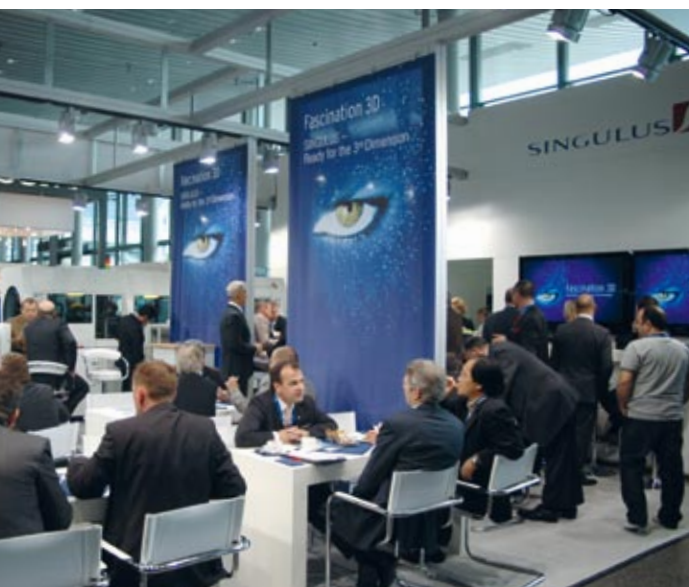


Optical Disc

Solar



SINGULUS TECHNOLOGIES AG at the MEDIA-TECH Global Expo & Summit 2010

Business Trends and Situation of the SINGULUS TECHNOLOGIES Group

- _ First front-end system for silicon solar cells accepted
- _ Additional SINGULAR system to be delivered
- _ STANGL's patented TENUIS CIS technology globally leading
- _ Market introduction of SOLARE production lines commences
- _ Order intake for Blu-ray systems in July from four continents
- _ New order for CRYSTALLINE mastering system

During the first six months of the business year 2010 the SINGULUS TECHNOLOGIES AG (SINGULUS) achieved an order intake of € 67.4 million (previous year: € 40.8 million), which means an increase of 65.2 % compared with the 1st half of 2009. The order intake in the 2nd quarter was also slightly above the level in the comparable period in 2009. Sales in the first six months in 2010 came to € 49.3 million, still below the prior-year level of € 67.1 million. This decline is a result of lower sales in the Semiconductor division due to the disposal of the HamaTech APE GmbH & Co. KG, Sternenfels ("APE") as well as lower sales in the Solar segment. Overall, this also had an impact on the EBIT which is negative in the 1st quarter with € -8.0 million (previous year: € -10.6 million). The business performance to date in the Optical Disc segment could not compensate the weak sales and the results of the Solar segment.

Business trends and market development Optical Disc

The business unit Optical Disc includes the selling of production equipment for CDs, DVDs and Blu-rays as well as mastering machines. As expected, since the previous year the activities have increasingly focused on machines for the Blu-ray format. In May 2010 SINGULUS participated at the trade fair "MEDIA-TECH Global Expo and Summit 2010" and presented the BLULINE II at the fair booth as well as the CRYSTALLINE (mastering system) and underlined the technologic leadership over the entire value-added chain for Blu-ray production machines.

In addition to the Blu-ray, the upcoming 3D-technology was in the spotlight of the fair and renowned manufacturers such as Samsung, Sony and Panasonic presented suitable players and displays. In the US, which is leading the way for such new innovations, the market introduction has already started and 3D TVs are globally advertised now. Due to the required data volume for 3D, the Blu-ray Disc will be the only inexpensive storage medium for high-resolution 3D movies for a long time.



BLULINE II system at the MEDIA-TECH



3D movie presented at SINGULUS' MEDIA-TECH booth

According to a report by Media Control GfK International as of July 14, 2010 Blu-ray disc sales in Europe and Japan increased by 107 % compared with 2009. In the largest market, the US, Blu-ray sales rose by 84 % to \$ 733 million in the 1st half of 2010; for the 2nd quarter alone the increase even came to 112 % compared with the same prior-year quarter. In particular, the household penetration of Blu-ray players continued to increase from 17.0 % to 19.4 %. This makes clear, that with low entry prices below \$ 100 these players are establishing themselves considerably quicker than DVD players previously. Accordingly, the Blu-ray format will exhibit high growth rates in the future and a significantly increasing consumer acceptance.

For production equipment for the Blu-ray Disc the quality of SINGULUS' BLULINE II is setting standards worldwide. Correspondingly, orders for additional BLULINE II machines were received from Australia, England, the US and Japan as well as an order for a CRYSTALLINE Blu-ray mastering system after the balance sheet date. SINGULUS continues to be optimistic that the growing end-consumer market will result in increasing investments into Blu-ray production systems.

Business trends and market development Solar

The 1st half of 2010 was characterized by an expansion and intensification of the marketing and sales activities for SINGULUS' and STANGL's solar products. At the end of April a TENUIS experimental system for thin-film solar technology was presented at the Photon trade fair in Stuttgart. At this exhibition SINGULUS presented its production line for crystalline silicon solar cells for the first time.

With the technologic competence for the key value-added steps with the LINEA and the SINGULAR we will not only sell individual machines and plants for the silicon solar technology in the future but also front-end systems and complete production systems with process know-how. The SOLARE production line is offered as batch and inline production concept. In addition to a LINEA texturing machine a European solar cell manufacturer acquired an inline coating machine of the SINGULAR type for the anti-reflective coating of silicon solar cells with an additional integrated inline plant for the wet-chemical treatment of crystalline solar cells of the LINEA type for the serial production. Therefore, SINGULUS successfully realized the first installation of a front-end system.

SINGULUS capitalized on Asia's biggest solar fair "SNEC PV POWER EXPO 2010" in Shanghai, to present new photovoltaic product solutions for the rapidly growing Chinese solar market. As a result, the first SINGULAR will be delivered to a prospective Chinese buyer in the next couple of weeks.

The CIS technology is deemed as one of the future technologies for photovoltaics and has great potential for the production of highly efficient thin-film solar cells. CIS is the most efficient thin-film technology - in laboratories an efficiency of about 20 % was already achieved, which is comparable with the level of multi-crystalline silicon cells. With its subsidiary STANGL Semiconductor Equipment AG ("STANGL") SINGULUS is the market leader for wet-chemical processes for bath deposition and will continue to extensively market its TENUIS machine with the patent-protected processes for the application of buffer layers (buffer layer technology).



Part of a front-end production system for Si solar cells
(Wafer handling, LINEA system in combination with SINGULAR)

In 2008 STANGL and the Helmholtz Zentrum Berlin für Materialien und Energie (HZB) presented a new process for the application in the production of thin-film solar cells. The so-called spray ion layer gas reaction process (ILGAR) is a new method for the production of thin-film solar cells, which was developed at and patented by the HZB. The ILGAR process will be used for the application of indium sulfide buffer layers, which are capable of replacing cadmium sulfide in thin-film solar cells. The spray technology is reproducible, fast and cost-efficient. SINGULUS will exclusively market the new technology and cooperates with leading solar cell manufacturers to transfer the results to the production process.

In the realm of the thin-film procedure the importance of diffusion furnaces for the efficiency of the produced cells becomes increasingly apparent. In this year's February SINGULUS received an order from a leading European solar cell producer to develop and build these manufacturing machines for a new generation of thin-film solar cells. After the successful set-up of a testing plant, the assembly of the production plants was initiated at the site in Kahl. Due to the market's demand for this key technology the global marketing of the diffusion furnaces is commencing now. SINGULUS sees favorable sales opportunities for this technology.

The solar market will grow steadily in 2010 and the following years. A research report by EPIA (European Photovoltaic Industry Association) from May 2010 confirms these growth prospects. With 10 GW installed photovoltaics capacity, thereof 3.8 GW new installations in 2009 alone, Germany is still the biggest market followed by Italy with about 711 MW in 2009. Japan and the US are the leading markets outside of Europe. For China the report projects strong growth in the next five years. EPIA forecasts global new installation for this year between 10.1 and 15.5 GW. For photovoltaic production equipment EPIA forecasts average growth of about 22 % in the next five years. The accurateness of these assumed trends have time and again been proven in the past ex-post by historic data. Accordingly, we are confident to be positioned in a globally and sustainably growing market segment in the future as well.

Semiconductors

The final sales agreement for the disposal of the HamaTech APE GmbH & Co. KG, Sternenfels ("APE") to the SÜSS MicroTec AG ("SÜSS"), Garching, was signed by both parties on January 12, 2010. SÜSS continued to employ all employees of APE at the Sternenfels site and the international subsidiaries.

Today's activities in the area of nano deposition are part of our core activities in the PVD coating technology. This is required for different purposes in the semiconductor and solar sectors. The nano deposition unit was able to sell a TIMARIS coating machine for MRAM wafer to a customer in Europe in the 2nd quarter 2010.



Trade fair SNEC in Shanghai

Key financial figures

Order intake and order backlog

The order intake in the 1st half of 2010 amounted to 67.4 million (previous year: € 40.8 million), 65.2 % higher than the level achieved in the 1st half of 2009.

In the quarter under review the order intake came to € 27.6 million (previous year: € 23.4 million). As of June 30, 2010 the order backlog totaled € 45.5 million, which is slightly above the € 43.9 million realized in the same period in 2009.

Sales and earnings

Sales in the first six months in 2010 came to € 49.3 million, below the prior-year level of € 67.1 million. This decline is mainly due to lower sales within the Solar segment (€ -20.0 million) as well as the disposal of APE in the Semi-conductor division (€ -2.7 million). In contrast, the Optical Disc segment posted an increase in sales of € 5.0 million.

Sales in the 2nd quarter 2010 came to € 27.8 million (previous year: € 31.7 million). The percentage regional breakdown of sales for the 2nd quarter 2010 was as follows: Europe 43.0 % (previous year: 48.7 %), Asia 22.0 % (previous year: 37.4 %), North and South America 29.2 % (previous year: 13.0 %) as well as Africa and Australia 5.8 % (previous year: 0.9 %). For the 1st half of 2010 the percentage regional sales breakdown was as follows: Europe 46.3 % (previous year: 40.4 %), Asia 19.9 % (previous year: 29.9 %), North and South America 30.3 % (previous year: 27.5 %) as well as Africa and Australia 3.5 % (previous year: 2.2 %).

In the 1st half of 2010 SINGULUS realized a gross profit margin in the amount of 28.8 % (previous year: 33.1 %). The gross profit margin in the 2nd quarter 2010 of 25.9 % also remained below the prior-year level (32.9 %). The main reasons for the weaker margins are utilization effects in the Solar division. However, we expect the gross profit margin to improve in the second half of the year.

In the 1st half of 2010 earnings before interest and taxes (EBIT) were weaker than expected and came to € -8.0 million. The comparable figure of € -10.6 million in the previous year included restructuring charges in the amount of € 3.0 million. In the quarter under review the EBIT amounted to € -2.5 million (previous year: € -5.7 million). Progress in the reduction of operating expenses compared to the prior-year impacted the results.

In detail, the break-down of sales and the operating result are split between the segments as follows:

SEGMENT REPORTING

	Segment "Optical Disc"		Segment "Solar"		Segment "Semiconductor"		Other		SINGULUS Group	
	06/30/10	06/30/09	06/30/10	06/30/09	06/30/10	06/30/09	06/30/10	06/30/09	06/30/10	06/30/09
	[K€]	[K€]	[K€]	[K€]	[K€]	[K€]	[K€]	[K€]	[K€]	[K€]
Gross revenue	41,578	36,596	7,241	27,281	528	3,203	0	0	49,347	67,080
Sales deduction and direct selling costs	-524	-743	-130	-164	0	-17	0	0	-654	-924
Net revenue	41,054	35,853	7,111	27,117	528	3,186	0	0	48,693	66,156
Restructuring costs/ Impairment	0	-2,975	0	0	0	0	0	0	0	-2,975
Operating income (EBIT)	-1,584	-10,548	-6,036	1,133	-546	-1,200	137	0	-8,029	-10,615
EBITDA	3,602	-3,466	-2,489	3,555	-495	-523	297	0	915	-434



ILGAR test system at HZB Berlin

Balance sheet and liquidity

The long-term assets amounted to € 133.1 million and were therefore slightly below previous year's level (previous year: € 139.6 million). Property, plant and equipment amounted to € 11.3 million and were therefore also around previous year's level (€ 12.3 million). The capital expenditure in property, plant and equipment amounted to € 0.5 million in the 2nd quarter of 2010 (previous year: € 0.5 million). Most of the spending was used for replacement investments.

Current assets increased by € 20.6 million during the half-year under review. Specifically, inventories rose by € 1.0 million compared with the prior-year period. Accounts receivable due within one year increased by € 5.0 million compared with the level as of December 31, 2009. Cash and cash equivalents rose by € 15.3 million in the first half of the business year 2010.

The short-term liabilities declined by € 15.2 million compared with the year-end level of 2009. Specifically, the short-term bank loans declined by € 10.8 million after the restructuring of the syndicated loan facility due to a reclassification from short-term to long-term liabilities. Furthermore, the other short-term liabilities declined by € 5.0 million. In contrast, accounts payable rose by € 1.4 million.

Moreover, short-term bank loans increased by € 0.6 million in connection with the grant of a KfW loan. Overall, the company received € 10.0 million from this loan.

In the period under review long-term liabilities were € 13.0 million higher than the prior-year level. This is mainly due to an increase of long-term bank liabilities. This rise is predominantly caused by the aforementioned payout of a KfW loan. This caused the long-term bank liabilities to increase by € 9.4 million. Moreover, as mentioned above, bank liabilities in the amount of € 10.8 million were reclassified from short-term to long-term maturity. Furthermore, long-term bank loans declined by € 4.0 million in the course of scheduled and extraordinary repayments.

Shareholders' equity

The shareholders' equity in the Group amounted to € 174.9 million as of June 30, 2010 and is above the level of year-end 2009 (€ 165.7 million). Equity in the amount of € 172.5 million is attributable to the shareholders of the parent company and € 2.4 million to minorities. The increase in the shareholders' equity is mainly the result of a capital increase of 3,694,640 shares as per resolution as of March 4, 2010. The equity ratio stood at 65.3 % and is thus considerably above the previous year's level (62.9 %).



3D graphic of a diffusion furnace for thin-film solar cells



System for wet-chemical cleaning and coating of buffer layers on flexible thin-film solar cells

Cash flow

In the 1st half of 2010 the operating cash flow of the Group of € -10.6 million was negative and thus lower than in the previous year (previous year: € 3.5 million). Due to a pick-up in business activities the net working capital increased by € 9.3 million in the 1st half of 2010. Opposing effects from measures to reduce the net working capital were more than off-set. In the 1st half of 2010 bank loans in the amount of € 4.0 million were reduced, in contrast the company received € 10.0 million from the payout of a KfW loan. In addition, the cash flow increased due to the settlement of the company disposal of APE and due to the capital increase. Correspondingly, the liquid funds rose by € 15.3 million and amounted to € 30.5 million as of June 30, 2010.

Risk report

During the first six months of the business year 2010 there were no changes regarding the risks depicted in the Annual Report for the year 2009.

Development of costs and prices

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

Employees

The number of employees in the SINGULUS Group declined from 608 employees as of June 30, 2009 to 470 employees as of June 30, 2010. This decrease is mainly due to the disposal of APE as well as the reduction of the headcount in the course of the restructuring program in the 3rd quarter 2009.

The SINGULUS Stock

As of June 30, 2010 the SINGULUS stock closed at € 4.95 and was thus able to rise slightly in the 2nd quarter compared with the € 4.78 recorded on April 1, 2010.

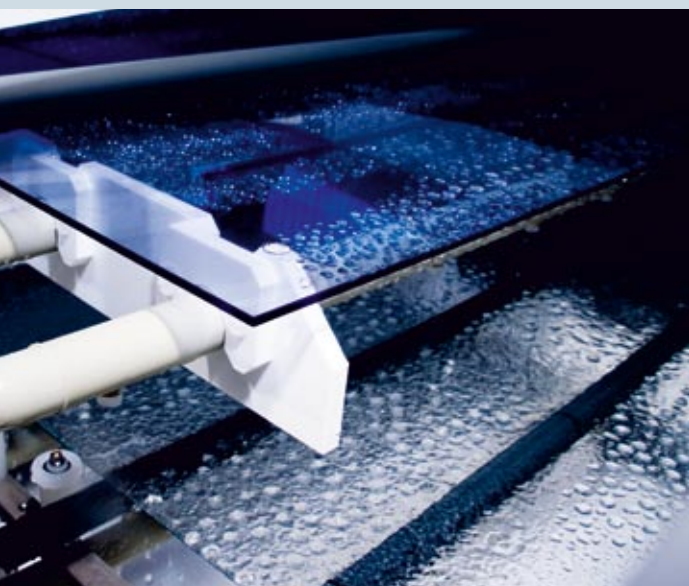
Changes in the Executive and Supervisory Boards

With effect from April 19, 2010, Dipl.-Oec. Markus Ehret was appointed as Chief Financial Officer. Dipl.-Ing. Roland Lacher handed over the Chief Executive Officer position to Dr.-Ing. Stefan Rinck as per April 1, 2010. After the six month appointment to the Executive Board Roland Lacher again assumed the position as Chairman of the Supervisory Board from April 1, 2010.

No additional changes in the members of the Executive and Supervisory Boards took place in the 2nd quarter 2010.



TENUIS production system for buffer layers in thin-film solar technology



Glass transportation inside of a TENUIS system

Research and development (R & D)

In the period under review SINGULUS continued to focus on first tests for the new diffusion furnaces for the thin-film solar technology as well as on the completion of the front-end installation for the manufacturing of silicon solar cells.

At € 3.3 million the expenses for R & D in the 1st half of 2010 were 40 % below the prior-year level (previous year: € 5.5 million).

Outlook

In the Solar segment we were able to further develop several solar projects in the past couple of weeks and months so that the portfolio of offered projects in the Solar division has become of considerable volume. We expect this level of projects to enable us to book additional Solar orders in the near future.

In the meantime, SINGULUS was able to realize the first installation of a front-end system for the manufacturing of silicon solar cells. The company is in talks with additional prospective buyers for this machines, has presented respective offers and expects to make significant progress in the future. In the thin-film solar technology we are in active project talks for wet-chemical plants, diffusion furnaces and ILGAR technologies.

The business development in the Optical Disc division is within expectations and nearly unchallenged by impacts from competitors. In the freely-accessible Blu-ray market SINGULUS has achieved a market share of more than 90 % in the meantime. In the end SINGULUS is only dependent on the innovation activities as well as the success of Hollywood and the growth rate of the Blu-ray Disc. Market figures make us rather confident for the next couple of years.

The coming weeks will be decisive for the further course of the business year 2010 and impact the key figures for sales and earnings correspondingly. Although for the time being we are trailing our forecasts for the business year, we still see the possibility to reach our targets for 2010.

SINGULUS TECHNOLOGIES Aktiengesellschaft

The Executive Board

CONSOLIDATED BALANCE SHEETS AS OF JUNE 30, 2010 UND DECEMBER 31, 2009 (IFRS, UNAUDITED)

	06/30/2010	12/31/2009
ASSETS	[K€]	[K€]
Cash and cash equivalents	30,472	15,185
Trade Receivables	39,391	34,420
Other receivables and other assets	6,401	6,986
Total receivables and other assets	45,792	41,406
Raw materials, consumables and supplies	25,066	25,996
Work in process	33,636	31,735
Total inventories	58,702	57,731
Total current assets	134,966	114,322
Non-current trade receivables	3,113	4,575
Property, plant and equipment	11,330	12,268
Investment property	6,654	6,814
Capitalized development costs	24,885	26,534
Goodwill	42,542	42,542
Other intangible assets	42,624	45,485
Deferred tax assets	1,965	1,358
Total non-current assets	133,113	139,576
Non-current assets held for sale	0	9,699
Total assets	268,079	263,597

	06/30/2010	12/31/2009
LIABILITIES	[K€]	[K€]
Trade payables	9,003	7,612
Current bank liabilities	16,970	26,749
Prepayments	4,337	4,825
Other current liabilities	22,876	27,875
Tax provisions	1,107	1,966
Other provisions	2,947	3,432
Total current liabilities	57,240	72,459
Non-current bank liabilities	16,221	87
Other non-current liabilities	1,010	2,482
Pension provisions	7,124	6,973
Deferred tax liabilities	11,557	13,416
Total non-current liabilities	35,912	22,958
Liabilities from assets classified as held for sale	0	2,431
Total liabilities	93,152	97,848
Equity attributable to equity holders of the parent		
Subscribed capital	41,050	37,355
Capital reserves	60,223	48,690
Other reserves	-807	-2,700
Retained earnings	72,022	79,835
Minority interests	2,439	2,569
Total equity	174,927	165,749
Total equity and liabilities	268,079	263,597

CONSOLIDATED INCOME STATEMENT AS OF JUNE 30, 2010 AND 2009 (IFRS UNAUDITED)

	2. Quarter		6 Months	
	2010	2009	2010	2009
	[K€]	[K€]	[K€]	[K€]
Revenue (gross)	27,750	31,681	49,347	67,080
Sales deductions and direct selling costs	-277	-387	-654	-924
Revenue (net)	27,473	31,294	48,693	66,156
Cost of sales	-20,347	-21,012	-34,676	-44,288
Gross profit on sales	7,126	10,282	14,017	21,868
Research and development	-3,205	-3,904	-6,366	-7,671
Sales and customer service	-4,626	-5,502	-9,277	-10,992
General administration	-3,296	-3,928	-7,096	-8,099
Other operating expenses/income	1,475	-2,620	693	-2,745
Restructuring expenses	0	0	0	-2,975
Total operating expenses	-9,652	-15,954	-22,046	-32,482
EBIT	-2,526	-5,672	-8,029	-10,614
Finance costs/income	-982	-1,364	-2,240	-2,266
EBT	-3,508	-7,036	-10,269	-12,880
Tax income/costs	1,264	-763	2,326	-1,043
Profit or loss for the period	-2,244	-7,799	-7,943	-13,923
Thereof attributable to:				
Equity holders of the parents	-2,198	-7,924	-7,813	-14,001
Minority interests	-46	125	-130	78
Basic earnings per share (in EUR)	-0.06	-0.21	-0.20	-0.38
Diluted earnings per share (in EUR)	-0.06	-0.21*	-0.20	-0.38*
Weighted number of shares, basic	39,613,307	37,232,752	39,613,307	37,232,752
Weighted number of shares, diluted	39,613,307	37,232,752*	39,613,307	37,232,752*

* previous year adjusted

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AS OF JUNE 30, 2010 AND 2009 (IFRS UNAUDITED)

	Sub- scribes capital [K€]	Capital- reserves [K€]	Other reserves [K€]	Retained earnings [K€]	Minority interests [K€]	Equity [K€]
As of 1 January 2010	37,355	48,690	-2,700	79,835	2,569	165,749
Capital increase	3,695	11,453				15,148
Share-based payment		80				80
Foreign currency translation adjustments			1,893			1,893
Net profit for the period				-7,813	-130	-7,943
As of June 30, 2010	41,050	60,223	-807	72,022	2,439	174,927
The same period of the previous year:						
As of 1 January 2009	36,946	48,782	-2,717	158,441	4,005	245,457
Minority interests					-56	-56
Capital increase	409	405			-1,109	-295
Share-based payment		430				430
Foreign currency translation adjustments			-386			-386
Net profit for the period				-14,001	78	-13,923
As of June 30, 2009	37,355	49,617	-3,103	144,440	2,918	231,227

CONSOLIDATED CASH FLOW STATEMENT AS OF JUNE 30, 2010 AND 2009 (IFRS UNAUDITED)

	6 Months	
	2010	2009
	[K€]	[K€]
Net income	-7,943	-13,923
Amortization of non-current assets	8,944	10,181
Change of pension provisions	151	140
Change of deferred taxes	-2,466	151
Change of Netto current assets *	-9,335	6,912
Cash flows from operating activities	-10,649	3,461
Change of fixed assets	-444	-684
Change of financial assets and shareholdings	0	-900
Change of immaterial assets	-2,892	-4,380
Other long-term liabilities	-1,472	420
Liabilities to banks	6,355	-15,413
Changes in assets and liabilities classified as held for sale	7,268	0
Change of minority interests	0	-56
Capital increase, Capital payback	15,228	1,244
Changes conditioned by currency translation	1,893	-596
Changes of liquid assets	15,287	-16,904
Liquid assets at the beginning of the period	15,185	40,143
Liquid assets at the end of the period	30,472	23,239

* including long-term accounts receivables

Annotations to the interim report

The SINGULUS TECHNOLOGIES Aktiengesellschaft (hereinafter also "SINGULUS" or the "Company") is a stock listed stock corporation domiciled in Germany. The consolidated financial accounts presented for the interim reporting of the SINGULUS TECHNOLOGIES AG and its subsidiaries (the "Group") for the 1st half of the business year 2010 were approved for publication by decision of the Executive Board as of June 30, 2010.

Accounting and valuation principles

The preparation of the abbreviated consolidated interim results for the period from January 1 to June 30, 2010 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, 2009.

The preparation of the annual results pursuant to IAS 34 requires estimates and assumption by the management, affecting 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 2009. For a detailed description of the accounting principles please refer to the notes of the consolidated financial statements of our Annual Report 2009.

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 June 30, 2010, in addition to the SINGULUS TECHNOLOGIES AG one domestic and 15 foreign subsidiaries were included.

No company was added to the scope of consolidated after December 31, 2009. In 2010 the HamaTech APE GmbH & Co KG, Sternenfels, and the HamaTech APE Beteiligungs-GmbH, Sternenfels, were sold and both companies were excluded from the scope of consolidation as of February 15, 2010. Except for the aforementioned companies no other companies have been excluded from the scope of consolidation since December 31, 2009.

Mergers and acquisition of minority interests

Exercise of the call/put STANGL 2009

With effect from September 14, 2007 the company acquired 51 % of the shares of STANGL. The company's objective is the development, production as well as sales and marketing of machines for wet-chemical processes in the processing of silicon and thin-film solar cells. A purchase price in the amount

of € 43.8 million was agreed for these shares. For the remaining shares the SINGULUS TECHNOLOGIES AG was granted the right to exercise a call option. At the same time a put option was granted to the shareholders of STANGL. The call option was exercisable between January 1, 2010 and May 31, 2010 or in a period spanning from January 1, 2011 to May 31, 2011. The put option was exercisable between June 1, 2010 and October 31, 2010 or in a period spanning from June 1, 2011 to October 31, 2011. The put/call option was recognized as a liability in the amount of the present value of the estimated cash outflow. On December 7, 2009 the parties involved agreed to the acquisition of the remaining 49 % of the shares ahead of schedule at a purchase price in the amount of € 20.0 million. Thereof, € 10.0 million were paid at the time of the acquisition of the shares, the remaining purchase price liability in the amount of € 10.0 million had to be paid by December 31, 2010 according to the agreement. A prepayment ahead of schedule was made in July 2010. The interest rate amounted to 9.00 %. The difference between the actual lower purchase price and the estimated liability for the 49 % of the shares (contingent consideration) was recognized as an adjustment of the goodwill in the reporting period 2009. In the course of the adjustment the goodwill of the cash-generating unit STANGL decreased by € 23.9 million.

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 shareholdings amounted to approximately 93.9 %.

Accounts receivable

The accounts receivable as of June 30, 2010 are split as follows:

	06/30/2010	12/31/2009
	[K€]	[K€]
Accounts receivable – short-term	44,967	40,676
Accounts receivable – long-term	3,833	5,585
ess write-offs	-6,296	-7,266
	42,504	38,995

Intangible assets

Capitalized development expenses, goodwill as well as concession intellectual property rights and other intangible are included under intangible assets.

The capitalized development expenses amounted to € 24.9 million (December 31, 2009: € 26.5 million). In the 1st half of 2010 the investments in developments totaled € 2.7 million (previous year: € 3.8 million). Scheduled write-offs and amortization amounted to € 4.4 million (1st quarter 2009: € 4.9 million). In the quarter under review development expenses amounted to € 1.7 million (previous year: € 2.0 million), the scheduled amortization for the respective period amounted to € 2.1 million (previous year: € 2.5 million).

Property, plant & equipment

In the 1st half of the business year 2010 € 0.7 million were invested in property, plant & equipment (previous year: € 0.7 million). During the same period scheduled depreciation amounted to € 1.5 million (previous year: € 1.3 million). In the quarter under review capital expenditure amounted to € 0.5 million (previous year: € 0.5 million), the scheduled amortization for the respective period amounted to € 0.8 million (previous year: € 0.6 million).

Property held as investments

Pursuant to IAS 40 SINGULUS values investment properties at book values. The time value as of June 30, 2010 amounted to € 6.7 million. These properties are predominantly commercially used land and buildings, which are being leased.

Shareholders' equity

With consent of the Supervisory Board on March 4, 2010 the Executive Board of the SINGULUS TECHNOLOGIES AG decided on March 4, 2010 to increase the nominal capital of the company from € 37,355,471 divided into 37,355,471 common bearer shares with a nominal value of € 1.00 each by an amount of up to € 3,694,640 up to € 41,050,111 against payment in cash.

The placement of the shares was successfully conducted by an accelerated book-building process with German and international investors on March 5, 2010. 3,694,640 shares entitled for profit attribution from the business year 2009 were placed at a price of € 4.10 per share. The gross cash flow for the company amounted to € 15.1 million. The subscription rights of existing shareholders were excluded pursuant to the authorization in Art. 5 Para. 2 Sent. 4 of the articles of incorporation. This capital increase was entered into the commercial register of the SINGULUS TECHNOLOGIES AG at the Local Court Aschaffenburg on March 10, 2010.

To implement the merger of the HamaTech AG to the SINGULUS TECHNOLOGIES AG, in the first quarter 2009 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 was implemented as of March 4, 2009.

Bank loans

As of June 30, 2010 bank loans totaled € 33.2 million (previous year: € 26.8 million). As of 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 a total term to maturity of five years. With effect from March 4, 2010 this agreement was modified. The syndicated credit line was reduced to currently € 41.5 million. The new credit line is split into an amortization loan in the amount of € 25.0 million and a loan on a revolving basis in the amount of € 16.5 million. Of this an amount of € 6.5 million is available for guarantees. With respect to this loan agreement the guarantors are the companies SINGULUS TECHNOLOGIES Inc. as well as SINGULUS MASTERING B.V.

As of June 30, 2010 after the repayment of € 4.0 million the loan stood at € 12.2 million, the revolving credit facility was drawn in the amount of € 10.0 million.

Furthermore, in January of the year under review the Executive Board submitted an application for the grant of a loan in the amount of € 10.0 million by the Kreditanstalt für Wiederaufbau (KfW). The cash inflow took place in the quarter under review and is tied to the payment of the remaining purchase price liability to acquire the remaining 49 % of the shares of STANGL.

Contingent liabilities and other financial obligations

The contingent liabilities and other financial obligations not included in the consolidated accounts amount to € 38.6 million (previous year: € 39.3 million) and mainly include rent and leasing obligations (€ 33.9 million), guarantees for prepayments received (€ 2.9 million), guarantees (€ 1.4 million) as well as obligations to take back machines sold (€ 0.3 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.

Geographical breakdown of sales

Geographic information as of June 30, 2010	Germany	Rest of Europe	North and South America	Asia	Africa	Australia
	[K€]	[K€]	[K€]	[K€]	[K€]	[K€]
Sales by country of origin	31,582	7,851	5,799	4,115	0	0
Country of destination	9,778	13,068	14,956	9,822	614	1,109

Geographic information as of June 30, 2009						
Sales by country of origin	54,186	4,551	3,937	4,406	0	0
Country of destination	15,659	11,401	18,464	20,085	1,284	187

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.

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

Research and development expenses

In addition to the research and non-capitalized development expenses, the research and development expenses in the 2nd quarter of 2010 include the scheduled amortization of capitalized development expenses in the amount of € 2.1 million (previous year: € 2.5 million). During the 1st half of 2010 write-offs on capitalized development expenses amounted to € 4.4 million (previous year: € 4.9 million).

Financial income and financing expenses

The interest income/ expenses are composed as follows:

	06/30/2010	06/30/2009
	[K€]	[K€]
Interest income from long-term customer receivables	467	855
Interest income from time deposits/ overnight deposits	28	177
Other interest income	76	0
Financing expenses	-2,811	-3,298
	-2,240	-2,266

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 year under review.

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 year under review 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 applied for the calculation of the undiluted and diluted earnings:

	2010	2009*
	[K€]	[K€]
Earnings for the calculation of the undiluted earnings attributable to the bearers of common shares of the parent company	-7,943	-14,001
Weighted average number of common shares for calculation of undiluted earnings per shares	39,613,307	37,232,752
Dilution effect:		
Weighted average number of common shares adjusted for dilution effect	39,613,307	37,232,752

* previous year adjusted

In the period from the balance sheet date until the drawing up of the consolidated financial statements there were no additional transactions of common shares or potential common shares.

Since no opposing effect to the dilution may be considered in the calculation of the diluted earnings per share, neither the issuance of new shares for the merger of the HamaTech AG (in 2009 409,064 shares were issued) neither the issuance of new shares for the capital increase as of March 4, 2010 (3,694,640 new shares with profit entitlement from 2009) may be considered for the dilution.

In contrast to the wording of IAS 33.5, in the previous year the factual obligation from the acquisition of the minority interest from STANGL was considered for the calculation of the weighted average number of common shares and of the earnings attributable to the bearers of the common shares of the parent company. Due to this effect negative, diluted earnings per share in the amount of € -0.30 resulted. Not considering this dilution would result in earnings per share of € -0.38 (corresponds to the undiluted earnings per share).

Events after the Balance Sheet Date

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
Executive Board members:	
Dr.-Ing. Anton Pawlakowitsch	6,000 shares
Supervisory Board members:	
VVG Familie Roland Lacher KG	594,472 shares
Dr.-Ing. Wolfhard Lechnitz	10,000 shares
Günter Bachmann	15,000 shares
	Stock options
Executive Board members:	
Dr.-Ing. Anton Pawlakowitsch	80,000 options

Affirmation of the Legal Representatives

"We affirm to the best of our knowledge, that the interim consolidated financial statements, in accordance with the relevant accounting principles for interim reporting, provide a true and fair view of the Group's assets, financial and earnings situation and that the Group's interim report represents a true and fair view of the course of business including the operating result and the Group's financial situation as well as describing the material opportunities and risks concomitant with the expected development of the Group during the remainder of the business year."

SINGULUS TECHNOLOGIES AG
The Executive Board

Kahl am Main, in July 2010

Information about editorial changes relating to the Annual Report 2009

The Annual Report 2009 of the SINGULUS TECHNOLOGIES AG includes the following misinformation due to editorial mistakes:

1. Page 11 – Report of the Supervisory Board

In paragraph 5 the last sentence should read:

"In its meeting on March 22, 2010, the Supervisory Board established the financial statements of the SINGULUS TECHNOLOGIES AG drawn up by the Executive Board and approved the consolidated financial statements."

Accordingly, the date, March 15, 2010, stated in the Annual Report 2009 is incorrect.

2. Page 114 – Annotations to the consolidated financial statements

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Furthermore, the date on page 114 regarding the annotations to the consolidated financial statements has to be changed from March 19, 2010 to March 22, 2010, accordingly.

3. Page 106 – Annotations to the consolidated financial statements

No. 37 - Information about the relations of associated companies and persons

In the left-hand text column the penultimate paragraph should read as follows:

"Dr.-Ing. Wolfhard Lechnitz was appointed as member of the Supervisory Board by the Annual General Meeting on May 29, 2009. He will take over the position from Mr. Thomas Geitner, who stepped down from office in 2009. Mr. Bachmann and Dr.-Ing. Lechnitz have been appointed as members of the Supervisory Board until the conclusion of the Annual General Meeting 2011."

Accordingly, the information regarding the appointments specified in the Annual Report 2009 is incorrect.

We sincerely regret these errors and apologize for this.

SINGULUS TECHNOLOGIES AG
The Executive Board

Kahl am Main, June 11, 2010

AT A GLANCE

CONSOLIDATED KEY FIGURES 2ND QUARTERS 2008-2010 (IFRS)

		2008	2009	2010
Sales	million €	51.0	31.7	27.8
Order intake	million €	70.8	23.4	27.6
EBITDA	million €	4.6	-0.6	1.9
EBIT	million €	-2.0	-5.7	-2.5
Earnings before taxes	million €	-3.9	-7.0	-3.5
Net profit	million €	-3.2	-7.8	-2.2
R & D expenses	million €	4.4	2.5	2.1

CONSOLIDATED KEY FIGURES 1ST HALF 2008 – 2010 (IFRS)

		2008	2009	2010
Sales	million €	81.3	67.1	49.3
Order intake	million €	155.2	40.8	67.4
Order backlog (June 30)	million €	129.7	43.9	45.5
EBITDA	million €	14.5	-0.4	0.9
EBIT	million €	-1.7	-10.6	-8.0
Earnings before taxes	million €	-5.1	-12.9	-10.3
Net profit	million €	-3.2	-13.9	-7.9
Operating cash flow	million €	6.1	3.5	-10.6
Shareholders' equity	million €	288.7	231.2	174.9
Balance sheet total	million €	474.1	380.5	268.1
R & D expenses	million €	8.3	5.5	3.3
Employees (June 30)		758	608	470
Weighted average shares Aktien, basic		36,946,407	37,232,752	39,613,307
Earnings per share, basic	€	-0.09	-0.38	-0.20

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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