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1. Executive Summary – SMA delivered according to its guidance

Sunny Home Manager – shipments since Q1/2012
Additional growth sectors for photovoltaic power will emerge over the coming years

> SMA expects a global demand of up to 33 GW in 2012

> Outlook for the coming years is difficult – unclear whether decline in Europe will be offset by other markets

  > SMA expects a significant slow-down in demand in Europe due to the FIT-cuts;
  > SMA expects growth in North America, APAC and upcoming markets

> SMA forecasts substantial growth from the replacement of diesel gensets with PV-Systems in the sunbelt countries

> SMA expects a shake-out in the inverter industry due to limited access to capital, regional shift in demand and speed of innovation

» SMA is best positioned with its global reach, R&D expertise and financial strength
SMA’s innovations are paving the way for the revolution in the energy sector

> SMA is more innovative than ever and presented numerous innovations during the Intersolar Europe trade show

> SMA received as the first international manufacturer the JET certification to serve Sunny Boy inverters for the Japanese market

> SMA opened sales offices in Japan and Thailand and established subsidiaries in Chile and South Africa

> SMA got recognized as Germany’s best employer and is among the Top 10 employers in Europe

The Managing Board adopted the organization to a changed market environment and every SMA employee has internalized the importance of cost reduction
SMA increased sales and kept Net Working Capital under control

> More than 4 GW inverter power sold (+28%)

> €834 million sales (+17%) thanks to pull-forward effects and catch-up effects

> Nearly €460 million sales outside Germany (+12%) underpins SMA’s strong position in international markets (export ratio: 54%)

> Operating profit of €84 million (-19%) is impacted by one-off items (10.0% EBIT-margin)

> Despite strong revenue growth Working Capital stands at 19%\(^1\)

Managing Board raised the lower end of the guidance for 2012\(^2\).
New guidance: Sales: €1.3 to €1.5 billion; EBIT-margin: 8% to 10%
€388 million net cash is a priceless advantage in times of limited access to capital

<table>
<thead>
<tr>
<th></th>
<th>January – June 2011</th>
<th>January – June 2012</th>
<th>Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>MW sold</td>
<td>3,147</td>
<td>4,029</td>
<td>28 %</td>
</tr>
<tr>
<td>Sales</td>
<td>715.0</td>
<td>833.7</td>
<td>17%</td>
</tr>
<tr>
<td>EBITDA as % of sales</td>
<td>125.9</td>
<td>114.2</td>
<td>-9 %</td>
</tr>
<tr>
<td>Net Income</td>
<td>73.5</td>
<td>59.4</td>
<td>-19%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>-115.2</td>
<td>-46.5</td>
<td></td>
</tr>
<tr>
<td>Net Cash</td>
<td>308</td>
<td>388</td>
<td>26%</td>
</tr>
<tr>
<td>NWC ratio</td>
<td>18.7%</td>
<td>19.4%</td>
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</tbody>
</table>
2. Technology Leadership – SMA is more innovativ than ever

Sunny Central 900CP – First shipments scheduled for Q4/2012
SMA remains the trendsetter with highly innovative products for the most important market segments

R&D approach

- 2/3 of the R&D resources will concentrate on new product platforms
- Reduction of product variants and options
- Trend towards complete solutions

SMA has realigned its R&D resources to increase the productivity

1. First shipments scheduled for Q4/2012
2. First shipments in Q1/2012;
3. Residential: Inverter + battery + internet monitoring + service;
   Industrial: From combiner box until grid connection point + plant monitoring + plant management

SMA Solar Technology AG
SMA plans to adjust its system technology for off-grid systems to control stationary diesel generators.

**Solar diesel hybrid solutions**

- SMA estimates a global installed diesel genset base of > 300 GW
- SMA forecasts an addressable diesel genset market of > 20 GW p.a.
- Due to high fuel prices, solar diesel hybrid systems can provide a cost-competitive alternative
- Middle East and APAC genset markets become more important

**Impact**

- SMA had already designed the first solar diesel hybrid system 20 years ago
SMA believes that optimized self-consumption will become the key demand driver in European markets in the future.

**SMA’s smart energy solution**

- New Sunny Boy with integrated battery
- Intelligent forecast and energy management
- Plant monitoring

**Impact**

- Without FIT solar needs to compete with electricity tariffs for household and mid-sized businesses
- Power that is produced and used on-site does not need to be fed into the distribution grid
- Linking the PV system with the forecast and consumption behavior is paramount

> SMA will bundle products and services to improve its value proposition
3. Market outlook – Levelized cost of electricity will drive future demand
SMA expects a global demand of up to 33 GW in 2012

**Global demand in gigawatts**

- Abroad
- in Germany

- 2009: 8
- 2010: 23
- 2011: 26
- 2012: 33

**Global demand 2012 by region**

- Total: 31 GW - 33 GW
- Germany
- North America
- China
- Rest of the world

Outlook for the coming years is very difficult. Unclear whether non-European solar markets offset the expected decline in European demand.
SMA successfully defended its position as world market leader in 2011

**Market share 2011**

- **without China**
  - SMA: 35%
  - Player A: 29%
  - Player B: 14%
  - Other: 12%

- **incl. China**
  - SMA: 46%
  - Player A: 5%
  - Player B: 4%
  - Other: 55%

**Barriers to entry**

- High rate of innovation
- Comprehensive product range
- Extraordinary service quality
- Global presence

1. SMA estimates
4. Financials – SMA is rock solid

Sunny Boy 5000 Smart Energy - First shipments scheduled for 2013
Demand during the first six months 2012 was impacted by pull-forward effects and catch-up effects.
Medium Power Solutions contributed more than 70% of total sales

Medium Power Solutions

Power Plant Solutions

Service

Complementary Divisions

<table>
<thead>
<tr>
<th>Medium Power Solutions</th>
<th>Power Plant Solutions</th>
<th>Service</th>
<th>Complementary Divisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 - Q2 2011</td>
<td>Q1 - Q2 2011</td>
<td>Q1 - Q2 2011</td>
<td>Q1 - Q2 2011</td>
</tr>
<tr>
<td>External Sales (€m)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>521.8</td>
<td>167.1</td>
<td>6.0</td>
<td>20.1</td>
</tr>
<tr>
<td>598.9</td>
<td>194.9</td>
<td>8.6</td>
<td>31.3</td>
</tr>
</tbody>
</table>

Total Sales (€m)

555.8  648.5  178.1  208.7  35.7  49.5  27.4  79.8

6 months - Highlights

> Top seller were Sunny Tripower 10000TL to 17000TL as well as Sunny Boy 3000TL to 5000TL
> Germany was by far the largest market
> Strong international markets in Q1 – Q2 2012: USA, Belgium and UK

> Increase in external sales due to project business in North America
> Trend towards large scale solar projects will continue
> Most successful products were Sunny Central CP series

> Commissioning of solar plants, charged reparations and service and maintenance contracts were main sales driver in Q1 – Q2 2012
> Division includes Off-Grid Solutions, Railway Technology and dtw
> Increase in sales by more than 50% mainly due to the acquisition of dtw in Q3/2011
COGS are mainly impacted by one-off effects

> COGS mainly impacted by higher expenses for risk provisioning because of additional work to purchased components used in various product families
> Impairment losses for receivables and inventories and amortization also rose in comparison to the previous year.
> Material expenses accounted for 69.8%; personnel expenses for 15.1% and other expenses for 15.1%

<table>
<thead>
<tr>
<th>COGS(^1)(^2)</th>
<th>R&amp;D expenses(^1)</th>
<th>SGA expenses(^1)(^3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011 72.2% 1,208.2</td>
<td>2011 5.0% 83.8</td>
<td>2011 8.0% 134.6</td>
</tr>
<tr>
<td>Q1-Q2 2011 70.9% 506.8</td>
<td>Q1-Q2 2011 5.6% 39.8</td>
<td>Q1-Q2 2011 60.9</td>
</tr>
<tr>
<td>Q1-Q2 2012 75.5% 629.4</td>
<td>Q1-Q2 2012 5.3% 44.2</td>
<td>Q1-Q2 2012 74.5</td>
</tr>
</tbody>
</table>

1. € million and as % of sales
2. COGS: Cost of Goods Sold
3. SGA: Selling and general administrative expenses

> The increase in expenses was mainly driven by the growth in the number of R&D employees
> SMA reinforced measures to protect its intellectual property
> 2/3 of the R&D resources will concentrate on new platforms in the future
> Hiring freeze for administrative functions
> Reduction of projects stopped increase of other expenses
> SMA expanded its international sales and marketing structures
SMA is profitable and reached the upper end of the profit guidance\(^1\)

**EBIT and EBIT margin SMA Group**

- **2011**: 14.3%
- **Q1 - Q2 2011**: 10.0%
- **Q1 - Q2 2012**: 12.4%

**EBIT margin by segment**

- **Medium Power Solutions**
  - **Q1 – Q2 2011**: 14.7%
  - **Q1 – Q2 2012**: 9.5%

- **Power Plant Solutions**
  - **Q1 – Q2 2011**: 12.4%
  - **Q1 – Q2 2012**: -28.0%

- **Service**
  - **Q1 – Q2 2011**: 17.4%
  - **Q1 – Q2 2012**: -24.8%

- **Complementary Divisions**
  - **Q1 – Q2 2011**: 9.7%
  - **Q1 – Q2 2012**: -6.6%

With an installed base of more than 20 GW world wide the service business becomes profitable in the mid-term

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1. Former guidance: EBIT: €60 - €150 million; New guidance: EBIT: €100 - €150 million
SMA has an equity ratio of 58.1%

With €387.7 million net cash SMA has an excellent liquidity reserve
SMA does not increase sales on the back of longer payment terms or production ahead of order

### Net Working Capital¹ ²

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2011</th>
<th>June 30, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finished goods</td>
<td>44.3</td>
<td>58.2</td>
</tr>
<tr>
<td>Unfinished goods, work in progress</td>
<td>31.5</td>
<td>44.1</td>
</tr>
<tr>
<td>Raw materials and consumables</td>
<td>180.6</td>
<td>172.8</td>
</tr>
<tr>
<td>Trade Receivables</td>
<td>141.1</td>
<td>185.2</td>
</tr>
<tr>
<td>Trade Payables</td>
<td>-115.8</td>
<td>-112.0</td>
</tr>
<tr>
<td>Net Working Capital</td>
<td>281.7</td>
<td>348.2</td>
</tr>
</tbody>
</table>
## SMA improved the cashflow profile

<table>
<thead>
<tr>
<th></th>
<th>Q1 - Q2 2011</th>
<th>Q1 – Q2 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Cash Flow</td>
<td>65.3</td>
<td>104.3</td>
</tr>
<tr>
<td><strong>Net Cash Flow from Operating Activities</strong></td>
<td>-39.3</td>
<td><strong>14.3</strong></td>
</tr>
<tr>
<td>Net investments in fixed and financial assets</td>
<td>-71.4</td>
<td>-58.6</td>
</tr>
<tr>
<td>Net investment from acquisitions</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>-110.7</td>
<td>-44.3</td>
</tr>
<tr>
<td>Net investments from securities and other financial assets</td>
<td>-4.5</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Free Cash Flow (IFRS)</strong></td>
<td>-115.2</td>
<td>-43.3</td>
</tr>
</tbody>
</table>
5. Strategy – Right course for the future

Fuel Save Controller - First shipments scheduled for Q1/2013
With our comprehensive know how in system technology
SMA will drive the transition towards solar

Cost reduction strategy
(New product platforms with significant lower specific cost; increase in efficiency)

Innovation leadership strategy
(New markets, customers and offerings)

► One thing is sure: Nothing is sure. Therefore, SMA is prepared for various market scenarios
6. Backup
SMA realigned the Investor Relations department

**Investor Events**

> October 4, 2012: 5th Macquarie Alternative Energy Conference

**IR-Contacts**

Julia Damm  
Investor Relations Manager  
E-mail: [IR@SMA.de](mailto:IR@SMA.de)  
Phone: +49 561 9522-2222  
Fax: +49 561 9522-2223

Visit our IR website [http://www.IR.SMA.de](http://www.IR.SMA.de) or the SMA Corporate Blog [www.SMA-Sunny.com](http://www.SMA-Sunny.com)