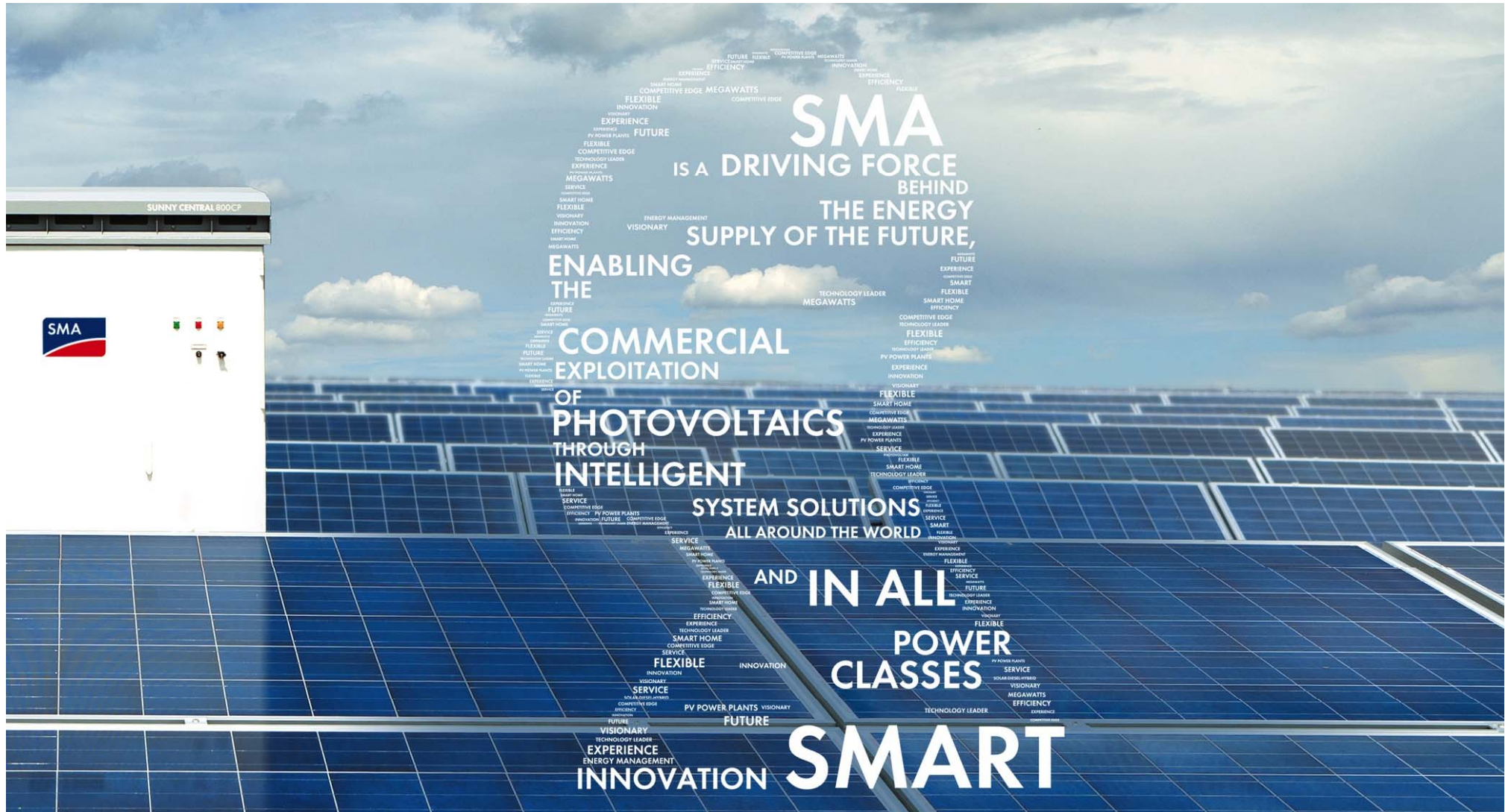


Analyst / Investor Presentation Financial Results 2012





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SMA reached sales and profit targets 2012 and confirms outlook for 2013¹



- > Nearly 7.2 GW inverter output sold (-5.3%).
- > €1.5 bn sales due to a downturn in business and lower selling prices (-12.7%).
- > Specific sales prices fell to €0.19 per watt in 2012 (2011: €0.21 per watt).
- > SMA has a strong position in international markets and increased its export ratio to 56.3% (2011: 53.6%).
- > Operating profit of €102 million (-57.7%) is impacted by the price decline, higher depreciation.
- > With a net working capital ratio of 18.3% SMA achieved the lower end of the management guidance.
- > Despite a difficult market environment SMA generated a positive free cash flow in 2012².
- > Solid balance sheet structure with equity ratio of more than 60% and net cash of €446 million.

▶▶ Managing Board and Supervisory Board will propose a dividend of €0,60 per share during the AGM³ on May 23, 2013.



Q4-2012 earnings are impacted by a massive drop in demand

	Full year		2012			
	2011	2012	Q1	Q2	Q3	Q4
MW sold	7,591	7,188	1,885	2,144	1,841	1,318
Sales	1,676	1,463	405	429	362	267
EBITDA	291	172	57	57	50	8
Net Income	166	75	30	30	21	-6
NWC ratio	16.8%	18.3%	17.3%	19.4%	21.0%	18.3%
Net Investments	161	100	27	31	23	19
Free Cash Flow (before dividend payment) ¹	55	16	-19	-25	57	3
Net Cash	473	446	469	388	426	446

► Despite a sharp decline in Q4 sales SMA generated a positive EBITDA.

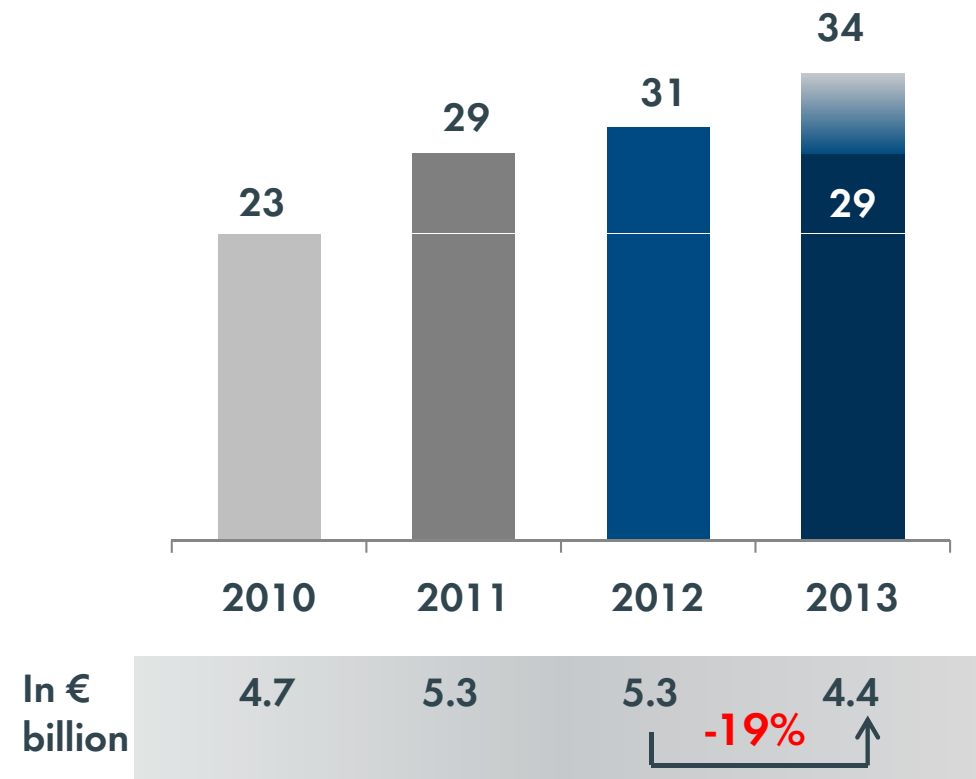


Market development is impacted by high price pressure

Dynamic

- > Enormous price pressure worldwide.
- > Dramatic downturn in Europe due to massiv subsidy cuts and pending import tariffs on Chinese modules.
- > Strong volume growth in markets outside Europe, especially China.
- > Regional shift in demand is increasing the importance of system technology for large-scale PV power plants.

Global market for PV inverters in GW¹



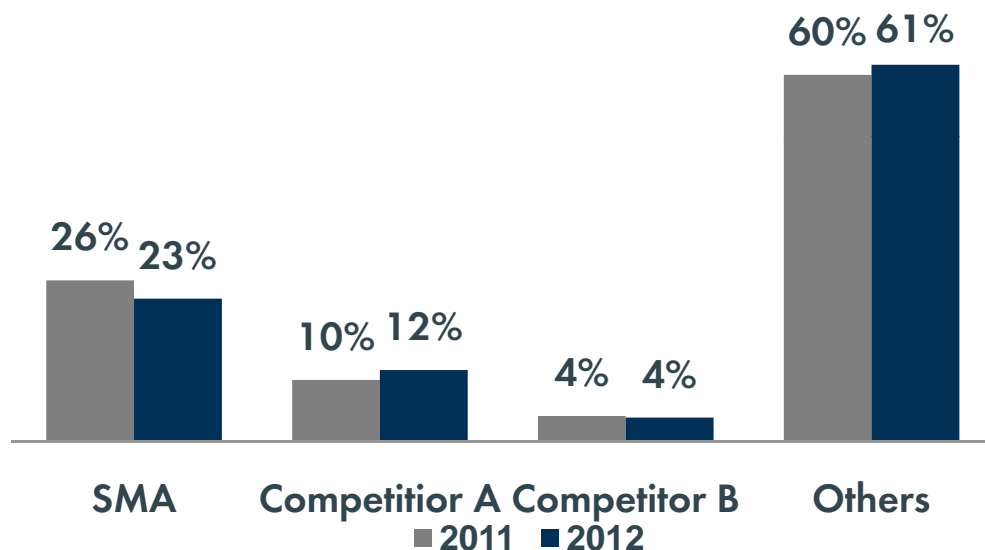
► SMA expects a harsh decline in demand in Euro-term for the first time since many years.

The intensity of competition is posing significant challenges to market participants



Global market share in GW¹

Total market size 2012 (2011): c. 31 GW¹ (c. 29GW¹)



Barriers to entry

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

▶ SMA aims to defend its high market share despite a difficult market environment in 2013.



Local added value is absolutely crucial to long-term success in China's photovoltaic market

Market mechanisms

- > China wants to reduce the cost of solar power and expand the domestic market in order to better develop the photovoltaic's industry over the course of the 12th five-year plan (2011-2015).
- > Consequently, at the start of the year the government increased the expansion targets and is now striving for an annual expansion of 10 GW over the next three years.
- > Almost every province has set itself the goal of exceeding the required quota.
- > The political intent is to ensure that the highest proportion of value creation stays in the country.

Zegersolar

- > Zegersolar was established in November 2011 through the merger of ZOF and EverSolar.
- > Zegersolar has six sales and service locations in China as well as subsidiaries in Australia and Germany.
- > Zegersolar operates with state-of-the-art production sites (2GW, 17.500 m²) in the province of Jiangsu.
- > Zegersolar offers a wide-ranging product portfolio specially tailored to the specific requirements of the Chinese market.

▶▶ **In 2012, Zegersolar achieved sales of €33 million and the company is one of the leading Chinese inverter manufacturers.**

With the majority stake in Zeversolar, SMA secures access to the growth market China and enhances its position as a global market leader



Transaction

- > The company is valued €55 million including net debt¹.
- > SMA owned 72.5% of the company's shares overall as at the reporting date of January 1, 2013.
- > The purchase and joint venture contract covers the usual guarantees and warranties.
- > Transaction is financed with cash on hand.
- > Zeversolar is recognized as an individual segment.

Brand strategy

- > Zeversolar will serve the Chinese market² with its own brand, ZOF.
- > In all international markets, Zeversolar is positioned as an independent brand.
- > Zeversolar products are marketed by the company's own sales unit.
- > Synergies are leveraged within internal processes such as purchasing, quality assurance and development.
- > Pierre-Pascal Urbon is responsible on the Managing Board for business in China.

► **SMA concluded the acquisition of a 72.5% stake in Zeversolar in line with the terms and conditions agreed in December.**



4. Innovation Strategy





Innovative system technology is the precondition for the transformation of the energy sector

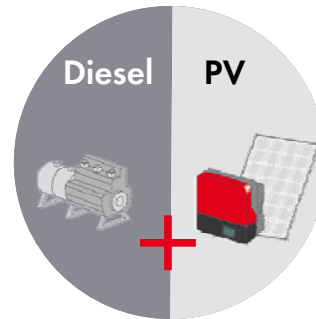
Energy management



- > Optimization of self-consumption with intelligent system technology.
- > Self-consumption of solar power is economically viable today.

> 30% below household electricity costs¹

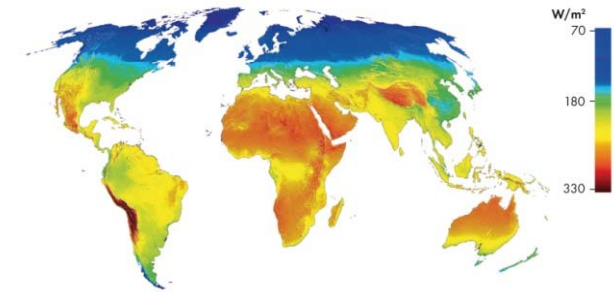
Hybrid solutions



- > Intelligent control of various energy sources.
- > Using solar power conserves diesel.

1 MW = 450,000 l of diesel

Internationalization



- > PV is a competitive energy source in sunbelt countries.
- > Growing energy needs in emerging markets.

80 billion barrels² per day

▶▶ **SMA is already offering innovative solutions for tomorrow's energy supply.**

SMA is the world champion of development with over 400 patent applications to date



Selected innovations from 2012



Sunny Boy Smart Energy

- > Supplies a four-person household with electricity for up to three hours in the evening.



Fuel Save Controller

- > Reduces diesel consumption of electricity generators in sunny regions.



Sunny Central 900CP

- > First megawatt inverter for outdoor application.

Unique selling propositions

Energy management

System technology to store PV power, support heating and manage energy producers and consumers.

Hybrid solution

System technology to intelligently combine PV and diesel generators and optimize reliable energy supply.

PV power plants

Solution enabling grid support by reducing active power during over frequency, providing a short-circuit current during disturbances and allowing for direct feed-in to the medium-voltage grid.

▶▶ **SMA generates more than €1 billion in sales of products that are less than three years old.**

SMA will continue to expand its innovative leadership by developing brand new product platforms



New product platforms



Residential



Commercial



Industrial

Development strategy

- > Two thirds of development resources¹ devoted to developing new platforms.
- > Build additional development locations in North America / China.
- > Cost reduction with a greater percentage of common parts.
- > Greater rate of innovation with modular design.

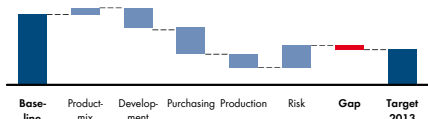
▶▶ In 2013, SMA will invest more than €120 million in development. SMA expects to launch the first new products under platform development in mid-2014.



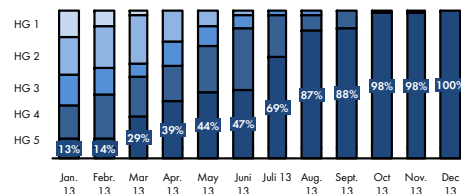
Systematic cost reduction is a key element of SMA's strategy

Cost-out program

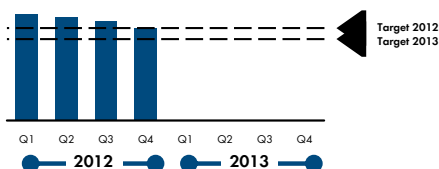
Bridge of cost of goods sold (schematic)



Ramp-up curve according to degree of implementation



Goal achievement monitoring (cents/watt)



- > Cross-functional teams¹ established in all divisions.
- > Identification and regular tracking of over 300 measures.
- > Systematic assessment of change measures.

▶▶ **The enormous price pressure can be only partially offset in such a short period by the defined measures.**

Global Sourcing



Germany (1981)



U.S. (2012)



Poland (2012)



China (2011)

- > New procurement channels with global purchasing offices.
- > Enhance competitiveness through a structured purchasing process.
- > Selection on the basis of price, quality, logistic costs and the supplier's work conditions.



SMA will successively increase productivity with targeted measures

Reducing staff

- > Since October 424 permanent and temporary employees have left SMA.
- > Additional personnel changes, especially in administration, will be implemented this year.
- > Employee numbers of the European companies will be adapted to the new market situation. SMA will increase staff of foreign companies, especially in the U.S. and Asia.
- > Further short-term measures are currently being negotiated with the Works Council.
- > Forced reduction in flextime and unused holiday allowances.

Increasing productivity

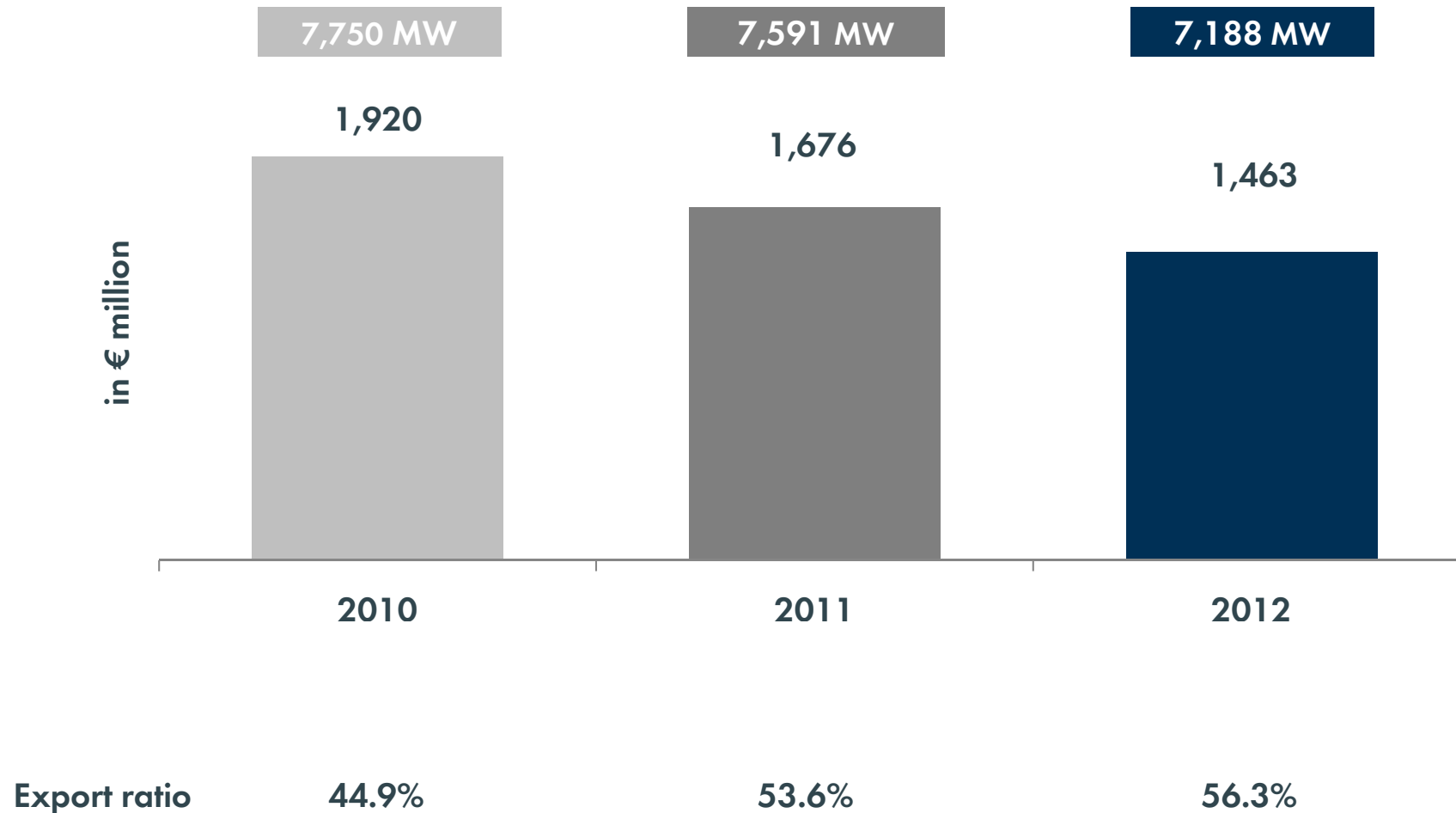


- > Reduction in area and equipment by combining warehouses.
- > Shortening of service lead times by implementing process changes.
- > Stable and efficient process management in the Order Management and Finance departments by introducing a shared service concept.

▶▶ **Further personnel measures in conjunction with market development cannot be ruled out.**



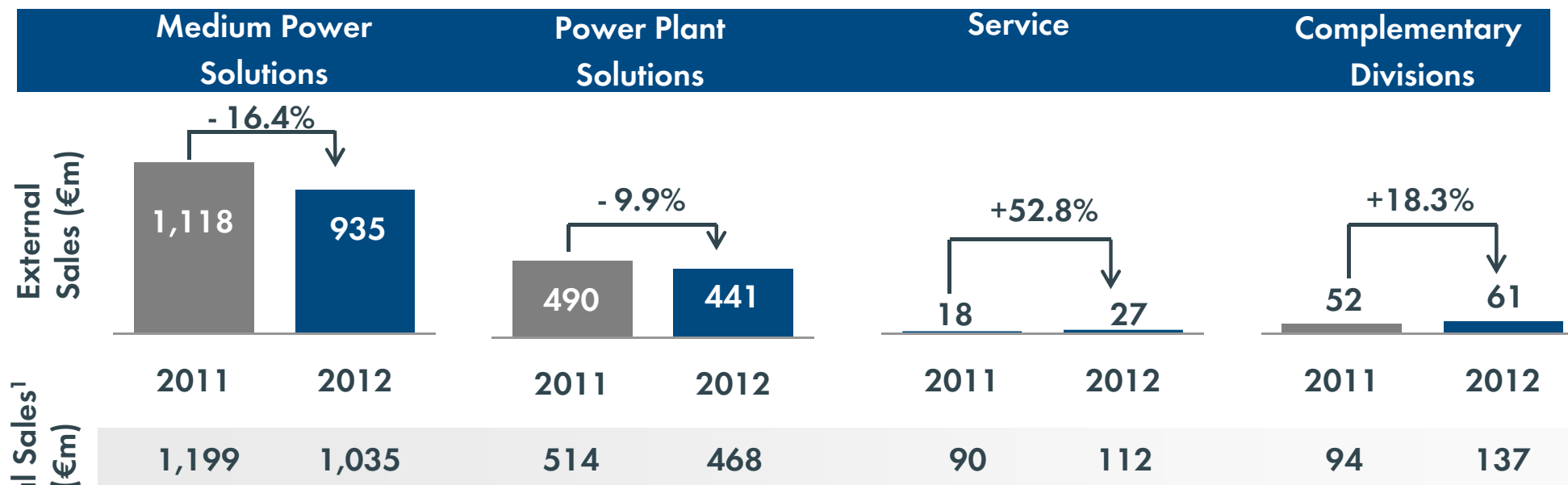
SMA in line with Sales guidance¹



▶ Decline in sales is attributable to the reduction in selling prices and a downturn in business



Division Power Plant Solutions increases sales in North America by 75%



12 months - Highlights Total Sales¹ (€m)

- > Performance of MPS was marked by catch-up effects and pull-forward effects.
- > Key sales drivers were the Sunny Tripower 10000TL to 17000TL as well as Sunny Boy 3000TL to 5000TL.
- > Strong markets in 2012: Germany, U.S., Belgium, Australia and UK

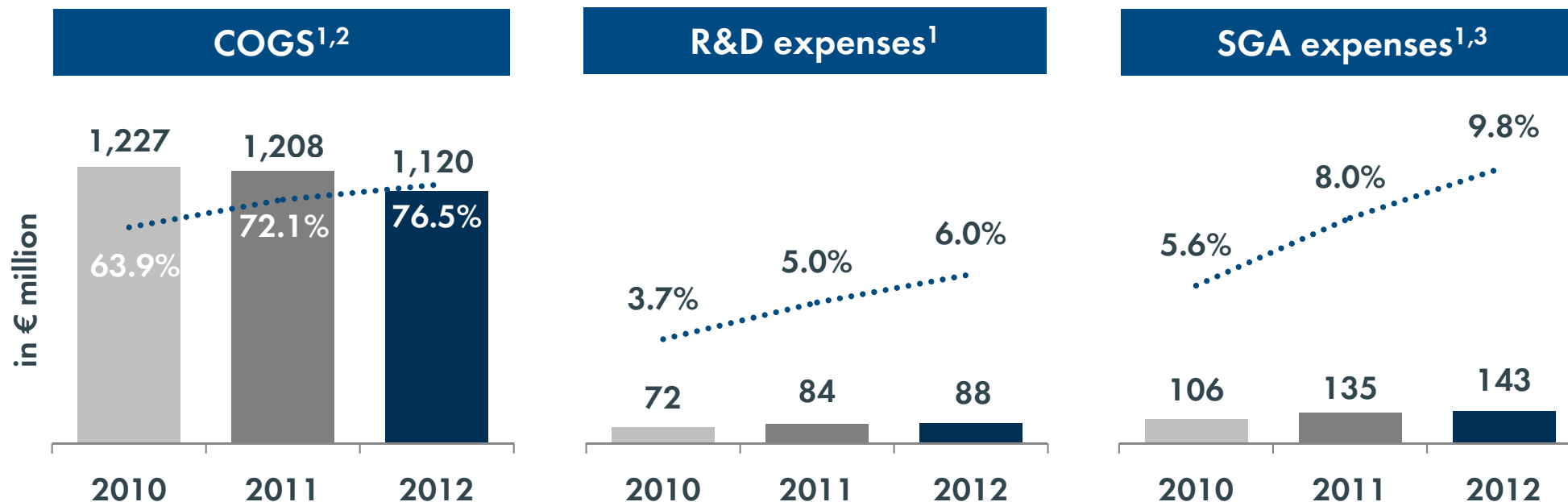
- > Well developed project business in North America.
- > SMA invoiced the first major project in Japan.
- > Most successful products were Sunny Central CP series.
- > Most important markets were North America, Germany, Thailand and Greece.

- > Commissioning of solar plants, charged reparations and service and maintenance contracts were main sales drivers.
- > Decrease in profit due to higher personnel expenses and scheduled infrastructure costs of the new service center

- > Division includes Off-Grid Solutions (in future Hybrid Energy Solutions), Railway Technology and dtw.
- > Positive development in 2012, mainly due to the acquisition of dtw in Q3/2011.



Cost of goods sold are impacted by one-off items



- > Decrease in gross margin is mainly attributable to higher expenses for risk provisioning.
- > Price decline impacted gross margin.
- > SMA expanded its purchasing organization.
- > Material costs were successfully reduced.
- > Material expenses accounted for 70%; personnel expenses for 16% and other expenses for 14%.

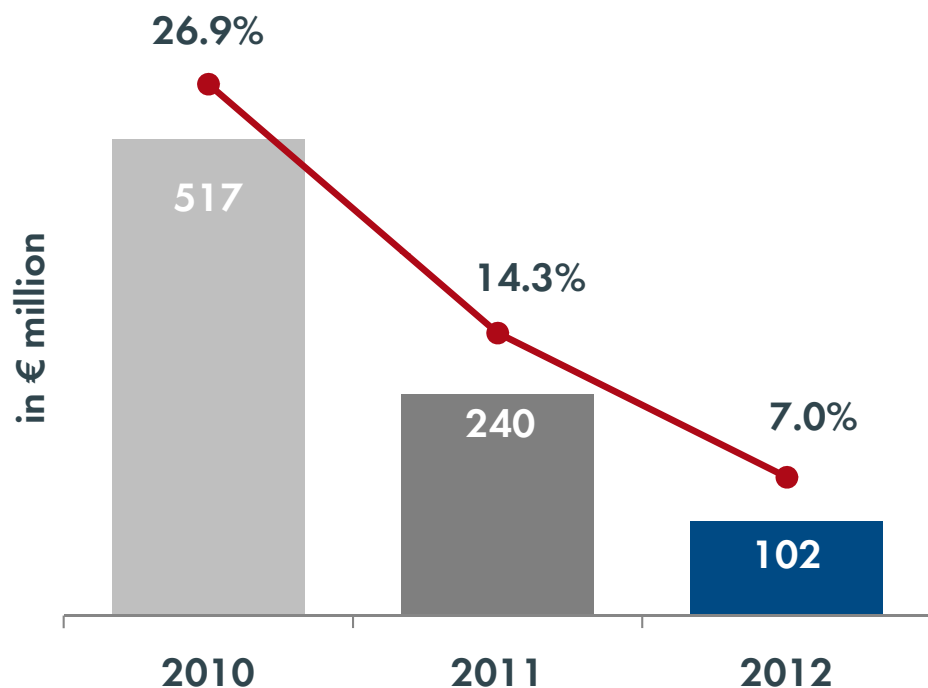
- > SMA invested €108.1 million in R&D in 2012 (incl. capitalized R&D projects).
- > In 2012 SMA employed 12% more staff compared to the previous year.
- > SMA further expanded development cooperation's and intensified the measures to protect intellectual property.

- > SMA established new sales companies in South Africa and Chile and expanded existing sales companies in Japan, Australia and Thailand.
- > In view of the increasing internationalization SMA created new structures abroad as well as in the headquarters.
- > SMA initiated a program to cut G&A expenses.

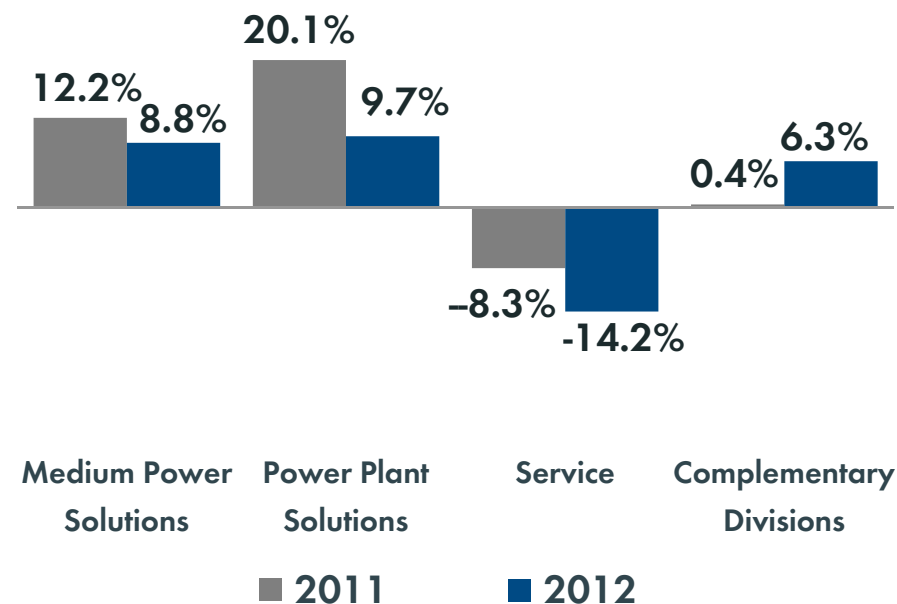


SMA reached lower end of its earnings guidance

EBIT and EBIT margin SMA Group

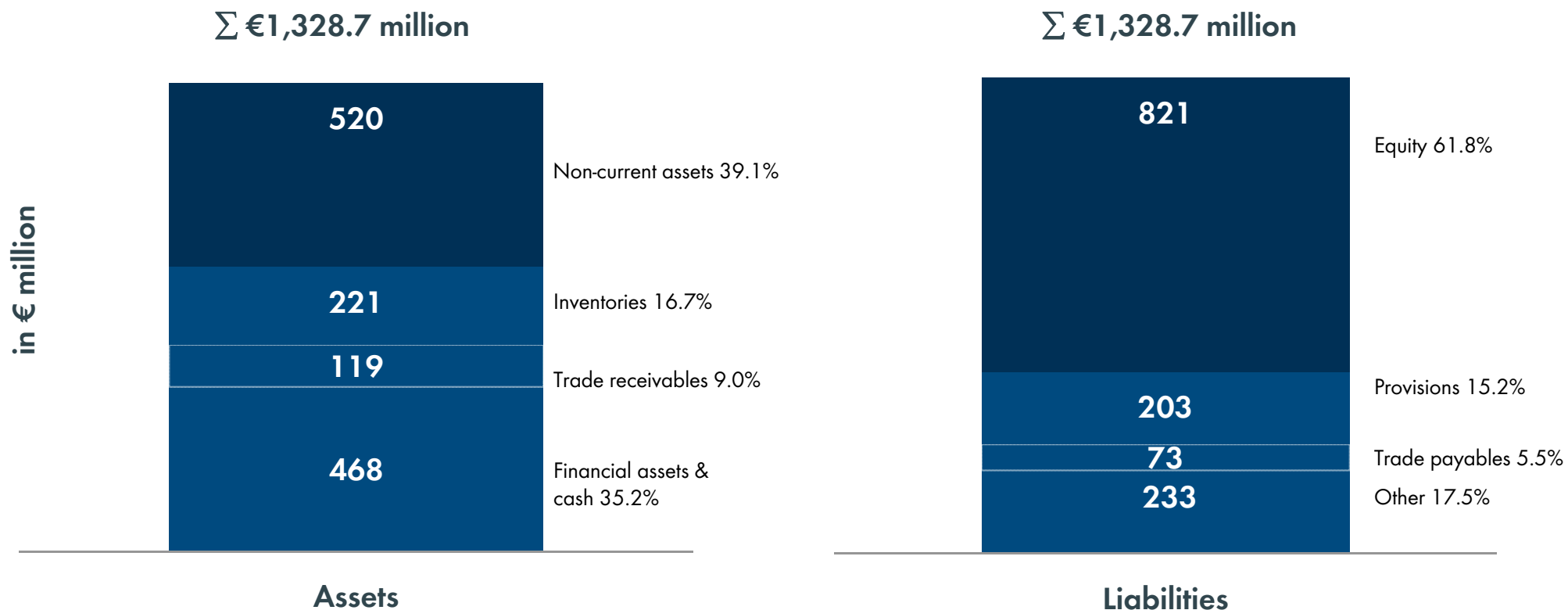


EBIT margin by segment



▶ Price decline, a changed product mix as well as higher expenses for risk provisioning and expenditures in internationalization are the main reasons for the decline in the EBIT margin.

SMA has a solid balance sheet structure: Fixed assets and trade working capital is financed with equity

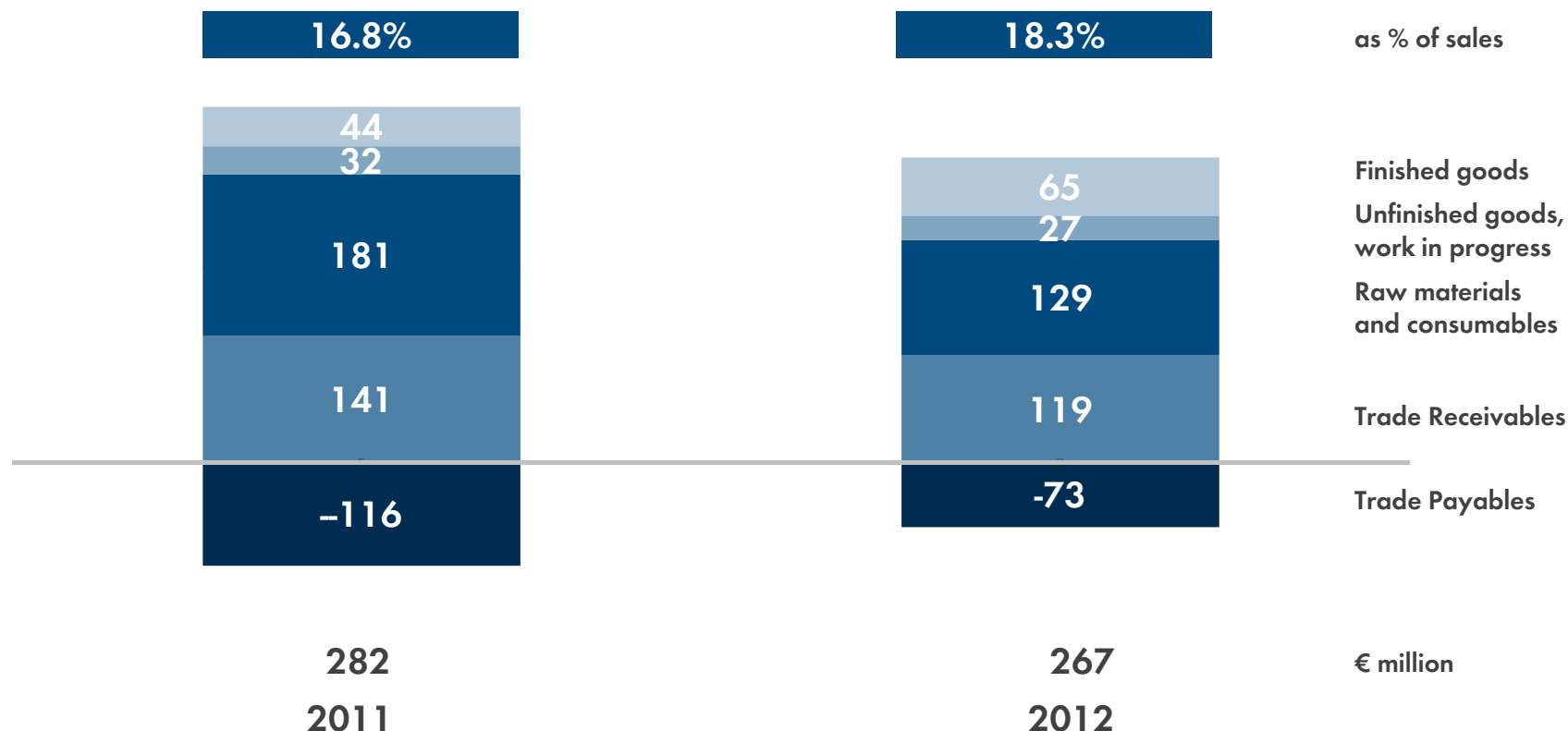


►► Net cash amounted to €446.3 million at the end of 2012.



Net Working Capital ratio of 18.3% at the lower end of the management guidance¹

Net Working Capital^{2,3}



► In 2013 SMA targets a net working capital ratio between 19% to 22% as of sales due to higher share of project and international business.



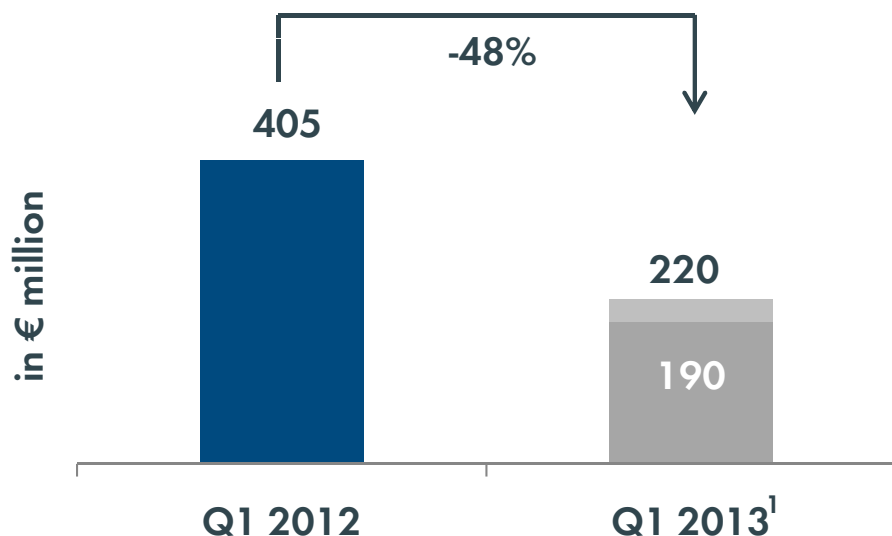
SMA generated a positive free cash flow in 2012¹

	2011 ²	2012 ²
Gross Cash Flow	+241	+166
Net Cash Flow from Operating Activities	+239	116
Net investments in fixed and financial assets ³	-160	-100
Net investment from acquisitions	-23	0.0
Free Cash Flow before Dividend Payment	+55	+16
Net investments from securities and other financial assets	+55	-160
Free Cash Flow (IFRS)	+110	-144



For the first three months 2013 the management expects a significant sales decline

Preliminary Q1 sales



Forecast 2013²

- > Sales of between €0.9 billion and €1.3 billion, thereof €40 - €60 million from Zeyersolar.
- > Export ratio > 70%.
- > In the best case scenario a break-even result, but a loss cannot be ruled out³.
- > Net working capital of between 19% and 22%⁴.
- > Capital expenditure up to €100 million.

▶ **SMA (including Zeyersolar) target sales of €0.9 - €1.3 billion in 2013 and a break-even result in the best case**



SMA sharpened its strategy to benefit from changed market environment

Market Outlook

- > SMA expects a decline in demand in Euro-terms for the first time since many years.
- > Hybrid applications and energy management as well as service will become future growth drivers.

Innovation Strategy

- > With brand new product platform SMA strives to reduce cost and innovation cycle.
- > Continuous high R&D budget of more than €120 million to secure technology leadership.

Cost Reduction Strategy

- > Systematic cost reduction via cross-functional teams and global sourcing.
- > Staff reduction of > 500 employees already under way. Further adjustments not ruled out.

Internationalization

- > With Zegersolar access to fastest growing solar market (China).
- > Expansion in the U.S. and Asia planned; Europe will be reduced.

▶▶ Management confirms guidance for 2013.



Energy that Changes