



SMA Solar Technology AG Press Release

SMA Solar Technology AG achieves second best result in company history in 2011

Highlights 2011:

- **€1.7 billion in sales thanks to strong international growth and project business (2010: €1.9bn)**
- **With €240 million in operating profit (EBIT), the company had its second best year ever (2010: €516m)**
- **Foreign share of sales increased significantly to 53.6 percent (2010: 44.9%)**
- **Proposed dividend of €1.30 per share**
- **2012 sales and earnings forecast confirmed**

Niestetal, Germany, March 29, 2012 – In 2011 SMA Solar Technology AG (SMA/FWB: S92) maintained its strong position in a very competitive market and recorded the second biggest annual profit in the company's history. Thanks to strong international growth and project business, sales amounted to €1.7 billion with an operating profit (EBIT) of €240.3 million. In 2010, a record-breaking year, the company generated €1.9 billion in sales with an operating profit of €516.8 million. In light of this positive trend, the Managing Board and Supervisory Board will propose a dividend payout of €1.30 per share at the Annual General Meeting on May 22, 2012 (2010: €3.00 per share). The payout ratio of 33.8 percent is the highest since the company's initial public offering in 2008. SMA pays one of the highest dividends amongst the solar companies listed on the TecDAX.

Despite growing public support for photovoltaics, the rapid growth in demand over the previous years was not evident in 2011. The amount of newly installed global capacity is around 23 gigawatts, which is approximately the same as in 2010. While demand in Germany has remained stable, the foreign markets have seen an uneven growth. There is strong growth momentum coming from regions such as Southern Europe, North America and India. The regional shift in demand is also changing installation sizes. As a result, large-scale solar projects have largely compensated for the downturn in new PV rooftop system installations. SMA was able to take advantage of this development thanks to its strong position in foreign markets and its wide range of products for all photovoltaic markets and application areas. The foreign share of total sales increased to 53.6 percent in 2011 (2010: 44.9%). Sales from the project business with Sunny Central inverters grew to €496.4 million, an increase of almost 50 percent. Globally, the company sold inverters with a total combined capacity of 7.6 gigawatts last year (2010: 7.8 GW). According to SMA's own estimates, this represents a market share of around 33 percent. Thus, SMA remains the global market leader in PV inverters by a wide margin.



"The market position of SMA is unique. No other company can offer so much experience and expertise in PV inverters and energy management. Our product portfolio comprises inverters for all applications, power classes, and module types. SMA has also developed intelligent energy management and monitoring systems," explains Pierre-Pascal Urbon, Chief Executive Officer and Chief Financial Officer of SMA Solar Technology AG. "Our forward-looking product innovations have played a major role in lowering the cost of solar power production and integrating solar power into the distribution grid without expensive upgrades. SMA is the first company in the solar sector that can offer product solutions for almost any requirement of importance to the energy transition. This means we are in an excellent position to take advantage of the great opportunities of the energy transition and to return to sales growth from 2013 on."

In 2012 the company will again invest more than €100 million into research and development to promote technological innovations that lower system costs and facilitate PV grid integration. SMA can continue this investment strategy thanks to its healthy financial situation with an equity ratio of 57 percent (2010: 58%) and almost half a billion euros in liquid assets.

The Managing Board of SMA Solar Technology AG is expecting only moderate growth in the global PV market in 2012, although a slight decline in the market remains a possibility. The Managing Board confirms the annual sales forecast published in early March and predicts €1.2 billion to €1.5 billion in sales and an EBIT margin of between 5 percent and 10 percent in 2012. "We are currently seeing strong demand for PV rooftop systems. We believe that this demand is mainly a response to the great uncertainty that prevails due to the massive proposed cuts to solar power subsidies in Germany. In contrast, our project business in Germany has experienced a sharp drop in demand since 10 megawatt or higher PV plants will no longer receive subsidies and the planning phase for such plants is significantly longer," says Pierre-Pascal Urbon. "Given the current level of uncertainty in the German market and massive changes in other European markets, estimating how demand will develop over the rest of the year is almost impossible. However, our forecast for the whole year remains."

SMA will continue its internationalisation strategy outside of Europe and establish foreign companies in Chile and South Africa. The direct export rate is expected to increase to 80 percent in 2012.

The 2011 annual report, the financial statements of the SMA Group and video statements of the CEO are available at www.SMA.de/FinancialReports.



About SMA

The SMA Group generated sales of €1.7 billion in 2011 and is the global market leader for solar inverters, a key component of all PV plants. It is headquartered in Niestetal, near Kassel, Germany, and is represented in 19 countries on four continents. The Group employs more than 5,500 people worldwide, plus a number of temporary employees that varies on a seasonal basis. 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 PV plants connected to the grid as well as inverters for off-grid systems. SMA can therefore provide an ideal inverter solution 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 in 2011 and 2012 achieved first place in the nationwide Great Place to Work® competition.

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