



SMA Solar Technology AG – Press Release

SMA Solar Technology AG Increases Sales and Earnings in the First Quarter of 2018

Overview Q1 2018:

- **1.8 GW inverter output sold (Q1 2017: 1.7 GW)**
- **Sales of €182.5 million (Q1 2017: €173.2 million) and EBITDA of €17.5 million (Q1 2017: €15.9 million) in line with the Managing Board's guidance**
- **Financial stability thanks to solid equity ratio of 50.1% (December 31, 2017: 50.3%) and high net cash of €444.8 million (December 31, 2017: €449.7 million)**
- **High order backlog of €647.3 million, of which €256.3 million is attributable to the product business**
- **Managing Board confirms its sales and earnings guidance for fiscal year 2018**

Niestetal, May 9, 2018 – In the first quarter of 2018, SMA Solar Technology AG (SMA/FWB: S92) sold inverters with a total output of around 1.8 GW (Q1 2017: 1.7 GW) and increased its sales in comparison to the first three months of the previous year by 5.4% to €182.5 million (Q1 2017: €173.2 million). From January to March 2018, EBITDA rose to €17.5 million (EBITDA margin: 9.6%; Q1 2017: €15.9 million; 9.2%). The year-on-year jump in earnings is significant because the previous year's earnings included an amount in the high single-digit millions as a one-time item from the sale of SMA Railway Technology GmbH. Sales and earnings in the first quarter were in line with the Managing Board's guidance published on March 28, 2018. The sales increase is attributable in particular to the positive development in the regions of Europe, the Middle East and Africa (EMEA) and Asia-Pacific (APAC).

Net income amounted to €2.8 million in the first quarter of 2018 (Q1 2017: €6.3 million). Earnings per share thus amounted to €0.08 (Q1 2017: €0.17). With net cash of €444.8 million (December 31, 2017: €449.7 million) and an equity ratio of 50.1% (December 31, 2017: 50.3%), SMA continues to have an extremely solid balance-sheet structure. In addition, the company has a long-term credit line of €100 million from domestic banks.

"We are satisfied with the development of our core business in the first quarter of 2018," explained SMA CEO Pierre-Pascal Urbon. "In the first three months of the fiscal year, demand for our products and services was at a similarly high level as in the previous quarters. We also expect a stronger second half of the year and are therefore optimistic that we will achieve the annual targets. We are systematically pressing ahead with adding energy services to our business. Based on our extensive application expertise, we have developed a vertical energy management platform with ennexOS that can be used to connect and optimize different technologies at the local level. The open architecture also allows the connection to a cloud solution. SMA is thus a trendsetter in the field of decentralized energy and a sought-after cooperation partner for companies seeking to benefit from this growth segment."



In light of the development in the first quarter of 2018 and the continued high order backlog, the SMA Managing Board confirms its sales and earnings guidance for the 2018 fiscal year, which forecasts sales of between €900 million and €1,000 million and 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.

The quarterly statement for January to March 2018 can be found at www.SMA.de/IR/FinancialReports. SMA's Annual General Meeting will be held on May 24, 2018 in Kassel.

About SMA

The SMA Group with sales of around €900 million in 2017 is a global 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 and digital energy 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 1,100 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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