

Ad-hoc release

pursuant to Section 15 of the German Securities Trading Act (WpHG)

Phoenix Solar AG presents its results for the first quarter and raises its guidance for the financial year as a whole

- **EBIT leaps by EUR 1.8 million**
- **Total revenues rise 177 percent**
- **Orders on hand reach a new record high**
- **Board of Directors adjusts its guidance for the current financial year**

Phoenix Solar AG
Hirschbergstraße 8
D-85254 Sulzemoos

Investor Relations
Anka Leiner
Tel. +49 (0)8135 938-315
Fax +49 (0)8135 938-399
a.leiner@phoenixsolar.de
www.phoenixsolar.de

Sulzemoos 14 May 2008 / Phoenix Solar AG (ISIN DE000A0BVU93), a leading international photovoltaic systems integrator, is today releasing its figures for the first quarter of 2008. Moreover, based on the success of the first three months of 2008, the Board of Directors has revised its guidance upwards for the current financial year.

In the period from 1 January to 31 March 2008, the Phoenix Solar Group recorded a considerable increase in total revenues, which rose 177 percent to EUR 41.6 million (Q1/ 2007: EUR 15.0 million). Of this amount, EUR 25.1 million was attributable to the Components & Systems segment, which is an increase of 120 percent as against the previous year's period (Q1/2007: EUR 11.4 million). In the first quarter of 2008, the Power Plants segment saw revenues leap 358 percent to EUR 16.5 million, up from the year-earlier figure of EUR 3.6 million.

Revenue generated by international business advanced from EUR 0.9 million in the first quarter of 2007 to EUR 6.7 million during the reporting period. The main driver of this increase was

the Spanish market. The share of international business thus comes to 16.1 percent (Q1/2007: 6.0 percent).

Earnings before interest and taxes (EBIT) leapt by around EUR 1.8 million, from EUR -1.48 million in the first quarter of 2007 to EUR 0.36 million in the first three months of 2008. The EBIT margin (the ratio of EBIT to sales), which came to 0.9 percent, is typically low in the first quarter but is nonetheless clearly higher than the previous year's figure of -9.8 percent.

The consolidated result after tax has also improved in a year-on-year comparison: in the period under review it stood at EUR 0.62 million (Q1/2007: EUR -1.04 million). With shares totalling 6,077,000, earnings per share came to EUR 0.10 (Q1/2007: EUR -0.17).

Orders on hand of EUR 231 million as per 31 March 2008 were more than double the comparable figure as per 1 January 2008 (EUR 109 million). As against the previous year's quarter the increase is nearly 196 percent (Q1/2007: EUR 78 million). The Components & Systems segment has orders on hand worth EUR 88 million (Q1/2007: EUR 17 million) and the Power Plants segment has EUR 143 million (Q1/2007: EUR 61 million).

Owing to the pleasing first quarter, the improved availability of solar modules, a higher order intake and contracts successfully concluded in Southern Europe, the Board of Directors has today adjusted its guidance for the Phoenix Solar Group for the financial year 2008. The Board now anticipates total revenues of more than EUR 370 million (formerly considerably more than EUR 300 million) and an EBIT of more than EUR 23 million (to date around

EUR 18 million). The share of international business is expected to grow to over 30 percent in the financial year 2008.

The Interim Report as per 31 March 2008 will be available as from 15 May 2008 on the company website at www.phoenixsolar.com under the heading Investor Relations, Financial Reports.

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

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. With total revenues of EUR 260 million, the Group's EBIT came to EUR 22.3 million in the financial year 2007. Phoenix Solar AG develops, plans, builds and operates large photovoltaic plants and is a specialist wholesaler for complete PV systems, 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 170 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.

Disclaimer

The content of this press release is solely for information purposes and is not intended to constitute a recommendation for investment or a solicitation to subscribe or an offer to buy or sell securities of the company. Phoenix Solar AG shall undertake no liability whatsoever for any loss in connection with this press release or the information made

available. This also applies particularly to any eventual loss in connection with the shares of Phoenix Solar AG.

This document contains forward-looking statements on future developments which are based on management's current assessment. Words such as "anticipate", "assume", "believe", "estimate", "expect", "intend", "can/could", "plan", "project", "forecast", "should", and similar terms are indicative of such forward-looking statements. Such statements are subject to certain risks and uncertainties which are mainly outside the sphere of influence of Phoenix Solar AG, but which have an impact on the business activities, the success, the business strategy and the results. These risks and factors of uncertainty include, for instance, climatic change, changes in the state subsidisation of photovoltaics, the introduction of competitor products or technologies of other companies, the development of the planned internationalisation of business activities, fierce competition as well as rapid technological change in the photovoltaic market. If one of these or other factors of uncertainty or risks should occur, or if the assumptions underlying the statements should prove incorrect, the actual results may diverge substantially from the results in these statements or implicit indications. Phoenix Solar AG does not have the intention nor will it undertake any obligation to realise forward-looking statements on an ongoing basis or at a later point in time as this is entirely dependent on circumstances prevailing on the day of their release.

In some countries, especially in the United States of America, the dissemination of this press release and the information contained therein may be restricted or prohibited under the law. This press release is therefore expressly not intended for persons resident in the United States of America or any other legal system under which such an offer or solicitation is not permissible, or for persons for whom such an offer or invitation would constitute a breach of the law.

Contact:

Phoenix Solar AG
Hirschbergstraße 8
D-85254 Sulzemoos

Investor Relations
Anka Leiner
Tel. +49 (0)8135 938 - 315
Fax +49 (0)8135 938 - 399
a.leiner@phoenixsolar.de
www.phoenixsolar.de