



Disclaimer

IMPORTANT LEGAL NOTICE

This presentation does not constitute or form part of, and should not be construed as, an offer or invitation to subscribe for, underwrite or otherwise acquire, any securities of SMA Solar Technology AG (the "Company") or any present or future subsidiary of the Company (together with the Company, the "SMA Group") nor should it or any part of it form the basis of, or be relied upon in connection with, any contract to purchase or subscribe for any securities in the Company or any member of the SMA Group or commitment whatsoever.

All information contained herein has been carefully prepared. Nevertheless, we do not guarantee its accuracy or completeness and nothing herein shall be construed to be a representation of such guarantee.

The information contained in this presentation is subject to amendment, revision and updating. Certain statements contained in this presentation may be statements of future expectations and other forward-looking statements that are based on the management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those in such statements as a result of, among others, factors, changing business or other market conditions and the prospects for growth anticipated by the management of the Company. These and other factors could adversely affect the outcome and financial effects of the plans and events described herein. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements which speak only as of the date of this presentation.

This presentation is for information purposes only and may not be further distributed or passed on to any party which is not the addressee of this presentation. No part of this presentation must be copied, reproduced or cited by the addressees hereof other than for the purpose for which it has been provided to the addressee.

This document is not an offer of securities for sale in the United States of America. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933 as amended.



Despite drop in sales SMA generated a positive EBIT before accrual for personnel adjustments and consolidation of Zeyversolar in Q1-Q3 2013

- > 4.0 GW inverter output sold (-32.6%)
- > €709 million in sales, thereof 40.3% from project business. Decline in sales (-40.7%) mainly due to a slow market development and accelerated price pressure
- > 69.3% (Q1-Q3 2012: 53.4%) of sales outside Germany underpins SMA's unique global footprint
- > Adj. EBITDA¹ of €47 million (Q1-Q3 2012: €164) despite strong decline in sales; this equals 6,6% of sales (Q1-Q3 2012: 13.7%)
- > Net Working Capital ratio² increased to 32.4% as of LTM sales due to international business, postponed projects and the integration of Zeyversolar
- > Net Capex amounted to €44 million (Q1-Q3 2012: €81 million), including €18 million for capitalized R&D projects (Q1-Q3 2012: €15 million)³
- > Solid balance sheet structure with equity ratio of 57.7% and net cash of €300 million
- > SMA increased the majority shareholding in Zeyversolar to 89.2%

▶▶ SMA set new sales and earnings forecast for 2013 and 2014.⁴

1. Q3 2013: Before accrual for personnel restructuring charges of €20 million
2. New NWC-ratio forecast 2013: 24% - 28% as of LTM sales (old NWC-ratio forecast 2013 22% - 26% as of LTM sales)
3. New Capex forecast 2013: €60 million (old Capex forecast 2013: €80 million)
4. Sales 2013: €0.9 - €1.0 billion, EBIT 2013: €-80 to €-90 million (old sales 2013: €0.9 - €1.3 billion, old EBIT 2013: break even in best case before restructuring charges); Sales 2014: €1.0-€1.3 billion, EBIT 2014: €-0 to € 20 million



Negative Free Cash Flow due to drop in earnings, increased working capital and poor performance of Zerversolar business

	January – September 2012	January – September 2013	Changes
MW sold	5,870	3,959	-32.6%
Sales	1,196	709	-40.7%
Adj. EBITDA ¹	164	47	-71.5%
Net Income /-loss	81	-22	-127.2%
Net Capex	81	44	-45.7%
Adj. Free Cash Flow ²	13	-75	n.a.
Net Cash	426	300	-29.6%
NWC ratio	20.6%	32.4%	

►► SMA initiated different measures to reduce Net Working Capital and restructure Zerversolar until end of 2014.

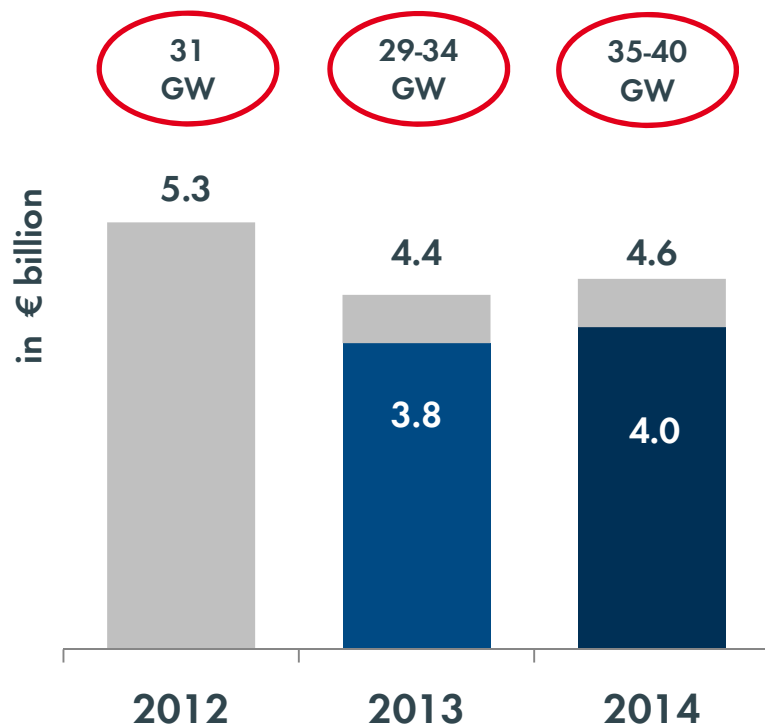
2. Highlights



Volume growth in the global PV-inverter market is mainly driven by strong demand in Asia and North America



Global PV Inverter Market¹



Comment

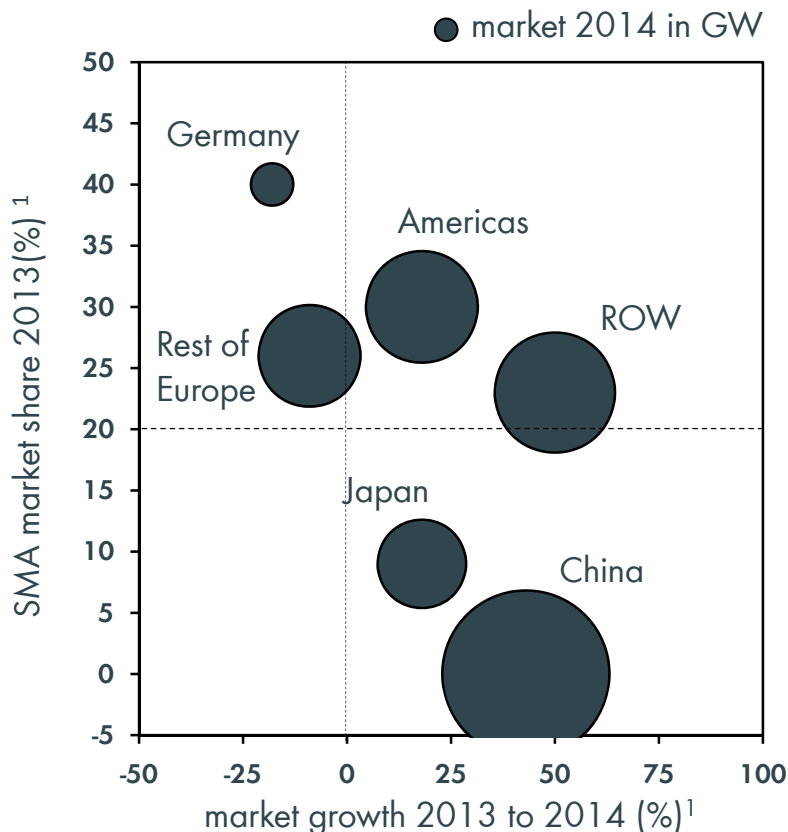
- > Global demand is mainly driven by subsidy programs
 - > High volatility and high market fragmentation
 - > Increased protectionism (e.g. local content, certification, etc.)
- > Unsubsidized markets will gain momentum in the mid-term
 - > New markets and customer groups
 - > Different investment rationale

▶▶ The value of the global PV-inverter market will increase in the best case scenario in 2014.

SMA's global market share is impacted by the regional shift in demand – China and Japan have high market entry barriers



Market Share & Development¹



Comment

- > SMA maintained its strong position in Europe due to innovative products for residential and commercial applications
- > SMA is clearly the market leader in North America mainly due to its superior turn-key solution for utility-scale solar projects
- > SMA entered the Japanese solar market and is the most successful international inverter brand in Japan
- > SMA acquired Zerversolar to gain access to the fast growing Chinese solar market

▶▶ **SMA's dual brand strategy (SMA / Zerversolar) will help the SMA group to serve the entire solar market – from the solution business to the value segment.**



SMA Smart Home and e-mobility for more independence

SMA Smart Home



Strong cooperations for e-mobility



Customer benefits

- > **Easy to use** – the Sunny Home Manager can be accessed via PC or smart phone
- > **Intelligent planning for automatic load control** – using local weather forecasts to predict PV power generation
- > **Storage integration** – through the integration of battery storage into the intelligent energy management, self-consumption can be maximized
- > **Future-proof** – to enable seamless integration of various components and electrical vehicles in the intelligent energy management system, SMA works closely with renowned manufacturers



New sales channels to increase market penetration

New Sales Channel with IKEA (UK)



- > Customers will be able to buy PV systems with SMA inverters Sunny Boy HF series at each of the UK's 17 IKEA stores
- > IKEA offers a full service package, including consultation and design service as well as installation, maintenance and on-going monitoring of the PV system

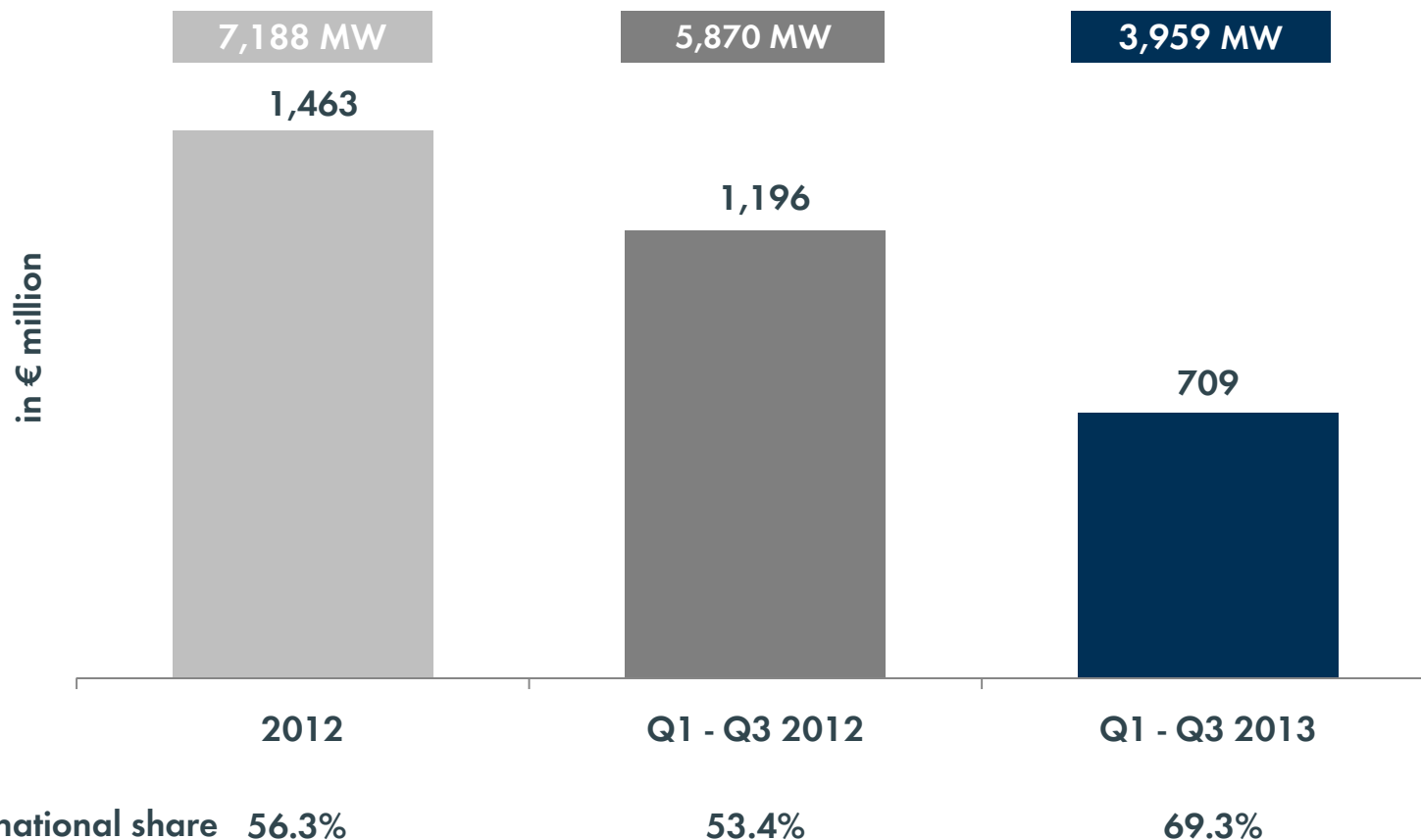
New Sales Channel with RWE (GER)



- > Customers will be able to buy PV systems with SMA inverters Sunny Boy 2100 TL and Sunny Boy 5000 TL via RWE
- > RWE offers a full service package, including consultation and design service as well as installation, maintenance and on-going monitoring of the PV system



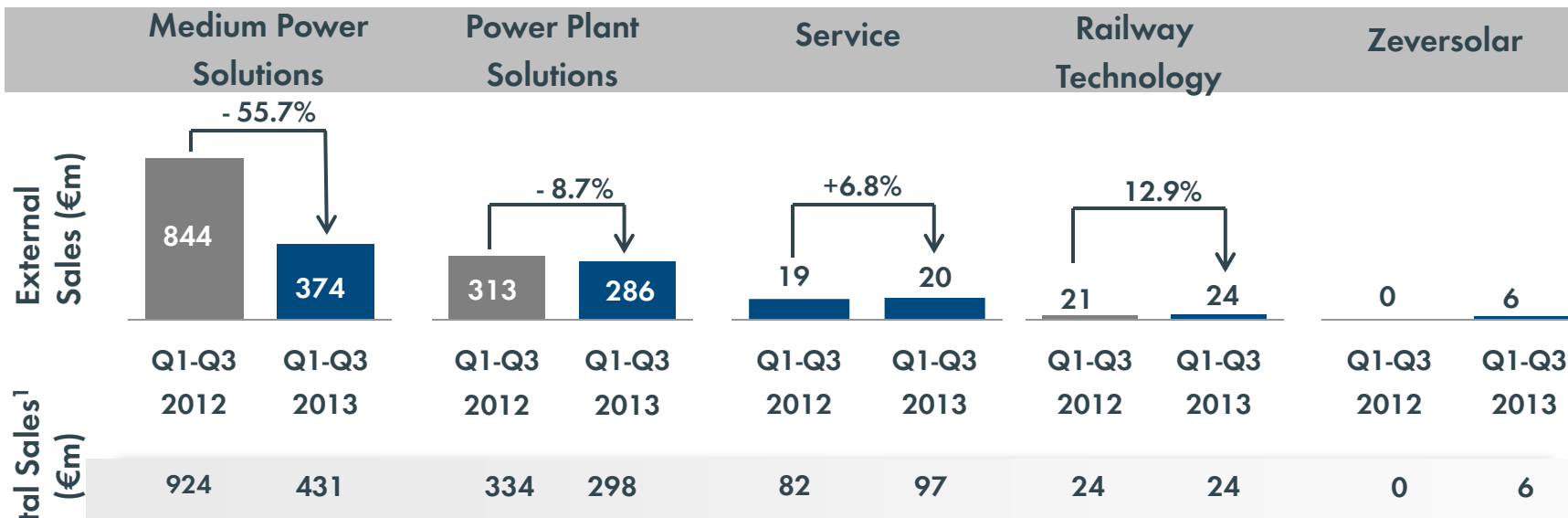
Project business partly compensated declined distribution business



▶▶ Nearly 80% of lower end of forecast already reached by end of Q3.



Sales affected by changes in European market environment

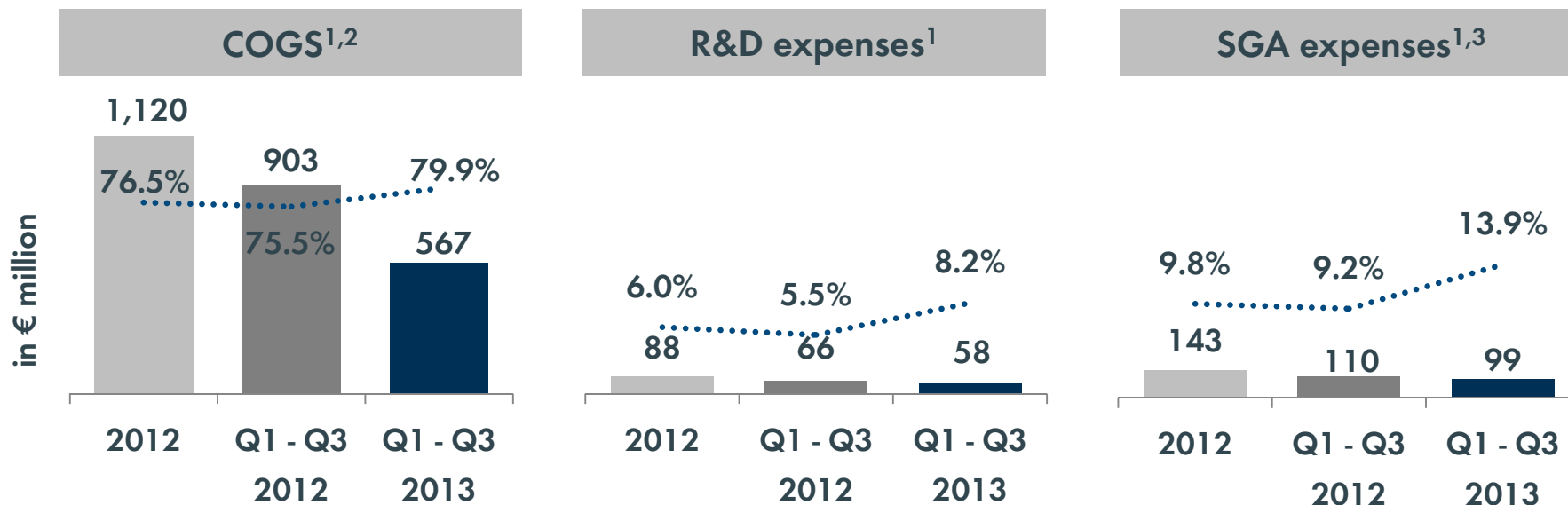


9 months - Highlights

- > Q1 - Q3 2013 sales figures were impacted by subsidy cuts
- > Key sales drivers were the Sunny Tripower as well as Sunny Boy
- > Important international markets were the U.S., Australia and Benelux countries
- > SMA is a bankable and trustworthy partner for utility-scale PV projects
- > SMA offers turn-key solution from the DC feeders to the medium voltage collection loop
- > PPS benefitted from strong foreign business
- > Most important markets were North America, Japan and Thailand
- > Commissioning of solar plants, repair and maintenance contracts were main sales drivers
- > Most important markets were European PV-markets, U.S. and Thailand
- > Railway Technology increased its global footprint with a subsidiary in Brazil
- > Most important markets were Europe and Brazil
- > Business in China started slowly in Q1 - Q3 2013
- > Sales were almost exclusively generated within China



Cost out measures of more than €130 million within the first nine months



- > Ongoing measures to boost productivity and savings in material costs could not compensate for the strong decline in sales
- > Material expenses accounted for 67.2%; personnel expenses for 18.7% and other expenses for 14.1%

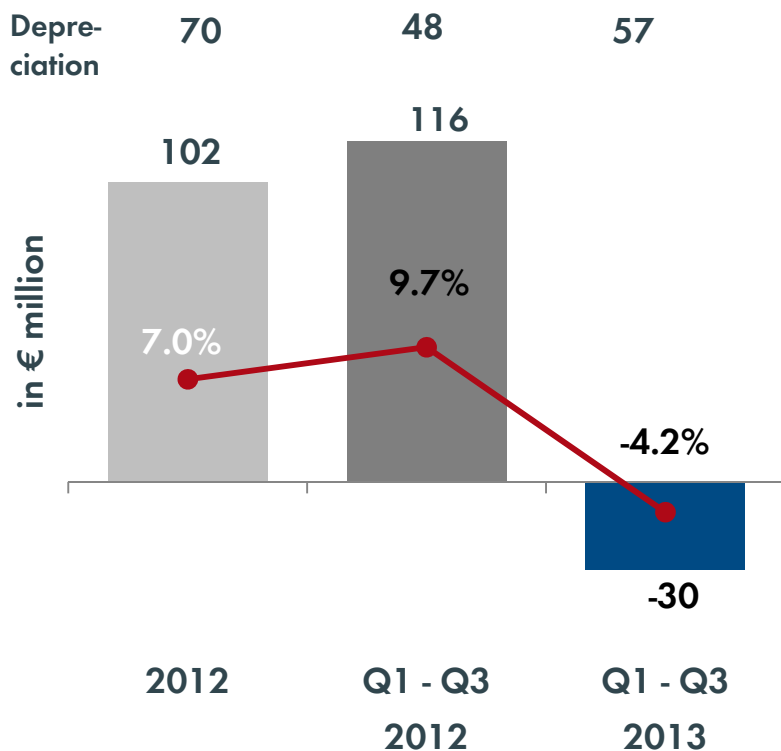
- > SMA invested €76 million in R&D in the first nine months 2013 (incl. capitalized R&D projects)
- > SMA further expanded development co-operations and intensified the measures to protect intellectual property
- > Reduction in R&D expenses result of a decrease in personnel expenses (Bonus for employees and reduced head counts) and other expenses

- > Reduction in SGA expenses result of a decrease in personnel expenses (bonus for employees and reduced head counts) and other expenses

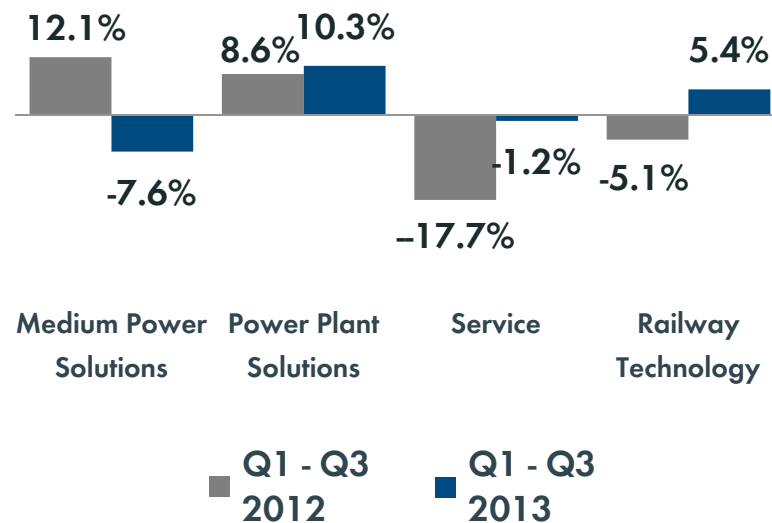


Without consolidation of Zeyversolar and one-offs SMA reached a break even result during the first nine months of the year

EBIT and EBIT margin SMA Group



EBIT margin by segment¹

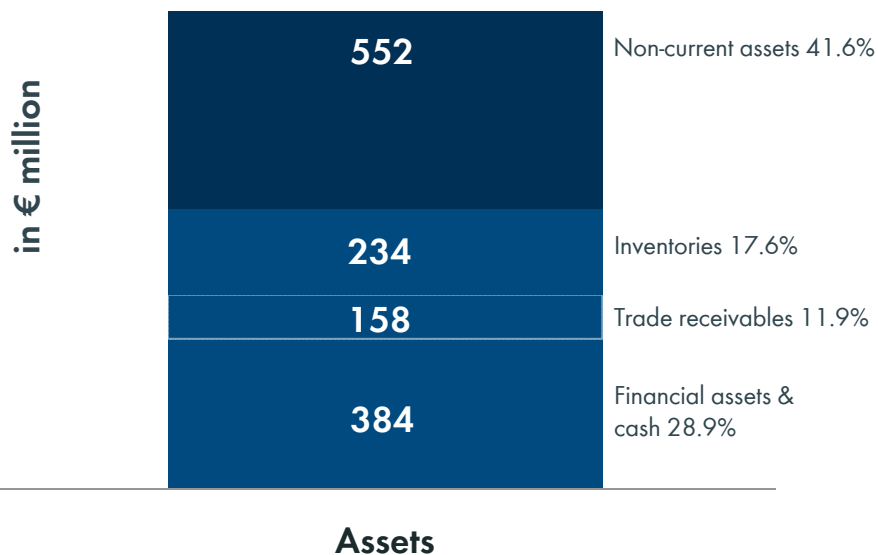


▶▶ One time effects amounted to €20 million.

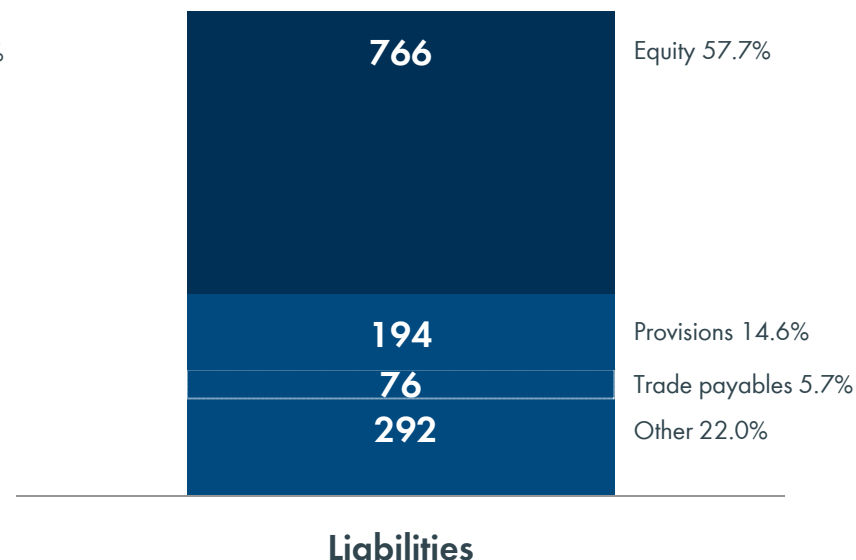


SMA is a bankable partner with an equity ratio of 58%

Σ €1,328 million



Σ €1,328 million

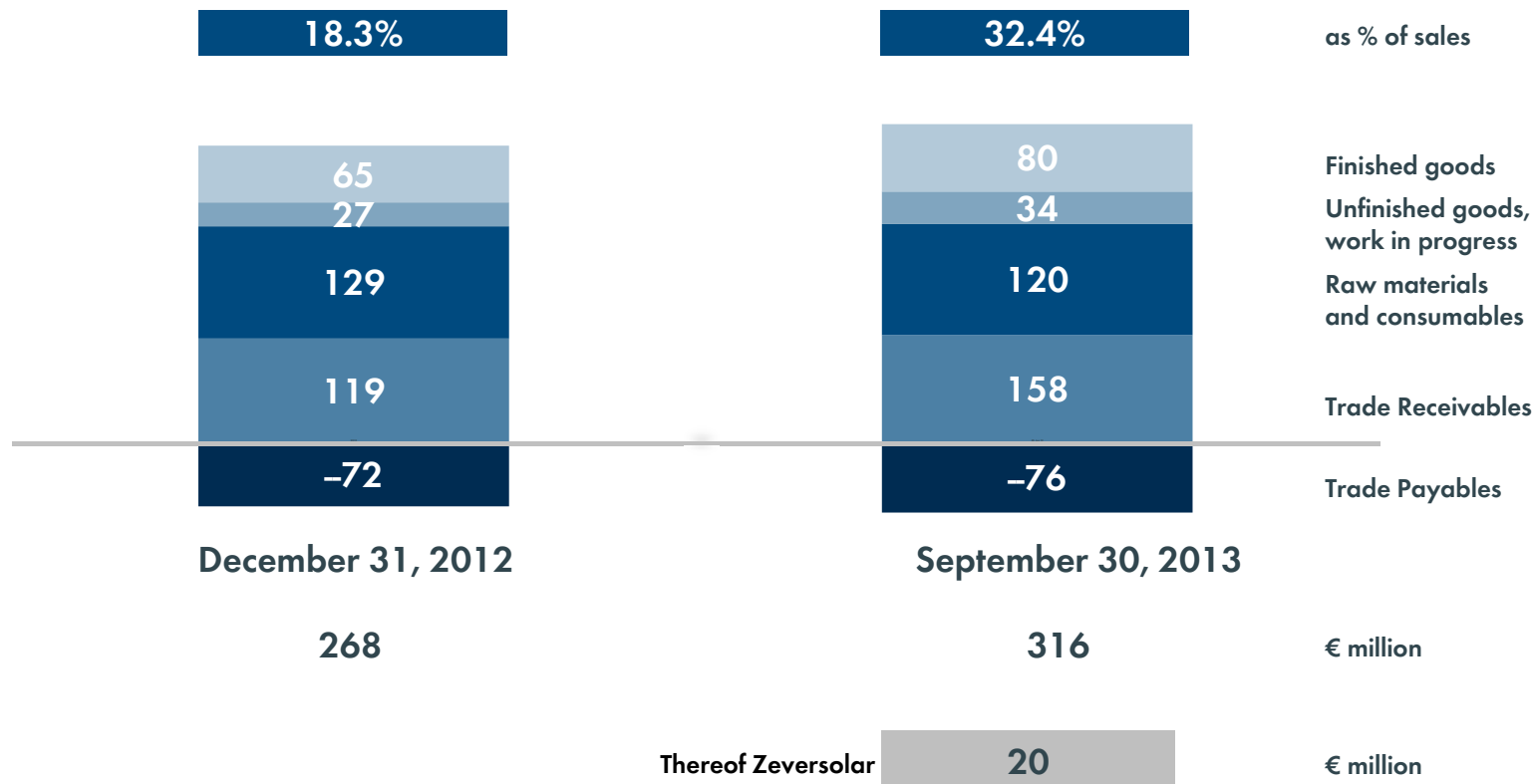


▶▶ Net cash amounted to €300 million at the end of September 2013.



Net Working Capital ratio¹ increased to 32.4% as of LTM sales due to international business, postponed projects and integration of Zeversolar

Net Working Capital²



▶▶ SMA set up measures to reduce Net Working Capital until the end of 2014.



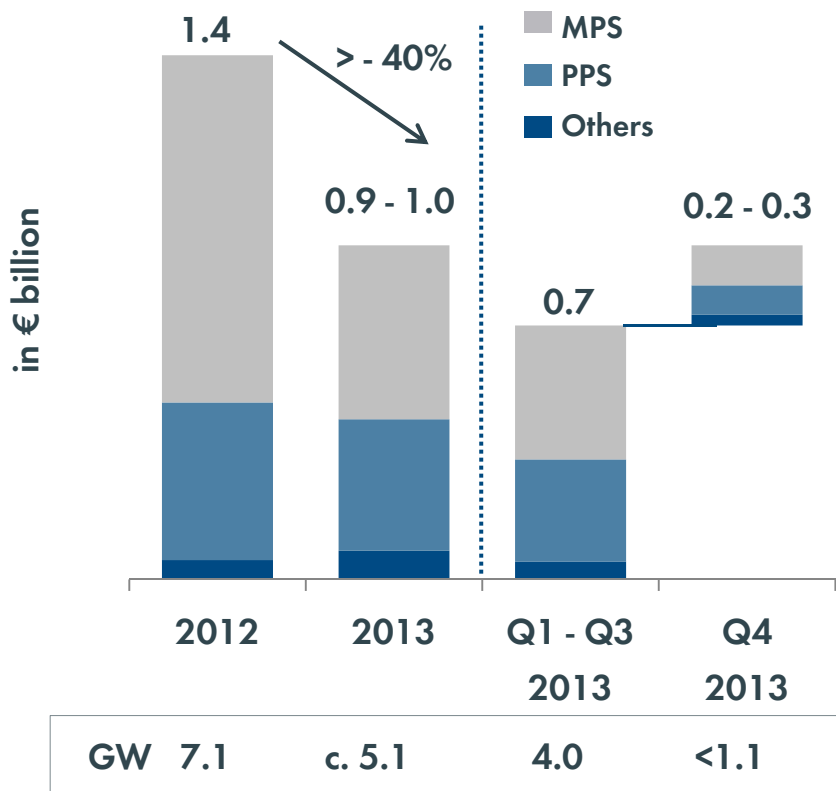
High Net Working Capital burned cash flow profile

	Q1 - Q3 2012 ¹	Q1 - Q3 2013 ¹
Gross Cash Flow	149	24
Cash Flow from Operating Activities	94	-32
Net Capex ²	81	44
Free Cash Flow (Adj.)	13	-75
Acquisition ³	-	22
Net investments from securities and other financial assets	-135	110
Free Cash Flow (IFRS)	-122	13

SMA will only reach the lower-end of the sales forecast in 2013 due to weaker than expected European demand



SMA Sales Forecast 2013¹



Comment 2013 figures

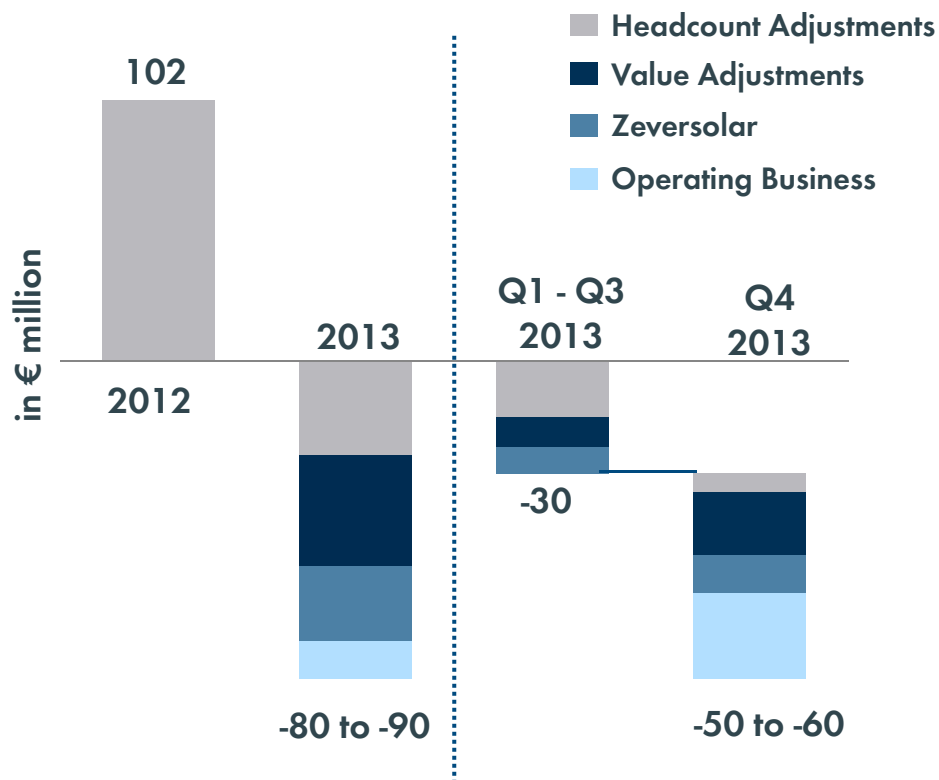
- > Sales drop of more than 50% in the MPS-business² as a result of the harsh subsidy-cuts in key European markets
- > Strong project business in non-European markets will mostly compensate PPS³ sales decline in Europe
- > High price pressure across all business divisions
- > No year-end rally expected in Q4-2013

▶▶ SMA's management board targets sales of €0.9 billion to €1.0 billion in 2013.⁴



SMA's 2013 earnings are heavily impacted by one-off items as well as operating losses in the MPS³ and Zerversolar divisions

SMA EBIT Forecast 2013¹



Comment 2013 figures

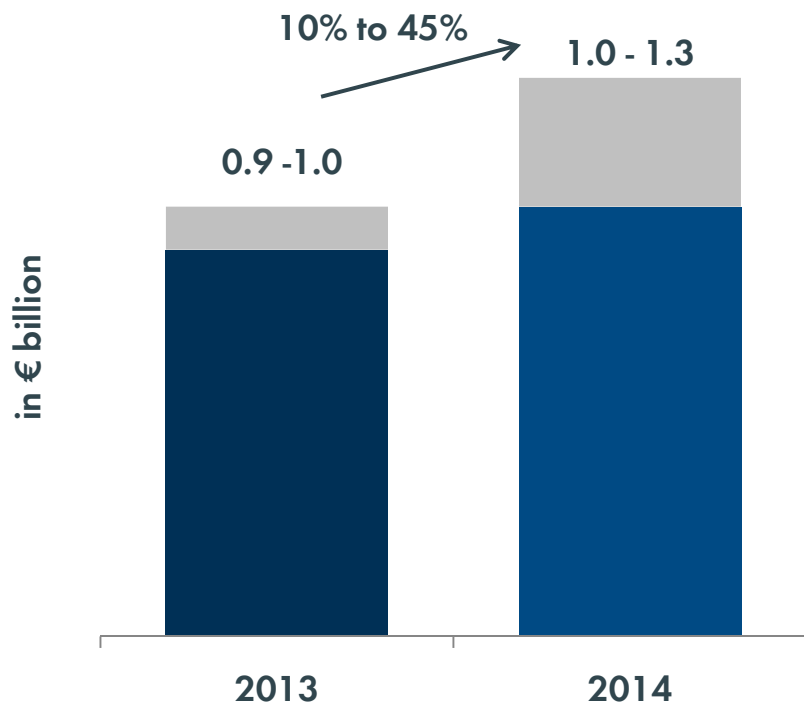
- > 2013 one-off items will total between €60 and €65 million. Thereof,
 - > €25 million accruals for head-count reduction
 - > €30 million value adjustments for SMA inventory
 - > €5 million value adjustments for Zerversolar inventory and accounts receivables
- > Zerversolar's operating loss⁴ of €15 million is mainly due to high price pressure and sales drop in international markets
- > The operating loss⁴ of €30 to €35 million in the MPS³ business is the result of the sudden drop in European sales

►► The SMA Managing Board estimates a group loss of between €80 and €90 million in 2013²; thereof €45 to €55 million are cash-effective.



The SMA Managing Board estimates sales of between €1.0 billion and €1.3 billion in 2014

SMA Sales Forecast 2013 and 2014¹



Comment

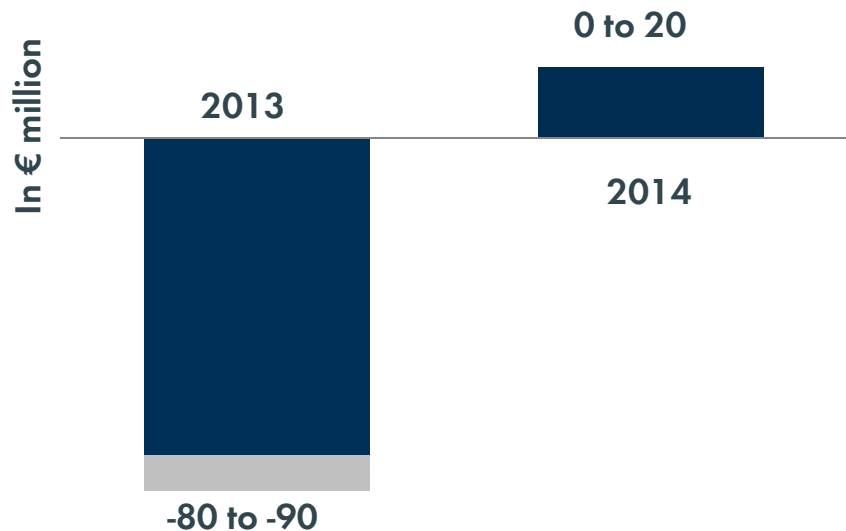
- > Sales growth in the MPS² business due to new products for the North American, Japanese and European markets. In addition, upcoming business in Asian markets already in sight
- > Stable PPS³ business due to solid positioning in key solar utility markets
- > Strong sales increase at Zerversolar due to cost and quality improved products for international markets and new products for the domestic market

▶▶ **SMA will introduce the Sunny Boy Smart Energy and the first next generation products in 2014.**



SMA will return to profitability in 2014

SMA EBIT Forecast 2013 and 2014¹



Comment

- > The net negative² earning effects 2014 will be over-compensated by the restructuring effects already initiated in 2013:
 - > €60 to €65 million one-offs from 2013
 - > Up to €40 million savings in personnel expenses
 - > Up to €30 million Cost-out program
 - > Up to €20 million increase in productivity

▶▶ The SMA management board initiated various restructuring measures that will become earnings-effective in 2014 and years beyond.

SMA defined the strategy last year and is already in the process of implementation



	<p>Development of new markets to increase sales</p>	<ul style="list-style-type: none"> System technology for Storage PV-Diesel-Hybrid-Systems Service
	<p>Process improvement to increase profitability</p>	<ul style="list-style-type: none"> Global Sales Excellence Global Performance Excellence Global Leadership Excellence
	<p>Dual brand strategy to increase market share</p>	<ul style="list-style-type: none"> SMA Product portfolio (new platform) Zeversolar Product portfolio

▶▶ **SMA is the specialist in the field of PV-system technology and the world-market leader. With a net cash position of more than €300 million SMA is financially rock solid.¹**



Energy that Changes