

### Phoenix Solar AG presents its Half-yearly Report

- **Total revenues of EUR 151.8 million**
- **EBIT of EUR 11.5 million**
- **Strong demand also expected in the second half of the year**

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Sulzemoos / 14 August 2008 / Phoenix Solar AG (ISIN DE000A0BVU93), a leading international photovoltaic systems integrator, is today releasing its consolidated Half-yearly Report as per 30 June 2008. High growth rates were achieved in sales and earnings in the first six months of the current financial year.

In the period from 1 April to 30 June 2008, the Phoenix Solar Group increased total revenues substantially, both in its domestic and international business, to EUR 110.2 million, which is an increase of 152 percent (Q2/2007: EUR 43.8 million). Sales are divided between the Components & Systems and Power Plants segments which posted EUR 43.7 million (Q2/2007: 25.4 million) and EUR 66.5 million (Q2/2007: EUR 18.4 million) respectively. 64 percent of the revenues were generated by international business. Earnings before interest and taxes (EBIT) soared by 1,064 percent to EUR 11.17 million, up from EUR 0.96 million, as against the second quarter of 2007. The EBIT margin (the ratio of EBIT to sales) of 10.1 percent was the highest ever posted in a second quarter (Q2/2007: 2.2 percent).

In the first half-year of 2008, the Group's total revenues rose by 158 percent to EUR 151.8 million as against the previous year's figure (H1/2007: EUR 58.8 million). Of this amount, almost 51 percent, or EUR 76.7 million, were attributable to revenues generated by international business (H1/2007: 23 percent), which represents a growth of 472 percent as against the previous year's

period (H1/2007: EUR 13.4 million). In the first six months, the Components & Systems segment generated sales of EUR 68.8 million (H1/2007: EUR 36.8 million), and the Power Plant segment EUR 83.0 million (1H/2007: EUR 22.0 million). EBIT jumped to EUR 11.53 million in the first half-year (H1/2007: EUR -0.52 million). The EBIT margin stood at 7.6 percent in the first half year (H1/2007: -0.9 percent), thus settling at a very high level. Consolidated profit after tax also improved considerably, climbing from EUR -0.5 million on 30 June 2007 to EUR 8.1 million on 30 June 2008. Earnings per share (EPS) calculated on this basis posted EUR 1.27 (H1/2007: EUR -0.09). The equity ratio advanced from 38.2 percent to 41.4 percent as per the reporting date.

Business was buoyed by the excellent level of orders in the Spanish market. The markets in Italy and Greece also made greater contributions to international sales in the first half of 2008 than in the previous year's period. Owing to new legislation not yet passed in Spain on feed-in tariffs and compensation for photovoltaic electricity, the Board of Directors is expecting the market to slow in the Iberian Peninsula. By contrast, demand in the German market is expected to be strong in the third and fourth quarter of 2008. In the second half of 2008, construction work on two power plant projects is also scheduled to commence in Italy.

The Group is starting the second half-year with orders on hand of EUR 230 million as per 30 June 2008, which is more than double that of the previous year's period (30 June 2007: EUR 111 million). Of the orders on hand, EUR 92 million is attributable to the Components & Systems segment and EUR 138 million to the

Power Plants segment. Orders on hand from international business came to EUR 121 million.

The Half-yearly Report can be downloaded from the company web site 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 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 EUR 370 million, generated in Germany and abroad, for 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, Italy, Greece, Singapore and Australia, the Group currently has a workforce of more than 180 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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