



For Immediate Release

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Solel to Build \$140M Manufacturing Facility For Solar Power in Spain

April 2, 2008 -- Solel Solar Systems Ltd. announced today a major expansion into Spain's fast growing solar energy market – a plan to build an integrated manufacturing facility for all solar field components at an investment of \$140M (€90 million).

Solel's new facility, to be built in Andalusia in southern Spain, will produce the key components for constructing solar fields, including its highly efficient Solel 6 parabolic trough solar collectors. The facility will enhance Solel's ability to supply complete solar fields to third-party developers of power plants. A solar field, the heart of a solar power plant, collects sunshine, concentrates it, and converts it into thermal heat used to generate electricity. The facility, which will begin production in 2009, will generate an estimated 350 jobs and will be completed by 2011.

Avi Brenmiller, CEO of Solel Solar Systems, presented the industrial strategy to Mr. Manuel Chaves, President of the Autonomous Government of Andalusia, and to the President of the Andalusian Parliament, the Minister for Innovation, Science and Technology and other Andalusian dignitaries.

"We are very proud to be building in Andalusia and are grateful to its government and to the Government of Spain for their commitment to alternative energy sources," said Brenmiller. "Through their forward looking policies, they are wisely bringing innovation as well as an abundance of new jobs to the region."

This development solidifies Solel's position as the world's leading solar thermal energy company. Solel has already announced a number of contracts for the supply of solar thermal technology to Spanish developers and has recently completed the re-supply of most of the solar receivers for the solar power plants under commercial operation in California's Mojave Desert. Solel's American division, Solel USA, is developing the world's largest solar project in California. In December 2007, the California Public Utilities Commission approved the project, which will supply 553 MW of solar thermal power to Pacific Gas and Electric Company.

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About Solel

Solel is the leader in solar thermal technology for solar systems and central power plants. Its unrivaled solutions set the global standard for utility solar plants as well as high temperature collectors. The Solel parabolic trough technology has proven itself commercially over two decades with the continuous production of 354 MW of utility scale power, helping California consumers reduce their annual oil consumption by two million barrels. In addition, Solel provides the key technology for new solar power plants in the U.S. and Spain. Solel's headquarters, manufacturing plant and R&D center are in Beit Shemesh, Israel, and it operates in the U.S. through its subsidiary, Solel USA. In Spain, Solel operates through its subsidiary, Solel Spain, and is represented for sales by Pasch Y CIA. For more information please visit: www.solel.com.