

H01.2011

Consolidated Statements IFRS as of 06/30/11 (unaudited)

## Report First Half Year 2011

CD / DVD  
Blu-ray  
3D

Crystalline Solar Cells  
Thin Film Solar Cells  
Solar Technology of the Future

SINGULUS 

## Business Trends and Situation of the SINGULUS TECHNOLOGIES Group

- Sales for the 1<sup>st</sup> half of 2011 above prior-year level (+31.0 %)
- New order intake rises 70.6 % to € 115.0 million (1<sup>st</sup> half 2010: € 67.4 million)
- Positive EBIT in the 2<sup>nd</sup> quarter
- Order backlog increases to € 85.9 million
- Full-year forecast of 33 % sales increase compared with 2010 and positive earnings reaffirmed

In the 1<sup>st</sup> half of the business year 2011 an order intake of € 115.0 million (previous year: € 67.4 million) was achieved. This corresponds to an increase of 70.6 % compared with the same period one year ago. Furthermore, the order intake in the 2<sup>nd</sup> quarter was substantially higher than in the prior-year quarter in 2010. The order backlog as of June 30, 2011 amounted to € 85.9 million, nearly twice the level of last year (previous year: € 45.5 million).

Sales in the first six months of the year 2011 improved by 31.0 % to € 64.6 million (previous year: € 49.3 million). In the 2<sup>nd</sup> quarter sales amounted to € 44.8 million (previous year: € 27.8 million). In the 1<sup>st</sup> half-year 2011 earnings before interest and taxes (EBIT) were within expectations and amounted to € -0.2 million (previous year: € -8.0 million). In the quarter under review a positive EBIT of € 2.3 million was realized (previous year: € -2.5 million).

### Business trends and market development Optical Disc

SINGULUS was able to realize the sales of a larger number of BLULINE II machines in the first half of the year. Long-time customers have continued to invest substantially in the production of Blu-ray discs. Accordingly, SINGULUS' positive growth expectations for the Blu-ray disc market are confirmed.

With the BLULINE II replication system SINGULUS has positioned itself as the global market leader. Nearly all replicators worldwide manufacture Blu-ray discs with 50 gigabyte storage volume on machines made by SINGULUS. BLULINE II is a high-performance production system with high production volume and manufacturing safety serving as the global benchmark for the production of Blu-ray discs. SINGULUS' Blu-ray mastering system CRYSTALLINE for



01

the production of single- and dual-layer Blu-ray masters meets all BD specifications and is increasingly accepted by the market.

The media market is characterized by strong seasonality and is accordingly quieter in the first half of the year - in particular in 2011 following the extremely sharp increase of last year's Christmas activities. However, the sales of Blu-ray players continued to increase by 13 % on a quarterly basis in 2011 over 2010 according to the Digital Entertainment Group, USA. Correspondingly, in the meantime about 30 million

US-households are equipped with Blu-ray players. In addition, the sales of high-resolution TVs rose by 11 % to more than 64.5 million devices.

According to a statement by the German Association for Audiovisual Media dated May 23, 2011, the sales of Blu-ray discs in Germany in the 1<sup>st</sup> quarter 2011 increased by 107 % from 2 million to 4.2 million discs. Since most of the new movies are only released from summer onwards, such as for example the new Harry Potter movie in 2D and 3D in July, we expect increasing sales figures for Blu-ray discs in the course of the next months.

### Business trends and market development Solar

In the 1<sup>st</sup> half-year 2011 SINGULUS received an additional order for five selenization machines for CIS thin film solar cells. In close cooperation with the AVANCIS GmbH & Co. KG (AVANCIS) SINGULUS TECHNOLOGIES had developed a new process machine for the thin film solar technology in 2001 and received the first order over € 19 million at the beginning of 2010. The follow-up order by HYUNDAI/AVANCIS over more than € 30 million significantly exceeded this volume.

At this year's Intersolar Europe in Munich in June amongst other the market introduction of the new VITRUM GEN 2 for the processing of coated backsides of thin film solar cells was in the spotlight. The new processing machine simultaneously cleans back-sides and edges



02



03

of thin film solar cells in a single working step. Accordingly, it offers substantial cost-saving potential and is easily integrated into already existing manufacturing lines. Several machines were already recognized as order intake. The first deliveries took place in July.

SINGULUS is still in negotiations regarding major projects for the areas silicon and thin film solar technology. However, up to date they have not been concluded. Overall the solar market exhibits a slow-down in growth particularly for silicon solar

cells due to the decline in demand in Europe and the resulting excess capacities. In general, a market recovery is currently expected from 2012 onwards. Projects for thin film solar technology have a longer development and planning period and are less affected by this slow-down.

However, up to now several successful contracts and cooperation agreements have been concluded this year. SINGULUS is establishing itself as a partner for the photovoltaics industry for the development of new, highly-efficient cell

concepts and new production processes, which enable a significant increase in performance as well as cost reductions.

In addition to the mass production of silicon solar cells, the coating system SINGULAR is increasingly employed for the further development of new solar cell concepts, so called high-performance solar cells. The modular coating system consists of several vacuum chambers with high flexibility for the deployment of new coating processes. A first order was already received from the German Institute for Solar Energy Research Hameln (ISFH). A cooperation was signed with the Solar Energy Research Institute of Singapore (SERIS) for the development



of high-performance silicon solar cells with high efficiency potential at lower production costs at the same time.

SINGULUS TECHNOLOGIES is also researching new production processes and efficiency increases of CIGS/Se thin film photovoltaic modules.

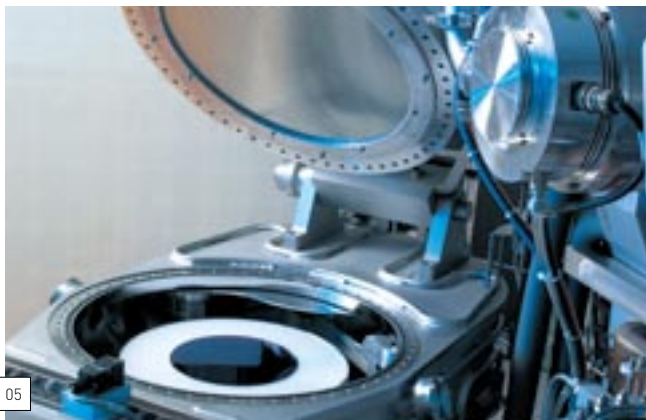
This compound project is a cooperation of four experienced partners covering different stages of the value-added chain of the photovoltaics industry: AVANCIS (producer of CIS photovoltaic modules), SINGULUS TECHNOLOGIES AG

(engineering), HERAEUS Noblelight GmbH (heating technology) and the IfG Institute for Scientific Instruments GmbH (innovative measuring processes). The cooperation of the four leading German companies promises synergies to achieve the demanding project targets. The project is established for three years and supported by financial aid of the support initiative "Innovation Alliance Photovoltaics" as well as by contributions by the participation companies.

### Semiconductors

In 2010 SINGULUS reported the order intake of three TIMARIS vacuum coating machines with a value exceeding € 8 million. The first of these machines already passed the technical acceptance tests by the customer in the first half of 2011. The second machine was delivered at the beginning of July. The delivery of the third plant is scheduled for the second half of 2011.

In the market for MRAM wafers a positive trend is noticeable. Several institutes and producers assess additional investments in this semiconductor technology to transform this technology to the production stage in the next couple of years. Here SINGULUS is in intensive project negotiations regarding the sale of its TIMARIS machines.



## Key financial figures

### Order intake and order backlog

The order intake in the 1<sup>st</sup> half of 2011 amounted to € 115.0 million (previous year: € 67.4 million), 70.6 % higher than the level achieved in the 1<sup>st</sup> half of 2010. In the quarter under review the order intake came to € 49.1 million (previous year: € 27.6 million). As of June 30, 2011, the order backlog amounted to € 85.9 million and is thus around 88.8 % above the prior-year level amounting to € 45.5 million.

### Sales and earnings

Sales in the first six months in 2011 came to € 64.6 million, substantially higher than the prior-year level of € 49.3 million. This corresponds to a percental increase of around 31.0 %. This improvement is mainly based on higher sales within the Solar segment (+ € 14.2 million). Within the Semi-conductor division sales increased by € 2.2 million. In the Optical Disc segment sales remained around the prior-year level (€ -1.0 million).

Sales of € 44.8 million in the 2<sup>nd</sup> quarter 2011 (previous year: € 27.8 million) were also significantly higher (c. 61.2 %) than the prior-year level. The percentage regional breakdown of sales for the 2<sup>nd</sup> quarter 2011 was as follows: Europe 21.4 % (previous year: 43.0 %), Asia 28.8 % (previous year: 22.0 %), North and South

America 47.8 % (previous year: 29.2 %) as well as Africa and Australia 2.0 % (previous year: 5.8 %). For the 1<sup>st</sup> half of 2011 the percentage regional sales breakdown was as follows: Europe 30.9 % (previous year: 46.3 %), Asia 28.5 % (previous year: 19.9 %), North and South America 38.1 % (previous year: 30.3 %) as well as Africa and Australia 2.5 % (previous year: 3.5 %).

In the 1<sup>st</sup> half of 2011 SINGULUS realized a gross profit margin in the amount of 27.7 % (previous year: 28.7 %), the gross profit margin in the 2<sup>nd</sup> quarter 2011 came to 28.7 % (previous year: 26.2 %). Accordingly, the gross margin continued to improve with the further increase of sold Blu-ray machines.

The operating expenses came to € 17.9 million in the first half-year (previous year:



€ 22.0 million). In addition to the reduction in expenses, this includes net extraordinary income in the amount of € 2.4 million.

In the 1<sup>st</sup> half-year 2011 earnings before interest and taxes (EBIT) were within expectations and amounted to € -0.2 million (previous year: € -8.0 million). In the quarter under review a positive EBIT of € 2.3 million was realized (previous year: € -2.5 million). Consequently, compared with the previous year the earnings situation in the group of companies was significantly improved during the period under review.

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

### Balance sheet and liquidity

The long-term assets amounted to € 72.9 million and were therefore slightly below previous year's level (previous year: € 74.6 million). Property, plant and equipment amounted to € 9.8 million and were therefore slightly below previous year's level (previous year: € 10.6 million). The capital expenditure in property, plant and equipment amounted to € 0.1 million in the 2<sup>nd</sup> quarter of 2011 (previous year: € 0.5 million). Most of the spending was used for replacement investments.

Current assets increased by € 20.5 million during the half-year under review. Specifically, the level of inventories rose by

€ 7.1 million compared to the prior-year level in connection with the increased business activities. Accounts receivable due within one year increased by € 5.3 million compared with the level as of December 31, 2010. Cash and cash equivalents rose by € 6.3 million in the first half of the business year 2011.

The short-term debt rose by € 2.8 million compared with the year-end level of 2010. This increase results from opposing effects. Specifically, the prepayments received rose by € 9.9 million as well as the accounts payable by

€ 5.4 million in connection with the heightened business activities. Compared with the previous year the other short-term liabilities increased by € 2.3 million. In contrast, the short-term liabilities owed to banks were reduced by € 15.0 million. This decline is mainly due to the contractually agreed extraordinary repayment in the course of the capital increase as well as due to the sale of real estate in Slovakia amounting to € 12.9 million in total and other repayments in the amount of € 2.7 million. After this the term loan facility as well as the revolving loan facility of the syndicated loan are completely repaid.

Segment Reporting	Segment "Optical Disc"		Segment "Solar"		Segment "Semiconductor"		Other		SINGULUS Group	
	06/30/2011	06/30/2010	06/30/2011	06/30/2010	06/30/2011	06/30/2010	06/30/2011	06/30/2010	06/30/2011	06/30/2010
	[EUR m]	[EUR m]	[EUR m]	[EUR m]	[EUR m]	[EUR m]	[EUR m]	[EUR m]	[EUR m]	[EUR m]
Revenue (gross)	40.5	41.6	21.4	7.2	2.7	0.5	0.0	0.0	64.6	49.3
Sales deduction and direct selling costs	-0.4	-0.5	-0.2	-0.1	0.0	0.0	0.0	0.0	-0.6	-0.6
Revenue (net)	40.1	41.1	21.2	7.1	2.7	0.5	0.0	0.0	64.0	48.7
Operating income (EBIT)	4.1	-1.6	-3.1	-6.0	-1.2	-0.5	0.0	0.1	-0.2	-8.0
EBITDA	7.1	3.6	-0.6	-2.5	-1.1	-0.5	0.0	0.3	5.4	0.9



In the period under review long-term debt was € 4.2 million lower than the prior-year level. This is mainly caused by a decline in long-term bank liabilities of € 2.8 million. Compared with the previous year the other long-term liabilities decreased by € 1.5 million. The decline in the long-term bank liabilities is mainly due to the contractual extraordinary repayment of the KfW-loan in connection with the sale of the real estate in Slovakia (€ 1.5 million) as well as the partly reclassification of this loan from long-term to short-term liabilities (€ 1.2 million).

### Shareholders' equity

The shareholders' equity in the Group amounted to € 126.4 million as of June 30, 2011 and is above the level of year-end 2010 (€ 106.2 million). Equity in the amount of € 124.0 million is attributable to the shareholders of the parent company and € 2.4 million to minorities. The rise in shareholders' capital is mainly due to the capital increase. As per resolution dated May 27, 2011, the subscribed capital of 41,050,111 shares was increased by 7,880,203 shares to currently 48,930,314 shares. The equity ratio stood at 63.0 % and is thus considerably above the previous year's level (58.4 %).

### Cash flow

In the 1<sup>st</sup> half of 2011 the operating cash flow of the Group of € 7.5 million was positive and thus substantially higher than the prior-year level (previous year: € -11.6 million). In the 1<sup>st</sup> half of 2011 bank loans in the amount of € 17.8 million were reduced, in contrast the company received € 25.2 million from the capital increase. The restricted financial assets increased by € 7.6 million in the course of granting collateral for guarantees for prepayments received. Overall, the liquid funds rose by € 6.3 million and amounted to € 18.6 million as of June 30, 2011.



07



08

07/08 Trade fair Intersolar North America 2011, San Francisco, USA



## Risk report

During the first six months of the business year 2011 there were no changes regarding the risks depicted in the Annual Report for the year 2010.

## Development of costs and prices

From our perspective the selling prices developed as planned in the 1<sup>st</sup> half of the business year. Material and personnel expenses also developed according to our budgets. However, the general price situation in the Solar segment strongly depends on the future developments in this market.

## Research and development (R & D)

At € 3.8 million the expenses for R & D in the 1st half of 2011 were 15.2 % above the prior-year level (previous year: € 3.3 million).

## Employees

The number of employees in the SINGULUS Group declined slightly from 470 employees as of June 30, 2010 to 463 employees as of June 30, 2011. During the period under review 463 employees were employed on average in the group of companies (previous year: 506 employees).

## The SINGULUS Stock

SINGULUS TECHNOLOGIES successfully concluded a capital increase by 7,880,203 common bearer shares in total with a nominal value of € 1.00 each and profit entitlement from January 1, 2011 against payment in kind.

The gross proceeds of around € 25.2 million from the capital increase are mainly used for the financing of the growth in the Solar segment and to a extent for repayments of financial debt.

With the entry of the implementation of the capital increase into the commercial register the total number of outstanding shares of the company rose to 48,930,314 shares.

As of June 30, 2011 the SINGULUS stock closed at € 3.90.

## Outlook

The Executive Board confirms its sales forecast of more than € 160 million published on May 26, 2011. Following three years with negative earnings, the company is expected to post a positive result for the full-year 2011.

SINGULUS TECHNOLOGIES relies on its two core business areas and a lean business model. For Optical Disc SINGULUS is market leader in the growth segment Blu-ray. Despite a short-term cooling, the activities in the Solar division will continue to provide positive impulses for the business development of the company in the long-term. Accordingly, SINGULUS TECHNOLOGIES is very good positioned for the future.

Yours sincerely,

The Executive Board  
SINGULUS TECHNOLOGIES AG

## Consolidated Balance Sheet

as of June 30, 2011 and December 31, 2010 (IFRS unaudited)

ASSETS	June 30, 2011	Dec. 31, 2010
	[EUR m]	[EUR m]
Cash and cash equivalents	18.6	12.3
Trade receivables	39.5	34.2
Other receivables and other assets	14.9	13.1
Total receivables and other assets	54.4	47.3
Raw materials, consumables and supplies	18.0	17.7
Work in process	36.8	30.0
Total inventories	54.8	47.7
<b>Total current assets</b>	<b>127.8</b>	<b>107.3</b>
Trade receivables	4.7	3.2
Property, plant and equipment	9.8	10.6
Capitalized development costs	16.3	16.9
Goodwill	21.7	21.7
Other intangible assets	20.0	21.7
Deferred tax assets	0.4	0.5
<b>Total non-current assets</b>	<b>72.9</b>	<b>74.6</b>
<b>Total assets</b>	<b>200,7</b>	<b>181,9</b>

## LIABILITIES

	June 30, 2011	Dec. 31, 2010
	[EUR m]	[EUR m]
Trade payables	17.9	12.5
Current bank liabilities	2.9	17.9
Prepayments	15.9	6.0
Other current liabilities	17.8	15.5
Tax provisions	0.8	0.4
Other provisions	2.1	2.3
<b>Total current liabilities</b>	<b>57.4</b>	<b>54.6</b>
Non-current bank liabilities	5.4	8.2
Other non-current liabilities	0.0	1.5
Pension provisions	7.1	7.3
Deferred tax liabilities	4.4	4.1
<b>Total non-current liabilities</b>	<b>16.9</b>	<b>21.1</b>
<b>Total liabilities</b>	<b>74.3</b>	<b>75.7</b>
Subscribed capital	48.9	41.1
Capital reserves	77.2	59.9
Other reserves	-1.6	0.4
Retained earnings	-0.5	2.1
<b>Equity attributable to owners of the parent</b>	<b>124.0</b>	<b>103.5</b>
<b>Minority interests</b>	<b>2.4</b>	<b>2.7</b>
<b>Total equity</b>	<b>126.4</b>	<b>106.2</b>
<b>Total equity and liabilities</b>	<b>200.7</b>	<b>181.9</b>

## Consolidated Income Statement

as of June 30, 2011 and 2010 (IFRS unaudited)

	2 <sup>nd</sup> Quarter				6 Months			
	2011		2010		2011		2010	
	[EUR m]	[in %]	[EUR m]	[in %]	[EUR m]	[in %]	[EUR m]	[in %]
<b>Revenue (gross)</b>	<b>44.8</b>	101.4	<b>27.8</b>	101.1	<b>64.6</b>	100.9	<b>49.3</b>	101.2
Sales deductions and direct selling costs	-0.6	-1.4	-0.3	-1.1	-0.6	-0.9	-0.6	-1.2
<b>Revenue (net)</b>	<b>44.2</b>	100.0	<b>27.5</b>	100.0	<b>64.0</b>	100.0	<b>48.7</b>	100.0
Cost of sales	-31.5	-71.3	-20.3	-73.8	-46.3	-72.3	-34.7	-71.3
<b>Gross profit on sales</b>	<b>12.7</b>	28.7	<b>7.2</b>	26.2	<b>17.7</b>	27.7	<b>14.0</b>	28.7
Research and development	-3.0	-6.8	-3.2	-11.6	-5.6	-8.8	-6.4	-13.1
Sales and customer service	-4.3	-9.7	-4.6	-16.7	-8.8	-13.8	-9.3	-19.1
General administration	-3.1	-7.0	-3.3	-12.0	-5.9	-9.2	-7.1	-14.6
Other operating expenses/income	0.0	0.0	1.4	5.1	2.4	3.8	0.8	1.6
Total operating expenses	-10.4	-23.5	-9.7	-35.3	-17.9	-28.0	-22.0	-45.2
<b>EBIT</b>	<b>2.3</b>	5.2	<b>-2.5</b>	-9.1	<b>-0.2</b>	-0.3	<b>-8.0</b>	-16.4
Finance costs/income	-0.8	-1.8	-1.0	-3.6	-1.4	-2.2	-2.2	-4.5
<b>EBT</b>	<b>1.5</b>	3.4	<b>-3.5</b>	-12.7	<b>-1.6</b>	-2.5	<b>-10.2</b>	-20.9
Tax income	-0.4	-0.9	1.3	4.7	-1.1	-1.7	2.3	4.7
<b>Profit or loss for the period</b>	<b>1.1</b>	2.5	<b>-2.2</b>	-8.0	<b>-2.7</b>	-4.2	<b>-7.9</b>	-16.2
Thereof attributable to:								
Owners of the parent	1.1		-2.2		-2.6		-7.8	
Minority interests	0.0		0.0		-0.1		-0.1	
Basic earnings per share based on the profit for the period (in EUR) attributable to owners of the parent	0.03		-0.05		-0.06		-0.20	
Diluted earnings per share based on the profit for the period (in EUR) attributable to owners of the parent	0.03		-0.05		-0.06		-0.20	
Basic number of shares, pieces	41,750,573		41,050,111		41,400,342		39,613,307	
Diluted number of shares, pieces	41,750,573		41,050,111		41,400,342		39,613,307	

## Statement of Changes in Consolidated Equity

as of June 30, 2011 and 2010 (IFRS unaudited)

	Equity attributable to owners of the parent				Total [EUR m]	Minority interests [EUR m]	Equity [EUR m]
	Subscribed capital [EUR m]	Capital reserves [EUR m]	Other reserves [EUR m]	Retained earnings [EUR m]			
As of January 1, 2011	41.1	59.9	0.4	2.1	103.5	2.7	106.2
Other comprehensive incomes	0.0	0.0	-2.0	0.0	-2.0	-0.2	-2.2
Profit or loss for the period	0.0	0.0	0.0	-2.6	-2.6	-0.1	-2.7
Total comprehensive income	0.0	0.0	-2.0	-2.6	-4.6	-0.3	-4.9
Capital increase*	7.9	17.3	0.0	0.0	25.2	0.0	25.2
As of June 30, 2011	48.9	77.2	-1.6	-0.5	124.0	2.4	126.4

For comparison the same period of the previous year:

As of January 1, 2010	37.4	48.7	-2.7	79.8	163.2	2.6	165.8
Other comprehensive income	0.0	0.0	1.8	0.0	1.8	0.0	1.8
Profit or loss for the period	0.0	0.0	0.0	-7.8	-7.8	-0.1	-7.9
Total comprehensive income	0.0	0.0	1.8	-7.8	-6.0	-0.1	-6.1
Capital increase*	3.7	11.4	0.0	0.0	15.1	0.0	15.1
Share-based payment (IFRS 2)	0.0	0.1	0.0	0.0	0.1	0.0	0.1
As of June 30, 2010	41.1	60.2	-0.9	72.0	172.4	2.5	174.9

\* after transaction costs

## Consolidated Statement of Comprehensive Income

as of June 30, 2011 and 2010 (IFRS unaudited)

	June 30, 2011 [EUR m]	June 30, 2010 [EUR m]
Profit or loss for the period	-2.7	-7.9
Exchange differences in the fiscal year	-2.2	1.8
Other comprehensive income	-2.2	1.8
Total comprehensive income	-4.9	-6.1
Thereof attributable to:		
Owners of the parent	-4.6	-6.0
Minority interests	-0.3	-0.1

## Consolidated Cash Flow Statement

as of June 30, 2011 and 2010 (IFRS unaudited)

	June 30, 2011		June 30, 2010*	
	[EUR m]		[EUR m]	
<b>Cash flows from operating activities</b>				
Profit or loss for the period		-2.7		-7.9
Adjustment to reconcile profit or loss for the period to net cash flow				
Amortization, depreciation and impairment of non-current assets	5.6		8.9	
Net reversal of/allocation to pension provisions	-0.2		0.2	
Other non-cash expenses/income	-2.3		-1.1	
Deferred taxes	0.4		-1.9	
Trade receivables	-7.2		-2.4	
Other receivables and other assets	5.9		0.7	
Capitalized development costs	-2.0		-2.8	
Inventories	-7.8		0.0	
Trade payables	5.6		1.3	
Other liabilities	2.1		-4.7	
Prepayments	9.9		-0.5	
Tax provisions	0.4		-0.9	
Other provisions	-0.2	10.2	-0.5	-3.7
<b>Net cash from/used in operating activities</b>		<b>7.5</b>		<b>-11.6</b>

\* previous year adjusted

	June 30, 2011		June 30, 2011*	
	[EUR m]		[EUR m]	
<b>Cash flows from investing activities</b>				
Cash paid for investments in intangible assets and property, plant and equipment	-0.6		-0.6	
Cash received from the disposal of assets and liabilities classified as held for sale	0.0		6.8	
Cash paid for the acquisition of Oerlikon's Blu-ray business	-0.3	-0.9	-1.3	4.9
<b>Net cash used in investing activities</b>		-0.9		4.9
<b>Cash flows from financing activities</b>				
Cash received from/paid for the raising/redemption of loans	-17.8		6.4	
Cash received from capital increases	25.2		15.1	
Cash and cash equivalents with restrictions on disposal	-7.6	-0.2	0.0	21.5
<b>Net cash from/used in financing activities</b>		-0.2		21.5
<b>Decrease in cash and cash equivalents</b>		6.4		14.8
Effect of exchange rate changes		-0.1		0.5
<b>Cash and cash equivalents at the beginning of the fiscal year</b>		12.3		15.2
<b>Cash and cash equivalents at the end of the fiscal year</b>		18.6		30.5

\* previous year adjusted



## Notes to the interim results (unaudited)

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 1<sup>st</sup> half of the business year 2011 were approved for publication by decision of the Executive Board as of August 8, 2011.

The consolidated financial statements have been prepared in euros (EUR). Unless stated otherwise, all figures are disclosed in millions of euros. The transition from EUR k to EUR m led to rounding differences in the report period as well as in the comparison period in the prior year.

### Accounting and valuation principles

The preparation of the abbreviated consolidated interim results for the period from January 1 to June 30, 2011 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, 2010.

The preparation of the annual results pursuant to IAS 34 requires estimates and assumptions 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 2010. For a detailed description of the accounting principles please refer to the notes of the consolidated financial statements of our Annual Report 2010.

### 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, 2011, in addition to the SINGULUS TECHNOLOGIES AG one domestic and 14 foreign subsidiaries were included.

No company was added to the scope of consolidated after December 31, 2010.

Due to liquidation the SINGULUS MOLDING AG, Schaffhausen, Switzerland, was excluded from the scope of consolidation as of April 13, 2011.

### Accounts receivable

The accounts receivable as of June 30, 2011 are split as follows:

	June 30, 2011	Dec. 31, 2010
	EUR m	EUR m
Accounts receivable short-term	49.7	44.6
Accounts receivable long-term	4.9	3.4
Less write-offs	-10.4	-10.6
	44.2	37.4

### Intangible assets

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

The capitalized development expenses amounted to € 16.3 million (previous year: € 16.9 million). In the first half-year of 2011 the investments in developments totaled € 2.0 million (previous year: € 2.8 million). Scheduled write-offs and amortization amounted to € 2.6 million (1<sup>st</sup> quarter 2010: € 4.4 million). In the quarter under review development expenses amounted to € 1.3 million (previous year: € 1.8 million), the scheduled amortization for the respective period amounted to € 1.3 million (previous year: € 2.1 million).

### Property, plant & equipment

In the first half of the business year 2011 € 0.3 million were invested in property, plant & equipment (previous year: € 0.7 million). During the same period scheduled depreciation amounted to € 0.9 million (previous year: € 1.5 million). In the quarter under review capital expenditure amounted to € 0.1 million (previous year: € 0.5 million), the scheduled amortization for the respective period amounted to € 0.2 million (previous year: € 0.8 million).

### Shareholders' equity

With consent of the Supervisory Board on May 27, 2011 the Executive Board of the SINGULUS TECHNOLOGIES AG decided on May 27, 2011 to increase the nominal capital of the company upon using the Authorized Capital I and III from € 41,050,111 divided into 41,050,111 common bearer shares with a nominal value of € 1.00 each by an amount of up to € 7,880,203 and therefore 7,880,203 shares to up to € 48,930,314 against payment in cash.

The new shares were offered to the shareholders of the SINGULUS TECHNOLOGIES AG with a ratio of 16 to 3 in the course of indirect subscription rights with a subscription price of € 3.30 per new share. The subscription period started on June 4, 2011 and ended on June 17, 2011 (including).

The placement of the shares was successfully concluded on June 20, 2011. 7,880,203 shares with profit entitlement from January 1, 2011 were issued. This resulted in a gross cash inflow of € 25.2 million for the company. This capital increase was entered into the commercial register of the SINGULUS TECHNOLOGIES AG at the Local Court Aschaffenburg on June 22, 2011.

### Bank loans

As of June 30, 2011 bank loans totaled € 8.3 million (December 31, 2010: € 26.1 million).

With effect from December 14, 2007 the SINGULUS TECHNOLOGIES AG signed a syndicated loan in the amount of € 60.0 million. The credit facility included 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 was 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. This syndicated loan was re-negotiated and signed on February 9, 2011 under continuation of the loans at the company's disposal. In this connection the consortium banks granted an additional guarantee facility in the amount of € 6.2 million for the conclusion of an order within the Solar segment.

In the quarter under review the amortizable loan was reduced by € 5.6 million and the revolving loan facility by € 10.0 million. Accordingly, both facilities were completely repaid.

The interest rate of the credit commitments is adjusted to the 1-month EURIBOR on a monthly basis.

Furthermore, in January 2010 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 2<sup>nd</sup> quarter 2010 and is tied to the payment of the remaining purchase price liability to acquire the remaining 49 % of the shares of STANGL. These funds were spent in July 2010. The repayment is scheduled at 16 constant amounts, payable for the first time on June 30, 2011. In this connection a repayment in the amount of € 0.6 million was performed towards the end of the period under review. In addition, an extraordinary repayment in the amount of € 1.5 million was made. As of June 30, 2011 the loan's outstanding balance was € 7.9 million. To collateralize the loan the KfW joined the collateral pool of the bank consortium.

The fair value of the bank loans mainly corresponded to the book values as of June 30, 2011 as well as at the same period one year ago.

Financial liabilities accounted for at net book value resulted in a net loss of € 1.1 million (previous year: € 0.7 million). The net losses are exclusively attributable to interest payments.

#### Contingent liabilities and other financial obligations

The contingent liabilities and other financial obligations not included in the consolidated accounts amount to € 42.8 million (31/12/2010: € 42.3 million) and mainly include rent and leasing obligations (€ 32.5 million), guarantees for prepayments received (€ 8.0 million) as well as guarantees (€ 2.3 million).

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.

<b>Geographic information as of June 2011</b>	<b>Germany</b>	<b>Rest of Europe</b>	<b>North and South America</b>	<b>Asia</b>	<b>Africa</b>	<b>Australia</b>
	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
Sales by country of origin	54.4	2.5	4.8	2.9	0.0	0.0
Country of destination	13.6	6.3	24.7	18.4	1.4	0.2

<b>Geographic information as of June 2010</b>						
Sales by country of origin	31.6	7.8	5.8	4.1	0.0	0.0
Country of destination	9.8	13.1	14.9	9.8	0.6	1.1

#### 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-capitalizable development expenses, the research and development expenses in the 2<sup>nd</sup> quarter of 2011 also include the scheduled amortization of capitalized development expenses in the amount of € 1.3 million (previous year: € 2.1 million). During the 1<sup>st</sup> half of 2011 write-offs on capitalized development activities amounted to € 2.6 million (previous year: € 4.4 million).

## Financial income and financing expenses

The interest income/ expenses are composed as follows:

	June 30, 2011	June 30, 2010
	EUR m	EUR m
Interest income from long-term customer receivables	0.5	0.5
Other interest income	0.0	0.1
Financing expenses	-1.9	-2.8
Financing result	-1.4	-2.2

## Earnings per share

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 period 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. Dilution effects were neither recorded in the quarter under review nor in the same period one year ago. 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.

## 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:

The following members of the Supervisory Board are shareholders of the company:

	June 30, 2011 shares
Dr.-Ing. Wolfhard Leichnetz	24,344
Günter Bachmann	17,811
Total	42,155

At the time of his leaving of the Supervisory Board the VVG Familie Roland Lacher KG controlled by the former Supervisory Board Chairman Roland Lacher held 594,472 shares of the company.

Furthermore, at the end of the quarter under review members of the Executive Board had themselves purchased the following number of shares of the SINGULUS TECHNOLOGIES AG:

	June 30, 2011 shares
Dr.-Ing. Stefan Rinck	9,619
Markus Ehret	2,493
Total	12,112

In addition the following options were held:

	Options	Price multiplier	Strike in €
Markus Ehret (purchase I)	10,000	12.69	6.00

Kahl am Main, August 2011

The Executive Board

## At a glance –

### Consolidated Key Figures 2nd Quarter 2009-2011

		2009	2010	2011
Revenue (gross)	in million €	31.7	27.8	<b>44.8</b>
Order intake	in million €	23.4	27.6	<b>49.1</b>
EBIT	in million €	-5.7	-2.5	<b>2.3</b>
EBITDA	in million €	-0.6	1.9	<b>5.2</b>
Earnings before taxes	in million €	-7.0	-3.5	<b>1.5</b>
Profit/loss for the period	in million €	-7.8	-2.2	<b>1.1</b>
Research & development expenditures	in million €	2.5	2.1	<b>2.3</b>

### Consolidated Key Figures 1st Half Year 2009-2011

		2009	2010	2011
Revenue (gross)	in million €	67.1	49.3	<b>64.6</b>
Order intake	in million €	40.8	67.4	<b>115.0</b>
Order backlog (06/30)	in million €	43.9	45.5	<b>85.9</b>
EBIT	in million €	-10.6	-8.0	<b>-0.2</b>
EBITDA	in million €	-0.4	0.9	<b>5.4</b>
Earnings before taxes	in million €	12.9	-10.2	<b>-1.6</b>
Profit/loss for the period	in million €	-13.9	-7.9	<b>-2.7</b>
Operating cash flow	in million €	3.5	-11.6	<b>7.5</b>
Shareholders' equity	in million €	231.2	174.9	<b>126.4</b>
Balance sheet total	in million €	380.5	268.1	<b>200.7</b>
Research & development expenditures	in million €	5.5	3.3	<b>3.8</b>
Employees (06/30)		608	470	<b>463</b>
Weighted number of shares, basic		37,232,752	39,613,307	<b>41,400,342</b>
Earnings per share, basic	€	-0.38	-0.20	<b>-0.06</b>

## Corporate Calendar

2011

**August**      **August 10**      **Q2/2011 Report**

**November**      **November 3**      **Q3/2011 Report**

## 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.

#### SINGULUS TECHNOLOGIES AG

Hanauer Landstrasse 103  
D-63796 Kahl am Main  
Phone: +49 6188 440-0  
Fax: +49 6188 440-110  
Internet: [www.singulus.de](http://www.singulus.de)

#### Investor Relations

Maren Schuster  
Phone: +49 6188 440-612  
Fax: +49 6188 440-110  
[investor.relations@singulus.de](mailto:investor.relations@singulus.de)