



SMA Solar Technology AG
Analyst / Investor Presentation
Quarterly Financial Report
January to September 2008

November 14, 2008



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1. Highlights





Q3 a blow-out quarter

- > Sales up by 140% to EUR 519m during first 9 months
 - > Strong international sales with 42% export quota
 - > Increased EBIT-margin to 25.4% during Q1 to Q3
 - > Rocket EPS with EUR 2.71
 - > Clean balance sheet without refinancing needs
 - > Expansion of production capacity on track
 - > Part of the TecDax since September 22, 2008
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- ▶▶ SMA raised full year sales target to EUR 650 – 690m and profitability target to 23 – 25% ⁽¹⁾

(1) Former target: EUR 580 – 640m; EBIT-margin c. 23%

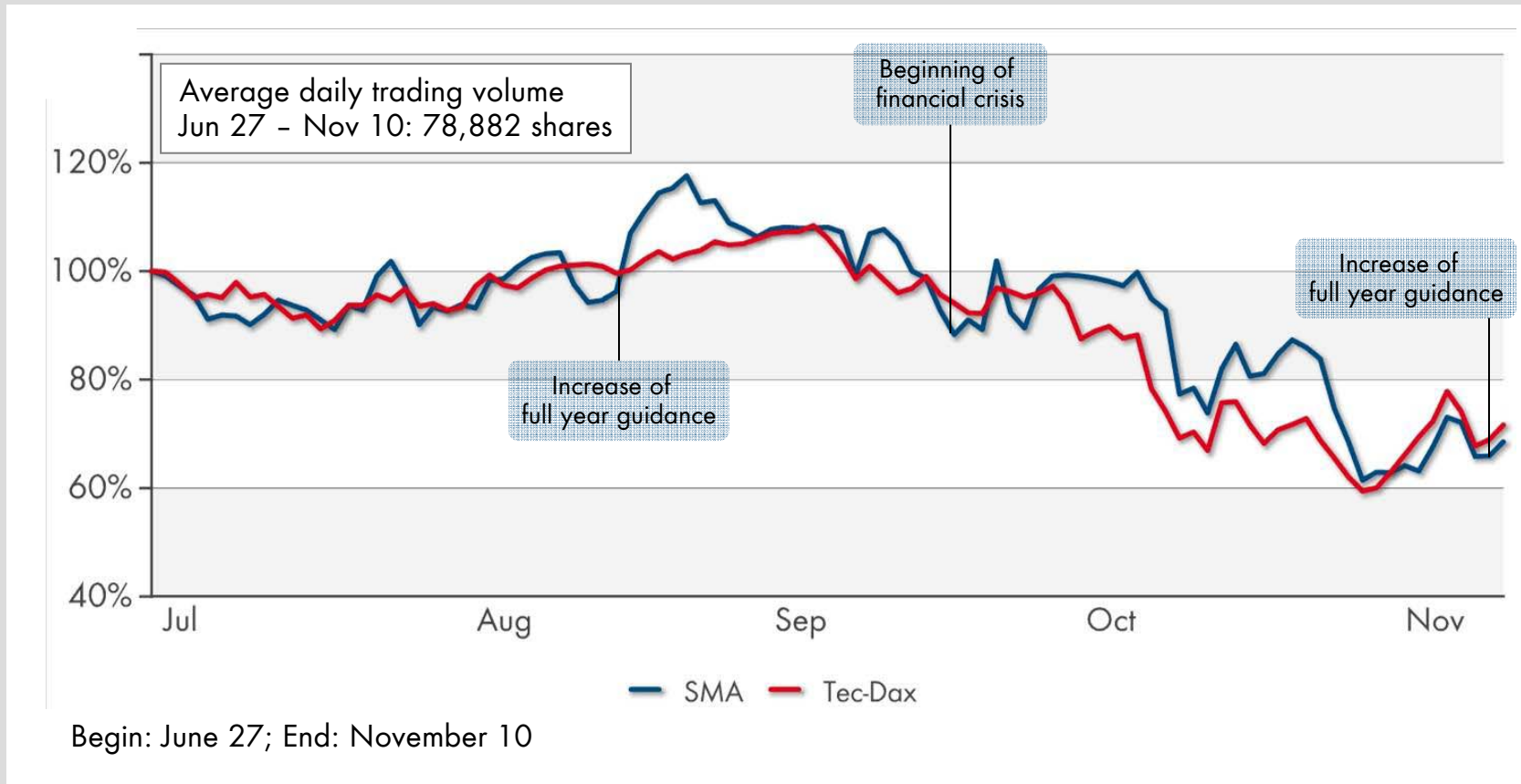


SMA is rock solid

(€m)	Jan – Sep 2007	Jan – Sep 2008	Changes
MW sold	607	1,666	+175%
Revenues	216.5	519.3	+140%
Export Ratio	28%	42%	
Gross profit	82.8	198.3	+140%
as % of revenues	38.2%	38.2%	
EBIT	38.2	131.8	+245%
as % of revenues	17.6%	25.4%	
Net Income	23.4	94.0	+302%
as % of revenues	10.8%	18.1%	
EPS (34.7 million shares)	0.67	2.71	+305%



As a newcomer to the stock market the SMA stock performed well in a difficult market environment



▶▶ SMA's major shareholders have no intention to sell shares

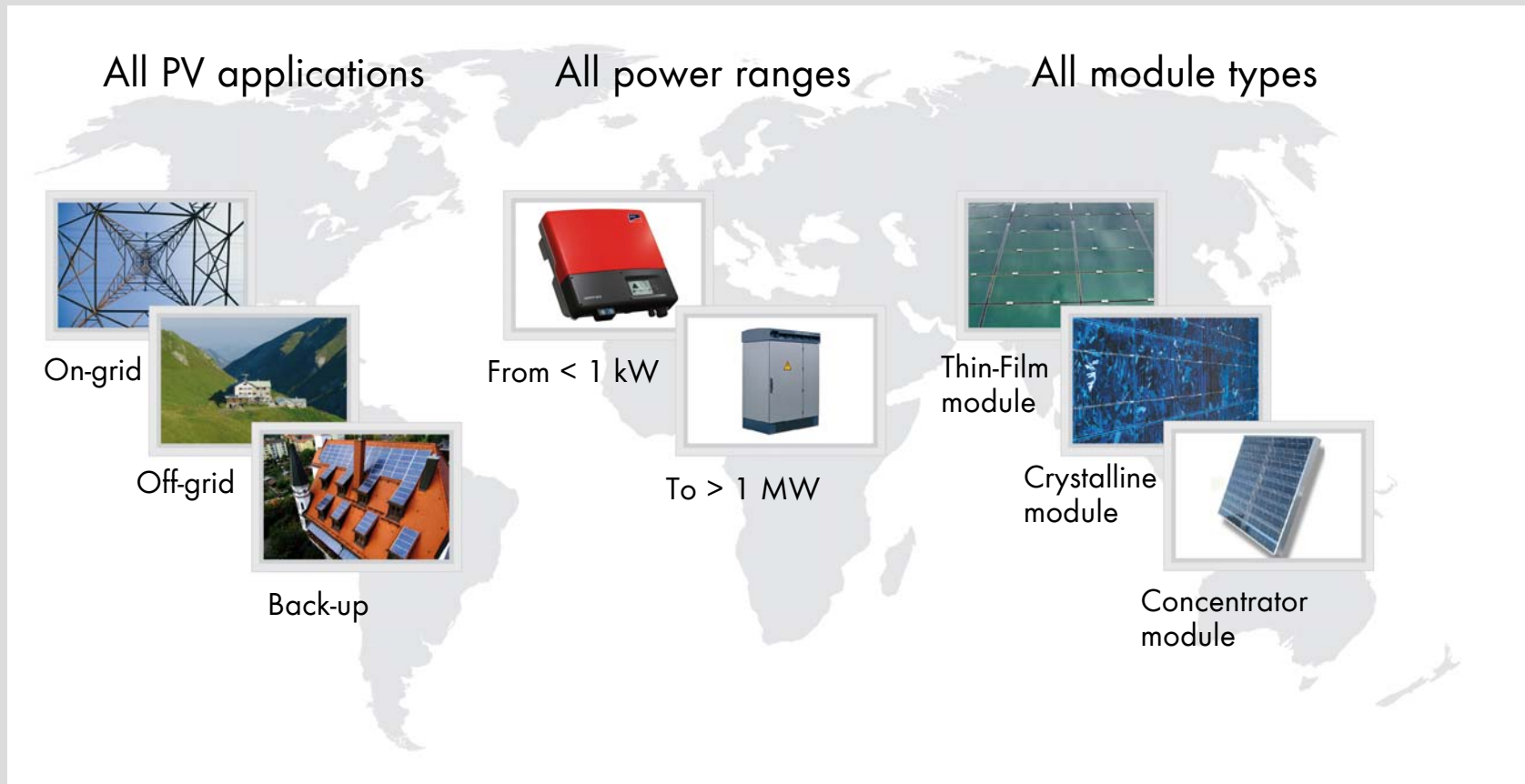


2. Equity Story





SMA – offering a comprehensive inverter product range and serving all market segments



▶▶ Our positioning is key success factor for 2009



Every PV-system requires an inverter

Market segmentation



Residential <5kW



Back-up



Commercial <250kW



Off-Grid



Industrial >250kW



Monitoring

SMA product families

SUNNY ISLAND



SUNNY BOY/SUNNY MINI CENTRAL



SUNNY TOWER



SUNNY BACKUP-SYSTEM



COMMUNICATION PRODUCTS



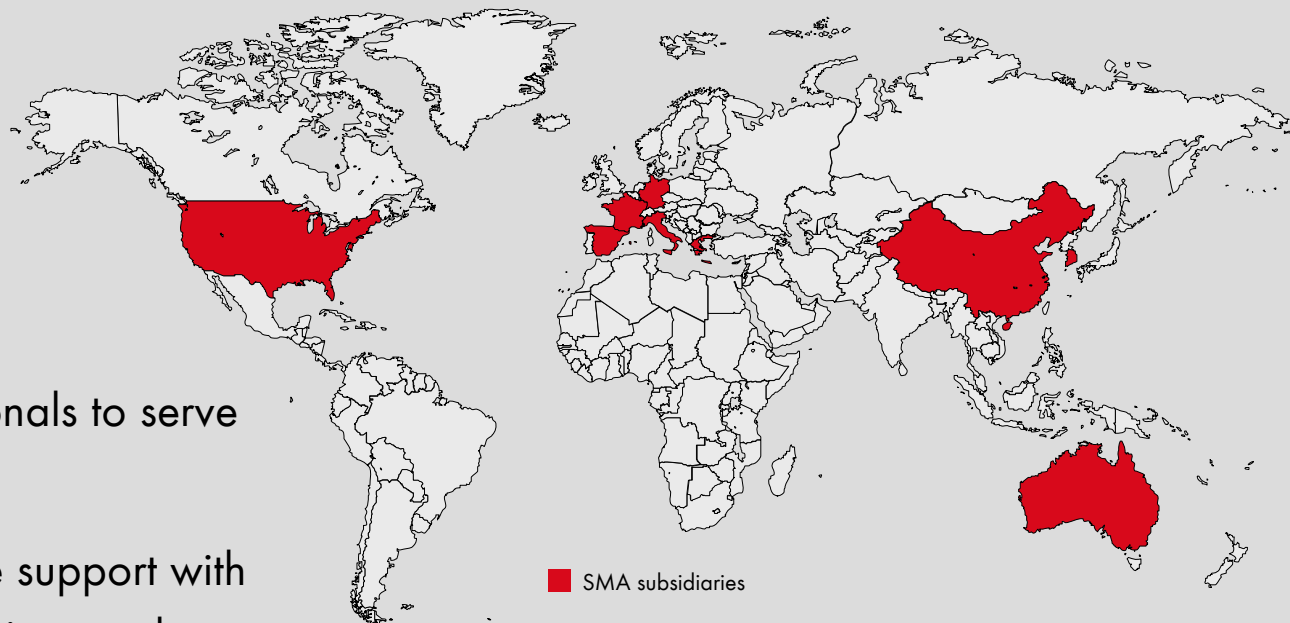
SUNNY CENTRAL



▶ SMA has technology-leading inverter for each solar application – world wide



SMA has direct exposure to the global PV-market



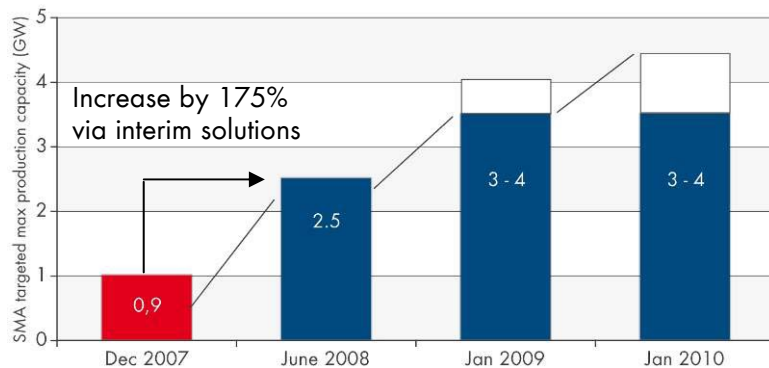
- > 170 sales professionals to serve customers locally
- > World wide service support with more than 180 service employees

▶▶ SMA aims to be the first mover in upcoming solar markets

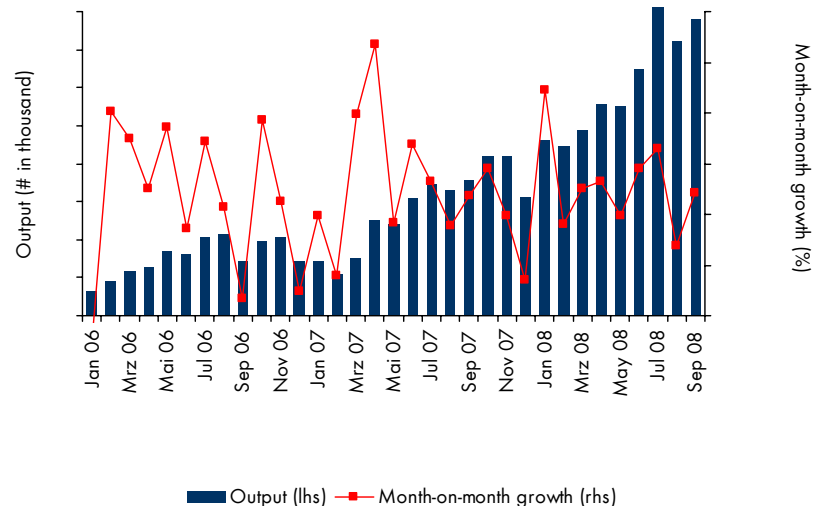


Flexible business model to protect profit margin

SMA annual production capacity



Production output Sunny Boy/Sunny Mini Central



> Interim solutions will be transferred to new production plant during Q1 2009

> Flexibility through outsourcing, time accounts and temporary workers

▶▶ SMA has a proven track record in adjusting production to market demand

3. Recent Developments





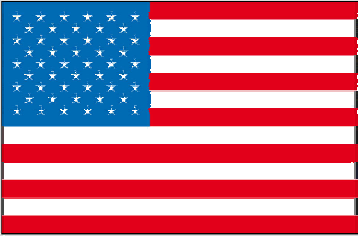
Expansion of SMA's production capacity on track



- > "Topping-Out" ceremony on August 15, 2008
 - > CO₂ neutral inverter factory with 3-4 GW capacity
 - > Interim solutions will be transferred to new plant Q1 2009
(no business interruption expected)
- ▶▶ Further expansion of production in North America scheduled in 2010



New regulations in key markets in place



- > Investment tax credit (ITC) to businesses and residential customers against the cost of a PV-installation
- > US-Senate and House of Representatives extended ITC for another 8 years, removed cap of USD 2,000 for residential solar applications and allowed utilities to make use of ITC.



- > New Royal Decreto has a cap of 500 MW for 2009 (460 MW 2010)
- > Roof-top installations will play an important role in the future (2009: >50%)

» The recent changes support the residential and commercial pv-market

4. Markets





SMA's sales 2009 are directly linked to the solar market development

- > All key markets have incentive programs in place that guarantee attractive returns
 - > SMA expects a strong growth in module supply for 2009
 - > At current, it is impossible to quantify the impact of the financial crisis
 - > However, SMA is best positioned to serve all markets, all power ranges and all module technologies
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- ▶▶ Due to our customer-friendly delivery time of c. 3 weeks our visibility is limited



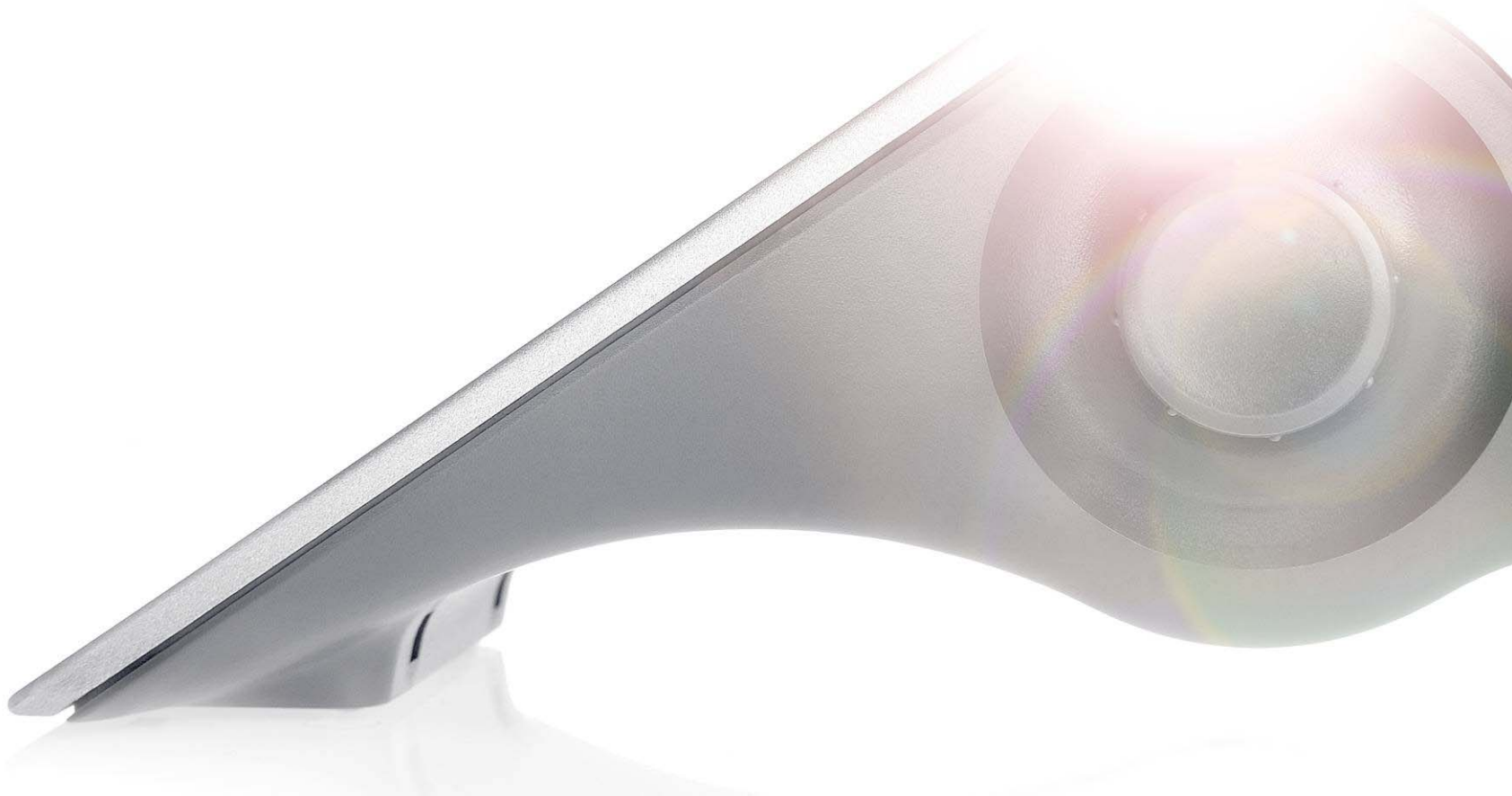
The world PV-market will grow in 2009

Markets	Estimated Vol. 2008 in MW ⁽¹⁾	Estimated Segmentation in 2008 ⁽¹⁾			Estimated Growth 2009 ⁽¹⁾
		Res.	Com.	Indust.	
Germany	>2,200				
Spain	1,400				
Rest of Europe	>350				
Japan	250	?	?	?	
USA	400				
Rest of World	>500				
Total	>5,100				

► We are confident that Europe and the USA will be main drivers 2009

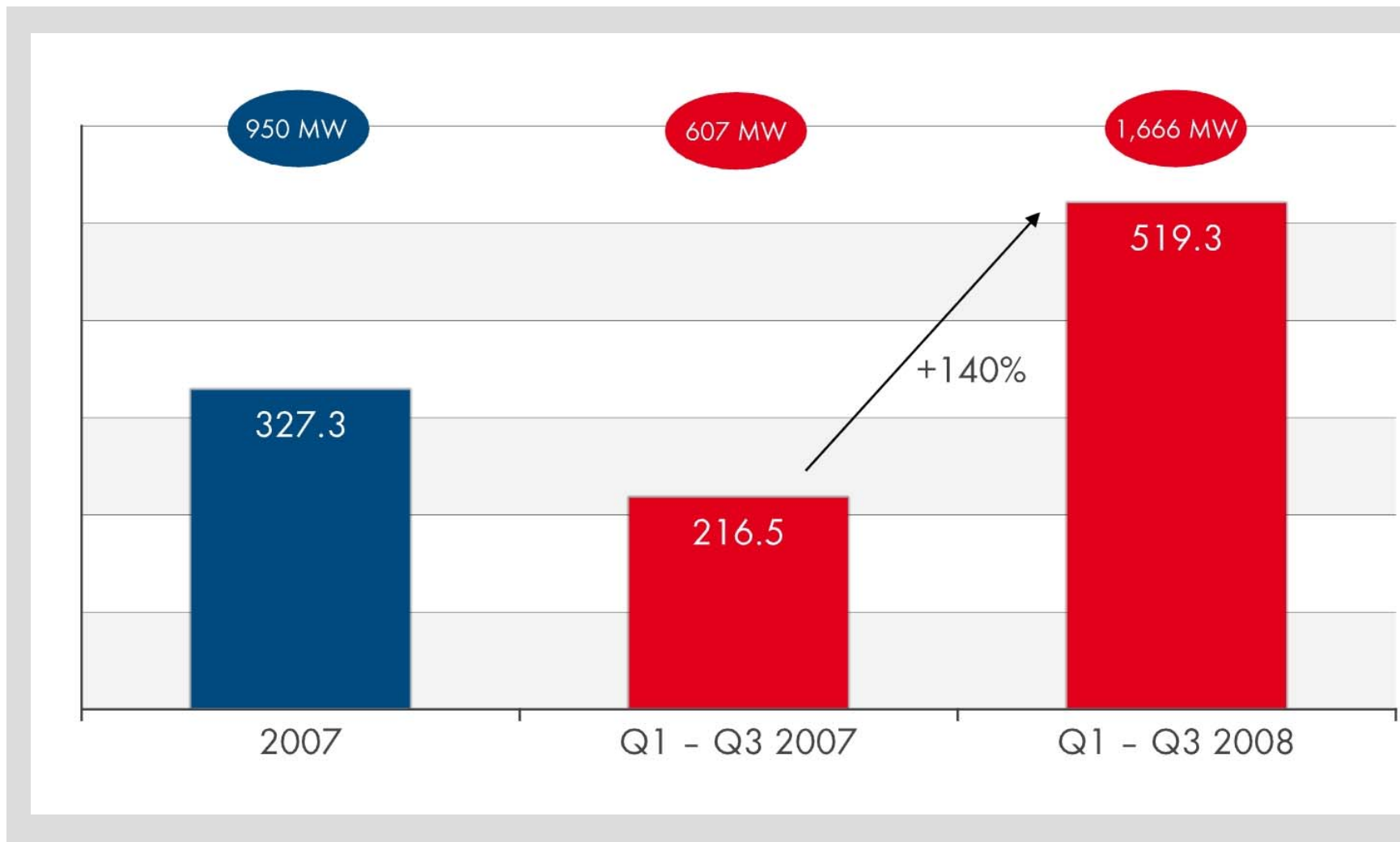
(1) SMA estimation

5. Financials





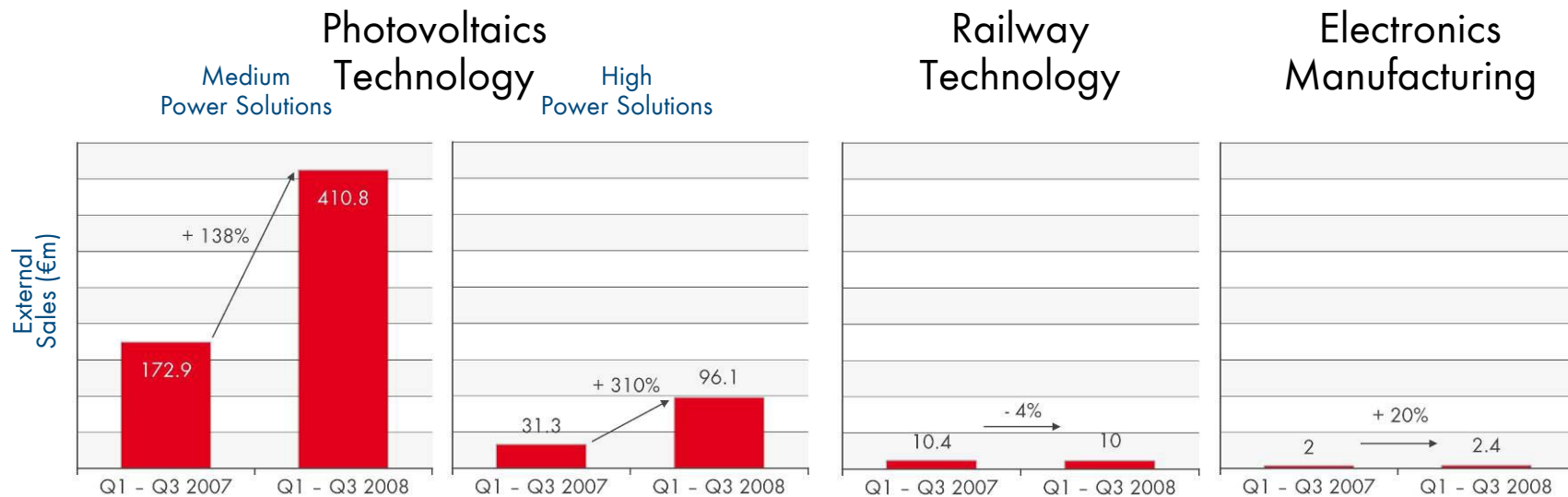
Group sales increased to €519m during Q1 - Q3 2008



Numbers in million Euro



Medium Power Solutions is driving the group's growth



Total Sales ⁽¹⁾ (€m)	178.8	423.5	33.2	97.8	18.4	17.8	52.2	113.4
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Highlights

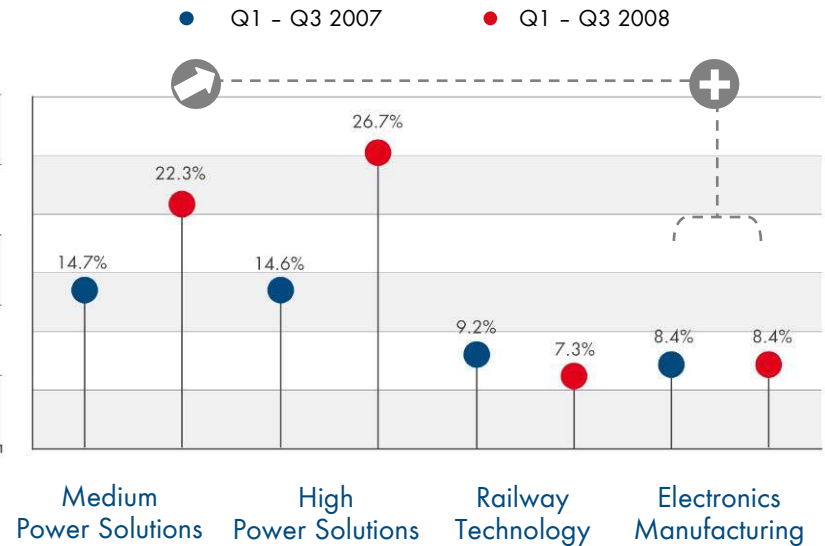
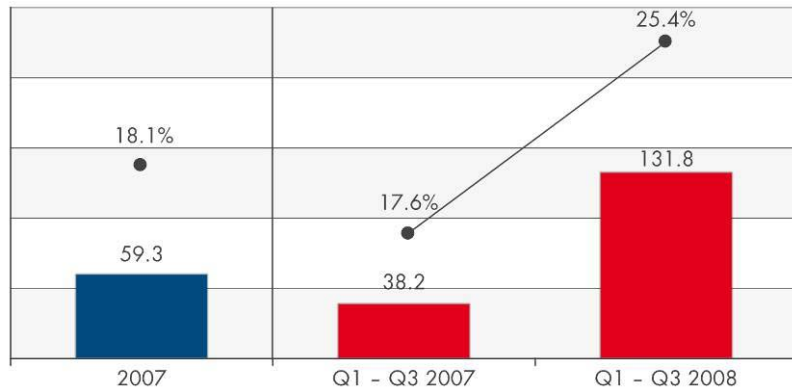
- > Sunny Boy and Sunny Mini Central inverters are equally strong in sales
- > Germany accounts for 66% of sales during first 9 months
- > Top Sellers are Sunny Mini Central 7000HV and 8000TL as well as Sunny Boy 3300 and 5000TLNG
- > Spain accounts for 50% of sales during first 9 months
- > Sunny Central 100 and 500 were Top Sellers

Note: (1) Incl. internal sales.



EBIT margin increased to 25.4% during Q1 - Q3 2008

EBIT development (€m and as % of sales)



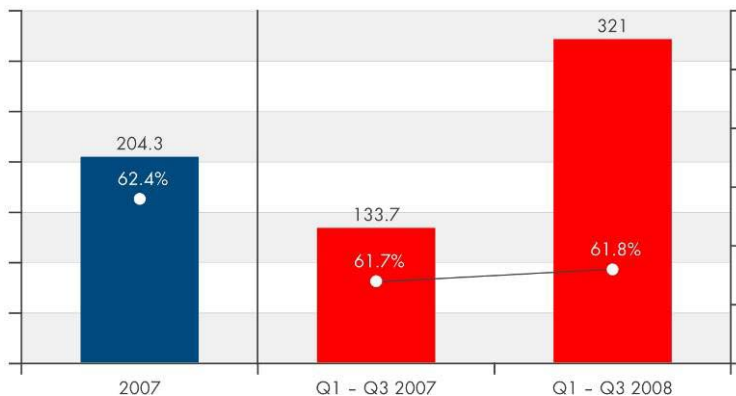
> Electronics Manufacturing acts as internal supplier for MPS- segment

Note: (1) In unconsolidated HGB financial statements extraordinary effects of €(9.7)m in 2007. Note that in IFRS there is no equivalent line item. For illustrative purposes only, if HGB extraordinary effects were added back to IFRS EBIT, such adjusted EBIT would amount to €69.0m in 2007 and EBIT margin would have been 21.1% in 2007. Q1-Q3 2007 and Q1-Q3 2008 adjustments would have been € 5.5 m (20.2 % EBIT-margin) and € 5.4 m (26.4%)

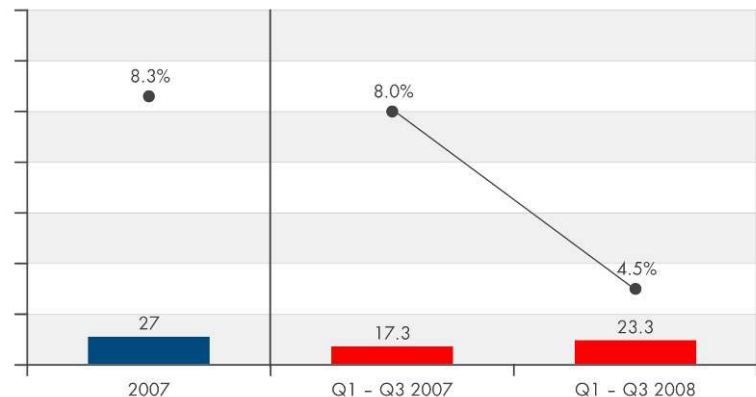


Scale effects are key driver for margin improvement

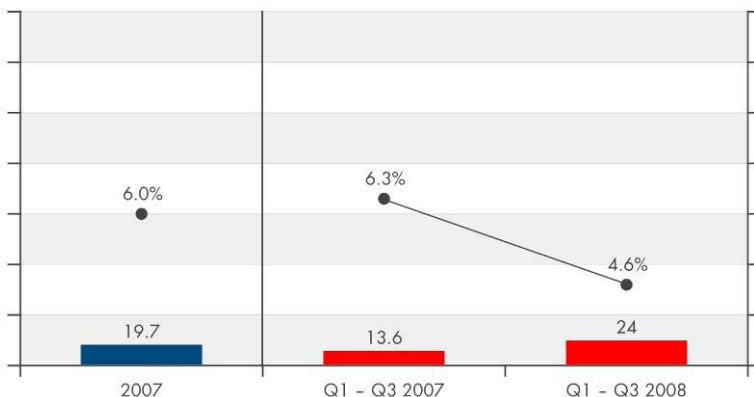
COGS (€m and as % of sales)



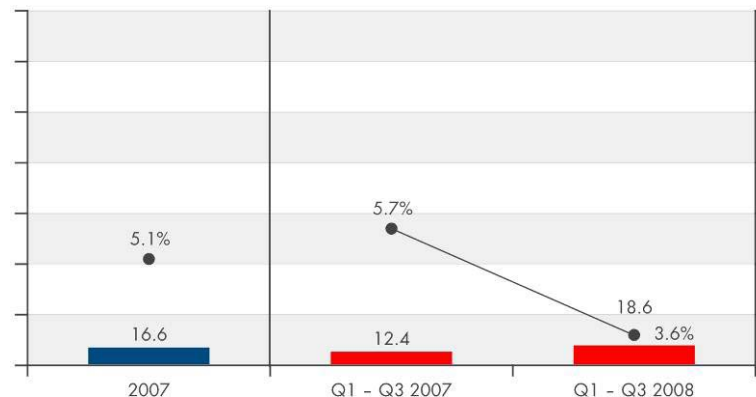
Selling expenses (€m and as % of sales)



R&D expenses (€m and as % of sales)



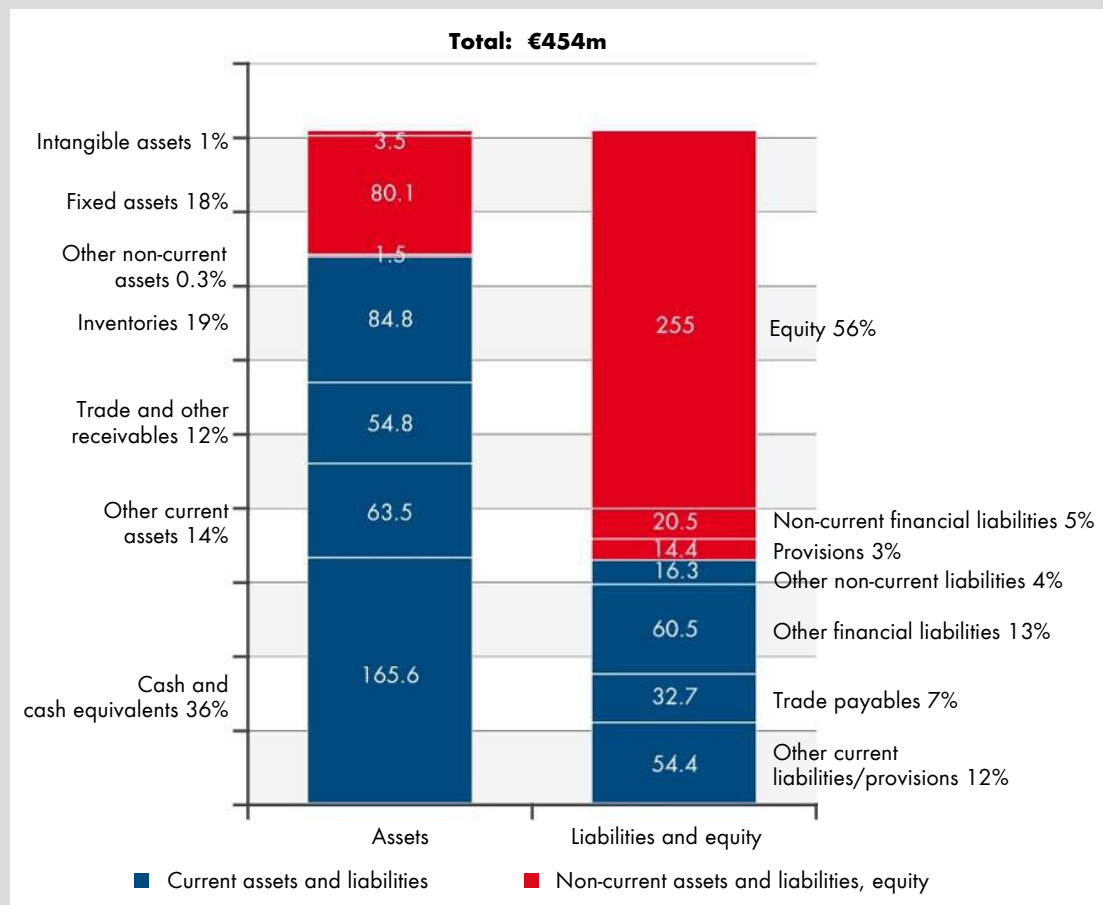
G&A expenses (€m and as % of sales)





SMA has no refinancing needs

Major balance sheet items



> CapEx of EUR 44.5m mainly for new production plant

> Cash is invested in money market funds

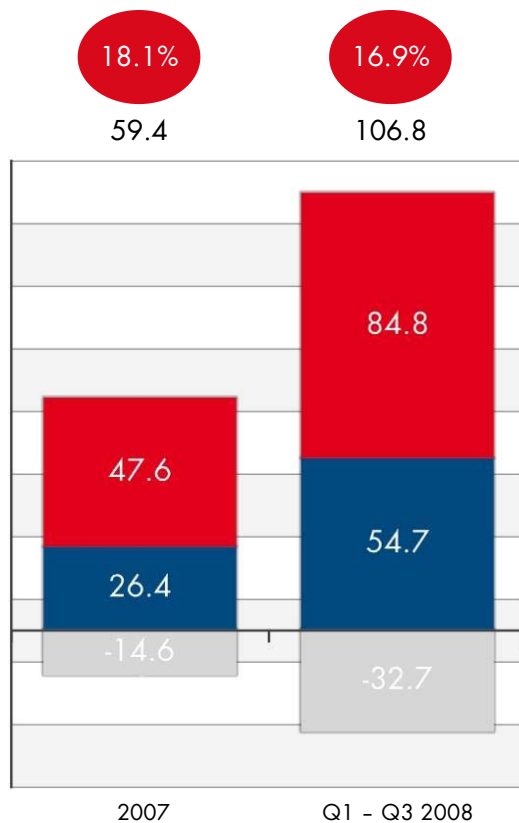
> Solid balance sheet



Net Working Capital under control despite strong growth

Net Working Capital⁽¹⁾ (€m and as % of LTM⁽²⁾ sales)

as % of
LTM sales



■ Trade and other receivables ■ Inventories ■ Trade payables

Note: (1) Working capital defined as trade and other receivables, inventories, less trade payables.
(2) LTM = last twelve months

6. Summary





Positioning is key for 2009

- > Strong financials during first 9 months 2008
 - > Increased sales to EUR 519m and EBIT-margin to 25.4% during Q1 - Q3 2008
 - > Clean balance sheet without refinancing needs in coming years
 - > Increased sales target for 2008 to EUR 650m - 690m and profitability target to 23 - 25%

- > Optimistic outlook for 2009
 - > Estimates for 2009 are very difficult and with a high degree of uncertainty
 - > All key markets have attractive and sustainable incentive programs in place and thus guarantee stable returns
 - > SMA expects a higher module availability in 2009
 - > Due to customer-friendly delivery times limited visibility



SMA is best positioned for 2009

Technology leadership

Up to 6 new products per year

Flexibility

No significant margin impact within production capacity corridor (1:2)

Global sales and service

60% export in 2010

Low capital intensity and high profits

High EBIT Margin

All markets, all power ranges, all module technologies

SMA will maintain its market share in 2009



7. Appendix





Visit our new IR website <http://www.ir.sma.de>

> Financial Calender

- > November 21, 2008: Conference Forum Solarpraxis, Berlin
- > February 25/26, 2009: LBBW Photovoltaik Konferenz, Zurich
- > March 11/12, 2009: Commerzbank Conference Growth & Responsibility, Frankfurt/Main
- > March 31, 2009: Publication Annual Report 2008
Press Conference on Annual Results, Frankfurt/Main
Analyst Conference Call
- > April 1, 2009: Capital Markets Day, SMA/Niestetal

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