

Press Release

Phoenix Solar AG: Entry into the Greek market

- **Project development contract signed for a PV output of more than 25 megawatts**
- **Cooperation with KGAL stepped up**

Sulzemoos/Athens 21 August 2007 / Together with KG Allgemeine Leasing GmbH & Co. (KGAL), the Phoenix Solar Group is expanding into the Greek solar market. To this end, Phoenix and KGAL have signed a project development contract for a photovoltaic output of more than 25 megawatts with a local project developer situated in Athens, Greece.

Owing to a law on feed-in tariffs for renewable energies passed in Greece last year, the country has now become one of Europe's most attractive solar markets. In this sunny country, the remuneration for one kilowatt hour (kWh) of solar electricity fed into the grid is 40 Eurocents for PV plants of more than 100 kW peak power output on the mainland and as much as 45 Eurocents / kWh for plants of this size on the Greek islands. The tariffs are adjusted every year to take account of inflation.

The local Greek partner has been commissioned by a company founded by Phönix Projekt & Service AG and KGAL to develop seven solar projects in various districts on mainland Greece. Phönix Projekt & Service AG is a wholly owned subsidiary of Phoenix Solar AG.

The land needed for the construction of the solar electricity plants has already been secured by way of contracts. Upon completion of project development Phoenix Solar AG will start the construction work as the general contractor. The project companies of KGAL have assumed the role of investor for the power plants. The aim is

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to launch the power plants in the form of a public fund as part of the KGAL "InfraClass" fund series and to sell them at a later date.

Over the past three years Phoenix Solar has built power plants with an output totalling 16 megawatts for KGAL. In entering the extremely attractive Greek markets together, it is the intention of both companies to strengthen and expand their fruitful cooperation based on mutual trust.

This is an English translation of the German original. Only the German version is binding.

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About Phoenix Solar AG

Phoenix Solar AG, which has its headquarters in Sulzemoos near Munich, is a leading international photovoltaic systems integrator. Until June 2007, the company, which was set up in 1999, went by the name of Phönix SonnenStrom AG. In the financial year 2006, the Phoenix Solar Group achieved sales of EUR 119 million in Germany and abroad. Phoenix Solar AG plans, builds and operates large photovoltaic plants and is a specialist wholesaler for complete power plants, solar modules and accessories. The Group is a leader in photovoltaic systems technology. It focuses on the consistent lowering of system costs. With a sales network which covers the whole of Germany, and subsidiaries in Spain and Singapore, as well as a participation in Italy, the Group currently has a workforce of more than 130 employees. The shares of Phoenix Solar AG (ISIN DE000A0BVU93) are listed on the official market (Prime Standard) of the Frankfurt Stock Exchange.

About KG Allgemeine Leasing GmbH & Co. (KGAL)

KGAL has more than four decades of experience as a financial services provider for large-scale projects. Today the company leverages its experience and expertise to the optimal benefit of its customers in its two divisions of "Funds and Asset Management" and "Corporate Solutions". The intention is, on the one hand, to cater to the demand of investors for future-oriented investment

products and, on the other, to be innovative in covering the growing need of the business community and the public sector for financing. With a volume of new business of EUR 7.3 billion in 2006 and assets under management of EUR 37 billion (portfolio volume at acquisition cost), the company ranks among the high performers and most successful companies operating in the sector. As a leading fund initiator in Germany, KGAL has been offering future- and return-oriented opportunities to investors for more than 25 years. As per 31 December 2006, approximately 87,400 private and institutional investors had entrusted the company with equity worth around EUR 9.0 billion invested in a total of 294 funds.

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