



SMA Solar Technology AG – Press Release

Results 2012: SMA Solar Technology AG Performs Well Despite a Difficult Market Environment

Highlights 2012:

- **7.2 gigawatts of inverter output sold (2011: 7.6 GW)**
- **Sales at € 1.5 billion, near higher end of management guidance (2011: € 1.7 billion)**
- **Export ratio rose to 56.3% (2011: 53.6%)**
- **Earnings before interest and taxes (EBIT) of € 102 million (2011: € 240.3 million)**
- **Financial independence – net liquidity of € 446.3 million (Dec. 31, 2011: € 473.3 million)**
- **Proposed dividend of € 0.60 per share**
- **Managing Board confirms sales and earnings guidance for the fiscal year 2013**

Niestetal, March 27, 2013 – SMA Solar Technology AG (SMA/FWB: S92) attained its sales and earnings forecast in 2012 despite the difficult market environment. The company achieved sales of € 1.5 billion (2011: € 1.7 billion) and earnings before interest and taxes (EBIT) of € 102 million (2011: € 240.3 million) at the conclusion of the fiscal year. At 7.0%, the EBIT margin was significantly below the previous year's figure (2011: 14.3%). The Managing Board will recommend that the Supervisory Board propose a dividend payout of € 0.60 per share at the annual general meeting on May 23, 2013. With this move, SMA will be one of the few companies in the solar sector offering a dividend.

According to estimates of the SMA Managing Board, new PV systems with a total power capacity of approximately 31 gigawatts were newly installed last year (2011: approximately 29 GW). 2012 was characterized by overcapacity on the photovoltaic market, tougher competition, and increasing price pressure. Due to massive changes to subsidies in Europe and purchases being brought forward as a result, the first nine months of 2012 were positive for SMA. The cuts in subsidies implemented in the fourth quarter and the growing uncertainty, particularly on the German photovoltaic market, had a noticeable negative effect on demand for PV inverters. SMA sold inverters with a total output of 7.2 gigawatts in the reporting period (2011: 7.6 GW). Due to the downward trend in Europe, the non-European markets increased in importance. There were significant growth impulses coming from North America, Japan, and Thailand in particular, which led to an export ratio of 56.3% (2011: 53.6%). In the reporting period, SMA continued to propel its internationalization rigorously and founded foreign companies in South Africa and Chile. The company is now represented in 21 countries and can thus reduce its dependence on individual markets.

Consolidated net profit was € 75.1 million in the reporting period (2011: € 166.1 million). In 2012, SMA achieved a positive free cash flow in a difficult market environment before paying the dividend. This feat underscores the



company's ability to generate cash with its business model, even in a challenging competitive situation. The gross cash flow amounted to € 165.8 million in the reporting period (2011: € 240.7 million). With an equity ratio of 61.8% (Dec. 31, 2011: 57.4%) and net liquidity of € 446.3 million (Dec. 31, 2011: € 473.3 million), SMA continues to have a very solid balance-sheet structure and can finance its further development from its own resources.

"2013 will be a tough year for the solar sector. The photovoltaic market is currently undergoing major changes. However, we focused our corporate strategy on the future requirements of the energy sector at an early stage. Due to our development of innovative system technology and energy management solutions, company-wide efforts to reduce costs and consistent internationalization, we believe that SMA is well positioned to take the opportunities arising in the international photovoltaic markets. One thing is certain: The global transformation in the energy sector from central power plants to decentralized energy production is only possible with innovative system technology. We are focusing strategically on this worldwide growth market," explains SMA Chief Executive Officer Pierre-Pascal Urbon.

The SMA Managing Board confirms the sales and earnings guidance for SMA including Zegersolar for 2013. It predicts sales of € 0.9 billion to € 1.3 billion and a break-even result in the best scenario. Nevertheless, the Managing Board cannot exclude the possibility of a loss.

The annual report for 2012 is available online at www.SMA.de/IR/FinancialReports.

About SMA

The SMA Group generated sales of €1.5 billion in 2012 and is the global market leader for solar inverters, a key component of all PV plants and, as an energy management group, offers innovative key technologies for future power supply structures. It is headquartered in Niestetal, near Kassel, Germany, and is represented internationally in 21 countries. The Group employs more than 5,000 people worldwide. SMA's broad product portfolio includes a compatible inverter for every type of module on the market and for all plant sizes. The product range includes both inverters for photovoltaic plants connected to the grid as well as inverters for off-grid systems. SMA is therefore able to provide ideal technical inverter solutions for all plant sizes and types. 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 also in the TecDAX index. In recent years, SMA has received numerous awards for excellence as an employer and achieved first place in the nationwide "Great Place to Work[®]" competition in 2011 and 2012.



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