

Press Release

Phoenix Solar AG founds subsidiary in Australia

- **Fifth continent ready for solar technology**
- **First law on feed-in law tariffs comes into force in July**

Sulzemoos/Adelaide 01 July 2008 / Phoenix Solar AG founded a wholly-owned subsidiary in Australia on 1 July 2008. Phoenix Solar Pty Ltd, which has its headquarters in Adelaide in the State of South Australia, will serve the whole Australian continent. The managing director of the newly founded company is Christian Bindel who has worked in the field of photovoltaics since 1999.

The Australian subsidiary will replicate and build up the business model of the parent company with the two segments of power plants and wholesale business for photovoltaic (PV) systems, modules and components. The activity will be geared towards installers to whom Phoenix Solar will offer grid-connected photovoltaic systems for home owners, schools and municipalities, and, in future, to large investors or utilities for the delivery of turn-key ground-mounted PV plants or large roof-mounted PV systems.

Through the founding of Phoenix Solar Pty Ltd, the parent company has taken another important step in implementing its internationalisation strategy and, together with its subsidiaries in Spain, Singapore and Greece, and its participation in the Italian company RED 2002, Phoenix Solar now also covers the "fifth continent". With its headquarters in Adelaide, South Australia, Phoenix Solar has now positioned itself in the sunniest state on the world's sunniest continent. South Australia is a pioneer in its promotion of solar energy having 40 percent of all grid-connected installed photovoltaic systems in Australia with a proportionate population of only 8 percent. The first law on PV feed-in tariffs will

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come into force in South Australia in July 2008. The states of Queensland and Victoria have, however, also published their own draft feed-in laws. At federal government level, photovoltaics is receiving support in the form of subsidisation programmes aimed at households, schools and municipalities. Australia has committed itself to generating 20 percent of its power consumption from renewable energies by 2020, and photovoltaics is set to play an important role, especially as a reliable supplier of electricity at peak times.

The manager of the newly founded company is Christian Bindel. The 35-year old engineer worked for Phoenix Solar in Germany from 2003 to 2006 and has been preparing the company's entry into the Australian market since 2007. Bindel has extensive experience in the planning and construction of PV power plants in the megawatt scale and is a specialist in system configuration using thin-film modules. "Through its application of thin-film technology since 2003, Phoenix Solar AG has been a pioneer in using a new generation of photovoltaic modules in power plant construction. Building on this experience will put us in a position in Australia where we will be able to offer photovoltaic power plants with the lowest specific electricity generating costs (\$/kWh) in a national comparison. Together with the enormous solar irradiation in Australia, this opens up an exciting market potential", commented Christian Bindel in keen anticipation of his new tasks.

Together with Desert Knowledge Australia, Bindel has already initiated the first project in Australia. As part of a Solar Technology Demonstration Facility promoted by the Australian government, a ground-mounted PV power plant built with thin-film modules from

First Solar will, as the first of its type in Australia, deliver proof of the powerful performance of Phoenix Solar's system design.

A second project, with a peak output of 10 kilowatt, is a PV system to be mounted on the roof of the German School in Sydney. This system will be installed by Phoenix Solar this September under the Solar Roofs Programme run as part of the Renewable Energy Export Initiative organised by the German Energy Agency.

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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. With total revenues of EUR 260 million, the Group's EBIT came to EUR 22.3 million in the financial year 2007. The Phoenix Solar Group anticipates sales of over EUR 370 million, generated in Germany and abroad, in the financial year 2008. Phoenix Solar AG develops 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, Greece, Singapore and Australia, 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.

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