

**S.A.G. Solarstrom AG**

Sasbacher Straße 5

79111 Freiburg i.Br.

German Security Identification No.: 702100

International Securities Identification No. (ISIN): DE0007021008

Offer to the

Holders of the (partial) convertible bond

6.85% convertible bond of 2007/2010 of S.A.G. Solarstrom AG, Freiburg

ISIN: DE000A0TGEV3 and ISIN: DE000A0SMLC8 and ISIN: DE000A0Z1U68 with regard to changing the conditions of the convertible bond (extension of term up to July 29, 2012).

S.A.G. Solarstrom AG, Freiburg, as the issuer of the 6.85% p.a. convertible bond 2007/2010, ISIN DE000A0TGEV3 and ISIN: DE000A0SMLC8 and ISIN: DE000A0Z1U68, divided into up into 20,000 partial convertible bonds issued in the name of the holder, offers the holders of these partial convertible bonds (called: "the bondholders" below) a change in the conditions of the convertible bond, such that the term of the convertible bond is extended up to July 29, 2012 at an interest rate of 6.25% p.a. during the extension period:

The term of the convertible bond is currently limited to July 29, 2010. S.A.G. Solarstrom AG offers the bondholders an extension of the term up to July 29, 2012 (inclusive). If the convertible bond is extended, the interest rate will be 6.25% p.a. from July 30, 2010 (6.85% p.a. from July 29, 2010). All other convertible bond conditions remain unaffected.

The following individual provisions of the convertible bond conditions will be reworded as follows if the offer to extend the term of the convertible bond conditions is accepted:

**§ 2 Term and Interest Rate**

1. The term of the convertible bond commences on 07/30/2007 and terminates on 07/29/2012 inclusive ("term").
2. The interest rate will be 6.85% during the period between 07/30/2007 and 07/29/2010 and 6.25% p.a. during the period between 07/30/2010 and 07/29/2012 if the convertible bond is not paid back beforehand or the conversion privilege has not been exercised effectively in law. If the conversion privilege is exercised according to § 4, the interest will only be paid on the respectively reduced amount of the bond. Interest will be paid on 07/30 of each year.
3. [No changes]
4. [No changes]

5. [No changes]

### § 3 Repayment and Termination

1. The issuer is obliged to pay back the convertible bonds on 07/30/2012, if they have not been converted, at the outstanding nominal value. The point of payment in this case is the Bankhaus Neelmeyer AG. The custodian banks receive a credit advice for their customers via their account at the Clearstream Banking AG. The issuer commits to provide security for the repayment claims of the holders of convertible bonds by pledging their payment claims from the issue of the convertible bond to the point of payment.
2. [No changes]
3. [No changes]
4. [No changes]

### § 4 Conversion Privilege

1. The holders of the convertible bonds have the irrevocable right, according to these conditions of the convertible bond, to convert each convertible bond in the nominal amount of €500 into 195 (one hundred and ninety-five) common bearer shares of S.A.G. Solarstrom AG with a proportionate amount of the share capital of €2.56 respectively, without any additional payment ("conversion privilege"). The conversion privilege can be exercised such that in the years 2008 to 2009 only the conversion privilege of 1/3 of the convertible bond can be exercised each year, in other words, in 2008, a partial amount of €166.40 can be converted into 65 common bearer shares for each convertible bond in the nominal amount of €500, and in 2009 a further partial amount of €166.40 can be converted into 65 common bearer shares for each convertible bond in the remaining nominal amount of €333.60 and in 2010 the remaining amount of €167.20 can be converted into a further 65 common bearer shares. If the conversion privilege is not exercised in one of the years, it can be exercised additionally in the subsequent year. From 2010, the conversion privilege can be exercised each year in the full remaining nominal amount. Holders of convertible bonds who have not yet exercised their conversion rights at this time will have the option of converting up to two partial amounts, each in the amount of €166.40, into 65 common bearer shares each. Both partial amounts can be converted in the same conversion period. Holders of convertible bonds who have exercised their conversion rights for the amount of one partial amount of €166.40 up to now will also have the option of converting a further partial amount of €166.40 into 65 common bearer shares. Holders of convertible bonds who have exercised their conversion rights for one partial amount of altogether €332.80 will have the option of converting the respective convertible bond in the remaining nominal amount of €167.20 into 65 common bearer shares. If the issuer announces special conversion periods according to § 4 Paragraph 3, they can define the scope of the respective possible conversion differently; however, a reduction in the annual conversion right is not possible.
2. [No changes]
3. The conversion right can only be exercised within the conversion periods defined below ("conversion periods"):
  - a) On each third Frankfurt bank working day after the company's regular annual general meeting and the following 9 Frankfurt bank working days in the years 2008-2012;
  - b) [No changes]

However, in the conversion periods, the conversion right cannot be exercised:

- between the day on which the issuer publishes an offer to purchase new shares or bonds with conversion or option rights on shares of the issuer in the electronic Bundesanzeiger (Federal Gazette) and the end of the last Frankfurt bank working day of the subscription period;

- on days that are not Frankfurt bank working days.

Conversion declarations that are received by the conversion agents (§ 4.5) in the periods on which conversion is not permitted are considered to be submitted and received on the next day on which the exercise of conversion rights is permitted.

4. *[No changes]*

5. *[No changes]*

6. *[No changes]"*

(The changed passages are set in italics and underlined)

The offer can only be accepted **up to June 25, 2010**. If you as a holder of one or more partial convertible bonds would like to accept our above offer for an extension of the term of these partial convertible bonds, we would ask you to send your original signed Declaration of Acceptance (not a copy) to your custodian credit institution by this date.

Freiburg im Breisgau, June 2010

S.A.G. Solarstrom AG  
The Executive Board

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**Declaration of Acceptance**

Acceptance of the offer to extend the term of the 6.85% p.a. convertible bond of 2007/2010 of S.A.G. Solarstrom AG, Freiburg, ISIN: DE000A0TGEV3 and ISIN: DE000A0SMLC8 and ISIN: DE000A0Z1U68 up to July 29, 2012 at an interest rate of 6.25 % p.a.

I/We hereby accept the offer by S.A.G. Solarstrom AG, detailed above, to extend the term up to July 29, 2012 for

- \_\_\_\_\_ partial convertible bonds in the nominal amount of €500.00 each (ISIN: DE000A0TGEV3),
- \_\_\_\_\_ partial convertible bonds in the nominal amount of €333.60 each (ISIN: DE000A0SMLC8),
- \_\_\_\_\_ partial convertible bonds in the nominal amount of €167.20 each (ISIN: DE000A0Z1U68),

and thus partial convertible bonds in the total nominal amount of € \_\_\_\_\_

at an interest rate of 6.25 % p.a.. We agree to the adjustments in the convertible bonds conditions, as detailed above.

Company: \_\_\_\_\_

First name: \_\_\_\_\_

Last name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Date of birth (natural persons) \_\_\_\_\_

Nationality and location of headquarters: \_\_\_\_\_

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Place, dated

Signature

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