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Summary



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Key highlights



Sales in Q2 +149% vs Q1. Net profit +96%

EBITDA +90% in Q2 vs Q1

Sales mix in Q2 heavily influenced by PV modules: 89% of total. Sales mix to be more balanced in H2

Institutional share placement and trading in the Stock market

**Changes in the company make comparisons between H1 2006 and H1 2007 irrelevant
2007 accounts under IFRS principles**

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Key highlights



Steps taken to position Solaria in the group of worldwide leading manufacturers of PV modules

Investment programme: Full integration from manufacture of silicon wafers to installation of turnkey projects

Negotiation of supply and sales contracts to ensure full utilisation of capacity to be added in 2007-2010

Entry in new countries seeking markets similar to Spain

Capex programme is to be financed with a combination of funds raised through IPO and internally generated cash flow

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Key highlights: Sales



Sales in Q2 +149% vs Q1

		Q1 2007	Q2 2007	%	H1 2007
Sales to clients PV modules	€ 000s	10,119	28,761	184	38,881
	MW	2.2	8.5	286	10.7
	Avg €/MW	4.6	3.4		3.6
Sales to clients Turnkey	€ 000s	2,708	3,503	30	6,211
Sales. Thermal pannels	€ 000s	140	0	-	140
	Sq.m	712	0	-	712
	Avg €/sq.m	480	0		480
Total Sales		12,968	32,264	149	45,232

Growth in sales driven by strong demand
Large weight of PV module sales in Q2 vs Turnkey and Thermal pannels
More balanced sales mix expected in H2 2007

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Key highlights: EBITDA



EBITDA in Q2 +90% vs. Q1

		Q1 2007	Q2 2007	%	H1 2007
PV modules	EBITDA € 000s	3,135	8,335	166	11,470
	Ebitda margin	27.2%	26.0%		26.3%
Turnkey	EBITDA € 000s	1,272	212	-	1,484
	Ebitda margin	97.9%	91.4%		96.9%
Thermal pannels	EBITDA € 000s	83	0	-	83
	Ebitda margin	59.5%	-	(*)	59.5%
TOTAL	EBITDA € 000s	4,490	8,547	90	13,037
	Ebitda margin	34.6%	26.5%		28.8%

(*) Sales of Thermal pannels in Q2 were nil

Strong EBITDA margin in PV modules >25%, solid margin outlook for H2
Increased contribution to EBITDA from Turnkey and Thermal pannels expected in H2

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Key highlights: Net profit



Record Net profits in Q2 2007

€ 000s	Q1 2007				Q2 2007				H1 2007			
	PV modules	Thermal	Turnkey	Total	PV modules	Thermal	Turnkey	Total	PV modules	Thermal	Turnkey	Total
Sales to clients	10,119	140	2,708	12,968	28,761	0	3,503	32,264	38,881	140	6,211	45,232
Internal sales	1,409	0	-1,409	0	3,270	0	-3,270	0	4,679	0	-4,679	0
Total sales	11,528	140	1,299	12,968	32,032	0	232	32,264	43,560	140	1,532	45,232
Other income	6	8	0	14	2	2	0	4	8	10	0	18
COGS	-8,399	-65	-28	-8,491	-23,698	-2	-20	-23,721	-32,097	-67	-48	-32,213
EBITDA	3,135	83	1,272	4,490	8,335	0	212	8,547	11,470	83	1,484	13,037
Depreciation	-63	-1		-64	-103	-18	-1	-122	-166	-19	-1	-186
EBIT	3,072	82	1,272	4,426	8,233	-18	211	8,425	11,305	64	1,483	12,852
Financial income				59				250				309
Financial expenses				-291				-378				-669
Ordinary profit				4,194				8,297				12,492
NonRecurrent items				0				0				0
Pre-tax profit				4,194				8,297				12,492
Taxes				-1,364				-2,731				-4,095
Net profit				2,830				5,566				8,396

2007 accounts under IFRS criteria

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Key highlights: IPO



Shares placed: 28.47% of the stock in issue (incl. Greenshoe)

Exclusively Institutional tranche.
Offer was 9.8 times oversubscribed at placement price

Shares started trading on 19 June 2007:
Share price +88% to 31 August 2007

€ 240 mill raised through the offering

Substantial financial strength to fund investment programme

All the cash raised through the IPO has been injected into Solaria

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Key highlights: Strategic focus



	Description	Benefits
Drive vertical integration	Cells and wafers produced in-house from 2007 / 2008 Turnkey projects and installations using Solaria PV modules Value chain fully covered, from wafer production to final installations	Reduce exposure to supply and price risk Cost synergies Increased quality control
Maintain differentiated positioning	Become first-choice provider of high quality products Provide end-to-end solutions and differentiation through value added services Capitalize on strong track record and know-how	Strong customer relationships High price strategy Strong market position
Strengthen cost leadership	Flexibility in supply contracts Lean operating and administrative structure Economies of scale through integration and high production capacity Strict quality control of both products and processes	Maintain high margins Retain flexibility in operation Sustainable business model
International expansion	Start expansion in 2008, focus on Italy, Greece and Portugal, also Germany and US (California) Develop partnerships with local distributors, follow similar strategy (value added services, local support) Strategy to be revisited as needed in light of Spanish market development	Reduce reliance on Spanish regulation Increase number of potential customers

Solaria is well-positioned to become a leading worldwide PV Player

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Key highlights: Investment programme



Investment	Total (€Mill)	2007	2008	2009	2010	% Total
Capacity increase PV modules % of capex	65.0	18.0 28%	20.0 31%	20.0 31%	7.0 11%	15%
Solar Cell Plant % of capex	145.0	35.0 24%	55.0 38%	40.0 28%	15.0 10%	34%
Solar Wafers Plant % of capex	185.0	55.0 30%	80.0 43%	30.0 16%	20.0 11%	44%
Capacity increase Thermal pannels % of capex	28.1	5.6 20%	13.0 43%	5.5 20%	4.0 14%	7%
TOTAL % of capex	423.1	113.6 27%	168.0 40%	95.5 22%	46.0 11%	100%

Investment programme to be financed through a combination of funds raised at the IPO and self generated cash flow

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Key highlights: Investment programme



	2006	2007	2008	2009	2010
Módulos FV					
•Capacity (MW)	25	90	150	250	400
•Production (MW)	6	58.5	150	200	320
•Utilisation rate (%)	22%	65%	100%	80%	80%
Células					
•Capacity (MW)	-	25	100	250	400
•Production (MW)	-	6	75	200	320
•Third party supply (MW)	6	52.5	75	0	0
•Utilisation rate (%)	-	24%	75%	80%	80%
Obleas					
•Capacity (eq. MW)	-	-	100	250	400
•Production (eq. MW)	-	-	37.5	200	320
•Third party supply (eq. MW)	-	-	37.5	0	0
•Utilisation rate (%)	-	-	37.5%	80%	80%

On completion, Solaria will be one of the worldwide leaders in PV modules

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Key highlights



Drive towards placing Solaria in the group of worldwide leading manufacturers of PV modules

Speeding up investments in PV modules: From current capacity 120 MW to 150 MW in Dec-07 and 250 MW in Mar-08

Solar cell factory: Building to be completed on time in Oct-07. Production starts in Q4 2007

Contracts signed in Q3 ensure utilisation of new capacity: 50 MW with Renovalia, other large contracts in the pipeline

Margins: Solar cell supplies negotiated for 2008 at lower prices than in 2007

International expansion: negotiations in progress in Mediterranean countries

Finances: Production equipment acquired to be paid up to Q1 2008

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Reflections



Good evolution in Q2 demonstrates our commitment with the targets announced prior to the share offering

Sales growth in excess of 100%

Our strong margins reflects (1) positioning as highest quality and (2) aggressive supply strategy to avoid long-term contracts with suppliers

Investments recently announced to be reflected in our balance sheet during H2 2007 and H1 2008

Successful staffing plan: Workforce up from 77 in December to 164 in March and 310 in June

Regulatory stability

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Outlook for H2 2007



Our aggressive expectations for H2 2007 remain unchanged

Strong growth in sales of PV modules reflecting high utilisation of new capacity: factory runs 24 hrs / 365 days

New turnkey projects

Supply of Thermal panels to developers of buildings contracted under new legislation

No pressure in EBITDA margins: We continue to expect similar EBITDA margin for the full year 2007 compared to H1 2007

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Annex: Summary Profit and Loss



€ 000s	12M2006	3M2007	6M2007
Sales & Other income	19,200	12,982	45,250
Purchases	-7,849	-7,022	-27,948
Labour	-604	-454	-2,099
Other Op. expenses	-1,808	-1,015	-2,166
EBITDA	8,939	4,490	13,037
Depreciation	-210	-64	-186
Provisions	-24	0	0
EBIT	8,705	4,426	12,852
Net Financial result	-94	-232	-360
Pre tax profit	8,611	4,194	12,492
Taxes	-2,970	-1,364	-4,095
Net profit	5,641	2,830	8,396

Accounts under IFRS principles

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Annex: Summary Balance sheet



€ 000s	12M2006	3M2007	6M2007
Fixed Assets:			
- Tangible Assets	7,106	11,044	16,559
- Intangibles	125	11	19
- Financial Investments	20	41	24
Deferred Expenses	355	0	35
Current Assets:			
- Stocks	17,655	21,441	23,974
- Debtors	9,609	17,191	36,013
- Other	0	58	320
- Cash	4,828	5,172	218,803
TOTAL ASSETS	39,699	54,957	295,746
Shareholders' Funds	6,329	6,887	223,877
Deferred Income	5,185	0	5,168
Long term debt	9,111	14,270	15,173
Current Liabilities:			
- Short term debt	7,628	15,126	21,811
- Creditors	8,511	14,311	22,725
- Deferred items	0	146	146
- Other	0	54	108
- Tax liabilities	2,934	4,164	6,739
TOTAL LIABILITIES & NET WORTH	39,699	54,957	295,746

Accounts under IFRS principles

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