

Solar Millennium shifts the sale of stakes into current fiscal year – 2007/2008 below plan

- **Preliminary consolidated net profit for the past fiscal year amounts to € 6 million with sales of € 32 million**
- **Forecast missed due to pending board approvals**
- **Plan deviations resulting from the postponed sales of stakes will be shown separately in the current fiscal year as additional extraordinary effect**
- **For 2008/2009 the Board of Directors plans an EBIT of € 30 million plus the extraordinary effect from the previous year and sales to the amount of € 150 million plus the previous year's extraordinary effect**

Erlangen, 30.01.2009

According to the preliminary figures for the past fiscal year as of 31 October 2008 pursuant to IFRS, Solar Millennium AG (ISIN DE0007218406) generated an operating result (EBIT) of roughly € 8 million and annual net profits (after tax) of about € 6 million. Consolidated sales for fiscal year 2007/2008 slightly exceeded the previous year's level (€ 31.1 million) at about € 32 million. As a result of the postponed sales of stakes, preliminary annual net profits decreased by around 50% compared to the previous year (€ 11.9 million) and thus missed the targeted result of € 18 million and sales of € 80 million. The deviation from the targeted result due to the postponement of stake sales into the current fiscal year will be shown separately at the end of the reporting period 2008/2009. For the ongoing fiscal year 2008/2009, the board is planning an EBIT of € 30 million plus an additional effect of about € 12 million and sales amounting to € 150 million plus an additional effect of approx. € 48 million at group level.

Solar Millennium generated the majority of revenues and profits in the operating business fields Project development and Technology, which is mainly attributable to orders for the projects of the solar thermal power plants Andasol 1, 2 and 3 in Spain as well as the solar field of the Egyptian hybrid power plant in Kuraymat. In addition, the company had planned to sell stakes in power plants and project companies, which, however, could not be realised by the end of the reporting period on 31 October 2008 due to outstanding board approvals among other reasons.

In the past fiscal year, the board reacted to the increasing aggravation of the financial market crisis and realigned its strategies for the financing of power plant projects: In addition to the previously chosen bank financing, the company is now striving for direct project financing through major investors, which will be independent of banks. For the projects Andasol 3 and Ibersol negotiations have been running successfully for some time. Furthermore, the company created the possibility of selling stakes in power plants to funds. Therefore, all the outstanding sales of stakes are expected to take place in the current reporting period. Furthermore, for the ongoing fiscal year the board is planning income from orders for engineering and plant construction in the subsidiaries Flagsol and MAN Solar Millennium, the entry of major investors into the Spanish power plant project Ibersol as well as the financing and the construction start of both the power plants Andasol 3 and Ibersol.

Christian Beltle, CEO of Solar Millennium, explains the plan deviations: "With projects of this size, the shift of business transactions into the next reporting period is possible. We are nevertheless continuing to pursue our business development and our growth process on the whole in a stringent manner. We are able to realise our operating business despite the changed overall conditions as a result of the financial market crisis, and have already realigned our strategies accordingly. In order to make this transparent, we will separately show the missing profits and sales from the past fiscal year this year as additional effect on top of the current year's targets."

Beltle believes the market trend to be extremely positive: "The demand for solar thermal power plants is continuing to increase. Especially in the US the framework conditions for solar thermal power plants have improved significantly. President Barack Obama has moreover announced substantial investment into the establishment of renewable energy supply. Solar Millennium's project pipelines are filled to the brim, particularly in Spain and the US. Additional projects might be added through tenders, for example in the Middle East and North African regions. "

Thomas Mayer, CFO of Solar Millennium, outlines the strategy for project financing: "Solar Millennium has adjusted to the changed financial market conditions and has developed adequate strategies for enlarging its room for manoeuvre. Apart from bank-supported project financing, we are pursuing two more concepts: direct equity investment on the part of major investors and the placement of funds for the financing of further projects. These strategies can be flexibly used and will also be applied with regard to our power plant projects Andasol and Ibersol."

The full result for 2007/2008 will be published at the annual press conference re. the financial results at the beginning of March 2009.

About Solar Millennium AG:

Solar Millennium AG, Erlangen, is a globally active company in the renewable energy sector, with a main focus on solar thermal power plants. Together with its subsidiaries, Solar Millennium specialises in parabolic trough power plants - a reliable, proven technology in which the company has a worldwide leading position covering all major business sectors along the value chain for solar thermal power plants from project development over technology and turn-key construction to the operation and ownership of power plants. In Spain, Solar Millennium developed Europe's first ever parabolic trough power plants and realised them together with partners. Further projects are planned worldwide with an overall capacity of over 2,000 Megawatts. The current regional focus is on Spain, the USA, China and North Africa. In addition, the company develops solar chimney power plants aiming to make this technology ready for the market. For more information please refer to www.SolarMillennium.de.

About solar thermal power plant technology:

Solar thermal power plants generate electricity using solar radiation converted into thermal energy. In a parabolic trough power plant, the solar radiation is concentrated by trough-shaped mirrors onto a pipe in the focal line of the collector. Its absorption heats up a heat transfer fluid in the pipe, generating steam in the power block by means of a heat exchanger. As with conventional power plants, the steam powers a turbine to generate electricity. And by integrating a thermal storage, electricity can be supplied on demand, even after sunset.

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