



NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, JAPAN.

FOR IMMEDIATE RELEASE

This announcement is an advertisement and not a prospectus and investors should not subscribe for or purchase any shares referred to in this announcement except on the basis of information in the prospectus to be published by PV Crystalox Solar PLC in due course in connection with a listing on the London Stock Exchange (the "Prospectus"). Copies of the Prospectus will, following publication, be available from the Company's registered office and the offices of Norton Rose, 3 More London Riverside, London SE1 2AQ.

9 May 2007

PV CRYSTALOX SOLAR PLC
(‘PV Crystalox Solar’ or the ‘Group’ or the ‘Company’)

INITIAL PUBLIC OFFERING AND INTENTION TO LIST ON THE LONDON STOCK EXCHANGE

PV Crystalox Solar PLC, one of the world's leading independent developers and producers of solar-grade silicon products for solar electricity generation systems, today announces its intention to proceed with an initial public offering of its ordinary shares (the ‘Offer’) which are intended to be admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange.

JPMorgan Cazenove has been appointed as sponsor to the Company and global co-ordinator and sole Bookrunner in relation to the offer. Jefferies International Limited has been appointed as co-lead manager.

PV Crystalox Solar

- PV Crystalox Solar, initially established in the UK in 1982, is a highly specialised supplier to the world's leading solar cell manufacturers, producing multicrystalline silicon ingots and wafers for use in solar electricity generation systems. The Group was one of the first to develop multicrystalline technology on an industrial scale, setting the industry standard for ingot production.
- PV Crystalox Solar manufactures silicon ingots in Oxfordshire, United Kingdom, with the majority of its output shipped to Japan, where it is sold either as ingots or as wafers after processing by a sub-contractor. The balance of the Group's ingots are processed into wafers for European customers at the Group's facilities in Erfurt, Germany. The German operation is constantly developing the Group's wire saw technology for the production of thinner wafers.
- The global photovoltaic (‘PV’) industry has benefited substantially from policies designed to limit carbon emissions and encourage the generation of energy from renewable sources. The global PV market, measured by the power output of PV

systems installed annually has increased significantly over the last five years. In September 2006 the European Photovoltaic Industry Association predicted the level of annual installations to increase to 5,550 MW in 2010.

- PV Crystalox Solar has strong, long-established relationships with major solar cell manufacturers, including Sharp and Schott Solar. The Group does not compete with its customers and is therefore able to work closely with them to improve wafer quality and minimize costs.
- By focusing purely on the production of solar-grade silicon products, the Group benefits from the higher margins available to companies in the upstream of the photovoltaic value chain, where there are fewer competing manufacturers and higher barriers to entry.
- PV Crystalox Solar has an established record of delivering strong financial performance. The Group recorded revenues of €242m for the year ended 31 December 2006, an increase of 32% (31 December 2005: €183m) and a 56% increase in Group pre-tax profits to €49m (31 December 2005: €31.3m)
- In 2006 the Group produced silicon wafers and ingots corresponding to a solar electricity generation capacity of 215 MWp. As at the end of 2006 the Group had available production capacity equivalent to 288 MWp and employed around 200 staff.

Iain Dorrity, Chief Executive Officer, PV Crystalox Solar said:

“PV Crystalox Solar has a long and successful history as one of the world’s leading manufacturers of solar-grade silicon products. Over the last five years we have been consistently profitable, trebling our sales and continuing to grow our margins. We look forward to listing on the London Stock Exchange, which we believe will further enhance our ability to grow the business.”

Strategy

PV Crystalox Solar intends to strengthen its position as a leading independent supplier of solar-grade silicon ingots and wafers to the solar cell industry and to reinforce the strong growth in turnover and profits that it has experienced in recent years. To achieve this, the Group is seeking to capitalise on the expected growth of the overall market for solar-grade silicon products, utilising in particular its technology strengths in ingot and wafer production. The Company’s strategy includes the following core elements:

- focus on reducing operating costs;
- maintaining flexibility in production;
- working closely with customers and suppliers; and
- construction and development of new polysilicon plant.

Proposed polysilicon production facility

The Group is proposing to build its own polysilicon production facility in Germany to secure an additional source of feedstock. The Directors believe that in-house polysilicon production will provide greater flexibility in sourcing its silicon feedstock. PV Crystalox Solar expects the facility to commence operation in 2009 with an initial planned production volume of 900 metric tonnes in that year, rising to 1,800 metric tonnes in 2011. The Group believes the new facility will provide the following advantages:

- access to a reliable and flexible source of supply under its own control;
- enhanced co-ordination of silicon specifications with its crystallization requirements;
- support for the Group's cost leadership in silicon products; and
- the ability to scale up from the initial planned production levels as required.

The Group currently obtains its silicon feedstock from a variety of sources and the new facility will secure a low-cost source of supply for future silicon feedstock requirements from 2009.

The Directors believe that construction of the facility will require fixed capital investment of approximately €80 million. Subject to fulfilling certain conditions, the Group is eligible for government grants of €20 million, to be used for the construction of the facility.

Summary of the Offer

- The Offer is expected to be completed in early June 2007
- The Offer is expected to consist of an offering of new Ordinary Shares, which will help fund the construction and development of the proposed polysilicon production facility in Germany and to fund the continuing growth of the Group
- It is also expected that some existing shares will be sold by current shareholders
- The offer will be made to institutional investors in the UK and elsewhere outside the United States

For more information contact:

PV Crystalox Solar plc

Iain Dorrity, Chief Executive Officer

Peter Finnegan, Chief Financial Officer

Dr Hubert Aulich, Executive Director, German Operations

Tel: + 44 (0)1235 770 044

Tel: +49 (0)361 600 8512

JPMorgan Cazenove

Nick Garrett

Alex Yule-Smith

Tel: +44 (0)20 7588 2828

Gavin Anderson & Company

Kate Hill

Robert Speed

Ken Cronin

Tel: +44 (0)20 7554 1400

Notes to Editors:

CHAIRMAN AND DIRECTORS' BIOGRAPHIES

Maarten Henderson (Non-executive Chairman) (58 years)

Mr Henderson graduated in economics from Hamburg University. He started his career at Philips in 1972, where he held various commercial and financial positions, ending as Member of the Board of Management and CFO of Philips Kommunikations Industrie AG in 1996. After that, he was CFO and Member of the Board of Management of Schmalbach-Lubeca AG from 1996 to 1999, of KPN N.V. from 2000 to 2004, and of Nuon N.V. from 2004 to 2006. In 2006, he worked for Debitel AG as interim CFO. In February 2007, he was appointed CFO of Getronics N.V.

Dr. Iain Dorrity, Chief Executive Officer (54 years)

Dr. Dorrity has a PhD in Physical Chemistry from Exeter University. Dr. Dorrity joined PV Crystalox Solar in 1986 and became responsible for sales and marketing in 1988. He was a member of the MBO team that acquired the PV Crystalox Solar business in 1994 and was appointed to the boards of both Crystalox Limited and Crystalox Solar Limited at that time. Following the merger of PV Silicon and Crystalox Solar he became a member of the management board of PV Crystalox Solar AG in 2002 and a director of the Company on its formation in December 2006. Dr. Dorrity has over twenty-five years experience in crystal growth and semiconductor materials with an emphasis latterly on multicrystalline silicon technology. Prior to joining PV Crystalox Solar Dr. Dorrity spent eight years working in research in industry with General Electric Company.

Dr. Hubert Aulich, Executive Director, German Operations (62 years)

Dr. Aulich has a PhD in Physical Chemistry from NYU, New York City, USA. Dr. Aulich founded PV Silicon in 1997. In 2002 he became a member of the board of PV Crystalox Solar AG. Prior to founding PV Silicon, Dr. Aulich worked for Siemens Solar Group. Dr. Aulich joined the Central Research Laboratories of Siemens AG where he worked in various positions in the field of optical fibre communication and photovoltaics. He was Managing Director at PV Electric, a joint venture of Siemens Solar GmbH, Germany, and Arco Solar, USA. In 1992 he became Managing Director at Siemens Solar GmbH where he was responsible for technology of thin film and crystalline silicon solar cells. He was Senior Vice President for Technology and Research for the Siemens Solar Group responsible for research and development in thin film and crystalline silicon solar cells as well as for systems application for Germany, USA and Japan.

Dr. Peter J. Finnegan (DBA, MBA, FCMA), Chief Financial Officer (56 years)

Dr. Finnegan has a Doctorate in Corporate Finance from Henley Management College, an MBA from Manchester Business School and is a Fellow of the Chartered Institute of Management Accountants. Dr. Finnegan became Company Secretary of PV Crystalox Solar in 1985 whilst he was Financial Director of its holding company Elkem (Holdings) Limited, and was appointed to the board of both Crystalox Solar Limited and Crystalox Limited in 1994. He was appointed as a director of the Company on its formation in December 2006. Dr. Finnegan has overall Group responsibility for finance, accounting, planning, financial control, legal matters and investor relations. Prior to joining the Group he worked for a number of large international manufacturing companies in various positions including Chief Accountant, Company Secretary and Financial Director.

John Sleeman (Non-executive Director) (57 years)

Mr Sleeman graduated in physics from the University of Durham. He started his career at Deloitte & Touche where he qualified as a Chartered Accountant before moving to HSBC Investment Bank. During his time at HSBC he held various corporate and project finance advisory roles, ending as Managing Director, Head of International Team, Corporate Finance, from 2000 to 2003. During that time he held directorships with a number of companies within the HSBC group. After that, he was an adviser to Emerging Markets Group, specialising in structured financial solutions and strategic advice. Mr Sleeman is currently an independent director of OSJC Power Machines and JSC Open Investments. He is a partner of S.P. Angel Corporate Finance LLP, an appointed representative of S.P. Angel & Co. Limited, which is authorised by the FSA and is a member of the London Stock Exchange.

This announcement and the information contained herein is not for publication, distribution or release in, or into, directly or indirectly, the United States, Canada, Australia, Japan or to US persons. The information contained herein does not constitute an offer of securities for sale in any jurisdiction, including in the United States, Australia, Canada, Japan.

This announcement, for which PV Crystalox Solar and its directors are solely responsible, has been approved by JPMorgan Cazenove solely for the purpose of section 21 of the Financial Services and Markets Act 2000.

JPMorgan Cazenove, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for PV Crystalox Solar and no one else in connection with the proposed offering referred to in this announcement (the "Offering") and will not be responsible to any other person for providing the protections afforded to their respective clients or for providing advice in relation to the Offering.

This announcement does not constitute a recommendation concerning the Offering. The value of securities can go down as well as up. Past performance is not a guide to future performance. Potential investors should consult a professional adviser as to the suitability of any Offering for the individual concerned.

The securities under the Offering are not being registered under the United State Securities Act of 1933, as amended and may not be offered or sold in the United States or to or for the account or benefit of US persons (as such terms are defined in Regulation S under such Act) absent registration or an exemption from registration.