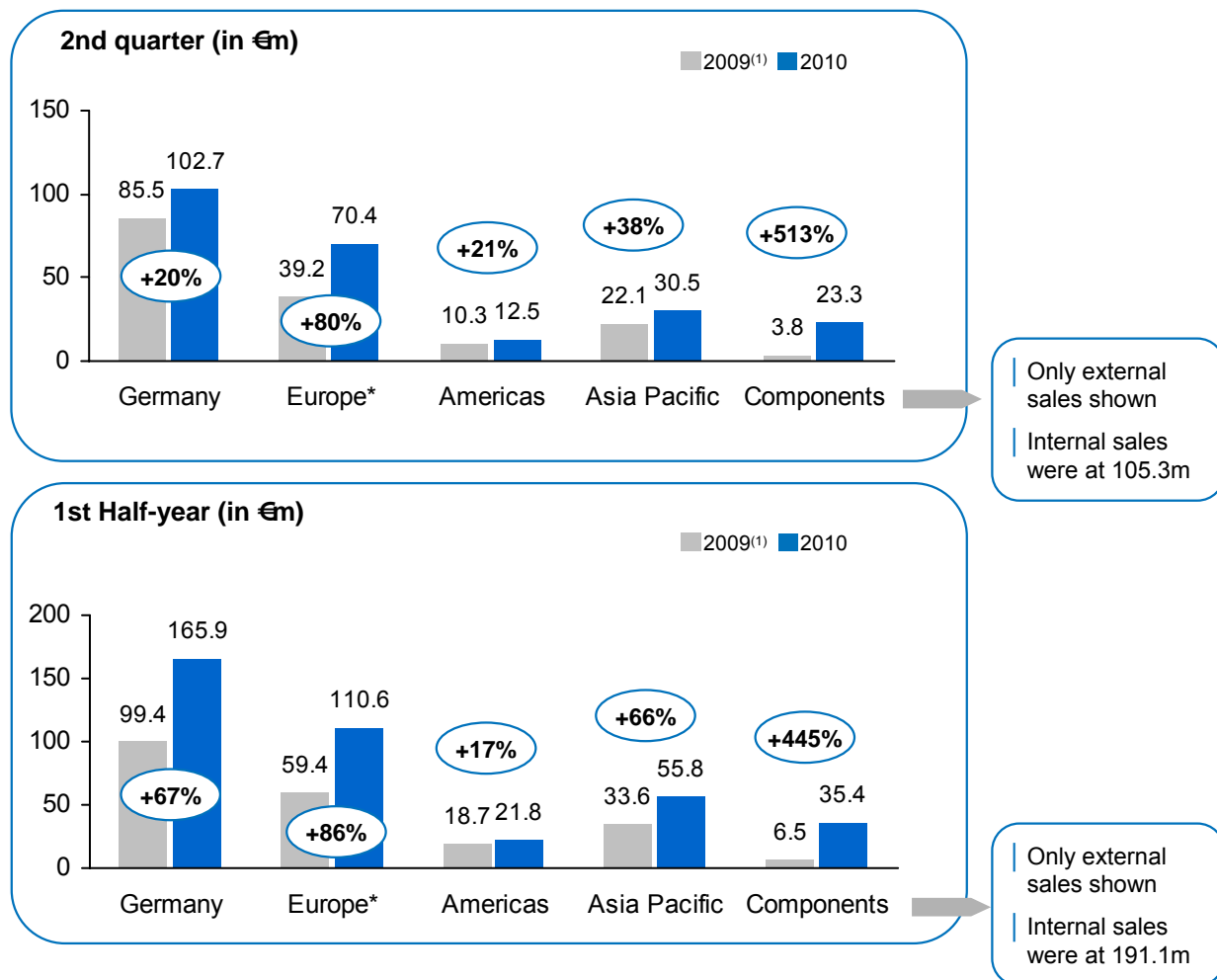


Comments

- | Q2 2010 sales driven by strong demand in Germany and Europe
- | Gross profit in Q2 more than tripled and thus over proportionally increased compared to sales
- | Gross profit margin more than doubled in the second quarter

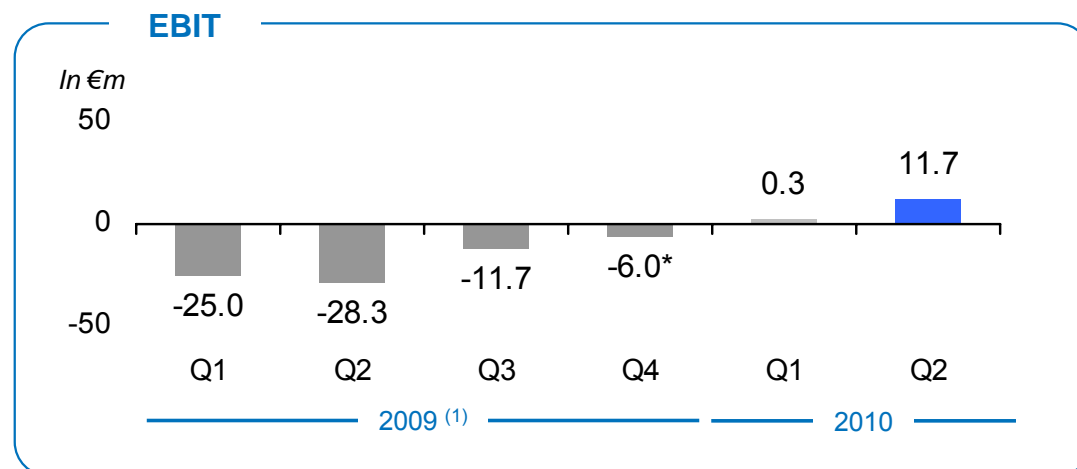
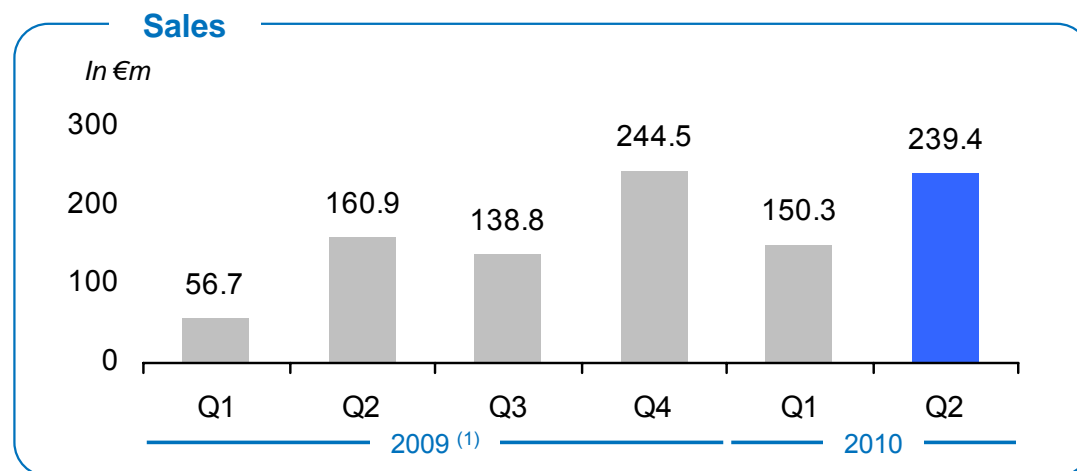
⁽¹⁾ 2009 figures have been restated

Sales Development by segment (continuing operations)



⁽¹⁾ 2009 figures have been restated
* Excluding Germany

Development of sales / EBIT



Comments:

- | Sales benefit from recovery of the market – especially with strong demand from Germany
- | EBIT reflects the cost cutting efforts and the measures of restructuring
- | Positive EBIT now for two consecutive quarters

⁽¹⁾ 2009 figures have been restated

* Excluding one-time income of € 34.2m due to MEMC settlement in Q4

P&L (continuing operations)

In €m	Q2 2009 ⁽¹⁾	Q2 2010	H1 2009 ⁽¹⁾	H1 2010
Sales	160.9	239.4	217.6	389.7
Gross Profit	18.2	58.9	33.1	106.0
Other Operating Income	8.9	14.3	16.3	23.2
Personnel Expenses	-20.8	-21.2	-42.0	-41.8
Operating Expenses	-29.2	-33.5	-49.4	-61.6
EBITDA	-22.9	18.5	-42.0	25.8
Depreciation and amortization	-5.4	-6.8	-11.3	-13.8
EBIT	-28.3	11.7	-53.3	12.0
Financial Result	-4.6	-3.7	-11.6	-7.8
EBT	-32.9	8.0	-64.9	4.2
Income Tax	-0.3	-0.1	0.7	0.8
Net Income from cont. operations	-33.2	7.9	-64.2	5.0
Net Income from discount. operations	2.1	-1.3	5.3	-3.5
Net Income	-31.1	6.6	-58.9	1.5

Comments:

- | Large improvement of EBITDA by EUR 41.4m in Q2
- | Opex in Q2 reduced from 18.1% of sales to 14.0%
- | Due to higher utilization of module fab depreciation slightly increased
- | First positive net income since three years

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Balance sheet

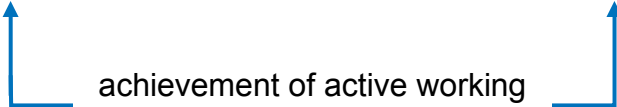
In €m	30.06.2009	31.12.2009	30.06.2010
Non-Current assets	310.6	266.1	256.3
Current assets	322.5	344.6	418.1
Assets held for sale	3.2	38.4	33.9
Total current assets	325.7	383.0	452.0
TOTAL ASSETS	636.3	649.1	708.3
Total equity	135.9	116.0	111.7
Non-current liabilities	110.3	127.0	131.2
Current liabilities	388.2	378.6	439.2
Liabilities from assets held for sale	1.9	27.5	26.2
Total current liabilities	390.1	406.1	465.4
TOTAL EQUITY AND LIABILITIES	636.3	649.1	708.3

Comments:

- | Increase of approx. EUR 70m in current assets is related to project business (EUR 50m) and module fab (EUR 20m)
- | Current liabilities include prefinancing of project business
- | Assets and liabilities held for sale are related to EPURON

Working Capital Development

In €m	31.12.2009	30.06.2010	Delta	30.06.2009 ⁽¹⁾
Sales (12 months)	600.9	782.0	+30%	641.6
Inventory	107.5	186.3	+73%	175.0
Trade Receivables	113.4	119.9	+6%	90.0
Trade Payables	116.5	152.8	+31%	67.0
Working Capital	104.4	153.4	+47%	198.0
Working Capital/Sales	17%	20%	+3%p	31%


 achievement of active working capital management

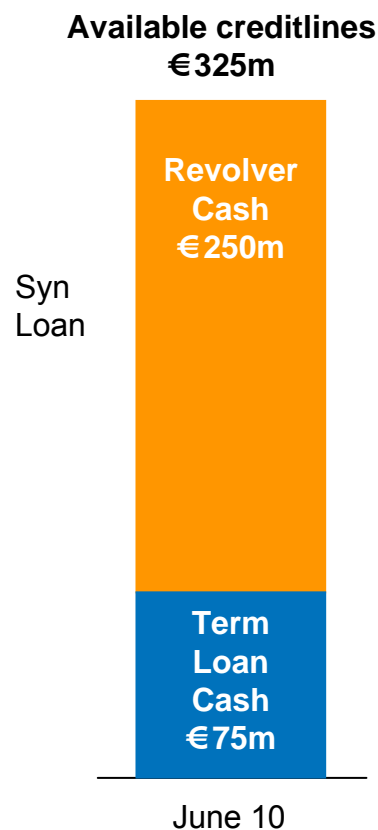
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Cash flow statement

In €m	Q2 2009 ⁽¹⁾	Q2 2010	H1 2009 ⁽¹⁾	H1 2010
EBIT	-28.3	11.7	-53.3	12.0
Non cash relevant items	7.2	1.6	17.4	6.7
Gross operating cashflow	-21.1	13.3	-35.9	18.7
Changes in W/C	57.3	-13.8	28.9	-50.4
Changes in other net assets	24.8	-1.5	3.7	13.2
Cash generated from operating activities (cont. operations)	61.0	-2.0	-3.3	-18.5
Cash generated from operating activities (Discont. Operations)	5.6	-1.1	20.6	-2.4
Cash generated from operating activities (total)	66.6	-3.1	17.3	-20.9
Cash generated from investing activities	-0.8	0.7	-6.4	-0.3
Cash generated from financing activities	-63.5	-7.1	-0.2	36.6
Change in net financial position (total)	2.3	-9.5	10.7	15.4

(1) 2009 figures have been restated

Current corporate debt arrangements



<u>Net liabilities (in €m)</u>	<u>30.06.2010</u>
Non-current borrowings	87.9
Current borrowings	250.9
Total Borrowings	338.8
Cash and cash equivalents	69.6
Net liabilities related to continuing operations	269.2

Key facts:

- | Facility prolonged until 31 December 2011
- | Instalments of €18.75m semi-annually for Term loan suspended until 31 December 2011
- | Interest rates slightly increased

Additional debt agreements

- | Old covenant with adjusted ratios back in place from end of 2010 on
- | Auditing company to do an independent business review in the next months
- | Restructuring of the balance sheet to be discussed if found necessary by IBR
- | All parties have already agreed to support restructuring measures
- | Maturity of syn loan would then be brought forward to 21 December 2010 unless waived by banks

Market outlook

German market: Good growth despite cuts in subsidies expected in the long run

- | Record year 2010, short decrease in 2011. From 2012 onwards further growth expected*
- | Second half of year will be challenge for entire sector
- | Impact of cuts in subsidies on sales will be compensated by still strong international markets

Worldwide market: Strong growth expected

- | Up to 15 GW in 2010 and 2011, exceptional growth up to 30 GW until 2014 expected
- | Worldwide Conergy markets with promising growth rates (CAGR 2010-2013):

- | India: 64%
- | Greece: 62%
- | Canada: 46%
- | France: 44%
- | USA: 37%
- | Australia: 29%
- | South East Asia and Middle East: 26%
- | Great Britain: 88%

*EPIA figures

Summary

All key financials significantly improved. Return to profit.

- | Higher sales and gross margin
- | Positive net result in Q2 2010
- | Lower working capital
- | Positive gross operating cashflow

Solar market shows strong growth

- | Worldwide market expected to grow further in the next years
- | German market expected to be a challenge in second half-year, int. business will compensate
- | Attractive growth opportunities in all Conergy key countries, new entries being checked

Focus back on operating activities

- | Turnaround completed
- | Sales of in-house products increasing, positive impact on gross profit
- | Loans extended to end of 2011, subject to result of independent business review
- | Operational activities will not be affected by possible changes in capital structure



OUR WORLD IS FULL OF ENERGY