

### **Phoenix Solar AG presents solid figures for the financial year 2015**

- *Consolidated 2015 revenues triple versus 2014, significant earnings improvement, positive cash flow*
- *Positive net result on a quarterly basis in Q4*
- *Phoenix Solar expects strong revenue and earnings growth for 2016*

Sulzemoos, Germany, March 30th, 2016 / Phoenix Solar AG (ISIN DE000A0BVU93), a leading international photovoltaic system integrator listed in the Prime Standard of the Frankfurt Stock Exchange, will today issue its 2015 Annual Report, attested by the independent auditor and adopted by the company's Supervisory Board.

In the financial year 2015, Phoenix Solar AG more than tripled its consolidated revenues to €119.4 million (2014: €33.8 million). Total solar PV systems installations rose to 98.7 MWp (2014: 28.9 MWp). In the fourth quarter of its 2015 financial year, Phoenix Solar also achieved positive net earnings on a quarterly basis.

95 percent of revenues were achieved by the Power Plant Segment (2014: 41.7 percent). The region contributing the largest part was the US with a 82.1 percent share (2014: 20.8 percent), followed by Asia/Pacific with 7.3 percent (2014: 29.8 percent) and the Middle East with 7.0 percent (2014: 2.5 percent).

As of December 31st, 2015, the Phoenix Solar Group employed a workforce totaling 79 people (excluding Executive Board members but including temporary staff; this was down from the previous year headcount of 110 due restructuring and further internal efficiencies), 77 of whom held permanent positions (December 31st, 2014: 93). Personnel expenses stood at €7.6 million (2014: €9.6 million).

Earnings before interest and taxes (EBIT) improved to € -1.6 million (2014: € -4.6 million); if a one-time gain of € 4.5 million on the sale of a business in 2014 is excluded, pre-year operating EBIT would have been at € -9.1 million, demonstrating even more the strong improvement in the core operating business. The EBIT margin amounted to -1.3 percent in 2015 (2014: -13.7 percent) The net financial result of € -4.4 million came in at € 0.7 million better than in the pre-year (2014: € -5.1 million).

The consolidated net result for the period attributable to shareholders stood at € -5.2 million (2014: € -10.2 million). A consolidated net loss of € 0.4 million was attributable to minority interests (2014: € -3 k). Calculated on an average number of 7,372,700 shares basic earnings per share stood at € -0.71 (2014: € -1.38).

The free order backlog as of December 31st, 2015 reached a record level of € 195.7 million (December 31st, 2014: € 36.3 million), the highest in Phoenix Solar's history. The total order book position - including revenues that have already been realized - amounted to € 299.2 million (December 31st, 2014: € 46.2 million), a dramatic improvement.

Furthermore, the Phoenix Solar Group achieved a net cash inflow from operating activities of € 1.8 million in 2015 (versus a 2014 net cash outflow of € 3.9 million). The Phoenix Solar Group's cash and cash equivalents improved to € 4.9 million in the 2015 financial year (December 31st, 2014: € 3.1 million).

As a result of the consolidated net loss, the Group's equity fell by € 6.0 million to € -7.6 million (December 31st, 2014: € -1.6 million). Accordingly, the equity ratio stood at -14.1 percent as of December 31st, 2015 (December 31st, 2014: -3.5 percent).

As the Group does not constitute a legally independent entity in itself, no going-concern risk arises for the company as a result of its negative

equity. Only the equity of Phoenix Solar AG as the parent company of the Phoenix Solar Group is of legal relevance. This equity position amounted to €6.6 million as of December 31st, 2015, equivalent to a 12.3 percent equity ratio (December 31st, 2014: €11.0 million, equivalent to a 20.0 percent equity ratio).

### **Outlook**

As of the date of the approval of the financial statements, the free order backlog already stood higher than total 2015 revenues. Against this backdrop, Phoenix Solar anticipates solid continued growth in consolidated revenues and earnings. 2016 revenues are projected to be in the range of €180 to 210 million (\$US 200 to 235 million<sup>\*)</sup> (2015: €119.4 million). To achieve this, the company is planning projects with a total volume of between 150 MWp and 175 MWp (2015: 98.7 MWp). The company is thus projecting a positive operating result (EBIT) in the range of €2.0 to 4.0 million. As in the past, the nature of the project business is such that the company assumes revenue growth will pick up commencing in the second quarter of 2016.

This new growth phase for the company met with the active support of the banking syndicate financing the company, with which Phoenix Solar signed an agreement to extend the existing facility through September 30th, 2018. The new financing package now totals some €101 million, the core of which is a syndicated loan of €85.4 million. It will finance the strong organic growth foreseen for the 2016 financial year as well as further geographic expansion.

Tim P. Ryan, Group CEO at Phoenix Solar AG, stated: "We achieved significant growth and a strong improvement in our operating business in 2015. We remain focused on building our global project pipeline with a disciplined sales process in our three core trading areas, the US, the Middle East and Asia / Pacific. We are also examining new markets and opportunities along the solar PV value chain for further growth potential. A

new initiative on our global supply chain will help to keep system costs competitive and improve margins. We are developing our key people as the foundation of our business. Our ultimate goal remains to design and build quality commercial solar PV systems, on-time and on-budget, around the world, to drive owner and investor satisfaction. The demand for differentiated, quality EPC solutions providers such as ourselves remains robust, our future looks bright. Based on these initiatives, we expect further gains in market share in 2016 and beyond to achieve sustainable, profitable growth."

### **Annual Report**

The Annual Report 2015 is to be published today, March 30th, 2016, in electronic form and can be downloaded from our website at [www.phoenixsolar-group.com/en.html](http://www.phoenixsolar-group.com/en.html) under the Investor Relations, Financial Reports section.

*\* 2016 Projected Revenues in \$US are given as rough guidance only in view of currency exchange rate differences.*

*Source: [www.oanda.com](http://www.oanda.com), EUR 1.00 = USD 1.11755 as of March 29th, 2015*

### **About Phoenix Solar AG**

Phoenix Solar AG, that has its headquarters in Sulzemoos near Munich, is an international photovoltaic system integrator. The Group develops, plans, builds and operates large-scale photovoltaic plants and on a smaller scale is a specialist wholesaler for turnkey power plants, solar modules and accessories. As an EPC contractor specializing in building solar power plants, Phoenix Solar lays special emphasis on on-budget and on-time construction and delivery of solar power plants optimized to deliver superior return. With subsidiaries on three continents, the company has sold solar modules with an output of significantly more than 1.2 gigawatt since its founding. The stocks of Phoenix Solar AG (ISIN DE000A0BVU93) are listed on the official market (Prime Standard) of the Frankfurt Stock Exchange. [www.phoenixsolar-group.com](http://www.phoenixsolar-group.com).