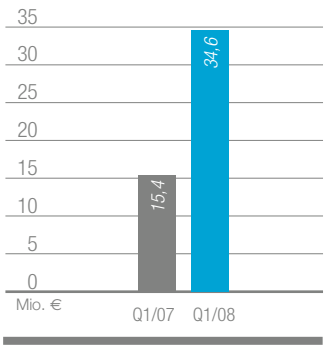
Intermediate report

1 january – 31 march 2008

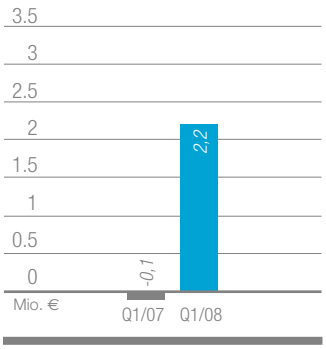
PVA TePla

Facts & Figures

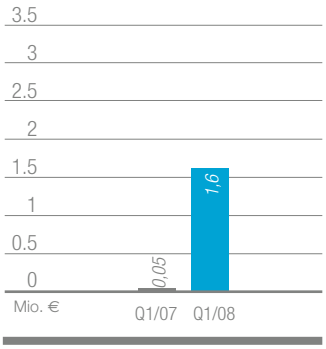
Sales Revenues



EBIT



Consolidated Net income



In EUR ´000	Q1 2008	Q1 2007
Sales Revenues	34,588	15,430
Vacuum Systems	10,058	6,425
Crystal Growing Systems	21,134	4,813
Plasma Systems	3,396	4,192
Gross profit	7,263	3,587
in % of sales revenues	21.0	23.2
R&D expenses	346	447
Operating profit (EBIT)	2,150	-85
in % of sales revenues	6.2	-0,6
Consolidated net profit	1,586	48
in % of sales revenues	4.6	0.3
Earnings per share (EPS), in EUR[1)]	0.07	0.00
Capital expenditures	4,224	2,435
Total assets	119,872	111,340 [2)]
Equity ratio in %	27.0	27.8 [2)]
Employees as of March 31	452	347
Incoming orders	33,116	37,833
Order backlog	135,571	123,390
Book to bill Ratio	0.96	2.5
Cash Flow from operating activities	-5,798	1,930

1) Average shares outstanding: 21,749,998
2) As of the reporting date December 31, 2007

Index

Foreword by the Management Board

Dear shareholders,
dear colleagues and business partners,

The new fiscal year kicked off to a very successful start. Consolidated sales revenues in the first quarter more than doubled year-on-year to a substantial EUR 34 million – despite work involved in relocating production of the Vacuum Systems division– and earnings also improved considerably. The order situation also developed very well, particularly in April. We are optimistic about the further course of the current fiscal year for this reason and are convinced that we will achieve our ambitious targets.

At the end of April, the PVA TePla Group concluded an agreement with the ersol subsidiary ASi Industries for its Crystal Growing Systems division to supply systems worth EUR 76 million for the production of mono-crystalline silicon crystals. This is the largest individual order that our Company has ever won and constitutes a new dimension in the series production of high quality and complex systems. The two companies have been collaborating closely for some years now, showing the acceptance and technological leadership that our systems enjoy on the market. They allow crystals (ingots) measuring 200 mm in diameter to be grown for solar wafers in the standard size of 156 mm in edge length as well as 300 mm crystals for the production of “super size” solar cells from wafers measuring 210 mm x 210 mm.

We are especially pleased that the Multicrystallizer – a crystal growing system for the production of multi-crystalline solar cells – won its first orders from industrial customers and research institutes. Since the markets for mono-crystalline and multi-crystalline solar cells roughly balance out one another at present, the chances of further orders for our Multicrystallizer system are very good.

The order situation for the Vacuum Systems division also showed a pleasing development. Orders substantially exceeded the comparative figure in the same quarter of the previous year. A large order from China to supply several hard metal pressure sintering systems is particularly worthy of mention. This enables us to successfully maintain our leading market position in the segment for systems to produce hard metals.

The Plasma Systems division generated lower sales revenues when compared with the first quarter of the previous year and its earnings were also unsatisfactory. The trend in the dollar exchange rate made itself felt here. However the high level of incoming orders, which were a good three times higher year-on-year, means that a more positive performance can be expected over the course of the year.

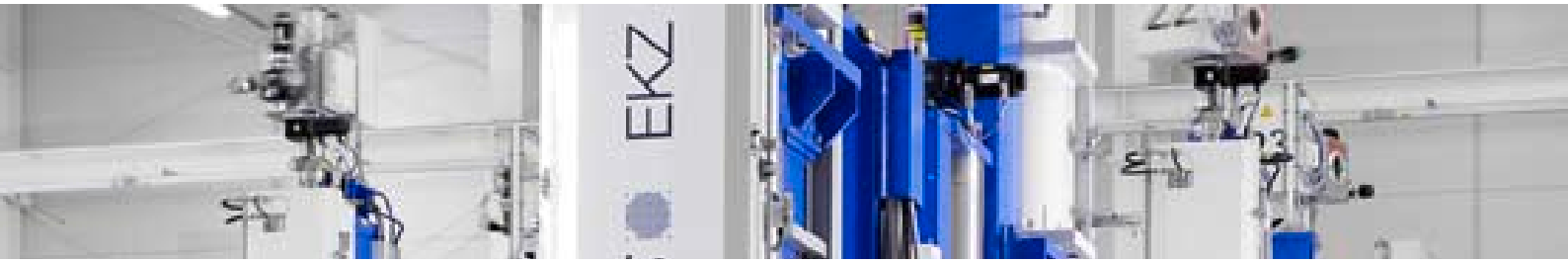
Part of our major investment plans – construction of the Company's new headquarters in Wettenberg near Giessen – is almost complete. Production has now commenced operations in Wettenberg and will have completely moved away from Asslar in May. The new administration building is also taking shape and will be ready for occupation in fall.

We would like to thank you on behalf of ourselves and our divisional managers for the trust and commitment you have shown in our Company.

Peter Abel
Chief Executive Officer

Arnd Bohle
Chief Financial Officer

Extremely high quality silicon ingots – produced by the PVA TePla systems – are the core of the photovoltaics and semi-conductor industry.

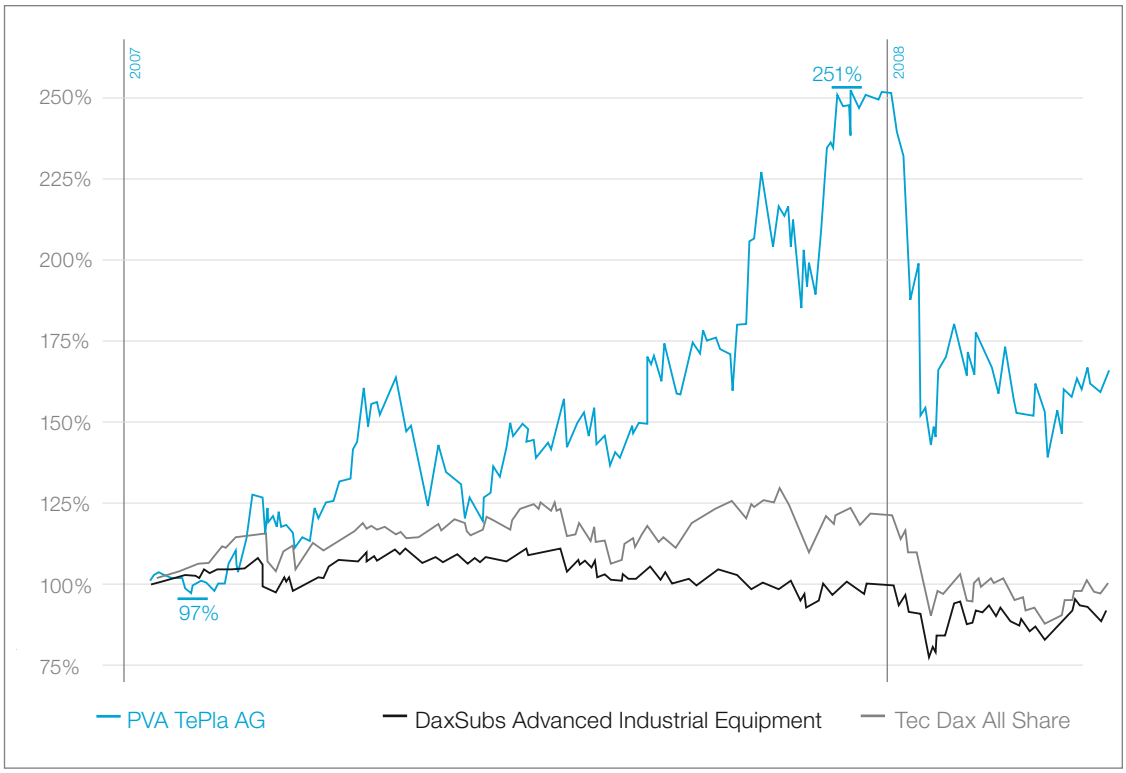

EKZ

PVA TePla Shares

Share

The shares of PVA TePla AG were listed at EUR 8.48 as of April 30, 2008 and again offset at least part of the losses from the first quarter of the current fiscal year. The negative sentiment on the capital market, brought about by the subprime crisis in the USA, caused concern on the capital markets about the future direction of the economy, which generally led to falling share prices.

Performance of PVA TePla shares January 2007 – March 2008



The press conference and analysts´meeting at DZ Bank in Frankfurt am Main on April 8 to announce the financial figures for fiscal year 2007 was well attended, as in previous years. The Management Board explained the consolidated financial statements to the analysts and bank representatives in attendance along with the course of fiscal year 2007 and the bright prospects for the current fiscal year.

PVA TePla AG's strategy and growth prospects were described in detail at various meetings with analysts and institutional investors as well as at two conferences dealing with the subject of renewable energies at the beginning of the year in Frankfurt and Paris.

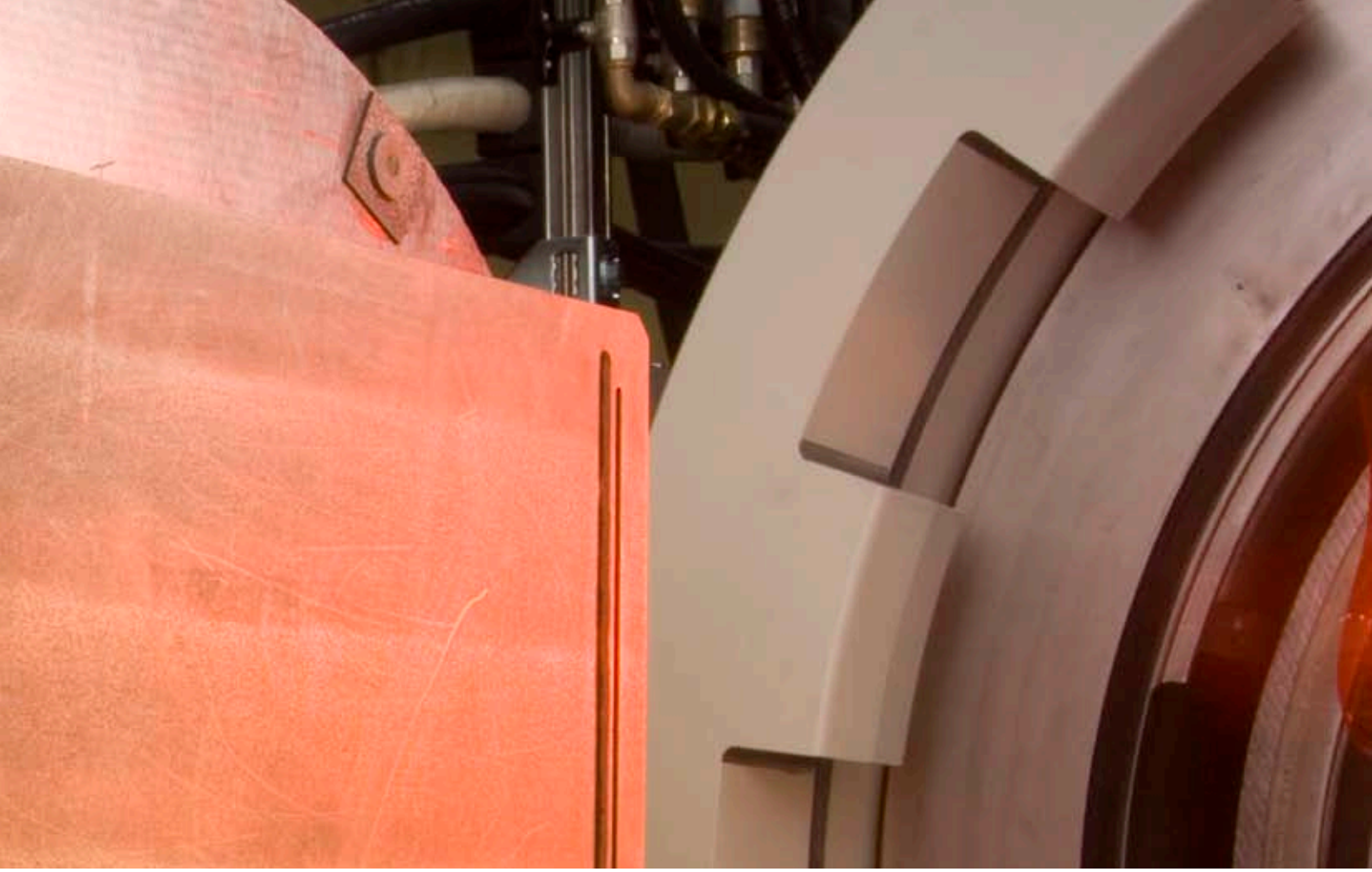
Shareholdings and subscription rights of executive body members

Management Board

	Shares March 31, 2008	Shares December 31, 2007	Subscription rights March 31, 2008	Subscription rights December 31, 2007
Peter Abel	5,616,275	5,616,275	0	0
Arnd Bohle	0	0	0	0

Supervisory Board

	Shares March 31, 2008	Shares December 31, 2007	Subscription rights March 31, 2008	Subscription rights December 31, 2007
Alexander von Witzleben	0	0	0	0
Dr. Peter Friedemann	0	0	0	0
Prof. Dr. Günter Bräuer	0	0	0	0



Sinter HIP furnaces are used to make high-strength parts, such as cutting tools, out of metal powder. The continuous development of the furnace technology enables our customers to improve their products and safeguard and strengthen their market success.

Business development

1. Sales revenues

Consolidated sales revenues in the first quarter of 2008 totaled EUR 34.6 million (previous year: EUR 15.4 million), more than doubling against the same period of the previous year.

The Vacuum Systems division recorded sales revenues of EUR 10.1 million (previous year: EUR 6.4 million), again exceeding the previous year's figure by around 58%. At EUR 21.1 million (previous year: EUR 4.8 million), the Crystal Growing Systems division made the greatest contribution to total sales revenues. At EUR 3.4 million, the Plasma Systems division generated lower revenue compared with the previous year (EUR 4.2 million).

A regional analysis shows that the largest revenue increase was again generated in Asia. This is essentially due to the large order from Singapore-based Siltronic Samsung Wafers, though also due to the continued successful business activity of the Vacuum Systems division in this region.

Sales revenues by division In EUR ´000	Q1 2008	Q1 2007
Vacuum Systems	10,058	6,425
Crystal Growing Systems	21,134	4,813
Plasma Systems	3,396	4,192
Total sales revenues	**34,588**	**15,430**

Sales revenues by region In EUR ´000	Q1 2008	Q1 2007
Germany	11,900	7,063
Europe	3,393	2,805
North America	720	1,127
Asia	18,405	3,946
Rest of world	162	603
Consolidation	7	-114
Total sales revenues	**34,588**	**15,430**

2. Order situation

Incoming orders in the first quarter of 2008 amounted to EUR 33.1 million (previous year: EUR 37.8 million). Taking into account the fact that the Crystal Growing Systems division recorded a major order of around EUR 22 million in the previous year's quarter, the change in incoming orders was very pleasing. The book-to-bill ratio was still high at 0.96 (previous year: 2.5) and will be well above 1 in the next few quarters due to the major order from ersol at the end of April.

In the first quarter of 2008, the Vacuum Systems division posted significantly higher incoming orders year-on-year at EUR 13.4 million (previous year: EUR 8.9 million). The excellent level of incoming orders from the past few quarters thus continued. The hard metal pressure sintering systems, which will be supplied to a customer in China, among others, played a key role in this. The Crystal Growing Systems division generated incoming orders of EUR 11.9 million (previous year: EUR 26.6 million). As described above, the incoming orders of Q1 2007 included an order from the semiconductor industry of around EUR 22 million. The successful market entry of the Multicrystallizer was also very pleasing. This system enables multi-crystalline ingots (blocks) to be manufactured, from which photovoltaic silicon wafers are produced further down the production chain. A customer outside of Germany placed an order for a number of systems in the double-digit range and is thus the first larger order. At EUR 7.9 million, the Plasma Systems division generated significantly higher incoming orders in the first quarter of 2008 compared with the previous year (previous year: EUR 2.3 million). The subsidiary PlaTeG in Siegen accounted for a large share of this increase. The company received an order in the first quarter to develop and supply the largest PulsPlasma® nitriding system which has been built in Siegen to date. In 2009, start-up of this system will take place in Ulsan – the center of the automotive industry in South Korea. The system is used to produce large tools used to manufacture body parts. However orders to supply wafer and chip analysis systems, as well as devices for process optimization and quality control which are used in production, also contributed to this rise in incoming orders.

Order backlog – consolidated and after deduction of the share of sales revenues already recognized using the percentage of completion method (POC) – amounted to EUR 135.6 million as of March 31, 2008 (previous year: EUR 123.4 million). At EUR 33.8 million, the Vacuum Systems division saw substantially higher orders on hand as of March 31, 2008 than in the previous year (EUR 20.9 million). The Crystal Growing Systems division recorded orders on hand of EUR 94.4 million compared with EUR 100.7 million year-on-year. At EUR 7.4 million as of March 31, 2008, the Plasma Systems division recorded substantially higher orders on hand compared with the previous year's figure of EUR 1.8 million.

3. Research and development

In the first three months of 2008, the PVA TePla Group spent EUR 0.3 million (previous year: EUR 0.4 million) on research and development (R&D). It should be noted that new developments in the Vacuum Systems division generally occur in the context of specific orders from customers and are therefore not reported separately as R&D expenses.

A concept for a graphite-heated COV vacuum system was developed in the Vacuum Systems division during the first quarter in cooperation with a customer. Enlarged useable space of up to 12 m^3 will enable the customer to work on substantially larger components than is possible at present. Such a system also guarantees higher throughput.

A graphite-heated COV vacuum furnace, for which a special heating system and improved control were developed, was also put into operation for another customer. This enables particularly even temperature distribution in the useable space (differences of less than ±2 K). In addition, the very low heating rates required for the process can also be conducted with the relevant precision (e.g. 0.5 K/h). This system is used to process special materials for optical micro system technology.

In the Crystal Growing Systems division, work in the newly constructed laboratory for crystal growing continued in the first quarter. The technical center is now equipped with an EKZ 3500 for growing mono-crystalline crystals and with a Multicrystallizer for producing multi-crystalline silicon blocks. These systems are also used for employee training, demonstrations for customers, customer training and joint development with customers.

The Multicrystallizer – a jumbo crucible system – was further tested and optimized in terms of processes, also in cooperation with existing and potential customers. As a result of constructive changes, the system also offers large process variability through the optimized arrangement of several heating zones and a new type of heat elimination system in the crystallization process, which makes it suitable for variable raw silicon qualities and for effective purification processing in crystallization. Through this, the Multicrystallizer has also been improved in terms of heat and energy.

Additional paid development plans with manufacturers of special optical materials were also begun. As part of this, various types of systems were adapted to the special requirements of this industry through further development.

In chip packaging, the Plasma systems division saw construction of the PS 80 Plus prototype and its operation for a leading high brightness LED manufacturer completed. The device is used for highly precise fine purification and for surface activation in production. Another focus in the first quarter was the further development of the SIRD A 300 P model of the wafer analysis system which detects even the finest stresses in wafers. This new system generation measures more precisely and quickly, thanks to new analysis software, thus guaranteeing even higher throughput.

4. Investments

The total value of investments in the first quarter of 2008 was EUR 4.2 million (previous year: EUR 2.4 million). This rise is largely due to the new construction measures in Wettenberg near Giessen already reported. The new production facilities there have now been completed and production will have fully relocated from Asslar to Wettenberg by the end of May. Construction of the new administration building has started. Relocation will here be in fall 2008.

5. Net assets and financial position

Due to further progress in the investment activities for the new building in Wettenberg and the expansion of business, total assets continued to rise as against the reporting date December 31, 2007 from EUR 111.3 million to the current figure of EUR 119.9 million as of March 31, 2008.

Noncurrent assets rose from EUR 45.4 million as of December 31, 2007 to the present figure of EUR 49.1 million, primarily as a result of the investments. Since the production facilities were approved in the first quarter, the land and buildings item rose from EUR 11.1 million as of December 31, 2007 to EUR 23.7 million. The advance payments for construction activities fell accordingly from EUR 11.6 million as of December 31, 2007 to the current EUR 2.4 million.

The greatest change in current assets was in coming receivables on construction contracts. These increased through the further processing of customer orders from EUR 19.4 million as of December 31, 2007 to the current figure of EUR 26.2 million. Trade receivables rose as a result of settlement from EUR 11.1 million as of December 31, 2007 to the current EUR 12.7 million. Inventories increased from EUR 12.6 million as of December 31, 2007 to the current figure of EUR 13.7 million. This relates to the further growth of business.

Cash and cash equivalents amounted to EUR 3.4 million (as of December 31, 2007: EUR 9.1 million).

On the equity & liabilities side of the balance sheet, noncurrent financial liabilities rose due to the financing of construction activities in Wettenberg to EUR 20.9 million (December 31, 2007: EUR 17.1 million).

The significant rise in procurement volume for processing the high level of orders on hand resulted in an increase of trade payables to EUR 6.8 million (December 31, 2007: EUR 4.5 million). Due to settlement, the advance payments received on orders decreased slightly to EUR 31.4 million (December 31, 2007: EUR 33.3 million). The increase of accruals from EUR 4.9 million as of December 31, 2007 to the current EUR 6.8 million is mainly the result of obligations to employees – primarily due to the increased number of employees –, sales commissions and outstanding invoices. Current financial liabilities climbed to EUR 2.9 million (as of December 31, 2007: EUR 2.3 million) since the value of amounts owed to banks within the Vacuum Systems division Asslar on the reporting date was higher than the figure as of December 31, 2007.

Due to the sound earnings, equity was increased to EUR 32.3 million (December 31, 2007: EUR 30.9 million). The equity ratio fell slightly due to the higher total assets, and is currently 27.0% (December 31, 2007: 27.8%).

The cash flow from operating activities was EUR -5.8 million in the first three months of 2008 (previous year: EUR +1.9 million) as significant payments came in at the beginning of Q2 instead of end of Q1 2008. In general, significant fluctuations may occur between individual quarters due to the project structure of the business and the increasing relevance of big orders. Liquidity plans, based on existing orders and updated monthly, show that this trend will reverse in the second quarter. The cash flow from investing activities was EUR -4.0 million (previous year: EUR -2.3 million). As a result of borrowing activities to finance the new buildings in Wettenberg and the opposing effect of the scheduled repayment of loans, cash flow from financing activities amounted to EUR +4.2 million (previous year: EUR +2.6 million).

Total cash flow in the 2008 reporting period including exchange rate-related changes was EUR -5.6 million (previous year: EUR +2.3 million).

6. Results of operations

Overall, the 2008 fiscal year has been dominated by the continued growth of the Company. This is related to continuation of the investment activities at the Wettenberg site and a further increase in staff capacity.

The Company generated sound earnings overall in the first quarter with operating profit (EBIT) of EUR +2.2 million (previous year: EUR -0.1 million) and consolidated net profit of EUR 1.6 million (previous year: EUR +0.0 million). At 6.2%, the EBIT margin was also clearly above the previous year's figure of -0.6%. The return on sales revenues was +4.6% as against +0.3% in the previous year.

Gross profit rose to EUR 7.3 million (previous year: EUR 3.6 million). The reduction in the gross margin to 21.0% (previous year: 23.2%) is essentially due to the sharp increase in the proportion of sales revenues generated by the Crystal Growing Systems division and the serial character of its orders and the related cost structure.

Selling and distribution expenses and general administrative expenses rose to EUR 2.8 million (previous year: EUR 1.7 million) and EUR 1.6 million (previous year: EUR 1.3 million) respectively. These increases were at a slower pace than the sharp growth in sales revenues. These cost increases were due to the capacity expansion and adaptation of structures to the higher order volume also necessary in these areas as well as the higher sales commission incurred. It depends on the submarket an order is concluded in and whether an agent or a representative has been used.

The segment analysis presents the following picture: the earnings of the previous year were exceeded in the Vacuum Systems division. This division also saw its production relocate from Asslar to Wettenberg in the first quarter of 2008. This led to a temporary impairment of productivity and to relocation costs being incurred. The Crystal Growing Systems division again significantly improved its operating profit in comparison with the same quarter of the previous year. In the Plasma Systems division, profit continued to be negatively impacted by the weak sales revenues and the start-up costs of Plasma Systems GmbH. Furthermore, the profit was influenced by the fall in the USD/EUR exchange rate since the US subsidiary is financed by a loan from Germany.

Operating profit (EBIT) by division in EUR ´000	Q1 2008		Q1 2007	
Vacuum Systems	555	(5,5)*	-199	(-3,1)*
Crystal Growing Systems	2,391	(11,3)*	+82	(1,7)*
Plasma Systems	-787	(-23,2)*	+34	(0,8)*
Consolidation	-9		-2	
Total operating profit	**2,150**	**(6,2)***	**-85**	**(-0,6)***

*in percentage of Turnover

Net financial income/net finance costs deteriorated slightly year-on-year due to the higher interest expense in connection with financing of the investment activities. The net interest position was EUR -0.1 million (previous year: EUR +0.0 million). As in the previous year, the associate PVA MIMtech LLC generated an earnings contribution of EUR +0.1 million.

Taxes on income of EUR -0.6 million (previous year: EUR 0.0 million) consist of current tax expenses of EUR -0.3 million (previous year: EUR -0.1 million) – primarily as a result of the recognition of tax provisions for subsidiaries in Germany – and deferred taxes of EUR -0.3 million (previous year: EUR +0.1 million).

7. Growth in workforce

As of the reporting date March 31, 2008 the Group employed a total of 452 employees (March 31, 2007: 347 employees, December 31, 2007: 422 employees). The higher number of employees compared with the reporting date December 31, 2007 is primarily due to the excellent order situation in the Crystal Growing Systems and Vacuum Systems divisions and the related addition of new employees to expand capacity.

8. Developments since March 31, 2008 and outlook

As part of a cooperation agreement with the ersol subsidiary ASi Industries, PVA TePla AG received an order to supply crystal growing systems worth EUR 76 million for the production of mono-crystalline silicon crystals. This is the largest individual order in the history of PVA TePla and secures the Company a basic workload for the long term.

The businesses prospects of the Crystal Growing Systems division are still very positive based on the silicon capacity due on the market in the near future. Thanks to our new system which allows multi-crystalline silicon blocks to be produced and which was successfully positioned on the market in the first quarter of 2008, PVA TePla is now more diversified in the future market of photovoltaics. The Vacuum Systems division also has very bright prospects. Investment plans in a series of newly industrializing markets and the related need for wear resistent tools as well as the general trend towards conserving resources will also keep demand for the relevant systems at a high level in the near future.

The PVA TePla Management Board thus confirms its forecasts of 40% growth in consolidated sales revenues and an EBIT margin of between 7% and 9% for 2008.

The order backlog as of March 31, 2008 in the amount of EUR 135.6 million and the concluded agreement with the ersol subsidiary ASi Industries to supply crystal growing systems at the time that this report was published highlight the positive outlook for the Company's performance over the next few years.

Chip Carrier in Magazines prior fully automated Plasma Cleaning and Surface Activation

Group Financial Statements

Consolidated balance sheet
as at March 31, 2008

In EUR ´000	31.03.2008	31.12.2007
Assets		
Non-current assets		
Intangible assets	13,053	13,041
Goodwill	11,465	11,465
Other intangible assets	1,588	1,576
Property, plant and equipment	30,912	27,319
Land, property rights and buildings, including buildings on third party land	23,675	11,075
Plant and machinery	3,128	3,192
Other plant and equipment, fixtures and fittings	1,675	1,489
Advance payments and assets under construction	2,434	11,563
Investment property	514	519
Non-current investments	564	572
Investments in associates	546	553
Other non-current receivables	18	19
Deferred tax assets	4,014	3,982
Total non-current assets	49,057	45,433
Current assets		
Inventories	13,746	12,639
Raw materials and operating supplies	7,376	7,000
Work in progress	5,401	4,801
Finished products and goods	969	838
Coming receivables on construction contracts	26,232	19,394
Trade and other receivables	26,960	24,477
Trade receivables	12,716	11,075
Amounts owed by associates	131	136
Payments in advance	9,626	9,235
Other receivables	4,487	4,031
Tax repayments	444	326
Cash and cash equivalents	3,433	9,071
Total current assets	70,815	65,907
Total	**119,872**	**111,340**

In EUR ´000	31.03.2008	31.12.2007
Liabilities and shareholders‘ equity		
Shareholders‘ equity		
Share capital	21,750	21,750
Revenue reserves	10,962	9,367
Other reserves	-369	-199
Minority interest	-19	-10
Total shareholders‘ equity	32,324	30,908
Deferred investment grants from public funds	**2,500**	**2,552**
Non-current liabilities		
Non-current financial liabilities	20,927	17,113
Other non-current liabilities	10	11
Retirement pension provisions	7,124	7,037
Deferred tax liabilities	3,908	3,661
Other non-current provisions	562	569
Total non-current liabilities	32,531	28,391
Current liabilities		
Short term financial liabilities	2,937	2,294
Trade payables	6,846	4,516
Obligations on construction contracts	139	167
Advance payments received on orders	31,386	33,342
Accruals	6,755	4,878
Other short-term liabilities	1,148	1,315
Provisions for taxes	691	432
Other short-term provisions	2,614	2,545
Total current liabilities	52,517	49,489
Total	**119,872**	**111,340**

Consolidated income statement

1 January - 31 March 2008

In EUR ´000	01.01.-31.03.2008	01.01.-31.03.2007
Revenue	**34,588**	**15,430**
Cost of sales	-27,325	-11,844
Gross profit	**7,263**	**3,587**
Selling and distribution expenses	-2,750	-1,660
General administrative expenses	-1,626	-1,317
Research and development expenses	-346	-447
Other operating income	376	278
Other operating expenses	-768	-527
Operating profit (EBIT)	**2,150**	**-85**
Finance revenue	160	105
Finance costs	-258	-65
Share of profits from associates	100	82
Financial result and share of profits from associates	**2**	**122**
Net profit before tax	**2,152**	**36**
Income taxes	-566	11
Consolidated net profit for the year	**1,586**	**48**
of which attributable to:		
Shareholders of PVA TePla AG	1,595	56
Minority interest	-9	-8
Consolidated net profit for the year	**1,586**	**48**
Earnings per share		
Earnings per share (basic/diluted) in EUR	0.07	0.00
Earnings per share (diluted) in EUR	0.07	0.00
Average number of shares in circulation (basic)	21,749,988	21,749,988
Average number of shares in circulation (diluted)	21,749,988	21,749,988

Consolidated cash flow statement

1 January - 31 March 2008

In EUR ´000	01.01.-31.03.2008	01.01.-31.03.2007
Consolidated net profit for the year	1,586	48
Adjustments to the consolidated net profit for the period for reconciliation to the cash flow from operating activities		
+ Income tax expense	566	-11
- Finance revenue	-160	-105
+ Finance costs	258	65
= Operating profit	**2,250**	**-3**
- Income tax payments	-188	-434
+ Amortization and depreciation	538	410
- Share of profits from associates	-100	-82
-/+ Gains/losses on disposals of nun-current assets	4	2
-/+Other non-cash expenses (income)	84	-181
	2,588	**-288**
-/+ Increase/decrease in inventories, trade receivables and other assets	-10,731	-8,267
-/+ Increase/decrease in provisions	163	419
-/+ Increase/decrease in deferred investment grants from public funds	-52	-38
-/+ Increase/decrease in trade payables and other liabilities	2,234	10,105
= Cash flow from operating activities	**-5,798**	**1,930**
+ Receipts from associates	67	41
+ Proceeds from disposals of intangible assets and property, plant and equipment	-25	11
- Acquisition of intangible assets and property, plant and equipment	-4,224	-2,435
+ Interest receipts	160	105
= Cash flow from investing activities	**-4,022**	**-2,278**
+ Receipts from issuance of debt and borrowing of loans	4,000	2,580
- Payments for redemption of debt and loans	-154	-206
-/+ Change in short-term bank liabilities	602	297
- Payments of interest	-258	-65
= Cash flow from financing activities	**4,189**	**2,606**
net change in cash and cash equivalents	-5,630	2,258
-/+ Effect of exchange rate fluctuations on cash and cash equivalents	-8	-13
+ Cash and cash equivalents at beginning of the period	9,071	12,077
= Cash and cash equivalents at end of the period	**3,433**	**14,322**

Consolidated statement of changes in equity

1 January - 31 March 2008

	Shares issued		Revenue reserves	Other reserves		Total	Minority interest	Total Sharehol-ders' equity
	Number	EUR `000	EUR `000	Currency conversion EUR `000	Market valuation EUR `000	EUR `000	EUR `000	EUR `000
As at January 01, 2007	**21,749,988**	**21,750**	**3,279**	**-351**	**0**	**24,678**	**26**	**24,704**
Income/ expenses recognized directly in equity				-81	233	152		152
Net profit for the period			6,088			6,088	-36	6,052
Total income		0	6,088	-81	233	6,240	-36	6,204
As at December 31, 2007	**21,749,988**	**21,750**	**9,367**	**-432**	**233**	**30,918**	**-10**	**30,908**
As at January 01, 2008	**21,749,988**	**21,750**	**9,367**	**-432**	**233**	**30,918**	**-10**	**30,908**
Income/ expenses recognized directly in equity				-27	-143	-170		-170
Net profit for the period			1,595			1,595	-9	1,586
Total income			1,595	-27	-143	1,425	-9	1,416
As at March 31, 2008	**21,749,988**	**21,750**	**10,962**	**-459**	**90**	**32,343**	**-19**	**32,324**

Selected Notes to the Interim Financial Report of PVA TePla AG from January 1 to March 31, 2008

A. General information and basis of presentation

PVA TePla AG is a stock corporation in accordance with German law. The company is registered in the commercial register at Wetzlar Local Court under number HRB4827. The Company's registered office is Emmeliusstrasse 33, Asslar, Germany.

This interim financial report was prepared in accordance with International Financial Reporting Standards (IFRSs). The interim financial report thus also complies with IAS 34 (Interim Financial Reporting). This interim financial report has not been audited.

Reporting currency and currency translation
The principles applied in respect of reporting currency and currency translation are the same as those used for the 2007 annual financial statements. The main exchange rates of countries outside the Euro zone included in the consolidated financial statements are as follows:

Closing rate (EUR = 1):

	March 31, 2008	December 31, 2007
USA (USD)	1.57900	1.47184
China (CNY)	11.05705	10.73537
Denmark (DKK)	7.45601	7.45656
Singapore (SGD)	2.17946	2.12785

Average rate from January 1 – March 31 (EUR = 1):

	2008	2007
USA (USD)	1.49633	1.31044
China (CNY)	10.70778	10.18365
Denmark (DKK)	7.45268	7.45156
Singapore (SGD)	2.10993	2.00787

Companies included in the consolidation

The consolidated financial statements of PVA TePla presented here include both fully consolidated subsidiaries as well as an associate consolidated at equity. The following companies were fully consolidated in the consolidated financial statements as of March 31, 2008:

Name	Registered office	Shareholding
PVA TePla AG (parent company)	Asslar, Germany	
PVA TePla America Inc.	Corona/CA, USA	100%
UV SYSTEC Gesellschaft für UV-Strahler und Systemtechnik mbH	Jena, Germany	100%
PVA Vakuum Anlagenbau Jena GmbH	Jena, Germany	100%
Crystal Growing Systems GmbH	Asslar, Germany	100%
Xi´ an HuaDe CGS Ltd.	Xi'an, People's Republic of China	51%
PVA Löt- und Werkstofftechnik GmbH	Jena, Germany	100%
PVA Control GmbH	Asslar, Germany	100%
Plasma Systems GmbH	Feldkirchen, Germany	100%
PlaTeG GmbH	Siegen, Germany	100%
PVA TePla Singapore Pte. Ltd.	Singapore	100%
Krämer Scientific Instruments GmbH	Herborn, Germany	100%
SAM TEC GmbH	Aalen, Germany	100%

The consolidated financial statements also include PVA MIMtech LLC, Cedar Grove, NJ, USA, an associate in which PVA TePla AG has a participating interest of 50%.

There have been no changes to the consolidated group against December 31, 2007.

Principles of consolidation

The principles of consolidation applied in this quarterly report are the same as those used in the consolidated financial statements as of December 31, 2007. In accordance with IAS 27 (Consolidated and Separate Financial Statements), the financial statements of enterprises included in the quarterly financial statements are prepared using uniform accounting policies.

Accounting policies

The accounting policies in this interim report as of March 31, 2008 correspond to the principles in the annual financial statements as of December 31, 2007.

Roundings

The tables and figures used in this interim report are based on precisely determined values, which have subsequently been rounded to EUR million or EUR thousand. Differences due to rounding within tables or between individual instances of figures given cannot therefore be avoided.

B. Notes to selected balance sheet items

Noncurrent assets
The changes in noncurrent assets as against the annual financial statements as of December 31, 2007 are primarily due to the effects of investment in the new assembly facilities at the Wettenberg site and in connection with the depreciation and amortization of the existing assets.

Inventories/receivables
In accordance with IAS 11.42, any amounts due for construction contracts are recognized as assets. We show these items under the heading „Coming receivables on construction contracts".

Derivative financial instruments
In the PVA TePla Group, derivative financial instruments are used exclusively to hedge risks. In particular, these include exchange risks from sales in foreign currencies and interest rate risks.

As the majority of sales are conducted in the respective currency of the supplying country (EUR in the Euro zone, USD in the US), exchange risks only arise in a limited number of cases. If large contracts are concluded in a foreign currency, the exchange rate risks occurring as a result are covered by the corresponding hedges.

Forward exchange contracts with an open volume of EUR 963 thousand or USD 1,309 thousand, have been concluded in order to hedge the US Dollar payments on a delivery of the Vacuum Systems division. The due date on these forward exchange contracts was fixed to correspond to the dates when money was expected to be received. These forward exchange contracts have also been measured at market value on the basis of the forward currency rate on the balance sheet date for the remaining term and their fair values as of March 31, 2008 totaled EUR 134 thousand.

A forward exchange contract with an open volume of EUR 1,301 thousand or USD 1,880 thousand, has been concluded in order to hedge the US Dollar payments on another delivery of the Vacuum Systems division. The due date on this forward exchange contract was fixed to correspond to the date when money was expected to be received. This forward exchange contract was also carried at the market value as of the balance sheet date. The fair value of this contract is EUR 51 thousand.

To hedge the interest rate risk for financing investments in new buildings at the Wettenberg and Jena sites, interest rate hedges totaling EUR 11,600 thousand were concluded. As of December 31, 2007, the market value of these instruments amounted to EUR 125 thousand (previous year: EUR 97 thousand) and is reported under Other receivables. The cross entry of the market values and the deferred taxes incurred in these cases is directly in equity under Other reserves.

Retirement pension provisions
The increase in pension provisions was made on the basis of information on the expected pension provisions as of December 31, 2008 contained in the actuarial valuations used to prepare the annual financial statements as of December 31, 2007.

Current financial liabilities
Current financial liabilities as of the reporting date March 31, 2008 comprise short-term bank borrowings (current account) of EUR 1,582 thousand (December 31, 2007: EUR 443 thousand) and the current portions of noncurrent financial liabilities in the amount of EUR 1,255 thousand (December 31, 2007: EUR 1,251 thousand). Current loans (December 31, 2007: EUR 600 thousand) are no longer included under this item.

C. Notes to the cash flow statement

The cash flow statement was prepared in line with the same principles as in the 2007 annual financial statements and is structured in the same way.

Financial Calendar 2008

May 16	Roadshow, Zurich
May 29/30	Roadshow, Oslo
June 9	Roadshow, London
June 19	Annual Shareholders' Meeting, Wetzlar
August 12	Q2 2008 Report
August 27	Sustainable Technologies conference, Zurich
November 7	Q3 2008 Report
November 10 – 12	German Equity Forum, Frankfurt

Imprint

PVA TePla AG
Emmeliusstr. 33
D-35614 Asslar

Phone	+49 (0)64 41 / 56 92 -0
Fax	+49 (0)64 41 / 56 92 -111
Internet	www.pvatepla.com

Investor Relations	Dr. Gert Fisahn
Phone	+49 (0)64 41 / 56 92 -342
Fax	+49 (0)64 41 / 56 92 -118
eMail	gert.fisahn@pvatepla.com

Published by	PVA TePla AG
Concept/Text	PVA TePla AG
Languages	German / English

Layout/Concept	Contigo Finance GmbH Westhafenplatz 1 D-60327 Frankfurt
Internet	www.contigo-finance.de

PVA TePla AG

Emmeliusstraße 33
D-35614 Asslar

Phone +49 (0) 64 41/56 92-0
Fax +49 (0) 64 41/56 92-111

info@pvatepla.com
www.pvatepla.com