

## Press Release

### Sunfilm AG – Manufacturer of Solar Modules filed for Insolvency

#### - Preliminary Insolvency Administrator makes an Effort in order to Safeguard the Survival of the Company - Business Activities continued in Previous Scope - Employees to be paid Insolvency Payment-

**Dresden, March 29, 2010.** Sunfilm AG based in Großröhrsdorf and specialized in the production and distribution of photovoltaic modules filed for technical insolvency at the district court of Dresden. Mr. Rainer M. Bähr - attorney at law and partner at HERMANN Law Dresden - was appointed preliminary insolvency administrator. The insolvency affects about 300 employees at both locations in Großröhrsdorf (Saxony) and Thalheim (Saxony-Anhalt). Attorney Bähr and his team are currently in the process of getting a picture of the company and are in intensive talks with suppliers and banks in order to keep up the business activities to the current extent. "At this point we do definitely see potential to restructure the company and make it sustainable." says Bähr. Outstandingly innovative products, a growing national and international market for photovoltaic modules and highly motivated employees are a basis for starting over again after successful restructuring.

As one of the first measures Attorney Bähr intends to safeguard the wages and salaries by insolvency payment advance financing. Due to the fact that the wages and salaries have been paid up until February, according to Bähr, the staff can count on receiving insolvency payment until May. On Tuesday March 30th, 2010 there will be a employees meetings in Großröhrsdorf and Thalheim in order to inform the employees. Now the main focus is set on safeguarding the liquidity and at the same time stabilizing the company in order to find a sustainable solution in terms of conserving the value of the company and in respect of the employees.

The Sunfilm AG produces photovoltaic modules using thin-film technology on three facilities at two locations. The material saving thin-film technology, which has been continually enhanced within the last years and allows for layers of less than one micrometer by now, increasingly gains in importance. Forecasts predict, that thin-film modules will reach a market share of up to 20 per cent in the years to come. Sunfilm produces and distributes its products in Germany as well as internationally. As a young start-up company, which is still at the beginning of its market launch, Sunfilm sees its chances in the globally growing market of solar modul products. The severe decline of the overall market and the competitive conditions, such as the current discussion about the Renewable Energy Law (EEG), led to a distinct setback compared to the original market entry strategy. Immense investments into state-of-the-art facilities and a sluggish demand as well as the discontinuation of financial support by the shareholders, ultimately led to the fact that the Sunfilm AG had to file for insolvency.

HERMANN Attorneys at Law, Auditors, and Tax Advisors is a firm that specializes in particular in insolvency law, restructuring, and corporate law. With its 11 offices in Germany, the firm has worked for many years with international law firms in Zurich, Milan, Amsterdam, and London and is a member of the independent worldwide association Lawyers Associated Worldwide (LAW).