PVA TePla

Scope for Ideas

Intermediate Report

January 1 - June 30, 2009

Important Consolidated Figures at a Glance

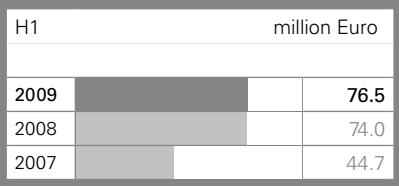
Consolidated Figures

in EUR '000	H1 2009	H1 2008
Sales revenues	**76,459**	**74,033**
Industrial Systems	23,215	22,913
Semiconductor Systems	21,455	24,418
Solar Systems	31,789	26,702
Gross profit	**22,934**	**14,722**
in % sales revenues	30.0	19.9
R&D expenses	1,043	801
Operating profit (EBIT)	**9,436**	**5,134**
in % sales revenues	12.3	6.9
Consolidated net profit	**6,075**	**3,546**
in % sales revenues	7.9	4.8
Earnings per share (EPS) in EUR[1]	**0.28**	**0.17**
Capital expenditures	2,039	6,001
Total assets	**128,070**	**122,081[2]**
Shareholders´ equity	**46,489**	**40,360[2]**
Equity ratio in %	36.3	33.1[2]
Employees as of 30/06	**510**	**497**
Incoming orders	**29,929**	**140,552**
Order backlog	**103,897**	**202,379**
Book to bill ratio	0.39	1.90
Cash Flow from operating activities	17,585	6,571

1) Circulating shares on average: 21.749.988

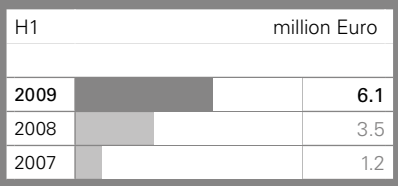
2) as of the reporting date December 31, 2008

Sales revenues



EBIT

Consolidated net profit



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FOR OUR SHAREHOLDERS

FOR OUR SHAREHOLDERS

Foreword by the Management Board

Dear PVA TePla shareholders, business partners and colleagues,

As anticipated, PVA TePla Group's business continued to perform well in terms of consolidated sales revenues and earnings in the second quarter of 2009. With sales revenues of EUR 37.8 million, we almost matched the solid figure for the previous year. EBIT was significantly better than in the previous year at EUR 4.7 million.

Sales revenues and earnings also developed positively in the first half of 2009. Operating earnings (EBIT) improved significantly on the figure for the previous year at EUR 9.4 million. Consolidated sales revenues amounted to EUR 76.5 million. The Industrial Systems Division slightly outperformed its high sales revenue figure for the previous year at EUR 23.2 million thanks to the strong order backlog. Sales revenues in the Semiconductor Systems Division amounted to EUR 21.5 million. One positive factor is the significant increase in the floatzone system business volume at the PVA TePla Danmark branch. The Solar Systems Division exceeded its figure for the previous year with sales revenues of EUR 31.8 million.

A shadow was cast on these good figures by the weak incoming orders in the first half of 2009. Like many other companies in the mechanical engineering and plant manufacturing industry, we are also clearly feeling our customers' reluctance to make investment decisions. This is true for nearly all the markets supplied with systems by our divisions. There is a multitude of speculations, analyses and estimates from a wide range of sources as to how these markets will develop in the coming months. We are finding it difficult to give our own, solid assessment at the current time. We are in talks for joint projects with a number of customers who wish to continue with their investment planning. However, the project finance environment has firstly become more difficult and secondly there is a great deal of uncertainty regarding further market developments. In the second half of the year, we will see when these projects can get underway.

The liquidity situation of the PVA TePla Group remained very good in the second quarter on the basis of the positive operating cash flow.

Setting up a center of competence for industrial crystal growing systems has now proven of value. Here we can push ahead with our research and development work on crystal growing systems and their optimization even more quickly. The strong performance of our company in this regard is highlighted by the subsidies for R&D projects. For example, the Ministry of Economics for Thuringia has provided PVA TePla with funding of EUR 1.1 million for the ongoing development of the procedure to manufacture monocrystalline silicon ingots at the Jena location. A new generation of crystal growing systems is being developed in the current research project. The goals of this development are to reduce the energy consumption and operating costs of process systems while at the same time improving crystal growth, enhancing material yield and achieving greater control of the growing process.

The participants at the Annual General Meeting of PVA TePla on June 29, 2009 in Wetzlar Town Hall reelected the members of the Supervisory Board by a large majority.

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

Peter Abel
- Chief Executive Officer -

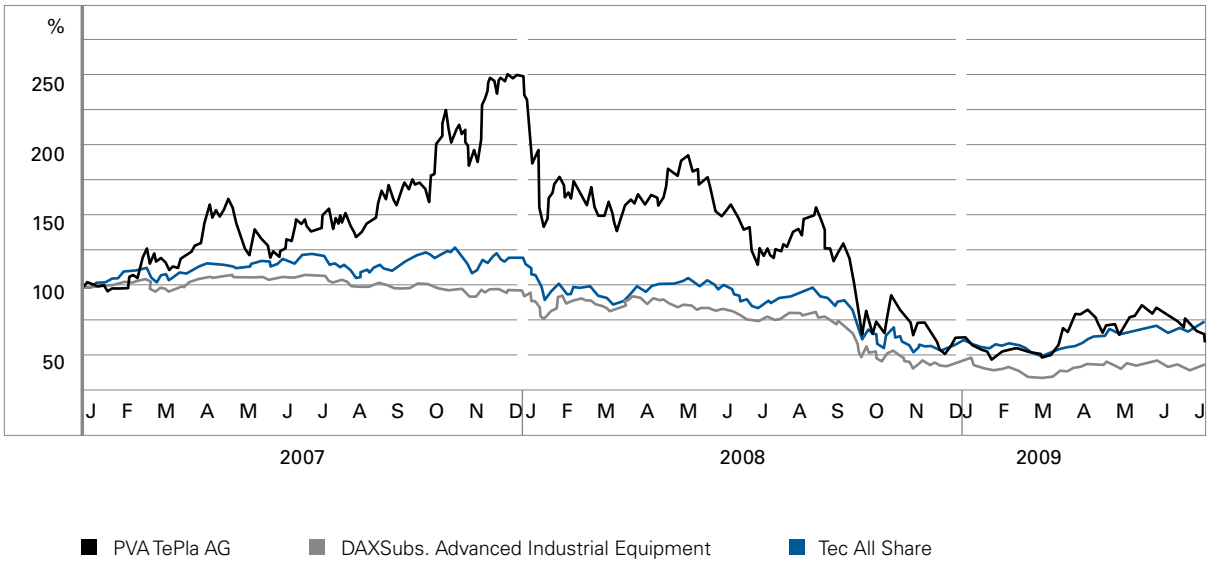
Arnd Bohle
- Chief Financial Officer -

PVA TePla Shares

The share price of PVA TePla increased from EUR 2.92 to EUR 3.05 on July 28, 2009 in the first seven months of 2009. Turnover in our shares has been extremely high in recent weeks and the resulting selling pressure had prevented a more positive performance by PVA TePla's shares. While the shares' performance has matched the "DAXSubs. Advanced Industrial Equipment" comparative index since the beginning of the year, it has lost ground against the "Technology All Share" index.

In his speech to the shareholders and guests of PVA TePla AG present at the Annual General Meeting on June 29, 2009 in Wetzlar Town Hall, CEO Peter Abel spoke of the highly successful fiscal year 2008, the new division structure and the prospects for the current fiscal year. The global economic crisis and its consequences for PVA TePla were also discussed. The CFO Arnd Bohle provided a comprehensive overview of the consolidated financial statements for 2008 and the figures for the first quarter of 2009. The shareholders at the Annual General Meeting reelected the members of the Supervisory Board. With 51% of shareholders in attendance, the other items of the agenda were also accepted by a large majority.

Performance of PVA TePla shares January, 2007 – July, 2009



Shareholdings and subscription rights of executive body members

Management Board

	June 30, 2009	Dec. 31, 2008	June 30, 2009	Dec. 31, 2008
	Shares	Shares	Subscription rights	Subscription rights
Peter Abel (incl. PA Beteiligungsgesellschaft mbH)	5,616,275	5,616,275	0	0
Arnd Bohle	3,000	3,000	0	0

Supervisory Board

	June 30, 2009	Dec. 31, 2008	June 30, 2009	Dec. 31, 2008
	Shares	Shares	Subscription rights	Subscription rights
Alexander von Witzleben	0	0	0	0
Dr. Gernot Hebestreit	0	0	0	0
Prof. Dr. Günter Bräuer	0	0	0	0

INTERIM GROUP MANAGEMENT REPORT
JANUARY 1 - JUNE 30, 2009

INTERIM GROUP MANAGEMENT REPORT

1. Introduction

PVA TePla supplies vacuum systems for producing and treating high-tech materials and surfaces in vacuum, high-temperature and plasma environments. The global market for these systems involves advanced state-of-the-art materials and surface treatment technologies including 300 mm silicon (Si) wafer technology for semiconductors, mono- or multicrystalline wafers for photovoltaics, structural materials, such as for telescopes in outer space, metal powder production technologies, e.g. for hard metals, micro-sensor production technologies (MEMS, Micro Electromechanical Systems) and luminous light sources from semiconductor diodes (HBLED, High Brightness Light Emitting Diodes), ultra-thin wafer production technology, and surface treatment systems for plastic and steel. The portfolio is rounded off by inspection systems for high-quality materials. This market will exist as long as high-tech materials are produced and developed further.

2. Reporting Structure

This interim management report describes the business development of the PVA TePla Group in the first half of fiscal year 2009. The Group's business activities and thereby its reporting are divided into three divisions: Industrial Systems, Semiconductor Systems and Solar Systems.

Industrial Systems	Semiconductor Systems	Solar Systems
PVA TePla AG/ Vacuum Systems, Wettenberg	**PVA TePla AG/ Crystal Growing Systems,** Wettenberg	**PVA TePla AG/ Solar Systems,** Wettenberg
PVA Control GmbH, Wettenberg	**PVA TePla Danmark,** Frederikssund, Denmark	**Xi`an HuaDe CGS Ltd.,** Xi`an, China
PVA Löt- und Werkstofftechnik GmbH, Jena	**PVA TePla Singapore Pte. Ltd.,** Singapore	
PlaTeG GmbH, Siegen	**PVA Vakuum Anlagenbau Jena GmbH,** Jena	
	PVA TePla Analytical Systems GmbH, Aalen	
	PVA TePla AG/Plasma-Systems, Feldkirchen	
	PVA TePla America Inc., Corona, California, USA	
	Plasma Systems GmbH, Feldkirchen	

The grey fields are the operating units of the PVA TePla AG.

3. Business and General Environment

3.1. Macroeconomic Environment

In the opinion of the major economic research institutes, Germany will experience a decline in gross domestic product (GDP) of 6% in 2009. A consolidation and slight improvement in economic performance of between 0.2% and 0.4% is not expected until next year. A similar development is also expected in the Eurozone. In the opinion of the European Central Bank (ECB), growth rates will not return to positive territory until the middle of next year. The Japanese economy fell by 4% year-on-year in the first three months of 2009. Initial indications – industrial production rose by 1.6% as against the previous month in March and the decline in exports came to a halt at the end of the first quarter – are increasingly giving hope that the Japanese economy will pick up again as the year progresses. The economy appears to be recovering more quickly in other Asian countries. In China, the government is standing by its growth target for 2009 of 8% – after a year-on-year GDP increase of 6.1% in the first quarter. Other Asian nations are also seeing the first signs of recovery. Singapore's economy grew by 20% as against the previous quarter in the second quarter. The Federal Reserve is assuming that the US economy will shrink by 1.5% in 2009 as a whole with a rise in GDP of between 2.1% and 3.3% in 2010.

3.2. Sector Development

The German Mechanical Engineering and Plant Manufacturing Association (VDMA) is forecasting a sales decline for mechanical engineering of around 16% in 2009 on account of the drop in global demand for industrial goods. By this assessment, Western European mechanical engineering will be hit particularly hard with sales losses of 19%. Japan is expected to see its sales driven down by 40%. Incoming orders in Japan more than halved in the first quarter of 2009 as against the same quarter of the previous year. As in the analysis of the economy as a whole, China is expected to outperform the established industrial nations with a sales increase of 8% for mechanical engineering in 2009. Stagnant investment activity in the US is fully expected to lead to a 20% slump in sales for the mechanical engineering industry.

The forecasts for the photovoltaic market assume further global growth for the coming years.

4. Structural Changes within the PVA TePla Group

New Group Structure

As described in detail in 2008 Annual Report and the report on the first quarter of 2009, the PVA TePla Group has introduced a new Group structure since the start of 2009 and therefore also has a new reporting structure compared to the second quarter of 2008. Only a brief description of the three divisions is provided here. A detailed presentation of the new divisions and the reasons for the change in reporting can be found in the reports mentioned above.

The Industrial Systems Division comprises the activities of the former Vacuum Systems Division and also the business of the subsidiary PlaTeG GmbH, Siegen.

The new Semiconductor Systems Division has three product lines comprising all of the PVA TePla Group's activities in the semiconductor industry. These focus on crystal growing systems using the Czochralski and floatzone methods and plasma systems for the front-end and back-end areas of the semiconductor industry and quality control and analysis systems for the non-destructive testing of materials, which is in turn divided into optical metrology systems and analysis systems based on ultrasonic technology.

The new Solar Systems Division comprises all of the PVA TePla Group's products for the photovoltaic industry. This area focuses on the different systems for all methods used in the industry to manufacture high-quality silicon (Si) blocks and crystals. A unique feature of the PVA TePla Group is its broad portfolio of systems to manufacture monocrystalline silicon ingots using the Czochralski method, the MultiCrystallizer for manufacturing high-quality multicrystalline silicon ingots and systems using the EFG (Edge Defined Film-fed Growth) method to manufacture thin-walled multicrystalline silicon tubes. This division's portfolio is rounded off by feeder systems, cracker systems and plasma systems for etching the edges of solar cells, for example.

On account of the new Group and thereby reporting structure introduced from 2009, comparability with previous years – particularly for segment information in financial reports – is highly limited. The previous year's figures have been recalculated in line with the new segment structure in this report.

The companies included in the PVA TePla AG consolidated group have changed as against December 31, 2008. Crystal Growing Systems (CGS) GmbH, Wettenberg, a wholly owned subsidiary of PVA TePla AG, was integrated into its parent company retroactively to January 1, 2009. The main reasons for this are cost savings and the simplification of corporate structures. The legal integration in the form of a merger reflects the existing extensive economic integration of the two companies' activities.

5. Sales Revenues

Consolidated sales revenues amounted to EUR 76.5 million in the first half of 2009 (previous year: EUR 74.0 million), an increase of 3.4% as against the same period of the previous year.

Thanks to existing order backlog, Industrial Systems Division recorded sales revenues of EUR 23.2 million, a slight improvement on the solid figure for the same period of the previous year (EUR 22.9 million). Sales revenues in the Semiconductor Systems Division amounted to EUR 21.5 million (previous year: EUR 24.4 million). A sharp increase in the business volume for floatzone systems at the PVA TePla Danmark branch was offset by declining sales revenues for major orders that have now largely been completed. Sales revenues in the Solar Systems Division rose to EUR 31.8 million after EUR 26.7 million in the same period of the previous year.

Sales revenues by division

in EUR `000	First half of 2009	First half of 2008
Industrial Systems	23,215	22,913
Semiconductor Systems	21,455	24,418
Solar Systems	31,789	26,702
Total sales revenues	**76,459**	74,033

The analysis by regions reveals that Germany accounted for a large share of sales revenues. This is due to a high domestic share in current business in the Industrial Systems Division and orders from the German solar industry. 67% of consolidated sales revenues related to business in Germany in the first half of 2009. Sales revenues in Asia also declined on account of the completion of a major order in Singapore. The rest of Europe accounted for 7% of total sales revenues.

Sales revenues by region

in EUR `000	First half of 2009	First half of 2008
Germany	50,986	26,860
Europe (excluding Germany)	5,472	7,959
North America	858	1,052
Asia	19,894	39,063
Others	179	-867
Consolidation	-930	-34
Total sales revenues	**76,459**	**74,033**

6. Orders

In the first half of 2009, the order situation of the PVA TePla Group was significantly weaker than in the same period of the previous year's period, as had been anticipated and taken into account in budget planning. Incoming orders amounted to EUR 29.9 million (previous year: EUR 140.6 million). It should be noted that a major solar industry order of EUR 76 million was posted in the second quarter of the previous year. The book-to-bill-ratio was 0.4 (previous year: 1.9).

In the first six months, incoming orders in the Industrial Systems Division were down significantly on the previous year's high figure of EUR 25.3 million at EUR 10.7 million. The current economic crisis in particular led to a sharp reduction in the investment volume in the hard metal market. In June 2009, the division received an order from China to supply two vacuum pressure sintering systems. The Semiconductor Systems Division generated incoming orders of EUR 11.5 million (previous year: EUR 18.3 million). A significant portion of this was due to demand for floatzone systems from the PVA TePla Danmark branch, which received a major order from Korea for slim rod pullers and analysis systems in February. Incoming orders for the Solar Systems Division amounted to EUR 7.7 million (previous year: EUR 97.0 million). This figure essentially includes orders for MultiCrystallizers from a renowned German customer and from Asia.

As of June 30, 2009, the order backlog – consolidated and after deduction of the share of sales revenues already recognized under the Percentage-of-Completion method (PoC) – amounted to EUR 103.9 million (previous year: EUR 202.4 million). The Industrial Systems Division had an order backlog of EUR 16.5 million as of June 30, 2009 (previous year: EUR 33.5 million). In the Semiconductor Systems Division, the order backlog was EUR 22.7 million as against the previous year's figure (EUR 46.7 million). The decline in the order backlog to the scheduled progress in major orders from Siltronic and Siltronic Samsung – the latter of which has now been successfully completed – was offset by substantial growth in the order backlog at the PVA TePla Danmark branch. The Solar Systems Division had an order backlog as of June 30, 2009 of EUR 64.8 million (previous year: EUR 122.3 million). This order backlog is mainly due to the order by ersol Wafers from April 2008 to supply crystal growing systems to manufacture monocrystalline silicon crystals.

7. Production

In the first half of 2009, systems and equipment were produced at the locations in Germany, Wettenberg, Feldkirchen, Jena, Siegen and Aalen as well as abroad in Corona, USA and Frederikssund, Denmark. Utilization of the main production capacity – especially in the two major production sites in Wettenberg and Jena – will remain high to the end of the current fiscal year on the basis of the order backlog already in place.

8. Research and Development

Research and development expenses at the PVA TePla Group amounted to EUR 1.0 million (previous year: EUR 0.8 million) in the first six months of 2009. New developments in the Industrial Systems Division generally occur in the context of specific orders from customers and are therefore not reported separately as R&D expenditure.

In the Industrial Systems Division the subsidiary PlaTeG GmbH received an order to develop and build a new type of nitriding system. Pulsed plasma (PulsPlasma®) was developed to readiness for use for the nitriding of steel components around 30 years ago. Using such plasmas, layers can be segregated to further improve the properties of steel components. These layers, based on titanium, aluminum or carbon, are primarily used to improve substantially the wear and corrosion properties of heavy-duty tools and mechanical parts. Huge progress has recently been made with the development of aluminum oxide layers. These layers have the property of remaining stable at temperatures upwards of 500°C and are therefore suitable for casting steel in a semi-solid state (thixo forming). The deposition temperature is around 500°C. Diamond-like carbon (DLC) is also deposited using pulsed plasma. By changing the parameters of the process and using different carbon donors, both the hardness and adhesive strength of layers just a few micrometers thick were improved significantly. These layers are distinguished by the fact that they can be deposited at temperatures below 300°C and also have excellent sliding properties in addition to their high level of hardness.

The development of these different layers is now sufficiently advanced so that PlaTeG GmbH has received an order from a hardening company to build a system to not only nitride and then oxidize but to also deposit titanium, aluminum and carbon-based layers in addition to nitridization. This is expected to be the world's only commercial system to offer such a range of treatment options.

In the Semiconductor Systems Division PVA TePla Analytical Systems GmbH completed the development of its new platform for automated wafer inspection systems in the second quarter. The first system will be delivered to a semiconductor industry customer in September.

The first transducers – sensors for acoustic microscopes – out of the new production line for high-frequency acoustic lenses in the gigahertz range were also delivered to customers.

The newly established CCIC (competence center for industrial crystal growing systems) in Wettenberg began planning to install a floatzone (FZ) system. After this has been completed, a slim rod system will be used for individual customer consulting on process optimization and technical adjustments to specific customer requirements.

In the plasma sector, the GIGAbatch 380, a new type of facility for the efficient removal of photoresist in semiconductor production, the first system in the GIGAbatch series, is undergoing final inspection at our location. It is replacing the established 300 series that has been on the market for over ten years and can process wafers of larger sizes. Delivery to a leading semiconductor manufacturer in Europe is scheduled for the end of August of this year.

In the Solar Systems Division a new crystal growing system to produce monocrystalline silicon crystals was largely completed in the second quarter. This new crystal growing system will be installed in the third quarter and will meet the requirements of solar market customers in particular. In addition, crystal growing systems of various kinds to produce mono- and multicrystalline silicon ingots and blocks have been built in the CCIC in recent months and their operation has already led to further developments and optimization.

9. Investments

The total value of investments in the first half of 2009 was EUR 2.0 million (previous year: EUR 6.0 million). These investments were mostly due to scheduled follow-up amounts for the new building in Wettenberg. There were also additions to operating and office equipment.

10. Net Assets and Financial Position

Total assets as of June 30, 2009 increased to EUR 128.1 million after EUR 122.1 million as of December 31, 2008. This is down slightly as against the reporting date March 31, 2009 (EUR 130.5 million).

Non-current assets rose only slightly from EUR 49.3 million as of December 31, 2008 to currently EUR 50.4 million.

Current assets increased to a total of EUR 77.7 million (December 31, 2008: EUR 72.8 million). The biggest change here was due to a rise in cash and cash equivalents to EUR 18.0 million (December 31, 2008: EUR 5.2 million) due to the high operating cash flow.

Inventories rose from EUR 17.0 million as of December 31, 2008 to the current value of EUR 18.8 million. The slight decrease in raw materials, consumables and supplies to EUR 8.2 million (December 31, 2008: EUR 9.8 million) was offset by an increase in the value of work in progress to EUR 9.5 million (December 31, 2008: EUR 6.2 million). The value of coming receivables from construction contracts fell to EUR 20.2 million (December 31, 2008: EUR 22.3 million).

Trade receivables declined from EUR 18.4 million as of December 31, 2008 to the current value of EUR 13.9 million. The decline in advance payments to EUR 4.4 million (December 31, 2008: EUR 6.6 million) is due largely to the scheduled processing of existing orders and offsetting advance payments for deliveries of materials. Other receivables declined to EUR 2.2 million (December 31, 2008: EUR 2.8 million).

As a result of the scheduled loan repayments and an extraordinary repayment of EUR 2 million, non-current financial liabilities decreased to EUR 15.2 million (December 31, 2008: EUR 17.9 million). The realization of a significant share of the financing of the new building in Wettenberg by combining a variable loan with an interest rate hedge offers highly flexible options for reacting to developments in the liquidity situation. The credit line available can be used in subsequent periods if necessary.

Current financial liabilities primarily relate to short-term portions of long-term financial liabilities. On the basis of the good liquidity situation, there were no significant current liabilities to banks as of June 30, 2009. Trade payables declined to EUR 4.9 million (December 31, 2008: EUR 8.0 million). The increase in other current provisions to EUR 8.6 million (December 31, 2008: EUR 6.9 million) and accruals to EUR 10.8 million (December 31, 2008: EUR 7.0 million) is mainly due to the increase in business volumes and the associated increase in provisions for outstanding invoices and costs.

Other current liabilities rose to EUR 2.9 million (December 31, 2008: EUR 1.9 million). On account of the sound earnings development and the anticipated income tax expenses, tax provisions were increased to EUR 4.1 million (December 31, 2008: EUR 1.7 million).

The value of obligations from construction contracts declined to currently EUR 0.9 million (December 31, 2008: EUR 2.0 million). Advance payments received on orders were also down from EUR 23.1 million as of December 31, 2008 to EUR 20.4 million.

As a result of the good earnings, equity increased further to EUR 46.5 million (December 31, 2008: EUR 40.4 million). Thus, the equity ratio improved to 36.3% (December 31, 2008: 33.1%) in spite of the rise in total assets.

Cash flow from operating activities was again significantly positive in the first half of 2009 at EUR +17.6 million (previous year: EUR +6.6 million). This is mainly due to interim and final payments on existing and invoiced orders. The cash flow used in investing activities amounted to EUR -1.8 million (previous year: EUR -5.7 million). The cash flow used in financing activities amounted to EUR -3.0 million (previous year: positive cash flow of EUR +2.0 million).

The total cash inflow generated in the 2009 reporting period including exchange rate effects was EUR +12.8 million (previous year: EUR +2.8 million). The free cash flow was EUR +15.5 million (previous year: EUR +0.6 million). The liquidity situation of the PVA TePla Group therefore remains very positive overall.

11. Results of Operations

Sales revenues rose again slightly in the first half of fiscal year 2009, while earnings improved significantly. EBIT of EUR 9.4 million (previous year: EUR 5.1 million) and a consolidated net profit for the period of EUR 6.1 million (previous year: EUR 3.5 million) were generated. At 12.3%, the EBIT margin was also well above the previous year's figure of 6.9%. The return on sales was 7.9% as of June 30, 2009 after 4.8% in the previous year.

Looking at just the second quarter, the strong figure for the previous year's sales revenues of EUR 39.4 million was almost matched at EUR 37.8 million. Meanwhile, EBIT and consolidated net profit both increased significantly to EUR 4.7 million (previous year: EUR 3.0 million) and EUR 3.2 million (previous year: EUR 2.0 million) respectively.

The figures for the first half of 2009 are presented and commented on below.

The gross profit rose significantly to EUR 22.9 million (previous year: EUR 14.7 million). As a result, the gross margin also improved significantly to 30.0% (previous year: 19.9%).

At EUR 5.4 million, selling and distribution expenses were only slightly higher than the previous year's level of EUR 5.0 million. As sales commission is reported here, the current order structure causes substantial and short-term fluctuations in these items. The relevant factor is whether the company worked with representatives paid on a commission basis in the respective sales area or for the product in question. Administration expenses rose to EUR 4.4 million (previous year: EUR 3.7 million) as capacity increases and adjustments of organizational structures in line with the higher overall business volume were also required here.

The segment analysis shows that the performance of the three divisions varied in the first half of 2009. The Industrial Systems Division generated significantly better earnings of EUR 2.7 million (previous year: EUR 1.6 million). Operating earnings in Semiconductor Systems Division were down to EUR 1.6 million after EUR 2.2 million in the previous year due mainly to the decline in sales volumes. The Solar Systems Division posted an encouraging rise in operating earnings which improved strongly to EUR 4.9 million (previous year: EUR 1.3 million).

Financing expenses increased to EUR 1.2 million (previous year: EUR 0.6 million) due mainly to changes in the fair values of interest rate hedges. The net figure of finance income and finance costs fell to EUR -1.1 million (previous year: EUR -0.4 million). The associate PVA MIMtech LLC contributed earnings of EUR -0.01 million (previous year: EUR +0.2 million).

Income taxes of EUR -2.3 million (previous year: EUR -1.4 million) consist of current tax expenses of EUR -2.5 million (previous year: EUR -0.8 million), and deferred taxes of EUR +0.2 million (previous year: EUR -0.6 million). For more detail, please see the comments in section C of the notes to this interim report.

12. Personnel

As of the reporting date June 30, 2009, the Group employed a total of 510 employees (June 30, 2008: 497 employees, December 31, 2008: 504 employees). Processing the high order backlog in the fields of Vacuum Systems and Crystal Growing Systems for the solar and semiconductor market in particular required a higher number of employees as against the previous year.

13. Risk Report

As a global technology group, the PVA TePla Group faces a large number of opportunities and risks that are inextricably linked with the business activities of all its divisions.

The economic environment of the company is characterized by global markets and the ever-growing complexity of technological applications. The risks of negative business and economic developments are continuously monitored and evaluated by the Company's management and reduced or contained as appropriate and to the extent possible. The assessment of risk factors is included in corporate decision-making.

No material changes to the opportunities or risks arose for the PVA TePla Group in the first six months of 2009 as against the general structure of those outlined in detail on pages 63 et seq. of the 2008 Annual Report. Therefore, only current developments are analyzed here. At present, there is no indication of any risks that individually or collectively could jeopardize the continued existence of the company.

General economic conditions: The data in these interim financial statements show that the global financial and economic crisis has not yet had any effect on the financial position of the PVA TePla Group.

Risks here can arise from the ongoing development of the sales markets and the consequences of this on the incoming orders of the PVA TePla Group. The reluctance of customers to make new investments as a result of the global economic crisis can clearly be seen in incoming orders up to the end of the second quarter. If this restraint continues, measures will be taken to adjust business activities in line with lower demand. The possible first steps include increasing vertical integration and reducing the reliance on labor leasing and temporary employees.

Additional sales opportunities for PVA TePla Group products can lie in international subsidy programs – particularly for photovoltaics. We are especially anticipating a surge in demand in the US and China.

There are sufficient lines of credit available to ensure liquidity.

Risks of financial instruments: The PVA TePla Group only holds financial instruments to the extent that this arises from its operating activities and to the extent required to hedge these operations against currency and interest rate risks. In the past, relevant fluctuations in value have only been due to abrupt and unexpected changes in short-term interest rates on the capital markets. In spite of the current negative changes in value resulting from this, this structure ensures highly flexible finance for the new building in Wettenberg at a relatively favorable long-term interest rate.

Risks from deliveries: On account of the economic situation, the risk of delivery bottlenecks in supplier operations has decreased further compared to the situation described in the 2008 consolidated financial statements.

New competitors: New competitors have joined the market in the field of systems for creating multicrystalline silicon blocks in recent months. We are of the opinion that the market offers sufficient volumes and growth for us to successfully market our MultiCrystallizer system.

Staff risks: Here, too, the market has relaxed further for our Company. There are no signs of difficulty in finding qualified expert employees in 2009, particularly as PVA TePla has largely completed its recruitment drive in connection with its order backlog.

14. Supplementary Report

There were no material events after June 30, 2009.

15. Outlook

As has previously been stated in our forecast for the year, we have expected incoming orders to fall as against 2008 from the start. Nonetheless, the actual decline in incoming orders in the first half of 2009 – particularly in the second quarter – was stronger than we had expected.

Demand on our key markets such as the semiconductor industry and in other key industrial areas (such as the hard metal industry) is also currently at a low level. We believe there are still chances for major orders from the photovoltaic industry in the sequel of the year 2009.

In light of this uncertainty on the markets and with regard to further general economic developments, it is not possible to give a well-founded assessment or forecast of how business will develop in system manufacturing. Even though there are positive signals in some areas, a reasonably certain forecast as to future order volumes at PVA TePla in the second half of the year is not possible at this time.

At present, the order backlog in place will ensure consolidated sales revenues at PVA TePla in fiscal year 2009 at a slightly lower level than in the previous year. Thanks to the improvement in earnings in the first half of the year, the previously published forecast for operating earnings still applies at between EUR 16 million and EUR 18 million.

INTERIM GROUP FINANCIAL STATEMENTS
AS AT JUNE 30, 2009

INTERIM GROUP FINANCIAL STATEMENTS

Consolidated Balance Sheet as at June 30, 2009

in EUR ´000	June 30, 09	Dec. 31, 08
Assets		
Non-current assets		
Intangible assets	10,638	10,777
Goodwill	9,465	9,465
Other intangible assets	1,173	1,312
Property, plant and equipment	35,296	34,427
Land, property rights and buildings, including buildings on third party land	30,576	29,845
Plant and machinery	2,339	2,426
Other plant and equipment, fixtures and fittings	2,381	2,082
Advance payments and assets under construction	0	74
Investment property	486	497
Non-current investments	602	719
Investments in associates	585	702
Other non-current receivables	17	17
Deferred tax assets	3,347	2,888
Total non-current assets	50,369	49,308
Current assets		
Inventories	18,794	17,023
Raw materials and operating supplies	8,162	9,821
Work in progress	9,476	6,178
Finished products and goods	1,156	1,024
Coming receivables on construction contracts	20,153	22,314
Trade and other receivables	20,707	27,935
Trade receivables	13,894	18,388
Amounts owed by associates	142	142
Payments in advance	4,429	6,561
Other receicables	2,242	2,844
Tax repayments	68	303
Cash and cash equivalents	17,979	5,198
Total currents assets	77,701	72,773
Total	**128,070**	**122,081**

in EUR ´000	June 30, 09	Dec. 31, 08
Liabilities and shareholders' equity		
Shareholders' equity		
Share capital	21,750	21,750
Revenue reserves	25,414	19,267
Other reserves	-428	-482
Minority interest	-247	-175
Total shareholders' equity	46,489	40,360
Non-current liabilities		
Non-current financial liabilities	15,227	17,874
Other non-current liabilities	15	15
Retirement pension provisions	7,554	7,403
Deferred tax liabilities	4,392	4,119
Other non-current provisions	351	512
Total non-current liabilities	27,539	29,923
Current liabilities		
Short-term financial liabilities	1,471	1,253
Trade payables	4,927	8,001
Obligations on construction contracts	889	1,978
Advance payments received on orders	20,437	23,100
Accruals	10,757	6,973
Other short-term liabilities	2,938	1,894
Provisions for taxes	4,070	1,745
Other short-term provisions	8,553	6,854
Total current liabilities	54,042	51,798
Total	**128,070**	**122,081**

Consolidated Income Statement January 1 - June 30, 2009

in EUR ´000	April 01 - June 30,09	April 01 - June 30, 08	Jan. 01 - June 30,09	Jan. 01 - June 30, 08
Sales revenues	**37,825**	**39,445**	**76,459**	**74,033**
Cost of sales	-26,043	-32,036	-53,525	-59,311
Gross profit	**11,782**	**7,409**	**22,934**	**14,722**
Selling and distributing expenses	-2,976	-2,287	-5,370	-5,035
General administrative expenses	-2,070	-2,027	-4,434	-3,650
Research and development expenses	-415	-455	-1,043	-801
Other operating income	956	604	2,104	925
Other operating expenses	-2,557	-260	-4,755	-1,027
Operating profit (EBIT)	**4,720**	**2,984**	**9,436**	**5,134**
Finance revenue	24	-4	74	156
Finance costs	-373	-315	-1,165	-573
Share of profits from associates	5	115	-13	215
Financial result and share of profits from associates	**-344**	**-204**	**-1,104**	**-203**
Net profit before tax	**4,376**	**2,779**	**8,332**	**4,931**
Income taxes	-1,206	-818	-2,257	-1,385
Consolidated net profit for the period	**3,170**	**1,961**	**6,075**	**3,546**
of which attributable to:				
Shareholders of PVA TePla AG	3,237	2,084	6,147	3,678
Minority interest	-67	-123	-72	-132
Consolidated net profit for the period	**3,170**	**1,961**	**6,075**	**3,546**
Earnings per share				
Earnings per share (basic/diluted) in EUR	0.15	0.10	0.28	0.17
Earnings per share (diluted) in EUR	0.15	0.10	0.28	0.17
Average number of share in circulation (basic)	21,749,988	21,749,988	21,749,988	21,749,988
Average number of share in circulation (diluted)	21,749,988	21,749,988	21,749,988	21,749,988

Consolidated Statement of Comprehensive Income January 1 - June 30, 2009

in EUR ´000	April 01 - June 30,09	April 01 - June 30, 08	Jan. 01 - June 30,09	Jan. 01 - June 30, 08
Consolidated net profit for the period	**3,170**	**1,961**	**6,075**	**3,546**
of which attributable to shareholders of PVA TePla AG	3,237	2,084	6,147	3,678
of which attributable to minority interest	-67	-123	-72	-132
Other comprehensive income				
Currency changes	24	-4	17	-31
Income taxes	0	0	0	0
Changes recognized outside profit or loss (currency changes)	**24**	**-4**	**17**	**-31**
Changes in fair values of derivative financial instruments	192	438	51	237
Income taxes	-53	-127	-14	-69
Changes recognized outside profit or loss (derivative financial instruments)	**139**	**311**	**37**	**168**
Other comprehensive income after taxes (changes recognized outside profit or loss)	**163**	**307**	**54**	**137**
of which attributable to shareholders of PVA TePla AG	163	307	54	137
of which attributable to minority interest	**0**	**0**	**0**	**0**
Total comprehensive income	**3,333**	**2,268**	**6,129**	**3,683**
of which attributable to shareholders of PVA TePla AG	3,400	2,391	6,201	3,815
of which attributable to minority interest	-67	-123	-72	-132

Consolidated Cash Flow Statement January 1 - June 30, 2009

in EUR ´000	Jan. 01 - June 30, 09	Jan. 01 - June 30, 08
Consolidated net profit for the period	6,075	3,546
Adjustments to the consolidated net profit for the period for reconciliation to the cash flow operating activities:		
+ Income tax expense	2,257	1,385
- Finance revenue	-74	-156
+ Finance costs	1,165	573
= Operating profit	**9,423**	**5,348**
- Income tax payments	99	-416
+ Amortization and depreciation	1,324	1,052
- Share of profits from associates	13	-215
-/+ Gains/losses on disposals of non-current asstes	-2	87
+/- Other non-cash expenses (income)	19	1
	10,876	**5,857**
-/+ Increase/decrease in inventories, trade receivables and other assets	7,659	-4,891
+/- Increase/decrease in provisions	1,048	407
+/- Increase/decrease in trade payables and other liabilities	-1,998	5,198
= Cash flow from operating activities	**17,585**	**6,571**
+ Receipts from associates	116	65
+ Proceeds from disposals of intangible assets and property, plant and equipment	2	35
- Acquisition of intangible assets and property, plant and equipment	-2,039	-6,001
+ Interest receipts	85	156
= Cash flow from investing activities	**-1,836**	**-5,745**
+ Receipts from issuance of debt and borrowing of loans	0	4,000
- Payments from redumption of debt and loans	-2,664	-2,624
+/- Change in short-term bank liabilities	213	1,158
- Payment of interest	-524	-573
= Cash flow from financing activities	**-2,975**	**1,961**
net change in cash and cash equivalents	12,774	2,788
+/- Effect of exchange rate fluctuations on cash and cash equivalents	7	8
+ Cash and cash equivalents at beginning of the period	5,198	9,071
= Cash and cash equivalents at the end of the period	**17,979**	**11,868**

Consolidated Statement of Changes in Equity January 1 - June 30, 2009

	Shared issues						
	Number	EUR ´000	Revenue reserves EUR ´000	Other equity components EUR ´000	Total EUR ´000	Minority interest EUR ´000	Total Share-holders equity EUR ´000
As at January 01, 2008	21,749,988	21,750	9,367	-199	30,918	-10	30,908
Total income			9,900	-283	9,617	-165	9,452
As at December 31, 2008	21,749,988	21,750	19,267	-482	40,535	-175	40,360
As at January 01, 2009	21,749,988	21,750	19,267	-482	40,535	-175	40,360
Total income			6,147	54	6,201	-72	6,129
As at June 30, 2009	21,749,988	21,750	25,414	-428	46,736	-247	46,489

Selected Notes to the PVA TePla AG Consolidated Half-Year Report 2009

A. General Information and Basis of Presentation

PVA TePla AG is a stock corporation in accordance with German law. The Company is entered in the Commercial Register of the Giessen Local Court under HRB 6845. The registered address of the Company is 35435 Wettenberg, Germany.

General Principles and Accounting Standards
This half-year financial report was prepared in accordance with International Financial Reporting Standards (IFRS). The interim financial report thus also complies with IAS 34 (Interim financial reporting).

This half-year report has not been audited.

These notes mainly contain details of items in which there have been significant changes as against the consolidated financial statements as of December 31, 2008.

Reporting Currency and Currency Translation
The reporting currency and currency translation principles applied are the same as those used for the 2008 annual financial statements. The significant exchange rates of countries outside the euro area that are included in the half-year financial report are as follows:

Closing rate at reporting date (EUR = 1):

	June 30, 2009	Dec. 31, 2008
USA (USD)	1.40469	1.40944
China (CNY)	9.58773	9.60615
Denmark (DKK)	7.44602	7.45156
Singapore (SGD)	2.04207	2.03252
Norway(NOK)	9.04977	9.91080

Average rate 01.01 – 30.06. (EUR = 1):

	2009	2008
USA (USD)	1.33314	1.52886
China (CNY)	9.09587	10.78400
Denmark (DKK)	7.44879	7.45601
Singapore (SGD)	1.98886	2.12193
Norway (NOK)	8.89601	7.95102

Companies Included in Consolidation
These interim consolidated financial statements of PVA TePla include its fully consolidated subsidiaries and one associate accounted for using the equity method. The following companies were fully consolidated in the interim financial statements as of June 30, 2009:

Name	Registered office	Equity interest
PVA TePla AG (parent company)	Wettenberg, Germany	100%
PVA TePla America Inc.	Corona/CA, USA	100%
PVA Jena Immobilien GmbH	Jena, Germany	100%
PVA Vakuum Anlagenbau Jena GmbH	Jena, Germany	100%
Xi´an HuaDe CGS Ltd.	Xi´an, PR China	51%
PVA Löt- und Werkstofftechnik GmbH	Jena, Germany	100%
PVA Control GmbH	Wettenberg, Germany	100%
Plasma Systems GmbH	Feldkirchen, Germany	100%
PlaTeG GmbH	Siegen, Germany	100%
PVA TePla Singapore Pte. Ltd.	Singapore	100%
PVA TePla Analytical Systems GmbH	Aalen, Germany	100%

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

The companies included in the PVA TePla AG consolidated group have changed as against December 31, 2008. Crystal Growing Systems GmbH, Wettenberg, a wholly owned subsidiary of PVA TePla AG, was integrated into its parent company retroactively to January 1, 2009. The merger was entered in the Giessen Commercial Register on June 22, 2009 and is therefore complete. All rights and obligations arising from existing legal relationships and contracts have transferred to PVA TePla AG.

Principles of Consolidation
The principles of consolidation applied in this half-year report are the same as those applied in the consolidated financial statements as of December 31, 2008. The single-entity financial statements included in the half-year financial statements are prepared with consistent accounting policies according to IAS 27 (Consolidated and separate financial statements).

Accounting and Valuation Principles
The accounting and valuation principles applied in this interim report as of June 30, 2009 are the same as those applied in the annual financial statements as of December 31, 2008.

Please see page 92 of the 2008 Annual Report for changes in reporting. The previous year's figures have been restated accordingly in this interim report.

Roundings
The tables and figures used in these interim financial statements are based on precisely calculated amounts that are subsequently rounded to the nearest million or thousand Euro. Rounding differences within tables and between figures thus cannot always be avoided.

Estimates and Assumptions
The preparation of the half-year financial statements requires estimates and assumptions to be made by the management influencing the reported income, expenses, assets, liabilities and the disclosure of contingent liabilities at the time of the interim financial statements.

If such estimates and assumptions made to the best of management's knowledge at the time of the interim financial statements deviate from actual circumstances at a later date, the original estimates and assumptions are restated accordingly in the reporting period in which the changes arise.

B. Notes to Selected Balance Sheet Items

Coming Receivables on Construction Contracts
In accordance with IAS 11.42a, the gross amount due from customers for contract work reported as an asset. These items are shown separately under "Coming receivables on construction contracts".

Contract costs accounted for using the percentage of completion method and revenue from work in progress in the system construction business are as follows:

in EUR ´000	June 30, 2009	Dec. 31, 2008
Capitalized production costs including contract profit	46.941	48.293
for which advance payments received (progress billings)	-26.788	-25.979
Total	**20.153**	**22.314**

Other Current Receivables
Other current receivables break down as follows:

in EUR ´000	June 30, 2009	Dec. 31, 2008
Derivative financial instruments	23	259
Receivables from investment incentives	3	578
Value added tax receivables	466	1,150
Accounts payable with debit balances	274	17
Deferred prepayments	751	80
Other items	725	760
Total	**2,242**	**2,844**

Shareholders´ Equity/Authorized Capital

Share Capital
As of June 30, 2009, PVA TePla AG had issued 21,749,988 no-par value shares each with a notional interest in the share capital of EUR 1.00.

Contingent and Authorized Capital
There was no contingent capital as of June 30, 2009.

The Annual General Meeting of PVA TePla AG on June 15, 2007 authorized the Management Board, with the approval of the Supervisory Board, to increase the share capital of the Company on one or more occasions until June 14, 2012 by a total of up to EUR 10,874,994 by issuing 10,874,994 new no-par value bearer shares against cash or non-cash contributions with shareholders' subscription rights disapplied to the extent permitted by law. No capital increases from this authorized capital were resolved in 2009.

Non-current Financial Liabilities
The non-current financial liabilities of EUR 15,227 thousand (December 31, 2008: EUR 17,874 thousand) are all due to banks.

The non-current financial liabilities are composed as follows:

in EUR ´000	June 30, 2009	Dec. 31, 2008
Non-current financial liabilities	16,472	19,117
Less: portion of non-current financial liabilities with maturity of up to one year	-1,245	-1,243
Non-current financial liabilities less current portion	15,227	17,874

Retirement Pension Provisions
The addition to pension provisions was based on the information on the expected pension provisions as of December 31, 2009 contained in the actuarial reports used to prepare the consolidated financial statements as of December 31, 2008.

Current Financial Liabilities
Current financial liabilities reported here primarily relate to the current portions of non-current financial liabilities totaling EUR 1.2 million (December 31, 2008: EUR 1.2 million). Current liabilities to banks amounted to EUR 0.2 million (December 31, 2008: EUR 0.0 million).

Obligations from Construction Contracts
Among other things, the PVA TePla Group manufactures large-scale systems under customer-specific contracts for which customers make payments in accordance with the progress of the contract.

In accordance with IAS 11.42b, the gross amount due to customers for contract work is reported as a liability. The negative balance resulting from sales revenues and progress billing is calculated on the basis of the percentage of completion. These items are reported separately in the balance sheet at "Obligations from Construction Contracts".

Obligations from construction contracts are composed as follows:

in EUR ´000	June 30, 2009	Dec. 31, 2008
Advance payments received (progress billing)	4,028	7,472
Less contract costs incurred (incl. share of profit)	-3,139	-5,494
Total	889	1,978

Advance Payments Received on Orders

The financing of the PVA TePla Group is largely based on the advance payments and interim payments received from customers, particularly in the case of larger contracts. The value of the advance payments received as of June 30, 2009 was EUR 20,437 thousand (December 31, 2008: EUR 23,100 thousand).

Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier at the balance sheet date. This also includes amounts due to employees.

Accruals are composed as follows:

in EUR ´000	June 30, 2009	Dec. 31, 2008
Obligations to employees	4,121	3,189
Obligations to suppliers	4,945	2,522
Other obligations	1,691	1,262
Total	**10,757**	**6,973**

All the amounts reported are current.

Other Provisions

Other provisions consist of non-current (EUR 351 thousand, December 31, 2008: EUR 512 thousand) and current provisions (EUR 8,553 thousand, December 31, 2008: EUR 6,854 thousand) and break down as follows:

in EUR ´000	June 30, 2009	Dec. 31, 2008
Warranty	3,919	3,554
Part-time retirement schemes	6	19
Impending losses on rentals	259	327
Follow-up costs	2,572	1,756
Archiving	141	144
Penalties	936	611
Others	1,071	955
Total	**8,904**	**7,366**

Provisions are recognized solely in respect of obligations to third parties where utilization is highly probable. Provisions are measured at the amount of probable utilization.

The non-current provisions essentially relate to provisions for impending losses and archiving and are reported separately in the balance sheet. All other provisions are short-term in nature.

C. Notes on Selected Income Statement Items

Sales Revenues

PVA TePla principally generates its sales revenues through the sale of systems. Additional sales revenues are generated from services and by supplying spare parts (referred to collectively as after-sales service), as well as providing services for customers in the Company's own facilities (contract processing, mainly carried out by PVA Löt- und Werkstofftechnik GmbH and in the field of plasma treatment by PVA TePla America Inc.). Sales revenues can be broken down into these categories as follows:

in EUR ´000	First half of 2009	First half of 2008
Systems	69,055	66,772
After-sales	6,523	5,643
Contract processing	868	1,552
Others	13	96
Total	**76,459**	**74,033**

The growth in sales revenues in the first half of the fiscal year 2009 was mainly due to the systems business. Revenue growth from after-sales was also encouraging, while sales revenues from contract processing declined in the first half-year.

Research and Development Expenses

In calculating the research and development expenses reported in the income statement in the amount of EUR 1,043 thousand for the first half of 2009 and EUR 801 thousand for 2008, government grants of EUR 48 thousand and EUR 53 thousand respectively were deducted.

Taxes on Income

Taxes on income are calculated on a best-estimate basis applying the projected weighted average tax rate for the full fiscal year.

Since January 1, 2009, we have applied a tax rate of 28% for companies in Germany. This includes corporation tax of 15%, a solidarity surcharge of 5.5% on corporation tax and trade tax of 12%.

Deferred taxes were measured after they had been incurred using the tax rates stated above or, for companies outside of Germany, the country-specific tax rates.

The actual tax charge is based on probable future tax liabilities and reimbursement claims.

Expenses for taxes on income break down as follows:

in EUR ´000	First half of 2009	First half of 2008
Current tax expense	-2,461	-751
Deferred tax expense/income	204	-634
Total income taxes	**-2,257**	**-1,385**

Earnings per Share

Consolidated net profit for the first half of the year before minority interests amounted to EUR 6,147 thousand (previous year: EUR 3,678 thousand). An average number of 21,749,988 no-par value shares were outstanding in the first half of 2009.

Earnings per share are calculated by dividing net profit by the weighted average number of shares outstanding during the year.

Calculation of earnings per share for the first half-year in 2008 and 2009:

in EUR ´000	First half of 2009	First half of 2008
Numerator		
Consolidated net profit for the period before minority interests (EUR´000)	6,147	3,678
Denominator		
Weighted number of shares outstanding – basic	21,749,988	21,749,988
Earnings per share (EUR)	**0,28**	**0,17**

At the balance sheet date, no stock options were issued to employees and members of the Management and Supervisory Boards entitling them to purchase PVA TePla AG shares. Accordingly, this means there were no dilutive effects on earnings per share as of June 30, 2009.

D. Notes on the Cash Flow Statement

The cash flow statement was prepared in line with the same principles as in the annual financial statements 2008 and is structured in the same way.

E. Additional Disclosures

Segment Reporting

Since January 2009, the PVA TePla Group has been reorganized into three new divisions: Industrial Systems, Semiconductor Systems and Solar Systems. This move is intended to afford a sharper product focus in individual markets, as well as to improve operational transparency for the capital markets. For more details on the new business divisions, please refer to pages 34 et seq. in the 2008 Annual Report and chapter 4 "New Group Structure" in this interim report.

The necessary segment information is based on IFRS 8 "Operating Segments", which defines the requirements for reporting on the financial results of a company's business segments. IFRS 8 replaced IAS 14 "Segment Reporting" on January 1, 2009 and follows the management approach, which requires consistency between segment information used internally and segment information published externally.

Performance is assessed and decisions regarding the assignment of resources to the segments are made on the basis of PVA TePla AG's three business divisions. The following segment reporting therefore follows the Group's organizational structure of three business divisions based on the PVA TePla's Group internal management reporting system, which are presented under item 2 "Reporting Structure" in this interim report. Cross-segment transactions

– this mainly concerns PVA Vakuum Anlagenbau Jena GmbH, which is assigned to Semiconductor Systems for organizational purposes but also works for Solar Systems – are broken down accordingly for segment reporting.

Due to the reorganization of individual companies as part of the restructuring of the Group's organization, figures for previous year were restated accordingly. No further segments were identified under IFRS 8 than was the case under IAS 14.

The following tables provide a general overview of the operating segments of PVA TePla AG. In line with IFRS 8, segment reporting also includes a reconciliation from the total segment results to the Group's net income for the period.

The segment information **for the second quarters of 2009 and 2008** is as follows:

in EUR ´000	External sales revenues		Internal sales revenues		Total sales revenues		EBIT	% of sales revenues	EBIT	% of sales revenues
	2009	2008	2009	2008	2009	2008	2009		2008	
Industrial Systems	12,361	12,047	-162	1,375	12,199	13,423	1,589	12.9	1,317	10.9
Semiconductor Systems	10,597	8,426	-119	184	10,479	8,610	767	7.2	554	6.6
Solar Systems	14,867	18,972	260	0	15,127	18,972	2,358	15.9	1,104	5.8
Segment total	**37,825**	**39,445**	**-21**	**1,559**	**37,805**	**41,005**	**4,714**	**12.5**	**2,975**	**7.5**
Consolidation	0	0	0	0	0	0	6		9	
Group	**37,825**	**39,445**	**-21**	**1,559**	**37,805**	**41,005**	**4,720**	**12.5**	**2,984**	**7.6**

The segment information **for the first halves of 2009 and 2008** is as follows:

in EUR ´000	External sales revenues		Internal sales revenues		Total sales revenues		EBIT	% of sales revenues	EBIT	% of sales revenues
	2009	2008	2009	2008	2009	2008	2009		2008	
Industrial Systems	23,215	22,913	337	2,213	23,552	25,126	2,743	11.8	1,614	7.0
Semiconductor Systems	21,455	24,418	-217	217	21,239	24,635	1,587	7.4	2,236	9.2
Solar Systems	31,789	26,702	260	0	32,049	26,702	4,859	15.3	1,284	4.8
Segment total	**76,459**	**74,033**	**380**	**2,430**	**76,840**	**76,463**	**9,189**	**12.0**	**5,133**	**6.9**
Consolidation	0	0	0	0	0	0	247		1	
Group	**76,459**	**74,033**	**380**	**2,430**	**76,840**	**76,463**	**9,436**	**12.3**	**5,134**	**6.9**

The reconciliation of the segment results (EBIT) to the consolidated net profit for the period is as follows:

in EUR ´000	Q2/2009	Q2/2008	H1 2009	H1 2008
Total segment results	4,714	2,975	9,189	5,133
Consolidation	6	9	247	1
Group operating profit (EBIT)	4,720	2,984	9,436	5,134
Financial result	-349	-319	-1,091	-417
Share of profits from associates	5	115	-13	215
Net profit before tax	4,376	2,779	8,332	4,931
Income taxes	-1,206	-818	-2,257	-1,385
Consolidated net profit for the period	3,170	1,961	6,075	3,546

Business relationships between the segments were eliminated in consolidation.

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.

- Currency Forwards and Hedging

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

Foreign exchange contracts with an open volume of EUR 413 thousand or USD 564 thousand have been entered into in order to hedge the US Dollar payments on a delivery in the Industrial Systems Division. The maturity of these foreign exchange contracts was set to correspond with the timing of the expected payments. These foreign exchange contracts have been measured at fair value on the basis of the forward currency rate on the balance sheet date for the remaining term and their fair values as of June 30, 2009 totaled EUR 10 thousand.

Foreign exchange contracts with an open volume of EUR 3,091 thousand or USD 4,332 thousand have been entered into in order to hedge the US Dollar payments for deliveries by the Semiconductor Systems Division. The due date on this foreign exchange contract was set to correspond with the date when money was expected to be received. These forward exchanges were also carried at fair value at the balance sheet date. The fair value of these contracts is EUR -1 thousand.

- Interest Rate Hedges

To hedge the interest rate risk for financing investments in newly constructed buildings at the Wettenberg and Jena sites, interest rate hedges originally totaling EUR 11,600 thousand were concluded. The open amount of these hedges as of the reporting date of June 30, 2009 was EUR 10,333 thousand. The fair value of these instruments is reported under other provisions, totaling EUR -536 thousand as of the reporting date.

The loan of originally EUR 10 million to finance the new building at the Wettenberg location on which the above interest rate hedge is based had not been utilized as of June 30, 2009. Accordingly, the fair values of the interest rate derivatives and deferred taxes on these were not taken to equity under other provisions. The fair values (cumulatively EUR 518 thousand, EUR 34 thousand of which recognized in income in the second quarter) were recognized under financing expenses.

Other Financial Obligations

There were no notable changes in other financial obligations from leases and other contracts as against the 2008 annual financial statements.

Cost of Materials

The cost of sales includes the following costs of materials:

in EUR ´000	First half of 2009	First half of 2008
Cost of raw materials, consumables and supplies and of goods purchased and held for resale	39,858	42,479
Cost of purchased services	3,723	4,333
Total	**43,581**	**46,812**

Personnel Expenses

The personnel expenses break down as follows:

in EUR ´000	First half of 2009	First half of 2008
Wages and salaries	14,149	12,846
Social charges	2,461	1,895
Expenditure on retirement pensions	224	360
Total	**16,834**	**15,101**

The average number of employees by function developed as follows in the reporting period:

Number of employees by function (averages)	First half of 2009	First half of 2008
Administration	70	57
Sales	50	48
Engineering, research and development	101	95
Production and service	289	274
Total number of employees	**510**	**474**

Executive Bodies of the Company

In the first half of fiscal year 2009, the Management Board of PVA TePla AG consisted of the following persons:

Peter Abel, Wettenberg (Chairman/CEO)
Engineer

Managing director of the following Group companies:
- Crystal Growing Systems GmbH, Wettenberg (until June 22, 2009)
- PVA Jena Immobilien GmbH, Jena
- Plasma Systems GmbH, Feldkirchen
- PVA TePla Analytical Systems GmbH, Aalen

and of the following non-Group companies:
- PA Beteiligungsgesellschaft mbH, Wettenberg

Member of the following supervisory bodies:
- PVA TePla America Inc., Corona, USA (Director)
- Xi'an HuaDe CGS Ltd., Xi'an, China (Chairman of the Supervisory Board)
- ScheBo Biotech AG, Giessen (Chairman of the Supervisory Board)
- OPTOTEC GmbH, Wettenberg (Chairman of the Advisory Board)
- 3D Präzisionstechnik AG, Asslar (Chairman of the Supervisory Board)

Arnd Bohle, Bochum (CFO)
Business graduate

Managing director of the following Group companies:
- Crystal Growing Systems GmbH, Wettenberg (until June 22, 2009)
- PlaTeG GmbH, Siegen

Mr. Bohle is not a member of any supervisory bodies.

In the first half of fiscal year 2009, the Supervisory Board of PVA TePla AG consisted of the following persons:

Alexander von Witzleben, Weimar (Chairman)
Feintool International Holding AG, Lyss (President of the Administration Board)

Memberships in other executive bodies:
- VERBIO AG, Zörbig (Chairman of the Supervisory Board)
- Caverion GmbH, Stuttgart (Chairman of the Supervisory Board)
- Kaefer Isoliertechnik GmbH & Co. KG, Bremen (member of the Advisory Board)

Dr. Gernot Hebestreit, Leverkusen (Deputy Chairman)
Managing Partner of SUSAT & PARTNER OHG (Wirtschaftsprüfungsgesellschaft), Cologne
Director at Grant Thornton GmbH, Hamburg
Chairman of the Executive Board of the Association for Corporate Growth Rhein-Ruhr e.V., Cologne

Memberships in other executive bodies:
- Comvis AG, Düsseldorf (Deputy Chairman of the Supervisory Board)
- Grant Thornton International Ltd., London, UK (member of the Supervisory Board)

Prof. Dr. Günter Bräuer, Cremlingen
Director of the Fraunhofer Institute for Laminate and Surface Engineering, Braunschweig, and Managing Director of the Institute for Surface Engineering (IOT) at the Technical University of Braunschweig

Memberships in other executive bodies:
- PEP Photonos European Photovoltaics AG, Mainz (member of the Supervisory Board)
- AMG Coating Technologies GmbH, Hanau (member of the Advisory Board)

There were no changes with regard to the functions and memberships of other bodies of the members of executive bodies at PVA TePla AG as of June 30, 2009. The shareholders present at the Annual General Meeting reelected the members of the Supervisory Board by a large majority.

Related Parties
There are two relevant categories of transactions with related parties for the PVA TePla Group: transactions with companies in which executive officers of PVA TePla AG have significant shareholdings or over which they exercise significant influence, and relationships with the associated company PVA MIMtech LLC, Cedar Grove/NJ, USA.

Relationships with Executive Officers
The ordinary business activities of the PVA TePla Group involve the exchange of services with companies in which the Chief Executive Officer of PVA TePla AG holds shares or over which he exercises significant influence. All transactions are conducted at arm's length conditions.

As in the past, the relevant transactions by PVA TePla AG with related parties are limited to one IT company. In the first half of 2009, the value of purchases from this company amounted to EUR 280 thousand and the value of sales to EUR 2 thousand. The net amounts of outstanding receivables and liabilities as of June 30, 2009 were EUR 0 thousand and EUR 27 thousand respectively.

Relationships with Associated Companies
Services between PVA TePla AG and the associated company PVA MIMtech LLC, Cedar Grove/NJ, USA are exchanged at only a very low level. No sales or purchases were performed between PVA MIMtech LLC and the companies of the PVA TePla Group in the first half of 2009. The value of receivables and liabilities as of June 30, 2009 was EUR 0 thousand and EUR 0 thousand respectively. In addition, borrowing by PVA MIMtech LLC is partly provided through the PVA TePla Group. As a result, there were outstanding receivables of EUR 142 thousand as of the balance sheet date (December 31, 2008: EUR 142 thousand).

Disclosures in Accordance with Section 160 (1) no. 8 AktG
No new notifications were received in the first half of 2009.

Significant Post-reporting Period Events
Please see item 14 of this half-year report. There were no significant events after June 30, 2009.

Auditors
At the Annual General Meeting on June 29, 2009, in line with the proposal by the Supervisory Board, the shareholders elected Ebner Stolz Mönning Bachem GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft/Steuerberatungsgesellschaft, Frankfurt/Main, Germany, as the auditors of the annual and consolidated financial statements for fiscal 2009.

Responsibility Statement
"To the best of our knowledge and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year."

Wettenberg, August 13, 2009

Peter Abel
- Chief Executive Officer -

Arnd Bohle
- Chief Financial Officer -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ADDITIONAL INFORMATION

ADDITIONAL INFORMATION

Financial Calendar

November 6, 2009	Publication of the Q3 Report
November 9-11, 2009	German Equity Forum

Imprint

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