SMA Solar Technology AG
Analyst / Investor Presentation
Results for First Quarter 2010
Pierre-Pascal Urbon, CFO, May 14, 2010
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1. Highlights
Q1/2010 most successful first quarter ever

> Sales of € 339 million exceed management guidance\(^1\))
>
> ASP was 0.25 €/W
>
> 27 % EBIT-margin due to favorable product mix compared to Q1/2009 and economies of scale
>
> SMA has increased its total capacity to 11 GW p.a. to meet with peak demands
>
> SMA’s speed of growth is linked to the supply of electronic components and semiconductors
>
> The electronic and semiconductor industry is currently not able to serve the additional demand

▶ Unchanged full year guidance of € 1.1 to 1.3 billion in sales and an EBIT-margin between 20 % and 23 %

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\(^1\) SMA’s guidance for Q1/2010 (March 31, 2010): Sales of € 310 to 330 million
Fundamentals have changed significantly from Q1/2009 to Q1/2010

<table>
<thead>
<tr>
<th></th>
<th>January – March 2010</th>
<th>January – March 2009</th>
<th>Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>MW sold</td>
<td>1,288</td>
<td>243</td>
<td>5.3 x</td>
</tr>
<tr>
<td>Sales</td>
<td>339.3</td>
<td>86.7</td>
<td>3.9 x</td>
</tr>
<tr>
<td>Gross Profit as % of sales</td>
<td>130.4</td>
<td>27.0</td>
<td>4.8 x</td>
</tr>
<tr>
<td>EBIT as % of sales</td>
<td>92.4</td>
<td>6.0</td>
<td>15.4 x</td>
</tr>
<tr>
<td>Net Income as % of sales</td>
<td>66.6</td>
<td>5.5</td>
<td>12.1 x</td>
</tr>
<tr>
<td>EPS(^\text{1)})</td>
<td>1.92</td>
<td>0.16</td>
<td></td>
</tr>
</tbody>
</table>

(1) 34.7 million shares outstanding
2. Recent Developments
SMA will present several innovations during Intersolar Munich in June

<table>
<thead>
<tr>
<th><strong>SUNNY CENTRAL 800CP OUTDOOR</strong></th>
<th><strong>MULTICLUSTER TECHNOLOGY FOR OFF-GRID APPLICATIONS</strong></th>
<th><strong>SUNNY TRIPower 10000 – 17000TL</strong></th>
<th><strong>SUNNY BOY 3000HF</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; Max. efficiency of 98.7 %</td>
<td>&gt; Enables set-up of modular PV-hybrid-systems up to 300 kW total power</td>
<td>&gt; Max. efficiency of 98 %</td>
<td>&gt; Transformer inverter with outstanding efficiency of 96 %</td>
</tr>
<tr>
<td>&gt; Higher yields</td>
<td>&gt; Reduced need for service and maintenance</td>
<td>&gt; Comprehensive security concept</td>
<td>&gt; Wide input voltage range &amp; reduced weight eases installation</td>
</tr>
<tr>
<td>&gt; Compact &amp; weatherproof housing eliminates the need for a concrete station</td>
<td>&gt; Installation procedure greatly simplified</td>
<td>&gt; Three-phase feed-in</td>
<td>&gt; Comfortable and variable grounding</td>
</tr>
<tr>
<td>&gt; Significant reduction of system costs</td>
<td>&gt; Enables simple system planning</td>
<td>&gt; Recipient of „Innovation Award“</td>
<td></td>
</tr>
</tbody>
</table>

As the innovation leader, SMA recognises technological trends early on

(1) 34.7 million shares outstanding
SMA is victim of circumstances

> Demand in Q2 even higher than in Q4/2009

> Important suppliers (in particular semiconductor manufacturers) stated they could not fulfill their commitments regarding additional delivery quantities

> Due to insufficient supply of electronic components, SMA is not able to utilize the recently added interim solution in Kassel with + 5 GW capacity

> Maximum output volume is Q4/2009 volume (c. 1.4 GW)

Supply bottleneck is expected to ease during the second half of the year
Election of shareholder representatives to the Supervisory Board at upcoming Annual General Meeting\textsuperscript{1)}

\begin{center}
\begin{tabular}{|c|c|c|c|c|c|}
\hline
\textbf{Occupation held} & \textbf{Residence} & \textbf{SIEGFRIED L. DRUEKER} & \textbf{DR. JUR. ERIK EHRENTRAUT} & \textbf{DR. WINFRIED HOFFMANN} & \textbf{DR.-ING. MARTIN HOPPE-KILPPER} & \textbf{PROF. (EM.) DR.-ING. WERNER KLEINKAUF} & \textbf{REINER WETTLAUFER} \\
\hline
Managing Director of Leonardo & Co. & Bad Homburg v.d.H. & Management Consultant & Managing Director of Applied Materials & Managing Director deENet & University Professor (em.) & \textbf{Kaufungen} \\
Management Consultant & Essen & Hanau & Kassel & Kassel & Management Consultant & \\
\hline
\end{tabular}
\end{center}

\begin{itemize}
\item Dividend proposal for FY2009 is € 1.30 (previous year: € 1.00)
\end{itemize}

\textsuperscript{1)} We’ll serve traditional regional specialties at the AGM, such as green sauce with potatoes and eggs.
3. Market
SMA strives to maintain or slightly increase its market share of >40%.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>3,800</td>
<td>Res. 30%</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>750</td>
<td>Comm. 25%</td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>650</td>
<td>Indust. 45%</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>400</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Czech Republic</td>
<td>400</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rest of World</td>
<td>&gt;2,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>&gt;8,000</td>
<td></td>
<td>9 – 11 GW</td>
</tr>
</tbody>
</table>

SMA estimates a world market size of up to 11 GW in 2010.

(1) SMA estimates
4. Financials
Q1/2010 was strongest first quarter ever

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>Q1 2009</th>
<th>Q1 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>International</td>
<td>38.4%</td>
<td>52.5%</td>
<td>38.8%</td>
</tr>
<tr>
<td>Sales in €m</td>
<td>934.3</td>
<td>86.7</td>
<td>339.3</td>
</tr>
<tr>
<td>SMA</td>
<td>3.381 MW</td>
<td>243 MW</td>
<td>1,288 MW</td>
</tr>
</tbody>
</table>
MPS sales also increased compared to strong Q4/2009

- Exceptional strong demand for MPS products
- Germany accounted for 64% of MPS sales
- Top sellers were Sunny Mini Central 10000TL and 11000TL as well as Sunny Boy 5000TL

HPS sales affected by seasonality
- Top sellers were Sunny Central 630 HE and 500HE
- HPS profitability impacted by prefabrication of Q2 projects

Enhanced international sales activities led to significant increase in foreign sales
- Sales are mainly driven by long-term projects

Outsourcing increased to 85%
- Internal production facilities operated at high capacity utilization rates

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<table>
<thead>
<tr>
<th>Medium Power Solutions (MPS)</th>
<th>High Power Solutions (HPS)</th>
<th>Railway Technology</th>
<th>Electronics Manufacturing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2009</td>
<td>Q1 2010</td>
<td>Q1 2009</td>
<td>Q1 2010</td>
</tr>
<tr>
<td>75.8</td>
<td>309.4</td>
<td>6.9</td>
<td>23.2</td>
</tr>
</tbody>
</table>

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(1) Incl. internal sales
Strong focus on R&D secures SMA’s competitive advantage

COGS\(^1\)^\(^2\)

\[
\begin{array}{ccc}
2009 & Q1 2009 & Q1 2010 \\
593.0 & 59.7 & 208.9 \\
63.5\% & 68.9\% & 61.6\%
\end{array}
\]

R&D expenses\(^1\)

\[
\begin{array}{ccc}
2009 & Q1 2009 & Q1 2010 \\
49.1 & 8.2 & 17.2 \\
5.3\% & 9.5\% & 5.1%
\end{array}
\]

SGA expenses\(^1\)

\[
\begin{array}{ccc}
2009 & Q1 2009 & Q1 2010 \\
65.2 & 13.1 & 21.2 \\
7.0\% & 15.1\% & 6.2%
\end{array}
\]

> Significant improvement due to product mix
> Top sellers were high-performance inverters with larger power classes
> R&D costs include expenses for personnel, product development, testing areas and product management
> Experts in power electronic are rare - SMA has won over more than 500 highly qualified engineers
> R&D budget of €80 million for 2010 will further improve SMA’s competitive position
> Further decrease of SGA expenses as percentage of sales proves once again scalability of SMA’s business model
> Main cost components are department of finance and HR

\(^1\) €m and as % of sales
\(^2\) COGS: Cost of Goods Sold
SMA is a volume play

EBIT and EBIT-margin SMA Group

EBIT-margin by Segment

Profitability of HPS segment impacted by seasonality and high share of prefabrication
SMA can finance its long-term growth projects from cash and cash flow

€ 349 million in cash and investments with duration of >3 months

1) As of March 31, 2010
Increase in inventories as counter action against the background of continuing supply shortage

<table>
<thead>
<tr>
<th></th>
<th>12/31/2009</th>
<th>03/31/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>112.6</td>
<td>173.1</td>
</tr>
<tr>
<td>Trade Receivables</td>
<td>58.1</td>
<td>97.6</td>
</tr>
<tr>
<td>Trade Payable</td>
<td>72.1</td>
<td>71.1</td>
</tr>
</tbody>
</table>

Net Working Capital\(^1\) as % of LTM\(^2\) sales

\(^1\) Working Capital = Inventory + Trade Receivable - Trade Payable
\(^2\) LTM = Last twelve months
Never change a winning business strategy

**Technology leadership**
5 to 6 new products per year

**Flexibility**
(more than 1:4 from Q1 to Q4 2009)
Enables to quickly adjust to high market volatility

**Dedicated global sales and service team**
Best positioned in 12 countries on 4 continents

**Low capital intensity and high profits**
High Return on Capital Employed

SMA will strive to maintain or slightly increase its market share
Visit our IR website http://www.ir.sma.de

> Financial Calender
  > May 27, 2010: Annual General Meeting 2010, Kongress Palais/Kassel
  > September 1st, 2010: WestLB Energy Forum
  > September 16, 2010: Capital Markets Day, SMA/Niestetal

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▶ Please mind that SMA will concentrate on customers only during Intersolar in Munich