



SMA Solar Technology AG – Press Release

SMA Solar Technology AG Sets New Sales Record in 2017 and Reaches Top End of Earnings Guidance – Managing Board Expects Growth in Sales and Earnings in 2018

Niestetal, January 24, 2018—SMA Solar Technology AG (SMA/FWB: S92) closed the 2017 fiscal year with a sales record of around 8.5 GW (2016: 8.2 GW). According to provisional estimates by the Managing Board, SMA generated sales of more than €890 million in 2017 (2016: €946.7 million). The earnings before interest, taxes, depreciation and amortization (EBITDA) of expected more than €95 million (2016: €141.5 million) are at the top end of the Managing Board's guidance; the EBIT guidance was surpassed. Net income is expected to amount to approximately €30 million and is therefore on par with the previous year (2016: €29.6 million). SMA has increased its net cash to an estimated €450 million (December 31, 2016: €362.0 million). For the 2018 fiscal year, the SMA Managing Board expects sales of €900 million to €1.0 billion and anticipates EBITDA of between €90 million and €110 million. For the first time, EBITDA includes expenses of more than €10 million for setting up the digital business. The Managing Board estimates that depreciation and amortization will amount to approximately €50 million.

"SMA closed the 2017 fiscal year better than originally forecast," explained SMA Chief Executive Officer Pierre-Pascal Urbon. "We set a new sales record, in particular due to the strong business in Europe and Asia. All segments were profitable, and we increased net cash to around €450 million thanks to our positive earnings and the low capital intensity of our business model. We will use our many years of experience with photovoltaic inverters, battery-storage systems and energy management to expand into the rapidly growing energy services business."

The SMA Managing Board expects sales to increase to between €900 million and €1.0 billion in 2018. This will be driven mainly by the generally good market development and in particular by the continued strength of the Asian and European business and the rising demand for system technology for storage applications. The Managing Board anticipates EBITDA of between €90 million and €110 million. This includes expenses of more than €10 million for setting up the energy services business. The Managing Board estimates that depreciation and amortization will amount to approximately €50 million.

"SMA wants to seize the opportunities of the digital transformation in the energy sector and is in an ideal position to do so," said Urbon. "In the future, we will be launching numerous innovations and entering into new strategic partnerships. Our connected solutions help our customers around the world effectively reduce their electricity costs and contribute to a sustainable future."



At Capital Markets Day on January 26, the Managing Board will talk about disruptions in the energy sector, the growth of SMA's addressable market and SMA's unique positioning and financial performance. The presentation containing additional information can be found at <http://www.sma.de/en/investor-relations/publications/presentations.html> from the beginning of the event. SMA will publish the complete consolidated financial statements for 2017 on March 28, 2018.

About SMA

The SMA Group with sales of around €1 billion in 2016 is the global market leader for solar inverters, a key component of all PV plants. SMA offers a wide range of products and solutions that allow for high energy yields for residential and commercial PV systems and large-scale PV power plants. To increase PV self-consumption efficiently, SMA system technology can easily be combined with different battery technologies. Intelligent energy management solutions, comprehensive services and operational management of PV power plants round off SMA's range. The company is headquartered in Niestetal, near Kassel, Germany, is represented in 20 countries and has more than 3,000 employees worldwide, including 500 working in Development. SMA's multi-award-winning technology is protected by more than 1,000 patents and utility models. Since 2008, the Group's parent company, SMA Solar Technology AG, has been listed on the Prime Standard of the Frankfurt Stock Exchange (S92) and is currently the only company in the solar industry that is listed in the TecDAX index.

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