



QUARTERLY REPORT

Q1/2011

JANUARY – MARCH



***sunways***  
Photovoltaic Technology

## CONTENT.

### GROUP MANAGEMENT REPORT AS OF 31 MARCH 2011

- 03 Business operations
- 05 Segment reporting
- 10 Technology and products
- 11 Personnel and social matters
- 12 Shareholdings of members of executive bodies and directors' dealings
- 12 Outlook for the entire fiscal year 2011
- 13 Representation by legal representatives

### CONSOLIDATED INTERIM FINANCIAL STATEMENTS (IFRS) AS OF 31 MARCH 2011

- 14 Consolidated balance sheet
- 15 Consolidated income statement
- 16 Statement of Comprehensive Income
- 16 Consolidated cash-flow statement
- 17 Changes in shareholders' equity

### NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (IFRS) AS OF 31 MARCH 2011

- 18 General information, preparation principles and premises
- 19 Information on the consolidation scope and methods
- 19 Notes to the consolidated balance sheet
- 24 Notes to the consolidated income statement
- 25 Changes in shareholders' equity
- 26 Earnings per share
- 26 Notes to the consolidated cash-flow statement
- 26 Subsequent events
- 26 Related-party transactions
  
- 27 Financial Calendar 2011
- 27 Contact
- 27 Imprint
- 27 Forward-looking statements

## GROUP MANAGEMENT REPORT AS OF 31 MARCH 2011

### MAJOR EVENTS IN THE FIRST QUARTER COMPARED TO THE CORRESPONDING PRIOR YEAR QUARTER.

- DEMAND AND PRICE RELATED DECLINE IN SALES TO € 22.2 MILLION
- LARGE SOLAR CELL SHIPMENTS TO LDK SOLAR IN LINE WITH THE BUSINESS MODEL (SOLAR MODULE MANUFACTURING COOPERATION); GROSS PERFORMANCE REACHES € 44.3 MILLION
- SALES IN THE INTERNATIONAL MARKETS FOR THE FIRST TIME EXCEEDS DOMESTIC SALES

#### **Business operations.**

In the first quarter 2011, the demand for photovoltaic products in Germany and abroad markedly failed to meet expectations. This weak sales development was mainly due to substantial inventory volumes at various trade levels. Following the strong market development in the past year and the at times very limited availability of solar modules and in particular solar inverters (there were even shortages with respect to individual components for these devices), wholesalers and installers had built up significant inventory levels towards the end of 2010 which, as a result of the weak demand in the market, they were unable to sufficiently reduce in the first months of the current year. This "pile-up" in the distribution channels resulted in an unexpectedly low volume of orders received by Sunways AG in the first quarter 2011.

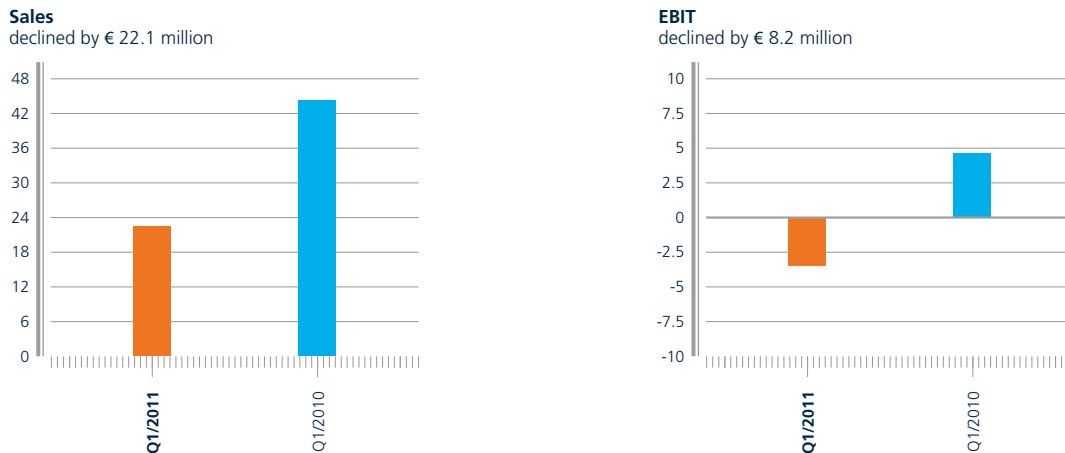
The weak demand in Germany was not only due to another reduction of feed-in tariffs as of the beginning of the year; the continued discussion about overloading the grids through the increased use of renewable energies and the alleged over-subsidizing of the photovoltaics industry should also have contributed to upsetting investors in photovoltaic systems. Developments in the non-domestic business in Europe also failed to meet our expectations. In Italy, the most important foreign market of Sunways AG, the months-long discussion about the further development in the area of government subsidies resulted in uncertainty and thus affected the demand for our products.

Due to the hesitant demand for photovoltaic products, Sunways AG's sales in the first quarter 2011 amounted to € 22,2 million and thus equaled about 50 % of the figure reported in the relevant prior year period (Q1/2010: € 44.3 million). The unexpectedly weak demand in all markets and the resulting pressure on prices were reflected in a weak operating result. After € 4.7 million in the first quarter 2010, EBIT turned negative to € -3.5 in the reporting period. Sunways had anticipated a weak start to the year and a negative operating result for the first three months. Due to the unexpectedly high inventory levels and the hesitant demand, the negative development of the operating result was, however, more pronounced than expected. After-tax earnings in the quarter were € -2.7 million (Q1/2010: € 2.0 million). Accordingly, earnings per share amounted to € -0.23 (Q1/2010: € 0.27).

In the context of the solar module manufacturing cooperation with LDK Solar started at the end of 2010, substantial amounts of solar cells were supplied to the Chinese partner so that the gross performance of Sunways AG in the first three months of 2011 was € 44.3 million and thus equaled 90 % of the prior year figure (Q1/2010: € 49.6 million). Such solar cell shipments, which were not included in quarterly sales, accounted for a major portion of the change in inventories in the amount of € 22.1 million in the first quarter 2011. They form the basis for the production of Sunways modules by LDK Solar and for the modified business model aimed at integrating increasing amounts of our solar cells into our own modules.

Due to the more favorable cost structure, the competitiveness of our solar module segment will improve effectively. The increased availability of Sunways solar modules in the future at attractive prices will form the basis for this product segment's further growth.

#### GROUP DEVELOPMENT IN MILLIONS OF €



Possible rounding differences.

The weak demand at the beginning of the year and the solar cells delivered to LDK Solar for the production of Sunways solar modules resulted in an increase in current assets, in particular inventories, reported on the balance sheet: inventories increased from € 31.3 million (31 December 2010) to € 64.2 million (31 March 2011). Liquid funds simultaneously decreased from € 13.8 million (31 December 2010) to € 3.9 million (31 March 2011). In all, current assets grew to € 83.5 million as of the end of the first quarter (31 December 2010: € 58.5 million). In the wake of the rise in working capital, short-term financial liabilities as well as trade payables increased.

As of 31 March 2011, the shareholders' equity of Sunways AG amounted to € 65.6 million which corresponds to an equity ratio of 47.8 % or per share equity of € 5.66.

International sales in the first quarter 2011 were almost exclusively generated in other European countries. At € 12.8 million, they exceeded the domestic sales, which amounted to € 9.4 million, for the first time. In the first quarter 2010, international sales amounted to € 7.1 million or a mere 16.0 % of total sales. In contrast, the international portion of sales in the period under review increased significantly to 57.7 %. The most important sales markets in the first quarter were Italy and Switzerland; together they accounted for approximately 80 % of total international sales.

About one half of the Group's international sales in the first quarter – or approximately 57 % of solar module sales and about 70 % of solar inverter sales – were generated in Italy. However, in absolute terms, the business volume in Italy also failed to meet the expectations of Sunways AG for the first months of 2011, due to continuing uncertainties with respect to the further development in the area of government subsidies. In the period under review, Switzerland was the largest international sales market for Sunways solar cells with a sales contribution of approximately 82 % and the second largest international market for solar modules with a sales contribution of just under 24 %.

## SALES BY REGION

	1 <sup>st</sup> quarter 2011		1 <sup>st</sup> quarter 2010	
	€ million	%	€ million	%
Germany	9.4	42.2	37.2	84.0
Rest of Europe	12.8	57.7	7.1	16.0
America	0.0	0.0	0.0	0.0
Asia	0.0	0.0	0.0	0.0
Rest of world	0.0	0.0	0.0	0.0
<b>Total</b>	<b>22.2</b>	<b>100.0</b>	<b>44.3</b>	<b>100.0</b>

Possible rounding differences.

In the period under review, there were no major changes in risks and opportunities compared to those described in the 2010 annual report.

**Subsequent events.** After the end of the reporting period and in the light of sales and the inflow of orders in April, Sunways AG revised its sales prognosis for the entire fiscal year 2011 on 4 May 2011. Against the background of the markedly weaker than expected demand in Germany and abroad even beyond the first quarter and high supply volumes throughout the market in the area of components for photovoltaic systems, Sunways AG no longer expects to be able to reach the double-digit sales growth originally targeted for the fiscal year 2011. However, the Company still adheres to its earnings target, i. e. an EBIT margin in the lower single-digit percentage range.

**Segment reporting.**

The internal controlling and reporting complies with the IFRS accounting principles. Sunways measures the performance of its segments primarily on the basis of earnings before interest and taxes (EBIT). Investments and depreciation and amortization relate to tangible fixed assets and intangibles with a defined useful economic life. Segment assets generally comprise all directly attributable assets.

Sales reported refer to the Group's external sales. Intersegment sales generated in the reporting period between the solar cell and solar module segments amounted to € 4.9 million (Q1/2010: € 5.2 million).

The following tables show the development of Sunways AG's sales and earnings as well as segment assets:

	1 <sup>st</sup> quarter 2011					1 <sup>st</sup> quarter 2010				
	Solar cells	Solar modules	Solar inverters	Consolidation	Total	Solar cells	Solar modules	Solar inverters	Consolidation	Total
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Sales	7.5	16.4	3.1	-4.9	22.2	21.7	18.7	9.1	-5.2	44.3
EBITDA	0.6	-1.1	-1.4	0.0	-1.9	4.1	0.8	1.3	0.0	6.2
Depreciation and amortization	1.4	0.0	0.2	0.0	1.6	1.3	0.0	0.2	0.0	1.5
EBIT	-0.8	-1.1	-1.6	0.0	-3.5	2.8	0.8	1.1	0.0	4.7
Investments	0.4	0.0	0.1	0.0	0.5	0.5	0.0	0.2	0.0	0.7

Possible rounding differences.

	31/03/2011				31/12/2010			
	Solar cells	Solar modules	Solar inverters	Total	Solar cells	Solar modules	Solar inverters	Total
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Segment assets	85.2	18.6	22.2	126.0	70.9	5.1	19.0	95.0

Possible rounding differences.

The following tables show the reconciliation of total segment earnings (EBIT) to consolidated net earnings and of segment assets to total Group assets.

### RECONCILIATION OF TOTAL SEGMENT EARNINGS (EBIT) TO CONSOLIDATED NET EARNINGS

	1st quarter 2011	1st quarter 2010
	€ million	€ million
Total EBIT (segments)	-3.5	4.7
Net interest income	-0.3	-0.3
<b>Earnings before taxes</b>	<b>-3.8</b>	<b>4.4</b>
Taxes on income	1.1	-1.2
<b>Earnings after taxes – continuing operations</b>	<b>-2.7</b>	<b>3.2</b>

Possible rounding differences.

### RECONCILIATION OF SEGMENT ASSETS TO TOTAL GROUP ASSETS

	31/03/2011	31/12/2010
	€ million	€ million
Total segment assets	126.0	95.0
Liquid funds	3.9	13.8
Deferred tax assets	1.7	0.6
Tax receivables	5.5	3.2
<b>Total assets</b>	<b>137.1</b>	<b>112.7</b>

Possible rounding differences.

**Solar cells.** Developments in the solar cell segment in the first quarter of the fiscal year reflect the ongoing modifications to Sunways AG's business model. Sunways aims to continuously increase the percentage share of its solar cells integrated into its own solar modules. Thus the external sales of the Company's solar cells will decrease against prior periods. In addition, solar cells for the production of the Company's own modules were in some cases sold to module manufacturers and repurchased by the solar module segment. Such externally generated sales were significantly reduced in favor of the provision of solar cells for the production of Sunways solar modules. In the context of the module production cooperation with LDK Solar started in late 2010, the Company merely makes its solar cells available to LDK Solar. The solar cells required for the production of Sunways Eco-Line solar modules by LDK Solar continue to be part of Sunways AG's current assets all along the supply chain to and from China. External solar cell sales are thus reduced substantially compared to the previous business model.

The solar cells provided to LDK Solar in the first quarter form the basis for the development of this cooperation. Solar cell sales generated in the first quarter amounted to € 7.5 million (Q1/2010: € 21.7 million). Accordingly, the solar cell sales volume of 6.8 megawatts peak was also significantly lower than in the comparable prior year quarter (Q1/2010: 17.8 megawatts peak). On the other hand, the production of Sunways solar cells in Arnstadt and Konstanz in the first quarter 2011 equaled 24.1 megawatts peak and thus exceeded the prior year figure by about 4 % (Q1/2010: 23.1 megawatts peak).

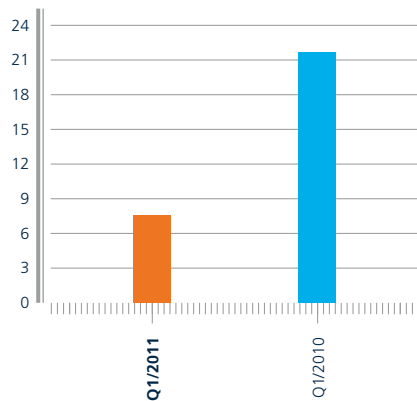
Due to the described changes to the business model, domestic segment sales also decreased by about 70 % in the first quarter. Sales of our solar cells generated with foreign customers grew to € 1.5 million and thus approximately tripled from the comparable prior year quarter (Q1/2010: 0.5 million). A substantial portion of this increase related to Switzerland where the sales contribution amounted to € 1.2 million.

Due to low sales in the first quarter 2011, the segment's operating result (EBIT) turned negative to € -0.8 million (Q1/2010: € 2.8 million).

#### SOLAR CELLS: SALES AND EARNINGS DEVELOPMENT (EBIT) IN MILLIONS OF €

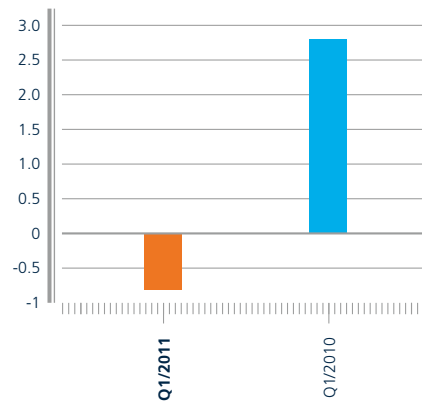
##### Sales

declined by € 14.2 million



##### EBIT

declined by € 3.6 million

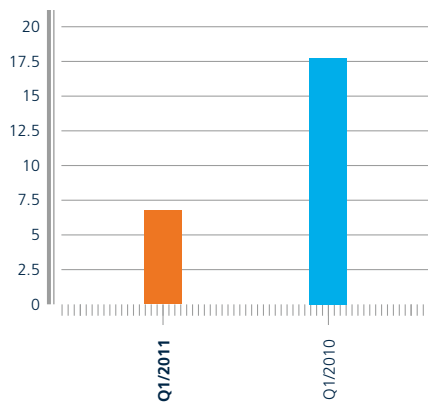


Possible rounding differences.

#### SOLAR CELLS: SALES VOLUME DEVELOPMENT IN MWp

##### Sales volume

decreased by 11 MWp



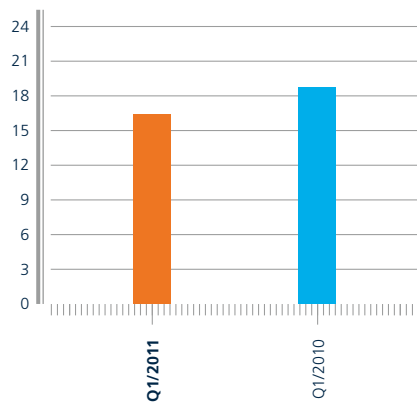
Possible rounding differences.

**Solar modules.** In the solar module segment, Sunways AG generated sales of € 16.4 million (Q1/2010: € 18.7 million) in the first quarter 2011. This corresponds to a decline by 12 % against the prior year quarter. On the other hand, we were able to increase our sales volume against the prior year quarter by 17 % to 11.7 megawatts peak (Q1/2010: 10.0 megawatts peak). Such opposite trends with respect to sales volumes and sales, on the one hand, resulted from the still limited availability of Sunways Eco-Line modules from the manufacturing cooperation with LDK Solar in the first quarter 2011; the necessary basic inventory of Eco-Line modules was established in the first quarter 2011. Simultaneously with the shift towards high-quality Eco-Line modules based on Sunways solar cells, Sunways added traditional merchandise to its product range. The modules of such merchandise range are also provided by LDK Solar. With this product range, Sunways secures competitiveness for its customers across the entire spectrum of photovoltaic modules and systems. On the other hand, the average price in the solar module segment declined markedly against the 2010 comparable quarter since mainly modules of the merchandise range were sold in the first quarter 2011. Therefore, the segment's operating result (EBIT) declined despite the continuous rise in sales volumes during the period from January to March 2011. EBIT in the first quarter 2011 amounted to € -1.1 million after € 0.8 million in the comparable prior year period.

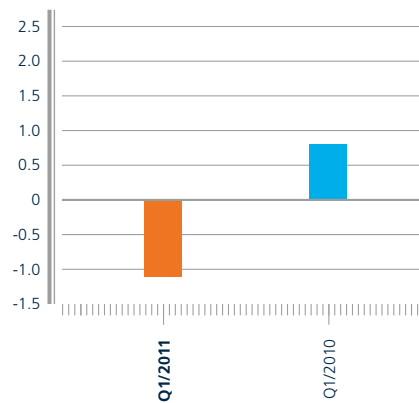
Due to weak demand in the market and high inventory levels of traders, solar module sales in Germany only amounted to € 6.5 million (Q1/2010: € 14.1 million) in the first quarter 2011. Sales generated in the first quarter in our non-domestic European markets, on the other hand, at € 10.0 million more than doubled from the prior year (Q1/2010: € 4.6 million). However, this positive development could not offset the decline in Germany. The percentage share of international sales in this segment was 60.7 % (Q1/2010: 24,5 %). Major sales markets were Italy with sales of € 5.7 million, Switzerland with € 2.4 million and Spain with € 0.9 million.

#### SOLAR MODULES: SALES AND EARNINGS DEVELOPMENT (EBIT) IN MILLIONS OF €

**Sales**  
declined by € 2.3 million



**EBIT**  
declined by € 1.9 million

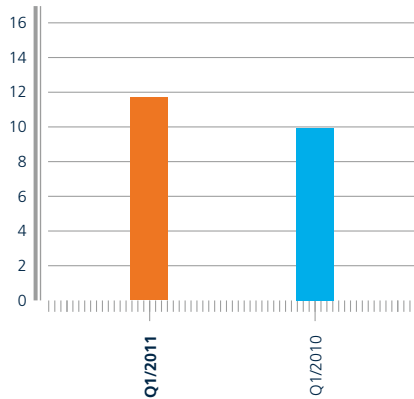


Possible rounding differences.

## SOLAR MODULES: SALES VOLUME DEVELOPMENT IN MWp

### Sales volume

increased by 1.7 MWp



Possible rounding differences.

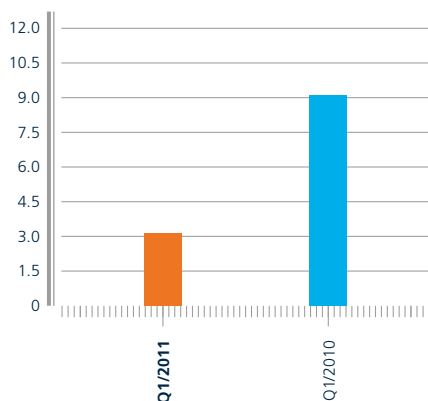
**Solar inverters.** The solar inverter segment was affected the most by the weak start to the year. Following the at times massive supply bottlenecks in the past year, wholesalers and installers increasingly stocked up on inverters towards the year-end although such inverters subsequently could not be sold off as expected due to hesitant demand. Thus demand at the producer's level declined as well. Consequently, segment sales decreased by 65.9 % to € 3.1 million – after € 9.1 million in the comparable prior year period. The sales volumes of Sunways solar inverters declined in the same manner to 12.8 megawatt peaks (Q1/2010: 37.7 megawatts peak) in the first quarter. Thus realizable market prices for all devices on the average remained largely stable. The segment's operating result (EBIT) declined by € 2.7 million to € -1.6 million (Q1/2010: € 1.1 million).

In the first quarter 2011, sales generated in Germany amounted to € 1.8 million – a decline by about three quarters against the comparable prior year period (Q1/2010: € 7.1 million). In the non-domestic European markets, we recorded inverter sales of € 1.3 million in the first quarter. Thus the segment's international sales also decreased against the first quarter 2010 (€ 1.9 million) by about one third as a result of the general market situation. The percentage share of international sales increased however to 43.0 % (Q1/2010: 26.8 %) in the past quarter. Italy was the most important sales market also for the solar inverter segment. Gratifyingly, sales generated in Italy at € 0.9 million more than doubled against the prior year (Q1/2010: € 0.4 million).

## SOLAR INVERTERS: SALES AND EARNINGS DEVELOPMENT (EBIT) IN MILLIONS OF €

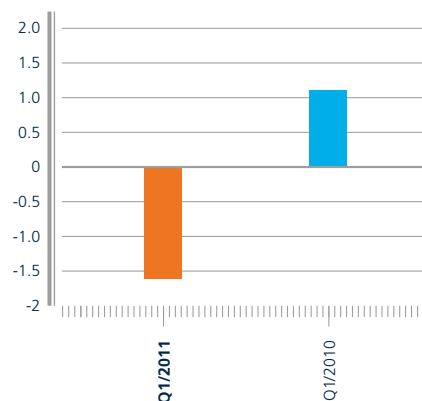
### Sales

declined by € 6.0 million



### EBIT

declined by € 2.7 million

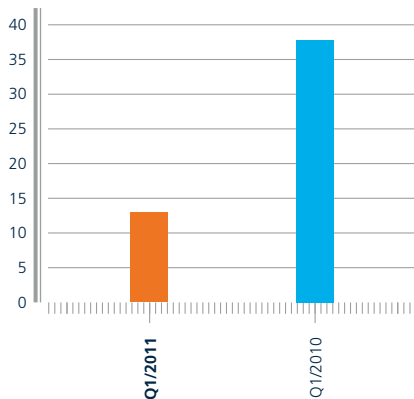


Possible rounding differences.

## SOLAR INVERTERS: SALES VOLUME DEVELOPMENT IN MWp

### Sales volume

decreased by 24.9 MWp



Possible rounding differences.

## Technology and products.

**The focus is on efficiency, quality and design.** Sunways AG is one of the pioneers of solar technology in Germany. We have been active in the area of sustainable energy supply based on solar power since 1993. Nowadays Sunways develops, produces and distributes technologically leading, highly efficient components for photovoltaic systems as well as complete systems. Our products are characterized by high quality and sophisticated design. In addition, we offer our clients customized solutions, e. g. for the integration of photovoltaics into modern architecture and energy-efficient buildings. In this area, we want to use photovoltaics for the generation of energy and design solutions in an aesthetically ambitious manner. Thus we are working on the progressing integration of solar technology into everyday life.

In terms of efficiency of silicon-based solar cells, we are among the leading companies worldwide. In August 2010, we introduced the prototype of a monocrystalline solar cell in the 6-inch format with an efficiency rate of more than 19 %. And we intend to continuously enhance yields – not only in laboratory conditions but also in serial production. Here, our average efficiency rates of more than 17.5 % achieved for monocrystalline cells are excellent in a cross-sectoral comparison. Upon integration into a standard module with 60 solar cells, this corresponds to a nominal capacity of up to 250 watts peak per module or more than 4 watts peak per standard solar cell with a surface area of 156x156 mm (6 inches). In combination with our highly efficient solar inverters, up to 98 % of the energy can be used in the form of line current. To secure yields in the long term, we offer our customers performance guarantees for our solar modules and inverters. The yield guarantee for our solar inverters, which is covered by the basic price, may be extended to up to 20 years upon request. With respect to Sunways solar modules, we guarantee our customers that the actually achieved yield exceeds the nominal capacity and that the actual module capacity will equal at least 90 % of the nominal capacity even after twelve years of operation. Such guarantees can be given thanks to the quality of our products.

**New products and services introduced at trade exhibitions in Germany and France.** From 15 to 18 February, we participated in the trade exhibition “Salon des Energies Renouvelables” in Lyon together with our first certified service partner for Sunways solar modules and Sunways solar inverters in France, Wattsol S.A.R.L. Wattsol was founded in 2001 and specializes in the installation of solar energy systems. Wattsol supplies the French market inter alia with 3-kilowatt kits comprising Sunways solar modules, Sunways solar inverters and corresponding fastening systems.

Suited for this size of photovoltaic roof systems that are popular in Europe, Sunways now offers the NT 3000 solar inverter with a nominal capacity of 3 kilowatts and efficiency rates of up to 98 %. The inverter was first presented to the experts in Lyon and, like the other devices of the NT series, features an integrated DC load-break switch, HERIC® topology, efficient power flow management, CAN-bus networking, active E-mail alert, Sunways browser, network connection and graphic display.

Only a few days after the Lyon trade exhibition, the 26<sup>th</sup> "Symposium für Photovoltaische Solarenergie" was held in Bad Staffelstein, the most important user conference in the German-speaking area. Of course, Sunways AG presented its new products here as well. In addition to the NT 3000, Sunways introduced the new outdoor versions of its two well-proven central inverters, the PT 30 and PT 33. They have been available since April and are designed for outdoor use. The newly developed casing meets a variety of requirements in connection with the direct and indirect impact of weather conditions. A mounting base provides an easy connection and ensures that the device is safely positioned. With top efficiency rates of 98 %, the devices of the PT series maintain the world record in their category. As in the case of the devices of the NT series, the basic equipment of the PT devices also includes extensive communication features. As EU devices, the devices of the PT series can be used throughout Europe since April and have been certified in conformity with the current Medium Voltage Regulations. An iPhone app providing access to the Sunways system portal or individual Sunways solar inverters was also newly introduced at Bad Staffelstein.

The trade exhibition's visitors were also able to have a look at the new Sunways Eco-Line solar modules. They are produced by LDK Solar with highly efficient Sunways solar cells in accordance with Sunways quality standards and are available in performance classes up to 250 watts peak (monocrystalline modules) or 245 watts peak (multicrystalline modules). Performance, quality and price are optimized thanks to the advantages of the global division of labor.

### **Personnel and social matters.**

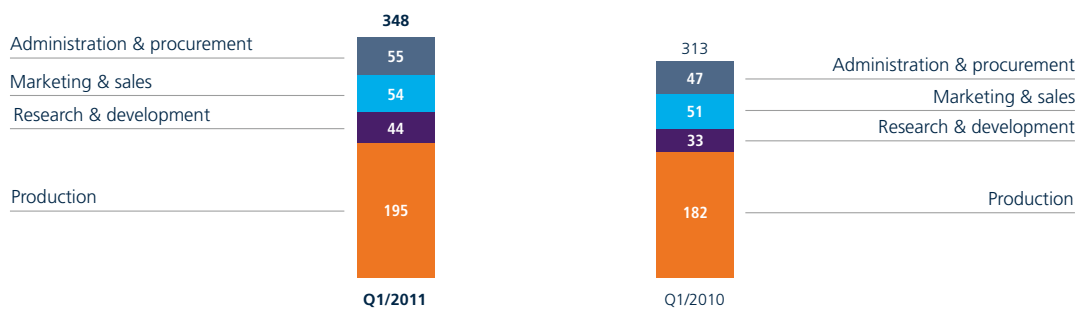
As of 31 March 2011, Sunways AG had 348 permanent staff; in addition, 17 apprentices were employed by the Company. At the end of the first quarter 2010, the number of permanent staff was 313 and the number of apprentices was 13. Thus the number of permanent staff increased by 35 or 12 % in the wake of the Company's growth. During the same period, the number of apprentices increased by four or 12 %. The increased number of apprentices emphasizes the success of Sunways AG in the intensifying competition for qualified school leavers.

To meet the markedly higher demand for Sunways products and rising production volumes, the number of employees in the production area rose from 182 at the end of the prior year quarter to 195. Sunways AG is a technologically leading provider of solar technology. To secure this leading position and the supply of new products and solutions, the number of employees in the research and development division was increased by eleven against the end of the comparable prior year period. As of 31 March 2011, the total number of staff in this area was 44. This corresponds to a percentage share of approx. 13 % in the total workforce of Sunways AG.

Compared to 31 March 2010, the number of staff in the marketing and distribution area increased by three. This number reflects inter alia the key account management for our French customers. In the administration/procurement area, the number of employees rose by eight against the relevant prior year date. This mainly reflects the expansion of the procurement and supply-chain management areas as a result of the increased demand for Sunways solar inverters or, as the case may be, the module manufacturing cooperation with LDK Solar.

The breakdown of employees by function was as follows (excluding the four Management Board members and the apprentices):

### EMPLOYEES BY FUNCTION



### Shareholdings of members of executive bodies and directors' dealings.

**Shareholdings of members of executive bodies.** The following table shows the number of Sunways shares held by the members of the Management Board and Supervisory Board as of 31 March 2011.

Management Board	Shares as of 31/03/2011
Michael Wilhelm, Chairman	2,000
Roland Burkhardt	1,780,345
Jörg von Strom	2,500
Jürgen Frei	1,500
<b>Supervisory Board</b>	
Otto Mayer, Chairman	750,000
Andreas Görwitz	10,000
Thomas Nordmann	6,000

**Directors' Dealings.** Pursuant to § 15 a of the Securities Trading Act (WpHG), the executives of an issuer of shares and their closely related parties have to inform the issuer and the Federal Financial Supervisory Authority (BaFin) within five working days of any dealings for their own account in the issuer's shares or any financial instruments relating thereto if the total volume of such dealings exceeds the amount of € 5,000 by the end of the calendar year.

No directors' dealings were reported to us in the period under review.

### Outlook for the entire fiscal year 2011.

The unexpectedly weak demand for photovoltaic products in the European markets served by Sunways AG during the first months of the current year has led to a marked decline in sales and earnings in all three segments of the Company. Against this background, Sunways no longer expects to be able to reach the double-digit sales growth originally targeted for the fiscal year 2011. However, the Company still adheres to its 2011 earnings target, i. e. an EBIT margin in the lower single-digit percentage range. The Company will promptly take all measures required to achieve this goal, on the sales side as well as with respect to costs.

For the second quarter, Sunways anticipates some positive impetus in its most important markets. In Italy, the decision on further developments in the area of government subsidies should reduce the uncertainty in the market. The new law will in particular introduce numerous improvements and simplifications with respect to small systems, an area where Sunways is particularly active. The rates for the generation of photovoltaics power in Italy will continue to be higher than those in Germany over the next few years. In Germany, we anticipate that the pressure on prices due to high supply volumes will stimulate end-consumer demand as improved rates of return are to be expected. The planned reduction of feed-in tariffs as of 1 July 2011 is expected to additionally stimulate demand.

The basic inventory of solar modules from the manufacturing cooperation with LDK Solar established in the past quarter will increase the availability of Sunways solar modules at competitive prices. In all, this modification to the business model also markedly improved the cost structure in the solar module segment. In the inverter business, the goal of Sunways is to develop additional distribution channels for new customer groups by expanding its business with OEM inverters and thus to open up new, in particular international, markets.

#### Representation by legal representatives.

We represent that, to best of our knowledge, these consolidated interim financial statements, in accordance with the applied principles of proper consolidated interim reporting, accurately present the Group's asset, financial and earnings position and that the Group interim management report gives a true and fair view of the business development, including the results of operations and situation of the Group, and that the major opportunities and risks relating to the Group's expected development during the remainder of the fiscal year are described therein.

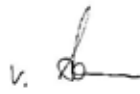
Konstanz, 12 May 2011



Michael Wilhelm  
Chairman of the  
Management Board –  
Strategy and Finance



Roland Burkhardt  
Member of the  
Management Board –  
Technology, Research  
and Development



Jörg von Strom  
Member of the  
Management Board –  
Procurement, Production  
and Supply Chain



Jürgen Frei  
Member of the  
Management Board –  
Sales and Marketing

# CONSOLIDATED INTERIM FINANCIAL STATEMENTS (IFRS) AS OF 31 MARCH 2011

## CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2011.

Assets	See note No.	31/03/2011	31/12/2010
		€ million	€ million
<b>Current assets</b>			
Liquid funds	C.1.	3.9	13.8
Trade receivables	C.2.	7.0	5.6
Inventories	C.3.	64.2	31.3
Short-term financial assets	C.2.	0	0.4
Prepayments and accrued income and other current assets	C.2.	8.4	7.3
<b>Total current assets</b>		<b>83.5</b>	<b>58.5</b>
<b>Non-current assets</b>			
Tangible fixed assets	C.4.	36.2	37.4
Intangible assets	C.5.	1.4	1.4
Financial assets		0.1	0.1
Goodwill		0	0
Non-current financial assets		0	0
Other non-current assets	C.6.	14.2	14.6
Deferred taxes	C.7.	1.7	0.6
<b>Total non-current assets</b>		<b>53.7</b>	<b>54.1</b>
<b>Total assets</b>		<b>137.2</b>	<b>112.7</b>
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Short-term financial liabilities	C.8.	13.1	3.4
Trade payables	C.9.	32.2	11.1
Prepayments received		0.5	0.2
Provisions	C.9.	5.7	7.1
Income tax payable	C.9.	0.4	2.0
Other current liabilities	C.9.	0.5	0.5
Deferred investment grants	C.12.	1.8	1.8
<b>Total current liabilities</b>		<b>54.2</b>	<b>26.2</b>
<b>Long-term liabilities</b>			
Long-term financial liabilities	C.10.	5.4	6.2
Other long-term deferred items and liabilities	C.13.	3.1	2.8
Deferred investment grants	C.12.	8.3	8.8
Deferred taxes		0.5	0.5
<b>Total long-term liabilities</b>		<b>17.3</b>	<b>18.3</b>
<b>Shareholders' equity</b>			
Subscribed capital	C.13.	11.6	11.6
Capital reserves	C.13.	37.5	37.5
Retained earnings		16.6	19.3
Other equity components		-0.1	-0.2
<b>Consolidated shareholders' equity</b>		<b>65.6</b>	<b>68.2</b>
<b>Total liabilities and shareholders' equity</b>		<b>137.2</b>	<b>112.7</b>

Possible rounding differences.

## CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2011.

	Note	01/01/ – 31/03/2011	01/01/ – 31/03/2010
	No.	€ million	€ million
Sales	D.1.	22.2	44.3
Changes in inventories of finished and unfinished goods	D.2.	22.1	5.3
<b>Gross performance</b>		<b>44.3</b>	<b>49.6</b>
Other operating income	D.3.	1.4	0.6
Cost of materials		-39.2	-36.6
Personnel expenses	D.4.	-4.4	-4.0
Depreciation and amortization	D.5.	-1.6	-1.5
Other operating expenses	D.6.	-4.0	-3.4
Income from investments		0	0
<b>Operating result (EBIT)</b>		<b>-3.5</b>	<b>4.7</b>
Interest income		0	0
Interest expenses	D.7.	-0.3	-0.3
<b>Earnings before taxes</b>		<b>-3.8</b>	<b>4.4</b>
Taxes on income	D.8.	1.1	-1.3
<b>Earnings after taxes – continuing operations</b>	D.9.	<b>-2.7</b>	<b>3.1</b>
Earnings after taxes – discontinued operations	D.10.	0	-1.1
<b>Consolidated net income/loss</b>		<b>-2.7</b>	<b>2.1</b>
<b>Earnings per share – continuing operations (undiluted = diluted)</b>	F.	<b>-0.23</b>	<b>0.27</b>
<b>Earnings per share – discontinued operations (undiluted = diluted)</b>	F.	<b>0.00</b>	<b>-0.09</b>
<b>Earnings per share (undiluted = diluted)</b>	F.	<b>-0.23</b>	<b>0.18</b>
Average number of shares outstanding		11,588,613	11,588,613

Possible rounding differences.

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2011.

	01/01 – 31/03/2011	01/01 – 31/03/2010
	€ million	€ million
<b>Consolidated net income/loss</b>	<b>-2.7</b>	<b>2.1</b>
Changes in the market value of derivative financial instruments in hedge accounting	0.1	0
<b>Total income and expenses recognized in shareholders' equity</b>	<b>-2.6</b>	<b>2.1</b>

Possible rounding differences.

## CONSOLIDATED CASH-FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2011.

	01.01. – 31.03.2011	01.01. – 31.03.2010
	€ million	€ million
<b>Operating activities</b>		
Operating result (EBIT)	-3.5	4.7
Depreciation and amortization	1.6	1.5
Income/expenses not affecting cash-flows	-0.5	-0.5
Increase (-)/decrease in receivables and other assets, accruals and deferrals	-1.9	5.7
Increase (-)/decrease in inventories	-32.8	-10.9
Increase/decrease (-) in trade payables and other provisions, liabilities	20.4	-1.8
Taxes on income	-1.6	0.0
Interest paid	-0.2	-0.3
<b>Cash provided by / used for (-) operating activities</b>	<b>-18.5</b>	<b>-1.6</b>
<b>Investment activities</b>		
Acquisition of fixed assets	-0.5	-0.7
<b>Cash used for investment activities</b>	<b>-0.5</b>	<b>-0.7</b>
<b>Financing activities</b>		
Cash provided by/used for (-) long-term bank loans	-0.4	-0.4
Cash provided by/used for (-) short-term bank loans	9.9	0.0
Cash used for (-) other liabilities	-0.4	-0.6
<b>Cash provided by / used for (-) financing activities</b>	<b>9.1</b>	<b>-1.0</b>
<b>Net increase / decrease (-) of liquid funds</b>	<b>-9.9</b>	<b>-3.2</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>13.8</b>	<b>21.9</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>3.9</b>	<b>18.7</b>
<b>Composition of liquid funds at the end of the reporting period (consolidated balance sheet)</b>	<b>3.9</b>	<b>18.7</b>

Possible rounding differences.

## CHANGES IN SHAREHOLDERS' EQUITY IN THE PERIOD FROM 1 JANUARY TO 31 MARCH 2011.

	Subscribed capital	Capital reserves	Retained earnings/ accumulated loss	Other equity components, derivative financial instruments	Consolidated shareholders' equity
	€ million	€ million	€ million	€ million	€ million
01/01/2010	11.6	37.3	9.9	-0.3	58.6
Changes related to share options pursuant to IFRS 2 (expense related to employee options)	0.0	0.1	0.0	0.0	0.1
Consolidated net income	0.0	0.0	2.1	0.0	2.1
Comprehensive income	0.0	0.0	0.0	0.0	0.0
<b>31/03/2010</b>	<b>11.6</b>	<b>37.4</b>	<b>12.0</b>	<b>-0.3</b>	<b>60.7</b>
01/01/2010	11.6	37.3	9.9	-0.3	58.6
Changes related to share options pursuant to IFRS 2 (expense related to employee options)	0.0	0.2	0.0	0.0	0.2
Consolidated net income	0.0	0.0	9.3	0.0	9.3
Comprehensive income	0.0	0.0	0.0	0.1	0.1
<b>31/12/2010</b>	<b>11.6</b>	<b>37.5</b>	<b>19.3</b>	<b>-0.2</b>	<b>68.2</b>
01/01/2011	11.6	37.5	19.3	-0.2	68.2
Changes related to share options pursuant to IFRS 2 (expense related to employee options)	0.0	0.0	0.0	0.0	0.0
Consolidated net loss	0.0	0.0	-2.7	0.0	-2.7
Comprehensive income	0.0	0.0	0.0	0.1	0.1
<b>31/03/2011</b>	<b>11.6</b>	<b>37.5</b>	<b>16.6</b>	<b>-0.1</b>	<b>65.6</b>

Possible rounding differences.

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (IFRS) AS OF 31 MARCH 2011 (NOTES).

### **A. General information, preparation principles and premises.**

These abridged consolidated interim financial statements relate to Sunways AG and its subsidiaries (hereinafter referred to as "Sunways" or the "Group"). Sunways prepared its consolidated interim financial statements in conformity with the International Financial Reporting Standards (IFRS) promulgated by the International Accounting Standards Board (IASB) and their interpretations as adopted by the European Union (EU). The consolidated interim financial statements are also in conformity with the IFRS published by the IASB.

The Group's interim financial statements were drawn up in millions of Euros (€ million). Sunways is a company of the photovoltaics industry domiciled in Germany and mainly active in Germany and Europe.

The consolidated balance sheet as of 31 March 2011, the consolidated income statement for the three months ended on 31 March 2011 and 2010, respectively, the statement of comprehensive income for the three months ended on 31 March 2011 and 2010, respectively, the consolidated cash-flow statement for the three months ended on 31 March 2011 and 2010, respectively, changes in consolidated shareholders' equity for the three months ended on 31 March 2011 and 2010, respectively, as well as the explanatory notes thereto were drawn up for purposes of the consolidated interim financial statements. The consolidated interim financial statements were prepared in an abridged form and in conformity with IAS 34 "Interim financial reporting." They do not include all information required for purposes of consolidated financial statements as of the fiscal year's end and should, therefore, be read in conjunction with the consolidated financial statements in accordance with IFRS published by Sunways for the fiscal year 2010. The accounting and valuation principles applied by the Group in the context of these interim financial statements generally correspond to those applicable to the consolidated financial statements as of 31 December 2010. In addition, the standards and interpretations initially to be complied with as from 1 January 2011 were observed.

The standards and interpretations initially applicable for the fiscal year starting on 1 January 2011 did not result in any material accounting and valuation changes.

The classification of the Company's business activities into the segments defined for reporting purposes pursuant to IFRS 8 "Operating segments" remained unchanged in the period under review. As in the previous year, the Company's activities are subdivided into the following three product segments:

The solar cell product segment comprises the development, production and distribution of solar cells and the two production plants in Konstanz and Arnstadt as well as related activities.

The solar module product segment comprises activities relating to the trading in and distribution of solar modules as well as their assembly.

The solar inverter product segment covers the development, production and distribution as well as assembly of solar inverters.

From management's point of view, these consolidated interim financial statements include all adjustments normally required to be made on an ongoing basis to present a true and fair view of the Company's course of operations in any reporting period. The results generated in the first three months of the fiscal year 2011 are not necessarily indicative of the further development of operations.

Estimates and assumptions have to be made by management in connection with the preparation of the consolidated interim financial statements. Such estimates and assumptions affect the amounts of assets, debts and contingent liabilities reported as of the balance sheet date as well as those of income and expense items of the reporting period. Actually incurred amounts may vary from such estimates.

The development of the exchange rates of major non-EMU currencies used for currency translation purposes is shown below:

Currency	ISO code	Middle exchange rate as of the balance sheet date		
		31/03/2011	31/12/2010	31/03/2010
U.S. dollar	USD	1.4207	1.3362	1.3479
Swiss franc	CHF	1.3005	1.2504	1.4276

Income tax expenses in the interim financial statements were calculated on the basis of the expected income tax rate for the entire fiscal year.

These consolidated interim financial statements have not been audited or reviewed by an independent auditor.

## B. Information on the consolidation scope and methods.

In addition to Sunways AG, all subsidiaries in which Sunways AG, directly or indirectly, holds the majority of voting rights or whose financial and business policies are determined by Sunways AG were included in the consolidated financial statements. As of 31 March 2011, there were no changes in the scope of consolidation compared to the consolidated financial statements in accordance with IFRS as of 31 December 2010.

Significant intercompany profits and losses, sales, expenses and income as well as any receivables and payables existing between consolidated companies were netted. The results of intercompany transactions were eliminated.

Deferred taxes with respect to consolidation procedures were reported to the extent that the difference in tax expense is expected to be offset in subsequent fiscal years.

## C. Notes to the consolidated balance sheet.

### 1. Liquid funds.

	31/03/2011	31/03/2010
	€ million	€ million
Liquid funds	3.9	13.8

The decline in liquid funds by € 9.9 million related to the rise in net current assets in the first quarter of the current fiscal year.

## 2. Trade receivables, prepayments and accrued income as well as other current assets.

	31/03/2011	31/03/2010
	€ million	€ million
Trade receivables	7.0	5.6
<b>Financial assets</b>		
Current portion of financial receivables	0.0	0.1
Accounts receivable under derivative instruments	0.0	0.3
<b>Other assets</b>		
Value added tax receivable	5.2	3.2
Prepayments made	1.6	3.2
Grants and subsidies	0.7	0.6
Tax refund claims	0.4	0.0
Other	0.5	0.4
<b>Sub-total</b>	<b>8.4</b>	<b>7.7</b>
<b>Total</b>	<b>15.4</b>	<b>13.4</b>

Possible rounding differences.

Trade receivables increased by € 1.4 million against 31 December 2010. Such rise was mainly date-related. The allowance for trade receivables amounted to € 1.6 million and thus remained almost unchanged from 31 December 2010.

In addition to receivables under the GA (€ 0.6 million) (Gemeinschaftsaufgabe Verbesserung der regionalen Wirtschaftsstruktur) regional subsidy program, grants and subsidies included grants for research projects (€ 0.1 million).

## 3. Inventories.

	31/03/2011	31/03/2010
	€ million	€ million
Raw materials and supplies	11.0	9.2
Work in progress	1.7	1.2
Finished goods and merchandise	51.5	20.9
<b>Total</b>	<b>64.2</b>	<b>31.3</b>

Possible rounding differences.

Inventories increased by € 32.9 million against 31 December 2010.

Raw materials and supplies recorded a date-related increase by € 1.8 million which was largely due to materials supplied for the production of inverters.

As of 31 March 2011, finished goods and merchandise rose by € 30.6 million which, on the one hand, was due to the weak development of sales volumes across all product segments in the first three months of the new fiscal year. On the other hand, the module production cooperation with the Chinese partner LDK Solar and the related supply chains resulted in increased inventories of finished goods and merchandise in transit. Potential inventory risks were covered by corresponding valuation adjustments.

#### 4. Tangible fixed assets.

Significant additions to tangible fixed assets related to replacement investments at the Konstanz plant as well as to adaptations of the Arnstadt production plant. Other additions were reported in the area of plant and office equipment.

#### 5. Intangible assets.

As of 31 March 2011, capitalized development activities totaled € 1.1 million. Pursuant to IAS 38, development costs for new products in the amount of € 0.02 million were capitalized in the period under review. Such capitalized development costs mainly related to the further development of and additions to the inverter product family. Amortization of capitalized development costs in the first three months of 2011 amounted to € 0.1 million.

Other additions mainly related to EDP software.

#### 6. Other non-current assets.

Other non-current assets comprise prepayments made with respect to inventories under long-term supply contracts.

#### 7. Deferred taxes.

This item includes deferred tax assets relating to existing loss carryforwards, eliminated intercompany profits and liabilities under financial derivatives.

#### 8. Short-term financial liabilities.

	31/03/2011	31/03/2010
	€ million	€ million
Current portion of liabilities towards banks	11.3	1.4
Current portion of liabilities under finance leases	1.6	1.7
Liabilities under financial derivatives – in hedge accounting	0.1	0.2
Liabilities under embedded derivatives	0.1	0.1
<b>Total</b>	<b>13.1</b>	<b>3.4</b>

Possible rounding differences.

€ 1.4 million of short-term liabilities towards banks related to the current portion of long-term liabilities towards banks and € 9.9 million to current account loans. As of 31 March 2011, the credit facilities made available to Sunways AG by several banks amounted to € 13.0 million (31 December 2010: € 12.5 million).

## 9. Current liabilities and provisions.

The increase in trade payables by € 21.1 million resulted from the inventory buildup in the first quarter 2011.

Foreign currency liabilities as of the balance sheet date amounted to € 11.3 million.

Provisions largely related to provisions for personnel expenses, warranties as well as license fees outstanding. Compared to 31 December 2010, such provisions declined by € 1.4 million which was mainly due to lower provisions for personnel expenses and reduced provisions for invoices outstanding.

Income tax payable amounted to € 0.4 million as of 31 March 2011 (31 December 2010: € 2.0 million). This item includes trade tax, corporate income tax as well as solidarity surcharge payable with respect to the fiscal year 2010.

Other current liabilities are composed as follows:

	31/03/2011	31/03/2010
	€ million	€ million
Wage and church taxes payable	0.2	0.2
Other liabilities	0.3	0.3
<b>Total</b>	<b>0.5</b>	<b>0.5</b>

Possible rounding differences.

## 10. Long-term financial liabilities.

	31/03/2011	31/03/2010
	€ million	€ million
Long-term portion of liabilities towards banks	1.8	2.2
Long-term portion of liabilities under finance leases	3.6	4.0
<b>Total</b>	<b>5.4</b>	<b>6.2</b>

Possible rounding differences.

This item comprises the long-term portion of bank loans raised to fund the expansion of the Arnstadt production plant as well as the long-term portion of liabilities under lease purchases. The long-term portion of liabilities under lease purchases exclusively related to the expansion of the Arnstadt production plant.

### 11. Other long-term deferred items and liabilities.

	31/03/2011	31/03/2010
	€ million	€ million
Deferred item relating to warranty extension	3.1	2.8
<b>Total</b>	<b>3.1</b>	<b>2.8</b>

Possible rounding differences.

This deferred item relates to warranty extensions beyond the duration of statutory warranty claims.

### 12. Deferred investment grants.

Deferred investment grants refer to government subsidies granted in connection with the erection and expansion of the solar cell production plant of Sunways Production GmbH in Arnstadt, Thüringen. This deferred item will be amortized affecting net income over the expected useful life of the subsidized assets. The amounts relates to buildings and machinery in Arnstadt commissioned in connection with the expansion of the production plant.

Income resulting from the amortization of deferred investment grants amounted to € 0.5 million in the first three months of 2011 (prior year: € 0.5 million).

### 13. Shareholders' equity.

**Subscribed capital.** Reference is made to "changes in shareholders' equity." There were no changes in subscribed capital in the first three months of 2011. Stated capital as of 31 March 2011 amounted to € 11,588,613.00.

**Capital reserves.** Changes in capital reserves are shown in the table below:

	Capital reserves
	€ million
As of 01/01/2011	37.5
Issue of share options	0.0
<b>As of 31/03/2011</b>	<b>37.5</b>

Possible rounding differences.

Otherwise reference is made to "changes in shareholders' equity."

**Share option schemes.** The business success of Sunways AG largely depends on the long-term commitment of its employees. In order to motivate its employees in the long run and to have them participate in the Company's success, one employee incentive plan each was adopted in 2000, 2006 and 2009.

Personnel expenses of € 0.03 million were reported in the period under review in relation to share options already issued.

With respect to the already existing share option schemes, reference is made to the relevant information set forth in the consolidated financial statements of Sunways AG as of 31 December 2010.

No new share options were issued or exercised in the first quarter 2011. The number of share options remained unchanged from 31 December 2010.

## D. Notes to the consolidated income statement.

### 1. Sales.

Sales refer to all business segments of the Group. The 50 % decline against the comparable prior year period was inter alia due to the hesitant demand for solar products in the first quarter 2011.

With respect to the breakdown of sales, reference is made to the information set forth under "Segment reporting."

### 2. Changes in inventories.

The increase in inventories by € 22.1 million on the one hand related to the weak demand in the first quarter. In addition, module contract manufacturing activities in China and the related supply chains also resulted in an increase in inventories.

### 3. Other operating income.

	31/03/2011	31/03/2010
	€ million	€ million
Reversal of investment grants	0.5	0.5
Income from derivative financial instruments	0.0	0.1
Exchange rate gains	0.3	0.0
Income from the reversal of provisions	0.4	0.0
Other	0.2	0.0
<b>Total</b>	<b>1.4</b>	<b>0.6</b>

Possible rounding differences.

### 4. Personnel expenses.

Personnel expenses rose by € 0.4 million against the first three months of 2010 which was largely due to the increased number of staff.

As of 31 March 2011, the Group employed a total workforce of 348 (prior year: 313).

Personnel expenses in the first three months of 2011 included expenses of € 0.03 million with respect to share options issued under the outstanding share option schemes (prior year period: € 0.1 million).

### 5. Depreciation and amortization.

Depreciation and amortization comprised scheduled depreciation and amortization. There was no non-scheduled depreciation or amortization during the period under review. Amortization of capitalized research and development costs as of 31 March 2011 amounted to € 0.1 million (prior year period: € 0.1 million). In all, depreciation and amortization increased only marginally against the prior year period.

**6. Other operating expenses.**

Other operating expenses included mainly premises and operating costs as well as administrative and distribution costs.

	31/03/2011	31/03/2010
	€ million	€ million
Premises and operating costs	1.2	1.2
Distribution costs	1.1	0.8
External research and development costs	0.2	0.1
Expenses relating to operating leases	0.1	0.0
Other	1.4	1.3
<b>Total</b>	<b>4.0</b>	<b>3.4</b>

Possible rounding differences.

**7. Interest expenses.**

The decline in interest expenses was mainly due to ongoing redemption payments on long-term loans. This effect was offset by increased drawings on current account loans.

**8. Taxes on income.**

Taxes on income include deferred taxes pursuant to IAS 12. The calculation of deferred taxes was based on a tax rate of 29.32 %.

**9. Earnings from continuing operations.**

A consolidated net loss from continuing operations of € -2.7 million was reported as of 31 March 2011.

**10. Earnings after taxes from discontinued operations.**

Earnings from discontinued operations in the first quarter 2011 amounted to € 0.0 million. In the prior year comparable period, this item included purchase price adjustments made upon presentation of the final completion accounts of MHH Solartechnik GmbH.

Subject to the achievement of pre-defined earnings targets, further purchase price payments might be due to Sunways AG in 2011.

**E. Changes in shareholders' equity.**

Changes in the Company's shareholders' equity during the past reporting period are set forth in the table "changes in shareholders' equity."

**F. Earnings per share.**

	01/01 – 31/03/2011	01/01 – 31/03/2010
	€ million	€ million
Net income/loss for the period/€ million	-2.7	2.1
Thereof from continuing operations	-2.7	3.2
Thereof from discontinued operations	0.0	-1.1
Number of shares (weighted)	11,588,613	11,588,613
<b>Earnings per share / €</b>	<b>-0.23</b>	<b>0.18</b>
Thereof from continuing operations	-0.23	0.27
Thereof from discontinued operations	0.00	-0.09

Possible rounding differences.

The figures presented correspond to the undiluted earnings per share within the meaning of IAS 33 ("basic earnings per share"). As the calculation of diluted earnings does not result in any material changes, no relevant figures were presented in accordance with IAS 33.

**G. Notes to the consolidated cash-flow statement.**

The consolidated cash-flow statement shows how the Group's cash changed over the course of the reporting period as a result of the inflow and outflow of funds. In accordance with IAS 7 (Cash-flow statements), a distinction is made between cash-flows from operating, investing and financing activities. The liquid funds shown in the cash-flow statement include cash in hand, checks, cash at bank and marketable securities.

**H. Subsequent events.**

After the end of the reporting period and in the light of the inflow of orders as well as revenues in April, Sunways AG revised its sales prognosis for the entire fiscal year 2011. Against the background of the markedly weaker than expected demand in Germany and abroad even beyond the first quarter and high supply volumes in the area of components for photovoltaic systems, Sunways AG no longer expects to be able to reach the double-digit sales growth originally targeted for the fiscal year 2011. However, the Company still adheres to its earnings target, i. e. an EBIT margin in the lower single-digit percentage range.

**I. Related-party transactions.**

There were no major related-party transactions in the past reporting period.

**Financial Calendar 2011.**

2011/06/16	Annual general meeting in Singen/Hohentwiel
2011/08/11	Interim report as of June 30, 2011 (Q2 2011)
2011/11/14	Interim report as of September 30, 2011 (Q3 2011)

Subject to changes.

This quarterly report is also available in the German original.

The German and English versions, annual reports as well as current events and further information on the Company are available at our home page [www.sunways.eu/en](http://www.sunways.eu/en).

**Contact.**

Sunways AG  
Dr. Harald F. Schäfer  
Head of Corporate Communications and Investor Relations  
Macairestraße 3 - 5  
D-78467 Konstanz

Telephone +49 (0) 7531 996 77-415  
Telefax +49 (0) 7531 996 77-10  
[communications@sunways.de](mailto:communications@sunways.de)  
[www.sunways.eu/en](http://www.sunways.eu/en)

**Impressum.**

Responsible  
Sunways AG, Management Board

Editors  
Dr. Harald F. Schäfer, Sunways AG  
Lucia Mathée Investor Relations Consulting, Frankfurt

Design, Typography and Production  
Red Cell, Düsseldorf

**Forward-looking statements in this quarterly report.**

This quarterly report includes statements relating to the future business development of Sunways AG that are based on assumptions and estimates made by management at the time of publication. Should the assumptions underlying these prognoses not eventuate, actual results may vary substantially from the forecasts. Uncertainties include inter alia changes in the political, legal, economic and business environment, exchange and interest rate fluctuations as well as the behavior of competitors and other market participants. We neither intend nor assume any obligation to update forward-looking statements on an ongoing basis as these are based exclusively on the circumstances prevailing on the date of publication.