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Press Release

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The German photovoltaic market – solid as a rock

Bonn. Germany will again be the most important photovoltaic market worldwide in 2009, according to the forecast from EuPD Research, the leading market researcher for solar energy. According to estimations made in the new study: "The German PV Market Understand the Demand - Explore the Potential", two gigawatts of modules will be newly installed in Germany. Although global context factors do not bode well with the optimistic outlook of the international photovoltaic industry – the break down of the Spanish market, the worldwide supply surplus and the financial crisis, are all causes for uncertainty. However solid framework conditions in Germany could make sure that the local photovoltaic market will experience considerable growth nonetheless – thrusting it even more into the global spotlight.

Continuous growth in the German market

While difficult times are imminent for the photovoltaic industry, the German market remains solid for the time being. It is expected that the demand in Germany won't be enough to compensate for the supply surplus though. However, guaranteed feed-in-tariffs by the "*Erneuerbare-Energien-Gesetz* (EEG)" and secured access to capital for plant builders by the "*Kreditanstalt für Wiederaufbau* (KfW)" should ensure constant market growth. Additionally, while other country markets are characterized by erratic framework conditions, the German market has experienced continually positive promotion. Back in 1990, the foundation was placed for the market's success with the start of the "*1,000-Dächer-Programm*" which promoted installations on private rooftops and continued with the launch of the "*Erneuerbare-Energien-Gesetz*" the sweeping federal renewable energies program in 2000.

Mobilization of enormous potentials

Even if the process of diffusion in the German market is very well developed, enormous undiscovered potential still exists. For example, the private rooftop segment, in no other country worldwide is this segment as important as in Germany. This segment is the basis of the German success story – up to 2008, more than 300,000 plants had been installed on one-family or multi-family houses under the "*Erneuerbare-Energien-Gesetz*" additionally, the cumulated power output was approximately 1.5 GWp. The private rooftop segment now comprises around 30 percent of the total market share – they are the largest single market segment, still ahead the agricultural and commercial segments. The branch still provides enormous development potential that has not been fully exploited yet. Because of this, assumptions about the theoretical possibilities vary. According to conservative estimations, a total of 42.2 GWp could be installed on Germany's rooftops – thus the segment would have a saturation of 3.5 percent. According to a less restrictive prediction, technological developments and an increasing share of adequate roof area could result in the wider use of larger and more efficient plants, resulting in a volume of up to 99 GWp – a saturation decrease of 1.5 percent. According to project manager of the study, Jan Winkler, "In the starting years the technology for solar power generation was interesting for ecological

motivated customers primarily. In the future the technology has to be communicated as yield secured investment to activate new customer groups”.

“White Spots” on the map

Up to now photovoltaic plants have been primarily installed in the southern states, because of high degrees of solar irradiation, the largest yields could be obtained in the sunny south. Due to decreasing system prices and improving efficiency of photovoltaic modules the technology is becoming more promising for other regions in Germany which have been unexploited up until now. Because of the high level of small and medium-sized photovoltaic plants in Germany and the existence of a decentralized structure, distribution is more complicated. The distribution network, with the installer as most important intermediary to the end customer, is more widely developed where a high degree of plants are installed. To bring about further development of the German market and to develop the “white spots” on the German photovoltaic map, the distribution network must also be improved.

The study “The German PV Market: Understand the Demand - Explore the Potential” will be published for the world’s largest solar exhibition, Intersolar 2009 in Munich. This is already the fifth comprehensive guidebook for the German photovoltaic market provided by EuPD Research. In the current study, the customer groups within the segments will be analyzed and the specific differences will be broken down by local level for the first time. The report focuses on the exploitation of previously overlooked potentials within the several market segments.

Please find more information to the study: “The German PV Market: Understand the Demand - Explore the Potential” here.

http://shop.eupd-research.com/product_info.php/language/en/info/p49_The-German-Photovoltaic-Market-2009.html

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