Press release

Photovoltaic Equipment: Clouded mood in photovoltaics equipment

- At the end of the year, total revenue for the fourth quarter falls by 4 percent compared with the previous quarter
- Order intake slumps significantly in the 4th quarter
- Clouded mood for the year 2020

Frankfurt, May 14, 2020 - At the end of the financial year 2019, the positive trend of a revenue increase in the third quarter of 2019 did not continue. Total turnover in the 4th quarter of 2019 fell by 4 percent compared with the previous quarter. While it initially looked as if sales in the German PV equipment industry would finally reach the previous year's level, it recorded a significant slump in incoming orders in addition to lower total sales. This fell by more than 50 percent in the 4th quarter of 2019. For the PV equipment manufacturers, the year 2019 with a minus of 19 percent is financial disappointing.

Although the photovoltaic industry is used to fluctuations from the past few years, it does not look as if PV equipment manufacturers will be able to recover from this slump in the near future due to the current situation with regard to the Covid-19 pandemic. The gloomy mood is reflected in sales expectations for the first quarter of 2020 of minus 50 percent compared to the previous quarter.

High export ratio, Asia as main market
The export quota of German PV machinery manufacturers is 97 percent. China is considered the most important market in Asia for the export business of PV equipment manufacturers. Over 90 percent of exports to Asia go to China.

Against this background, the Covid-19 pandemic not only leads to production losses, but also to interruptions in the supply chains. "PV production is concentrated mainly in China. The great dependence on China in terms of solar..."
energy is particularly noticeable in the Covid-19 pandemic," says Dr. Jutta Trube, Head of VDMA Photovoltaic Production Equipment.
The effects of the corona crisis will be reflected in the order figures of the entire mechanical engineering industry. Due to the interlinked global value chains, not only Chinese orders will collapse in the PV sector. Both the lack of orders from the USA and domestic European orders will lead to significantly dampened expectations.

**Sales share of thin-film photovoltaic systems remains very strong**
A comparison of the total sales shares of the various segments for 2019 shows that production equipment for thin film represents the segment with the highest sales at 53 percent, as in calendar year 2018, while equipment for cells came up to 43 percent. Looking at the last quarter of 2019, sales of production equipment for cells increase by a further 9 percentage points to 58 percent compared with the previous quarter.
Dr. Peter Fath, Managing Director of RCT Solutions GmbH and Chairman of the Executive Board of VDMA Photovoltaic Equipment Production Equipment, commented on the current situation: "The rising demand for German equipment for solar cell production is a clear indication of the leading role of German technology in this value-added segment. The investments of the German government and the German mechanical engineering industry in the development of advanced cell manufacturing processes for bifacial and high-performance products are paying off. This successful path must be pursued further. The obvious global dependence on Chinese PV production also offers opportunities for the German mechanical engineering industry. Since the outbreak of the Covid-19 pandemic, German PV engineering has seen a significant increase in inquiries for the global construction of solar factories. Local production to break the dependency on China is a worldwide trend and offers excellent export opportunities for our PV machinery manufacturing. German machines run stable and are easier to keep in operation compared to Chinese competitive products. Also, the establishment of a large production capacity in Europe is now again on everyone's lips and the VDMA is strongly involved”.

For further information please visit the [Website](#).

Do you still have questions? Dr. Susanne Herritsch, VDMA Photovoltaic Equipment, Phone +49 (0) 69 6603 1979, susanne.herritsch@vdma.org, is happy to answer your questions.

The VDMA represents around 3300 German and European companies in the mechanical engineering industry. The industry represents innovation, export orientation, medium-sized companies and employs around four million people in Europe, more than one million of them.