



Results January – December 2007

14th February 2008



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Sales 2007 +872%; EBITDA +688%; Net Prof. +752%

Higher margins reflected in results above the guidance provided by the company at the Q3 results call

Strengthened orderbook includes deliveries of projects into 2011, improves long term visibility

New Turnkey contracts, development of new factories aimed at supplying a worldwide growing demand will firmly position Solaria in the leading group of worldwide PV players

FY-2007 Results



Sales +872% in 2007 and 6.8x Q1 to Q4

		Q1 2007	Q2 2007	Q3 2007	Q4 2007	FY-07	FY-06	YOY
Sales to clients. PV Modules	Mill €	10.119	28.761	36.449	33.072	108.401	10.041	980%
	MW	2,2	8,5	11,0	10,1	31,8	2,7	
	Average €/MW	4,6	3,4	3,3	3,3	3,4	3,7	
Sales to clients. Turnkey	Mill €	2.708	3.503	15.880	55.471	77.562	9.105	752%
	MW	0,2	0,3	0,0	6,0	6,5		
Sales to clients. Thermal pannels	Mill €	140	0	0	2	142	0	n/r
	sq.m.	712	0	0	10	722	0	
	Average €/sq.m.	197	0	0	160	196	0	
Total sales	Mill €	12.967	32.264	52.329	88.544	186.104	19.146	872%

**Sales growth driven by strong demand and new capacity additions
 Mix more balanced as Turnkey division now represents 42% of turnover**

FY-2007 Results



EBITDA +380% in 2007 and 8.2x Q1 to Q4

		Q1 2007	Q2 2007	Q3 2007	Q4 2007	FY-07	FY-06	YOY
PV Modules	EBITDA Mill €	3.135	8.552	6.730	8.369	26.786	5.578	380%
	% division sales	27,2%	26,7%	18,5%	16,0%	20,2%	55,6%	
Turnkey	EBITDA Mill €	1.272	-18	13.830	29.804	44.888	3.413	1215%
	% division sales	97,9%	-7,8%	87,1%	82,2%	83,6%	37,5%	
Thermal pannels	EBITDA Mill €	83	13	46	-248	-106	-52	n/r
	% sales	59,3%	n/r	n/r	n/r	n/r	n/r	
Cells	EBITDA Mill €				-1.110	-1.110		n/r
	% sales				n/r	n/r		
Total EBITDA	EBITDA Mill €	4.490	8.547	20.606	36.815	70.458	8.939	688%
	% sales	34,6%	26,5%	39,4%	41,6%	37,9%	46,7%	

Ramp-up costs of new PV Module lines deteriorates division EBITDA margins
New turnkey contracts propels EBITDA margins

FY-2007 Results



Record Net profit in 2007: +752%

Mill €	FY-2007					FY-2006				YOY
	PV	Th	T/Key	Cell	Total	PV	Th	T/Key	Total	Total
Sales to clients	108.401	142	77.562	0	186.104	10.041	0	9.105	19.147	872%
Internal sales	23.880	0	-23.880	0	0	4.745	0	-4.745	0	
TOTAL SALES	132.281	142	53.682	0	186.104	14.786	0	4.360	19.147	872%
Other income	384	14	3	0	401	23	24	7	55	633%
COGS	-105.879	-261	-8.797	-1.110	-116.048	-9.231	-76	-954	-10.261	1031%
EBITDA	26.786	-105	44.887	-1.110	70.458	5.578	-52	3.413	8.940	688%
Depreciation	-513	-54	-65	0	-632	-217	-17		-234	170%
EBIT	26.273	-159	44.822	-1.110	69.826	5.361	-69	3.413	8.706	702%
Financial income					4.362				223	1856%
Financial expenses					-2.950				-317	831%
ORDINARY PROFIT					71.238				8.612	727%
Non-recurrent items					0				0	
Pre-tax profit					71.238				8.612	727%
Taxes					-23.152				-2.970	680%
NET PROFIT					48.085				5.642	752%

Accounts under IFRS criteria

FY-2007 Results



Record Net profit in Q4 2007: 8.9x since Q1

Mill €	Q1 2007				Q2 2007				Q3 2007				Q4 2007				
	PV	Th	T/Key	Total	PV	Th	T/Key	Total	PV	Th	T/Key	Total	PV	Th	T/Key	Cell	Total
Sales to clients	10.119	140	2.708	12.967	28.761	0	3.503	32.264	36.449	0	15.880	52.329	33.072	2	55.471	0	88.544
Internal sales	1.409	0	-1.409	0	3.270	0	-3.270	0	0	0	0	0	19.201	0	-19.201	0	0
TOTAL SALES	11.528	140	1.299	12.967	32.032	0	232	32.264	36.449	0	15.880	52.329	52.272	2	36.271	0	88.544
Other income	6	8	0	14	2	2	0	4	40	0	0	40	336	4	3	0	343
COGS	-8.399	-65	-28	-8.492	-23.481	11	-250	-23.720	-29.759	47	-2.051	-31.763	-44.240	-254	-6.468	-1.110	-52.073
EBITDA	3.135	83	1.272	4.490	8.552	13	-18	8.547	6.730	47	13.829	20.606	8.369	-248	29.804	-1.110	36.815
Depreciation	-63	-1	0	-64	-103	18	-1	-86	-142	-23	-10	-175	-233	-14	-15	0	-261
EBIT	3.072	82	1.272	4.426	8.450	5	-19	8.426	6.588	24	13.819	20.431	8.136	-261	29.790	1.110	36.554
Financial income				59				250				1.417					2.636
Financial expenses				-291				-378				-305					-1.976
ORDINARY PROFIT				4.194				8.297				21.543					37.214
Non-recurrent items				0				0				0					0
Pre-tax profit				4.194				8.297				21.543					37.204
Taxes				-1.364				-2.731				-6.966					-12.091
NET PROFIT				2.830				5.566				14.576					25.113

Accounts under IFRS criteria

FY-2007 Results



Mill €	Dec 06	Mar 07	Jun 07	Sep 07	Dec 07
Fixed assets:					
- Net tangible fixed assets	7.106	11.044	16.559	22.311	32.415
- Intangibles	125	11	19	18	15
- Financial investments	20	41	24	33	34
Deferred expenses	355	0	35	3.264	3.264
Current assets:					
- Stocks	17.655	21.441	23.974	27.667	34.785
- Debtors	9.609	17.191	36.013	88.238	176.376
- Other	0	58	320	165	580
- Cash	4.828	5.172	218.803	179.250	153.163
TOTAL ASSETS	39.698	54.958	295.747	320.946	400.632
Shareholder's funds	6.329	6.887	223.877	240.818	258.822
Deferred income	5.185	0	5.168	5.617	5.187
Long term debt	9.111	14.270	15.173	15.181	14.987
Current liabilities:					
- Short term debt	7.628	15.126	21.811	17.942	43.527
- Creditors	8.511	14.311	22.725	30.188	48.863
- Deferred items	0	146	146	143	144
- Other	0	54	108	0	0
- Tax liabilities	2.934	4.164	6.739	11.057	29.102
TOTAL LIABILITIES & NET WORTH	39.698	54.958	295.747	320.946	400.632

80.738 at
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Accounts under IFRS criteria

Orderbook at February 2008



Division	Client	MWp	Amount	€/Wp (*)	Delivery date
CONTRACTED					
Turnkey	Client confidential	22 MW	134 Mill €	6,1	2007 / 2008
Turnkey	Corporacion DTL	11 MW	67 Mill €	6,1	2007 / 2008
Turnkey	Globalia	27 MW	147 Mill €	5,4 (*)	2007 / 2008
Turnkey	Gryphon Energy Consultants	22 MW	141 Mill €	6,4	2008
PV Modules	Grupo Renovalia	20 MW	70 Mill €	3,5	2008
Turnkey / Modules	Otros clientes	5 MW	25 Mill €	5,0	2008
TOTAL CONTRACTED		107 MW	584 Mill €		
UNDER VERY ADVANCED NEGOTIATION					
Turnkey	Client 2 - Precontract	10 MW	63 Mill €	6,3	2008
Turnkey	Client 2 - Precontract	50 MW	275 Mill €	5,5	2009
Turnkey	Client 2 - Precontract	50 MW	261 Mill €	5,2	2010
Turnkey	Client 2 - Precontract	40 MW	199 Mill €	5,0	2011
PV Modules	Client 3	6 MW	20 Mill €	3,4	2008
PV Modules	Client 4	2 MW	7 Mill €	3,4	2008
TOTAL UNDER VERY ADVANCED NEGOTIATION		158 MW	825 Mill €		
LA PALOMA GRID LICENCE					
Turnkey	LOI Paloma 1	55 MW	330 Mill €	6,0	2008 / 2009
Turnkey	LOI Paloma 2	55 MW	330 Mill €	6,0	2008 / 2009
Turnkey	LOI Paloma 3	55 MW	330 Mill €	6,0	2008 / 2009
TOTAL LA PALOMA		165 MW	990 Mill €		
TOTAL ORDERBOOK		430 MW	2399 Mill €		2007 / 2011

Previous orderbook (November 2007): 370 MW and 2,036 Mill €

Turnkey projects under execution



Seven sites are being developed in Spain

Project	Capacity	Land	Construction starts	Grid licence
Talavera	13 MWp	Si	Mar 08	OK
Picón	22 MWp	Si	2007	OK
La Rioja	22 MWp	Si	Mar 08	OK
Toledo	55 MWp	Si	May 08	Requested
Murcia	11 MWp	Si	2007	OK
Extremadura	22 MWp	Si	2007	OK
La Paloma	165 MWp	Si	Jul 08	Requested
TOTAL	310 MWp			

Licences ensure completion of projects during 2008

Cell supplies contracted for 2008



Supply geared to manufacture 180 MW in 2008

Supplier	Status	Q1	Q2	Q3	Q4	Total
Gintech	Contract signed	10	12	15	14	50
E Ton	Contract signed	5	7	12	16	40
Neo Solar Power	Contract signed	2	3	5	6	15
JA Solar	Contract signed	6	9	15	15	45
Big Sun	Under discussion			3	3	5
China Sun Energy	Under discussion		2	2	2	5
Solar Tech	Under discussion			3	3	5
Mo Tech	Under discussion			1	1	2
Internal production	Production starts Jul-08			5	8	13
Total MW		22	33	59	66	180

Risks: Delays in cell supply would prevent targets from being reached

Reflections



Solaria is to be the leader in installing Turnkey projects in Spain and one of the worldwide leaders in manufacturing PV modules

Growing orderbook, with all production sold until H2 2009 and receiving new orders in spite of regulatory uncertainties

New investment in two new PV Module factories: Almadén (100 MW) and “Third site” in Spain (350 MW) to reinforce 250 MW (mar-08) factory in Puertollano

Start-up of cell factory (Puertollano) expected for July-08. Initial capacity will be 25 MW and building up new capacity to reach 100 MW after Sept-08

We expect an increased rivalry in our sector. Our leadership position, increased production, vertical integration, financial strength and free cash-flow will help us to become a worldwide leader

Expectations FY-2008: Production 180 MW, sales in excess of 850 Mill €, EBITDA margin in excess of 32%. Start of exports into Italy

Targets 2008-2011: Production capacity in cells and modules of 700 MW. Spanish market growth 2008-2011: 2,000 MW. Market share (Spain):25%. Sales mix: 50% domestic / 50% exports



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