

[For immediate release]



卡姆丹克太陽能系統集團有限公司 Comtec Solar Systems Group Limited

Comtec Solar Announces Third Quarter 2012 Results

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Strong Growth of Premium Super Mono Wafers Profitable Operations and Positive Operating Cashflow Net Debt to Equity Ratio Lowered to 6.0%

Financial Highlights

	For the 3 months ended 30 Sept 2012	For the 3 months ended 30 Sept 2011	Change
Turnover (RMB '000)	311,862	255,984	21.8%
Gross Profit (RMB '000)	31,850	25,491	24.9%
Gross Margin	10.2%	10.0%	20bp
Profit for the Period (RMB '000)	14,816	5,129	188.9%
Net Margin	4.8%	2.0%	280bp

(Hong Kong, PRC and Singapore, 9 November 2012) — **Comtec Solar Systems Group Limited** (HKSE: 712, “Comtec Solar” or “the Company”, together with its subsidiaries, “the Group”), a global leader in manufacturing high quality monocrystalline solar wafers, today announced its unaudited financial results for the three months ended 30 September 2012 (the “Period”).

Backed by the increasing demand for its premium “Super Mono Wafers” during the Period, Comtec Solar recorded unaudited consolidated turnover and gross profit of approximately RMB311.9 million and RMB31.9 million, an increase of 21.8% and 24.9%, respectively, over the corresponding period in last year. Despite the drop of average selling prices, the Group managed to maintain double-digit gross margin of approximately 10.2% (Q3 2011: 10.0%) which was mainly attributable to its shift of focus to the premium “Super Mono Wafers” and its continuous improvement on production efficiency. Due to the material increase in shipment volume of its “Super Mono Wafers”, Comtec recorded net profits for the Period of approximately RMB14.8 million, representing an increase of 188.9% from the corresponding period in last year.

During the Period, the Group executed strict financial discipline to improve its working capital conditions and achieved net cash inflow from operating activities which helped to lower its net debt to equity ratio to 6.0% and further reduced its net debt position to approximately RMB90,695,000.

“We are pleased with the improvements in our third quarter results despite the challenging industry environments. Both of our sales revenue and gross profit increased on a year-on-year basis. During the Period, we maintained profitable operations and generated positive cashflow from operation. We improved our financial position and lower the net debt to equity ratio to 6.0%. Our successful shift of focus to our premium ‘Super Mono Wafers’ further differentiated us from other industry peers. It demonstrated our capabilities to provide advanced and cost effective wafer products to the top tier solar cell manufacturers,” said **John Zhang, Chairman of Comtec Solar**.

To further diversify its customer base for “Super Mono Wafers”, the Group continued to work on the qualification process with potential customers in Japan, where few suppliers can meet their rigorous standards on product quality and reliability. Shipments to Japan are expected to commence in first half of 2013.

“We expect the industry consolidation would continue and the operating environment will remain challenging. Our strategic decisions to delay expansion of capacity in October 2011 and to reduce the debt level by repurchasing the convertible bonds in March 2012 enable us to avoid over-leveraging on debt financing in a challenging industry environment. We are well positioned to take advantages from the industry consolidation. Amid the volatile market environment, customers increasingly realised the benefits of buying highly efficient wafers to minimise their overall production costs. Going forward, we believe it is the global trend of increasing demand for high-efficiency and cost effective products. It would drive the continuous growth of market demand for our high performance wafers.” Mr. Zhang concluded.

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About Comtec Solar Systems Group Ltd (HKSE: 712)

Founded in 1999 and tapped into the solar wafer industry in 2004, Comtec Solar is a leading monocrystalline solar ingot and wafer manufacturer. It is one of the pioneer manufacturers in the PRC which is able to massively produce "Super Mono Wafers" with average conversion rates of approximately 23%. With production bases in Shanghai and Jiangsu, Comtec Solar focuses on the design, development, manufacture and marketing of high quality solar wafers and has accumulated strong industry experience in the manufacture of semiconductor ingots and wafers. Currently, the Company supplies most of its solar products to the leading solar cell/module manufacturers. Listed on the Main Board of the HKSE on 30 October 2009, Comtec Solar is committed to enhancing product quality as well as developing new and innovative solar wafers. As it is well positioned to benefit from the growth of the solar PV industry, the Company aims to broaden its customer base internationally. For more information please visit www.comtecsolar.com.

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