

Optical Disc

Solar



Business Trends and Situation of the SINGULUS TECHNOLOGIES Group

The business results of the first quarter 2009 of the SINGULUS TECHNOLOGIES AG (SINGULUS) reflect both the impacts of the current global economic crisis as well as the specific situation of the optical disc and solar industries. The investment behavior of our customers has become significantly more cautious since the end of 2008. Started projects are postponed and necessary orders placed as late as possible.

Accordingly, SINGULUS projected the budget for the business year 2009 cautiously and implemented company-wide provisions for measures to reduce the cost base. This includes personnel measures. The company reduced the headcount at Kahl am Main by 54 employees as of April 30, 2009. Further 36 employees will be laid-off at international subsidiaries. Since February 1, 2009 SINGULUS has introduced short-time work at Kahl am Main.

Sales of € 35.4 million in the 1st quarter 2009 were higher than in the same quarter one year ago (€ 30.3 million). In the 1st quarter 2009 earnings before interest and taxes (EBIT) in the amount of € -4.9 million were realized (previous year: € 0.3 million). This included restructuring charges in the amount of € 3.0 million related to the reduction of employees. The operating expenses (before extraordinary items) improved substantially in the first quarter 2009 compared with the prior-year period. The expenses for Research & Development, Sales & Marketing, Service and Administration declined by nearly 20 percent to € 13.4 million. The order intake was weak at € 17.4 million (previous year: € 84.4 million).

The gross profit margin improved significantly to 33.2 % compared with the previous year (21.7 %) and reflects the high share of Blu-ray and Solar equipment of overall sales.



Blu-ray Disc for better picture quality, higher colour brilliance and more sharpness.



Information about the new Blu-ray technology and the latest Blu-ray movie news can be found on the homepage of the German Blu-ray Association: <http://www.blu-ray-experience.de>.

Optical Disc activities in the 1st quarter 2009 restrained – increased project activities in the 2nd quarter

The significant decline in demand for CD and DVD producing machines has already begun in the 2nd half 2008 and still continues. Numerous used machines were offered in the market due to the bankruptcy or shut-down of CD and DVD producers in 2008 and the beginning of 2009. We expect the sales of machines for CD and DVD to remain weak in the remaining months of the business year 2009 as well.

There is brisk buying interest of our customers in terms of machines for the production of Blu-ray Discs. Difficult or lacking financing on the one hand and the uncertainty about the required capacity for 2009 on the other hand has currently led to the postponement of investment decisions. The company is satisfied with the technical performance of the BLULINE II irrespective of the current order activities for machines for the production of Blu-ray Disc. The delivered machines work technologically flawlessly and were clearly able to beat the competition in the market.

A success was achieved for our mastering machine CRYSTALLINE in April 2009. The first Blu-ray Disc master met the specifications for the Blu-ray dual layer technology with 50 gigabyte. This performance improvement will be transferred in the next couple of weeks to the systems already delivered to the market. Since there is only one other competitor in the market next to the CRYSTALLINE by SINGULUS Mastering, we see good sales prospects worldwide in the future.

The project activities in the optical disc market once again exhibit an upward trend after a quiet 1st quarter and make us cautiously optimistic for the second half of the year.

Business activities in the Solar segment restrained – pick-up projected in the 2nd half of 2009

As in many other sectors of machine and plant engineering, the global economic crisis also had a negative impact on the solar industry for the first time. In the first months of the business year 2009 in particular in the Solar sector a significant slow-down of activities was experienced. Difficulties in financing of new projects and the sluggish demand of end-consumers are the main reasons for restrained orders. The weak order intake in the 1st quarter is a result of this development.

Part of the public funds from the international economic stimulus programs will also be invested in the solar sector. Therefore, we expect that the market for production equipment for solar cells and modules will pick up during the 2nd half of 2009. In the medium-to long-term we continue to envisage good market and growth prospects for photovoltaic production equipment.

The STANGL Semiconductor Equipment AG (STANGL) commenced the market launch of the new wet-chemical cleaning machine LINEA for silicon solar cells at the 4th Photon Photovoltaic Technology Show in Munich. LINEA is a new inline machine for wet-chemical cleaning and etching of crystalline solar wafers.



Solar power plant with silicon solar modules



Thin-film solar technology – an area with high growth potential

Flexible solar cells on a building
(ThyssenKrupp)

SINGULUS is extensively working on the process-technical commissioning and optimization of its new SINGULAR coating machine for silicon solar cells. The cooperation with the partner Q-Cells has yielded substantial progress in the performance. At the same time SINGULUS is holding sales talks with additional solar cell producers. The SINGULAR machine, which is developed at SINGULUS in Kahl am Main, is an important building block in the production process to reduce the cost of production of solar cells. In terms of the value-added chain it ties directly to the processing steps of the LINEA inline machines offered by STANGL.

Globally, SINGULUS and STANGL see a substantial increase in projects for thin-film solar technology. Here, STANGL is leading with its wet-chemical cleaning equipment TENUIS and VITRUM for glass substrates and with the IMPEDIO machine for solar foils.

Through a cooperation with the Helmholtz Zentrum Berlin für Materialien und Energie (HZB) STANGL was able to develop a new process for the production of thin-film solar cells. The company therefore gained a substantial market lead in the development of the next generation of "dry" cleaning processes. The new Spray Ion Layer Gas Reaction Process (ILGAR) can be used for the application of indium sulfide buffer layers, which are capable of replacing cadmium in specific thin-film solar cells. The spray technology is reproducible, fast and cost-efficient.

STANGL is developing the prototype of a cleaning machine for the new ILGAR process and will market this technology exclusively for thin-film solar cells on glass and foil.

Semiconductors

The business activities in our Semiconductor division also decreased in the 1st quarter 2009 compared with the same period one year ago. This segment was unable to withdraw from the weakness in the semiconductor industry.

Merger of the HamaTech AG

On February 24, 2009 the merger of the HamaTech AG to the SINGULUS TECHNOLOGIES AG became effective with the entry of the merger into the Commercial Register. Therefore, the assets of the HamaTech AG including its liabilities have been transferred to the SINGULUS TECHNOLOGIES AG. The HamaTech AG ceased to exist with the merger. The listing of the shares of the HamaTech AG on the Regulated Market of the Frankfurt Stock Exchange (General Standard) was terminated with effect from February 25, 2009.

Upon request of the HamaTech AG the District Court Nuremberg-Fürth ordered on August 14, 2008 that the filing of lawsuits does not oppose the entry of the merger into the commercial register. The appeal against this order filed by some shareholders was finally dismissed by decision of the Higher Regional Court Nuremberg on February 17, 2009. Therefore, the registering of the merger in the commercial register can be performed.



SINGULUS and STANGL –
Exhibition booth at Photon trade fair in Munich

To implement the merger the SINGULUS TECHNOLOGIES AG raised its nominal capital from authorized capital by € 409,064.00 by means of issue of 409,064 new shares. This capital increase was entered into the Commercial Register of the SINGULUS TECHNOLOGIES AG on February 24, 2009.

Order intake and order backlog

The order intake in the 1st quarter 2009 of € 17.4 million was significantly below the level achieved in the same period one year ago (€ 84.4 million). As of March 31, 2009 the order backlog amounted to € 52.2 million and was thus also below the prior-year level of € 109.9 million.

Sales and earnings

Sales in the 1st quarter 2009 of € 35.4 million exceeded the prior-year level of € 30.3 million. The percentage regional breakdown of sales for the 1st quarter 2009 was as follows: Europe 32.8 % (previous year: 61.1 %), Asia 23.3 % (previous year: 15.9 %), North and South America 40.6 % (previous year: 21.0 %) as well as Africa and Australia 3.3 % (previous year: 2.0 %).

The gross margin in the 1st quarter stood at 33.2 %, considerably above the level of the prior-year period (21.7 %).

In the 1st quarter 2009 earnings before interest and taxes (EBIT) in the amount of € -4.9 million were realized. This included restructuring charges in the amount of € 3.0 million. In 2008, the slightly positive EBIT of € 0.3 million in the 1st quarter included a one-time positive earnings effect of € 15.6 million (extraordinary gain in connection with the first-time consolidation of the Blu-ray activities acquired from the Oerlikon Balzers AG).

SEGMENT REPORTING AS OF MARCH 31, 2009 AND 2008 (IFRS UNAUDITED)

	Segment Optical Disc		Segment Solar		Segment Semiconductor		Segment Coating		Other		SINGULUS Group	
	03/31/09	03/31/08	03/31/09	03/31/08	03/31/09	03/31/08	03/31/09	03/31/08	03/31/09	03/31/08	03/31/09	03/31/08
Gross revenue	18,258	20,299	15,622	7,904	1,519	2,081	0	0	0	0	35,399	30,284
Sales deduction and direct selling costs	-369	-877	-162	-107	-6	-1	0	0	0	0	-537	-985
Net revenue	17,889	19,422	15,460	7,797	1,513	2,080	0	0	0	0	34,862	29,299
Negative difference from the acquisition of Oerlikon Blu-ray business	0	-15,646	0	0	0	0	0	0	0	0	0	-15,646
Restructuring costs	-2,975	0	0	0	0	0	0	-3,443	0	0	-2,975	-3,443
Operating income (EBIT)	-5,740	6,632	1,576	417	-778	-2,721	0	-4,024	0	-41	-4,942	263
EBITDA	-2,283	11,798	2,729	1,399	-286	-1,807	0	-1,540	0	32	160	9,882



Photon trade fair in Munich



Photon trade fair in Munich

Balance sheet and liquidity

The long-term assets of € 197.0 million were only slightly below the figures as of December 31, 2008. The item property, plant and equipment at € 10.3 million was at previous year's level (previous year: € 10.3 million). The capital expenditure amounted to € 0.2 million in the 1st quarter of 2009 (previous year: € 0.5 million). The majority of expenses was used for replacement investments.

Current assets declined by € 19.8 million during the period under review. Specifically, accounts receivable due within one year declined by € 14.7 million compared with the level as of December 31, 2008. Cash and cash equivalents dropped by € 7.1 million in the first three months of the business year 2009.

The short-term liabilities declined by € 17.9 million compared with the year-end level of 2008. Specifically, prepayments received dropped by € 10.6 million as well as the accounts receivable by € 3.7 million. In contrast, other short-term liabilities increased by € 2.9 million. In connection with the repayment of loans and the partial reduction of drawn revolving facilities short-term bank liabilities declined by € 5.8 million.

Compared with the prior-year period long-term liabilities were reduced by € 1.7 million and were thus nearly at previous year's level.

Shareholders' equity

The shareholders' equity in the Group amounted to € 241.4 million as of March 31, 2009, nearly at the level reported as of December 31, 2008 (€ 245.5 million). Equity in the amount of € 238.7 million is attributable to the shareholders of the parent company and € 2.7 million to minorities. The equity ratio stood at 60.2 % and thus above previous year's level (57.8 %).

Cash flow

In the 1st quarter of 2009 the operating cash flow of the Group of € -0.1 million improved compared with the previous year (previous year: € -1.8 million). The improvement is mainly due to a decline in accounts receivable compared with the previous quarter. In contrast, the cash flow from financing activities declined in connection with the repayment of loans in the amount of € 6.5 million. Overall, cash and cash equivalents decreased by € 7.1 million during the quarter under review.

Risk report

During the first 3 months of the business year 2009 there were no changes regarding the risks depicted in the Annual Report for the year 2008.

Development of costs and prices

From our perspective the selling prices developed as planned in the 1st quarter of the business year. Material and personnel expenses also developed according to our budgets.



Recordable Blu-ray Disc (BD-R)

Changes in the Executive and Supervisory Boards

There were no changes in the Executive and Supervisory Boards during the quarter under review.

Employees

The number of employees in the SINGULUS Group declined from 758 employees as of March 31, 2008 to 684 employees as of March 31, 2009. A company agreement was concluded with the workers' council at the Kahl location on March 31, 2009 and a social compensation plan agreed. The company reduced the headcount at Kahl am Main by 54 employees as of April 30, 2009 and therefore adjusted capacities to the changed market requirements. At international sites 36 employees were laid-off.

Research and Development (R & D)

SINGULUS works constantly on the further development and improvement of its Blu-ray production line BLULINE II. For prerecorded Blu-ray Discs SINGULUS already gained the global market leadership for production machines in the third-party market, i.e. excluding Sony, in 2008 with the BLULINE II. On April 20, 2009 the breakthrough with the CRYSTALLINE was reached and the first Blu-ray Disc master was produced according to the specifications of the dual layer technology. The results are now transferred to the daily production at our customers.

SINGULUS has developed the first production line with process technology for the production of one-time recordable Blu-ray Discs (BD-R). A first development plant for once-recordable Blu-ray Discs was delivered. The new machine targets the segment of the upcoming once-recordable Blu-ray Discs (BD-R). At € 3.0 million the expenses for R & D were below the prior-year's level (previous year: € 3.9 million).

Outlook

Due to the weak order intake in the first months of the current business year and the general uncertainties regarding the development of the global economy, we cannot rule out a negative impact on our core activities Optical Disc and Solar for the business year 2009.

It is our goal to position the company well for the future with a clear focus of the company on the core activities Optical Disc and Solar as well as with strict cost management. Both the market for production machines for solar cells and the market for Blu-ray production lines are young market, which in our opinion will start to grow sharply in the next couple of years.

With our new products we see ourselves well positioned for the future.

SINGULUS TECHNOLOGIES AG
The Executive Board

CONSOLIDATED BALANCE SHEETS AS OF MARCH 31, 2009 UND DECEMBER 31, 2008 (IFRS, UNAUDITED)

	31.03.2009	31.12.2008
	k€	k€
ASSETS		
Cash and cash equivalents	33,071	40,143
Trade receivables	61,671	76,353
Other receivables and assets	10,095	9,350
Total receivables	71,766	85,703
Raw materials, consumables and supplies	41,346	39,049
Work in process	53,218	54,311
Total inventories	94,564	93,360
Total current assets	199,401	219,206
Non-current trade receivables	2,582	3,838
Property, plant and equipment	10,270	10,309
Investment property	7,150	7,150
Capitalized investment costs	30,116	30,279
Goodwill	66,404	66,404
Other intangible assets	66,476	68,421
Deferred tax assets	13,992	14,468
Total non-current assets	196,990	200,869
Non-current assets classified as held for sale	4,515	4,515
Total assets	400,906	424,590
LIABILITIES		
Trade payables	10,724	14,381
Current bank liabilities	14,420	20,218
Prepayments received	4,943	15,493
Other current liabilities	25,865	22,970
Tax provisions	2,788	3,673
Other provisions	2,508	2,384
Total current liabilities	61,248	79,119
Non-current bank liabilities	16,125	16,891
Other non-current liabilities	47,022	47,807
Pension provisions	6,762	6,692
Deferred tax liabilities	27,336	27,603
Total non-current liabilities	97,245	98,993
Liabilities in connection with assets held for sale	1,021	1,021
Total liabilities	159,514	179,133
Total equity related to the shareholders of Singulus Technologies AG		
Subscribed capital	37,355	36,946
Capital reserve	49,402	48,782
Other reserves	-466	-2,717
Retained earnings	152,364	158,441
Minority interests	2,737	4,005
Total equity	241,392	245,457
Total liabilities and equity	400,906	424,590

CONSOLIDATED INCOME STATEMENTS AS OF MARCH 31, 2009 AND 2008
(IFRS UNAUDITED)

	1st Quarter	
	2009	2008
	k€	k€
Revenues (gross)	35,399	30,283
Sales deductions and direct selling costs	-537	-769
Revenues (net)	34,862	29,514
Cost of sales	-23,276	-23,108
Gross profit on sales	11,586	6,406
Research and development	-3,767	-4,847
Sales and customer service	-5,490	-6,154
General administration	-4,171	-5,736
Other operating expenses / income	-125	-1,609
Restructuring expenses / Impairment	-2,975	-3,443
Negative difference from the acquisition of Oerlikon Blu-ray business		15,646
Total operating expenses	-16,528	-6,143
Operating income (EBIT)	-4,942	263
Finance cost / income	-902	-1,404
EBT	-5,844	-1,141
Tax income / expenses	-280	1,180
Net income	-6,124	39
Thereof attribute to:		
Equity holders of the parent	-6,077	257
Minority interests	-47	-218
Basic earnings per share (in €)	-0.16	0.01
Diluted earnings per share (in €)	-0.11	0.03
Weighted number of shares - basic	37,110,033	36,946,407
Weighted number of shares - diluted	45,858,184	39,895,865

CONSOLIDATED CASH FLOW STATEMENTS AS OF MARCH 31, 2009 AND 2008 (IFRS UNAUDITED)

	3 Months	
	2009 k€	2008 k€
Net income	-6,124	39
Depreciation on amortization	5,102	9,619
Change in pension accruals	70	73
Change in deferred tax	209	4,943
Change in net working capital*	660	-16,462
Net cash flow from operating activities	-83	-1,788
Change in property, plant and equipment	-385	-528
Change in other financial assets	-900	-452
Change in intangible assets	-2,329	-32,153
Change in other long-term liabilities	471	8,907
Long-term bank loans	-6,564	12,186
Change in minority interests	-56	-364
Capital increase, capital reduction	1,029	320
Currency translation	1,745	-1,552
Net change in cash & liquid funds	-7,072	-15,424
Cash & cash equivalents at beginning of period	40,143	36,952
Cash & cash equivalents at end of period	33,071	21,528

* including long-term accounts receivables

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY MARCH 31, 2009 AND 2008 (IFRS UNAUDITED)

	Subscribed capital k€	Capital reserve k€	Other reserves k€	Accumulated profit k€	Minority interests k€	Equity k€
Balance on December 31, 2009	36,946	48,782	-2,717	158,441	4,005	245,457
Minority interests					-56	-56
Capital increase	409	405	0		-1,165	-351
Return of capital						0
Dividends paid				0		0
Share-based payment		215				215
Exchange rate related differences			2,251	0		2,251
Net income				-6,077	-47	-6,124
Balance on March 31, 2009	37,355	49,402	-466	152,364	2,737	241,392
For comparison the figures of the same period the year before:						
Balance on December 31, 2008	36,946	47,503	-4,428	207,197	6,048	293,266
Minority interests					-364	-364
Capital increase	0		0			0
Return of capital						0
Share-based payment		320				320
Exchange rate related differences			-1,552			-1,552
Net income				257	-218	39
Balance on March 31, 2008	36,946	47,823	-5,980	207,454	-5,466	291,709

Annotations to the interim report (unaudited)

The SINGULUS TECHNOLOGIES Aktiengesellschaft (hereinafter also "SINGULUS" or the "Company") is a stock listed stock corporation domiciled in Germany. The presented consolidated financial statements for the interim reporting of the SINGULUS TECHNOLOGIES AG and its subsidiaries ("Group") for the first three months of the business year 2009 were approved for publication as per resolution of the Executive Board dated May 6, 2009.

Accounting and valuation principles

The preparation of the abbreviated consolidated interim results for the period from January 1 to March 31, 2009 was made pursuant to IAS 34 "Interim Financial Reporting". The abbreviated consolidated interim results do not include all of the notes and information required for the reporting for the full business year and should be read in conjunction with the consolidated financial accounts as of December 31, 2008.

The preparation of the annual results pursuant to IAS 34 required estimates and assumptions by the management, which affected the level of the reported assets, liabilities, income, expenses as well as contingent liabilities. These assumptions and estimates mainly affect the Group-consistent determination of useful life expectancy, the write-offs of assets, the valuation of provisions, the recoverability of receivables, the determination of realizable terminal values in the area of inventories as well as the realizability of future tax relieves. The actual values can differ from the assumptions and estimates made on a case by case basis. Changes are recognized affecting earnings at the time of the knowledge gained.

The accounting and valuation methods applied in the consolidated accounts for the interim reporting correspond to those applied for the most recent consolidated financial report as of the end of the business year 2008. For a detailed description of the accounting principles please refer to the notes of the consolidated financial statements of our Annual Report 2008.

Scope of consolidation

In addition to the SINGULUS TECHNOLOGIES AG the consolidated financial statements include all companies, which are legally or factually controlled by the company. In the interim report as of March 31, 2009, in addition to the SINGULUS TECHNOLOGIES AG in total five domestic and 15 foreign subsidiaries were included.

No company was added to the scope of consolidated after December 31, 2008. On February 24, 2009 the merger of the HamaTech AG, Kahl am Main, as the company to be merged, to the SINGULUS TECHNOLOGIES AG, Kahl am Main, as the acquiring company, became effective with the entry of the merger into the Commercial Register at the residence of the SINGULUS TECHNOLOGIES AG. Therefore, the assets of the HamaTech AG including its liabilities have been transferred to the SINGULUS TECHNOLOGIES AG. The HamaTech AG ceased to exist with the merger. The listing of the former shares of the HamaTech AG on the Regulated Market of the Frankfurt Stock Exchange (General Standard) was terminated with effect from February 25, 2009.

With effect from January 31, 2008, the Blu-ray Disc machine activities from the Oerlikon Balzers AG were acquired. Please refer to the notes in the chapter Company mergers.

No company has been removed from the scope of consolidation since December 31, 2008.

Company mergers and purchase of minority interests

Purchase of minority interests 2009

Following the acquisition of the majority stake in 2006 further 24,410 shares of the HamaTech AG were acquired with a purchase price in the amount of € 86,000 in the business year 2009. The resulting goodwill in the amount of 30,000 in total was recognized as an expense in the profit/loss statement. As of February 24, 2009 the shareholding amounted to approximately 93.9 %.

Company mergers 2008

With effect from January 31, 2008, the company acquired the Blu-ray Disc machine activities from the Oerlikon Balzers AG. On the one hand the acquisition included the acquisition of know-how, accounts receivable, customer contracts, production parts and unfinished goods. For this a purchase price in the amount of € 5.3 million was paid. On the other hand, the patented technology was acquired. The purchase of the patented technology was determined on the basis of an earn-out-model over the next four years depending on the realized net sales in the activities with Blu-ray machines. As of the valuation date, a preliminary purchase for the technology in the amount of € 9.0 million resulted. The incidental acquisition expenses directly attributable to the merger amounted € 0.2 million.

The company entered this acquisition in the balance sheet pursuant to IFRS 3. The purchase price in the amount of € 29.2 million was predominantly allocated to intangible assets. These specifically concern customer relationships (€ 23.7 million) as well as technology (€ 5.1 million). Furthermore, tangible assets in the amount of € 6.5 million were identified in the purchase price allocation. In addition, deferred tax liabilities in the amount of € 7.1 million as well as deferred tax assets in the amount of € 1.5 million resulted

from the first-time consolidation. The resulting negative goodwill in the amount of € 15.6 million was recorded as income in the 1st quarter 2008 in accordance with IFRS 3. The time values attributable to the identifiable assets and liabilities of the Blu-ray Disc machines activities of the Oerlikon Balzers AG at the time of the acquisition and the respective book values immediately before the time of the acquisition were composed as follows:

	Attributable time value at the time of acquisition k€	Book value k€
Intangible assets	28,780	
Short-term assets	6,957	5,303
Deferred tax assets	1,508	0
Total	37,245	5,303
Deferred tax liabilities	-7,091	0
Total	-7,091	0
Net assets	30,154	5,303
Purchase price incl. earn-out liabilities	14,282	
Capitalized incidental acquisition expenses	226	
Total acquisition expenses	14,508	
Negative goodwill (badwill)	15,646	
Cash-relevant acquisition expenses		
Cash and cash equivalents acquired		0
Cash paid		5,303
Actual cash paid in 2008		5,303

Accounts receivable

The accounts receivable as of March 31, 2009 are split as follows:

	March 31, 2009	Dec. 31, 2008
	k€	k€
Accounts receivable		
short-term	74,134	90,359
Accounts receivable		
long-term	2,962	3,838
Less write-offs	-12,843	-14,006
	64,253	80,191

Intangible assets

Capitalized development expenses, goodwill as well as concession intellectual property rights and other intangibles are included under intangible assets. The capitalized development expenses amounted to € 30.1 million (December 31, 2008: € 30.3 million). In the first three months of 2009 the investments in developments totaled € 2.3 million (previous year: € 3.0 million). Scheduled amortization of intangible assets amounted to € 2.5 million (previous year: € 4.0 million).

Property, plant & equipment

During the first three months of the business year 2009 € 0.2 million were spent on property, plant & equipment (previous year: € 0.5 million). During the same period scheduled depreciation amounted to € 0.7 million (previous year: € 0.7 million).

Property held as investments

Pursuant to IAS 40 SINGULUS values investment properties at book values. The time value as of March 31, 2009 amounted to € 7.2 million. These properties are predominantly commercially used land and buildings, which are being leased.

Shareholders' equity

To implement the merger of the HamaTech AG to the SINGULUS TECHNOLOGIES AG the SINGULUS TECHNOLOGIES AG increased its nominal capital from authorized capital by € 409,064.00 by means of issue of 409,064 new bearer shares with a nominal value of € 1.00 each with dividend entitlement from January 1, 2008. This capital increase was entered into the commercial register of the SINGULUS TECHNOLOGIES AG at the Local Court Aschaffenburg on February 24, 2009. The inclusion of the new shares within the listing of the SINGULUS TECHNOLOGIES AG on the Regulated Market of the Frankfurt Stock Exchange (Prime Standard) under the ISIN DE0007238909 became effective from March 4, 2009.

Bank loans

As of March 31, 2009 bank loans totaled € 30.5 million (previous year: € 37.1 million).

With effect from December 14, 2007 the SINGULUS TECHNOLOGIES AG signed a syndicated credit facility in the amount of € 60.0 million. The credit facility includes a loan in the amount € 25.0 million as well as a revolving credit facility in the amount of € 35.0 million with an total term to maturity of five years. The interest rate of the credit commitments is adjusted to the 3-month EURIBOR on a quarterly basis. Guarantors are the companies SINGULUS TECHNOLOGIES Inc. and SINGULUS MASTERING B.V. The credit line is mainly used for the refinancing of the acquisition of 51% of the shares of the STANGL AG as well as the financing of the ongoing business activities. As of March 2009, the outstanding loan totaled € 21.6 million after the repayment of € 3.4 million, of the revolving credit facility € 5.0 overall was drawn.

In addition, a loan with a nominal amount of € 10.0 million in total was taken up in April 2006. The loan is repaid through constant annual rates with a final payment on March 31, 2010. As of March 31, 2009, the outstanding amount of the loan stood at € 3.1 million (previous year: € 4.6 million).

Contingent liabilities and other financial obligations

The contingent liabilities and other financial obligations not included in the consolidated accounts amount to € 11.1 million (previous year € 11.1 million) and mainly include guarantees for prepayments received (€ 10.1 million) as well as obligations to take back machines sold (€ 1.0 million).

The obligations to take back machines from the sale of lines to leasing companies are set against the proceeds from the sale of the lines taken back in case this possibility is called upon. Management does not have knowledge about facts that could have a materially adverse impact on the business operations, the financial situation or the business results of the company.

Sales by geografic regions

Geographic information as of March 31, 2009	Germany	Rest of Europe	North and South America	Asia	Africa	Australia
	k€	k€	k€	k€	k€	k€
Sales by country of origin	30,429	2,295	1,906	769	0	0
Country of destination	4,355	7,259	14,354	8,251	1,180	0

Geographic information as of March 31, 2008	Germany	Rest of Europe	North and South America	Asia	Africa	Australia
	k€	k€	k€	k€	k€	k€
Sales by country of origin	22,740	2,656	2,674	2,214	0	0
Country of destination	11,318	7,172	6,371	4,813	610	0

Sales reductions and individual selling expenses

The sales reductions include cash discounts granted.
The individual selling expenses are mainly composed of expenses for packaging, freight and commissions.

include the ongoing IT expenses, legal and consulting fees, expenses for investor relations activities, the Annual General Meeting and the annual financial statements.

General administrative expenses

The administrative expenses include the expenses for the management, personnel expenses, the finance and accounting departments as well as the corresponding expenses for rent and company cars. Furthermore, they

Research and development expenses

In addition to the research and non-capitalized development expenses, the research and development expenses in the 1st quarter of 2009 include the scheduled amortization of capitalized development expenses in the amount of € 2.5 million (previous year: € 4.0 million).

Financial income and financing expenses

The interest income expenses are composed as follows:

	Mar. 31, 2009	Mar. 31, 2008
	k€	k€
Interest income from long-term customer receivables	577	231
Interest income from time deposits/overnight deposits	101	127
Other interest income	0	9
Financing expenses	-1,580	-1,770
	-902	-1,403

The interest expenses include the accrued interest of the put/call option from the acquisition of STANGL in the amount of € 0.9 million as well as the accrued interest of the earn-out liability from the acquisition of the patented technology of the Blu-ray activities from the Oerlikon Balzers AG in the amount of € 0.1 million. Furthermore, the financing expenses include interest in the amount of € 0.4 million (previous year: € 0.5 million) from drawing loans.

Earnings per share

For the calculation of the undiluted earnings per share the earnings attributable to the bearers of the common shares of the parent company are divided by the weighted average number of shares in circulation during the course of the reporting period.

For the calculation of the diluted earnings per share the earnings attributable to the bearers of the common shares of the parent company (after subtracting interest on the convertible preference shares) are divided by the weighted average number of common shares in circulation during the course of the reporting period in addition to the weighted average number of shares resulting from the conversion of all potential common shares with dilution effect into common shares. The following table includes the amounts used for the calculation of the undiluted and diluted earnings:

	2009	2008
	k€	k€
Earnings for the calculation of the undiluted earnings attributable to the bearers of common shares of the parent company		
	-6,077	257
Interest for purchase price liability STANGL	897	853
Diluted earnings attributable to the bearers of common shares of the parent company	-5,180	1,110
	Number of shares	Number of shares
Weighted average number of common shares for calculation of undiluted earnings per shares	37,110,033	36,946,407
Dilution effect:		
Issue of new shares for merger of HamaTech AG	245,438	0
Stock option program tranche I	0	380,000
Stock option program tranche II	0	472,230
Put/call option acquisition minority stake STANGL	8,502,713	2,097,228
Weighted average number of common shares adjusted for dilution effect	45,858,184	39,895,865

During the period from the balance sheet date and the date of drawing up the consolidated financial statements there were no transactions with common shares or potential common shares.

Since the factual liability from the put/call option for the minority stake in STANGL will be paid partly in form of common shares, this was taken into account for the calculation of the dilution effect. The calculation of the dilution effect was based on the share price of the SINGULUS TECHNOLOGIES stock at the last trading day of the quarter under review.

Events after the Balance Sheet Date (March 31, 2009)

There were no events with material impact after the completion of the quarter under review.

Shareholdings of board members

As of the balance sheet date, the members of the Executive and Supervisory Boards of the SINGULUS TECHNOLOGIES AG held the following number of shares, convertible bonds and stock options:

Shares (number of shares)

Executive Board member

Stefan A. Baustert, CEO	8,500
Dr.-Ing. Anton Pawlakowitsch	6,000
Stangl Beteiligungs-GmbH	1.951,484

Supervisory Board

VVG Roland Lacher KG	594,472
Günter Bachmann	2,000
Thomas Geitner	1,500

Stock options (number of options)

Executive Board member

Stefan A. Baustert, CEO	200,000
Dr.-Ing. Anton Pawlakowitsch	80,000

Kahl am Main, im May 2009

The Executive Board

Company Calendar 2009

May 07, 2009	Q1/2009 Report
May 29, 2009	Annual Shareholders Meeting
July 31, 2009	Q2/2009 Report
November 05, 2009	Q3/2009 Report

Consolidated key figures (three month cumulated) pursuant to IFRS, status March 31, 2009

		2007	2008	2009
Sales	million €	49.8	30.3	35.4
Order intake	million €	60.4	84.4	17.4
Order backlog (March 31)	million €	92.1	109.9	52.2
EBIT	million €	0.2	0.3	-4.9
EBITDA	million €	4.9	9.9	0.2
Earnings before taxes	million €	0.6	-1.1	-5.8
Net profit	million €	0.7	0.0	-6.1
Operating cash flow	million €	1.0	-1.8	-0.1
Shareholders' equity	million €	275.3	291.7	241.4
Balance sheet total	million €	389.5	450.3	400.9
R & D expenses	million €	4.8	3.9	3.0
Employees (March 31)		699	758	684
Weighted average shares outstanding, basic		34,941,929	36,946,407	37,110,033
Earnings per share, basic	€	0.02	0.01	-0.16

Future-oriented statements and forecasts

This report contains future-oriented statements based on the current expectations, assessments and forecasts of the Executive Board as well as on the currently available information to them. Known as well as unknown risks, uncertainties and impacts could cause the actual results, the financial situation or the development to differ from the statements made in this report. We assume no obligation to update the future-oriented statements made in this report.

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