



Joint Press Release of SMA Solar Technology AG and Danfoss A/S

**SMA Solar Technology and Danfoss A/S will Create One of the World's Largest Converter Alliances**

**Niestetal/Nordborg, February 26, 2014 – SMA Solar Technology AG (SMA/FWB: S92) and Danfoss A/S plan to enter into a close strategic partnership for a step change in competitiveness. The two leading system technology specialists will take full advantage of economies of scale and joint development initiatives. In addition, Danfoss acquires 20% of SMA's outstanding shares and plans to sell its complete solar inverter business to SMA.**

"The strategic alliance with Danfoss strengthens SMA's leading position in the global photovoltaic market. We are faced with a highly competitive market environment and increased price pressure. In this context, SMA will benefit from Danfoss' years of experience in automated drives. This market has been characterized by fierce competition for a long time. Accordingly, the strategy of the Danfoss group targets continuous cost improvements through global sourcing and cost down initiatives. By establishing a close cooperation there is significant potential to improve the cost position in both companies," says SMA CEO Pierre-Pascal Urbon.

With the acquisition of Danfoss' solar inverter business, SMA will increase the attractiveness of its product portfolio. After the completion of the transaction SMA will launch new products for the fast growing market segments of medium-sized photovoltaic plants in Europe, China and the USA.

"With the strong cooperation between Danfoss, as a leading specialist in the field of drives, and SMA, with a unique positioning in the solar inverter market, both companies will create one of the world's largest converter alliances with a global presence. A shareholding of 20% in SMA is a bold statement and proves our continued dedication and confidence in the solar business. We are committed to drive innovation and competitiveness by integrating Danfoss know how from the drives technology to the photovoltaic inverter business. Danfoss will certainly benefit from economies of scale and the high growth rates of the solar industry," explains Niels B. Christiansen, President and CEO of Danfoss.

Danfoss acquires 6.94 million of SMA shares at a price of €43.57 per share from the SMA founders, their trusts and families. The cash consideration corresponds to a premium of 50% to the volume-weighted average share price over the last 60 days. The transaction volume amounts to €302,38 million. After completion of the transaction the freely tradable free float of the SMA share will be at 25.05%. The SMA founders, their trusts and families will hold 54.95% of the SMA shares after the transaction is completed. Danfoss will not buy or sell shares for a lock-up period of at least



2 years. The share purchase is subject to regulatory approval. Closing of the acquisition of shares and the cooperation contract is expected within Q3 2014.

Background information on the transaction is available at <http://www.sma.de/en/investor-relations/publications/presentations.html>.

### **About SMA**

The SMA Group generated sales of more than €0.9 billion in 2013 and is the global market leader for solar inverters, a key component of all PV plants. As an energy management group, 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.

### **About Danfoss**

Danfoss is a global leader focused on energy-efficient solutions that save energy and costs, and reduce carbon emissions. The company's wide range of products and services are used in areas such as cooling food, air conditioning, heating buildings, controlling electric motors and powering mobile machinery. Danfoss Solar Inverters develops and manufactures a comprehensive range of grid-connected photovoltaic inverters for all PV applications, backed by some of the most extensive inverter testing facilities in the industry. Danfoss is also active in the field of wind power as well as district heating and cooling infrastructure for cities and urban communities. The Group employs around 22,500 employees and sells its products in more than 100 countries around the world. In 2012, Danfoss generated net sales of €4.56 billion.

#### **SMA Solar Technology AG**

Sonnenallee 1  
34266 Niestetal  
Germany

#### **Danfoss S/A**

Nordborgvej 81  
6430 Nordborg  
Denmark



**Head of Corporate Communications:**

Anja Jasper  
Tel. +49 561 9522-2805  
Presse@SMA.de

**Head of Media Relations:**

Lasse Bastkjær Jensen  
Tel. +45 27351240  
lasse.jensen@danfoss.com

**Press contact:**

Susanne Henkel  
Manager Corporate Press  
Tel.: +49 561 9522-1124  
Fax +49 561 9522-421400  
Presse@SMA.de

**Investor Relations contact:**

Julia Damm  
Manager Investor Relations  
Tel. +49 561 9522-2222  
Fax +49 561 9522-2223  
IR@SMA.de

**Disclaimer:**

This press release serves only as information and does not constitute an offer or invitation to subscribe for, acquire, hold or sell any securities of SMA Solar Technology AG (the "Company") or any present or future subsidiary of the Company (together with the Company, the "SMA Group") nor should it form the basis of, or be relied upon in connection with, any contract to purchase or subscribe for any securities in the Company or any member of the SMA Group or commitment whatsoever. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended.

This press release can contain future-oriented statements. Future-oriented statements are statements which do not describe facts of the past. They also include statements about our assumptions and expectations. These statements are based on plans, estimations and forecasts which the Managing Board of SMA Solar Technology AG (SMA or company) has available at this time. Future-oriented statements are therefore only valid on the day on which they are made. Future-oriented statements by nature contain risks and elements of uncertainty. Various known and unknown risks, uncertainties and other factors can lead to considerable differences between the actual results, the financial



position, the development or the performance of the corporation and the estimates given here. These factors include those which SMA has discussed in published reports. These reports are available on the SMA website at [www.SMA.de](http://www.SMA.de). The company accepts no obligation whatsoever to update these future-oriented statements or to adjust them to future events or developments.