

Making energy together





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Phoenix Solar –
Making energy together



EDITORIAL

Since its founding in 1999, Phoenix Solar has been one of the first companies to consistently focus on the generating of electricity by harnessing the power of the sun.

This pioneer role has left its mark, and our vision of shaping the supply of energy of today and tomorrow has been our motivation and driving force since that time. Today we are a leading system integrator with international operations, and we offer you a broad range of products and services from the field of photovoltaics. We intend to strengthen this position and expand worldwide.

A look at the global development of photovoltaics is also positive. Efforts to lower CO₂ emissions across the globe and the goal of raising the share of renewable energies in the energy supply mix by 20 percent in Europe alone in the period up until 2020 will drive the growth of renewable energies. This will serve to promote the competitiveness of solar electricity which will cost no more and no less than conventional electricity in the foreseeable future.

We at Phoenix Solar are convinced that our thought and action must be led by the principle of sustainability. Having a photovoltaic system on your own roof or investing in a ground-mounted power plant means that you are not only promoting climate protection but also making a valuable contribution to securing a broad-based renewable energy mix for the future. Electricity from the sun therefore means active conservation of the environment and a long term, profitable investment in our future.

In this context, our leitmotif "Phoenix Solar – Making energy together" is an integral part of how we view ourselves. Communities will only have a future if they are based on foresighted action, and the supply of energy of tomorrow can only be secured with the help of renewable energies.

Our future consists in successful cooperation with you, our customers, partners, shareholders and employees. This has been and always will be the basis for our success in the past and in the years ahead.

At this point we would like to express our thanks, and we look forward to the coming years in which solar energy will gain in importance.

Sunny regards

Dr. Andreas Hänel



OUR COMPANY



Phoenix Solar is a leading international photovoltaic system integrator. We develop, plan, build and operate photovoltaic systems and plants up to the multi-megawatt class and are specialist wholesalers for turn-key power plants, solar modules, inverters and all other associated components.

We have our roots in a solar initiative launched by the German Association of Energy Consumers from which we emerged to become one of today's largest providers of solar energy plants and components. Our company, which is listed on the German TecDAX, has its headquarters in Sulzemoos near Munich, Germany. With a branch office in Ulm, subsidiaries in Spain, Italy, Greece, France, Oman, Singapore, Australia and the USA (from the first half of 2010) and sales offices in Germany, the Benelux countries, the Czech Republic and Bulgaria, Phoenix Solar currently (as of June 2010) employs more than 300 people.

Since our foundation in 1999, our business model has focused on developing optimal photovoltaic system solutions, together with our customers, which are specifically tailored to their needs. To this end, we offer a broad range of products and full-line services: from the planning, development, installation and maintenance of photovoltaic power plants and consultancy on issues relating to investment through to the sale of photovoltaic systems and components to our network of Phoenix Solar sales partners.



THE MARKET





Today photovoltaics already plays an important role in our power supply. This, however, does not even come close to reflecting the potential that lies in solar energy. The vision of Phoenix Solar has caught the essence of this potential: To secure a higher standard of living by tapping the inexhaustible power of the sun, thereby shaping the energy supply of today and tomorrow.

Given that sources of fossil fuel-based energy are dwindling and that the global target is to have halved CO₂ emissions by 2050, solar energy is a reliable and environmentally compatible source for covering our daily needs for electricity. Today, more than fifty countries have already set in place the political and economic framework conditions for promoting the expansion of renewable energy – a trend which is on the rise.

In this decade alone, the capacity of the solar energy systems installed worldwide increased from around 1.4 gigawatts in 2000 to over 20 gigawatts in 2009 (source: EPIA “Global Market Outlook for Photovoltaics until 2014”). Solar energy is becoming an increasingly

important and integral part of the energy mix of the future accompanied by a steady decline in the cost per kilowatt hour of electricity. This, in turn, enables a growing number of people all over the world to benefit from solar energy.

A gratifying side effect: climate protection using the sun is also money in hand. Today, more and more individuals, businesses and tradesmen, companies and local authorities are able to unlock new sources of income through this environmentally compatible, CO₂-free option of generating power. For us as a company, these are positive developments and convincing confirmation of our vision and our commitment to solar energy.



PHOTOVOLTAICS AS AN INVESTMENT

Whether ground-mounted or roof-mounted, one of the most important criteria in deciding on a photovoltaic system is the return.

Our offer

- All services from a single source: Advice, planning, project development and financial concepts
- Large and international investment volume for institutional investors, closed-end funds, private placements and investments by local authorities
- Established partnerships with investment companies and credit institutions for the financing of power plants
- Assistance in selecting special insurance policies for operators

An investment in solar energy is a profitable exercise. Project investors, investment companies, power supply companies, industrial and commercial companies, farmers, municipal authorities or public institutions all have a common goal in addition to sustainable supply of energy: a low-risk investment for the entire service life of the photovoltaic system.

Phoenix Solar has a qualified and experienced team at hand to assist you in developing your photovoltaic project or in implementing a partly developed or already approved project.

We offer you a powerful, one-stop concept: from the support and coordination of project development, financing strategies, tax- and legal-related structuring concepts, profitability calculations and analysis, technical concepts and the execution of construction activities right through to operational management. A full package of solutions customised to suit to your needs can be developed for you wherever you are.





PROJECT DEVELOPMENT AND CONSTRUCTION OF PHOTOVOLTAIC POWER PLANTS





Phoenix Solar is a global leader in the planning and construction of photovoltaic power plants up to the multi-megawatt class.

Our offer

- Full appraisal of the site or roof area and the drawing up of feasibility studies
- Individual advice and consultation on the selection of photovoltaic power plants designed to take account of local requirements in terms of economic viability, climatic conditions and programmes promoted by the government
- Support in the building permission application process
- Coordination with the local energy utility
- Development of a detailed project plan with a guaranteed date of commission
- Turn-key construction and guaranteed commission date

Large photovoltaic power plants have huge optimisation potential which resides in a planning specifically related to the project, both in terms of costs and energy yield. Our Power Plants segment plans, develops and builds photovoltaic power plants for any area of application.

We plan photovoltaic systems for sloping or flat roofs as well as systems for ground-mounted greenfield sites. Whether for customers from commerce or industry, farmers or local authorities, we draw on our in-depth know-how and flexibility to find efficient and aesthetically pleasing solutions, even under the most challenging conditions.

We are working intensively on lowering the system costs of photovoltaic power plants and on making photovoltaics even more economically viable in the near future. With the construction of “La Solana” Solar Park in Spanish Castilla La Mancha in 2008, a power plant which has a peak power output of 6.5 megawatt, we delivered proof in the international arena that we are a competent and reliable partner in the planning and construction of photovoltaic power plants

SYSTEM MONITORING AND MAINTENANCE





Our work does not end when a new Phoenix Solar power plant has been inaugurated and connected up to the grid. We also offer you a full-service package which covers professional operations management through to ongoing monitoring and maintenance.

Our range of services

- Control centre for complete real-time system monitoring: Around the clock
- Company-specific monitoring solution for global satellite-based remote monitoring
- Preventive maintenance via early warning of potential errors
- Detailed analyses and graphic visualisation of yield data
- Initiation of immediate action to rectify faults
- Precise and detailed maintenance documentation

Thanks to our thorough planning, material use and construction, all Phoenix Solar power stations operate reliably, and are currently 97% problem-free. In order to preserve this performance and fulfil the legal maintenance requirements, Phoenix Solar offers comprehensive maintenance and operating services.

We also optimise the performance of the solar energy systems, and our complete monitoring and regular on-site checks often allow us to identify problems before a system fails.

Upon request, our control centre in Ulm can perform full monitoring of your solar power station for you. All system data is transferred to the control centre in real-time, logged and analysed regularly. Comprehensive statistics and analyses, documentation, status queries and the individual evaluation of all system components prove the efficient utilisation of your solar power station. This complete remote monitoring with automatic error analysis allows us to guarantee optimal operating conditions at all times and take immediate action via our local service network if necessary.



OUR PARTNER NETWORK





Having a photovoltaic system installed on your own roof means you can look to the future with confidence in more than one way. Not only do you have a financially attractive investment but, at the same time, you are ensuring an environmentally compatible supply of energy – for yourself and for future generations.

Our offer

- Phoenix Solar partner network
- Guaranteed service hours and competent personal contacts
- Technical training for our partners
- Joint certification of products
- Diversified product portfolio

Quality and reliability are our top priority. After all, your investment must also pay off in the long run. This is why we only use products from leading international manufacturers for your photovoltaic system. We select our partners, who will be your personal point of contact locally, by applying stringent quality criteria. You can therefore rest assured that – with us and through us – you have chosen the right investment strategy.

With a view to supplementing manufacturer quality assurance, a technical team from Phoenix Solar also tests the modules for performance. These tests are performed on a random basis when the merchandise is received in accordance with a range of different criteria. All of our sales partners possess a high level of competence and many years of experience in solar technology. Moreover, they draw on our support in the form of professional training and diverse marketing measures. As you can see, we are actively committed to providing you with premium products and the best partners for your photovoltaic system.



**WE CONTINUE TO GROW
AND ARE BUILDING A GLOBAL
PRESENCE FOR YOU**

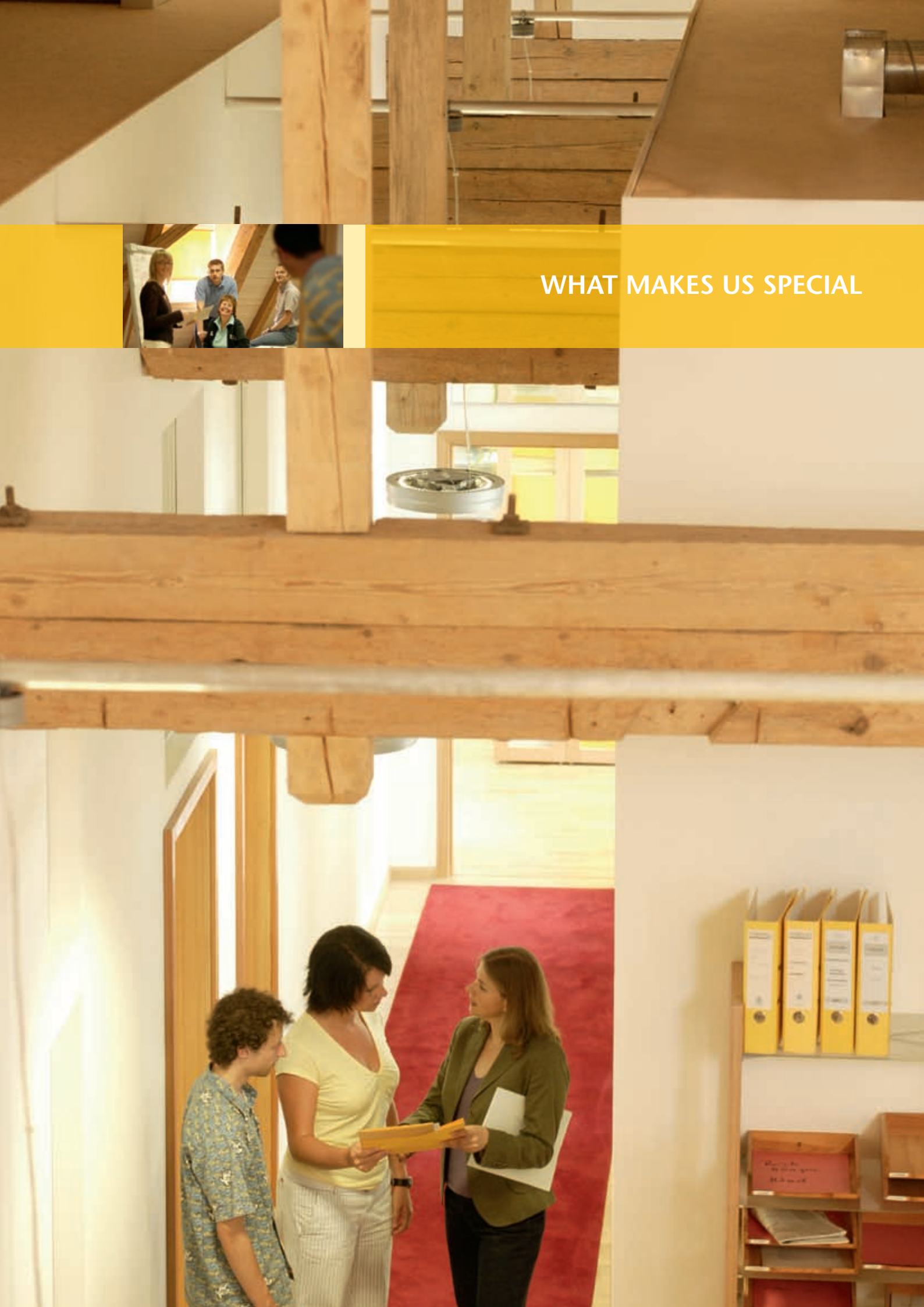
It is with great enthusiasm that we will continue to contribute to the dynamic development of renewable energies. We wish to promote the decision in favour of solar energy, to make it a real choice and benefit the world over – for you and for our environment.



The global demand for photovoltaic systems is unabated. Similarly, photovoltaics technology is hallmarked by its swift pace of development. All leading industrial nations in Europe, Asia, America and Australia are actively involved in creating political and economic incentives to make solar energy a competitive alternative in the energy market.

Within the space of a few years we have evolved into one of the largest international providers of photovoltaic power plants. Our actions are driven by our commitment to contributing towards actively shaping the energy supply of tomorrow. To enable us to provide these services, we have international subsidiaries in Spain (Madrid), Italy (Rome), Greece (Athens), France (Lyon), Oman (Muscat), Australia (Adelaide), Singapore, the USA (from the first half of 2010) and sales offices in Germany, the Benelux countries, the Czech Republic and Bulgaria. We are therefore in a position to support projects from these locations all over the world, even in countries where we do not have subsidiaries or sales offices. Our aim is to act on your behalf across the globe.

WHAT MAKES US SPECIAL





Pioneers of the solar industry have shaped our company since its foundation in 1999. Today our management team and our employees have almost two decades of practical experience in photovoltaics. This is our capital and your advantage.

Togetherness is our strength: Colleagues of all ages unite traditional values with new ideas. Employees from currently 19 countries stand for continuity, honesty and commitment.

Continuity defines how we think: as a company we are aware of our corporate responsibility to protect the environment: Not only do we sell photovoltaic systems – we encourage our employees to use them. We invest in our company locations in Germany and abroad and have set ourselves the goal of ensuring that our company has a CO₂-free energy supply.

We have a vision: A world in which renewable energy improves the quality of life, is our world. We make extensive use of the inexhaustible power of the sun to generate electricity. This is how we shape the energy supply of today and tomorrow.

Our mission: To make energy together: our wide range of products and services delivers tailored solutions for our customers. Our competence in consulting services and systems technology is compelling. Through our commitment, we create value for our customers, partners, employees and shareholders.



OUR RESPONSIBILITY FOR THE FUTURE

Phoenix Solar – Making energy together



Making energy together – this motto is our goal and our aspiration, and a challenging call to you and ourselves to shape the energy supply of today and tomorrow.

A look at the global trend in photovoltaics gives us hope. The discussion about climate change, efforts to reduce CO₂ emissions and the growing concern that conventional sources of energy such as oil, gas and coal will be exhausted in the foreseeable future have heightened the awareness of renewable energies.

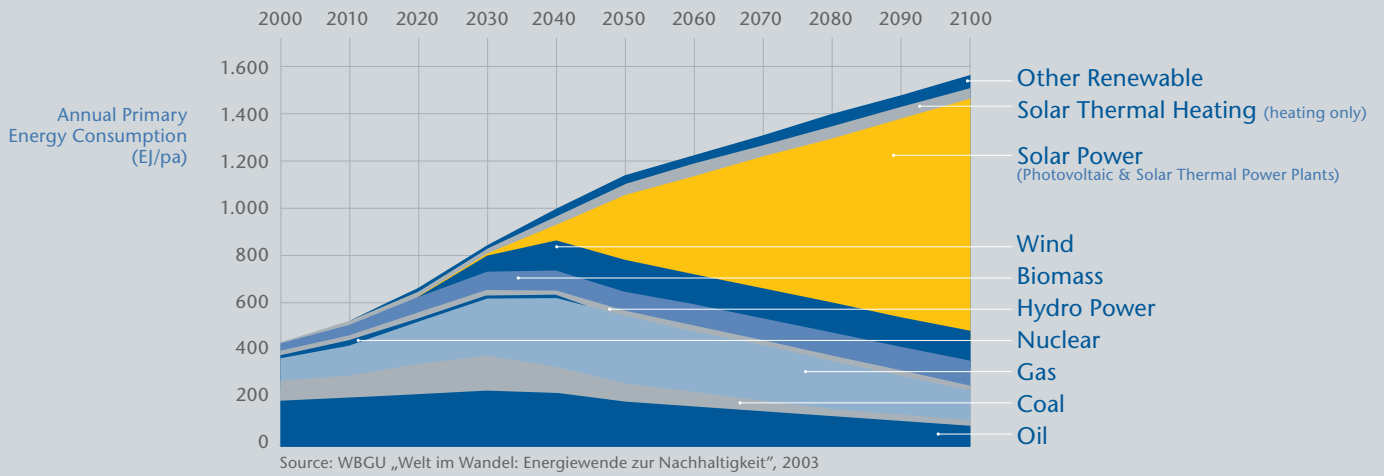
Innovation and technical progress make the generating of energy using photovoltaics a recipe for success. The energy mix of the 21st century is unthinkable without solar energy. As an innovative company open to new solutions, we can respond to developments swiftly and benefit from new, intelligent products. This is an approach which ena-

bled us as a leading advocate and user of thin-film solar modules to recognise the benefits of this technology at an early stage and make a major contribution to launching these modules in the international market.

Having a photovoltaic system on your own roof or investing in a ground-mounted power plant means that you are not only promoting climate protection but also making a valuable contribution to securing a broad-based renewable energy mix for the future. Electricity from the sun is therefore both active environmental conservation and a long term, profitable investment in our future.

Changes to the Global Energy Mix

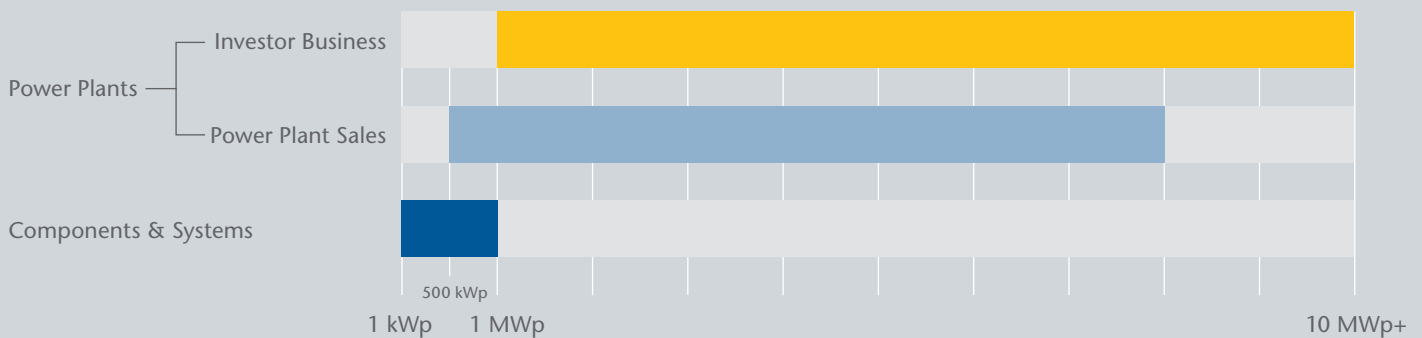
Prognosis of the German National Scientific Advisory Council on Global Environmental Change



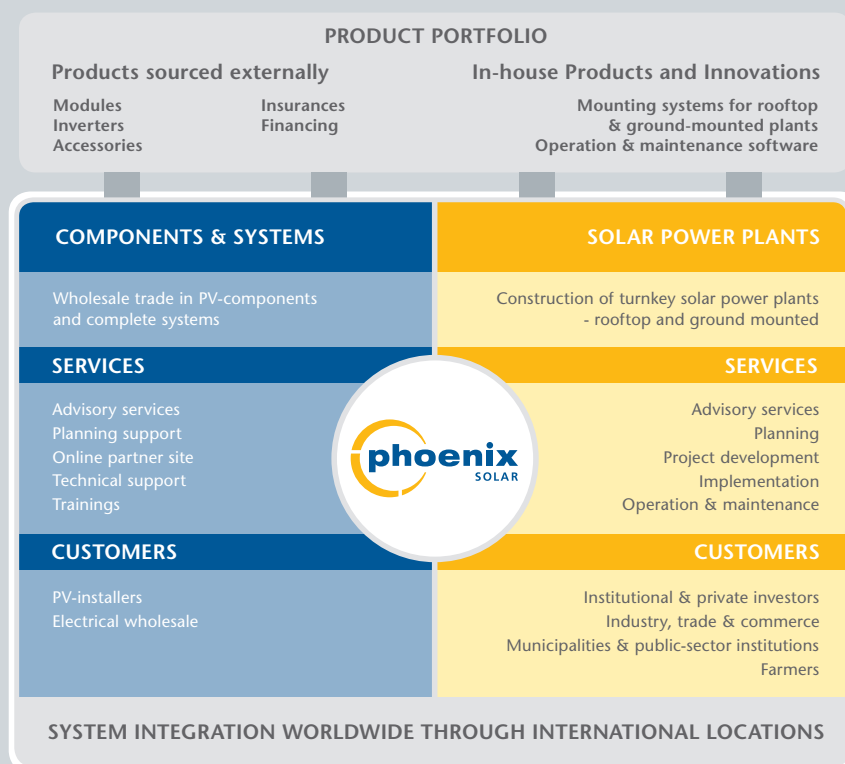
PHOENIX SOLAR AT A GLANCE

Phoenix Solar's Range of Services

SEGMENTS



Business Model of Phoenix Solar AG



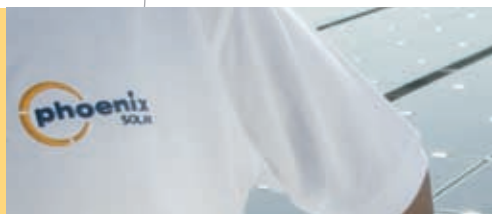
Phoenix Solar AG in Figures

Reporting date / period		2005	2006	2007	2008	2009
Balance sheet ⁽¹⁾						
Total assets	in k€	36,331	54,009	77,102	127,763	182,232
Equity ratio	%	64.0	61.7	61.4	69.9	53.37
Results						
Total sales revenue	in k€	111,116	118,994	260,118	402,494	473,032
EBIT	in k€	7,711	4,786	22,259	33,823	12,176
Employees ⁽¹⁾						
Employees ⁽²⁾	number	71	101	148	205	240
Phoenix SonnenAktie®						
Market capitalisation	in k€	87,737	97,232	249,157	167,981	282,971
Procurement volume	MWp	28	36	72	120	202

⁽¹⁾ At the end of the period

⁽²⁾ Average employee number, including part-time and temporary staff

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