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.
Strong Sales Growth is Driven by International Markets, Especially in the Utility Segment

Financial Highlights Q1-Q3 2015

- SMA shipped 5 GW during the first nine months, as much as in the entire year 2014.
- 27% sales increase to €699 million (Q1-Q3 2014: €549 million). International business grew by c. 45% compared to last year. Americas was the strongest growth region (+54%), followed by APAC (+18%) and EMEA (+8%). Utility accounted for c. 70% of growth (+€103 million).
- SMA returned to profitability earlier than expected and generated a positive EBIT of €3 million during the first nine months.
- Margin improvement is mainly driven by Residential and Utility segments. New products and cost out programs on existing products helped to increase gross margin. Furthermore, fixed cost reduction program already impacted profitability.
- Free Cash flow (adj.) of €22 million includes cash out-flow from severance payments. The increase of €109 million compared to the previous year (Q1-Q3 2014) is due to higher earnings and improved Net Working Capital.
- Strong balance sheet with 47% equity ratio and €251 million net cash.
SMA’s Management Increased the Sales Guidance to €925-975m and Expects an EBIT between €10-30m\(^1\)

The Guidance for 2016 will be presented during SMA’s Capital Markets Day on January 29, 2016

### Key Financials (in € m)

<table>
<thead>
<tr>
<th></th>
<th>Q1-Q3 2014</th>
<th>Q1-Q3 2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>MW sold</td>
<td>3,311</td>
<td>5,031</td>
<td>+52%</td>
</tr>
<tr>
<td>Sales</td>
<td>549</td>
<td>699</td>
<td>+27%</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>17%</td>
<td>19%</td>
<td>n.m.</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-8</td>
<td>59</td>
<td>n.m.</td>
</tr>
<tr>
<td>EBIT</td>
<td>-73</td>
<td>3</td>
<td>n.m.</td>
</tr>
<tr>
<td>Free Cash Flow (Adj.)</td>
<td>-87</td>
<td>22</td>
<td>n.m.</td>
</tr>
<tr>
<td>Net Cash</td>
<td>225</td>
<td>251</td>
<td>+11%</td>
</tr>
<tr>
<td>NWC Ratio(^2)</td>
<td>35%</td>
<td>23%</td>
<td>n.m.</td>
</tr>
</tbody>
</table>

1. Previous Guidance: Sales 850-900 MEUR; EBIT 0-10 MEUR
2. Net Working Capital\(^-\) Inventory+Trade Receivables- Trade Payables (no advanced payments included); As of last 12 months sales
2. Market and SMA Segments
SMA’s Market Outlook Shows an Increased Demand in 2016 -
The North American Utility Segment is the Main Growth Driver

Comments

> In Americas solar inverter sales are expected to grow by >35% to €1.5 bn in 2016. The utility segment remains the key growth driver in revenue terms.

> In Japan solar inverter sales are estimated to decline by more than 25% due to the already introduced FIT cuts. India and South East Asia are expected to grow slightly in revenue-terms. This trend is mainly driven by commercial and utility-scale PV systems.

> The EMEA markets remain stable. Attractive demand in UK until Q1 2016 due to the deadline for ROC³. Other key markets are France, Benelux and Germany. Those markets have strong demand for commercial and residential systems.

The shift in demand towards Utility and North America will change the competitive environment. SMA is best positioned for future sales growth and clearly the global #1 player.⁴

---

1. Excl. Off-grid and Hybrid Systems
2. Source: SMA MI Market Model; Prices according to IHS PV Inverter Market Tracker Q3 2015 (Sept. 2015)
3. ROC: Renewable Obligation Certificate, incentive scheme for >1MW PV system
4. IHS PV Inverter Market Tracker Q3 2015 (Sept. 2015)
SMA Serves All Market Segments and All Power Ranges - This is a Key Success Factor in a Fast Changing Market Environment

**SMA Utility** (c. 40% of 2015 Group Sales)

- < New **2.5 MW turnkey solution**¹
- < Less design work
- < Less working capital
- < More yield

**SMA Commercial** (> 20% of 2015 Group Sales)

- > New **60 kW US unit & 25 kW JP unit**
- > Simple installation
- > Low maintenance costs
- > Comprehensive plant performance analysis

**SMA Residential** (> 25% of 2015 Group Sales)

- > New **1.5 kW / 2.5 kW units**
- > Simple installation
- > Ease of integration into the home grid
- > PV Monitoring via smartphone or tablet

**SMA Service** (> 5% of 2015 Group Sales)

- > **O&M Service**²
- > Largest service infrastructure for fast response
- > Advanced preventive monitoring features to secure investments

> SMA has a balanced product sales mix and opened up successfully new market segments (e.g. O&M-Service, Storage)

---

¹ Sunny Central Inverter + MV transformer + MV Switchgear
² In Europe and North America
Based on the New Platform Concept, SMA will Introduce Key Products for Fast Growing Solar Applications

### Sunny Boy for Residential Homes

<table>
<thead>
<tr>
<th>Target Segment:</th>
<th>Residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target Market:</td>
<td>North America</td>
</tr>
<tr>
<td>Target Customer:</td>
<td>Leasing Companies / Distribution Channel</td>
</tr>
<tr>
<td>Power Range:</td>
<td>5 – 8 kW(_{AC}) single phase</td>
</tr>
<tr>
<td>Benefits:</td>
<td>Low ASP; Key Features for TPOs(^1) already included; Commissioning with Smartphone possible within seconds</td>
</tr>
</tbody>
</table>

### Sunny Boy for Residential Storage

<table>
<thead>
<tr>
<th>Target Segment:</th>
<th>Residential (New / Retrofit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target Market:</td>
<td>North America / Europe</td>
</tr>
<tr>
<td>Target Customer:</td>
<td>Automotive / Distribution Channel</td>
</tr>
<tr>
<td>Power Range:</td>
<td>1,0 – 3,5 kW(_{AC}) single phase</td>
</tr>
<tr>
<td>Benefits:</td>
<td>Low ASP, High Voltage (up to 500 V(_{DC})); Ready for vehicle to grid; Easy to bundle with batteries; Low complexity</td>
</tr>
</tbody>
</table>

\(^{1}\) Third Party Ownership / Leasing Company

\(^{2}\) The Capital Markets Day will be held end of January 29, 2016 in Kassel, Germany

\(\text{Sunny Boy (Q1 2016)}\)
3. Financials & Investment Highlights
Americas was the Strongest Growth Region (+54%), Followed by APAC (+18%) and EMEA (+8%) in the Reporting Period

Group Sales (in € m)

Intern. Share 76% 76% 87%

Americas 39% 549 43% 699

EMEA 41% 35% 39%

APAC 20% 19% 18%

Sales by Segments (in € m)

Residential Q1-Q3 2014 Q1-Q3 2015
Residential 143 186
Commercial 111 143
Utility 184 287
Service 1 101 87
Other Business 51 47

Utility was the key growth driver with an increase of more than €100 million (c.70% of total growth)
The Utility and Residential Segments are Key Drivers of Margin Improvement - Commercial Segment is Impacted by One-Offs

 Margin improvements in Residential and Utility mainly result from cost-out programs for existing products and a better cost structure of new products
SMA is on Track to Reduce its Fixed Cost Base by c. €160 Million by the End of 2015

Key transformation measures (FTE)¹

<table>
<thead>
<tr>
<th>Category</th>
<th>Key Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Technology</strong></td>
<td>Downsizing Kassel, Denver, Suzhou</td>
</tr>
<tr>
<td></td>
<td>Reduction of ext. service providers</td>
</tr>
<tr>
<td></td>
<td>Focus R&amp;D projects / portfolio</td>
</tr>
<tr>
<td><strong>Operations</strong></td>
<td>Outsourcing of non-core activities</td>
</tr>
<tr>
<td></td>
<td>Phase out interim managers</td>
</tr>
<tr>
<td></td>
<td>Improvement of SCM and central inverter production</td>
</tr>
<tr>
<td><strong>Administration</strong></td>
<td>Restructuring CFO/CEO functions</td>
</tr>
<tr>
<td></td>
<td>Centralization of administration funct.</td>
</tr>
<tr>
<td></td>
<td>Reduction of non-personnel expenses</td>
</tr>
<tr>
<td><strong>Sales &amp; Marketing</strong></td>
<td>Reduction of back office staff</td>
</tr>
<tr>
<td></td>
<td>Downsizing of communication &amp; marketing</td>
</tr>
<tr>
<td></td>
<td>Closure of subsidiaries</td>
</tr>
<tr>
<td><strong>Service</strong></td>
<td>Rightsizing infrastructure EMEA/APAC</td>
</tr>
<tr>
<td></td>
<td>Reduction of service level</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>Reduction of office/production space</td>
</tr>
<tr>
<td></td>
<td>Restructuring of IT services</td>
</tr>
</tbody>
</table>

More than 1,250 employees² left the company by the end of September 2015 already

1. Without temporary employees, trainees, interns
2. FTE’s w/o temporary employees, trainees, interns as of September 30, 2015.
Additional c. 200 employees are expected to leave SMA until the end of the year.
SMA Realized Annualized Fixed Cost Savings of €100 Million Already by the End of Q3 2015

Fixed cost structure, w/o depreciation (in € m)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2015</th>
<th>Q3 2015 (adj.)</th>
<th>Q3 2015 (pro-forma)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel costs</td>
<td>65</td>
<td>72</td>
<td>75</td>
</tr>
<tr>
<td>Non-Personnel costs</td>
<td>36</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Depreciation/Amortization</td>
<td>-19</td>
<td>-19</td>
<td>-19</td>
</tr>
</tbody>
</table>

-25x4 = -100

Fix cost reduction program almost completed by year-end 2015, full EBIT impact starting 2016

Comments

- Full year target of c. €160 million will almost be reached by the end of 2015
- 75% of all measures are already implemented, 25% are not completed yet
- The implementation of measures to reduce fix costs are closely monitored
- Reported personnel costs in Q3 2015 include performance bonuses and Christmas allowance

1. W/o temporary workers (Q1 2015: €2,6m, Q3 2015: €5,0m)
2. See Notes 5-8 to the Income Statement SMA Group: SGA, Gross R&D & COGS w/o material expenses
3. Including normalized Bonuses and Christmas allowances / 4. Without Performance Bonuses and Christmas allowance (original plan)
SMA Reduced its Break Even Point by More than 25% to €800 Million since the Beginning of the Year

With its improved cost structure SMA has a high operating leverage

Comments

> Reduction in Fixed Costs by 25% compared to Q1 2015, Depreciation/Amortization are stable.

> Annualized fixed costs in COGS are c. €200 million in Q3 2015. In SGA and R&D the annualized fixed costs amounted to €176 million in Q3 2015

> Most fixed cost reduction measures are implemented by the end of Q3 and will already be EBIT effective in Q4 2015

> Improvement in variable costs due to new products and cost out activities

1. Operating Business: Including Capitalization of R&D Projects and Other operating income and costs
2. Including normalized personnel expenses (Performance Bonuses and Christmas allowance)
SMA has a high Net Cash position of €251 million, despite cash outflow for severance payments

### SMA Significantly Reduced Trade Receivables and Raw Materials Despite Stronger Sales Development

#### Group Balance Sheet (reclassified, in € m)

<table>
<thead>
<tr>
<th></th>
<th>12/31/2014</th>
<th>09/30/2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non Current Assets</td>
<td>488</td>
<td>486</td>
<td>-0%</td>
</tr>
<tr>
<td>Working Capital</td>
<td>363</td>
<td>322</td>
<td>-11%</td>
</tr>
<tr>
<td>Other Assets</td>
<td>42</td>
<td>40</td>
<td>-5%</td>
</tr>
<tr>
<td>Cash &amp; Deposits</td>
<td>287</td>
<td>312</td>
<td>9%</td>
</tr>
<tr>
<td>Shareholders’ Equity</td>
<td>552</td>
<td>541</td>
<td>-2%</td>
</tr>
<tr>
<td>Provisions</td>
<td>213</td>
<td>177</td>
<td>-17%</td>
</tr>
<tr>
<td>Trade Payables</td>
<td>112</td>
<td>101</td>
<td>-10%</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td>62</td>
<td>61</td>
<td>-2%</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>241</td>
<td>280</td>
<td>16%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,180</strong></td>
<td><strong>1,160</strong></td>
<td><strong>-2%</strong></td>
</tr>
</tbody>
</table>

#### Net Working Capital (in € m)

<table>
<thead>
<tr>
<th></th>
<th>12/31/2014</th>
<th>09/30/2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Payables</td>
<td>100</td>
<td>100</td>
<td>0%</td>
</tr>
<tr>
<td>Unf. goods</td>
<td>25</td>
<td>27</td>
<td>8%</td>
</tr>
<tr>
<td>Finished goods</td>
<td>77</td>
<td>61</td>
<td>-23%</td>
</tr>
<tr>
<td>Raw materials and consumables</td>
<td>250</td>
<td>221</td>
<td>-2%</td>
</tr>
<tr>
<td><strong>NWC Ratio</strong></td>
<td><strong>31%</strong></td>
<td><strong>23%</strong></td>
<td></td>
</tr>
</tbody>
</table>

December 31, 2014

September 30, 2015

- Trade Payables
- Unf. goods
- Trade Receivables
- Finished goods
- Raw materials and consumables

1. W/o rent deposits (€3 m)
2. Cash and cash equivalents (€201 m), time deposits (€36 m), asset mgmt (€49 m), pledges (€ 24 m), rent deposits (€3m)
3. Non-interest bearing
4. W/o derivative financial liabilities (€5m)
5. Incl. derivative financial liabilities (€5m)
6. NWC= Inventory+Trade Receivables- Trade Payables (no advanced payments included)
7. As of LTM sales
SMA Generated a Positive Free Cash Flow due to Higher Earnings and Improved Net Working Capital

### Cash Flow (in € million)

<table>
<thead>
<tr>
<th></th>
<th>Q1-Q3 2014</th>
<th>Q1-Q3 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>-54</td>
<td>-14</td>
</tr>
<tr>
<td>Gross Cash Flow</td>
<td>-46</td>
<td>26</td>
</tr>
<tr>
<td>Cash Flow from Operating Activities</td>
<td>-33</td>
<td>63</td>
</tr>
<tr>
<td>Net Capex&lt;sup&gt;1&lt;/sup&gt;</td>
<td>54</td>
<td>41</td>
</tr>
<tr>
<td><strong>Free Cash Flow (Adj.)</strong></td>
<td><strong>-87</strong></td>
<td><strong>22</strong></td>
</tr>
<tr>
<td>Net Investments from Securities and Other Financial Assets</td>
<td>60</td>
<td>-2</td>
</tr>
<tr>
<td>Acquisitions&lt;sup&gt;2&lt;/sup&gt;</td>
<td>2</td>
<td>-1</td>
</tr>
<tr>
<td><strong>Free Cash Flow (IFRS)</strong></td>
<td><strong>-25</strong></td>
<td><strong>19</strong></td>
</tr>
</tbody>
</table>

> SMA’s business model is not capital intense with capital expenditures (w/o R&D capitalization) of c. 2% of sales

1. Thereof R&D capitalization: Q1-Q3 2014: €28 m, Q1-Q3 2015: €26 m
2. Cash flow from Danfoss asset deal
SMA has a Strong Order Backlog of c. €652 Million; thereof c. €313 from Products

Order Backlog by Segments (in € m)¹

- Utility: 339
- Commercial: 36
- Residential: 34
- Others: 63
- Total: 652

Order Backlog by Region (in %)₁,²

- Americas: 51%
- EMEA: 25%
- APAC: 24%
- Service³: 2%

SMA works already on utility scale projects for 2017 to be installed in North America

¹ As of October 31, 2015
² Only Utility, Commercial, Residential, Other Business
³ Order backlog in Service will be recognized over a period of 5 to 10 years
SMA’s Management Increased Sales Guidance to €925-975 Million; EBITDA is Expected to be Between €80-100 Million

2015 Sales & EBIT-Guidance (in € m)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>-58</td>
<td>80-100</td>
</tr>
<tr>
<td>EBIT</td>
<td>-165</td>
<td>10-30</td>
</tr>
<tr>
<td>Sales</td>
<td>805</td>
<td>925-975</td>
</tr>
</tbody>
</table>

SMA applied conservative planning assumptions despite unique positioning in the solar industry
SMA is a Technology Driven Company With a Global Presence and a Flexible Business Model

- Direct exposure to the global solar market
- SMA has been the #1 for solar inverters for more than 2 decades
- Proven technology and game changing new products
- Flexible business model and best-cost sourcing strategy
- Powerful sales and service infrastructure
- Transformation process will lead to significant cost reduction
- Bankable partner due to high equity ratio and net cash position
- Conservative guidance, despite unique positioning
- Stable shareholder structure with Danfoss as strategic anchor investor
Development of Key Financials

Sales in € million

Gross margin

EBITDA in € million
Development of Key Financials (Cont’): Sales Development by Segment in (€ million)

- **Residential**
  - Q1 2014: 0
  - Q2 2014: 20
  - Q3 2014: 40
  - Q4 2014: 60
  - Q1 2015: 80
  - Q2 2015: 100
  - Q3 2015: 120

- **Commercial**
  - Q1 2014: 0
  - Q2 2014: 20
  - Q3 2014: 40
  - Q4 2014: 60
  - Q1 2015: 80
  - Q2 2015: 100
  - Q3 2015: 120

- **Utility**
  - Q1 2014: 0
  - Q2 2014: 20
  - Q3 2014: 40
  - Q4 2014: 60
  - Q1 2015: 80
  - Q2 2015: 100
  - Q3 2015: 120

**2014**
- Residential: 249
- Commercial: 159
- Utility: 282

**2015**
- Residential: 240-250
- Commercial: 190-200
- Utility: 380-400
Development of Key Financials (Cont’): Sales Development by Segment in (€ million)

Service

Other Business


2014 | 41 | 74 |

2015 | >50 | 65-75 |
Development of Key Financials (Cont’)

NWC ratio

Equity ratio

BACKUP

SMA