

Press Release

Phoenix Solar AG to build further photovoltaic power plants in Spain totalling more than seven megawatts

- **Another joint project with KGAL**
- **First project on island of Mallorca**

Sulzemoos 27 March 2008 / In the months ahead, Phoenix Solar AG and KGAL (KG Allgemeine Leasing GmbH & Co.) are to implement another joint project in Spain. Last week the companies signed an agreement with a Spanish project development company, thereby acquiring the project rights to a solar park in San Clemente in the Province of Castilla La Mancha. Phoenix Solar will plan and build a solar power plant with a peak output of 5.3 megawatt (MW) in this region, complete it by July 2008 and hand it over to KGAL. The plant will be constructed using thin-film modules from First Solar. The financing, as in the four previous projects, will be provided by a public solar fund launched by the initiator KGAL .

The Spanish subsidiary of Phoenix Solar AG, Phoenix Solar S. L., is set to build a ground-mounted power plant for the first time on a Spanish island. This project with a peak output of 1.2 MW, to be completed in July 2008 on the island of Mallorca, will also be built using First Solar thin-film modules. An additional photovoltaic power plant with an output of 700 kilowatts also with thin-film modules from First Solar, is to be built in the Province of Castilla La Mancha and to be completed by July 2008.

The Spanish solar market is accelerating swiftly. By the end of January alone, registered photovoltaic plants feeding into the grid came to around 624 MW, 452 MW of which are already being compensated via the Spanish law on feed-in tariffs. This figure is

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increasing by an average of 38 megawatts of new solar electricity systems per month.

“Spain is therefore one of the world's most attractive markets. We are pleased that we are now able to apply to Spain the knowledge that we have gathered through constructing solar power plants in Germany”, commented Dr. Andreas Hänel, Chief Executive Officer of Phoenix Solar AG.

This is an English translation of the German. 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. The preliminary figures for the financial year 2007 come to EUR 260 in total sales and an EBIT of EUR 22.3 million. The Phoenix Solar Group anticipates sales of EUR 300 million, generated in Germany and abroad, for the financial year 2008. 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 160 employees. The shares of Phoenix Solar AG (ISIN DE000A0BVU93) are listed on the official market (Prime Standard) of the Frankfurt Stock Exchange. On 25 March 2008, the shares of the company were admitted to the TecDAX technology index of Deutsche Börse AG.

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