

Managing Board of SMA Solar Technology AG Forecasts Significant Growth in Sales and Earnings in Coming Months After Restrained Development as Expected in First Half of Year

Overview of H1 2019:

- **Inverter output sold of 4.0 GW below last year's level (H1 2018: 4.3 GW)**
- **Sales of €362.7 million (H1 2018: €394.6 million) and EBITDA of €8.5 million (H1 2018: €40.9 million)**
- **Financial stability thanks to solid equity ratio of 41.9% (December 31, 2018: 42.9%) and net cash of €268.2 million (December 31, 2018: €305.5 million)**
- **Very high order backlog of €818.7 million, of which €453.1 million is attributable to the product business (December 31, 2018: €175.4 million attributable to product business)**
- **Cost reduction program develops as planned**
- **Managing Board confirms its sales and earnings guidance for the 2019 fiscal year**

Niestetal, August 8, 2019 – In the first half of 2019, SMA Solar Technology AG (SMA/FWB: S92) sold PV inverters with a total output of around 4.0 GW (H1 2018: 4.3 GW). Sales decreased by 8.1% compared with the first half of 2018 to €362.7 million (H1 2018: €394.6 million). This was particularly due to continued weak project business in the first half of the year. By contrast, SMA recorded significant sales growth in the field of private residential PV systems. From January to June 2019, EBITDA amounted to €8.5 million (EBITDA margin: 2.3%; H1 2018: €40.9 million, 10.4%; the previous year's earnings included substantial positive one-time items). Order intake developed very well in the first half of the year in all segments, but especially in the Large Scale & Project Solutions segment. On this basis, the SMA Managing Board is expecting a significant increase in sales and earnings in the second half of the year.

Net income amounted to -€14.2 million in the first half of 2019 (H1 2018: €11.2 million). Earnings per share thus amounted to -€0.41 (H1 2018: €0.32). With net cash of €268.2 million (December 31, 2018: €305.5 million) and an equity ratio of 41.9% (December 31, 2018: 42.9%), SMA continues to have a solid balance-sheet structure.

"As expected, SMA's sales and earnings in the first half of 2019 were lower than in the same period of the previous year. At the same time, incoming orders developed extremely positively. Among other things, in May we secured the largest order in our company's history. As of June 30, 2019, SMA had a product-related order backlog of €453.1 million. We thus increased the product-related order backlog by 158% in the first six months of the year," said SMA Chief Executive Officer Dr. Jürgen Reinert. "In the Home Solutions segment, the good order intake already had a positive impact in the first half of the year. SMA generated around 21% more sales here than in the same period of the previous year. By contrast, the implementation of projects in the Large Scale & Project Solutions segment, which accounts for a large part of the order backlog, usually takes four to ten months. We therefore expect a significant sales increase here only in the second half of the year."

The SMA Managing Board confirms its sales and earnings guidance for the 2019 fiscal year, which forecasts sales of between €800 million and €880 million and EBITDA of between €20 million and €50 million. The Managing Board estimates that depreciation and amortization will amount to approximately €50 million.

The Half-Yearly Financial Report for January to June 2019 can be found at www.SMA.de/IR/FinancialReports.

About SMA

As a leading global specialist in photovoltaic system technology, the SMA Group is setting the standards today for the decentralized and renewable energy supply of tomorrow. SMA's portfolio contains a wide range of efficient PV inverters, holistic system solutions for PV systems of all power classes, intelligent energy management systems and battery-storage solutions as well as complete solutions for PV diesel hybrid applications. Digital energy services as well as extensive services up to and including operation and maintenance services for PV power plants round off SMA's range. SMA inverters with a total output of around 75 gigawatts have been installed in more than 190 countries worldwide. SMA's multi-award-winning technology is protected by more than 1,400 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 listed in the SDAX index.

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