Intermediate Report

Intermediate Report
January 1 – March 31, 2012

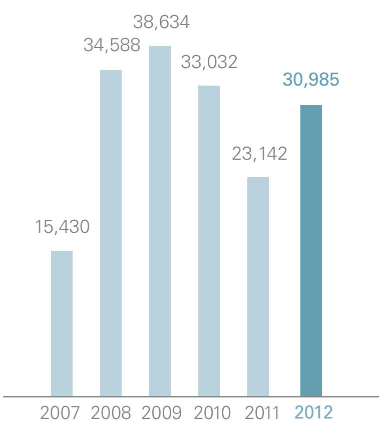
IMPORTANT CONSOLIDATED FIGURES AT A GLANCE

in EUR '000	Q1 2012	Q1 2011	Q1 2010
Sales Revenues	**30,985**	**23,142**	**33,032**
Industrial Systems	13,798	11,253	6,813
Semiconductor Systems	14,517	8,801	3,370
Solar Systems	2,670	3,088	22,848
Gross profit	**8,630**	**6,432**	**8,156**
in % sales revenues	27.9	27.8	24.7
R&D expenses	1,623	791	588
Operating result (EBIT)	**2,943**	**1,753**	**3,201**
in % sales revenues	9.5	7.6	9.7
Consolidated net profit	**2,019**	**1,265**	**1,975**
in % sales revenues	6.5	5.5	6.0
Earnings per Share (EPS) in EUR[1]	**0.09**	**0.06**	**0.09**
Capital expenditure	253	230	206
Total assets	**127,074**	**129,131**[2)]	**121,737**[2)]
Shareholders equity	**62,325**	**60,298**[2)]	**54,472**[2)]
Equity ratio in %	49.0	46.7[2)]	44.7[2)]
Employees as of 31.03.	**515**	**488**	**507**
Incoming orders	**18,885**	**38,952**	**18,694**
Order backlog	**60,458**	**68,661**	**71,118**
Book-to-bill-Ratio	0.61	1.68	0.57
Cash Flow from operating activities	**3,865**	**2,302**	**-570**

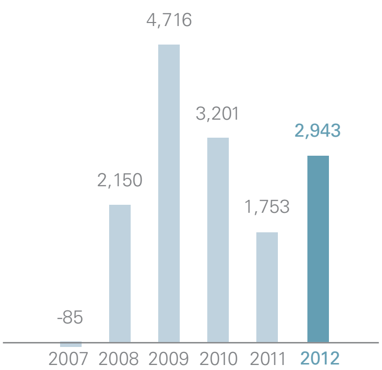
[1)] Circulating shares on average 21,749,988

[2)] as of December, 31st

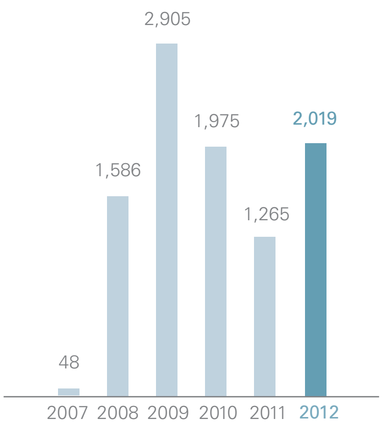
SALES REVENUES
Q1, in EUR '000



OPERATING RESULT (EBIT)
Q1, in EUR '000



CONSOLIDATED NET PROFIT
Q1, in EUR '000



Content

INTERMEDIATE REPORT
JANUARY 1 – MARCH 31, 2012

Foreword by the Management Board

OF PVA TEPLA AG FOR THE FIRST QUARTER 2012

f. l. t. r.
Arnd Bohle and
Dr. Arno Knebelkamp

DEAR SHAREHOLDERS OF PVA TEPLA AND BUSINESS PARTNERS,

Consolidated sales revenues have performed well in the first quarter of the current fiscal year. Both sales revenues, which reached EUR 31.0 million, and operating profit, at EUR 2.9 million, were up year on year, giving us cause to assume that, on the basis of our existing order backlog, we will meet the full-year targets for the current fiscal year, which are consolidated sales revenues of between EUR 120 and 130 million and operating profit of 8–10%.

Order intake progressed to plan during the first quarter of this year. The Industrial Systems division, continuing the good order intake seen in the previous year, delivered a highly pleasing result once again. Order intake in the Semiconductor Systems division was substantially lower than in the comparable period in 2011; however, we had not been expecting major orders such as the one we received in the first quarter of 2011 to supply crystal growing systems to the semiconductor industry. Analytical Systems and Plasma Systems registered the highest order intake in this division. As was to be expected, the Solar Systems division suffered from low order intake in the first quarter of 2012. The current fiscal year will be influenced significantly by a difficult industry environment. The substantial oversupplies currently in evidence in the photovoltaics market have put severe limits on European and Asian customers' willingness to make investments. A large number of companies from the PV sector have reported poor business figures recently; this serves as a clear indication of the difficulties in the market at present. Nevertheless, we view ongoing pressure on prices in production as a medium-term opportunity to become involved in the next investment cycle with the highly evolved and efficient crystallization systems on which we are currently working intensively. Key market observers perceive the future of the photovoltaic industry to lie in the development of high-quality, highly efficient solar modules; this will require correspondingly advanced crystal growing systems technology.

PVA TePla Group's positive financial position forms a strong basis for the further development of the Group; liquidity remained positive in the first quarter of 2012.

We would like to thank you on behalf of ourselves as well as our division managers and employees for the trust and commitment you have shown to our Company.

Dr. Arno Knebelkamp
Chief Executive Officer

Arnd Bohle
Chief Financial Officer

SolarCrystallizer

The Shares

OF PVA TEPLA AG, WETTENBERG

The Shares

The PVA TePla share performed well in the opening months of 2012, keeping pace with or outstripping comparable indices by rising from EUR 3.00 to EUR 3.60 as of April 23, 2012. One reason for this positive development is PVA TePla's balanced business model, with its three divisions and its diverse product portfolio, which helped to prevent a severe loss of value of the kind seen in a high number of securities from the solar market. The Management Board introduced the Company to institutional investors at a number of conferences and roadshows this year and will continue to do so during the rest of the year.

Shareholdings and Subscription Rights of Executive Body Members

MANAGEMENT BOARD

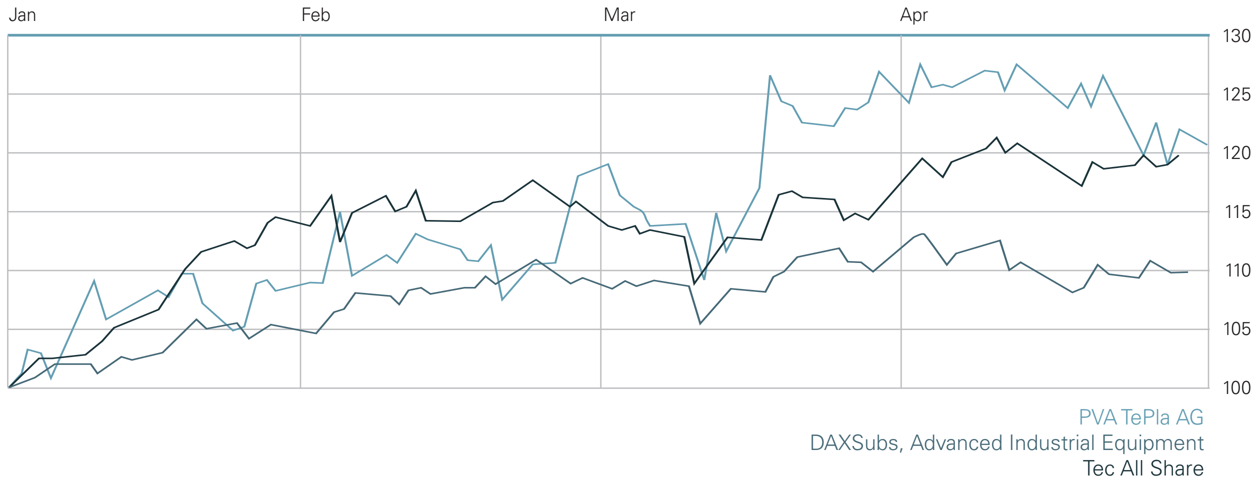
	Shares Mar. 31, 2012	Shares Dec. 31, 2011	**Subscription rights Mar. 31, 2012**	Subscription rights Dec. 31, 2011
Dr. Arno Knebelkamp	25,000	25,000	0	0
Arnd Bohle	5,000	5,000	0	0

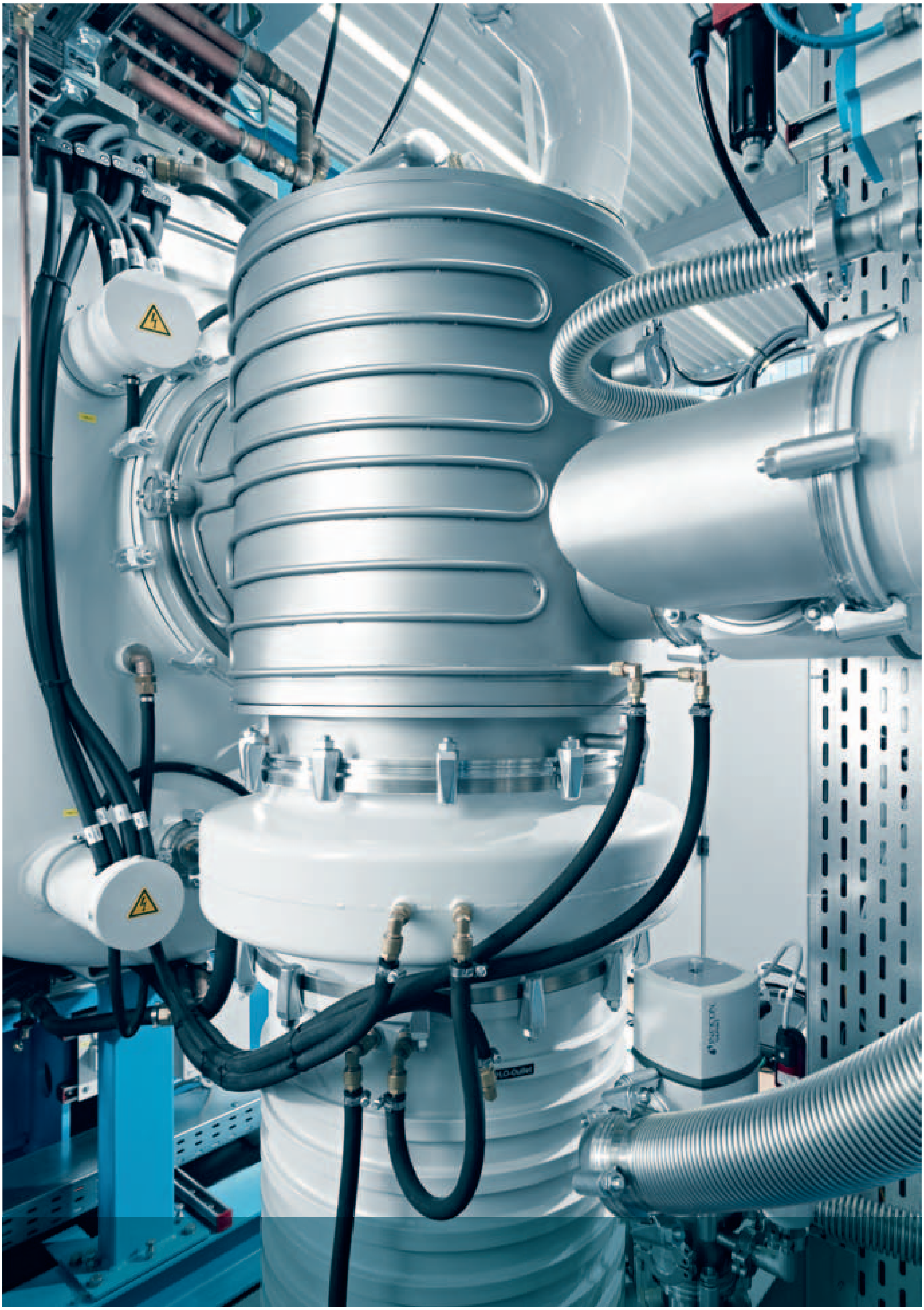
SUPERVISORY BOARD

	Shares Mar. 31, 2012	Shares Dec. 31, 2011	**Subscription rights Mar. 31, 2012**	Subscription rights Dec. 31, 2011
Alexander von Witzleben	0	0	0	0
Dr. Gernot Hebestreit	0	0	0	0
Prof. Dr. Günter Bräuer	0	0	0	0

PERFORMANCE OF PVA TEPLA SHARES SINCE JANUARY 2012

in % / 1-day-interval

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Interim Group Management Report

PVA TEPLA AG, WETTENBERG
JANUARY 1 – MARCH 31, 2012

Interim Group Management Report

PVA TEPLA AG, WETTENBERG, JANUARY 1 – MARCH 31, 2012

1. SALES REVENUES

In the first three months of 2012, consolidated sales revenues amounted to EUR 31.0 million, in excess of the figure in the previous year's comparable period (EUR 23.1 million). The **Industrial Systems division** recorded sales revenues of EUR 13.8 million, outperforming the level seen in the previous year's period (EUR 11.3 million). The **Semiconductor Systems division** delivered significantly higher sales revenues than in the first quarter of 2011 (EUR 14.5 million as compared to EUR 8.8 million). Sales revenues in this division were largely powered by supplying crystal growing systems to the semiconductor industry. At EUR 2.7 million, sales revenues in the **Solar Systems division** remained virtually unchanged from last year's comparable period (EUR 3.1 million).

Sales revenues by division
EUR '000

	Q1 2012	Q1 2011
Industrial Systems	13,798	11,253
Semiconductor Systems	14,517	8,801
Solar Systems	2,670	3,088
Total sales revenues	**30,985**	**23,142**

2. ORDERS

Order intake at PVA TePla Group amounted to EUR 18.9 million in the first quarter of 2012 (comparable period in the previous year: EUR 39.0 million), in accordance with corporate planning. The book-to-bill-ratio stood at 0.6 (previous year: 1.7). Order intake in the **Industrial Systems division** remained very good, coming to EUR 12.7 million in the first three months of the year (previous year: EUR 15.6 million); orders mainly related to systems for hard metal production and heat treatment systems for the electrical industry. The **Semiconductor Systems division** saw its order intake decline on that seen in the comparable period in the previous year, registering EUR 5.8 million (previous year: EUR 22.4 million) in incoming orders. The first quarter of the previous year had seen this division enjoying high levels of incoming orders for crystal growing systems for semiconductors; we had not expected the first quarter of this year to generate similarly large orders. The **Solar Systems division** registered order intake of EUR 0.3 million (previous year: EUR 0.9 million). Business in this division is primarily dependent on major orders, which are currently not to be expected due to the difficult market environment.

Order backlog, consolidated and net of sales revenues shares already realized according to the percentage of completion method (PoC), came to EUR 60.5 million on March 31, 2012 (previous year: EUR 68.7 million). Order backlog in the **Industrial Systems division** as of March 31, 2012, stood at EUR 25.0 million (previous year: EUR 29.1 million). In the **Semiconductor Systems division**, order backlog came to EUR 28.4 million (previous year: EUR 33.0 million). The **Solar Systems division** registered order backlog of EUR 7.1 million as of March 31, 2012 (previous year: EUR 6.6 million).

3. RESEARCH AND DEVELOPMENT

PVA TePla Group invested EUR 1.6 million in research and development (R&D) in the first three months of 2012, a significant increase on the EUR 0.8 million spent on this area in the previous year´s period. As a rule, the **Industrial Systems division** carries out new developments as part of customer orders. These are not separately recognized as R&D expenses. The Plasma Systems business unit of the **Semiconductor Systems division** is currently testing the new generation of fully automated GIGA 80 Plus IoN plasma activation systems for precision cleaning of chip carriers; the test phase is taking place on site at a major customer. The plasma is created using radio frequency (RF) in the megahertz range. This makes PVA TePla the first manufacturer of systems to be able to offer its major chip packaging customers a choice of radio frequency or microwave inline plasma systems. In the first quarter of 2012, the **Solar Systems division** continued working on the further development of the Czochralski (Cz) method for growing monocrystalline silicon ingots at the competence center for industrial crystal growing systems (CCIC) in Wettenberg. This research is part of the "Solarvalley Mitteldeutschland" (Solarvalley Central Germany) top research cluster. We worked to achieve substantial cost reductions, both in terms of the systems technology used and for the entire growing process, particularly in the case of the SolarCrystallizer system type.

4. INVESTMENTS

The total value of investments came to EUR 0.3 million in the first quarter of 2012 (previous year: EUR 0.2 million), and primarily encompassed small expansions or replacement parts for operating and office equipment and software.

5. PERSONNEL

As of March 31, 2012, the Group employed 515 people (March 31, 2011: 488, December 31, 2011: 509). Employee numbers have risen slightly on the figure as of March 31, 2011, in the context of the exceptionally high order backlog in the Industrial Systems division.

6. NET ASSETS AND FINANCIAL POSITION

Total assets as of March 31, 2012, fell slightly on the December 31, 2011 balance sheet total of EUR 129.1 million to EUR 127.1 million.

Non-current assets remain virtually unchanged, standing at EUR 45.5 million as compared to the figure of EUR 45.3 million as of December 31, 2011. The largest changes were the increase in deferred tax assets from EUR 2.6 million on December 31, 2011, to EUR 3.3 million, and also depreciation and amortization on property, plant and equipment and intangible assets.

Total current assets have declined to EUR 81.5 million (December 31, 2011: EUR 83.8 million). The most significant change in this context arose from a drop in current receivables from the total recorded on December 31, 2011, of EUR 20.3 million to the current figure of EUR 14.8 million. The largest reduction, from EUR 15.6 million as of December 31, 2011, to EUR 9.5 million now, occurred in relation to trade receivables. The value of prepayments made fell from EUR 2.4 million as of December 31, 2011, to EUR 2.0 million. Other receivables have risen to EUR 3.3 million (December 31, 2011: EUR 2.4 million). The value of tax repayment claims, stemming primarily from tax prepayments, came to EUR 2.3 million (December 31, 2011: EUR 1.4 million), while the value of inventories has increased to a total of EUR 25.0 million, contrasting with EUR 23.7 million as of December 31, 2011. The material planning and the processing of current orders have caused raw materials, consumables and operating supplies to climb to EUR 11.9 million (EUR 11.0 million as of December 31, 2011) and work in progress to rise to EUR 9.3 million (December 31, 2011: EUR 8.9 million). By contrast, coming receivables on construction contracts declined to EUR 20.6 million (December 31, 2011: EUR 22.8 million). The positive cash flow situation saw cash and cash equivalents, at EUR 17.9 million, reaching a higher level than the December 31, 2011, figure of EUR 14.6 million; additionally, current securities amount to EUR 1.0 million, a figure unchanged from December 31, 2011.

Non-current liabilities have increased from EUR 20.9 million as of December 31, 2011, to the current figure of EUR 21.7 million, while non-current financial liabilities saw a slight decline to EUR 8.6 million (as opposed to EUR 8.7 million on December 31, 2011) due to scheduled loan repayments. The pension provisions have risen slightly by the scheduled addition to EUR 8.5 million (December 31, 2011: EUR 8.4 million). The largest change was caused by the increase in deferred tax liabilities to EUR 3.6 million (December 31, 2011: EUR 2.8 million).

Total current liabilities fell from EUR 47.9 million as of December 31, 2011, to EUR 43.0 million. Current financial liabilities mainly pertain to the current positions of non-current financial liabilities. The Company did not have any significant current liabilities to banks as of March 31, 2012 on account of its positive liquidity position. Trade payables declined to EUR 4.9 million, as compared to EUR 6.1 million on December 31, 2011. The value of obligations on construction contracts rose from EUR 1.6 million as of December 31, 2011, to EUR 2.1 million. Advance payments received on orders decreased from EUR 16.7 million on December 31, 2011, to EUR 12.5 million. Other current provisions amounted to EUR 7.3 million (December 31, 2011: EUR 8.8 million), while accrued liabilities came to EUR 8.9 million (December 31, 2011: EUR 7.4 million).

Based on the result equity increased further, to EUR 62.3 million (December 31, 2011: EUR 60.3 million). Due to the reduction in total assets, the equity ratio has continued to climb, and has now reached 49.0% (December 31, 2011: 46.7%).

As had been expected, operating cash flow was positive again in the first quarter of 2012, standing at EUR +3.9 million (previous year: EUR +2.3 million). Cash flow from investment activities was unchanged at EUR -0.2 million (previous year: EUR -0.2 million). Cash flow from financing activities was likewise steady, at EUR -0.4 million (previous year: EUR -0.4 million). Aggregate cash flow, including changes caused by exchange rate movements, for the first quarter of 2012 came to EUR +3.2 million (previous year: EUR +1.4 million), and free cash flow came to EUR +3.6 million (previous year: EUR +2.1 million). Overall, the liquidity position of PVA TePla Group remains very positive.

At EUR 0.3 million, financing expenses were at the same level as in the previous year, while finance revenue amounted to EUR 0.1 million (previous year: EUR 0.3 million). Accordingly, the net balance of financing expenses and finance revenue came to EUR -0.2 million (previous year: EUR 0.0 million). Income taxes, which totaled EUR -0.7 million (previous year: EUR -0.5 million), comprised actual tax expenses, amounting to EUR -0.5 million (previous year: EUR -0.8 million) and deferred taxes in the amount of EUR -0.2 million (previous year: EUR +0.3 million). Please refer to the explanations in section C. of the notes to these interim financial statements for more details.

7. RESULTS OF OPERATIONS

We improved on the previous year's performance in terms of sales revenues and profits in the first quarter of fiscal year 2012, generating EBIT of EUR +2.9 million (previous year: EUR +1.8 million) and consolidated net profit for the period of EUR +2.0 million (previous year: EUR +1.3 million). At 9.5%, our EBIT margin was within the forecast range and outperformed the previous year's figure of 7.6%. Return on sales came to +6.5% on March 31, 2012, compared to +5.5% in the previous year.

Based on increased sales revenues gross profit rose to EUR 8.6 million (previous year: EUR 6.4 million). At 27.9%, the gross margin was virtually unchanged from the previous year's period (previous year: 27.8%). Selling and distribution expenses reached EUR 2.7 million, above the comparable previous year's figure of EUR 2.3 million; the increase was largely driven by commission payments. Conversely, administrative expenses were down to EUR 1.9 million (previous year: EUR 2.0 million).

A look at each division shows: In the Industrial Systems division, the buoyant order situation saw sales revenues and profits rising year on year; likewise, the Semiconductor Systems division enjoyed a considerable increase in sales revenues thanks to current orders, with the substantial contributions to earnings made by the series production business and the floatzone systems business unit giving profits a notable boost. The Solar Systems division was affected by a considerable loss arising from a low volume of business coupled with a further increase in investment in R&D expenses. The resulting technical development of the crystal growing systems will further improve market opportunities for the expected next investment cycle.

8. MARKET OPPORTUNITIES AND RISKS

The opportunities in the markets for our Company's products depend on the investment activities of customers who process or produce high-tech materials. Growing investments in infrastructure measures and production facilities are examples of areas in which materials from our systems could be utilized. Increasing demand for materials such as graphite gives rise to new sales opportunities. In markets such as photovoltaics and the semiconductor industry, PVA TePla provides technologies that are and will remain a firm part of the relevant value added chain. In the semiconductor industry, these might encompass systems for growing silicon crystals with a 12in diameter or high-purity silicon crystals for high-performance electronics or analytical systems for non-destructive quality control in LED or MEMS production. Future technologies connected to renewable energies such as photovoltaics provide system suppliers such as PVA TePla Group with particularly marked opportunities for growth. Leading research institutes see significant growth potential in these areas. Additional sales opportunities also arise from product portfolio expansion, whether involving in-house developments or, as has often been the case in the past, through the acquisition of companies possessing interesting technologies.

One key risk in the markets in which PVA TePla is involved is the risk of unexpected fluctuations in customers' or sectors' investment activities. We reduce this risk by diversifying our range of products and services, focusing on a wide span of sectors including semiconductors, photovoltaics, tool making and hard metal technology, the production of high-quality metals and ceramics, the automotive and aerospace industries, and the electrical and electronic engineering sectors. The effects of cyclical, commonly foreseeable fluctuations in market volume are primarily offset by increasing or decreasing outsourcing levels, although unexpectedly high demand can give rise to production bottlenecks. The strategy of maintaining a relatively low level of vertical integration allows rapid response in this regard. The PVA TePla Group also provides high-quality contract processing work – such as plasma treatment, high-vacuum brazing and heat treatment of components – in which greater customer demand has historically been seen in times of generally restrained capital expenditure. The semiconductor business – a key segment for the Group – is highly cyclical in nature, and for that reason involves significant risks as well as major opportunities. In recent decades, the semiconductor industry has enjoyed average annual growth rates well above those of most so-called old economy industries; however, this average includes both periods of robust growth and phases of recession.

Although the future condition of the general global economy is not entirely certain, analysts predict global GDP growth of 3.2% for 2012, with a further rise in 2013 to 3.6% – the level seen in 2011. Although the threat of a global recession in the wake of the debt crisis in the established industrialized countries is not yet acute, their further economic development and particularly the investment activities of many companies remain unclear. The development of the emerging countries – a very important market for PVA TePla Group – is also showing signs of overheating and first indications of tailing growth. The current fiscal year sees the Solar Systems division operating in a difficult environment across the sector, with customers markedly reluctant to invest due to the substantial oversupplies currently in evidence in the photovoltaics market. However, we view the ongoing pressure on prices in this market as a medium-term opportunity to benefit from the next investment cycle with highly evolved and efficient crystallization systems.

Order intake has proceeded to plan in the first months of 2012. In the Industrial Systems division, the order situation has continued to be positive during the first quarter of the current fiscal year. The product groups encompassed by the Semiconductor Systems and Solar Systems divisions have been impacted during the first quarter of this year by customer reluctance to invest. It is currently difficult to issue an accurate prediction as to how order intake will develop in the various product groups during the rest of 2012.

Exchange rates: A devaluation of the US dollar compared to the Euro is placing the Company in a worse competitive position, particularly in relation to its competitors from the US dollar currency zone. These developments mainly affect the Plasma Systems business unit. The high volatility of current exchange rates makes forecasting future developments difficult. There are currently no significant foreign currency transactions at the Company.

Interest rate development: The Company is watching the current development of interest rates and price rises closely. Current forecasts indicate that no significant changes in interest rate levels are to be expected in the foreseeable future. Moreover, the Company's good liquidity position and the long-term financing of its investments act to boost the Company's financing situation.

Raw materials: The development of raw materials prices only has an indirect impact on the Company and is only felt in the form of price developments for purchased components, as the level of vertical integration is low. In the past, corresponding price developments were passed on to customers by calculating specific prices for each individual order. The Company therefore does not expect any significant risks from any such developments.

In view of order backlog, we expect to meet our targets for 2012. Maintaining a low level of vertical integration affords a flexible structure for adjusting capacity as needed in the event of lower demand.

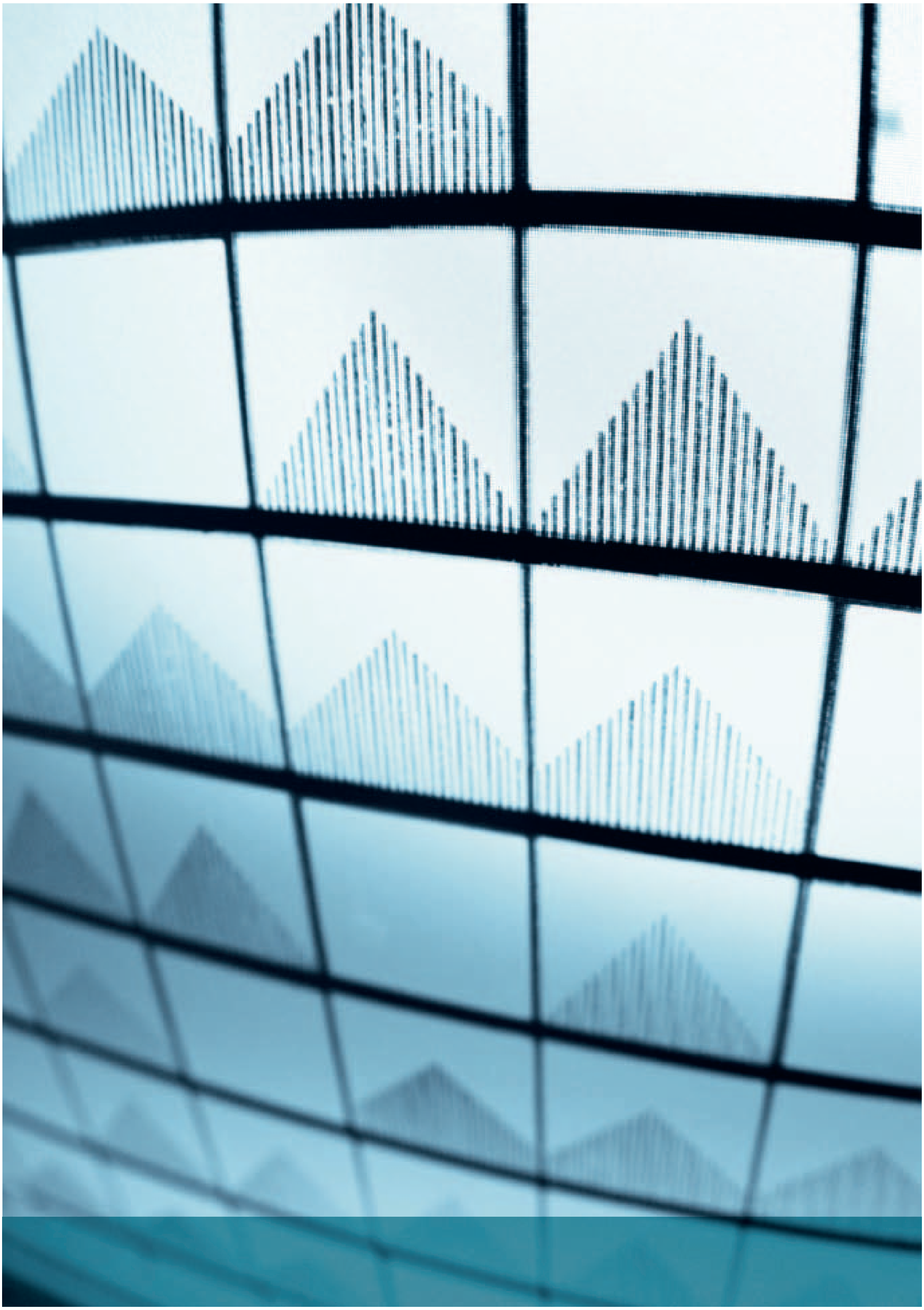
Beyond these factors, the opportunities and risks presented in detail in the Annual Report 2011 on pages 53 et seq. did not change significantly in the first three months of 2012.

9. DEVELOPMENTS AFTER MARCH 31, 2012, AND OUTLOOK

Since April 1, 2012, there have been no significant events that are expected to have a material impact on the net assets, financial position and results of operations of PVA TePla.

The Management Board of PVA TePla expects the current fiscal year to generate a result in line with previous forecasts; this translates to consolidated sales revenue of between EUR 120 and 130 million and an EBIT margin in the region of 8–10%. Order backlog as of March 31, 2012 in the amount of EUR 60.5 million supports these expectations.

Wettenberg, May 10, 2012



Interim Consolidated Financial Statements

PVA TEPLA AG, WETTENBERG
AS AT MARCH 31,2012

PVA TEPLA AG, WETTENBERG

Interim Consolidated Financial Statements

CONSOLIDATED BALANCE SHEET
as at March 31, 2012

ASSETS in EUR '000	March 31, 2012	Dec. 31, 2011
Non-current assets		
Intangible assets	8,254	8,376
Goodwill	7,615	7,615
Other intangible assets	639	761
Property, plant and equipment	33,565	33,861
Land, property rights and buildings, including buildings on third party land	28,420	28,675
Plant and machinery	3,332	3,414
Other plant and equipment, fixtures and fittings	1,731	1,764
Advance payments and assets under construction	82	8
Investment property	427	432
Non-current investments	8	9
Deferred tax assets	3,276	2,633
Total non-current assets	45,530	45,311
Current assets		
Inventories	24,998	23,674
Raw materials and operating supplies	11,863	10,975
Work in progress	9,259	8,931
Finished products and goods	3,876	3,768
Coming receivables on construction contracts	20,550	22,828
Trade and other receivables	14,823	20,274
Trade receivables	9,524	15,570
Payments in advance	1,956	2,352
Other receicables	3,343	2,352
Tax repayments	2,314	1,431
Other financial assets	1,001	1,001
Cash and cash equivalents	17,858	14,612
Total current assets	81,544	83,820
Total	**127,074**	**129,131**

The following notes are an integral part of the Interim Consolidated Financial Statements.

LIABILITIES AND SHAREHOLDERS' EQUITY in EUR '000	March 31, 2012	Dec. 31, 2011
Shareholders' equity		
Share capital	21,750	21,750
Revenue reserves	41,168	39,140
Other reserves	-269	-277
Minority interest	-324	-315
Total shareholders' equity	62,325	60,298
Non-current liabilities		
Non-current financial liabilities	8,609	8,742
Other non-current liabilities	746	773
Retirement pension provisions	8,463	8,396
Deferred tax liabilities	3,579	2,757
Other non-current provisions	324	279
Total non-current liabilities	21,721	20,947
Current liabilities		
Short-term financial liabilities	4,164	4,154
Trade payables	4,895	6,066
Obligations on construction contracts	2,050	1,641
Advance payments received on orders	12,522	16,651
Accruals	8,920	7,354
Other short-term liabilities	1,346	1,448
Provisions for taxes	1,846	1,732
Other short-term provisions	7,285	8,840
Total current liabilities	43,028	47,886
Total	127,074	129,131

The following notes are an integral part of the Interim Consolidated Financial Statements.

PVA TEPLA AG, WETTENBERG

CONSOLIDATED INCOME STATEMENT
January 1 – March 31, 2012

in EUR '000	Jan. 01 – March 31, 2012	Jan. 01 – March 31, 2011
Sales revenues	30,985	23,142
Cost of sales	-22,355	-16,710
Gross profit	8,630	6,432
Selling and distributing expenses	-2,702	-2,272
General administrative expenses	-1,851	-2,021
Research and development expenses	-1,623	-791
Other operating income	1,207	1,089
Other operating expenses	-718	-684
Operating profit (EBIT)	2,943	1,753
Finance revenue	67	316
Finance costs	-301	-315
Financial result	-234	1
Net profit before tax	2,709	1,754
Income taxes	-690	-489
Consolidated net profit for the period	2,019	1,265
of which attributable to:		
Shareholders of PVA TePla AG	2,028	1,270
Minority interest	-9	-5
Consolidated net profit for the period	2,019	1,265
Earnings per share		
Earnings per share (basic) in EUR	0.09	0.06
Earnings per share (diluted) in EUR	0.09	0.06
Average number of share in circulation (basic)	21,749,988	21,749,988
Average number of share in circulation (diluted)	21,749,988	21,749,988

PVA TEPLA AG, WETTENBERG

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
January 1 – March 31, 2012

in EUR '000	Jan. 01 – March 31, 2012	Jan. 01 – March 31, 2011
Consolidated net profit for the period	**2,019**	**1,265**
of which attributable to shareholders of PVA TePla AG	2,028	1,270
of which attributable to minority interest	-9	-5
Other comprehensive income		
Currency changes	-15	-288
Income taxes	23	56
Changes recognized outside profit or loss (currency changes)	8	-232
Changes in fair values of derivative financial instruments	0	18
Income taxes	0	-5
Changes recognized outside profit or loss (derivative financial instruments)	0	13
Other comprehensive income after taxes (changes recognized outside profit or loss)	**8**	**-219**
of which attributable to shareholders of PVA TePla AG	8	-219
of which attributable to minority interest	0	0
Total comprehensive income	**2,027**	**1,046**
of which attributable to shareholders of PVA TePla AG	2,036	1,051
of which attributable to minority interest	-9	-5

PVA TEPLA AG, WETTENBERG

CONSOLIDATED CASH FLOW STATEMENT
January 1 – March 31, 2012

	in EUR '000	Jan. 01 – March 31, 2012	Jan. 01 – March 31, 2011
	Consolidated net profit for the period	2,019	1,265
	Adjustments to the consolidated net profit for the period for reconciliation to the cash flow operating activities:		
+	Income tax expense	690	489
-	Finance revenue	-67	-316
+	Finance costs	301	315
=	Operating profit	2,943	1,753
-	Income tax payments	-1,287	-1,008
+	Amortization and depreciation	664	703
-/+	Gains/losses on disposals of non-current assets	8	1
+/-	Other non-cash expenses (income)	2	-169
		2,330	1,280
-/+	Increase/decrease in inventories, trade receivables and other assets	6,368	-2,545
+/-	Increase/decrease in provisions	-1,442	407
+/-	Increase/decrease in trade payables and other liabilities	-3,391	3,160
=	Cash flow from operating activities	3,865	2,302
-	Acquisition of intangible assets and property, plant and equipment	-253	-230
+	Interest receipts	40	42
=	Cash flow from investing activities	-213	-188
-	Payments from redumption of debt and loans	-132	-131
+/-	Change in short-term bank liabilities	0	1
-	Payment of interest	-301	-315
=	Cash flow from financing activities	-433	-445
	net change in cash and cash equivalents	3,219	1,669
+/-	Effect of exchange rate fluctuations on cash and cash equivalents	27	-262
+	Cash and cash equivalents at beginning of the period	14,612	30,282
=	Cash and cash equivalents at the end of the period	17,858	31,689

PVA TEPLA AG, WETTENBERG

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
January 1 – March 31, 2012

in EUR '000	Shared issues		Revenue reserves	Other equity components	Total	Minority interest	Total Shareholders' equity
	Number						
As at January 01, 2011	21,749,988	21,750	33,255	-224	54,781	-309	54,472
Total income			1,270	-219	1,051	-5	1,046
As at March 31, 2011			34,525	-443	55,832	-314	55,518
As at January 01, 2011	21,749,988	21,750	33,255	-224	54,781	-309	54,472
Total income			9,147	-53	9,094	-6	9,088
Dividend			-3,262	0	-3,262	0	-3,262
As at December 31, 2011			39,140	-277	60,613	-315	60,298
As at January 01, 2012	**21,749,988**	**21,750**	**39,140**	**-277**	**60,613**	**-315**	**60,298**
Total income			2,028	8	2,036	-9	2,027
As at March 31, 2012	**21,749,988**	**21,750**	**41,168**	**-269**	**62,649**	**-324**	**62,325**

Selected Notes

TO PVA TEPLA AG
INTERIM CONSOLIDATED FINANCIAL REPORT JANUARY 1 – MARCH 31, 2012

A. GENERAL INFORMATION AND BASIS OF PRESENTATION

PVA TePla AG is a stock corporation in accordance with German law. The Company is entered in the Commercial Register of the Giessen local Court under HRB 6845. The registered address of the Company is 35435 Wettenberg, Germany.

GENERAL PRINCIPLES AND ACCOUNTING STANDARDS

This interim consolidated financial report of PVA TePla AG was prepared in accordance with International Financial Reporting Standards (IFRS). It thus also complies with IAS 34 (Interim Financial Reporting).

This interim financial report has not been audited.

These notes mainly contain details of items in which there have been significant changes as against the consolidated financial statements as of December 31, 2011.

REPORTING CURRENCY AND CURRENCY TRANSLATION

The reporting currency and currency translation principles applied are the same as those used for the 2011 consolidated financial statements. The material exchange rates of countries outside the Eurozone that are included in the interim consolidated financial statements are as follows:

EUR = 1	Average rate		Closing rate at reporting date	
	Q1 2012	Q1 2011	**Mar. 31, 2012**	Dec. 31, 2011
USA (USD)	1.31044	1.36597	1.33387	1.29483
China (CNY)	8.26446	8.97666	8.42460	8.23045
Denmark (DKK)	7.43494	7.45434	7.44048	7.43494
Singapore (SGD)	1.65728	1.74453	1.67701	1.68209

COMPANIES INCLUDED IN CONSOLIDATION

These interim consolidated financial statements of PVA TePla include its fully consolidated subsidiaries in which PVA TePla holds a majority of the shareholders' voting rights (control). The following companies were fully consolidated in the interim financial statements as of March 31, 2012:

Name	Registered office	Equity interest
PVA TePla AG (parent company)	Wettenberg, Germany	
PVA TePla America Inc.	Corona/CA, USA	100.00%
PVA Jena Immobilien GmbH	Jena, Germany	100.00%
PVA Vakuum Anlagenbau Jena GmbH	Jena, Germany	100.00%
Xi'an HuaDe CGS Ltd.	Xi'an, PR China	51.00%
PVA Löt- und Werkstofftechnik GmbH	Jena, Germany	100.00%
PVA Control GmbH	Wettenberg, Germany	100.00%
Plasma Systems GmbH	Wettenberg, Germany	100.00%
PlaTeG GmbH	Siegen, Germany	100.00%
PVA TePla Singapore Pte. Ltd.	Singapore	100.00%
PVA TePla Analytical Systems GmbH	Westhausen, Germany	100.00%
PVA TePla (China) Ltd.	Beijing, PR China	100.00%

Subsidiary PlaTeG GmbH moved from Siegen to Wettenberg at the beginning of fiscal year 2012. The change in location was entered in the Commercial Register on April 17, 2012.

No further changes have occurred since the 2011 consolidated financial statements.

PRINCIPLES OF CONSOLIDATION

The principles of consolidation applied in this interim financial report are the same as those applied in the consolidated financial statements as of December 31, 2011. The single entity financial statements included in the interim financial statements are prepared with consistent accounting policies according to IAS 27 (Consolidated and Separate Financial Statements).

ACCOUNTING AND VALUATION PRINCIPLES

The accounting and valuation principles applied in this interim financial report as of March 31, 2012, are the same as those applied in the consolidated financial statements as of December 31, 2011.

ROUNDINGS

The tables and figures used in this interim report are based on precisely calculated amounts that are subsequently rounded to the nearest million or thousand euros. Rounding differences within the tables or between figures thus cannot always be avoided.

ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated interim financial statements requires estimates and assumptions to be made by management. These influence the presentation of income and expenditure, assets and liabilities and the disclosure of contingent liabilities at the balance sheet date.

If in the future such estimates and assumptions taken by management and made to the best of its knowledge at the time of the consolidated interim financial report should deviate from actual circumstances, the original estimates and assumptions will be adjusted in the reporting period in which the conditions changed.

B. NOTES ON SELECTED BALANCE SHEET ITEMS

NON-CURRENT INVESTMENTS

On March 31, 2012, non-current investments included other non-current receivables in the amount of EUR 8 thousand (December 31, 2011: EUR 9 thousand).

COMING RECEIVABLES ON CONSTRUCTION CONTRACTS

As part of the partial recognition of sales revenues from customer-specific construction contracts based on the percentage of completion, any amount due from customers for contract work is reported as an asset in accordance with IAS 11.42. These items are shown separately under "Coming receivables on construction contracts".

EUR '000	Mar. 31, 2012	Dec. 31, 2011
Capitalized production costs including contract profits	36,437	38,376
for which advance payments received	-15,887	-15,548
Total	**20,550**	**22,828**

OTHER FINANCIAL ASSETS

On March 31, 2012, other financial assets included a short-term bonded loan in the amount of EUR 1,001 thousand (December 31, 2011: EUR 1,001 thousand).

OBLIGATIONS ON CONSTRUCTION CONTRACTS

As part of the partial recognition of sales revenues from customer-specific construction contracts based on the percentage of completion, any amount due to customers for contract work is reported as a liability in accordance with IAS 11.42. This results from the excess of invoiced amounts over the corresponding proportionate revenue. These items are reported separately under "obligations on construction contracts" on the balance sheet in the same manner as "Coming receivables on construction contracts".

Only partial payments that are due on the basis of the progress of each individual system, and hence that meet the scope of progressive billing, are recognized as invoiced amounts. Payments received at the inception of the order or partial payments that do not correspond to the progress of completion are presented separately on the balance sheet as "Advance payments received on orders".

These "obligations on construction contracts" are composed as follows:

EUR '000	Mar. 31, 2012	Dec. 31, 2011
Advance payments received (progress billing)	21,415	7,870
less contract costs incurred (incl. share of profit)	-19,365	-6,229
Total	**2,050**	**1,641**

OTHER CURRENT RECEIVABLES

Other current receivables are composed as follows:

EUR '000	Mar. 31, 2012	Dec. 31, 2011
Receivables from investment incentives	725	402
Value added tax due	1,469	1,397
Accounts payable with debit balances	338	133
Deferred prepayments	284	104
Others	527	316
Total	**3,343**	**2,352**

SHAREHOLDERS´ EQUITY/AUTHORIZED CAPITAL

Share capital

As of March 31, 2012, PVA TePla AG had issued 21,749,988 no-par value shares each with a notional interest in the share capital of EUR 1.00.

Contingent and authorized capital

There was no contingent capital as of March 31, 2012.

The Annual General Meeting of PVA TePla AG on June 15, 2007 authorized the Management Board to increase the Company's stated capital with approval of the Supervisory Board on one or more occasions during the period to June 14, 2012 by a total of up to EUR 10,874,994 by issuing 10,874,994 new no-par value bearer shares against cash and/or non-cash contributions with shareholders´ subscription rights excluded to the extent permitted by law. No capital increases from this authorized capital were resolved in 2012.

NON-CURRENT FINANCIAL LIABILITIES

Non-current financial liabilities totaled EUR 8,609 thousand (December 31, 2011: EUR 8,742 thousand) – all of which were liabilities to banks. Non-current financial liabilities are composed as follows:

EUR '000	Mar. 31, 2012	Dec. 31, 2011
Non-current financial liabilities	12,766	12,892
less: portion of non-current financial liabilities due in less than one year	-4,157	-4,150
Non-current financial liabilities less current portion	**8,609**	**8,742**

RETIREMENT PENSION PROVISIONS

The addition to pension provisions was based on information on the expected pension provisions as of December 31, 2012 contained in the actuarial reports used to prepare the consolidated financial statements as of December 31, 2011.

CURRENT FINANCIAL LIABILITIES

Current financial liabilities reported here totaling EUR 4,164 thousand (December 31, 2011: EUR 4,154 thousand) primarily relate to the current positions of non-current financial liabilities. Current liabilities to banks amounted to EUR 7 thousand (December 31, 2011: EUR 4 thousand).

ADVANCE PAYMENTS RECEIVED ON ORDERS

The financing of the PVA TePla Group is largely based on the advance payments and interim payments received from customers, particularly in the case of larger contracts. The value of the advance payments received at March 31, 2012 was EUR 12,522 thousand (December 31, 2011: EUR 16,651 thousand).

ACCRUALS

Accruals are liabilities payable for goods or services received that are neither paid nor invoiced or formally agreed upon by the supplier at the balance sheet date. This also includes amounts owed to employees.

Accrued liabilities are composed as follows:

EUR '000	Mar. 31, 2012	Dec. 31, 2011
Obligations to employees	4,893	4,087
Obligations to suppliers	3,764	2,887
Other commitments	263	380
Total	**8,920**	**7,354**

OTHER CURRENT LIABILITIES

Other current liabilities decreased to EUR 1,348 thousand (December 31, 2011: EUR 1,448 thousand).

Other current liabilities are composed as follows:

EUR '000	Mar. 31, 2012	Dec. 31, 2011
Liabilities from payroll and church tax	374	376
Other liabilities	972	1,072
Total	**1,346**	**1,448**

OTHER PROVISIONS

Other provisions were divided into non-current (EUR 324 thousand; December 31, 2011: EUR 279 thousand) and current (EUR 7,285 thousand; December 31, 2011: EUR 8,840 thousand) and were composed as follows:

EUR '000	Mar. 31, 2012	Dec. 31, 2011
Warranty	2,964	3,697
Subsequent costs	3,443	4,123
Archiving	279	279
Penalties	78	136
Restructuring	101	106
Others	744	778
Total	**7,609**	**9,119**

Provisions are recognized solely in respect of obligations to third parties where utilization is highly probable. Provisions are measured at the amount of probable utilization.

Non-current provisions primarily relate to provisions for archiving and are shown separately in the balance sheet. All other provisions are short-term in nature.

OTHER FINANCIAL OBLIGATIONS

There were no notable changes in other financial obligations from leases and other contracts as compared to the 2011 annual financial statements.

C. NOTES ON SELECTED INCOME STATEMENT ITEMS

SALES REVENUES

PVA TePla principally generates its sales revenues through the sale of systems. Additional sales revenues are generated from services and by supplying spare parts (referred to collectively as after-sales service), as well as providing services for customers in the Company's own facilities (contract processing, mainly carried out by PVA Löt- und Werkstofftechnik GmbH and in the field of plasma treatment by PVA TePla America Inc. and PlaTeG GmbH). Sales revenues can be broken down into these categories as follows:

EUR '000	Jan. 1 – Mar. 31, 2012	Jan. 1 – Mar. 31, 2011
Systems	24,285	17,729
After-sales	5,959	4,492
Contract processing	709	780
Others	32	141
Total	**30,985**	**23,142**

Sales revenues in the first three months of 2012 were mainly comprised of systems business, which accounted for 78.4% of PVA TePla Group's total sales revenues. After-sales sales revenues developed satisfactorily against the prior-year period, accounting for 19.2% of sales revenues. The share of contract processing sales revenues is on par with that of the previous year at 2.3% of total sales revenues in the first quarter of 2012.

RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses reported in the income statement amounted to EUR 1,623 thousand in the first three months of 2012 and EUR 791 thousand in the first three months of 2011. Income from research and development project grants of EUR 323 thousand in 2012 and EUR 250 thousand in 2011 was recognized separately under "other operating income".

INCOME TAXES

Taxes on income are calculated on a best estimate basis for the projected weighted average tax rate for the full fiscal year.

A tax rate of 28% is applied for domestic companies. This includes corporation tax of 15%, a solidarity surcharge of 5.5% on corporation tax, and trade tax of 12%.

Deferred taxes were measured after they had been incurred using the tax rates stated above or country-specific tax rates for companies outside of Germany.

The actual tax charge is based on probable future tax liabilities and repayment claims.

Income tax expenses are broken down as follow:

EUR '000	Jan. 1 – Mar. 31, 2012	Jan. 1 – Mar. 31, 2011
Current tax expense	-517	-835
Deferred tax expense (-)/income	-173	346
Total income taxes	**-690**	**-489**

EARNINGS PER SHARE

Consolidated net profit for the period before minority interests amounted to EUR 2,028 thousand (previous year: EUR 1,270 thousand). As in the previous year, an average of 21,749,988 bearer shares without par value was in circulation in the first three months of 2012.

The earnings per share figure is calculated by dividing consolidated net profit by the weighted average number of shares outstanding during the year.

Calculation of earnings per share for January 1 to March 31, 2012 and 2011:

	Jan. 1 – Mar. 31, 2012	Jan. 1 – Mar. 31, 2011
Numerator: Consolidated net profit for the period before minority interests (EUR '000)	2,028	1,270
Denominator: Weighted number of shares outstanding – basic	21,749,988	21,749,988
Earnings per share (in EUR):	**0.09**	**0.06**

No stock options were issued to employees and members of the Management and Supervisory Boards entitling them to purchase PVA TePla AG shares as of the balance sheet date. As a result, there were no dilution effects in regards to earnings per share as of March 31, 2012.

D. NOTES ON THE CASH FLOW STATEMENT

The cash flow statement was prepared in line with the same principles as in the annual financial statements 2011 and is structured in the same way.

E. ADDITIONAL DISCLOSURES

SEGMENT REPORTING

PVA TePla Group is divided into three divisions: Industrial Systems, Semiconductor Systems and Solar Systems. Performance is assessed and decisions regarding the assignment of resources to the segments are made on the basis of PVA TePla AG´s three divisions. The following segment reporting therefore follows the Group´s organizational structures of the three divisions based on PVA TePla´s Group internal management system. Cross-segment transactions - this mainly concerns PVA Vakuum Anlagenbau Jena GmbH, which is assigned to Semiconductor Systems for organizational purposes but also works for Solar Systems – are broken down accordingly for segment reporting.

The following tables provide a general overview of the operating segments of PVA TePla AG. In line with IFRS 8, segment reporting also includes a reconciliation from the total segment results to the Group´s net income for the period.

The reconciliation of the segment results (EBIT) to the consolidated net profit for the period is as follows:

EUR '000	Q1 / 2012	Q1 / 2011
Total segment results	2,891	1,761
Consolidation	52	-8
Group operating profit (EBIT)	2,943	1,753
Financial result	-234	1
Net profit before taxes	2,709	1,754
Income taxes	-690	-489
Consolidated net profit for the period	**2,019**	**1,265**

Business relationships between the segments were eliminated on consolidation.

DERIVATIVE FINANCIAL INSTRUMENTS

In PVA TePla Group, derivative financial instruments are used exclusively to hedge risks from underlying transactions. In particular, these include risks from sales in foreign currencies and interest rate risks.

Currency forwards and hedging

As the majority of sales are conducted in the respective currency of the supplying country (EUR in the Eurozone, USD in the US), exchange risks only arise in a limited number of cases. If material contracts are concluded in a foreign currency, the exchange risks occurring as a result are covered by corresponding hedging transactions.

The segment information for the first quarter is as follows:

EUR '000	External sales revenues		Internal sales revenues		Total sales revenues		EBIT	% of sales revenues	EBIT	% of sales revenues
	2012	2011	2012	2011	2012	2011	2012		2011	
Industrial Systems	13,798	11,253	514	127	14,312	11,380	1,291	9.4	1,094	9.7
Semiconductor Systems	14,517	8,801	239	0	14,756	8,801	3,056	21.1	996	11.3
Solar Systems	2,670	3,088	0	0	2,670	3,088	-1,456	-54.5	-330	-10.7
Segments total	30,985	23,142	753	127	31,738	23,269	2,891	9.3	1,761	7.6
Consolidation	0	0	0	0	0	0	52		-8	
Group	**30,985**	**23,142**	**753**	**127**	**31,738**	**23,269**	**2,943**	**9.5**	**1,753**	**7.6**

There were no forward exchange transactions as of March 31, 2012.

Interest hedges

To hedge the interest rate risk for financing investments in newly constructed buildings at the Wettenberg and Jena sites, interest rate hedges originally totaling EUR 11,600 thousand were concluded. The open amount of these hedges as of the reporting date on March 31, 2012, was EUR 7,893 thousand. The fair value of these instruments is reported under other financial liabilities, totaling EUR -945 thousand as of the reporting date.

The loan, which was originally for EUR 10,000 thousand to finance the new building at the Wettenberg site on which the above interest rate hedge is based, had not been utilized as of March 31, 2012. Accordingly, the fair value of the interest rate derivatives and deferred taxes on these were not reported under other provisions. The fair values (March 31, 2012: EUR -922 thousand, of which EUR 27 thousand was recognized as income in the first quarter) were recognized in income under finance revenue.

PERSONNEL

The average number of employees by function has changed as follows in the reporting period:

Number of employees by function (average for the period)	**Jan. 1 – Mar. 31, 2012**	Jan. 1 – Mar. 31, 2011
Administration	63	68
Sales	52	55
Engineering, research and development	113	105
Production and service	287	260
Total number of employees	**515**	**488**

EXECUTIVE BODIES OF THE COMPANY

In the period from January 1 to March 31, 2012, the Management Board of PVA TePla AG consisted of the following persons:

Dr. Arno Knebelkamp, Mülheim (Chairman/CEO)
Graduate chemist

Managing Director of the following Group companies:
» PVA TePla Analytical Systems GmbH, Westhausen

Membership of supervisory bodies:
» Vestolit GmbH & Co. KG, Marl
(Member of the Advisory Board)

» PVA TePla America Inc., Corona, USA (Director)

Arnd Bohle, Bochum (Chief Financial officer/CFO)
Business graduate

Membership of supervisory bodies:
» PVA TePla (China) Ltd. (Supervisor (supervisory body)

In the period from January 1 to March 31, 2012, the Supervisory Board consisted of:

Alexander von Witzleben, Weimar (Chairman)
Feintool International Holding AG, Lyss/Switzerland
(President of the Administration Board)

Member of the following other supervisory bodies:
» VERBIO AG, Leipzig (Chairman of the Supervisory Board)

» Kaefer Isoliertechnik GmbH & Co. KG, Bremen
(Member of the Advisory Board)

» Siegwerk Druckfarben AG & Co. KGaA, Siegburg
(Member of the Supervisory Board)

Dr. Gernot Hebestreit, Leverkusen (Deputy Chairman)
Global Leader Business Development and Client Service
Grant Thornton International Limited, London/UK

Member of the following other supervisory bodies:
» Comvis AG, Essen
(Deputy Chairman of the Supervisory Board)

Prof. Dr. Günter Bräuer, Cremlingen
Director of the Fraunhofer Institute for laminate and Surface Engineering (IST), Braunschweig, and Managing Director of the Institute for Surface Engineering (IOT) of Braunschweig Technical University

Member of the following other supervisory bodies:
» AMG Coating Technologies GmbH, Hanau
(Member of the Advisory Board)

» Institut für Solarenergieforschung GmbH, Emmerthal
(Member of the Scientific Advisory Board)

There were no changes with regard to the functions and memberships of other bodies of the members of executive bodies at PVA TePla AG as of the reporting date March 31, 2012.

RELATED PARTIES

Business transactions with related parties are transactions with companies in which executive officers of PVA TePla AG have significant shareholdings or over which they exercise significant influence. Transactions with companies controlled by parties which can also exercise significant influence over PVA TePla (primarily by means of a sufficiently sized shareholding in the company) also fall into this category.

In the reporting period, only the relationship to the majority shareholder Peter Abel is relevant in this context. PVA TePla AG's relevant transactions with related parties principally encompass purchases from IT companies. In the first quarter of 2012, the value of purchases from these companies amounted to EUR 205 thousand and the value of sales to EUR 35 thousand. The net amounts of outstanding receivables and liabilities as of the reporting date on March 31, 2012, were EUR 0 thousand and EUR 46 thousand respectively. All transactions are conducted at arm's length conditions.

DISCLOSURES UNDER SECTION 160 (1) NO. 8 AKTG

No new disclosures were received in the period from January 1 to March 31, 2012.

SIGNIFICANT POST-BALANCE SHEET DATE EVENTS

Please refer to section 9 of this interim report. There have been no significant events after March 31, 2012.

FINANCIAL CALENDAR 2012

Date	
June 13, 2012	Annual General Meeting at the Congress Hall Giessen
August 15, 2012	Publication of the Q2 Report
November 9, 2012	Publication of the Q3 Report
November 12–14, 2012	German Equity Forum in Frankfurt

IMPRINT

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