



SMA Solar Technology AG – Press Release

Managing Board of SMA Solar Technology AG Anticipates Difficult Fiscal Year 2015 and Plans Global Staff Reductions

Niestetal, January 26, 2015—The Managing Board of SMA Solar Technology AG (SMA/FWB: S92) is anticipating a difficult fiscal year 2015 and a decline in sales. For 2014, the Managing Board is confirming the upper end of the sales forecast of €790 million and a loss of up to €115 million (excluding provisions for the planned staff reductions). Due to the lower level of sales, the SMA Managing Board is planning to cut approximately 1,600 full-time positions in all functional areas by June 30, 2015.

“We expect to see high price pressure on the global photovoltaic market still in the coming years and a further decline in demand in Europe, particularly in Germany. By contrast, the non-European markets will develop positively. This means, that although the market measured in gigawatts will continue to grow in the medium term, we expect to see a global decline when measured in euros. To return to profitability in this environment, we want to make adjustments to SMA’s structures in line with the lower sales level. This is the only way that we can break even with reduced sales. In this context, global staff reductions are unfortunately unavoidable. We have already defined extensive measures that we will discuss with the Works Council over the next weeks,” said SMA Chief Executive Officer Pierre-Pascal Urbon. “However, the effects of these measures will not emerge until the second half of the year at the earliest, meaning that SMA will probably not yet return to profitability in the current fiscal year.” With net cash of approximately €220 million, SMA will be able to finance the transformation and the implementation of the strategy with its own resources, Urbon continued.

In relation to the 4,667 full-time positions (excluding temporary employees) as of December 31, 2014, the SMA Managing Board is planning to cut approximately 1,600 full-time positions worldwide by June 30, 2015. Approximately 1,300 full-time positions in Germany and approximately 300 full-time positions at SMA’s international locations are affected. The cutback targets of over 600 full-time positions that were announced last year are included in these figures. The SMA Managing Board strives to achieve a socially responsible staff reduction. However, compulsory layoffs cannot be ruled out at the current date.



The Managing Board will provide details on the transformation concept for SMA and the outlook for the fiscal year 2015 at the 7th Capital Markets Day in Kassel this Friday, January 30, 2015, and will inform employees and the general public.

About SMA

The SMA Group generated sales of more than €930 million in 2013 and is the global market leader for solar inverters, a key component of all PV plants. SMA offers innovative key technologies for future power supply structures. It is headquartered in Niestetal, near Kassel, Germany, and is represented 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 grid-connected photovoltaic plants as well as off-grid and hybrid system technology. The product portfolio is supplemented by comprehensive services and operational management of utility-scale PV plants. 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.

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