AD-HOC RELEASE

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

Phoenix Solar AG: financing negotiations successfully concluded

- *Financing volume totalling EUR 132 million agreed with the syndicate banks with a term covering the period through to the end of March 2014*
- *Tumbling prices and write-downs impact revenues and results in the financial year 2011*
- *Outlook for the current and the next financial year*

Sulzemoos 11 May 2012 / Phoenix Solar AG (ISIN DE000A0BVU93, Prime Standard of the Frankfurt Stock Exchange) has successfully concluded negotiations on a new financing package with a volume totalling EUR 132 million and a term through to the end of March 2014. The centrepiece is a new syndicated loan agreement signed today consisting of cash and guarantee facilities of a total volume of around EUR 100 million with the existing banking syndicate under the lead management of BayernLB.

In the financial year 2011, Phoenix Solar AG experienced a downturn in revenues of 38.1 percent to EUR 393.5 million (2010: EUR 635.7 million) according to the preliminary figures. Whereas domestic business declined by 64.2 percent to EUR 168.5 million, international revenues rose by 36.8 percent to EUR 225.0 million, corresponding to a share of 57.2 percent of total revenues (2010: 25.9 percent). Earnings before interest and taxes (EBIT) came to EUR –84.7 million (2010: EUR 36.4 million). This figure is very strongly impacted by considerable write-downs on inventories due to the extraordinarily sharp decline in prices in 2011 as well as by one-off effects from the impairment of project rights.

The Annual Report 2011 and the Interim Report on the first quarter of 2012 will be published on 15 May 2012.

Phoenix Solar AG has budgeted for consolidated revenues of between EUR 210 and 240 million and an EBIT of between EUR –25 and –19 million in the financial year 2012. This result is impacted by special items from restructuring and refinancing as well as ongoing costs incurred, for instance by the reduction in personnel capacities. The Executive Board anticipates a return to rising revenues in the region of EUR 280 to 310 million and an EBIT of EUR –5 to 0 million in the financial year 2013. Given that the market environment in Germany as the leading market is expected to deteriorate further, the company will continue to forge ahead with the process of internationalisation. It will be focusing particularly on the regions of Asia and North America.

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

solicitation is not permissible, or for persons for whom such an offer or invitation would constitute a breach of the law.

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