

Results January – September 2008

13 November 2008

Solaria

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January - September 2008 results

24% EBITDA margin in 9m2008

Net profit +48% in January – September 2008

42 MW of turn key projects built under RD 661/2007 regulation

End of regulatory uncertainties as new framework is set under RD 1578/2008. Other issues appear as a result of the new regulation

January - September 2008 results

Sales +127% in 9m2008 vs 9m2007

		9-mth 2008 (*)	9-mth 2007 (*)	FY-07	9m 2008 vs 9m 2007
Sales. PV Modules	€ 000s	172,783	80,009	132,385	116%
Sales. Turnkey	€ 000s	157,817	22,092	77,562	614%
Sales. Thermal pannels	€ 000s	42	140	142	n/a
	sq.m.	247	712	722	
Adjustments	€ 000s	-109,377	-4,679	-23,880	n/a
Total sales	€ 000s	221,265	97,561	186,209	127%
	MW	51.8	21.7	38.3	139%

Sales mix shows substantial growth in Turnkey reflecting the drive to complete projects before end of September 2008

(*) Unaudited figures.
H1 2008 consolidated data is fully comprable with parent company figures due to negligible impact of WOS
"Solar Cell" division has been integrated in "PV Modules" division

January - September 2008 results

EBITDA+58% in 9m2008 vs 9m2007

		9-mth 2008 (*)	9-mth 2007 (*)	FY-07	9m 2008 vs 9m 2007
PV Modules	EBITDA € 000s	29,168	18,198	26,976	60%
	% sales	16.9%	22.7%	20.4%	
Turnkey	EBITDA € 000s	24,403	15,314	44,820	59%
	% sales	15.5%	69.3%	57.8%	
Thermal pannels	EBITDA € 000s	-315	129	-100	n/a
	% sales	n/r	92.1%	n/r	
Total EBITDA	EBITDA € 000s	53,257	33,641	71,696	58%
	% sales	24%	34%	39%	

EBITDA margin in PV Modules division stabilised around 20% in spite of rate of utilisation below targets. Lower EBITDA margins in Turnkey is cyclical and is to improve in the final phase of construction (Q4 2008)

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January - September 2008 results

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Net profit: +48% 9m2008 vs 9m2007

	9-mth 2008 (*)					9-mth 2007 (*)					FY-2007					9m 2008 vs 9m 2007
€ 000s	PV	Th	T/Key	Adjust	Total	PV	Th	T/Key	Adjust	Total	PV	Th	T/Key	Adjust	Total	Total
Net sales	172,783	42	157,817	-109,377	221,265	80,009	140	22,092	-4,679	97,561	132,385	142	77,562	-23,880	186,209	127%
Other income	84	0	0		84	48	10	0		58	200	19	0		219	45%
COGS	-143,699	-357	-24,036		-168,092	-61,859	-21	-2,099		-63,979	-105,609	-261	-8,862		-114,732	163%
Adjustments			-109,377					-4,679					-23,880			
EBITDA	29,168	-315	24,403		53,257	18,198	129	15,314		33,641	26,976	-100	44,820		71,695	58%
Depreciation	-1,064	-5	-100		-1,169	-305	-42	-12		-359	-563	-54	0		-617	226%
EBIT	28,104	-320	24,303		52,087	17,893	87	15,302		33,282	26,413	-154	44,820		71,078	57%
FINANCIAL RESULT					-3,678					752					474	-589%
ORDINARY PROFIT					48,410					34,034					71,552	42%
Non-recurrent items					0					0					0	
Pre-tax profit					48,410					34,034					71,552	42%
Taxes					-14,491					-11,062					-23,151	31%
NET PROFIT					33,919					22,972					48,400	48%

PV: Photovoltaic Modules. Th: Thermal pannels. T/Key: Turnkey projects. Adjust: Internal sales between divisions

Financial data under IRFS

(*) Unaudited figures.
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"Solar Cell" division has been integrated in "PV Modules" division

Balance Sheet as at September 2008

€ 000s	Sep 08 (*)	Jun 08 (*)	Mar 08 (*)	Dec 07	Sep 07 (*)	Jun 07 (*)
Fixed assets:						
- Net tangible fixed assets	66,925	64,971	55,972	32,743	22,311	16,559
- Intangibles	260	246	21	17	18	19
- Financial investments	94	34	34	34	33	24
Deferred expenses	3,854	7,869	7,201	5,689	3,264	35
Current assets:						
- Stocks	50,320	21,512	16,750	34,786	27,667	23,974
- Debtors	247,986	174,248	139,976	178,002	88,238	36,013
- Other	1,813	957	1,224	550	165	320
- Cash	71,710	179,108	201,554	153,163	179,250	218,803
TOTAL ASSETS	**442,962**	**448,945**	**422,732**	**404,984**	**320,946**	**295,747**
Shareholder's funds	290,350	275,090	265,669	261,196	240,818	223,877
Deferred income	4,852	4,866	5,158	4,870	5,530	4,928
Deferred taxes	1,679	1,187	1,093	1,171	87	240
Long term debt	30,409	30,765	31,051	14,581	15,181	15,173
Current liabilities:						
- Short term debt	59,389	61,117	46,701	43,916	17,942	21,811
- Creditors	44,414	37,670	33,589	55,895	30,188	22,725
- Other	11,868	38,250	39,471	23,355	11,200	6,993
TOTAL LIABILITIES & NET WORTH	**442,962**	**448,945**	**422,732**	**404,984**	**320,946**	**295,747**

Financial data under IRFS

(*) Unaudited figures.

H1 2008 consolidated data is fully comprable with parent company figures due to negligible impact of WOS

“Solar Cell” division has been integrated in “PV Modules” division

Cell supplies contracted for 2008

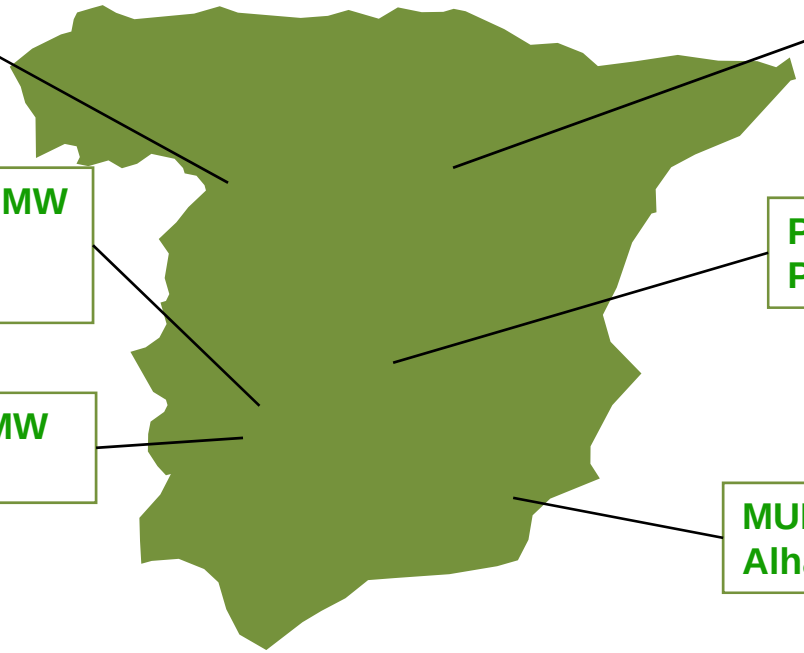
Supply of cells is below the amounts contracted

Supplier	Status	Q1	Q2	Q3	Q4	Total
Gintech	Contact signed	9.5	12.0	15.0	13.5	50.0
E Ton	Contact signed	4.9	7.3	12.3	15.5	40.0
Neo Solar Power	Contact signed	1.5	3.0	4.5	6.0	15.0
JA Solar	Contact signed	6.0	9.0	15.0	15.0	45.0
Supplier 1	Spot supply			2.5	2.5	5.0
Supplier 2	Spot supply			2.5	2.5	5.0
Supplier 3	Spot supply			2.5	2.5	5.0
Supplier 4	Spot supply			1.0	3.0	4.0
Internal production	Production starts Sept-08			3.0	8.0	11.0
Cell supply contracted (MW)		**21.9**	**31.3**	**58.3**	**68.5**	**180.0**
Cell supply received (MW)		**19.5**	**11.5**	**20.8**		

Delays in cell supplies have prevented reaching production targets

Projects completed under RD 661/2007

Turkey projects in 2008



LEON 1 MW
Villamañán (León)

EXTREMADURA I 11 MW
Villanueva de la Serena (Badajoz)

EXTREMADURA II 11 MW
Magacela (Badajoz)

LA RIOJA 11 MW
Fuenmayor (Logroño)

PUERTOLLANO 1 MW
Puertollano (Ciudad Real)

MURCIA 7 MW
Alhama de Murcia (Murcia)

Results of new licences to be awarded for 2009 will be announced quarterly: 16/1/2009; 1/4/2009; 1/7/2009 and 1/10/2009

Regulatory framework RD 1578/2008

Positives:

- Licences will total 500 MW in 2009, 500 MW in 2010 and 460 MW in 2011
- Flexible feed-in tariff depending on growth rate of new installations
- Supportive 3-yr framework until 2010-2020 renewables plan is announced

Negatives:

- Licences to be awarded quarterly. Q1 and Q2 auctions give priority to late runners and are unlikely to generate new demand for PV modules
- Rooftops vs. Ground systems requires one Q to lapse before balancing mechanism kicks in
- Other considerations affecting demand outlook are the financing restrictions from banks and markets



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