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Manufacturers of solar equipment record strong sales growth

- **Revenues in the first three quarters 41 percent higher than in the previous year**
- **Record export rate of 91 percent**
- **Order intake declines in 3rd quarter - Politics in China**

Frankfurt, December 12, 2018 – In the first three quarters of 2018, manufacturers of solar equipment recorded a 41 percent increase in sales compared with the previous year. The core business continued to be generated in East Asia, where it accounted for 77 percent of total sales in the third quarter of 2018. Most of this business was generated in China (52 percent), followed by Europe with 10 percent and Germany with 9 percent. The strongest sales segment in the third quarter of 2018 was the cell (48 percent), followed by production equipment for thin-film technology (47 percent). The export ratio of German photovoltaic suppliers reached a record 91 percent between July and September.

In the third quarter, a book-to-bill ratio of 0.7 was achieved. "The future expansion plans of the PV industry in Asia suggest that orders will remain unchanged. The expected orders will relate to thin-film technologies and highly efficient crystalline technologies. Investments in high-efficiency solar cell concepts will shift slightly as a result of the Chinese government's so-called "531" announcement to limit photovoltaic expansion in China. However, the VDMA anticipates that already planned investments in further production capacities in other Asian countries will be implemented in the next 12 months. In this context, the Indian government's programme to build new production capacities is particularly noteworthy," explained Dr. Peter Fath, Managing Director of RCT Solutions GmbH and Chairman of the Executive Board of VDMA Photovoltaic Equipment.

Decline in incoming orders

On 31 May of this year, the Chinese government announced the dismantling of subsidies for photovoltaic power generation - known as the "531 Policy". Order intake for solar equipment for the German mechanical engineering industry therefore fell by half in the third quarter of 2018 compared with the second quarter. Once again, the regional focus was on Asia with 64 percent of all orders. Europe and Germany each accounted for 11 percent and the Americas for 10 percent. "The order books are still full. Following the decline in orders from China, we now expect orders to reach the previous level, especially since the announcement from Beijing was intended to promote sustainable development in the solar energy sector and improve development quality. Both are strengths of German equipment manufacturers," explained Dr. Jutta Trube, Division Manager of VDMA Photovoltaic Production Equipment.

Do you still have questions? Dr. Jutta Trube, VDMA Photovoltaic Equipment, Phone +49 (0) 69 6603 1879, jutta.trube@vdma.org, is happy to answer your questions.