

PVA TePla AG: Further growth and increase in earnings on previous year

- **Sales increase of around 33%**
- **EBIT margin of 4,8%**
- **High growth in Crystal Growing Systems**
- **Operating cash flow of €5.4 million**
- **Good order situation**
- **Forecast for 2006 confirmed**

(Aßlar, May 12, 2006) – In the first quarter of 2006, PVA TePla AG's Group sales increased 33% compared to the same quarter of the previous year to €14.2 million. EBIT rose to €0.7 million (Q1 2005: minus €0.4 million).

The growth in sales is primarily due to the Crystal Growing Systems division, which more than quadrupled its sales from €1.1 million in Q1 2005 to €4.9 million in Q1 2006. At €6.6 million, the Vacuum Systems division generated the highest sales contribution (Q1 2005: €6.9 million). At €2.8 million, sales in the Plasma Systems division were slightly higher than the previous year's figure of €2.7 million.

The improvement in earnings compared to the previous year is due in particular to the considerable increase in gross profit of €4.0 million (Q1 2005: €2.2 million). EBIT increased significantly to €0.7 million (Q1 2005: minus €0.4 million) and resulted in a similar improvement in the EBIT margin, which increased to 4.8% from minus 3.8% in Q1 2005. At €0.5 million, the Group result was also

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appreciably higher than previous year's value of minus €0.2 million.

The PVA TePla Group's liquidity situation also improved significantly in the first quarter of 2006. The operating cash flow climbed to €5.4 million (Q1 2005: 0.6 million), while the free cash flow was €5.2 million (Q1 2005: €0.5 million).

The further improvement in the order book is especially encouraging for the prospects of the PVA TePla Group. Incoming orders increased by 70.1% compared to the previous year to €20.1 million (Q1 2005: €11.8 million). The book-to-bill ratio therefore also improved, climbing to the very high level of 1.4 (Q1 2005: 1.1). In the first quarter of 2006, booked business totaled €38.8 million, (Q1 2005: €22.3 million) and was thus significantly higher than at the end of 2005.

The results from the first quarter of 2006 show that the Company is well on course to achieve its goals for the current fiscal year, a 30% increase in Group sales and an EBIT margin of 4-6%.

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