



Solel Signs Major Deal for Thermal Receivers for California Solar Fields

Solel Technology Generates Up To 30% More Thermal Output than Existing Solar receivers

BET SHEMESH, ISRAEL - June 11, 2006 - Solel Solar Systems Ltd., a world leader in solar thermal technology for central power generation, announced today that it has signed a contract with FPL Energy, LLC, Under the terms of the contract, Solel will supply FPL Energy with its latest third-generation thermal receivers/conduction units for re-powering the Solar Electric Generating Systems (SEGS III-VII), jointly owned and managed with its partner Carlyle/Riverstone. The financial terms of the agreement have not been disclosed.

The agreement between Solel and FPL Energy guarantees the continuous supply of thermal receivers/conduction units to FPL Energy as it has done for the last 10 years and after evaluating the performance of several thousand units installed in the SEGS fields, in the Mojave Desert, California.

Solel's solar thermal receiver is the most technologically advanced heat-collecting element for parabolic troughs. The receivers significantly reduce operation and maintenance (O&M) costs and increase thermal output by 30%, when compared to the original units.

“This agreement is a further validation of the decade-long relationship between Solel and FPL Energy that has helped generate clean, efficient power in California,” said Avi Brenmiller, CEO of Solel. “This order will further enrich the solar power-generating capacity of the SEGS fields and help to reduce the reliance on oil-based fuels for heating, cooling and powering residential, commercial and industrial markets.”

This current deal with FPL Energy, for the supply of 48,000 advanced solar thermal receivers / conduction units, is an important contribution to Solel's total order book, which currently stands at an approximate value of US\$80 million, received during the past 6 months, for installation in solar power plants in the USA and Spain.

About Solel Solar Systems Ltd.

Solel Solar Systems Ltd. is a leading provider of solar thermal core technology for central power generation. Solel's parabolic trough thermal technology transforms sunlight to high temperatures of up to 400° Celsius (752° Fahrenheit). This technology has been in operation at nine power plants in the SEGS solar fields in California's Mojave Desert, supplying 350MW of power for over 500,000 residents, thereby enabling a direct reduction in annual oil consumption of 2 million barrels. The recent integration of its advanced thermal receivers into the upgraded Solel #6 parabolic trough collector provides a total performance improvement of more than 50% over the existing version.

Founded in 1992, Solel currently employs 150 people at its headquarters and production plant in Israel. Solel is a privately held company with its US subsidiary, Solel, Inc., based in Nevada. In Spain, Solel is represented by PASCH Y CIA. For more information, please visit <http://www.solel.com>.