

Press Release

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PVA TePla maintains course of growth in 2019 Medium-term growth track intact 2020 performance dominated by uncertainty over COVID-19 situation

- Consolidated sales revenues up 35% in 2019 to EUR 131 million
- EBITDA improves from EUR 12.3 million in previous year to EUR 16 million in 2019
- Semiconductor Systems business unit sees highest segment sales revenues in nine years at EUR 85.8 million
- Crystal growing and metrology systems key drivers of growth
- Forecast shaped by uncertainty

The 2019 fiscal year was entirely characterized by further growth for the PVA TePla Group, which boosted its sales revenues by 35% from EUR 96.8 million in the previous year to EUR 131 million. This even exceeded the guidance for sales revenues and operating profit that had been increased during the year. The Group also significantly improved operating earnings before interest, taxes and amortization (EBITDA), which came to EUR 16 million in the reporting period, substantially higher than the previous year's figure of EUR 12.3 million. EBIT climbed to EUR 12.4 million, also marking a year-on-year upturn (previous year: EUR 9.5 million).

“Our leading technologies in crystal growing and metrology mean that we are excellently positioned and this is also reflected in our well-stocked order books. However, the outbreak of COVID-19 has put us in an exceptional situation that creates great uncertainty,” said Alfred Schopf, CEO of PVA TePla AG. “Our focus in these turbulent times is clearly on protecting our employees while also ensuring that we provide the best-possible service to our customers. We are currently taking all necessary actions which are required in all functional areas.”

Significant Sales Revenues Growth in Both Segments

At EUR 85.8 million (previous year: EUR 59.5 million), Semiconductor Systems achieved not only a considerable upturn in fiscal year 2019 but also the highest segment sales revenues in nine years. The business unit accounted for the largest share of the PVA TePla Group’s total sales revenues at 65%. Key growth drivers in this segment are crystal growing systems for the wafer industry and metrology systems for inspection.

The Industrial Systems business unit also again demonstrated its strong market position for sintering systems for the machine tool industry. It generated sales revenues of EUR 45.2 million (previous year: EUR 37.3 million), a rise of 21% and the highest figure in eight years. It accounted for 35% of total consolidated sales revenues.

The PVA TePla Group has a positive net financial position of EUR 21 million plus EUR 9 million in cash investments included in current assets.

High Incoming Orders and Order Backlog

Orders remained more or less stable at a very high level in fiscal year 2019. At EUR 171 million, the PVA TePla Group's order backlog in the reporting period was approximately on par with the year prior (EUR 171.5 million). The volume of new orders from current operating business amounted to EUR 131.1 million, at the same level as last year's figure (EUR 135 million). New orders received in 2019 were essentially from normal operating operation and included a larger order to supply crystal growing systems for the Asian semiconductor market.

Key Acquisition Increases Manufacturing Capacities

The PVA TePla Group bolstered its manufacturing capacities in fiscal year 2019 by making a key strategic acquisition. It acquired the operations of a globally highly regarded vessel manufacturer in Italy. The double-walled vessels produced at this new location are a central component for vacuum and high-temperature systems as well as for many crystal growing systems. The acquisition allows PVA TePla to optimize its supply chains and avoid bottlenecks in the procurement of components.

Forecast

The PVA TePla AG Management Board had originally expected consolidated sales revenues and EBITDA to continue their growth in the current fiscal year 2020. Given the current situation regarding the spread of COVID-19 and the high degree of uncertainty and operational challenges that this entails, it now assumes – based on current knowledge – that there will be substantial project delays, at least in the first and second quarters of 2020. The health of our employees is a major concern. Extensive precautions have been taken to avoid the risk of infection at all of the PVA TePla sites. At present, a serious estimate of the overall financial impact of the Corona crisis on the current business is characterized by uncertainties.

In the medium-term, the course of growth and further growth prospects remain robust and intact.

The audited consolidated annual statements for 2019 will be published on March 26, 2020, and can be downloaded from the company's website www.pvatepla.com from that date.

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