

**Berlin, 25<sup>th</sup> January 2007**

**In the following interview Ms. Claudia Boehringer, CEO of Solarvalue AG, states the company's position with regard to its change in strategy.**

*Following the announcements you made in recent weeks it comes as a surprise that you have decided to continue without taking financially strong strategic partners on board after all. Why did you make this decision?*

Ms Boehringer: "Since taking over the factory in Ruse, Slovenia, in December we have reached new conclusions and have been able to achieve agreements with our local partners which result in considerable cost savings. In the interests of the company and our shareholders we have decided on this economically sounder solution and thus against tying ourselves to potential partners from Europe and Asia even though they had already signed binding Letters of Intent. This new strategic direction affords us new opportunities and economic independence."

*What does that mean specifically?*

Ms. Boehringer: "By getting rid of operator risks at the TDR factory, Solarvalue can fully concentrate on the production of solar grade silicon - its actual core business. We are reckoning on investing around EUR 10 million for the start-up phase, as compared with the EUR 20 million planned originally. These cost savings are largely due to the fact that Solarvalue does not have to make investments in the TDR factory in terms of meeting environmental requirements and modernising existing production facilities after all. These obligations arising from the TDR sales contract are being assumed by our local partner. As a result, we need to make fewer financial resources available prior to the start of production."

*How are you going to finance the upcoming development of production?*

Ms. Boehringer: "As I already mentioned, because of our successful negotiations, we require considerably less financing than was originally expected. That means that we are able to go ahead without a strategic partner. It is our job to use our shareholders' money in a responsible way - a responsibility we take very seriously. Alongside existing liquid assets we will be availing of the entire spectrum of financing options for developing the production of solar grade silicon: bank loans, capital increases, financing via suppliers' credit and, not least, EU grants".

*Does the new strategy also affect planned revenue?*

Ms. Boehringer: "Here we come to another advantage for Solarvalue. The agreement with the potential strategic partner provided that 40% of the production would be sold to the partner at a preferential price - as compensation for assuming the bulk of financing. That is no longer the case. The entire future revenue will go to Solarvalue alone. At present, there is great demand for solar grade silicon. Given the enquiries we have received to date, we could already sell our planned annual production capacity from 2008 of 4,400 tons many times over. In addition, compared with the standard Siemens process, the Solarvalue

process is considerably cheaper and more environmentally friendly. We are calculating production costs of under EUR 20 per kilogramme. Currently, a kilo of solar grade silicon is being traded at EUR 50. Thanks to our independence, this is a great opportunity for Solarvalue AG to generate a greater yield and thus more profit in the near future".

*January will already see the start of the conversion of the production facilities at Ruse. What exactly is being done there?*

Ms. Boehringer: "Our contracts give us all rights to the unobstructed establishment of production facilities on the factory premises. We will be using the existing infrastructure, the electricity and water supply, the rail transport facilities, the laboratories and the necessary access roads. Our team spent the last few months planning everything. Now we are going to implement the plan. Just like when building a house, everything starts with engineers and detail planning. Firstly, the conversion of the M6 furnace will be prepared. In the following weeks, new machinery and further equipment will be added. Our plans foresee production of the first solar grade silicon during the third quarter of 2007. By the end of 2007 we intend to have produced a total of 850 tons".

**The interview was conducted by Maximilian Fischer, Managing Director of the max. Equity Marketing GmbH, Munich.**