

## Press Release

### Phoenix Solar AG presents its results for the first quarter of 2009

- **The financial crisis, the long, protracted winter and declines in the price of solar modules dominate quarterly results**
- **Orders in hand of EUR 248 million are higher as against first quarter of 2008**

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Sulzemoos 14 May 2009 / Phoenix Solar AG (ISIN DE000A0BVU93), a leading photovoltaic system integrator listed on the TecDAX, is today releasing the figures as per 31 March 2009.

In the period from 1 January to 31 March 2009, the Phoenix Solar Group recorded a decline in total revenues of 11.8 percent to EUR 36.7 million (Q1/2008: EUR 41.6 million). The share of international business in total revenues stood at 5.4 percent as compared with 16.0 percent in the first quarter of 2008.

Despite a long, hard winter which lasted through until the end of March, the revenues of the Components & Systems segment climbed 13.5 percent to EUR 28.5 million (Q1/2008: EUR 25.1 million). The segment's share in total revenues thus comes to 77.7 percent (Q1/2008: 60.3 percent). In Germany, revenues rose significantly, by as much as 33.8 percent, from EUR 20.1 million to EUR 26.9 million in a quarter-on-quarter comparison.

The solar power plant business was considerably impacted by the global financial crisis which caused delays in project financing. In the first quarter, Phoenix Solar was able to complete a roof-mounted power plant begun in 2008 and started construction work on a new ground-mounted project. As a result, revenues of the

Power Plant segment were correspondingly low at the end of the first three months of 2009: revenues had fallen 50.3 percent to EUR 8.2 million, down from EUR 16.5 million recorded in the first quarter of 2008. The segment's share in total revenues declined to 22.3 percent (Q1/2008: 39.7 percent).

Earnings before interest and taxes (EBIT) stood at EUR -7.44 million in the first quarter of 2009 as against the previous year's figure of EUR 0.36 million. The EBIT margin (ratio of EBIT to revenues) is typically low in the first quarter but was, at -20.3 percent, considerably lower than the year-earlier figure (Q1/2008: 0.9 percent). EBIT was burdened in particular by the downward valuation of EUR 2.2 million carried out on inventories which resulted from the sharp declines in selling prices, in particular in respect of merchandise bought in 2008.

The consolidated result after tax, which came in at EUR -5.98 million, was also substantially lower than in the previous year's quarter (Q1/2008: EUR 0.59 million). Based on 6,684,500 shares, earnings per share stood at EUR -0.89 (Q1/2008: EUR 0.10).

The development in the equity ratio was positive: by the end of the first quarter, it had climbed to 54.2 percent, up from 41.8 percent in the first quarter of 2008.

Orders in hand have risen substantially since the start of the year, advancing 121 percent from EUR 112 million to EUR 248 million on 31 March 2009. In comparison with the previous year's quarter, this is an increase of around 7 percent (Q1/2008: EUR 231 million). The order book of the Components & Systems segment stood at EUR 154 million at the end of the quarter (Q1/2008:

EUR 88 million), which is an increase of 75 percent. The order book of the Power Plants segment had declined by around 34 percent to EUR 94 million (Q1/2008: EUR 143 million).

At the start of the second quarter, the backlog in the financing of large photovoltaic power plants appeared to be easing slowly. In the meantime a number of Phoenix Solar customers secured financing commitments for photovoltaic power plants, so that construction activities on power plants resumed at the beginning of the second quarter.

Demand in the Components & Systems segment continues to develop well in the second quarter. Deliveries also rose notably once the weather had improved at the end of March.

Based on performance to date and expectations of developments in the market, in Germany in particular, the Board of Directors stands by its guidance for 2009, released in January, which estimates consolidated revenues at around EUR 520 million and EBIT at around EUR 31 million.

The Quarterly Report as per 31 March 2009 is being released today, 14 May 2009, and can be downloaded from the company's website at [www.phoenixsolar.com](http://www.phoenixsolar.com) under the heading Investor Relations, Financial Reports.

*This is an English translation of the German original. In the event of any doubt, the German version shall prevail.*

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### **About Phoenix Solar AG**

*Phoenix Solar AG, with headquarters in Sulzemoos near Munich, is a leading international photovoltaic system integrator. With total revenues of EUR 402 million, the Group achieved an EBIT of EUR 33.8 million in the financial year 2008. In the financial year 2009 the Phoenix Solar Group anticipates revenues of EUR 520 million, generated in Germany and abroad, and an EBIT of approximately EUR 31 million. Phoenix Solar AG plans, builds and undertakes the operation of large photovoltaic plants and is a specialist wholesaler for complete power plants, solar modules and accessories. The Group is a leader in photovoltaic system technology, focussing on the consistent lowering of system costs. With a sales network throughout Germany, and subsidiaries in Spain, Italy, Greece, Singapore and Australia, the Group currently has a workforce of more than 230 employees. The shares of Phoenix Solar AG (ISIN DE000A0BVU93) are listed on the official market (Prime Standard) of the Frankfurt Stock Exchange and on the TecDAX, Deutsche Börse AG's technology index.*

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