



# Q1

CONSOLIDATED INTERIM REPORT Q1 2015



# ABOUT THIS REPORT

## FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements that are subject to risks and uncertainties, many of which relate to factors that are beyond SolarWorld AG's control or its ability to precisely estimate, such as future market and economic development, supply and demand, the behavior of other market participants, the ability to successfully achieve anticipated synergies and the actions of government regulators.

SolarWorld AG has based these forward-looking statements on its current views and assumptions with respect to future events and financial performance. Many factors could cause the actual results, performance or achievements of SolarWorld AG to be materially different from those that may be expressed or implied by such statements.

Given these uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements. We do not assume any obligation to update the forward-looking statements contained in this report.

## FURTHER INFORMATION

Rounding differences may occur in this report.



# CONTENTS

## **004 LETTER BY THE CHAIRMAN**

## **005 KEY FIGURES AND FACTS**

- 007 Selected indicators
- 008 Quarterly comparison of the consolidated income statements
- 008 Revenue by region

## **009 INTERIM GROUP MANAGEMENT REPORT\***

- 011 Business report
- 016 Economic position
- 020 Material related party transactions
- 021 Supplementary report
- 021 Opportunities and risks
- 022 Forecast report

## **027 CONSOLIDATED INTERIM FINANCIAL STATEMENTS\***

- 029 Consolidated income statement
- 030 Statement of consolidated comprehensive income
- 031 Consolidated balance sheet
- 032 Consolidated statement of changes in equity
- 033 Consolidated cash flow statement
- 034 Notes on the consolidated interim financial statements

## **038 FINANCIAL AND EVENT CALENDAR 2015**

\* A more detailed table of contents can be found at the beginning of the main chapters.

# LETTER BY THE CHAIRMAN

## DEAR CUSTOMERS, SHAREHOLDERS, NOTEHOLDERS, BUSINESS PARTNERS AND EMPLOYEES OF SOLARWORLD AG,

the first quarter of 2015 offered good reason to be content. We increased groupwide shipments of modules and kits by 44 percent, compared with the same quarter of the previous year. The strong business in the United States, our second home market, played a decisive role here. Above all, the PERC high-performance modules are a hit with American customers. The year also began well for us in Japan, Australia and South Africa. Export business to markets outside the euro zone was helped by the current euro exchange rate. The share of group shipments achieved outside Germany rose to 90 percent.

In the first three months of the year, we succeeded in further increasing the share of high-performance modules in the product mix. Combined with exchange-rate effects, this enabled us to increase our average sales prices on a euro basis. As a result, our consolidated revenue grew faster than shipments in the first quarter – by 50 percent to € 149 million. The positive trend has also continued with regard to EBITDA and EBIT. The latter was still negative in the first quarter, but we are in line with plans and confirm our forecast: All in all, we shall achieve a positive EBIT in 2015, excluding possible one-off effects. To this end, we are improving our efficiency on the operational side and are striving for economies of scale through increased production capacities.

For 2015 and beyond, the signs indicate growth. We expect increasing demand for our products above all in the United States, Japan and some European markets. Despite the declining share of group shipments, Germany is and remains a core market for SolarWorld with great potential, particularly in connection with self-consumption of solar power.

SolarWorld wishes to define the quality segment of the international solar markets and gain market shares here. Accordingly, we have once again set the course towards high-performance technology in the first quarter. We are introducing the PERC technology at all three production sites Freiberg, Arnstadt and Hillsboro. In the United States, we are also adopting higher-efficiency cells featuring the five bus bar technology and will be able to offer our customers a 300 watts module with 60 cells this year, thus once again surpassing the market standard. Technological competition is precisely what we love, and that which ultimately benefits customers most, thanks to higher yields and greater self-sufficiency.

February and March marked the first anniversary of the completion of the financial restructuring or the takeover of the Arnstadt site from Bosch. Results so far are quite impressive. This motivates our employees and me to continue to work with full commitment towards the sustainable success of our SolarWorld. I thank you for your support on our path.

Bonn, May 13, 2015

Kind regards,



**Dr.-Ing. E. h. Frank Asbeck,**  
CEO of SolarWorld AG



# KEY FIGURES AND FACTS

007 SELECTED INDICATORS

008 QUARTERLY COMPARISON OF THE CONSOLIDATED INCOME STATEMENTS

008 REVENUE BY REGION



# KEY FIGURES AND FACTS

## SELECTED INDICATORS

Financial indicators in k€	Q1 2015	Q1 2014	Change
Revenue	149,083	99,420	49,663
Foreign quota in % of revenue	91.2	76.7	14.5 %-points
EBITDA	2,912	137,188	-134,276
EBIT	-8,029	127,412	-135,441
EBIT in % of revenue	-5.4	128.2	n. a.
Capital employed (key date)*	521,131	493,597	27,534
Consolidated net result	-10,042	550,131	-560,173
Consolidated net result in % of revenue	-6.7	553.3	n. a.
Total assets	943,591	1,011,277	-67,686
Equity	235,205	321,399	-86,194
Equity ratio in %	24.9	31.8	-6.9 %-points
Cashflow from operating activities	-11,650	-26,777	15,127
Net indebtedness**	291,162	293,602	-2,440
Investments in intangible assets and property, plant and equipment	9,310	49,311	-40,001
<b>Employee indicators</b>	<b>Q1 2015</b>	<b>Q1 2014</b>	<b>Change</b>
Employees (key date)	2,798	2,758	40
of which trainees (key date)	31	40	-9
Personnel costs ratio in %	22.0	26.6	-4.6 %-points
Revenue per employee in k€	53	36	17
EBIT per employee in k€	-3	46	-49

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\* Intangible assets and property, plant and equipment less accrued investment grants plus net current assets except for current net liquidity

\*\* Financial liabilities less liquid funds

## QUARTERLY COMPARISON OF THE CONSOLIDATED INCOME STATEMENTS

in k€	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q1 2014	Change
Revenue	128,675	180,823	164,464	149,083	99,420	49,663
Inventory change in products	12,342	-7,664	17,263	37,625	14,387	23,238
Own work capitalized	494	141	629	419	174	245
Other operating income	27,889	20,899	30,687	25,111	153,309	-128,198
Cost of materials	-98,871	-120,113	-126,846	-129,691	-77,108	-52,583
Personnel expenses	-37,107	-34,695	-36,192	-41,082	-30,287	-10,795
Amortization and depreciation	-10,367	-10,410	-14,887	-10,941	-9,776	-1,165
Other operating charges	-69,539	-33,164	-49,488	-38,553	-22,707	-15,846
<b>Result of operations</b>	<b>-46,484</b>	<b>-4,183</b>	<b>-14,370</b>	<b>-8,029</b>	<b>127,412</b>	<b>-135,441</b>
Financial result	-8,169	-7,718	-9,210	-10,179	535,370	-545,549
<b>Pre-income tax result</b>	<b>-54,653</b>	<b>-11,901</b>	<b>-23,580</b>	<b>-18,208</b>	<b>662,782</b>	<b>-680,990</b>
Taxes on income	2,394	3,247	-1,475	8,166	-112,651	120,817
<b>Consolidated net result</b>	<b>-52,258</b>	<b>-8,654</b>	<b>-25,055</b>	<b>-10,042</b>	<b>550,131</b>	<b>-560,173</b>

T 02

## REVENUE BY REGION IN M €



Germany Rest of Europe U.S. Asia Rest of the World

G 01

# INTERIM GROUP MANAGEMENT REPORT

## **011 BUSINESS REPORT**

- 011 The stock
- 013 The market
- 014 Trade
- 015 Production

## **016 ECONOMIC POSITION**

- 016 Earnings position
- 018 Financial position
- 019 Assets position
- 019 Employees

## **020 MATERIAL RELATED PARTY TRANSACTIONS**

## **021 SUPPLEMENTARY REPORT**

- 021 Disclosure of events of particular importance and their repercussions
- 021 Overall statement by the Management Board on the economic position at the time of the report

## **021 OPPORTUNITIES AND RISKS**

## **022 FORECAST REPORT**

- 022 Expected macroeconomic environment
- 022 Expected development of the solar power market
- 023 Future development of business
- 024 Expected development of revenue and profit or loss
- 024 Expected financial position
- 025 Overall statement by the Management Board on the expected development of the group



# BUSINESS REPORT

## THE STOCK

**DYNAMIC PERFORMANCE ON STOCK MARKETS.** During the first quarter of 2015, international stock markets followed a positive trend, helped along by the rising global economy and central banks' continuing expansionary monetary policy. The German stock index – the DAX – proved particularly resilient to potentially negative influences such as geopolitical conflicts and worries over deflation in the eurozone. In mid-March, it touched a new all-time high of 12,168 points. The DAX gained around 23 percent in the first three months of the year, closing at 11,966 points on the cut-off date.

The DAX International Mid 100 (Performance) index, in which the SolarWorld stock is listed, did similarly well: On the cut-off date March 31, 2015, it closed at 1,522 points, representing a gain of 17 percent compared with the beginning of the year.

**SOLAR STOCKS ON THE RISE.** Solar stocks benefited during the first quarter of 2015 both from the positive general market trend and from high demand expectations for the years ahead. Market analysts predict continuous growth in global new solar installations. With these tailwinds, the Photovoltaik Global 30 Index rose 27 percent, reaching 30.06 points on the cut-off date.

**SOLARWORLD STOCK RECOVERING.** The performance of the SolarWorld stock (ISIN DE000A1YCM2) was positive again, too. Over the first quarter of the year, it gained around 9 percent to close at € 13.70 on the cut-off date March 31, 2015. The low of our stock in the first three months was € 11.00, the high € 13.70.

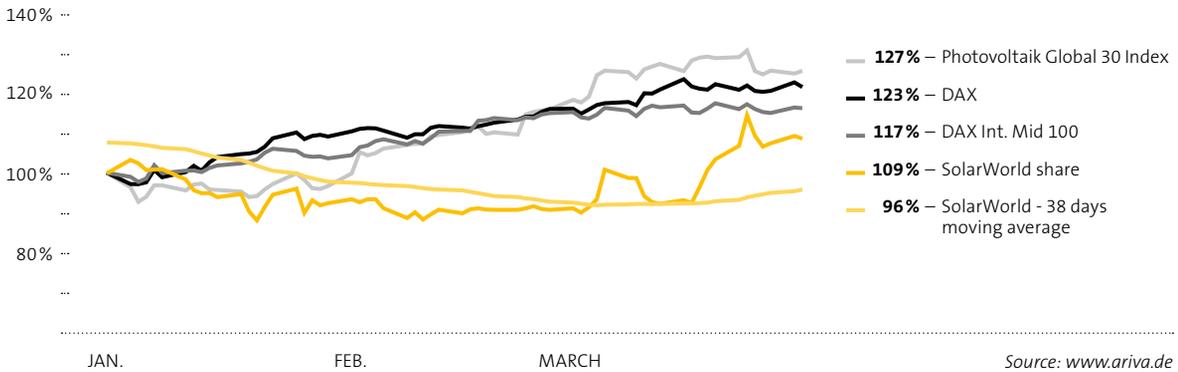
### INDICATORS FOR THE SOLARWORLD STOCK (ISIN DE000A1YCM2)

Capital stock as at March 31, 2015	€ 14,896,000
Total number of shares as at March 31, 2015	14,896,000
Proportion of shares in free float as at March 31, 2015	50.1%
Xetra closing price as at March 31, 2015	€ 13.70
Market capitalization as at March 31, 2015*	€ 204,075,200
Earnings per share	€ -0.67
Average Xetra trading volume during the first quarter of 2015	62,001 shares per trading day

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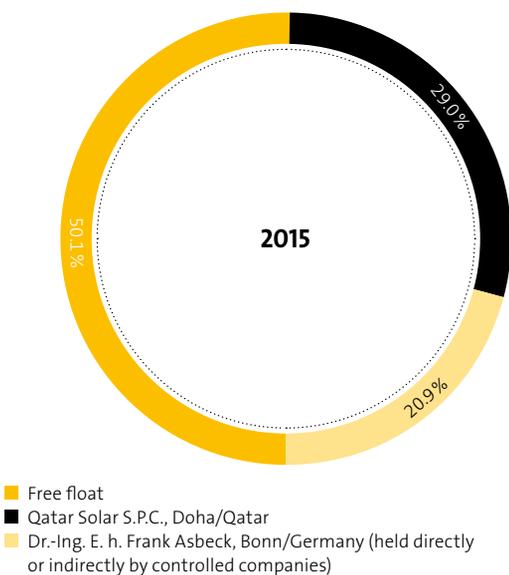
\* Product of shares in circulation and closing rate

**SOLARWORLD STOCK PERFORMANCE COMPARISON**



G 02

**SHAREHOLDER STRUCTURE AS AT MARCH 31, 2015**



G 03

**CAPITAL STOCK AND SHAREHOLDER STRUCTURE**

The capital stock of SolarWorld AG remained unchanged during the first quarter of 2015. On the cut-off date March 31, 2015, it stood at € 14,896,000 and was divided into 14,896,000 no-par-value bearer shares with an imputed nominal value of € 1.00.

At the beginning of February 2015, Strategic Value Master Fund Ltd. and a number of its controlling companies announced that their respective share of capital stock with voting rights had dropped below the threshold of 3 percent of the capital stock of SolarWorld AG. Consequently, the share of voting rights held by Mr. Victor Khosla, who as Chief Investment Officer controls the companies within the Strategic Value Partners group, fell at first below 5 percent and in the next step below 3 percent. SolarWorld AG published the corresponding voting rights notifications pursuant to Section 26 of the German Securities Trading Act (WpHG), and a summary is available on the company's website at ► [www.solarworld.de/notification-of-voting-rights](http://www.solarworld.de/notification-of-voting-rights).

## THE MARKET

### MACROECONOMIC ENVIRONMENT

As predicted by the Institute for the World Economy (IfW), global economic activity picked up during the period under review, especially in the advanced economies.

However, global economic conditions have changed considerably since the summer of 2014: The price of oil has fallen sharply, and there has been a substantial shift in the exchange rate relationships between the major advanced economies. During the first quarter of 2015, the U.S. dollar increased in value by around 11 percent compared to the euro. The average exchange rate during the first quarter of 2015 was around 18 percent higher than in the same quarter of the previous year. This benefited SolarWorld's export sales in markets outside of the eurozone. ► *Repercussions of the general conditions on business development*

### THE SOLAR POWER MARKET

During the first quarter of 2015, the international solar market continued to perform well, even though the first quarter was a weaker quarter for the solar industry in some markets due to typical seasonal effects.

**UNITED STATES ON GROWTH TRAJECTORY.** In the United States, the residential and commercial segments turned in a particularly good performance. On February 1, 2015, combined anti-dumping and anti-subsidy duties of around 75 percent on most Chinese imports and 20 percent on Taiwanese imports came into force in the United States. This was the outcome of the second round of proceedings against illegal trade practices, which were finally concluded by the U.S. International Trade Commission (ITC) in January 2015. The measures complement existing duties of around 29 percent on solar cells from China and solar modules incorporating these cells and make these duties virtually impossible to avoid. The domestic solar industry is therefore set to benefit from the restoration of fair competition. The Solar Energy Industry Association (SEIA) expects the U.S. solar market to grow around 30 percent in 2015.

**MOSTLY SUBDUED START IN EUROPE.** Markets performed moderately on the whole in Europe in the first quarter of 2015. One exception was the United Kingdom. The first quarter there was marked by strong pull-forward effects from large-scale projects, since subsidies for solar projects of 5 MW and more were curtailed with effect from April 1, 2015, and many investors wanted to install their systems while the old conditions still applied. The market for smaller systems showed steady growth. In Germany, newly installed capacity fell in the first quarter of 2015 by 30.5 percent to 319 (Q1 2014: 449) MW. Despite this weak showing in Germany, analysts at IHS expect the European solar market as a whole to grow to 9.4 (2014: 7.9) GW in 2015.

**STRONG GROWTH IN JAPAN.** In Asia, Japan achieved substantial growth in the first quarter of 2015. Pull-forward effects were in evidence here too, as a result of the planned reduction in feed-in tariffs from April 1 for systems having a capacity in excess of 10 kW. Despite the tariff reduction, analysts expect the Japanese market to grow by about another 7 percent in 2015.

### REPERCUSSIONS OF THE GENERAL CONDITIONS ON BUSINESS DEVELOPMENT

Strong market growth in the United States and Japan had a positive impact on SolarWorld in the first three months of 2015. In addition, the current euro rate helped exports outside the eurozone. During the first quarter of 2015, SolarWorld sold around 90 percent of its products outside Germany. In key solar markets such as the United States, United Kingdom and the Asia-Pacific region, we achieved higher average sales prices, helped by the currency effects.

## TRADE

**SHIPMENTS UP 44 PERCENT.** In the first quarter of 2015, SolarWorld AG increased its groupwide shipments of solar modules and kits by 44 percent to 202 (Q1 2014: 140) MW. This strong rise was due mainly to fast-paced growth in the United States. This market accounted for 57 percent of the group's total shipments. We also achieved growth in Japan, Australia and South Africa, whereas European shipments fell overall.

Internationalization of our sales markets has allowed us to focus our sales activities on markets which offer better sales opportunities, thanks to more favorable conditions. At 90 (Q1 2014: 81) percent, foreign shipments accordingly accounted for an even greater percentage of total shipments.

**MODULES DOMINATE THE PRODUCT MIX.** As in the previous year, the module business dominated over sales of complete systems. Our improved, internationally standardized module design was well received by customers around the world. ▶ *2014 Annual Group Report/Future products and brand strategy – p. 086*

**HIGH PERFORMANCE SPURS GROWTH IN THE UNITED STATES.** As expected, our business in the U.S. grew at an extremely fast pace in the first quarter of 2015. Compared with the same quarter of the previous year, our shipments rose by 170 percent, reaching 116 (Q1 2014: 43) MW.

Our success in the United States was due in large part to our sales strategy of winning customers by emphasizing the high performance of SolarWorld products. There was particularly strong demand from our American customers for monocrystalline high-performance modules incorporating PERC cell technology. PERC stands for Passivated Emitter Rear Cell and enables significant improvements in the solar cell's efficiency and low-light performance. SolarWorld is an international pioneer in the use of this high-efficiency technology. ▶ *2014 Annual Group Report/Innovation report – p. 045* There was also high demand for 72-cell modules from customers in the utility segment.

**WEAK FIRST QUARTER IN EUROPE.** Our shipments in Europe including Germany fell over the first three months of the year, compared with the same period last year. Competition was particularly tough in this region, and there was strong price pressure. Especially in the German solar market, which followed an overall downward trajectory, things were difficult for all market participants. In the first quarter of 2015, our shipments were down 29 percent, in line with the market as a whole. Here, SolarWorld focused on quality and performance in segments which had a more stable price trend. The United Kingdom, where we have become well-established in the small systems segment, was one of our largest markets in Europe alongside Germany and France.

**25 PERCENT GROWTH IN JAPAN.** In the Asia-Pacific region, Japan was our single most important market once again in the first quarter of 2015, achieving 25 percent growth compared with the same quarter of the previous year. In January, we set up our own sales location in Tokyo so that we can benefit more fully from this market's dynamic growth. Business started off well for us in Australia too this year.

## PRODUCTION

**INTENSE FIRST QUARTER.** In production, the first three months of 2015 brought a string of challenges, since we were operating at nearly full capacity at all three production sites, and at the same time implementing extensive upgrades and capacity expansions. Our goal is to increase capacities to meet anticipated strong growth in shipments, to change production lines over to PERC technology and harmonize processes more effectively at our three production sites at Freiberg and Arnstadt in Germany as well as Hillsboro in the United States. In module production, during the first quarter of 2015, we implemented a standardized design throughout the group that gives us greater flexibility for dealing with regional shifts in demand.

**CRYSTAL PULLING OPERATIONAL AGAIN AT ARNSTADT.** In March 2015, SolarWorld Industries Thüringen in Arnstadt completed a feasibility study on reactivating the crystallization process. The crystal pulling facilities – which were acquired from Bosch Solar Energy – were put back into operation without requiring any large investments. The first production unit started up in the first quarter. Three others will follow. Within the group, we produce mono wafers from the crystal sections using a proprietary new sawing technique.

**PERC CAPACITY EXTENDED.** During the first quarter of 2015, our engineers in the United States worked to upgrade another 100 MW of our cell production at Hillsboro to the PERC process, so that we can meet high demand for our high-performance modules more quickly. During the second quarter, together with the existing 330 MW PERC lines, our PERC capacity will reach 430 MW in the United States. Conversion to PERC cell production began in Freiberg and Arnstadt too during the first quarter.

# ECONOMIC POSITION

## EARNINGS POSITION

### DEVELOPMENT OF REVENUE AND PROFIT OR LOSS

In the first three months of 2015, groupwide shipments of solar wafers, cells, modules and kits grew by 36.4 percent to 210 (Q1 2014: 154) MW. Our groupwide foreign shipments quota increased 8 percentage points to 90 (Q1 2014: 82) percent on the back of strong growth in our export markets.

Shipments of solar modules and kits in the “Trade” segment increased by 44.3 percent to 202 (Q1 2014: 140) MW. We achieved particularly strong growth in the United States, where our shipments grew by 170 percent, compared with the first quarter of the previous year. This market accounted for 57 percent of our total worldwide sales of modules and kits. We recorded growth in Japan too, where shipments were up 25 percent. In Europe, on the other hand, shipments fell by about 20 percent. This was mainly due to the declining German market. During the first quarter of 2015, just 10 percent of SolarWorld group’s shipments went to Germany.

In addition, we sold solar wafers and cells with a total output capacity of 8 (Q1 2014: 14) MW to external customers in the first quarter of 2015.

SolarWorld’s consolidated revenue grew 50.0 percent to € 149.1 (Q1 2014: 99.4) million. The proportion of foreign revenue rose 14.5 percentage points to 91.2 (Q1 2014: 76.7) percent.

In the “Trade” segment, revenue from sales of modules and kits rose by 57.9 percent in the first three months of the year to € 147.6 (Q1 2014: 93.5) million. Thanks to a greater proportion of high-performance modules in conjunction with exchange rate effects in our favor, we were able to increase the average prices of our products on a euro basis, resulting in a disproportionately large increase in revenues, compared with the increase in shipments. In the “Production Germany” segment, which in previous years was strongly influenced by our external wafer business, revenue fell to € 1.3 (Q1 2014: 5.8) million due to decreased wafer shipments.

Groupwide earnings before interest, taxes, depreciation and amortization (EBITDA) rose in the first three months of 2015 to € 2.9 (Q1 2014 adjusted for one-off effects: 1.6) million. This positive trend is partly the result of operational measures to improve our efficiency and cost structure at all locations. EBITDA in the same period of the previous year included a positive one-off effect amounting to € 135.6 million in connection with the initial accounting for the acquisition of solar activities from Bosch. Including this one-off effect, EBITDA in the first quarter of the previous year totaled € 137.2 million.

### DEVELOPMENT OF SHIPMENTS

in MW	Q1 2015	Q1 2014
Modules and kits	202	140
Wafers and cells	8	14
<b>Total</b>	<b>210</b>	<b>154</b>

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In the “Trade” segment, EBITDA moved back into positive territory in the first quarter of 2015, with an increase of € 17.1 million to € 7.9 (Q1 2014: -9.2) million. In our “Production U.S.” segment, EBITDA was only slightly changed at € -2.0 (Q1 2014: -1.9) million. During the same period, EBITDA in the “Production Germany” segment fell to € -3.6 (Q1 2014: 147.1) million.

The basic valuation assumptions and premises on which the impairment tests at the end of 2014 were based remained almost unchanged on the cut-off date, March 31, 2015. Consequently, no impairment losses or reversals of impairment losses on property, plant and equipment were necessary.

Groupwide earnings before interest and taxes (EBIT) rose in the first three months of 2015 to € -8.0 (Q1 2014 adjusted for one-off effects: -8.2) million. Including the positive one-off effects described above, EBIT in the first quarter of 2014 totaled € 127.4 million.

In the “Trade” segment, EBIT significantly improved, compared with the same period of the previous year; it rose to € 7.5 (Q1 2014: -9.8) million. EBIT in the “Production U.S.” segment fell slightly by € 0.7 million to € -4.7 (Q1 2014: -4.0) million. In the “Production Germany” segment, EBIT totaled € -10.0 (Q1 2014 without one-off effects: 5.9) million in the first quarter of 2015. Including the one-off effects resulting from the takeover of solar activities from Bosch (€ 135.6 million), EBIT in the “Production Germany” segment reached € 141.5 million in the first quarter of the previous year.

The groupwide financial result for the first quarter of 2015 stood at € -10.2 (Q1 2014: 535.4) million. In the previous year, one-off effects in the amount of € 555.7 million arising from the restructuring profit produced by our financial restructuring program had a positive impact on the financial result.

In the first quarter of 2015, the group’s net profits after taxes amounted to € -10.0 (Q1 2014: 550.1) million. In the same period of the previous year, one-off effects resulting from the acquisition of solar activities from Bosch and from the restructuring profit produced by our financial restructuring program likewise had a positive impact on the group’s net profits.

## DEVELOPMENT OF MATERIAL INCOME STATEMENT LINE ITEMS

In the first quarter of 2015, the cost of materials rose € 52.6 million to € 129.7 (Q1 2014: 77.1) million. This was mainly due to significant year-on-year manufacturing output growth, compared with the same period of the previous year, as the Arnstadt, Germany production site was not added until the end of the first quarter of 2014. The cost of materials ratio was 69.3 (Q1 2014: 67.6) percent.

Personnel expenses rose by € 10.8 million to € 41.1 (Q1 2014: 30.3) million. Here too, the increase results mainly from the integration of our production site at Arnstadt, Germany, which is now complete. Due to higher overall output, the personnel cost ratio fell to 22.0 (Q1 2014: 26.6) percent.

Depreciation and amortization increased in the first quarter of 2015, compared with the previous year, by 11.2 percent or € 1.1 million to € 10.9 (Q1 2014: 9.8) million. This increase is due to the integration of our production site at Arnstadt, Germany.

Other operating expenses increased by € 15.9 million to € 38.6 (Q1 2014: 22.7) million. Because of our substantially higher production and sales volume, expenses for the use of external personnel and distribution expenses both increased as well. Maintenance expenses rose further, while costs for legal fees, consultancy and audit expenses fell. In the first quarter of 2015, the expense ratio amounted to 20.6 (Q1 2014: 19.9) percent.

Other operating income fell in the first quarter of 2015 by € 128.2 million to € 25.1 (Q1 2014: 153.3) million. This decrease is due mainly to a provisional profit that was recognized in the same period of the previous year, in connection with the initial accounting for assets acquired from Bosch (€ 135.6 million).

## FINANCIAL POSITION

### FINANCING ANALYSIS

As compared to December 31, 2014, equity decreased by € 3.5 million to € 235.2 (Dec. 31, 2014: 238.7) million. The equity ratio stood at 24.9 (Dec. 31, 2014: 26.1) percent as at the cut-off date.

By March 31, 2015, we were able to reduce our financial liabilities by a further € 10.3 million to € 439.6 (Dec. 31, 2014: 449.9) million. As at March 31, 2015, as a result of completing the restructuring our financial liabilities in the previous year, most of our financial liabilities (87.0 percent) are now classified as non-current (Dec. 31, 2014: 87.0 percent).

Investment grants and subsidies recognized in non-current liabilities decreased to € 27.9 (Dec. 31, 2014: 29.1) million as at the cut-off date. These public funds accrued on the liabilities side of the balance sheet are reversed over the period of utilization of subsidized investments through profit or loss.

Non-current provisions increased in the first quarter of 2015 by € 1.2 million to € 35.0 (Dec. 31, 2014: 33.8) million. This is mainly due to the significantly higher sales figures and associated increase in provisions for guarantees. Other current liabilities increased in the first quarter of 2015 to € 61.5 (Q1 2014: 48.5) million.

### INVESTMENT ANALYSIS

In the first quarter of 2015, we invested a total of € 9.3 (Q1 2014: 2.6) million in intangible assets and property, plant and equipment. About € 1.3 million was invested in the "Production Germany" segment in wafer, cell and module production at our German sites. In the "Production U.S." segment, a total of € 4.7 million was invested in expanding cell and module production capacities during the first quarter of 2015. In addition, € 1.8 million was invested in the "Trade" segment and € 1.5 million in the "Other" segment.

### LIQUIDITY ANALYSIS

Cash flow from operating results improved by € 11.5 million to € 3.2 (Q1 2014: -8.3) million. Cash flow from operating activities also showed a marked improvement during the first three months of the year, coming in at € -11.6 (Q1 2014: -26.8) million, despite a significant increase in receivables and inventories owing to the increased production and sales volume.

Cash flow from investing activities amounted to € -6.6 (Q1 2014: € 38.8) million. This change is mainly the result of cash receipts amounting to € 40.0 million in the same period of the previous year, which arose from the negative purchase price agreed for taking over a large proportion of the manufacturing facilities of Bosch Solar Energy AG. Furthermore, € 1.2 million was obtained in investment grants during the first quarter of 2015, while investments in fixed assets totaled € 7.9 (Q1 2014: 2.7) million.

Cash flow from financing activities came to € -17.1 (Q1 2014: 7.5) million in the reporting period. In the first quarter of 2015, SolarWorld AG made loan repayments amounting to € 10.7 million and interest payments totaling € 6.7 million.

On the cut-off date, March 31, 2015, the group had liquid assets of € 148.4 (Dec. 31, 2014: 177.1) million.

## ASSETS POSITION

### ASSET STRUCTURE ANALYSIS

As compared to December 31, 2014, SolarWorld group's total assets were up € 28.3 million to € 943.6 (Dec. 31, 2014: 915.3) million.

Non-current assets increased € 12.7 million to € 424.7 (Dec. 31, 2014: 412.0) million. Property, plant and equipment increased in the first quarter of 2015 to € 351.1 (Dec. 31, 2014: 344.7) million. Financial assets increased in the first quarter of 2015 by € 8.3 million to € 18.9 (Dec. 31, 2014: 10.6) million. The increase results entirely from an equity contribution that was called in by our joint venture Qatar Solar Technologies Q.S.C. Inventories (excluding short-term advance payments made) increased as at the cut-off date, March 31, 2015, by € 43.2 million to € 179.3 (Dec. 31, 2014: 136.1) million. At the same time, trade receivables rose by € 9.1 million to € 85.0 (Dec. 31, 2014: 75.9) million. All in

all, working capital rose by € 23.3 million to € 193.0 (Dec. 31, 2014: 169.7) million. On the cut-off date, assets held for sale totaled € 2.6 (Dec. 31, 2014: 9.0) million. This reduction mainly resulted from the sale of a piece of land in the U.S. in the first quarter of 2015.

### OFF BALANCE SHEET FINANCIAL INSTRUMENTS

Off balance sheet financial instruments have no impact on the group's asset position.

### ASSETS NOT SHOWN IN THE BALANCE SHEET

The group had no assets not shown in the balance sheet as at March 31, 2015.

## EMPLOYEES

As at March 31, 2015, the number of permanent employees in the SolarWorld group was up 1.4 percent at 2,798 (March 31, 2014: 2,758). The groupwide number of temporary workers also increased, to 635 (March 31, 2014: 467). Therefore, including temporary workers, 3,433 (March 31, 2014: 3,225) people worked for us as at March 31, 2015.

The rise is mainly attributable to the significant increase in production capacity utilization at all sites.

Concerning personnel development and HR strategy at SolarWorld, please see the ► [2014 Annual Group Report/ Employees – p. 052](#).

### PERMANENT GROUP EMPLOYEES AS AT MARCH 31

Number of people	2015	2014	+/- absolute
Germany	2,151	2,177	-26
thereof trainees	31	40	-9
U.S.	622	559	63
Rest of the world	25	22	3
<b>Total</b>	<b>2,798</b>	<b>2,758</b>	<b>40</b>

T 05

# MATERIAL RELATED PARTY TRANSACTIONS

In the first quarter of 2015, SolarWorld made an unscheduled partial repayment to its creditors. A share of € 0.6 million accounted for the loan from Qatar Solar Technologies Q.S.C. Furthermore, interest payments amounting to € 0.8 million were made on this loan. In January 2015, Qatar Solar Technologies Q.S.C. called for an additional equity funding of \$ 11.6 million. The claimed obligation to contribute equity is based on a shareholder agreement to this effect. Due to the risen demand on the U.S. solar market, SolarWorld moreover repurchased a module line for € 1.3 million which it had sold to Qatar Solar Technologies Q.S.C before.

Supplies amounting to € 0.4 million were delivered to entities controlled by Dr.-Ing. E. h. Frank Asbeck.

Apart from this transaction and the transactions based on existing long-term agreements (property leasing and management of solar parks), there were no related party transactions with a material effect on the net assets, financial position and result of operations of SolarWorld group in the first three months.

# SUPPLEMENTARY REPORT

## DISCLOSURE OF EVENTS OF PARTICULAR IMPORTANCE AND THEIR REPERCUSSIONS

There were no material subsequent events after the cut-off date.

## OVERALL STATEMENT BY THE MANAGEMENT BOARD ON THE ECONOMIC POSITION AT THE TIME OF THE REPORT

The management of SolarWorld AG rates the economic position of the group as challenging. This assessment is based on the earnings, financial and asset position resulting from the consolidated financial statements for the first quarter of 2015 as outlined above, and ongoing business trends in the second quarter of 2015 at the time of drawing up this interim management report. Although the group has made

a good start to 2015, there is a possibility, which cannot be ruled out, that difficulties might arise in the implementation of capacity expansions and measures to enhance efficiency and optimize costs.

# OPPORTUNITIES AND RISKS

Since the Group Management Report for the 2014 Annual Group Report was drawn up on March 17, 2015, the risk situation for SolarWorld has not substantially changed. Regarding the individual risks, we therefore refer to the ► *2014 Annual Group Report/Risk report – p. 070.*

The Management Board considers the group's risk position to be high especially because competitive pressure as well as price pressure and pressure to reduce costs are still strong and the regulatory environment in the solar market might change for the worse.

The going concern of the company, however, is not endangered at the time of setting up the financial reporting at hand.

# FORECAST REPORT

## EXPECTED MACROECONOMIC ENVIRONMENT

The pace of global economic growth is likely to accelerate in 2015 and 2016. Global output is set to increase by 3.7 percent in 2015 and 4.0 percent in 2016, according to a forecast published by the Institute for the World Economy (IfW) in March 2015. In SolarWorld's largest sales markets – the United States, eurozone, UK and Japan – a positive economic trend can be expected. ► [\*2014 Annual Group Report/Economic environment – p.034\*](#) The economy is

being supported by continuing expansionary monetary policy and the low oil price. However, IfW points out that its economic forecast is subject to a string of uncertainties that depend on economic policy decisions, the impacts of the oil price decline and geopolitical factors.

## EXPECTED DEVELOPMENT OF THE SOLAR POWER MARKET

The solar market is set for further growth in 2015. Market analysts anticipate that global demand for solar products will increase by around 20 percent to 53 (2014: 44) GW. China, Japan and the United States will be the main growth markets in 2015.

**U.S. TO SEE 30 PERCENT GROWTH.** The Solar Energy Industry Association (SEIA) expects newly installed capacity in the U.S. to reach 8.1 (2014: 6.2) GW – an increase of 30 percent. Strongest growth is predicted in the residential and commercial segments. SolarWorld is well-positioned in both of these areas. Although the utilities segment accounts for 59 percent of the market, it will not grow as quickly. Overall, analysts believe that the U.S. solar market will continue to enjoy rapid growth and maintain its position as one of the world's key solar markets.

**EUROPE TO POST FIRST GROWTH IN FOUR YEARS.** IHS forecasts that European demand for solar products will increase for the first time since 2011 to 9.4 (2014: 7.9) GW. This trend is mainly

due to the UK and France. Demand in the UK is likely to reach 2.8 to 3.1 (2014: 2.2) GW, and remain unchanged in France at 1.0 (2014: 1.0) GW. In Germany, on the other hand, the solar market is expected to contract further in 2015. Nevertheless, with anticipated demand of around 1.5 GW, Germany is still likely to be one of the top 3 European solar markets.

**CHINA AND JAPAN ARE WORLD'S LARGEST MARKETS.** China and Japan will remain the world's largest solar markets in 2015. China announced its intention to install 17.8 (2014: 10.6) GW of new solar capacity in 2015. Since only domestic manufacturers have access to the Chinese market, SolarWorld's main focus in Asia is on the Japanese market. In Japan, analysts expect to see 7 percent growth in 2015 to 10.4 (2014: 9.7) GW. As of April 1, 2015, the Japanese Ministry of Economy, Trade and Industry (METI) will reduce feed-in tariffs for systems over 10 kW. A further degression is planned from July 1. The tariffs are being reduced by 15.6 percent in total. Australia is also an attractive market in the Pacific region, with new installations expected to reach around 1 GW in 2015.

## FUTURE DEVELOPMENT OF BUSINESS

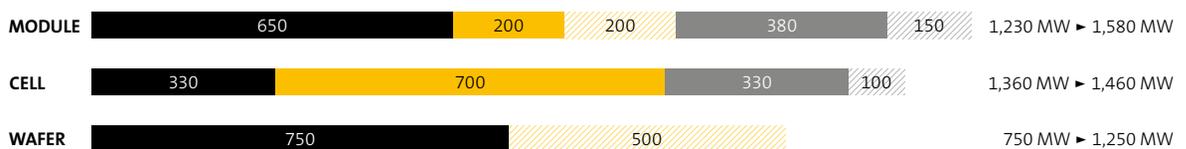
**BOOSTING SHIPMENTS INTERNATIONALLY.** SolarWorld AG will continue on its growth trajectory throughout the rest of the year. During the first quarter of 2015, we had a constant intake of orders and currently have a backlog of around 400 MW. In the following quarters, we are anticipating even higher shipments than during the first three months, which are the weakest in the solar business due to seasonal factors. The United States is the most important growth market. In Europe too, where we are the largest domestic solar manufacturer, we intend to exploit our opportunities and gain market share. In the United Kingdom, we are well-positioned in the small systems market; we therefore expect to continue our growth despite the cut in subsidies for large-scale plants on April 1, 2015. Japan remains our most important market in the Asia-Pacific region.

**EXPAND PRODUCTION OF HIGH-PERFORMANCE PRODUCTS.** We anticipate continued strong demand for our high-performance products featuring PERC technology, which differentiate us from competitors and create customer value through higher yields. For this reason, we will successively convert cell production at all three production sites over to the PERC process. In addition, SolarWorld plans to bring solar cells and modules with five-bus-bar technology on the market in the middle of this year. The current market standard is three bus bars (contacts on the front side of solar cells, at which they are connected). The five-bus-bar technology increases the cell efficiency by up to two percentage points. This means

that our customers will be able to achieve even higher yields with their solar power system. SolarWorld started to change its production in the second quarter. Based on the PERC and five-bus bar technologies, SolarWorld wants to launch the first 300 watts solar module worldwide in the standard format with 60 solar cells in serial production during the third quarter 2015.

**EXPANSION OF CAPACITIES.** We are planning to expand capacities at all stages of the value chain. Module capacity at Hillsboro, our U.S. site, is set to reach 530 MW in the second half of the year. At Arnstadt and Freiberg, we plan to step up production of monocrystalline solar wafers over the course of the year. The crystallization process takes place in Arnstadt, then the wafers are sawn at the Freiberg sawing center.

### PRODUCTION CAPACITIES AND PLANNED CAPACITY EXPANSION 2015



■ Freiberg (Germany) ■ Arnstadt (Germany) ▨ Expansion Arnstadt (Germany) ■ Hillsboro (U.S.) ▩ Expansion Hillsboro (U.S.)

*In addition, SolarWorld has further 250 MW wafer capacities and 70 MW cell capacities at its U.S. Hillsboro site.*

## EXPECTED DEVELOPMENT OF REVENUE AND PROFIT OR LOSS

The ongoing crisis in the solar industry has reached a turning point. Market analysts expect the global solar market to grow around 20 percent in 2015, compared with 2014. Competition in the solar markets remains fierce, however, which means that average sales prices in individual markets could remain under pressure.

In this market environment, SolarWorld intends to continue to position itself as a quality provider, while increasing shipments in all relevant core markets through a targeted sales approach. With almost full production capacity utilization, the group aims to grow faster than the global solar market in 2015, boosting its total worldwide shipments by at least 25 percent to more than one gigawatt.

Following the trend of shipments, consolidated revenue in 2015 should climb at least 25 percent compared with 2014, to more than € 700 million.

The Management Board anticipates that the successful implementation of operational measures to increase efficiency and cut costs will continue and confirms the target of achieving an operational turnaround in 2015. Accordingly, the group expects to achieve positive operational EBIT (excluding potential one-off effects) in the 2015 fiscal year. EBITDA (excluding potential one-off effects) in fiscal year 2015 should also exceed previous year's level significantly.

The Management Board expressly points out that the assumptions and framework conditions on which the business planning is based could change over the course of fiscal year 2015. The Management Board's assessments are based on available information which it currently considers to be realistic but which is dependent on various factors that are beyond the control and influence of the Management Board of SolarWorld AG and therefore of limited predictability.

## EXPECTED FINANCIAL POSITION

### SCHEDULED FINANCING MEASURES

No major financing measures are planned for 2015.

### PLANNED INVESTMENTS

In the 2015 financial year, we are planning to make investments totaling a low to medium two-digit million euro amount. Investment will be focused on expanding production capacities within the existing lines and on further technological improvements and efficiency enhancements.

### EXPECTED LIQUIDITY DEVELOPMENT

On March 31, 2015, our liquid funds totaled 148.4 € (Dec. 31, 2014: 177.1) million. For fiscal year 2015, the Management Board expects an increase in liquid funds. Cash flow is influenced to a large degree by the operating result, investments, planned capital repayments, interest payments and potential short-term fluctuations in our working capital.

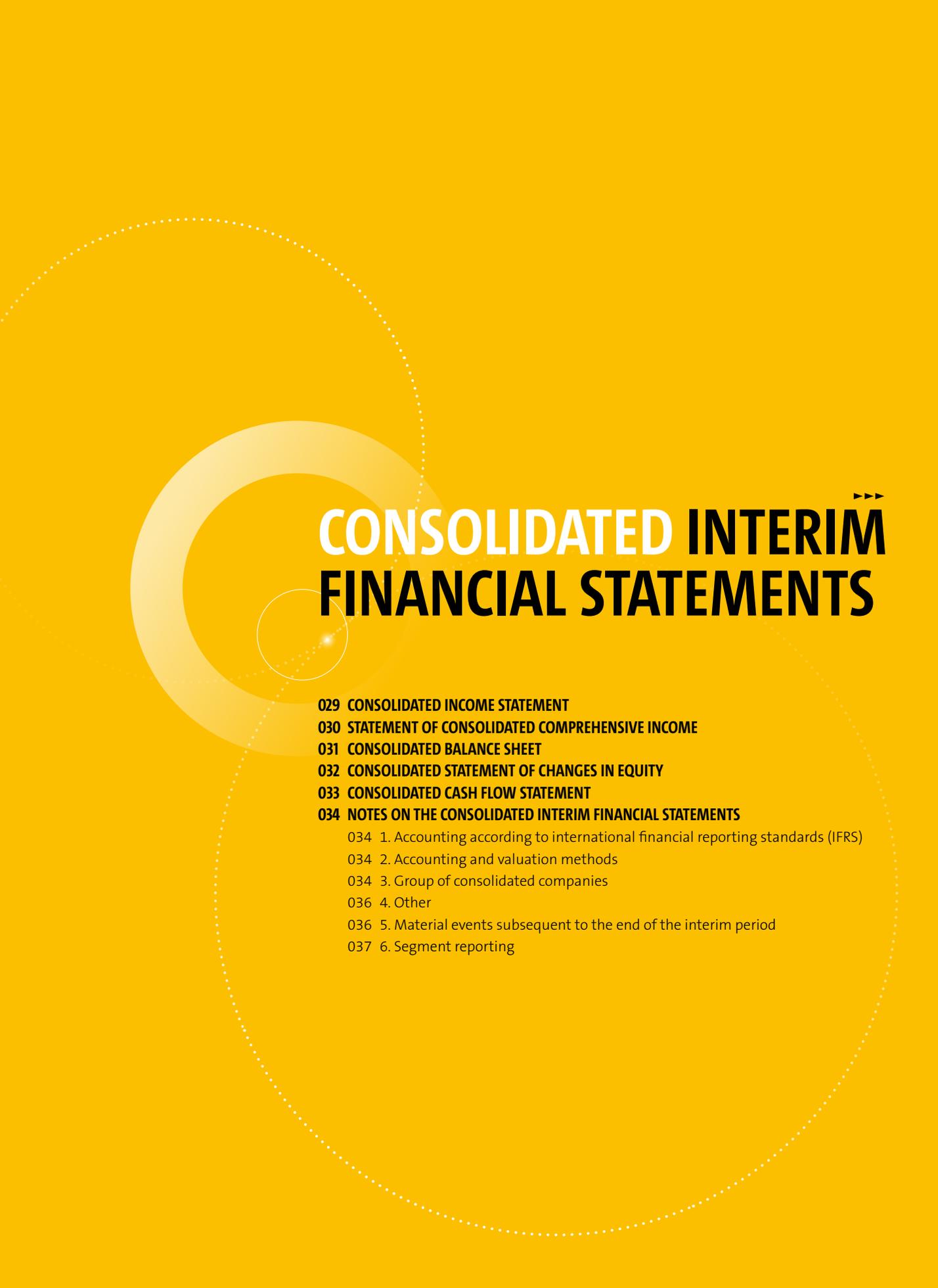
## OVERALL STATEMENT BY THE MANAGEMENT BOARD ON THE EXPECTED DEVELOPMENT OF THE GROUP

In 2014, SolarWorld AG sent out clear signals for growth and further business success. With the successful completion of financial restructuring, the acquisition of production capacities from Bosch in Arnstadt and numerous operational measures, the group enhanced its competitiveness and ability to act.

In the current 2015 fiscal year, SolarWorld AG is benefiting from rising global demand for solar power products and is considerably increasing its shipments compared with the previous year, particularly in the United States, Japan and the European markets. With its “SolarWorld – REAL VALUE” message, the group is particularly focusing on success in the quality segment of the international solar markets.

In addition, SolarWorld is implementing further groupwide operational measures to streamline processes and reduce costs. SolarWorld is therefore creating stronger foundations for profitable long-term growth.





# CONSOLIDATED INTERIM FINANCIAL STATEMENTS

**029 CONSOLIDATED INCOME STATEMENT**

**030 STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME**

**031 CONSOLIDATED BALANCE SHEET**

**032 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**033 CONSOLIDATED CASH FLOW STATEMENT**

**034 NOTES ON THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

034 1. Accounting according to international financial reporting standards (IFRS)

034 2. Accounting and valuation methods

034 3. Group of consolidated companies

036 4. Other

036 5. Material events subsequent to the end of the interim period

037 6. Segment reporting



# CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT FIRST QUARTER 2015

in K€	Q1 2015	Q1 2014
1. Revenue	149,083	99,420
2. Change in inventories of finished goods and work in progress	37,625	14,387
3. Own work capitalized	419	174
4. Other operating income	25,111	153,309
5. Cost of materials	-129,691	-77,108
6. Personnel expenses	-41,082	-30,287
7. Amortization and depreciation	-10,941	-9,776
8. Other operating expenses	-38,553	-22,707
<b>9. Operating result</b>	<b>-8,029</b>	<b>127,412</b>
<b>10. Financial result</b>	<b>-10,179</b>	<b>535,370</b>
<b>11. Result before taxes on income</b>	<b>-18,208</b>	<b>662,782</b>
12. Taxes on income	8,166	-112,651
<b>13. Consolidated net result</b>	<b>-10,042</b>	<b>550,131</b>
of which attributable to shareholders of SolarWorld AG	-10,042	550,131
<b>14. Earnings per share</b>		
a) Weighted average number of shares outstanding (in 1,000)	14,896	6,304
<b>b) Consolidated net result (in €)</b>	<b>-0.67</b>	<b>87.27</b>

T 06

## STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME FIRST QUARTER 2015

in K€	Q1 2015	Q1 2014
<b>Consolidated net result</b>	<b>-10,042</b>	<b>550,131</b>
<b>Items not to be reclassified to profit or loss</b>	<b>0</b>	<b>0</b>
<b>Exchange differences from currency translations</b>		
Exchange differences from currency translations	14,422	1,918
Deferred taxes relating to exchange differences on translating foreign operations	-7,843	-1,717
<b>Exchange differences from currency translations, net of tax</b>	<b>6,579</b>	<b>201</b>
<b>Items that may be reclassified subsequently to loss/profit</b>	<b>6,579</b>	<b>201</b>
<b>Other comprehensive net result</b>	<b>6,579</b>	<b>201</b>
Of which:		
Other comprehensive result before tax	14,422	1,918
Deferred taxes relating to other comprehensive result	-7,843	-1,717
<b>Total comprehensive result</b>	<b>-3,463</b>	<b>550,332</b>
Of which attributable to shareholders of SolarWorld AG	-3,463	550,332

T 07

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

Assets in K€	March 31, 2015	Dec. 31, 2014
<b>A. Non-current assets</b>	<b>424,742</b>	<b>412,044</b>
I. Intangible assets	15,231	13,800
II. Property, plant and equipment	351,109	344,735
III. Investment property	14,717	14,795
IV. Investments measured at equity	18,856	10,583
V. Other financial assets	5,279	5,254
VI. Other non-current assets	17,976	21,310
VII. Deferred tax assets	1,574	1,567
<b>B. Current assets</b>	<b>516,252</b>	<b>494,270</b>
I. Inventories	199,512	158,063
II. Trade receivables	84,985	75,851
III. Current income tax assets	873	809
IV. Other receivables and assets	31,889	32,030
V. Other financial assets	50,565	50,420
VI. Liquid funds	148,428	177,097
<b>C. Assets held for sale</b>	<b>2,597</b>	<b>9,027</b>
	<b>943,591</b>	<b>915,341</b>

Equity and liabilities in K€	March 31, 2015	Dec. 31, 2014
<b>A. Equity</b>	<b>235,205</b>	<b>238,668</b>
I. Equity attributable to shareholders of SolarWorld AG	235,205	238,668
1. Subscribed capital	14,896	14,896
2. Capital reserve	158	158
3. Other reserves	17,813	11,234
4. Accumulated results	202,338	212,380
<b>B. Non-current liabilities</b>	<b>499,269</b>	<b>508,974</b>
I. Non-current financial liabilities	382,340	391,582
II. Accrued investment grants	27,853	29,101
III. Non-current provisions	34,964	33,772
IV. Other non-current liabilities	130	111
V. Deferred tax liabilities	53,982	54,408
<b>C. Current liabilities</b>	<b>209,117</b>	<b>167,699</b>
I. Current financial liabilities	57,250	58,297
II. Trade payables	71,300	42,291
III. Income tax liabilities	2,991	2,987
IV. Current provisions	16,035	15,674
V. Other current liabilities	61,541	48,450
	<b>943,591</b>	<b>915,341</b>

T 08

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FIRST QUARTER 2015

in K€	Subscribed capital	Capital reserve	Other reserves		Accumulated results	Total
			Currency translation reserve	IAS 19 reserve		
<b>As at Jan. 01, 2014</b>	<b>110,795</b>	<b>68</b>	<b>7,997</b>	<b>-628</b>	<b>-361,317</b>	<b>-243,084</b>
Capital reduction	-110,056				110,056	0
Capital increase by contribution in kind	14,151					14,151
Total comprehensive result 1st quarter 2014			201		550,131	550,332
<b>As at March 31, 2014</b>	<b>14,890</b>	<b>68</b>	<b>8,198</b>	<b>-628</b>	<b>298,871</b>	<b>321,399</b>
Capital increase by contribution in kind					-604	-604
Disposal of treasury shares	6	90			81	177
Total comprehensive result 2nd – 4th quarter 2014			4,939	-1,275	-85,968	-82,304
<b>As at Dec. 31, 2014</b>	<b>14,896</b>	<b>158</b>	<b>13,137</b>	<b>-1,903</b>	<b>212,380</b>	<b>238,668</b>
Total comprehensive result 1st quarter 2015			6,579		-10,042	-3,463
<b>As at March 31, 2015</b>	<b>14,896</b>	<b>158</b>	<b>19,716</b>	<b>-1,903</b>	<b>202,338</b>	<b>235,205</b>

T 09

## CONSOLIDATED CASH FLOW STATEMENT FIRST QUARTER 2015

in K€	Q1 2015	Q1 2014
Result before tax	-18,208	662,782
+ Amortization and depreciation	10,941	9,776
+ Financial result (excluding profits and losses from currency translation)	11,712	20,381
- Profit from disposal of assets	-1	-349
- Reversal of accrued investment grants	-1,276	-1,238
- Gain from initial purchase accounting	0	-135,602
- Other material non-cash income	0	-564,005
<b>= Cash flow from operating result</b>	<b>3,168</b>	<b>-8,255</b>
+ Changes in prepayments and customer advances	6,127	7,709
- Increase in inventories	-43,158	-21,566
- Increase in trade receivables	-9,140	-6,399
+ Increase in trade liabilities	27,602	8,405
+/- Development other net assets	3,830	-6,702
<b>= Cash flow from operating result and changes in net assets</b>	<b>-11,571</b>	<b>-26,808</b>
+ Interest received	89	91
- Taxes on income paid	-168	-60
<b>= Cash flow from operating activities</b>	<b>-11,650</b>	<b>-26,777</b>
- Cash payments for investments in fixed assets	-7,898	-2,665
+ Cash receipt investment grants	1,247	1,159
+ Cash receipts from the disposal of fixed assets	6	273
+ Cash receipts from negative purchase price	0	40,000
<b>= Cash flow from investing activities</b>	<b>-6,645</b>	<b>38,767</b>
+ Cash receipts from borrowings	300	50,000
- Cash payments from the repayment of loans	-10,723	-33,874
- Interest and restructuring expenses paid	-6,690	-8,594
<b>= Cash flow from financing activities</b>	<b>-17,113</b>	<b>7,532</b>
-/+ Net changes in cash and cash equivalents	-35,408	19,522
+ Currency and consolidation-related change of cash and cash equivalents	6,739	76
+ Cash and cash equivalents at the beginning of the period	177,097	163,662
<b>= Cash and cash equivalents at the end of the period</b>	<b>148,428</b>	<b>183,260</b>

T 10

# NOTES ON THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## 1. ACCOUNTING ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Pursuant to article 4 of the Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of July 19, 2002 on the application of international accounting standards, SolarWorld AG is obliged to apply the international accounting standards adopted in accordance with articles 2, 3 and 6 of said regulation. These interim financial statements as per March 31, 2015 have accordingly also been prepared in accordance with IAS 34. These condensed consolidated interim financial statements have not been subject to a review or audit by an auditor.

## 2. ACCOUNTING AND VALUATION METHODS

In preparing the interim financial statements and establishing the comparative figures for the previous year basically the same consolidation principles and accounting and valuation methods as in the 2014 consolidated financial statements have been applied. A detailed description of these methods has been published in the notes to the 2014 annual report, which can be reviewed and downloaded from the internet at ► [www.solarworld.de/financial-reports](http://www.solarworld.de/financial-reports).

Accounting pronouncements that became applicable in the 2015 period do not have noteworthy influence on the presentation of the financial position and financial performance of the SolarWorld group. A detailed presentation of these accounting pronouncements is provided in the notes to the consolidated financial statements 2014 as well.

### ESTIMATIONS AND ASSUMPTIONS

In connection with the preparation of the consolidated interim financial statements, management has to apply estimations and assumptions. These affect the amounts recognized for assets, liabilities and contingent liabilities as at the balance sheet date as well as the recognized amounts of income and expenses of the reporting period then ended. Actual amounts may deviate from these estimations.

The substantial discretionary decisions, estimations and assumptions made when preparing the consolidated interim financial statements remain, in principle, unchanged from those used when preparing the consolidated financial statements 2014. Estimations regarding the determination of the initial purchase accounting are no longer necessary.

### INCOME TAXES

The income tax expense of the interim financial statements is mainly calculated on the basis of the actual tax rates of the respective group companies considering the effects of material tax neutral expenses and income. No deferred taxes on loss carryforwards were capitalized as at March 31, 2015.

## 3. GROUP OF CONSOLIDATED COMPANIES

The group of consolidated companies consists of the subsidiaries, which can be found in the following graphic.

SOLARWORLD GROUP STRUCTURE AS AT MARCH 31, 2015



\* Consolidated at equity

In January 2015, SolarWorld AG formed a subsidiary company named SolarWorld Japan K.K., located in Tokyo.

SolarWorld Schalke GmbH remains in liquidation.

#### 4. OTHER

##### CONTINGENT LIABILITIES

Our subsidiary SolarWorld Industries Sachsen GmbH (formerly Deutsche Solar GmbH) is currently the defendant in a court proceeding with a silicon supplier. The subject of the court proceeding is the non-acceptance of silicon from long-term silicon contracts concluded with this silicon supplier. Due to the non-acceptance, the silicon supplier claims a total of USD 676 million on the basis of the "take or pay" obligation and in damages. On the basis of external legal opinions, the company believes that the silicon contracts in question violate European antitrust law, which could mean that the purchase obligation as well as the contracts per se might be null and void. At this point in time, the outcome of the proceedings cannot be estimated. Depending on the outcome, however, it is possible that SolarWorld Industries Sachsen GmbH might be liable for damages up to the claimed amount.

Some former bondholders cancelled their bonds during the financial structuring process. SolarWorld AG believes that the notices given are not effective, as – in accordance with external expert reports – no grounds for cancellation existed, neither from the conditions of the bonds nor for good cause. The Frankfurt am Main regional court dismissed several legal actions in this matter. The Frankfurt higher regional court, however, is of the opinion that the cancellations given in the period between convocation of the creditors' meetings on August 5/6, 2013 and the respective creditors' meeting are effective. SolarWorld AG launched an appeal with the Federal Civil Court in this matter, the outcome of which is still pending. Other proceedings are pending with the Bonn regional court and the Cologne higher regional court. Should, contrary to our expectations, these proceedings be decided in favor of the plaintiffs, SolarWorld will have to pay off the cancelled bonds at full nominal value plus accrued interest. This concerns bonds in a nominal value of € 1.4 million. In this case, however, the bondholders will have to return all benefits received in the scope of the restructuring process.

##### IMPAIRMENT TESTS

The basic valuation assumptions and premises on which the impairment tests at the end of 2014 were based remained almost unchanged by the cut-off date March 31, 2015. Consequently, no recognition or reversal of impairments on property, plant and equipment was necessary.

##### 5. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material subsequent events after the cut-off date.

## 6. SEGMENT REPORTING

**INFORMATION ON OPERATING SEGMENTS FIRST QUARTER 2015**

in M€	Production Germany	Production U.S.	Trade	All other segments	Reconciliation	Consolidated
<b>Revenue</b>						
External revenue	1	0	148	0	0	149
Inter-segment revenue	81	46	2	4	-133	
<b>Total revenue</b>	<b>82</b>	<b>46</b>	<b>150</b>	<b>4</b>	<b>-133</b>	<b>149</b>
<b>EBITDA</b>	<b>-4</b>	<b>-2</b>	<b>8</b>	<b>1</b>	<b>0</b>	<b>3</b>
Scheduled depreciation	-6	-3	-1	-1		-11
<b>Operating result (EBIT)</b>	<b>-10</b>	<b>-5</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>-8</b>
Financial result						-10
Result before income taxes						-18
Income taxes						8
<b>Consolidated net result</b>						<b>-10</b>
<b>T 11</b>						

**INFORMATION ON OPERATING SEGMENTS FIRST QUARTER 2014**

in M€	Production Germany	Production U.S.	Trade	All other segments	Reconciliation	Consolidated
<b>Revenue</b>						
External revenue	6	0	93	0	0	99
Inter-segment revenue	68	34	0	3	-105	
<b>Total revenue</b>	<b>74</b>	<b>34</b>	<b>93</b>	<b>3</b>	<b>-105</b>	<b>99</b>
<b>EBITDA</b>	<b>146</b>	<b>-2</b>	<b>-9</b>	<b>1</b>	<b>1</b>	<b>137</b>
Scheduled depreciation	-5	-2	-1	-2		-10
<b>Operating result (EBIT)</b>	<b>-141</b>	<b>-4</b>	<b>-10</b>	<b>-1</b>	<b>1</b>	<b>127</b>
Financial result						536
Result before income taxes						663
Income taxes						-113
<b>Consolidated net result</b>						<b>550</b>
<b>T 12</b>						

# FINANCIAL AND EVENT CALENDAR 2015

15 MAY 2015

▶▶▶ **Publication of Consolidated Interim Report 1st quarter 2015**

[www.solarworld.de/financial-reports](http://www.solarworld.de/financial-reports)

02 JUNE 2015

▶▶▶ **Annual General Meeting, Bonn (Germany)**

[www.solarworld.de/agm2015](http://www.solarworld.de/agm2015)

10–12 JUNE 2015

▶▶▶ **Intersolar Europe 2015, Munich (Germany)**

[www.intersolar.de](http://www.intersolar.de)

11–14 JUNE 2015

▶▶▶ **BBC Good Food Show Summer, Birmingham (United Kingdom)**

[www.bbcgoodfoodshowsummer.com](http://www.bbcgoodfoodshowsummer.com)

14–16 JULY 2015

▶▶▶ **Intersolar North America, San Francisco (U.S.)**

[www.intersolar.us](http://www.intersolar.us)

29–31 JULY 2015

▶▶▶ **PV Japan, Tokyo (Japan)**

14 AUGUST 2015

▶▶▶ **Publication of Consolidated Interim Report 1st half 2015**

[www.solarworld.de/financial-reports](http://www.solarworld.de/financial-reports)

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▶▶▶ **Solar Power International, Anaheim (U.S.)**

[www.solarpowerinternational.com](http://www.solarpowerinternational.com)

07–08 OCTOBER 2015

▶▶▶ **All Energy Australia, Melbourne (Australia)**

[www.all-energy.com.au](http://www.all-energy.com.au)

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▶▶▶ **Publication of Consolidated Interim Report 3rd quarter 2015**

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