

Press Release

Sunways AG: Strategic transaction with BayWa AG trading group

- **Sale of MHH Solartechnik GmbH to BayWa Green Energy GmbH**
- **Access to the PV project business through the formation of a joint venture with BayWa AG**
- **Strengthening of Sunways' distribution base and focusing on technological core competence**

Konstanz, 28 October 2009 – Under a purchase contract dated 27 October 2009, Sunways AG, Konstanz, Germany (Frankfurt Stock Exchange: SWW; ISIN DE0007332207), sold all its shares in MHH Solartechnik GmbH, Tuebingen, Germany, to BayWa Green Energy GmbH, a subsidiary of BayWa AG, Munich, Germany, effective as of 31 December 2009. The transaction's execution is subject to several conditions, in particular clearance by the competent cartel authorities under the merger control regulations. Pursuant to a performance-related component of the contract, the purchase price for MHH Solartechnik amounts to about € 15 to 20 million.

Simultaneously, by signing a term-sheet, the companies have agreed on the formation of a joint venture in which Sunways AG will hold a 49% stake while 51% will be held by BayWa AG. The joint enterprise is to be active in the area of developing, planning and realizing medium-sized to large photovoltaic systems as well as solar parks. Management board and supervisory board of Sunways AG have given their approval for the sale of MHH Solartechnik GmbH as well as for the joint venture's formation.

The two measures combined in the transaction will form a link between the strategic components distribution and focusing. The divestment of MHH Solartechnik GmbH thus is an important step in the context of Sunways AG's strategic realignment that was started last year. Thanks to the strategic

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Sunways

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partnership, the MHH distribution channel will continue to be available; Sunways will inter alia use the additional liquid funds to strengthen its international branding in a targeted manner. This will increase the overall growth potential of Sunways. In the future, the cell and inverter segments are to rely even more on technological leadership that is to be expanded to include modules.

The joint venture's objective is to bundle the competences of BayWa and Sunways in order to exploit the market potential for large photovoltaic systems via high-performance PV system solutions; and to strengthen the marketing of building-integrated photovoltaics based on customer-specific PV system solutions. In this context, the project company to be newly founded will also use the solar components of Sunways. Thus Sunways will expand its distribution activities, which so far had been focused on installers and specialist solar retailers, to complete these with the PV projects segment.

Michael Wilhelm, Chairman of the Management Board of Sunways AG, expects this transaction to create substantial appreciation and growth potential: „By selling MHH Solartechnik GmbH, Sunways is concentrating on its core activities and creates additional growth potential. Sunways and BayWa will perfectly complement each other within the new project company as both firms already as of today rely on the sustainable quality and high efficiency of their products and services in an uncompromising and targeted manner. Our existing customers can also expect improvements with respect to the quality of our products and services as well as logistic services.“

Guenter Haug, Managing Director of MHH Solartechnik GmbH, added: „Under the roof of the financially strong trading specialist BayWa, we will be ideally positioned to contribute our expertise and longstanding experience and at the same time gain access to new markets. In this context, we will continue to rely on the proven high-quality components of Sunways.“

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This press release is also available on www.sunways.de.

About Sunways

Sunways AG, Konstanz/Germany, stands for consistent use of solar energy to secure long-term energy supply of man in an efficient and sustainable manner. Sunways offers technological competence, performance and highest quality – from single components to complete solar systems.

Since its foundation in 1993, Sunways AG evolved into a technology leader in the photovoltaics industry serving international markets. With silicon-based solar cells, inverters, solar modules and solar systems, the company offers all components required for high-yield photovoltaic power generation. With photovoltaic solutions tailored to customers' needs (transparent and coloured solar cells, in buildings integrated photovoltaic installations), Sunways makes exceptional ideas reality.

Sunways AG has own branch offices in Barcelona/Spain and Bologna/Italy; subsidiaries of the company are Sunways Production GmbH in Arnstadt/Germany as well as MHH Solartechnik GmbH in Tübingen/Germany (distribution of components, layout of complete photovoltaic installations).

The shares of Sunways AG are listed at the Frankfurt Stock Exchange (SWW, ISIN DE0007332207). In 2008, Sunways realised sales of about € 260 million. About 400 employees are working in the group.

For further information, please visit www.sunways.de.

Forward-looking statements

This press release contains statements relating to the future business development of Sunways AG that are based on management assumptions and estimates made at the time of publication. Should the assumptions underlying the prognoses fail to be fulfilled, actual events may vary substantially from forward-looking statements. Uncertainties include changes in the political, legal, economic and business environment, exchange and interest rate fluctuations as well as the behaviour of competitors and other market participants. Sunways does not intend and is not under any obligation to update forward-looking statements on an ongoing basis as these are exclusively based on the circumstances prevailing as of the date of publication.

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