

Ad-hoc release

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

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Phoenix Solar AG
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Phoenix Solar AG announces capital increase from Authorised Capital of up to 670,200 shares

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Sulzemoos 13 July 2010 / The Executive Board of Phoenix Solar AG, Sulzemoos, Germany (ISIN DE000A0BVU93), has resolved this morning to raise the company's share capital by up to EUR 670,200.00 through the issue of up to 670,200 no par value bearer shares by way of partial utilisation of the Authorised Capital 2010. Shareholders' subscription rights will be excluded. The Supervisory Board approved the decision today. The new shares are expected to be admitted for trading without a prospectus on 14 July 2010 in the regulated market of the Frankfurt Stock Exchange with a simultaneous listing in the Prime Standard segment of the Frankfurt Stock Exchange, which has additional disclosure obligations. The new shares carry dividend rights as from 1 January 2010.

The new shares are to be offered to institutional investors by way of an accelerated bookbuilding. The placement price and the number of shares to be issued will be promptly determined once the accelerated bookbuilding process has been completed.

Phoenix Solar AG will use the proceeds of the issuance to finance the growth planned by the company and, in particular, for forging ahead with the Group's internationalisation.

COMMERZBANK AG is accompanying the transaction as Sole Lead Manager and Sole Bookrunner.

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

German version is binding.

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