

Good First Half 2006 for PVA TePla Group in line with forecast

- **Group revenues up 29%**
- **EBIT margin of 4.4%**
- **Operating cash flow of €7.5 million**
- **Forecast for 2006 confirmed**
- **Incoming orders will be doubled by the end of 2006**
- **Crystal Growing Systems division driving growth**

(Aslar, August 11, 2006) – In the first six months of 2006, PVA TePla AG increased Group revenues to €30.5 million, an increase of 29% as against the prior-year period (H1 2005). EBIT increased to €1.4 million (H1 2005: -€0.1 million). The EBIT margin was at 4,4 %.

At €13.6 million, the Vacuum Systems division made the largest contribution to revenues (H1 2005: €16.4 million). The Plasma Systems division reported revenues of €6.5 million, and thus exceeded the previous year's figure of €5.0 million. As anticipated, the growth in revenues is primarily being driven by the Crystal Growing division, which generated an almost five-fold increase in revenues from €2.2 million as at June 30, 2005 to €10.3 million at the end of H1 2006.

The improvement in results as against the previous year is primarily due to a significant improvement in gross profit to €8.2 million (H1 2005: €5.0 million). With Group revenues also rising, the gross margin increased to 26.8% (H1 2005: 21.1%). EBIT thus also increased significantly to €1.4 million (H1 2005: -€0.1 million), resulting in a similar improvement in the EBIT margin to 4.4% (H1 2005 -0.3%). At €0.9 million, the Group result was also appreciably higher than previous year's value of €0.05 million.

There was further significant improvement in the PVA TePla Group's liquidity situation in the second quarter of 2006. The operating cash flow climbed to its current value of €7.5 million (H1 2005: -€2.2 million), while the free cash flow was €7.0 million (H1 2005 -€2.5 million).

Incoming orders increased to €33.7 million, a rise of 41% as against June 30, 2005 (€23.9 million). The book-to-bill ratio was therefore 1.1 (H1 2005: 1.0). Booked business totaled €36.9 million (H1 2005: €21.9 million).

On the basis of the figures for the first half of the year, we can confirm our forecast of a 30% year-on-year increase in Group revenues and an EBIT margin of between 4 and 6%. In light of the previously reported cooperation contract concluded with ASI Industries, and the letter of intent signed with Siltronic AG, as well as a number of other interesting projects, we now expect incoming orders in 2006 to be more than twice as high as in 2005. Most of these orders will be invoiced in financial years 2007 and 2008.

For further information, please contact:

Dr. Gert Fisahn
Investor Relations
PVA TePla AG
Emmeliusstr. 33
35614 Asslar

Tel: +49 (0) 6441/5692-342
Fax: +49 (0) 6441/5692-118
gert.fisahn@pvatepla.com
www.pvatepla.com