



HALF-YEARLY FINANCIAL REPORT JANUARY TO JUNE 2009



BUSINESS GROUP FIGURES

SMA Group		1. Half-year 2009	1. Half-year 2008	Change	Year 2008
Sales	€ million	247.1	292.6	- 16 %	681.6
Export ratio	in %	43.1	46.7		42.3
Capital expenditure ¹	€ million	32.5	28.2	15 %	62.2
Depreciation	€ million	7.0	3.7	89 %	8.9
Operating profit (EBIT)	€ million	35.0	68.7	- 49 %	167.4
Operating profit margin	in %	14.2	23.5		24.6
Consolidated net profit	€ million	26.0	48.2	- 46 %	119.5
Earnings per share ²	€	0.75	1.39		3.44
Employees ³		2,891	2,226	30 %	2,513
in Germany		2,733	2,129	28 %	2,400
Abroad		158	97	63 %	113
SMA Group		06/30/2009	12/31/2008	Change	
Total assets	€ million	457.6	469.6	- 3 %	
Equity	€ million	272.1	280.8	- 3 %	
Equity ratio	in %	59.5	59.8		
Net working capital ⁴	€ million	108.0	78.0	38 %	
Net working capital ratio ⁵	in %	17.0	11.4		
Cash and cash equivalents	€ million	179.3	261.0	- 31 %	

¹ Excl. finance leases, excl. R&D

² Converted to 34,700,000 shares

³ Average during the period; incl. temporary employees

⁴ Inventories and trade receivables minus trade payables

⁵ Relating to last twelve months' (LTM) sales

INVERTER OUTPUT SOLD

in megawatts

**GROUP SALES**

in million Euro

**OPERATING PROFIT (EBIT)**

in million Euro

**EARNINGS PER SHARE**

in Euro



(converted to 34,700,000 shares)

■ 1. Half-year 2008

■ 1. Half-year 2009

02 – 03

BUSINESS GROUP FIGURES

06 – 07

THE FUTURE OF SOLAR TECHNOLOGY

08 – 13

THE SMA SHARE

14 – 15

THE MANAGING BOARD

16 – 17

THE SUPERVISORY BOARD

18 – 45

FACTS AND FIGURES.

18 INTERIM MANAGEMENT REPORT

- 20 GENERAL ECONOMIC CONDITIONS
- 20 GROUP SALES AND EARNINGS
- 21 SALES AND EARNINGS BY SEGMENT
- 22 FINANCIAL POSITION AND ASSETS
- 24 INVESTMENTS
- 24 RESEARCH AND DEVELOPMENT
- 25 EMPLOYEES/HUMAN RESOURCES
- 26 SUPPLEMENTARY REPORT
- 26 RISKS AND OPPORTUNITIES REPORT
- 26 FORECAST REPORT

28 INTERIM CONSOLIDATED FINANCIAL STATEMENT

- 30 CONSOLIDATED INCOME STATEMENT AND TOTAL COMPREHENSIVE INCOME
- 31 CONSOLIDATED BALANCE SHEET
- 32 CONSOLIDATED CASH FLOW STATEMENT
- 33 STATEMENT OF CHANGES IN THE CONSOLIDATED
SHAREHOLDER'S EQUITY
- 34 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
AS AT JUNE 30, 2009
- 44 RESPONSIBILITY STATEMENT
- 45 AUDITOR'S REVIEW REPORT

46 FINANCIAL CALENDAR

46 CONTACT DETAILS

47 ACKNOWLEDGEMENTS

THE FUTURE OF SOLAR TECHNOLOGY

SMA Solar Technology AG develops, produces and sells solar inverters and monitoring systems for photovoltaic applications. SMA is the world's largest producer in this segment and is the only vendor that has a product range with the matching inverter type for any module type and any power class. This applies for grid tied applications as well as island and backup operation.

The inverter is technologically the most important component in any solar power system: it converts the direct current generated in photovoltaic cells into alternating current suitable for the grid. In addition, it is an intelligent system manager, responsible for yield monitoring and grid management. SMA's solar inverters are characterized by a particularly high efficiency. The Sunny Mini Central produced by SMA already has an efficiency of over 98 %, which allows for increased electricity production.

SMA's business model is driven by technological progress. Due to its flexible and scalable production, SMA is in a position to quickly respond to customer demands and promptly

implement product innovations. This allows the Company to easily keep pace with the dynamic market trends of the photovoltaic industry and at the same time absorb short-term fluctuations in demand for solar inverters.

SMA Solar Technology AG is headquartered in Niestetal, near Kassel, and is represented by sales and service subsidiaries on four continents in eleven countries. This group of companies employs more than 3,000 employees (incl. temporary staff) and has been distinguished several times in previous years with awards for its outstanding performance as an employer. Since June 27, 2008, the Company has been listed in the Prime Standard of the Frankfurt Stock Exchange (S92), and since September 22, 2008, the Company's shares have been listed in the TecDAX. In 2008, SMA generated an earnings before interest and taxes (EBIT) of more than € 165 million from a turnover of more than € 680 million. This corresponds to an EBIT margin of over 24 %.

THE FUTURE OF SOLAR TE



At the specialist fair Intersolar 2009 SMA presented many new products including the Sunny Central 630HE and three-phase Sunny Tripower available in four power classes.

THE SMA SHARE

Basic share data

Security code number (WKN)	A0DJ6J
ISIN	DE000A0DJ6J9
Stock market code	S92
Ticker symbols	Reuters S92G.DE / Bloomberg S92.GR
Listing	Prime Standard of the Frankfurt Stock Exchange
Prime sector	Industrial goods
Industry group	Renewables
Share class	No-par-value ordinary bearer shares
Share capital	€ 34.7 million
Number of shares	34.7 million
First listing	June 27, 2008
Relevant index	TecDAX

More indices at Deutsche Börse AG (www.deutsche-boerse.com)
 RENIXX® – Renewable Energy Industrial Index
 World PPVX Photon Photovoltaic Stock Index

At the beginning of 2009, the DAX stood at 4,973 points (January 2) and even climbed over the 5,000 points mark shortly thereafter (January 6). However, the DAX was not able to avoid the general downwards trend in the first quarter and fell to 3,666 points (March 6). At the end of the quarter, there was a price collapse of 18 % at a level of 4,085 points (March 31).

At the beginning of the second quarter, the DAX stood at 4,131 points (April 1). In the course of May, the DAX increased slowly but steadily and hit the 5,000 points mark again on May 20 (5,143 points). On June 2, the DAX reached its highest level in the second quarter at 5,144 points. By the middle of June, the DAX was continuously above the 5,000 points mark, but fell below it on June 15 and then down to 4,693 points (June 22). At the end of June, the DAX recovered slightly and closed at 4,809 points on June 30, which corresponds to a rise of 16 % compared to the beginning of the quarter.

The performance of the TecDAX, which was stronger relative to the DAX in the first quarter, continued this trend in the second quarter. From the beginning of January to the end of

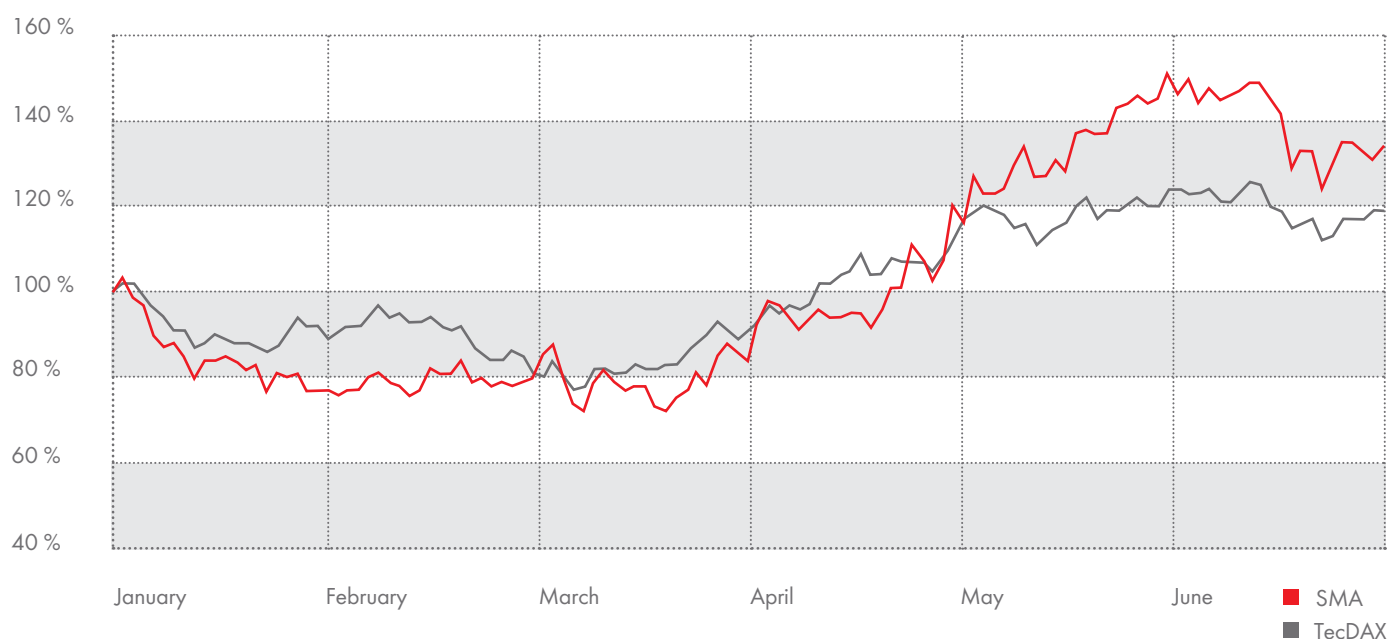
March, the TecDAX saw a lower price decline of only 9 % from 526 points (January 2) to 480 points (March 31).

In the second quarter, the TecDAX was characterized by significant gains. It reached its highest level in the second quarter at 660 points (June 11). This corresponds to a stock price gain of 35 % in comparison to the starting level of 488 points on April 1, 2009.

In the first quarter of 2009, the price of the SMA shares varied in a price range of between € 40.52 (January 5, Xetra closing price) and € 28.43 (March 9, Xetra closing price).

The SMA shares faced a price loss of 16 % in the course of the first quarter. They developed slightly better than the DAX, but in a direct comparison to the TecDAX the SMA shares showed a weaker performance. The average trading volume per day in the first quarter was at a relatively low level of 52,493 shares.

In the second quarter, the price performance picked up speed. While the price stood at € 35.78 at the beginning of April (April 7, Xetra closing price), it rose by 33 % by



the end of the month (€ 47.43 on April 30, Xetra closing price). Within four weeks, the price of the SMA shares increased from € 45.66 (May 4) to € 56.95 (May 29, each Xetra closing price), this equaling a price gain of 25 %. On June 1, the price increase reached its peak at € 59.64 and the SMA shares saw a price gain of 63 % in relation to the starting price of € 36.50 at the beginning of the quarter. Thus, the price approached its previous all-time high of € 65.28, which was reached in the third quarter of the previous year (Xetra closing price on August 20, 2008). The shares maintained its level above the threshold of € 57.00 in the following two weeks, but, after June 15, their price fell significantly to € 48.70 (June 22, Xetra closing price).

Nevertheless, the SMA shares closed the second quarter on € 52.77 (June 30, Xetra closing price), which is a price gain of 45 % compared to the starting price on April 1 (€ 36.50, Xetra closing price). Exactly one year after their first listing on June 27, 2008, the SMA shares recorded a price gain of 12 % when compared to the initial offering price of € 47.00.

With a price gain of 45 % in the second quarter, the SMA

shares' gain was in relative terms three times that of the DAX' 16 %. The SMA shares even beat the TecDAX by 10 percentage points with its significant price gain of 35 %.

The highest trading volume of the first half year was reached on May 13, 2009 with a daily volume of 205,375 shares. On this day, more than three times the average daily volume of 60,339 shares was traded. The closing price on May 13 was € 50.00 (Xetra).

By the end of the first half year, the group of banks and financial institutions reporting on SMA shares expanded to 16.

Barclays Capital, UBS and WestLB started reporting on the shares in this period.

In the course of the first year after the IPO in June 2008, a total of 13 banks had started regular coverage of the SMA shares. These are Bank of America/Merrill Lynch, Berenberg Bank, Cheuvreux, Citi, Commerzbank, Deutsche Bank, DZ Bank, Goldman Sachs, HSBC Trinkaus & Burkhardt, HVB UniCredit, Landesbank Baden-Württemberg, Macquarie Group and MerckFinck & Co.



- Freefloat: 25.70 %*
- Dipl.-Ing. Günther Cramer: 19.09 %
- Dipl.-Ing. Peter Drews: 19.11 %
- Dipl.-Ing. Reiner Wettlaufer: 19.11 %
- Prof. (em) Dr. Ing. Werner Kleinkauf: 16.99 %

*Incl. 3.31 % Generation Investment Management
(as of February 17, 2009)

The Company's four founders – Günther Cramer, Peter Drews, Reiner Wettlaufer and Prof. (em.) Dr. Ing. Werner Kleinkauf – hold the majority of shares in SMA of approximately 74 % after the IPO. The SMA Group's free float stands at approximately 26 %.

Investor Relations

In the first quarter of 2009, SMA held road shows in foreign countries in Europe and took part in two investor conferences. SMA was in dialog with institutional investors in the financial markets of Frankfurt, Zurich, Brussels, Lugano and Copenhagen. The objective of these discussions was to emphasize the unique positioning features of SMA.

SMA closed the first quarter on March 31 with the press conference on annual results in Frankfurt am Main.

In the second quarter, SMA invited financial analysts and institutional investors to the first ever „Capital Markets Day“ (information day for capital market representatives) at its headquarters in Niestetal. About 50 participants from Germany, the United Kingdom and Switzerland were present at the event. During the first half of the day, Günther Cramer and Pierre-Pascal Urbon gave a presentation on SMA and its corporate strategy. The main points of the management's presentation and the subsequent discussion were technology leadership, development fields of the future and continuous price reduction through innovation. In addition, the Manag-

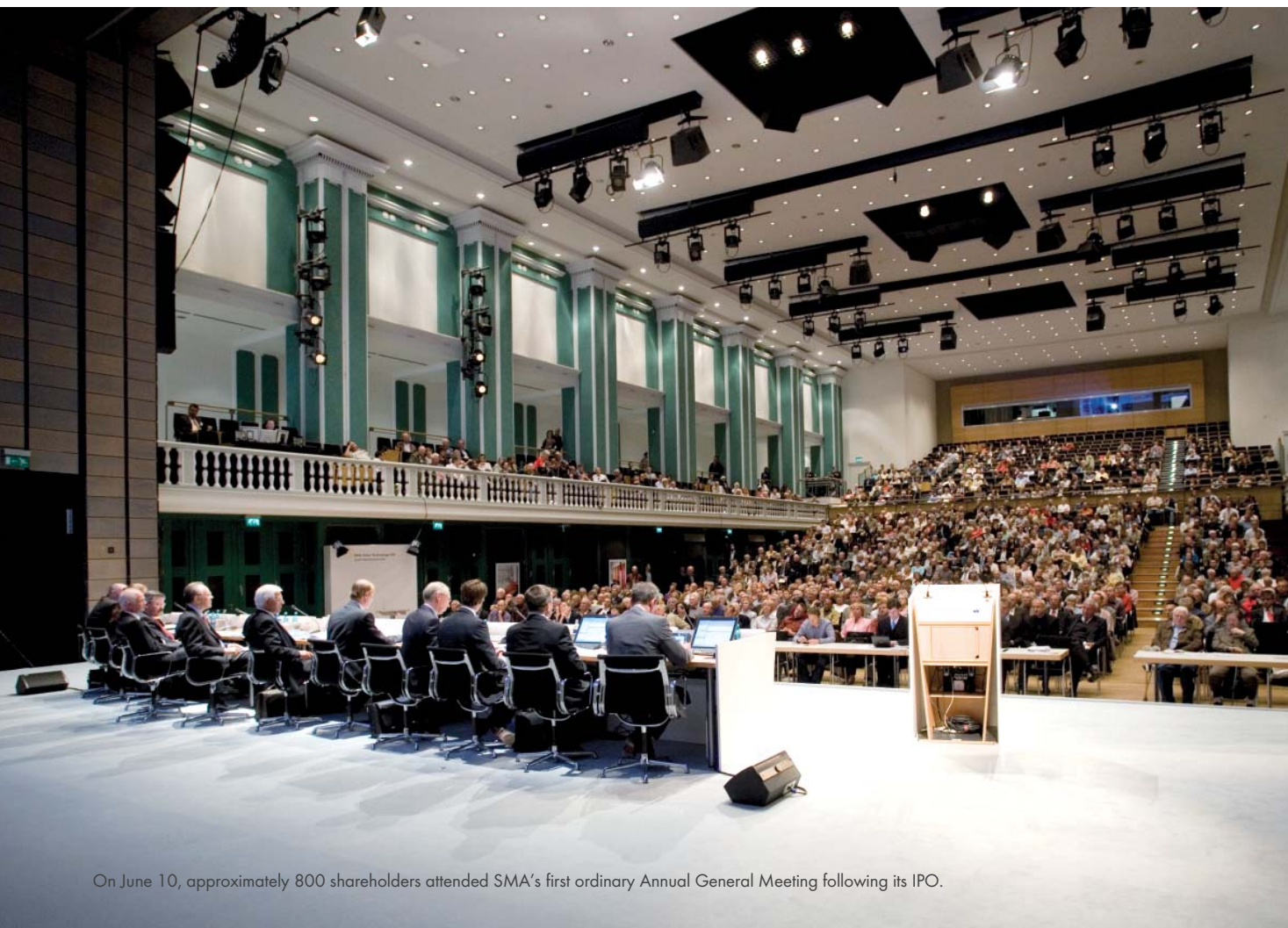
ing Board outlined the international expansion strategy of establishing new distribution and service companies in emerging solar markets and a production site in the USA in 2010. A third central element emphasized by the management was the Company's particular flexibility in respect of short-term adaptation of production to a volatile market environment. In particular the high flexibility was underlined by the presentation of the first quarter results.

The topic of flexibility also provided the transition to the second part of the day's program – a guided tour of the new CO₂-neutral inverter factory with an annual production capacity of up to 4 GW. The highly flexible production model and the innovative energy concept were presented during this tour of the production site with a size of 18.500 m². Energy for the production site is generated through a combination of various regenerative technologies, which include a roof-mounted photovoltaic system and a combined heat and power plant.

On June 10, 2009, SMA held its first ordinary Annual General Meeting as a listed stock corporation in the Kongress Palais Kassel. The presence of approximately 800 shareholders

was a clear indicator of the continuously growing interest in the stock exchange newcomer SMA. After welcoming the shareholders and the official opening of the Annual General Meeting by the Chairman of the Supervisory Board, Dr. Ehrentraut, CEO Günther Cramer presented the detailed report of the Managing Board. Günther Cramer gave a review on the development of the photovoltaic market in the previous year and outlined the special position of the enterprise as the largest manufacturer of solar inverters in the world. Particular emphasis was given to the report on the 2008 fiscal year – the most successful year in SMA's history –, the developments in the first quarter of 2009 and the current net assets, financial position and results of operations. Günther Cramer closed his report with a positive outlook for the second quarter.

Five speakers from amongst the shareholders took part in the subsequent general debate, including representatives of the Association for the Protection of Shareholders (Schutzgemeinschaft der Kapitalanleger, SdK) and the Association for Private Investors (Deutsche Schutzvereinigung für Wertpapierbesitz, DSW), two major shareholders' associations in Germany.



On June 10, approximately 800 shareholders attended SMA's first ordinary Annual General Meeting following its IPO.

Günther Cramer and Pierre-Pascal Urbon provided detailed information in response to about 40 questions from the shareholders.

After less than two hours, the chairman of the meeting, Dr. Erik Ehrentraut, initiated voting by determining attendance, which was 30,678,545 shares or 88.41 % of the voting capital stock.

The resolutions regarding all agenda items were adopted with a majority of more than 99 percent. Accordingly, the number of opposite votes and abstentions was low. The Annual General Meeting passed resolutions on the appropriation of the 2008 net profit by distributing a dividend of € 1.00 per share (agenda item 2), the individual discharge of the four members of the Managing Board (agenda item 3) and the discharge of the Supervisory Board (agenda item 4), on the election of Dr. Erik Ehrentraut, Prof. (em) Dr.-Ing. Werner Kleinkauf and Reiner Wettlaufer to the Supervisory Board (agenda item 5) and, finally, the appointment of Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Hanover, as the auditors and group auditors for the 2009 fiscal year (agenda item 6).

All relevant documents regarding this year's Annual General Meeting are available on SMA's website at www.SMA.de/Hauptversammlung for download.

In the second quarter as well, Investor Relations were in regular dialog with research analysts who have been reporting on SMA shares for quite a while or who have just started their reporting and analyses.

On the occasion of each quarterly report, SMA invites analysts to a telephone conference, where results are presented and discussed.

Transparency, continuity and trustworthiness characterize SMA's communication policy. Building up and maintaining long-term and trustful relationships with all players in the capital markets are part of the main objectives of Investor Relations' work.

SMA has made a vast amount of information about the Company and its shares available on its Investor Relations website at www.ir.SMA.de for investors, financial analysts, and all other interested parties.



On April 1, Uwe Hertel, Senior Vice President Production, guided the "Capital Markets Day" participants through the new inverter factory in Kassel.

This information includes financial reports, regulatory announcements, financial news, and the financial calendar.

SMA will publish the quarterly financial report for January to September 2009 on November 13, 2009 on its website at www.SMA.de/IR/FinancialReports.

THE MANAGING BOARD



Dipl.-Ing. Günther Cramer
Chief Executive Officer

Günther Cramer (*1952) established SMA after studying Electrical Engineering in 1981. He significantly shaped the development of power electronics expertise at SMA and developed solutions for decentralized energy supply. Günther Cramer has been responsible for the areas of Strategy and Personnel since 2009. He is a Managing Director of SMA Immo GmbH and SMA Technologie-Holding GmbH. He is also a member of the Board of Directors of the European Photovoltaic Industry Association (EPIA) and deENet e. V.. Günther Cramer has been member of the Academic Council of the Institute for Solar Energy Supply Technology at the University of Kassel e. V. (ISET) and member of the supervisory board of Seeger Engineering AG in Hessisch-Lichtenau since 2005.



Dipl.-Ing. Peter Drews
Chief Operating Officer

Peter Drews (*1956) is an electrical engineer and was co-founder of SMA in 1981. He built up the field of microelectronics (hard and software), which today is an important base technology for decentralized energy supply systems. Peter Drews is responsible for the areas of Production, Service, IT, Purchasing and Facility Management. He is also Managing Director of SMA Immo GmbH and SMA Technologie Holding GmbH.



Dipl.-Ing. Roland Grebe
Chief Development Officer

Roland Grebe (*1960) studied Electrical Engineering. He has worked at SMA in different management positions in the area of Development since 1984. During his career at SMA Roland Grebe has developed amongst other things energy supply systems for railway coaches as well as the first photovoltaic inverters, which today form the base of Sunny Boys and Sunny Centrals by SMA. Roland Grebe was appointed Chief Development Officer in 2009.

Pierre-Pascal Urbon (*1970) studied Business Administration. From 1997 to 2005 he worked at the investment bank Drueker & Co. in M&A and Corporate Finance, lastly as Vice President. Pierre-Pascal Urbon has been working at SMA since 2005 and was appointed to the Managing Board in 2006. Since 2009 Pierre-Pascal Urbon is responsible on the Managing Board for the areas of Finance as well as Law and Investor Relations. He is also a member of the Central Regional Advisory Council of the Commerzbank AG.



Dipl.-Kfm. Pierre-Pascal Urbon
Chief Financial Officer

Marko Werner (*1963) is an electrical engineer. He began his career at SMA in 1987 and until 2009 had worked in different leadership roles in Product Management, Sales and Marketing. Marko Werner has developed a global sales organisation as well as innovative marketing concepts at SMA. In 2009 he was appointed Chief Sales Officer.



Dipl.-Ing. Marko Werner
Chief Sales Officer

THE SUPERVISORY BOARD



According to the Annual General Meeting Resolution as of June 10, 2009, the Supervisory Board comprises the following six members (from left to right):

Dipl.-Ing. Reiner Wettlaufer (Deputy Chairman), Dr. jur. Erik Ehrentraut (Chairman), Prof. (em) Dr.-Ing. Werner Kleinkauf, Dr. Winfried Hoffmann, Dipl.-Ing. Johannes Häde (Employee Representative) und Mirko Zeidler (Employee Representative).

Dipl.-Ing. Reiner Wettlaufer

The electrical engineer Reiner Wettlaufer (*1955) is one of the four founders of SMA. As Chief Financial Officer, Reiner Wettlaufer was responsible for the areas of Finance and Law at SMA for 20 years. In this role he continuously built up structures in the Finance area, to a globally operating corporate group to the stock exchange listing in June 2008. Reiner Wettlaufer has been the Deputy Chairman of the Supervisory Board at SMA Solar Technology AG since June 2009.

Dr. jur. Erik Ehrentraut

The Doctor of Law Dr. Erik Ehrentraut (*1943) worked from 1987 to 2000 on the Managing Board at Flachglas AG. Since 1991 he has assumed the role of Chairman of the Managing Board. At the same time from 1991 to 2000 he held the position of Chairman of the Managing Board at Pilkington Deutschland GmbH. From 2000 to 2002 Dr. Erik Ehrentraut was the Chairman of the Managing Board at FLABEG GmbH which concentrates on special glass products. Since 2004 Dr. Erik Ehrentraut has held the Chair of the Supervisory Board at SMA Solar Technology AG.

Prof. (em) Dr.-Ing. Werner Kleinkauf

Prof. Werner Kleinkauf (*1939) was a co-founder of SMA in 1981. He is a Doctor of Electrical Engineering and concentrated early on the field of energy supply/control engineering. After eight years in a managerial position at the German Aerospace Centre (DLR) he took over as Professor for Electrical Energy Supply Systems at the University of Kassel in 1976 and developed the correspondent department. He also founded the Institute for Solar Energy Supply Technology ISET e. V. in 1988 and led it until 1998. Prof. Werner Kleinkauf has been a member of the Supervisory Board at SMA Solar Technology AG since 2004.

Dr. Winfried Hoffmann

Dr. Winfried Hoffmann (*1949) is a graduate physicist and a Doctor in Biophysics. As manager of the Photovoltaic R&D Group at NUKEM he initiated the joint venture with Daimler Benz Aerospace and became Managing Director of Angewandte Solarenergie – ASE GmbH in 1994. Dr. Winfried Hoffmann has been Chairman of the Managing Board at RWE Schott Solar GmbH since 2002 and since 2005 is a member of the Managing Board at Schott Solar GmbH. In 2007 he moved to Applied Materials. There he has held the position of the CTO of Energy and Environmental Solutions as well as being Managing Director of Applied Materials GmbH & Co. KG in Alzenau since 2008. At the same time he is President of the European Photovoltaic Association (EPIA). Dr. Winfried Hoffmann has been a member of the Supervisory Board at SMA Solar Technology AG since 2008.

Dipl.-Ing. Johannes Häde

After studying at TH Darmstadt from 1984 to 1989, the electrical engineer Johannes Häde (*1959) initially worked at the Alfred Schmermund machinery factory in the Development office in Darmstadt. Johannes Häde has been employed at SMA since 1989. Today he holds the position of Group Leader in Hardware Development for the product area Communication & Control and he is member of the works council. Johannes Häde has been an employee's representative on the Supervisory Board at SMA Solar Technology AG since 2004.

Mirko Zeidler

Mirko Zeidler (*1969) passed his apprenticeship to be an electrician for energy equipment at the company Maho Werkzeugmaschinen. He has worked for SMA since 1992. Mirko Zeidler worked as a test engineer until 1998, following that he assumed the role of the person responsible for documentation and testing on a project. From 1999 to 2008 he occupied various group leader roles, lastly for automatic and visual inspection. He has been member of the works council for four periods of office. Being a member of the works council, he has been released from work since 2008. Mirko Zeidler has added to the Supervisory Body at SMA Solar Technology AG as the second employee's representative.



18 – 45

FACTS AND FIGURES.

INTERIM MANAGEMENT REPORT

20	GENERAL ECONOMIC CONDITIONS
20	GROUP SALES AND EARNINGS
21	SALES AND EARNINGS BY SEGMENT
22	FINANCIAL POSITION AND ASSETS
24	INVESTMENTS
24	RESEARCH AND DEVELOPMENT
25	EMPLOYEES / HUMAN RESOURCES
26	SUPPLEMENTARY REPORT
26	RISKS AND OPPORTUNITIES REPORT
26	FORECAST REPORT

INTERIM MANAGEMENT REPORT

GENERAL ECONOMIC CONDITIONS

The global economy experienced a severe recession of historical dimensions in the first quarter of 2009. According to estimates of the Kiel Institute for the World Economy (IfW) of June 11, 2009, global Gross National Product declined by 1.8 % in the first three months. However, the positive development of several indicators, such as global trade, raw material prices and the situation in the stock and financial markets implies that the downturn of the global economy decelerated noticeably in the second quarter of 2009.

In particular due to worldwide subsidy programs, the photovoltaics sector has separated from the development of global economy. In the long term, the photovoltaics sector is a growth market, which is only slowed down by the economic crises in partial markets. Accordingly, a recovery of global demand in photovoltaics systems has already become noticeable significantly. About 60,000 visitors (previous year: 51,861) from more than 150 nations were present at the largest specialist trade fair for solar technology, Intersolar in Munich, from May 27 to 29, 2009. The number of exhibitors increased to about 1,400 as compared to the previous year (1,053).

GROUP SALES AND EARNINGS

In the first half year of 2009, the SMA Group achieved sales of € 247.1 million, which equals a decline of 15.6 % as compared to the same period of the previous year (Q1 – Q2 2008: € 292.6 million). Following a weak first quarter, demand has clearly revived since April. With sales of € 160.5 million (Q2 2008: € 177.4 million), the second quarter contributed 64.9 % to the sales figure of the entire half year. This corresponds to a growth in sales of 85.1 % as against the first quarter of 2009.

The SMA Group has profited from its international presence in the first six months of 2009. Sales generated in foreign markets amounted to € 109.1 million (Q1 – Q2 2008: € 142.4 million). This equals a foreign sales ratio of 43 % (Q1 – Q2 2008: 47 %). The most important foreign markets were the USA, followed by Australia, Belgium, France and Italy. New companies were established in the Czech Republic, Belgium, Portugal and Germany. The companies in the Czech Republic and Belgium will be active in sales and service for the Medium Power Solutions and High Power Solutions segments. The companies in Portugal and Germany were established solely for the purpose of service companies.

SMA responded rapidly to the changed market conditions in the first half of 2009 and could record a positive operating result in spite of the decline in sales. Earnings before interest and taxes (EBIT) amounted to € 35.0 million in the first six months of 2009 (Q1 – Q2 2008: € 68.7 million). The second quarter contributed € 29.0 million (Q2 2008: € 44.4 million), which equals 82.9 %. The EBIT

margin for the first six months of 2009 was 14.2 % (Q1 – Q2 2008: 23.5 %). Due to the high liquidity balance, the Company achieved a positive financial result in the first half of 2009, amounting to € 3.1 million (Q1 – Q2 2008: € 0.4 million). The SMA Group's consolidated profit was € 26.0 million in the reporting period (Q1 – Q2 2008: € 48.2 million). This equals a return on sales of 10.5 % (Q1 – Q2 2008: 16.5 %) and earnings per share of € 0.75 (Q1 – Q2 2008: € 1.39).

SALES AND EARNINGS BY SEGMENT

In the Photovoltaics Technology division, external sales in the first six months of 2009 of € 238.9 million were down by 15.8 % (Q1 – Q2 2008: € 283.6 million). The inverter output sold to generate these sales fell by 11.5 % to approx. 792 megawatt (MW) as compared to the same period of the previous year (Q1 – Q2 2008: approx. 895 MW).

The Photovoltaics Technology division is divided into the segments Medium Power Solutions and High Power Solutions. The Medium Power Solutions segment covers the product groups Sunny Boy and Sunny Mini Central. These product groups are deployed mainly for photovoltaics systems on residential buildings (Residential) and in the commercial field (Commercial). In the reporting period, photovoltaics systems on residential buildings and for the commercial sector represented the largest market. The High Power Solutions segment includes the Sunny Central product group. The central inverters Sunny Central are deployed primarily in large solar projects (Industrial).

Of the sales in the Photovoltaics Technology division, 91.3 % (Q1 – Q2 2008: 81.0 %) were attributable to the Medium Power Solutions segment and 8.7 % to the High Power Solutions segment (Q1 – Q2 2008: 19.0 %).

In the Medium Power Solutions segment, external sales of € 218.0 million in the reporting period were 5.1 % below the figure of the same period of the previous year (Q1 – Q2 2008: € 229.8 million). The decline in sales is mainly the consequence of bad weather conditions in Europe at the beginning of 2009. Although sales in the second quarter were 6.8 % above the level of the previous year, the Company was not able to fully compensate for the weather-related sales decline of the first quarter. 57 % of gross sales were achieved in Germany. The most successful international market was Australia, followed by Belgium, the USA and France. The inverter types Sunny Boy 5000TL and Sunny Mini Central 10000TL were the top-selling products in the first half year. The share of less powerful Sunny Boy inverters in segment sales declined over the first six months. In the first half of the previous year, the solar inverters Sunny Mini Central 7000HV and Sunny Mini Central 8000TL were the main sales drivers. In spite of the relocation of production to the new plant, the Company was able to meet delivery periods of normally about three weeks. Operating profit (EBIT) in the Medium Power Solutions segment declined by 33 % to € 30.5 million compared to the high-sales previous year (Q1 – Q2 2008: € 45.8 million). This corresponds to an EBIT margin of 14.0 %.

In the High Power Solutions segment, external sales decreased by 61.2 % to € 20.9 million in the first half year (Q1 – Q2 2008: € 53.8 million). The strong decline in sales is due primarily to increased financing requirements for large solar projects, in which Sunny Central inverters are often used. Sales were generated mainly in Germany. The Spanish solar market, which accounted for the majority of sales in the segment in the previous year, only played a minor role in the first half of 2009 due to amendments to laws. The most successful products of the segment were the central inverters Sunny Central 630HE and Sunny Central 500, which were launched in the market at the beginning of 2009. In the previous year period, the Sunny Central 100 and the Sunny Central 500 were among the best-selling products. Due to the decline in sales, operating profit (EBIT) in the first half year was negative and reached € –2.0 million (Q1 – Q2 2008: € 13.8 million). This corresponds to an EBIT margin of –9.6 %.

In the Railway Technology division, external sales in the first six months of 2009 of € 7.0 million were down by 6.7 % compared to the figure of the previous year (Q1 – Q2 2008: € 7.5 million). Sales were generated mainly through two long-term projects for the delivery of energy supply systems for multiple-unit trains and the delivery of battery chargers in various projects. 47 % of sales (Q1 – Q2 2008: 53 %) were generated in Germany and the rest mainly in other European countries. Operating income (EBIT) shrank by 33 % to € 0.8 million (Q1 – Q2 2008: € 1.2 million). At present, the high level of orders in hand will secure good capacity utilization of clearly more than one year.

The Electronics Manufacturing segment recorded slightly lower sales in the first six months than in the previous year. This segment acts mainly as a sub-supplier for other segments. The production area was well utilized throughout the period. The share of electronic assemblies purchased from third parties was adapted to the demand. Total sales from external and internal revenues fell slightly to € 63.1 million (Q1 – Q2 2008: € 65.7 million). Operating profit (EBIT) declined by 14.7 % to € 5.8 million (Q1 – Q2 2008: € 6.8 million). In relation to internal and external sales revenues this corresponds to an EBIT margin of 9.2 %.

FINANCIAL POSITION AND ASSETS

In the first half of fiscal 2009, the net cash flow from operating activities amounted to € –11.8 million (Q1 – Q2 2008: € 69.1 million). This decline is due mainly to the lower gross cash flow (€ –44.6 million compared to the previous year) and the changes in net assets (€ –31.7 million). The other net assets include primarily liabilities for employee bonus payments, for holiday and flexitime and prepayments received. As regards the net cash flow from investing activities, in particular the prepayments made for the construction and equipment of the new production plant in Kassel resulted in an outflow of funds of € 14.3 million (Q1 – Q2 2008: € 33.9 million). In addition, the net cash flow from investing activities was influenced significantly by the disposal of investments with a longer term to maturity and securities in the amount of € 20.6 million.

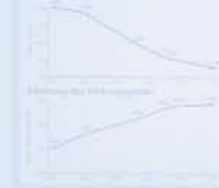


HAUPTVERSAMMLUNG 2009

SMA

SMA ist Technologieführer mit hohen Innovationsraten

Änderung der spezifischen Preise



Erhöhter Wirkungsgrad



Wachstum der Entwicklungskapazitäten auf ca. 400 Entwickler bei 2010

- 1. Technischer Fortschritt zu Kostensenkung und Wirkungsgradsteigerung (Anbieter der Photovoltaik-Module)
- 2. Reduktion der Installations- und Betriebskosten
- 3. Erhöhung der Wirtschaftlichkeit der Photovoltaik (Photovoltaik)



The net cash flow from financing activities amounted to € –35.4 million in the first six months of 2009 (Q1 – Q2 2008: € –22.5 million). This figure is attributable almost completely to the dividend payment of € 1.00 per share. As at June 30, 2009, the SMA Group's total liquidity was € 179.3 million (Q1 – Q2 2008: € 65.6 million). As a result of the inflow of funds from the IPO in the last year, the SMA Group has a considerable liquidity reserve. Liquid funds are invested with an investment horizon of up to six months at various domestic banks. In this connection, the SMA Group pursues a conservative investment policy.

Total assets amounted to € 457.6 million as at June 30, 2009 (per December 31, 2008: € 469.6 million). As compared to the figure at the end of 2008, the equity ratio has remained at an almost unchanged high level of 59.5 %. Non-current and current assets (excluding cash and cash equivalents) were financed almost completely by equity. As at June 30, 2009, net working capital went up to € 108.0 million (December 31, 2008: € 78.0 million). In relation to the sales of the last 12 months, this equals a net working capital ratio of 17.0 % (per December 31, 2008: 11.4 %). The increase of € 30.0 million during the last six months was due mainly to an increase in trade receivables from € 24.0 million to € 51.3 million. The increase in inventories of € 15.8 million was largely compensated for by the increase in trade payables (€ +13.2 million).

INVESTMENTS

At € 32.5 million, the investment volume of the SMA Group in the first six months of the fiscal year – without capitalizing the costs of development projects amounting to € 2.5 million – was up by 15.2 % on the comparable figure in the previous year of € 28.2 million. As a result of this and due to year-on-year lower sales, the investment ratio rose to 13.2 % (Q1 – Q2 2008: 9.6 %).

The emphasis of investments in the first six months of 2009 was on the completion and equipment of the new CO₂-neutral production plant for inverters in Kassel, parts of which have already been put into operation. Expansion to the maximum production capacity for an inverter output of four gigawatt (GW) will be implemented as scheduled in several steps by the third quarter of 2009.

RESEARCH AND DEVELOPMENT

The research and development expenses amounted to € 20.4 million in the first two quarters of the fiscal year (Q1 – Q2 2008: € 15.4 million). Unlike as in the previous year, capitalization of the costs of development projects was taken into account and the respective figure of the previous year was adjusted. In essence, the rise by 32.5 % is attributable to the planned increase in the number of staff employed in the development area. We plan to introduce onto the market at least six new

products, which offer essential new technological benefits and significant specific price reductions, in the 2009 fiscal year. The R&D ratio increased to 8.3 % as a consequence of the lower sales revenues as compared to the previous year (Q1 – Q2 2008: 5.3 %).

The development team is still focusing its activities on the completion of the Tripower 17000TL and the Sunny Boy 3000HF, which is equipped with a high frequency transformer, as well as on a new generation of Sunny Central inverters. Since the Sunny Central 250U was launched successfully in the market in the USA last year, the team is currently working on the UL certification for the new Sunny Central 500U. With the Sunny Central 500U, we will be able to serve the strongly growing US market for large solar projects from the third quarter. Another emphasis of the development division is the adaptation of inverter types for large installations to the requirements of the medium-voltage guideline adopted by the Association for the Energy and Water Industry (BDEW), which will come into force, step by step, by January 1, 2011.

The first development work for adapting most of the inverter types as well as communication and monitoring devices to wireless *Bluetooth*® data transfer was finalized in the second quarter of 2009. The new generation of devices comprising a *Bluetooth* interface was presented at Intersolar.

The Sunny Boy 5000TL, which went into serial production successfully in the second quarter of 2008, was assessed as “very good” in the April edition of the Photon specialist magazine, thus at present being the best multi-string inverter among the products tested.

EMPLOYEES / HUMAN RESOURCES

The rising demand in the second quarter resulted in new employees being hired in the reporting period. As at June 30, 2009, the number of staff in the SMA Group amounted to 3,381, including the 891 temporary workers. This corresponded to an increase of 24.8 % compared to the end of last year (December 31, 2008: 2,709, of which 489 temporary workers). In the foreign sales and service branches run by the Photovoltaics Technology division, the number of employees increased to 174 on the reporting date (December 31, 2008: 140).

In the nationwide competition “Great Place to Work”, organized every year, SMA Solar Technology AG won one of the top places for the third time. SMA reached the 6th place in the category for medium-sized companies. In addition, SMA Solar Technology AG received a special award for “Lifelong Learning” for its overall concept in the field of employee development.

The resolution adopted at the Supervisory Board meeting of February 19, 2009 to expand the Managing Board from four to five members and the partial realignment of the board members’ duties became effective on June 11, 2009, one day after the Annual General Meeting. Since

then, the members of SMA Solar Technology AG's Managing Board have been Günther Cramer as the Chief Executive Officer, Peter Drews as Chief Operating Officer, Roland Grebe as Chief Development Officer, Pierre-Pascal Urbon as Chief Financial Officer and Marko Werner as the Chief Sales Officer. In line with his personal plans for the future, Reiner Wettlaufer has decided not to extend his contract as Chief Financial Officer and retired from this office as planned on the day after the 2009 Annual General Meeting. As the Deputy Chairman of the Supervisory Board, Reiner Wettlaufer will continue to support the SMA Group with his experience.

SUPPLEMENTARY REPORT

After the half year under review, the Company's business activities have developed in line with expectations. There have been no significant changes in the general economic conditions or in the situation of the sector in which SMA is active. No events that might have a material impact on the Company's results of operations, financial position and assets have occurred. In addition, there are no other reportable events that are of particular importance to the SMA Group.

RISKS AND OPPORTUNITIES REPORT

The Group's risk and opportunities management as well as possible individual risks are described in detail in the Annual Report 2008. Essentially, the comments made there remain applicable. At the moment, no risks that could seriously jeopardize the Company's continuing existence or could significantly impair its performance are discernible.

FORECAST REPORT

The demand in photovoltaics systems has significantly gained momentum in the second quarter, which means that the sector could separate itself from global recession in the first half of 2009. Many industrial countries have adopted subsidy programs that will promote the sustainable expansion of photovoltaics. In addition, the photovoltaics sector benefits from programs to stimulate the economy, adopted by several industrial nations. Against the backdrop of attractive framework conditions and prices that fell sharply for solar modules, Germany, the USA, Belgium, Australia, France and Italy are among the highly interesting solar markets in 2009. In view of the special growth potential in Northern America, the SMA Group is planning to establish a production site in the USA.

As regards the rest of the fiscal year, we are expecting that financing of larger solar installations will remain difficult. To date, we have not recognized restrictions in financing of smaller and medium-sized photovoltaics systems, which represented an important part of the market in 2008 and in the first half of 2009.

SMA offers solar inverters for all performance classes and applications worldwide. Due to its unique position, SMA Group's sales development depends largely on the development of the global market for photovoltaics systems. According to its own estimates, the SMA Group had a market share of about 38 % in 2008 (2007: about 34 %). For 2009, we expect a growth in the overall market, measured by Gigawatt, in comparison to the previous year (5.7 GW). In view of the lower prices for solar inverters of the SMA Group, the Managing Board is assuming sales of between € 680 and € 730 million in the current fiscal year (previous year: € 681.6 million). As a result of changes in the product mix and modified cost structures, the Managing Board is expecting an EBIT margin of 18 to 20 % for fiscal 2009 (2008: 24.6 %).

Niestetal, August 7, 2009

SMA Solar Technology AG
The Managing Board



28 – 45

FACTS AND FIGURES.

INTERIM CONSOLIDATED FINANCIAL STATEMENT

30	CONSOLIDATED INCOME STATEMENT AND TOTAL COMPREHENSIVE INCOME
31	CONSOLIDATED BALANCE SHEET
32	CONSOLIDATED CASH FLOW STATEMENT
33	STATEMENT OF CHANGES IN THE CONSOLIDATED SHAREHOLDER'S EQUITY
34	NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS AS AT JUNE 30, 2009
34	1. BASIC INFORMATION
34	2. CONSOLIDATED GROUP AND PRINCIPLES OF CONSOLIDATION
35	3. ACCOUNTING POLICIES
36	4. SEGMENT REPORTING
39	5. SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT
41	6. SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET
43	7. CONSOLIDATED CASH FLOW STATEMENT
43	8. OTHER DISCLOSURES
44	RESPONSIBILITY STATEMENT
45	AUDITOR'S REVIEW REPORT

INTERIM CONSOLIDATED FINANCIAL STATEMENT

CONSOLIDATED INCOME STATEMENT AND TOTAL COMPREHENSIVE INCOME

	Note	April – June (Q2)		Jan. – June (Q1 – Q2)	
		2009	2008	2009	2008
		€ '000	€ '000	€ '000	€ '000
Sales	4.	160,447	177,414	247,113	292,559
Cost of sales		105,143	109,908	164,853	180,690
Gross profit		55,304	67,506	82,260	111,869
Selling expenses		9,138	10,061	15,698	16,118
Research and development expenses	5. (1)	9,648	7,822	17,874	15,199
General administrative expenses		7,286	4,411	13,827	10,072
Other operating income		1,831	1,604	5,412	1,951
Other operating expenses		2,054	2,415	5,313	3,777
Operating profit (EBIT)		29,009	44,401	34,960	68,654
Financial income		1,745	402	3,876	993
Financial expenses		386	247	777	598
Financial result	5. (3)	1,359	155	3,099	395
Profit before income taxes		30,368	44,556	38,059	69,049
Income tax expense		9,895	13,691	12,104	20,863
Consolidated net profit		20,473	30,865	25,955	48,186
Earnings per share, Basic (€)	5. (4)	0.59	0.89	0.75	1.39
Earnings per share, Diluted (€)	5. (4)	0.59	0.89	0.75	1.39
Number of ordinary shares (in thousands)		34,700	34,700	34,700	34,700
Consolidated net profit		20,473	30,865	25,955	48,186
Unrealized gains (losses) from foreign currency translation		38	50	111	27
Overall result		20,511	30,915	26,066	48,213

CONSOLIDATED BALANCE SHEET

		06/30/2009	12/31/2008
	Note	€ '000	€ '000
Non-current assets			
Intangible assets	6. (5)	9,230	5,538
Fixed assets	6. (6)	118,266	94,149
Other financial assets		73	70
Deferred tax receivables		3,184	2,512
		130,753	102,269
Current assets			
Inventories	6. (7)	91,110	75,275
Trade receivables		51,321	24,017
Other financial assets	6. (8)	3,706	23,559
Income tax receivables		412	343
Other receivables		1,008	3,414
Cash and cash equivalents		179,263	240,682
		326,820	367,290
Total assets		457,573	469,559

		06/30/2009	12/31/2008
	Note	€ '000	€ '000
Shareholders' equity			
Share capital		34,700	34,700
Capital reserves		119,200	119,200
Retained earnings		118,223	126,857
	6. (9)	272,123	280,757
Non-current liabilities			
Other provisions	6. (10)	23,883	20,855
Financial liabilities		19,533	20,174
Other liabilities	6. (11)	18,968	15,033
Deferred tax liabilities		3,693	2,520
		66,077	58,582
Current liabilities			
Other provisions	6. (10)	15,790	16,967
Financial liabilities		1,328	1,361
Trade payables		34,444	21,290
Other financial liabilities		29,196	59,023
Income tax liabilities		24,300	25,100
Other liabilities	6. (11)	14,315	6,479
		119,373	130,220
Total equity and liabilities		457,573	469,559

CONSOLIDATED CASH FLOW STATEMENT

	Note	January – June (Q1 – Q2)	
		2009	2008
		€ '000	€ '000
Net profit		+ 25,955	+ 48,186
Income tax expense		+ 12,104	+ 20,863
Financial result		- 3,099	- 395
Depreciation and amortization		+ 7,089	+ 3,718
Change in other provisions		+ 1,852	+ 12,275
Profit (-)/Losses (+) from the disposal of assets		+ 25	+ 1
Other non-cash expenses/revenue		+ 737	+ 1,508
Interest received		+ 3,785	+ 982
Interest paid		- 2	- 13
Income tax paid		- 12,472	- 6,539
Gross cash flow		+ 35,974	+ 80,586
Increase/decrease in inventories		- 16,107	- 27,246
Increase/decrease in trade receivables		- 28,453	- 16,799
Increase/decrease in trade payables		+ 13,154	+ 17,312
Change in other net assets/ other non-cash transactions		- 16,394	+ 15,296
Net cash flow from operating activities	7. (13)	- 11,826	+ 69,149
Payments for investments in fixed assets		- 30,383	- 30,585
Proceeds from the disposal of fixed assets		+ 58	+ 24
Payments for investments in intangible assets		- 4,599	- 3,343
Proceeds from sales of securities (other than trading)		+ 20,596	+ 0
Net cash flow from investing activities		- 14,328	- 33,904
Change in financial liabilities		- 674	+ 2,708
Dividends paid by SMA Solar Technology AG		- 34,700	- 25,200
Net cash flow from financing activities	7. (13)	- 35,374	- 22,492
Net increase/decrease in cash and cash equivalents		- 61,528	+ 12,753
Change in cash due to exchange rate effects		+ 109	+ 14
Cash and cash equivalents as of 01/01		+ 240,682	+ 52,847
Cash and cash equivalents as of 06/30	7. (13)	+ 179,263	+ 65,614

STATEMENT OF CHANGES IN THE CONSOLIDATED SHAREHOLDER'S EQUITY

for the Period from January 1 to June 30, 2009

	Share Capital € '000	Capital Reserves € '000	Retained Earnings € '000	Consolidated Shareholders' Equity € '000
Shareholders' equity as of 01/01/2009	34,700	119,200	126,857	280,757
Consolidated net profit H1 2009	0	0	25,955	25,955
Dividend payment of SMA Solar Technology AG	0	0	- 34,700	- 34,700
Differences from currency translation	0	0	111	111
Shareholders' equity as of 06/30/2009	34,700	119,200	118,223	272,123

for the Period from January 1 to June 30, 2008

	Share Capital € '000	Capital Reserves € '000	Retained Earnings € '000	Consolidated Shareholders' Equity € '000
Shareholders' equity as of 01/01/2008	4,000	0	60,437	64,437
Consolidated net profit H1 2008	0	0	48,186	48,186
Dividend payment of SMA Solar Technology AG	0	0	- 25,200	- 25,200
Differences from currency translation	0	0	27	27
Capital increase from corporate funds	28,000	0	- 28,000	0
Capital increase from issuing new shares	2,700	118,390	0	121,090
Shareholders' equity as of 06/30/2008	34,700	118,390	55,450	208,540

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS AS AT JUNE 30, 2009

1. BASIC INFORMATION

The condensed interim consolidated financial statements of SMA Solar Technology AG as at June 30, 2009 were prepared, as were the consolidated financial statements as at December 31, 2008, in compliance with the International Financial Reporting Standards (IFRS) as adopted and published by the International Accounting Standards Board (IASB) and endorsed by the European Union and whose application is mandatory. Accordingly, the interim financial statements of SMA Technology AG are prepared in line with IAS 34 Interim Financial Reporting in the 2009 fiscal year. In accordance with the regulations of IAS 34, a condensed reporting format compared with the consolidated financial statements as at December 31, 2008 was chosen. The condensed financial statements do not include all the information and disclosures required for consolidated financial statements and are therefore to be read in conjunction with the consolidated financial statements as at December 31, 2008.

The condensed interim consolidated financial statements were prepared in euro. Unless indicated otherwise, all amounts stated were rounded to full thousands of euro (€ ,000) or million of euro (€ million) for the sake of clarity and clearness.

The Managing Board of SMA Solar Technology AG authorized the interim consolidated financial statements for transmission to the Supervisory Board on August 7, 2009.

The registered office of the Company is at Sonnenallee 1, 34266 Niestetal. The shares of SMA Solar Technology AG are traded publicly; they are listed in the Prime Standard of the Frankfurt Stock Exchange. Since September 22, 2008, the Company's shares have been listed in the technology index TecDAX.

The SMA Group produces predominantly in Germany and distributes inverters throughout the world. More detailed information on the segments is provided in note 4.

2. CONSOLIDATED GROUP AND PRINCIPLES OF CONSOLIDATION

The scope of consolidation as at June 30, 2009 has changed as against December 31, 2008 and now also includes the newly incorporated companies SMA Czech Republic s.r.o. (Prague), SMA Benelux SPRL (Brussels), Niestetal Services, Unipessoal Lda (Lisbon) and SMA Service GmbH (Niestetal). All new companies are fully consolidated. The scope of consolidation as at June 30, 2008 was identical to that as at December 31, 2008.

The interim consolidated financial statements are based on the financial statements of SMA Solar Technology AG and of the subsidiaries included in consolidation, which are prepared in accordance with uniform accounting policies applicable throughout the Group.

More detailed information is provided in the notes to the consolidated financial statements as at December 31, 2008.

3. ACCOUNTING POLICIES

With the exception of the changes shown below, there were no changes to the accounting and valuation policies in the present interim consolidated financial statements as at June 30, 2009 compared with the consolidated financial statements of SMA Solar Technology AG as at December 31, 2008. A detailed description of these policies is published in the notes to the consolidated financial statements as at December 31, 2008.

The SMA Group has implemented all accounting standards that are to be applied mandatorily from the 2009 fiscal year in the preparation of the consolidated financial statements. This relates primarily to IAS 1 "Presentation of Financial Statements". The other standards to be applied initially in the fiscal year 2009 have no significant impact on the consolidated interim financial statements.

New accounting standards

Amendments to IFRS 2009 "Improvements to IFRS 2009"

In April 2009, the IASB issued amendments to the existing IFRS, which resulted from the IASB's annual improvement project. They comprise amendments that result in accounting changes to the presentation, measurement and recognition of transactions as well as terminology or editorial amendments related to a variety of individual IFRS standards. Most of the amendments are effective for fiscal years beginning on or after January 1, 2010, with early application permitted. While approved by the IASB, the amendments have yet to be endorsed by the EU. SMA Solar Technology AG is currently evaluating the potential impact that the adoption of the amendments will have on its consolidated financial statements.

4. SEGMENT REPORTING

The Group's operating segments were defined in compliance with the regulations contained in IFRS 8 and match those of the consolidated financial statements as at December 31, 2008. Sales in the Photovoltaics Technology division are subject to fluctuations because of discontinuous subsidy programs.

The segment information pursuant to IFRS 8 is made up as follows for the second quarters of 2009 and 2008:

€ million	Photovoltaics Technology				Railway Technology	
	Medium Power Solutions		High Power Solutions		Railway Technology	
	Q2 2009	Q2 2008	Q2 2009	Q2 2008	Q2 2009	Q2 2008
External sales	142.2	133.0	14.0	40.2	3.7	3.6
Internal sales	7.7	4.3	1.4	0.8	1.9	3.1
Total sales	149.9	137.3	15.4	41.0	5.6	6.7
Depreciation and amortization	2.6	1.1	0.5	0.2	0.0	0.2
Operating profit (EBIT)	25.0	25.8	- 1.3	12.2	0.5	0.8

Sales by regions

Germany	89.9	81.9	9.7	6.4	1.3	1.8
European Union	32.5	48.2	3.6	24.2	1.9	1.3
Third-party countries	23.1	10.9	0.7	9.7	0.5	0.5
Sales deductions	- 3.3	- 8.1	0.0	- 0.1	0.0	0.0
External sales	142.2	132.9	14.0	40.2	3.7	3.6

€ million	Electronics Manufacturing					
	Electronics Manufacturing		Reconciliation		Continuing operations	
	Q2 2009	Q2 2008	Q2 2009	Q2 2008	Q2 2009	Q2 2008
External sales	0.6	0.7	0.0	0.0	160.5	177.4
Internal sales	40.9	36.2	- 51.9	- 44.4	0.0	0.0
Total sales	41.5	36.9	- 51.9	- 44.4	160.5	177.4
Depreciation and amortization	0.9	0.5	0.0	0.0	4.0	2.0
Operating profit (EBIT)	4.3	4.7	0.5	0.9	29.0	44.4

Sales by regions

Germany	0.6	0.7	0.0	0.0	101.5	90.8
European Union	0.0	0.0	0.0	0.0	37.9	73.7
Third-party countries	0.0	0.0	0.0	0.0	24.4	21.1
Sales deductions	0.0	0.0	0.0	0.0	- 3.3	- 8.2
External sales	0.6	0.7	0.0	0.0	160.5	177.4

The segment information pursuant to IFRS 8 is made up as follows for the first half years of 2009 and 2008:

€ million	Photovoltaics Technology				Railway Technology	
	Medium Power Solutions		High Power Solutions		Railway Technology	
	Q1 – Q2 2009	Q1 – Q2 2008	Q1 – Q2 2009	Q1 – Q2 2008	Q1 – Q2 2009	Q1 – Q2 2008
External sales	218.0	229.8	20.9	53.8	7.0	7.5
Internal sales	13.1	8.0	1.8	1.2	3.5	4.4
Total sales	231.1	237.8	22.7	55.0	10.5	11.9
Depreciation and amortization	4.5	2.1	0.8	0.4	0.1	0.3
Operating profit (EBIT)	30.5	45.8	- 2.0	13.8	0.8	1.2

Sales by regions

Germany	123.8	148.5	15.4	8.7	3.3	4.0
European Union	60.1	75.8	4.3	29.3	3.0	3.0
Third-party countries	39.6	17.5	1.3	16.3	0.7	0.5
Sales deductions	- 5.5	- 12.0	- 0.1	- 0.5	0.0	0.0
External sales	218.0	229.8	20.9	53.8	7.0	7.5

Electronics Manufacturing

€ million	Electronics Manufacturing		Reconciliation		Continuing operations	
	Q1 – Q2 2009	Q1 – Q2 2008	Q1 – Q2 2009	Q1 – Q2 2008	Q1 – Q2 2009	Q1 – Q2 2008
External sales	1.2	1.5	0.0	0.0	247.1	292.6
Internal sales	61.9	64.2	- 80.3	- 77.8	0.0	0.0
Total sales	63.1	65.7	- 80.3	- 77.8	247.1	292.6
Depreciation and amortization	1.4	0.9	0.2	0.0	7.0	3.7
Operating profit (EBIT)	5.8	6.8	- 0.1	1.1	35.0	68.7

Sales by regions

Germany	1.3	1.5	0.0	0.0	143.8	162.7
European Union	0.0	0.0	0.0	0.0	67.4	108.1
Third-party countries	0.0	0.0	0.0	0.0	41.7	34.3
Sales deductions	- 0.1	0.0	0.0	0.0	- 5.8	- 12.5
External sales	1.2	1.5	0.0	0.0	247.1	292.6



74 kWp photovoltaic roof-top system in Lezignan-Corbieres, France, equipped with 16 Sunny Boy 3800

The reconciliation of the total segment operating profit (EBIT) pursuant to IFRS 8 to profit before income taxes produces the following figures:

€ million	Q2 2009	Q2 2008	Q1 – Q2 2009	Q1 – Q2 2008
Total segment earnings (EBIT)	28.4	43.5	35.1	67.6
Eliminations	0.6	0.9	- 0.1	1.1
Consolidated operating profit (EBIT)	29.0	44.4	35.0	68.7
Financial result	1.4	0.2	3.1	0.4
Profit before income taxes	30.4	44.6	38.1	69.1

The reconciliation includes circumstances that by definition are not part of the segments. In addition, unallocated parts of Group head office, e. g., from circumstances that are accounted for centrally, are included therein. Business relations between the segments are eliminated in the reconciliation.

Segment assets as at June 30, 2009 increased as against the reporting date of the last consolidated financial statements (December 31, 2008) by € 2.1 million in the High Power Solutions segment and by € 42.1 million in the Medium Power Solutions segment. In the reconciliations as at June 30, 2009, segment assets increased by € 11.6 million as compared to June 30, 2008.

5. SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

(1) Research and development costs

	Q1 – Q2 2009 € '000	Q1 – Q2 2008 € '000
Personnel expenses	14,951	12,256
Material expenses	1,193	686
Depreciation	1,247	585
Other	3,006	1,892
	20,397	15,419
Capitalized development projects	- 2,523	- 220
	17,874	15,199

(2) Benefits to employees and temporary workers

	Q1 – Q2 2009 € '000	Q1 – Q2 2008 € '000
Wages and salaries	57,443	56,829
Expenses for temporary employees	9,987	7,852
Social security contributions and welfare payments	5,751	5,228
	73,181	69,909

The average number of employees amounted to:

	Q1 – Q2 2009	Q1 – Q2 2008
Development	440	292
Production and service	1,134	869
Sales and administration	558	362
	2,132	1,523
Trainees and interns	236	148
Temporary employees	523	555
	2,891	2,226

(3) Financial result

	Q1 – Q2 2009 € '000	Q1 – Q2 2008 € '000
Interest income	3,785	982
Other financial income	91	11
Financial income	3,876	993
Interest expenses	2	13
Other financial expenses	1	6
Interest share from valuation	774	579
Financial expenses	777	598
Financial result	3,099	395

(4) Earnings per share

Earnings per share are calculated by dividing the consolidated earnings attributable to the shareholders by the weighted average of ordinary shares in circulation during the period.

The consolidated earnings attributable to the shareholders are the consolidated net income after tax. Since, at the reporting date, the Company does not hold any of its own shares and neither are there any other special cases, the number of ordinary shares issued equates the number of shares in circulation. The calculation of earnings in relation to the weighted average number of shares in accordance with IAS 33 produces earnings of € 0.59 per share, for the period from April 1 to June 30, 2009 and earnings of € 0.75 per share for the period from January 1 to June 30, 2008, each on the basis of 34.7 million shares. To ensure comparability, the earnings per share in the consolidated income statement for the second quarter of 2008 were calculated on the basis of the number of shares in circulation in the second quarter of 2009, which amounted to 34.7 million. In relation to the weighted average number of shares in accordance with IAS 33, the earnings amount to € 0.96 per share on 32.0 million shares for the period from April 1 to June 30, 2008. In the period from January 1 to June 30, 2008, the earnings per share amounted to € 1.50.

There are no options or conversion rights at the reporting date. Therefore, there are no diluting effects so that the diluted and basic earnings per share are the same.

6. SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET

(5) Intangible assets

	06/30/2009	12/31/2008
	€ '000	€ '000
Software	4,397	3,570
Capitalized development projects	4,234	1,711
Prepayments	599	257
	9,230	5,538

(6) Property, plant and equipment

	06/30/2009	12/31/2008
	€ '000	€ '000
Land and buildings including buildings on third-party property	52,158	33,727
Technical equipment and machinery	28,910	4,589
Other equipment, fixtures and furniture	29,260	20,635
Prepayments	7,938	35,198
	118,266	94,149

The prepayments as at June 30, 2009 include payments for the construction of office and training buildings.

The increase in property, plant and equipment by € 24.1 million in total should be viewed against the background of the expansion of the Group's business.

As at June 30, 2009, the Company had commitments to acquire property, plant and equipment amounting to € 11.2 million. This figure includes commitments of € 7.8 million for the construction of an office building in Kassel and € 1.3 million for the construction of a training building in Niestetal. The other obligations relate predominantly to production tools. There is also the customary amount of business commitments.

(7) Inventories

	06/30/2009	12/31/2008
	€ '000	€ '000
Raw materials, consumables and supplies	52,442	42,180
Unfinished goods, work in progress	12,451	7,832
Finished goods and goods for resale	24,377	23,879
Prepayments	1,840	1,384
	91,110	75,275

The impairment on inventories, included in expenses as manufacturing costs, was € 0.3 million as at June 30, 2009.

(8) Other financial assets

Other financial assets as at June 30, 2009 included mainly accrued interest.

(9) Equity

The change in equity including effects not affecting profit or loss is presented in the statement of changes in equity.

On June 10, 2009, the Annual General Meeting of SMA Solar Technology AG passed a resolution to distribute a dividend of € 1.00 per qualifying bearer share for the 2008 fiscal year.

(10) Provisions

	06/30/2009	12/31/2008
	€ '000	€ '000
Production area	36,809	32,652
Staff area	677	564
Other	2,187	4,606
	39,673	37,822

Provisions account for all discernible risks and contingent liabilities at the balance sheet date. Provisions in the production area include, in particular, warranty provisions for products sold. Provisions in the staff area relate primarily to long-service anniversaries.

(11) Other liabilities

	06/30/2009	12/31/2008
	€ '000	€ '000
Deferred income for extended guarantees	18,588	14,497
Liabilities from prepayments received	9,906	3,800
Liabilities due to tax authorities	3,706	1,719
Liabilities from subsidies received	998	1,155
Other	85	341
	33,283	21,512

(12) Financial instruments

As at June 30, 2009, the balance sheet included four forward transactions intended to hedge the exchange rate risks of expected future revenues generated with customers in the USA.

The derivatives are still classified as held for trading. They are not part of a hedging relationship as defined by IAS 39.

7. CONSOLIDATED CASH FLOW STATEMENT

(13) Notes to the consolidated cash flow statement

In the reporting period, the net cash flow from operating activities amounted to € -11.8 million as against € 69.1 million in the same period of the previous year. A decrease of gross cash flow (€ -44,6 million) and changes in other net assets of € -31,7 million in total are the decisive factors for this decline. Significant changes in other net assets are in particular related to liabilities for employee bonus payments, holiday and flexitime and prepayments received.

The net cash flow from investing activities of € -14.3 million (Q1 - Q2 2008: € -33.9 million) was affected primarily by the outflow of funds due to investments in fixed assets of € -30.4 million and inflow of funds due to the sale of securities of € 20.6 million.

The net cash flow from financing activities amounting to € -35.4 million (Q1 - Q2 2008: € -22.5 million) was characterized mainly by the dividend payments for the 2008 fiscal year to the amount of € 34.7 million and a decrease in financial liabilities.

Cash and cash equivalents of € 179.3 million (Q1 - Q2 2008: € 65.6 million) include cash in hand, bank balances, short-term deposits with an original term to maturity of less than three months as well as any credits on current accounts used, if any.

The capital increase from the IPO was already accounted for as a non-cash transactions in the first half of the year 2008, the inflow of funds effected the second half of the year 2008.

8. OTHER DISCLOSURES

(14) Events after the balance sheet date

There were no significant events on or after the reporting date other than those presented in or recognizable from the statements in the consolidated management report and the notes.

(15) Related party disclosures

There were no significant changes in respect of related parties as against December 31, 2008 except for the changes in the Managing Board. The scope of transactions with SMA Immo GmbH and team-time GmbH in the first half year of 2009 was identical to the previous volume.

Niestetal, August 7, 2009

SMA Solar Technology AG
The Managing Board

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the condensed interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the fiscal year.

Niestetal, August 7, 2009

SMA Solar Technology AG
The Managing Board

Günther Cramer

Peter Drews

Roland Grebe

Pierre-Pascal Urbon

Marko Werner

AUDITOR'S REVIEW REPORT

(Translation – the German text is authoritative)

To SMA Solar Technology AG, Niestetal

We have reviewed the condensed consolidated interim financial statements – comprising the condensed balance sheet, condensed income statement, condensed cash flow statement, condensed statement of changes in equity and selected explanatory notes – together with the group interim management report of SMA Solar Technology AG, Niestetal, for the period from January 1 to June 30, 2009, which are components of the quarterly financial report pursuant to section 37w para. 3 of the German Securities Trading Act (WpHG). The preparation of the condensed consolidated interim financial statements in accordance with the IFRSs applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the Company's Management Board. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and of the interim management report for the Group in accordance with German generally accepted standards for the review of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer – IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRSs applicable to interim financial reporting as adopted by the EU and that the interim management report for the Group has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRSs applicable to interim financial reporting as adopted by the EU nor that the interim management report for the Group has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Hanover, August 7, 2009

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

(Scharpenberg)
Wirtschaftsprüfer
German Public Auditor

(Schwibinger)
Wirtschaftsprüfer
German Public Auditor

FINANCIAL CALENDAR

September 10, 2009	2. WestLB Renewable Energy Forum, Frankfurt
November 13, 2009	Publication of Quarterly Financial Report January – September 2009 Analyst Conference Call: 9:00 a.m. (CET)
November 19/20, 2009	10. Forum Solarpraxis, Berlin Analyst One-on-One-Meetings
March 31, 2010	Publication of Annual Report SMA Group 2009 and Individual Financial Statement SMA AG 2009 Analyst Conference Call: 9:00 a.m. (CET) Press Conference on Annual Results, Frankfurt
April 21, 2010	Capital Markets Day, SMA / Niestetal
May 14, 2010	Publication of Quarterly Financial Report January – March 2010 Analyst Conference Call: 9:00 a.m. (CET)
May 27, 2010	Annual General Meeting 2010, Kongress Palais Kassel
August 13, 2010	Publication of Half-yearly Financial Report January – June 2010 Analyst Conference Call: 9:00 a.m. (CET)
November 12, 2010	Publication of Quarterly Financial Report January – September 2010 Analyst Conference Call: 9:00 a.m. (CET)

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www.SMA.de/IR/Finanzberichte
www.SMA.de/IR/FinancialReports

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