

### Phoenix Solar AG: revenue growth and breakeven in the second quarter

- **Market comes under price pressure in the first half-year**
- **Sharp growth in revenues and volume in the German market**

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Sulzemoos 13 August 2009 / Phoenix Solar AG (ISIN DE000A0BVU93), a leading photovoltaic system integrator listed on the TecDAX, is today releasing the figures as per 30 June 2009. The first half-year was impacted by tumbling prices on the procurement and selling front which caused earnings before interest and taxes (EBIT) to fall considerably below the previous year's figure. Nonetheless, the volume of modules sold rose by 25 percent to around 53 megawatt peak output, and a year-on-year growth in revenues of 93.7 percent was achieved in the German market.

In the months from 1 April to 30 June 2009, the Phoenix Solar Group generated total revenues of EUR 115.7 million, which is an increase of 5 percent over the previous year's quarter (Q2/2008: EUR 110.2 million) accomplished under much more difficult conditions. Domestic business delivered the dominant share in revenues, which came to 97 percent, or the equivalent of EUR 112.2 million. Compared with EUR 40.1 million posted in the second quarter of 2008, growth came to around 180 percent. As against the first three months of the financial year 2009, revenues climbed by as much as 214.7 percent and reflected the greatly changed conditions in the market this year.

The Components & Systems segment raised revenues by 16.0 percent to EUR 50.7 million (Q2/2008: EUR 43.7 million) in

the second quarter of 2009, which brought its share in total revenues to 43.8 percent (Q2/2008: EUR 39.7 percent). Revenues generated by the Power Plants segment came in at EUR 65.0 million and therefore declined by 2.3 percent in the second quarter of 2009 (Q2/2008: EUR 66.5 million). This segment's share stood at 56.2 percent (Q2/2008: 60.3 percent).

EBIT, which came to EUR 0.1 million, approached breakeven in the second quarter of 2009, having posted a negative figure of EUR -7.4 million in the first three months of the year. In a year-on-year comparison, however, EBIT fell significantly short of the previous year's figure of EUR 11.2 million. The EBIT margin (ratio of EBIT to revenues) for the quarter came to 0.1 percent as compared with the year-earlier figure of 10.2 percent. The sharp fall in selling prices exerted pressure on margins in respect of warehouse stock. Despite a decline in inventories from EUR 108 million as per 31 March 2009 to EUR 81.1 million as per 30 June 2009, downward valuations on inventories of EUR 3.7 million at the end of the second quarter had to be carried out. The consolidated result after tax stood at EUR 1.1 million, which is below the figure of EUR 7.6 million recorded in the previous year's quarter.

The total revenues of the Phoenix Solar Group stood at EUR 152.5 million in the first half of 2009, which is a slight increase compared with a year ago when they came to EUR 151.8 million. Revenues in the Components & Systems segment posted EUR 79.1 million at the end of six months, thereby contributing 51.9 percent to consolidated revenues (H1/2008: EUR 68.8 million, which corresponds to 45.3 percent). The Power Plants segment recorded revenues of EUR 73.2 million and a share of 48.1

percent in total revenues (H1/2008: EUR 83.0 million, the equivalent of 54.7 percent).

EBIT came in at EUR -7.3 million at the end of the first six months of 2009 (H1/2008: EUR 11.5 million), and the consolidated result after tax stood at EUR -4.9 million (H1/2008: EUR 8.2 million). Based on 6,684,500 shares, earnings per share stood at EUR -0.73 (H1/2008: EUR 1.27).

The equity ratio climbed from 41.4 percent a year ago to 49.9 percent as per 30 June 2009.

Orders in hand totalled EUR 181.2 million on 30 June 2009, distributed between the two segments as follows: EUR 95.4 million in the Components & Systems segment and EUR 85.8 million in the Power Plants segment. At the start of the third quarter, there were further significant reductions in inventories and an increase in the deliveries made by the Components & Systems segment.

The Interim Report as per 30 June 2009 is being released today, 13 August 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.

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### **About Phoenix Solar AG**

*Phoenix Solar AG, which has its headquarters in Sulzemoos near Munich, is a leading international photovoltaic system integrator. With total revenues of more than EUR 402 million, the Group achieved an EBIT of EUR 33.8 million in the financial year 2008. The Phoenix Solar Group anticipates revenues of EUR 520 million, generated in Germany and abroad in the financial year 2009. 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. It focuses on the consistent lowering of system costs. With a sales network which covers the whole of 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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