ENERGY
THAT
CHANGES

Quarterly Financial Report
January to March 2013

SMA SOLAR TECHNOLOGY AG

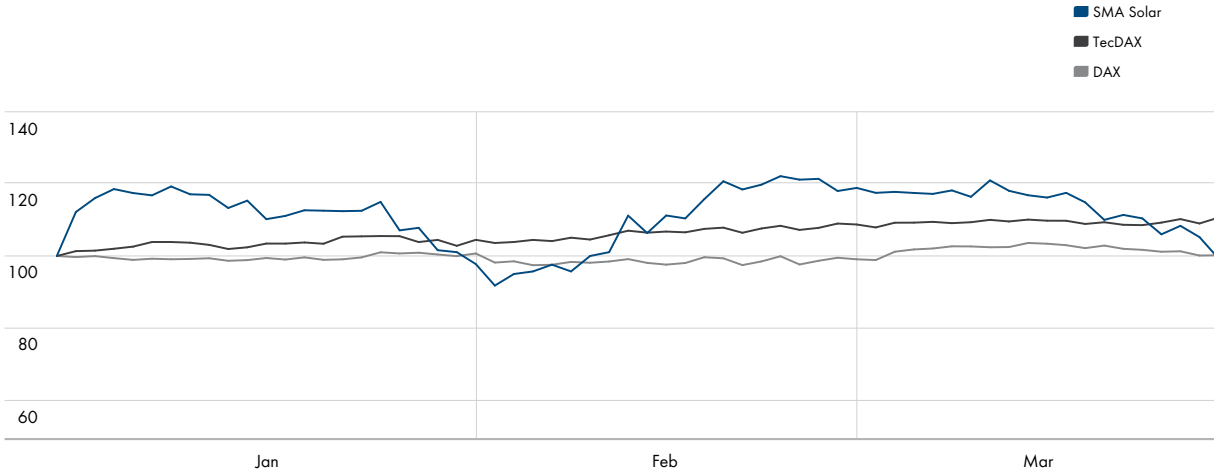
SMA AT A GLANCE

SMA Group		Q1 2013	Q1 2012	Change	Year 2012
Sales	€ million	212.3	405.0	–48%	1,463.4
Export ratio	%	67.5	61.2		56.3
Inverter output sold	MW	1,167	1,885	–38%	7,188
Capital expenditure	€ million	18.4	27.1	–32%	100.2
Depreciation and amortization	€ million	17.8	14.5	23%	69.9
EBITDA	€ million	9.4	57.3	–8.4%	171.9
EBITDA margin	%	4.4	14.1		11.7
Consolidated net loss/profit	€ million	–5.8	29.6	–120%	75.1
Earnings per share[1]	€	–0.16	0.85		2.16
Employees[2]		5,602	5,642	–1%	5,663
in Germany		4,516	4,713	–4%	4,725
abroad		1,086	929	17%	938

SMA Group		03/31/2013	12/31/2012	Change
Total assets	€ million	1,371.5	1,328.7	3%
Shareholders' equity	€ million	811.1	820.7	–1%
Equity ratio	%	59.1	61.8	
Net working capital[3]	€ million	289.6	268.0	8%
Net working capital ratio[4]	%	22.8	18.3	
Net cash[5]	€ million	375.5	446.3	–16%

[1] Converted to 34,700,000 shares
[2] Average during the period; without temporary employees
[3] Inventories and trade receivables minus trade payables
[4] Relating to the last 12 months (LTM)
[5] Cash holdings + time deposits + asset management – loan liabilities (interest-bearing; not including derivatives)

Performance of the SMA Share Q1 2013 in %, rebased to 100 points



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THE SHARE

QUARTERLY FINANCIAL REPORT JANUARY TO MARCH 2013 – FACTS TO OUR SHARE

€0.60

DIVIDEND PROPOSAL

27.7%

PAYOUT RATIO

€648 MILLION

MARKET CAPITALIZATION*

*as of March 28, 2013

THE SHARE

LEADING GERMAN STOCK INDICES REACH FIVE-YEAR HIGH IN FIRST QUARTER OF 2013

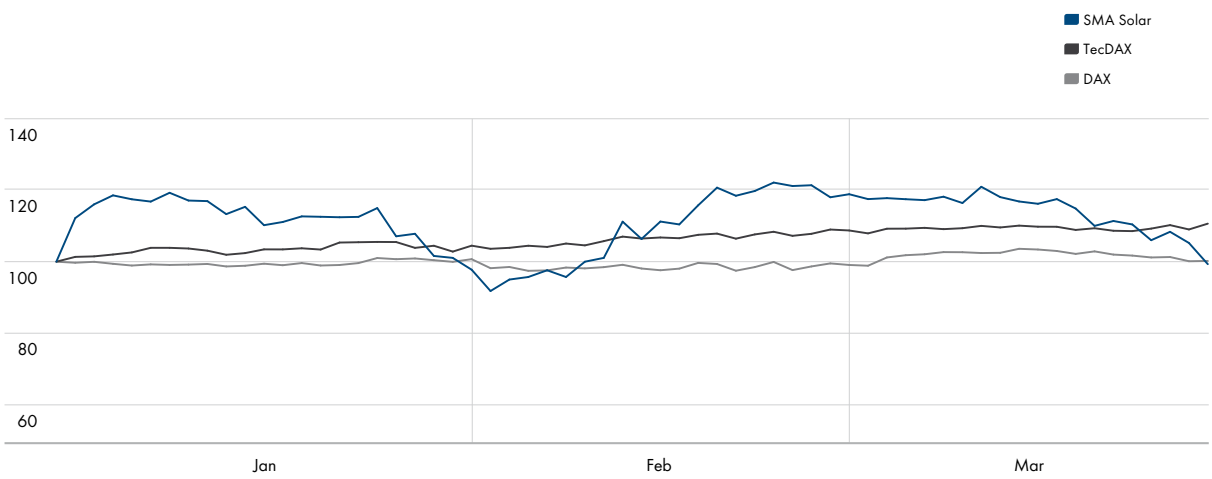
In the first quarter of 2013, the development of the stock market indices was influenced in particular by the positive economy in the USA and China and by the EU debt crisis. The leading German index started 2013 successfully and was at 7,857.97 points on January 25, 2013. The DAX fell to 7,581.18 points by February 6, 2013, due to uncertainty regarding Spain and Italy's stability in connection with the euro debt crisis.

Positive economic data from the USA and hopes of strong economic growth in China caused the DAX to climb to its five-year high of 8,058.37 points on March 14, 2013.

At the end of the first quarter of 2013, the DAX lost points again and closed at 7,795.31 on March 28, 2013, only slightly above the price at the beginning of the year (January 2, 2013, 7,778.78 points). The main reason for this was the banking crisis in Cyprus.

The TecDAX started 2013 at 842.75 (January 2, 2013) and continued its positive performance of the previous year in the first quarter. Key factors for this development were good economic data from the USA and China. It exceeded the 900-point mark on February 22, 2013, and reached its quarterly high of 932.03 at the end of the quarter on March 28, 2013. This is an increase of around 11% in comparison to the start of the year.

Performance of the SMA Share Q1 2013 in %, rebased to 100 points



Plans for eco-power reallocation charge influence sma share price development.

Basic Data

WKN	A0DJ6J
ISIN	DE000A0DJ6J9
Stock market symbol	S92
Reuters	S92G.DE
Bloomberg	S92 GR
Listing	Prime Standard of Frankfurt Stock Exchange
Initial public offering	June 27, 2008
Share class	No-par-value ordinary bearer shares
Share capital	€34.7 million
Number of shares	34.7 million
Index	TecDAX, ÖkoDAX, CDAX, Prime All Share

PLANS FOR ECO-POWER REALOCATION CHARGE INFLUENCE SMA SHARE PRICE DEVELOPMENT

SMA shares began 2013 at a price of €18.80 (January 2, 2013, closing price Xetra trading platform). On January 4, 2013, the American investor Warren Buffett announced his interest in a Californian solar project and boosted German solar stocks. As a consequence, the SMA share climbed to €22.41 (January 10, 2013, closing price Xetra trading platform). On January 28, 2013, German Federal Minister for the Environment Peter Altmaier published a proposal for "electricity price protection." This planned to freeze the eco-power reallocation charge payable on top of electricity prices at its current level of 5.277 eurocents per kilowatt-hour (kWh) for two years. Subsequently, the eco-power reallocation charge would be permitted to rise by a maximum of 2.5% per year. To lower the costs of the reallocation charge, the Federal Minister for the Environment also proposed an "energy solidarity surcharge," as a result of which even operators of existing plants would have to consider with cuts to their compensation. This news caused great uncertainty in the German photovoltaics market. Subsequently, the SMA share price sank 14.21% to €17.27 (closing price Xetra trading platform) and reached its lowest point of the quarter on February 4. On March 27, 2013, SMA released final figures for the 2012 fiscal year and confirmed the forecast for the current fiscal year. The SMA Managing Board expects sales of between €0.9 billion and €1.3 billion and to break even, at best, but cannot rule out making a loss. The SMA share ended the first quarter at a price of €18.67 (March 28, 2013, closing price Xetra trading platform), slightly below the price at the start of the year (€18.80, January 2, 2012, closing price Xetra trading platform).

COVERAGE OF THE SMA SHARE

As a PV inverter manufacturer and energy management group, SMA operates in a challenging market environment. Last year, listed solar stocks posted significant falls with regard to their market capitalization worldwide. Many investment banks adjusted their research activities for the solar sector accordingly. In the reporting period, the number of banks and securities firms producing regular reports fell to 11.

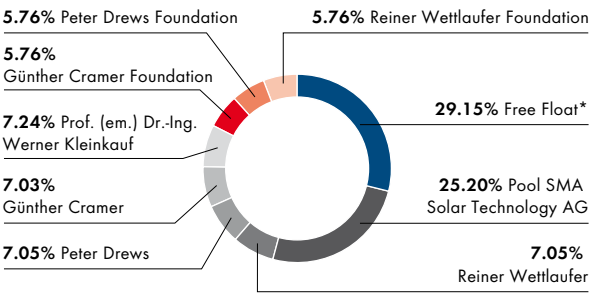
Research Coverage

Institution	Name
Bank of America/Merrill Lynch	Claus Roller
Citi	Jason Channell
Deutsche Bank	Alexander Karnick
Equinet Bank	Stefan Freudenreich
HSBC Trinkaus & Burkhardt	Christian Rath
Independent Research	Sven Diermeier
Macquarie Group	Robert Schramm-Fuchs
Main First	Andreas Thielen
Metzler	Daniel Seidenspinner
Natureo Finance	Ingo Queiser
Warburg Research	Christopher Rodler

STABLE SHAREHOLDER STRUCTURE

The shareholder structure remained constant in the reporting period. Thus, 29.15% of the shares are in free float while 25.20% are bundled in a pooling agreement. Approximately 28% of the shares are held by the founders of SMA Solar Technology AG Günther Cramer, Peter Drews, Reiner Wettlaufer and Prof. (em.) Dr.-Ing. Werner Kleinkauf. The first three of those named hold voting rights as sole Managing Board members for their foundations with a further approximately 17% of the shares.

Shareholder structure in %



*Free Float calculated according to guidelines for stock indices of Deutsche Börse

PRESS CONFERENCE ON FINANCIAL STATEMENTS ON MARCH 27, 2013

Pierre-Pascal Urbon (Chief Executive Officer) and Lydia Sommer (Chief Financial, Legal & Compliance Officer) presented SMA's future corporate strategy and future issues and prospects for the solar industry at the press conference on financial statements on March 27, 2013. Pierre-Pascal Urbon described the market potential of solar diesel hybrid systems for SMA in sunny countries where utility grids are not able to provide all regions with electricity. Moreover, Anja Jasper, Vice President Corporate Communications, explained how households and commercial enterprises can use photovoltaics to lower their operating costs via high self-consumption with energy management solutions from SMA.. In addition, the results for the 2012 fiscal year were announced, and the forecast for 2013 published in October 2012 was confirmed. In this context, the SMA Managing Board specified his sales forecast for the first quarter of 2013 between €190 million and €220 million.

Following the press conference, Pierre-Pascal Urbon and Lydia Sommer were available to the financial and business press for interviews and held talks with analysts and investors.

ANNUAL GENERAL MEETING

SMA's Annual General Meeting will be held on May 23, 2013 in Kassel. All information and documents are available on the Web site at www.SMA.de/Hauptversammlung. For the 2012 fiscal year, the Managing Board and Supervisory Board will propose a dividend payment of €0.60 per share (2011: €1.30 per share). The payout ratio of 27.7% is within SMA's target shareholder participation of between 20% and 40%.

INVESTOR RELATIONS – COMMUNICATION WITH THE CAPITAL MARKET

Credibility, transparency and up-to-dateness characterize our communication culture and investor-oriented information policy. We therefore maintain regular dialog with the capital market. Our Investor Relations Web site www.IR.SMA.de provides comprehensive and up-to-date information about our Company. This includes, for instance, financial publications and a financial calendar. In addition, an interactive share chart enables comparisons between SMA share prices and selected stock market indices.

In Frankfurt on March 27, 2013, Pierre-Pascal Urbon (Chief Executive Officer) and Lydia Sommer (Chief Financial, Legal & Compliance Officer) held the annual press conference on financial statements for journalists in parallel with the publication of the Consolidated Financial Statement for the previous fiscal year. The conference focused on topics of the future such as solar diesel hybrid systems and optimization of self-consumption for private households and commercial enterprises. Following the press conference on financial statements, Lydia Sommer along with Investor Relations held talks with investors at a roadshow in Frankfurt.

In the second quarter of 2013, SMA will take part in an investor conference in London in June. Also in June, Capital Markets Day will take place at Intersolar 2013 in Munich, the largest photovoltaics trade fair. As well as the management presentation and a discussion panel, there is an opportunity to learn about new products directly at the SMA stand.

The Managing Board expects interest in listed solar shares to continue to decline. This is also apparent from the number of banks and securities firms producing regular reports and is attributable in particular to the difficult market situation in the solar sector. This is why the Managing Board and the Investor Relations team are going to concentrate their activities on essential conferences and events in the 2013 fiscal year.

See also www.SMA.de/Hauptversammlung and www.IR.SMA.de

INTERIM MANAGEMENT REPORT

QUARTERLY FINANCIAL REPORT JANUARY TO MARCH 2013

1.2 GW
INVERTER OUTPUT SOLD

€–8.4 MILLION
OPERATING PROFIT

€212.3 MILLION
SALES

€375.5 MILLION

NET CASH

INTERIM MANAGEMENT REPORT JANUARY TO MARCH 2013

ECONOMIC CONDITIONS

GENERAL ECONOMIC CONDITIONS

Global Economy Gradually Picks Up

After a noticeably weakened global economy in 2012, the Kiel Institute for the World Economy (IfW) expects a distinct upturn in production and an increasing rate of global economic expansion over the course of the year. The IfW anticipates an increase in global production of 3.4% for 2013. The International Monetary Fund (IMF) also expects the global economy to strengthen in 2013 by 3.3%. However, the figure was lowered by –0.2 percentage points. The reason for this is the major downside risk for the global economic outlook resulting from the debt crisis in the euro zone.

The euro zone economy is stuck in recession, say IMF experts. Growth of 0.2% was forecast in October 2012, but now the IMF expects shrinking economic output of –0.3% in 2013. This is due to the ongoing uncertainty whether political measures to solve the euro debt crisis will be sufficient. For Italy and Spain in particular, the International Monetary Fund again predicts a contraction of economic output by 1.5% and 1.6% respectively. The IfW also expects aggregate production to decline by –0.2% in the euro zone and the average unemployment rate to increase to 12.3%. This is due to the recession, which is improving only haltingly.

While the economy in Germany is only slowly recovering, it is remaining clear of recession. The IMF has revised its forecast for German gross domestic product growth from 0.9% to 0.6%, which is slightly higher than the German Federal Government's expectations. The IfW sees a similar rate of growth and likewise expects gross domestic product to increase by 0.6% after 0.7% in 2012.

The IMF anticipates a clearer growth rate of 1.9% in the United States of America. However, this depends on a solution to the fiscal policy issues and a medium-term strategy to reduce the high sovereign debt.

According to IMF and IfW experts, major growth stimuli will continue to come from newly industrialized and developing countries. For 2013 as a whole, the IMF and IfW anticipate there growth rates of 5.3% and 5.9% respectively. Growth will continue to be driven by China in particular, whose growth the IMF estimates at 8.0%.

ECONOMIC CONDITIONS IN THE SECTOR

Strong Volume Growth in Markets Outside Europe

Europe

The first quarter of 2013 was affected by subsidy cuts in European markets and the still unresolved debt crisis. Moreover, potential punitive duties on Chinese modules caused a high level of uncertainty in these markets.

In Germany, Federal Minister for the Environment Peter Altmaier published a proposal for electricity price protection in a surprise move on January 28, 2013. On February 14, 2013, he settled on a joint draft with Economics Minister Philipp Rösler that plans drastic changes to the German Renewable Energy Sources Act (EEG) and heavy cuts for new and existing photovoltaic plants. Various measures are planned, including freezing the EEG reallocation charge until the end of 2014, a market and grid integration model for all new installations in the renewable energy sector, a retroactive "energy solidarity surcharge" for operators of existing plants and restrictions to the exemptions for energy-intensive businesses. On March 21, 2013, Chancellor Angela Merkel spoke out against a cut for existing plants under EEG, but

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signaled that potential savings with respect to EEG plants and energy-intensive businesses have to be considered. In Germany, the intended changes are negatively affecting demand for photovoltaic systems, because reliable conditions are utterly lacking. With around 0.8 gigawatts (GW) of PV plant new installations, new installation fell by almost 60% year-on-year (Q1 2012: 1.97 GW).

In Italy, around 0.6 GW were installed in the first three months of 2013. This brings the end of Italian solar subsidization closer. The Conto Energia V will expire as soon as the annual cost of the Italian feed-in tariff reaches €6.7 billion. According to the Italian energy agency Gestore dei Servizi Energetici (GSE), €6.6 billion of the available subsidy had already been reached by the end of March. In order to increase self-consumption in private households and thus slow grid expansion, the Italian government has approved alternative regulations. Investments in PV plants can be amortized over a period of 10 years.

In Belgium, Greece and Great Britain, further cuts to the feed-in tariffs were agreed in the first three months of 2013 as well.

Non-European countries

Photovoltaics has broad public support in Japan. However, the Japanese government plans to lower the feed-in tariff from April 2013. Plants of up to 10 kW will still receive remuneration of JPY 38 per kWh (previously JPY 42). Plants of more than 10 kW will receive JPY 37.8 per kWh (previously JPY 42).

Positive growth stimuli are also emanating from the U.S. For example, by means of the "Renewable Portfolio Standards", American electric utility companies must present a certain amount of renewables in their portfolio. In addition, tax incentive programs support the installation of PV systems. The increase of PV installations in the residential segment is effected by innovative leasing offerings as well.

Alongside the very complex state subsidy program REIPP (Renewable Energy Independent Power Producer Procurement), a market is rapidly developing in South Africa that is not reliant on subsidies. Moreover, from summer 2014 the South African government is planning both a feed-in tariff and the introduction of net metering, by which electricity fed in, self-consumed and taken from the grid are to be netted.

In 2013, the Managing Board estimates that China will be the largest growth market. At the start of the year, the Chinese government again increased expansion targets for 2013, and is aiming for annual new installation of 10 GW for the next three years. The stated political will is to keep the largest possible share of value added in the country.

The SMA Managing Board assumes that, in future, the sharp fall in production costs for solar power will provide important growth impulses from applications in which photovoltaics is the more cost-effective solution compared with conventional energy carriers. In sunny countries in particular, solar power is often already more attractive economically than generating electricity with fossil fuels. Even in some European markets, photovoltaics can also already compete successfully with household electricity rates. With the change in the areas of application, topics such as the regulation of solar diesel hybrid systems, energy management, improving self-consumption and intermediate storage of solar power are becoming increasingly important.

IMPACT OF GENERAL CONDITIONS ON BUSINESS DEVELOPMENT

Decline of Demand in Europe Negatively Affects SMA

The steep decline in demand for PV inverters in Europe from the previous year continued in the first quarter of 2013. The SMA Group suffered a weak start to the fiscal year and sold PV inverters with a total output of 1,167 MW in the reporting period. This equates to a reduction about 38% compared with the same quarter of the previous year (Q1 2012: 1,885 MW). SMA's sales fell by 47.6% to €212.3 million (Q1 2012: €405 million), in line with the published

forecast of €190 million to €220 million. Due to the high price pressure, the negative volume performance and the changed product mix, earnings before interest and taxes (EBIT) sank to €–8.4 million in the first quarter of 2013. The export ratio increased quarter-on-quarter by 6.3 percentage points to 67.5%. With €71.3 million (Q1 2012: €164.0 million), Germany was the market with the strongest sales in the first quarter of 2013. Important foreign markets were the U.S., Japan, Australia and Thailand.

SMA has focused its strategy on the changed conditions and is well positioned to handle the market consolidation. The SMA Managing Board is therefore adhering to its sales and earnings forecast. The sales forecast projects sales of €0.9 billion to €1.3 billion and also includes the majority shareholding acquired in Zeversolar. With regard to the operating result, the SMA Managing Board expects to break even, at best, but cannot rule out making a loss.

SMA Concludes Acquisition of Majority Shareholding in Zeversolar – First-time Consolidation

On March 12, 2013, SMA concluded the acquisition of a majority shareholding in Jiangsu Zeversolar New Energy Co., Ltd. (Zeversolar), a leading inverter manufacturer in China. The Chinese government authorities approved the acquisition of the majority shareholding in Zeversolar. Further information on the scope of consolidation is given in the Notes on page 36.

The Chinese government wants to provide better support to the photovoltaics sector during the 12th Five-Year Plan (2011 – 2015) and plans to reduce the costs for solar power per kWh and expand the domestic market. Annual new installation of 10 GW is planned for the next three years, with nearly every province aiming to exceed the specified quota. Further, the Chinese government intends to keep the largest possible share of value added in the country. Local structures are therefore essential for long-term success in the Chinese photovoltaics market.

Jiangsu Zeversolar New Energy Co., Ltd. emerged in 2011 as the result of a merger between Jiangsu Eversolar New Energy Co., Ltd. and Jiangsu ZOF New Energy Co., Ltd. The company, located in Suzhou (Jiangsu province), develops, produces and sells PV inverters. Zeversolar operates a modern production site in Yangzhong (Jiangsu Province), research and development facilities in Suzhou (Jiangsu Province) and Shanghai and six sales and service subsidiaries in China. Zeversolar also has subsidiaries in Australia and Germany. The Company currently employs more than 400 people around the world, around 75 of which in development. In 2012, Zeversolar generated sales of approximately €33 million and is thus one of the leading PV inverter manufacturers in China.

This transaction secures SMA access to the growth market of China and strategically enhances its position as a global market leader. In addition, SMA will benefit from synergies in purchasing, quality assurance and development. Zeversolar is managed as its own division in the SMA Group. The goal is to make Zeversolar profitable in future. In this regard, the division management will implement numerous restructuring measures and review the sales strategy.

On a euro basis, Zeversolar's enterprise value on the basis of the 72.5% stake acquired by SMA is approximately €23 million. The company acquisition was concluded on March 12, 2013, with retroactive economic effect starting January 1, 2013. The Managing Board estimates that Zeversolar will make a positive earnings contribution only in the medium term. For 2013, the Managing Board expects a slight sales growth to more than €40 million, negative earnings and negative cash flow.

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RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSETS

RESULTS OF OPERATIONS

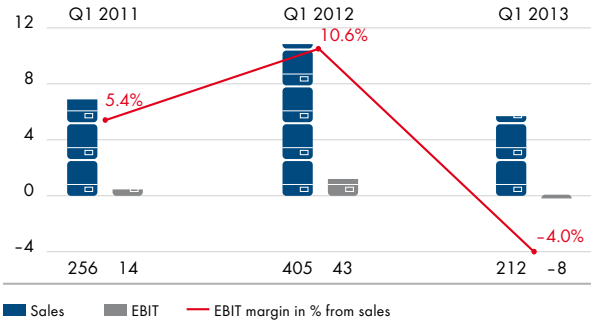
Group Sales and Earnings

SMA Suffers Weak First Quarter of Fiscal Year

The SMA Group suffered a weak start to the fiscal year and in the first quarter of 2013 sold photovoltaic inverters with a total output of 1,167 MW. This is down 38.1% on the same quarter of the previous year (Q1 2012: 1,885 MW). With a 47.6% reduction to €212.3 million (Q1 2012: €405.0 million), SMA Group sales were down more than the volume compared with the previous year. This was due to the reduced selling prices and the change in the product mix. SMA was thus within the forecast range for sales of €190 million to €220 million specified for the first quarter of 2013.

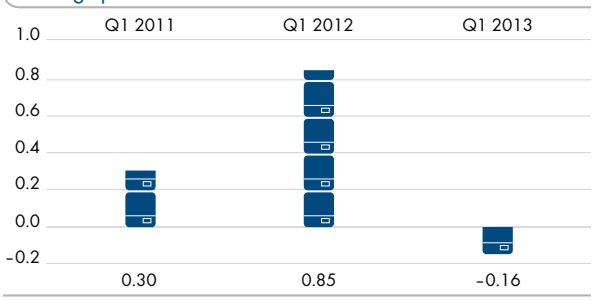
The same period of the previous year was characterized by purchases brought forward due to the cutting of subsidies in Germany. The export ratio increased from 61.2% to 67.5% compared with last year. This underscores SMA's outstanding international position with its excellent sales and service structures and full range of products. In the first quarter of 2013, the most important foreign markets for the SMA Group were the U.S., Japan, Australia and Thailand.

Sales and EBIT in € million



Due to the considerable price pressure, the shift in the product mix and the negative trend in sales volume, EBIT fell to €–8.4 million. During the same quarter of the previous year, EBIT was €42.8 million due to the comparatively strong sales performance. Compared with the previous year, the EBIT margin fell from 10.6% to –4.0%. The Group loss for the period amounted to €–5.8 million (Q1 2012: €29.6 million). Earnings per share are €–0.16 (Q1 2012: €0.85).

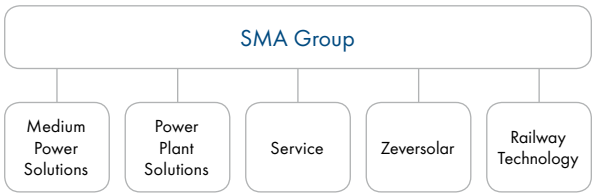
Earnings per Share in €



Sales and Earnings per Segment

Adjustment of Reporting by Division as of 2013

To leverage synergies within the organization more effectively, dtw was integrated in the Medium Power Solutions division from January 1, 2013 and transferred from Complementary Divisions. Furthermore, the Off-Grid Solutions business activities were integrated in the Medium Power Solutions division in order to strengthen operations in the fields of energy management, grid integration and storage integration within the division. The majority shareholding of Jiangsu Zeversolar New Energy Co., Ltd. aquired this March is being integrated in the new segment Zeversolar.



The financial figures are reported using the previous year's figures.

Medium Power Solutions Drives Forward Energy Management Solutions

The Medium Power Solutions division covers the Sunny Boy, Sunny Mini Central, Sunny Tripower and Sunny Island product families. The division also develops products used for monitoring photovoltaic systems and energy management. The product families comprise a total of 82 inverters and 15 communication products. SMA offers single-phase and three-phase inverters with capacities ranging from 700 W to 20 kW. SMA products feature a particularly high efficiency of up to 99%, easy installation and a service life of over 20 years. Cooperation agreements aimed at the joint development of energy management solutions have been concluded with Miele, Vaillant and Stiebel Eltron with a view to ensuring the even more efficient use of solar power.

In the first quarter of 2013, external sales revenue of the Medium Power Solutions division fell by 61.0% to €115.1 million (Q1 2012: €295.7 million). It remains the strongest-selling division in the SMA Group. Its share of SMA Group sales was 54.2% (Q1 2012: 73.0%). Sales in Europe and Germany declined by 63.6% and are the result of massive cuts in the solar power subsidies. The U.S., Australia and Belgium were among the most important foreign markets. In the first quarter of 2013, the major sales drivers were inverter types Sunny Tripower 12000TL to 17000TL and Sunny Boy 3000TL to 5000TL.

Ongoing measures to boost productivity and cut the cost of materials in the Medium Power Solutions division failed to compensate for this strong decline in sales over such a short period of time. EBIT in the first quarter of 2013 was therefore €–16.5 million (Q1 2012: €37.1 million). In relation to internal and external sales revenue, the EBIT margin was –12.5% (Q1 2012: 11.5%).

Power Plant Solutions Division Benefits from Strong Foreign Demand

With the Sunny Central type central inverters, the Power Plant Solutions division serves the rapidly growing market for large-scale PV plants with outputs ranging from 500 kW to several megawatts. The product family contains 12 central inverters with numerous variants providing optimal technical solutions for any large-scale project. As the market leader in this segment, SMA also offers central inverters that feed directly into the medium-voltage grid of energy suppliers, thereby contributing to a greater energy yield of the overall system. The exceptional efficiencies of these devices achieve up to 98.7%.

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Due to the price decline, external sales revenue in the first quarter of 2013 was €84.5 million, down 12.3% on the previous year (Q1 2012: €96.3 million). Project business in North America developed very well. Because of the shift in demand from Europe to North America and Asia, the trend toward large-scale solar projects will continue. Despite cutting the cost of materials and advances in productivity, the Power Plant Solutions division failed to fully compensate for the significant price reductions on the previous year. EBIT in the first quarter of 2013 was therefore €5.5 million, down on the previous year's figure (Q1 2012: €9.9 million). In relation to internal and external sales revenue, the EBIT margin was 6.2% (Q1 2012: 9.9%).

The Power Plant Solutions division's share in total SMA Group sales rose sharply to 39.8% (Q1 2012: 23.8%). The most important markets included North America, Thailand and Japan. The most successful products were the Sunny Central Compact Power inverters series.

Service Is an Important Distinguishing Feature of SMA

Alongside a broad product portfolio, excellent service is an important distinguishing feature that is going to become even more important in business competition. In order to exploit this potential systematically, SMA has bundled its service activities in their own division.

SMA is represented with its own service companies in all important photovoltaic markets. With an installed worldwide capacity of more than 25 GW, SMA leverages economies of scale to take its service business to profitability over the medium term. Services include warranty extensions, service and maintenance contracts, operational management, remote plant monitoring and spare parts business.

In the first quarter of 2013, external service revenue amounted to €6.0 million (Q1 2012: €4.6 million). Notable sales drivers were the commissioning of PV plants, and repairs and service as well as maintenance contracts subject to a charge. In the first quarter of 2013, EBIT was €–0.1 million (Q1 2012: €–3.8 million). This marked growth in profitability can be attributed to the productivity measures implemented last year. For example, SMA has concentrated a number of locations in the new service center. Following expiry of the standard warranty period for the high-volume years, the SMA Managing Board is expecting the Service division to make a positive profit contribution in one to two years.

Zeversolar Will be Realigned

The division Zeversolar is made of the Jiangsu Zeversolar New Energy Co., Ltd. – which was acquired in March – and serves the rapidly expanding Chinese photovoltaic market with its central inverters. String inverters are offered in selected foreign markets.

External sales revenue in the first quarter of 2013 after closing (from March 12, 2013) was €0.1 million. Operating income (EBIT) amounted to €–0.6 million. The Managing Board is expecting Zeversolar to make a positive profit contribution only in the medium term. In order to drive profitable growth for Zeversolar, a considerable number of restructuring measures as well as a realignment of the sales department is necessary.

Railway Technology Growing Constantly

Railway Technology GmbH and its Brazilian subsidiary manufactures converters as individual devices and complete energy supply systems for railway coaches and multiple-unit trains for short- and long-distance railway traffic.

Due to the postponement of projects until the following quarter, the division's external sales fell by 21.4% to €6.6 million (Q1 2012: €8.4 million). The management last year realigned the companies toward project business and established a production location in Brazil. Despite the decline in sales, EBIT of €–0.3 million remained at the same level as in the previous year (Q1 2012: €–0.3 million). In relation to internal and external sales revenue, this corresponds to an EBIT margin of –4.4% (Q1 2012: –3.2%).

Development of Significant Income Statement Items

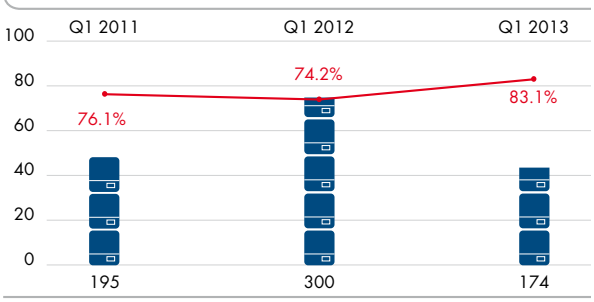
Gross Margin Down on the Previous Year

In the first quarter of 2013, the cost of sales was €173.6 million (Q1 2012: €299.9 million). The projects aimed at optimizing the cost of sales are showing some initial success, and material costs per watt (Q1 2013: €111.1 million; Q1 2012: €214.5 million), adjusted for impairment and scrap, fell by 16.4%. As a result, material expenses which were offset against production cost fell sharply by 48.1%, much more strongly than sales. But these positive changes are compensated by the general decline in the price of photovoltaic inverters. In relation to sales, material expenses which were offset against production costs remained stable at 53.1% compared to the previous year (Q1 2012: 56.6%). The downturn in business meant that production capacities were not fully utilized.

The gross margin is therefore now 18.2%, down on the previous year's level of 26.0%. In the first quarter of 2013, the cost of sales was attributable as follows: 65.0% to material expenses, 20.5% to personnel expenses, and 14.5% to depreciation and amortization as well as other expenses.

Selling expenses fell by €3.1 million year on year and in the first quarter of 2013 amounted to €14.1 million (Q1 2012: €17.2 million). In 2012, SMA expanded its international sales and marketing structures, for example by founding new sales and service companies in South Africa and Chile. In addition, SMA Railway Technology GmbH founded a subsidiary company in Brazil. Due to lower provisions for employee bonuses, personnel expenses in this division are down 14.9% on the same quarter of the previous year. The fall in other expenses can be attributed to savings in marketing and advertising costs. Due to comparatively considerably lower sales in the first quarter of 2013, the share of selling costs rose to 6.6% (Q1 2012: 4.2%).

Cost of Sales in € million



Development expertise is a major strategic unique selling proposition of SMA and therefore expanded rigorously. In the first quarter of 2013, research and development expenses excluding capitalized development projects were €18.8 million (Q1 2012: €23.7 million). The total research and development expenses, including capitalized development projects, amounted to €24.3 million (Q1 2012: €29.5 million). Scheduled depreciation of capitalized development projects amounted to €2.6 million in the first three months of the year (Q1 2012: €1.2 million).

The decrease in research and development expenses is based primarily on lower provisions for employee bonuses. At the end of the first quarter of 2013, the SMA Group had 1,101 employees in R&D (March 31, 2012: 1,045 employees). The fall in other expenses of €1.1 million can be attributed to lower internal offsets. The consistently high level of capitalized development projects reflects the enormous amount of work invested in the development of new devices.

Administrative expenses in the first quarter of 2013 amounted to €16.8 million (Q1 2012: €19.4 million). This decline is based primarily on lower provisions for employee bonuses. In the first quarter of 2013, the ratio of administrative expenses to sales rose to 7.9% (Q1 2012: 4.8%).

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FINANCIAL POSITION

SMA Has Reduced Investments

In the first quarter of 2013, SMA generated gross cash flow of €1.0 million. In the same quarter of the previous year, it was €53.5 million due to significantly better business development.

Because of the low sales, receivables decreased by €4.8 million compared with December 31, 2012. In the same period, inventories increased by €16.9 million. Especially, unfinished and finished goods increased due to project-related premanufacture as well as the systematic increase of deliverability in individual markets. However, the increase in inventories in the first quarter of 2013 proved considerably lower than in the same quarter of the previous year (Q1 2012: €19.6 million).

Overall, net cash flow from operating activities in the first quarter of 2013 was €–3.3 million, while it was clearly positive in the previous year (Q1 2012: €7.9 million). Net cash flow from investing activities reflects the adjusted investment strategy and amounted to €6.5 million in the reporting period (Q1 2011: €–86.9 million). This also includes the outflow of funds in the amount of €22.1 million for the acquisition of the majority interest in Jiangsu Zeversolar New Energy Co., Ltd. as well as changes in time deposits.The volume of investment for fixed and intangible assets totaled €18.4 million, 32.1% below the previous year's €27.1 million. At €10.8 million, the majority went on investments in fixed assets. The most significant items were investments in plant and office equipment and the modification of office buildings as aftereffects from the last fiscal year (Q1 2013: €2.0 million). Investment in intangible assets amounted to €7.6 million (Q1 2012: €8.0 million). This figure includes capitalized development projects at €5.5 million (Q1 2012: €5.8 million). Investments adjusted for capitalized development projects of €12.9 million fell 39.4% in comparison with the same period of the previous year (Q1 2012: €21.3 million). In addition, proceeds of €1.0 million were generated from the sale of a piece of land.

The changes to financial liabilities are primarily the result of restructuring financial liabilities at Jiangsu Zeversolar New Energy Co., Ltd.

Cash and cash equivalents amounting to €190.9 million (December 31, 2012: €185.3 million) include cash in hand, cash held at banks and short-term deposits with an original term to maturity of less than three months. Together with time deposits with a term of more than three months and fixed-interest-bearing securities as well as non-current financial liabilities, this results in a net cash position of €375.5 million (December 31, 2012: €446.3 million). This means that SMA has excellent liquidity reserves.

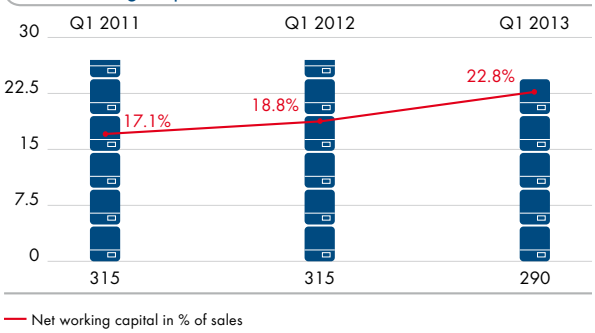
NET ASSETS

SMA Has an Equity Ratio of 59.1%

As of March 31, 2013, total assets had increased to €1,371.5 million (December 31, 2012: €1,328.7 million). As of March 31, 2013, net working capital had increased to €289.6 million (December 31, 2012: €268.0 million) and was thus 22.8% of sales in the last 12 months. The ratio was therefore slightly above the range of 19% to 22% expected by management. The increase in net working capital is mainly attributable to the integration of Zeversolar.

Trade receivables amounted to €139.9 million in the first quarter of 2013, 17.3% higher than on December 31, 2012 (December 31, 2012: €119.3 million). This included receivables of €13.0 million that were written down. Days sales outstanding rose to 37.2, primarily due to increasing project business and the higher export ratio (December 31, 2012: 33.0 days). On the reporting date, inventories increased by 7.6% to €238.3 million (December 31, 2012: €221.4 million). The increase is the result of the targeted increase in delivery capacity in individual markets and increasing project business. Trade payables increased by €15.9 million to €88.6 million (December 31, 2012: €72.7 million). The share of supplier credits in total assets increased slightly to 6.5% (December 31, 2012: 5.5%).

Net Working Capital in € million



As of March 31, 2013, the Group's equity capital base fell 1.2% to €811.1 million (December 31, 2012: €820.7 million). With an equity ratio of 59.1%, SMA has a very comfortable equity capital base and a very solid balance sheet structure.

CAPITAL EXPENDITURE

SMA CONTINUES TO INVEST IN RESEARCH AND DEVELOPMENT

SMA has considerably reduced investing activity, as planned, and adapted it to changed conditions. For the fiscal year 2013, the SMA Group is planning investments in land and buildings of up to €10 million. SMA will invest up to €65 million in machinery and equipment. The investments in intangible assets, especially in development projects, will amount to €45 million.

In the first three months of fiscal 2013, investments in fixed and intangible assets amounted to €18.4 million (Q1 2012: €27.1 million). Of the investments in fixed assets amounting to €10.8 million (Q1 2012: €19.1 million), 48.2% went toward machinery and equipment and 51.8% on land and buildings. Of the investments in intangible assets of €7.6 million (Q1 2012: €8.0 million), 66.3% was attributable to capitalized development projects and 33.7% to other intangible assets.

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RESEARCH AND DEVELOPMENT

INTELLIGENT SYSTEM TECHNOLOGY FOR THE ENERGY SUPPLY OF TOMORROW

The energy sector is in an extensive process of transformation. SMA has adapted early to the changed requirements of future energy supply and focused its development activities on innovative system technology, intelligent solutions for energy management and brand-new product platforms. SMA is therefore excellently positioned to take the opportunities arising in the international photovoltaic markets. The global transformation in the energy sector from central power plants based on conventional energy carriers to decentralized energy production will only succeed with innovative system technology.

Against this backdrop, SMA plans to continue expanding its technology and innovation leadership. In the first quarter of 2013, the research and development department concentrated on the development of new product platforms and the issue of "storage solutions" in order to make use of the opportunities within the context of the storage subsidy legislation beginning on May 1, 2013. The new product platforms, which are to be launched from mid-2014, provide for a modular design. This not only allows costs to be reduced considerably, but will also significantly shorten innovation cycles.

Another important focus of research and development work is the development of pioneering solutions like the Fuel Save solution for solar diesel hybrid systems.

DEVELOPMENT PARTNERSHIPS FOR THE EXPANSION OF THE SMA SMART HOME

In the Medium Power Solutions segment, the focus is on developing the SMA Smart Home, because it significantly increases self-consumption rates for solar power and thus makes plant operators less dependent on rising electricity prices. The system concept, which is currently unique on the market, controls electrical consumption in private homes on the basis of location and plant-related PV generation forecasts, ensuring the optimum use of solar power. The system learns the consumption patterns of the household. To enable seamless integration of various components in the intelligent energy management system, we work closely with renowned manufacturers. For the integration of household appliances, SMA cooperates with Miele. For the integration of heat pumps, SMA has been working with the leading heating, ventilation and air-conditioning companies Stiebel Eltron and Vaillant since March of this year. The goal of these partnerships is to develop efficient solutions that are suitable for everyday use and offer users the best possible convenience. The integrated system concept will ultimately be completed by the integration of electric vehicles. Here, SMA is participating alongside Volkswagen AG, Fraunhofer IWES and the clean power provider Lichtblick in the INEES research project, which is supported by the Federal Environment Ministry and tests the intelligent connection of electric vehicles to the grid in order to provide system services for the power grid. In addition, SMA is working with BMW and the Technical University of Munich on another collaborative research project. The aim and objective of the project is the intelligent integration of electric mobility into the energy management of PV plants and the design of potential system architectures for the coupling of photovoltaics and electric mobility.

AMPLE STORAGE OPTIONS FOR EVERY NEED

SMA offers suitable storage solutions for the different requirements of the SMA Smart Home. With the SMA Flexible Storage System, which has components including the Sunny Island battery inverter and the Sunny Home Manager, SMA has developed a storage solution that will satisfy various needs. The system can complement both existing and new PV systems. Battery type and capacity can be freely selected, which allows a high degree of flexibility. The inverter technology used has an extremely high overload capacity, which means even critical consumers can be operated reliably. The second half of 2013 will also see the launch of the Integrated Storage System, a simple and efficient storage option for all new PV systems. The central component of the system is the new Sunny Boy Smart Energy, which for the first time combines a full-scale, modern PV inverter and a storage system in a compact wall-mountable housing. Its integrated lithium-ion battery has a usable capacity of approximately 2 kWh. The system is thus perfectly tailored to residential systems and guarantees optimum operational efficiency. While larger storage systems can only be fully utilized on high-yield days, the smaller system increases the self-consumption rate significantly nearly all year round.

The integration of storage not only makes plant operators more independent of rising electricity prices, it also takes the strain off the power grids. According to the 2013 storage study compiled by the Fraunhofer Institute for Solar Energy Systems on behalf of the German Solar Industry Association (BSW), the integration of a storage system reduces the feed-in of solar power around noon by up to 40%. In addition, PV systems with storage solutions can also perform other grid services. This not only avoids expensive grid expansion measures, but will also reduce "must-run units" to a minimum in future.

POWERFUL INVERTERS, INTELLIGENT SYSTEM TECHNOLOGY AND EXPERTISE FOR LARGE PV POWER PLANTS

In the large-scale plant segment, SMA focuses on medium-voltage solutions that can be deployed internationally: Sunny Central CP XT inverters meet all grid requirements worldwide. The latest example is compliance with the new Grid Code in South Africa. As well as the inverter functionality and the SMA Power Plant Controller, our experienced team of experts also ensures safe grid connection. As early as in the planning phase of a project, system integrators are on hand to offer advice on important issues, such as the optimum dimensions, reactive power requirements and simulations.

SMA recently delivered 37 Sunny Central 800CP inverters for a 40-megawatt PV power plant in Rajasthan, India. The power plant, owned by the Indian solar energy producer Azure Power, began operating in February. Because the device is designed specifically for extremely harsh environments and due to the intelligent OptiCool cooling concept, Sunny Central 800CP inverters are very well equipped for use in India. Regardless of extremely hot, dry summers, temperature fluctuations and heavy rainfall, they provide continuously high yields and ensure maximum plant availability. SMA service technicians installed the extensive system technology within just one week, making the PV power plant ready for operation early.

For solar power plants with decentralized architecture, SMA now also offers complete system technology packages. Based on the powerful Sunny Tripower, they are delivered including communication for park control and medium-voltage connection. The system solution thus guarantees flexible and reliable management of large-scale plants up to the megawatt class.

SAVE FUEL WITH SOLAR DIESEL HYBRID SYSTEMS

In terms of investment costs, diesel generators are still the cheapest method of supplying electricity to the world's off-grid regions or supplementing unstable grids. With intelligent system technology from SMA, photovoltaics can be integrated simply into such diesel networks. In this way, operators can save expensive fuel and thus significantly reduce the costs of electricity generation. SMA's system solution centers on the Fuel Save Controller. In conjunction with SMA inverters, it takes on the need-based control of photovoltaic feed-in depending on load and generation profiles.

In the first quarter of 2013, the solar diesel hybrid systems business area drove several important projects, such as a megawatt-class PV power plant in Coimbatore, India. The system will supply cheaper and more environmentally friendly power to a textile factory. In general, SMA sees great growth potential for photovoltaics in India. As the power distribution grid is unstable, a lot of businesses use diesel generators to stabilize their power supply even though they are connected to the grid. By integrating photovoltaics, these systems can work much more efficiently and are therefore extremely attractive for operators. Another important project for SMA is a solar diesel hybrid system in Tonga that will also have storage capacity for the first time. The system is expected to commence operation in mid 2013.

The requirements for a solar diesel hybrid system – especially in the industrial sector – are high – low costs, fast readiness for operation, the highest degree of reliability and availability are needed. Each system is unique, as operation load profiles and external conditions vary greatly from location to location. We offer comprehensive project support for our systems, - from conducting load flow analyses through system technology to system monitoring. We can thus guarantee an individually adapted and perfectly economic system.

RESEARCH AND DEVELOPMENT WORK FOR THE FUTURE OF PHOTOVOLTAICS

As the leader in PV system technology, SMA is a sought-after partner in different expert committees, associations and research projects. At the regional level, we cooperate closely with the Competence Network Decentralized Energy Technologies (Kompetenznetzwerk Dezentrale Energietechnologien), the Fraunhofer Institute for Wind Energy and Energy System Technology, the Centre of Competence for Distributed Electric Power Technology (Kompetenzzentrum für Dezentrale Elektrische Energieversorgungstechnik) and the Institute for Decentralized Energy Technologies (Institut für dezentrale Energietechnologien). In addition, SMA has a wide network of research and development partnerships at international level. SMA is currently involved in around 12 different collaborative research projects researching new photovoltaic technologies. This ranges from testing new components and optimizing PV plant system technology to grid integration and electric mobility.

For the INEES research project, SMA developed a DC quick-charging station that allows solar energy from electric vehicles to be fed back into the utility grid. Electric vehicles could therefore be used in future as electricity storage in the Smart Home and compensate for variations between renewable energy generation and consumption. In March, SMA completed the trial phase. Initial results from the field test, which will start in Berlin in fall 2013, are expected in 2014.

EMPLOYEES

ACTING FLEXIBLY – MARKET DYNAMIC DETERMINES STRATEGIC PERSONNEL PLANNING

The Managing Board is expecting a longer phase of consolidation. SMA's structures must therefore be adapted to the changed level of sales and the new circumstances. In the fourth quarter of 2012, the Managing Board and Works Council held constructive negotiations regarding a comprehensive joint package of measures to adapt personnel structures and staff costs on the basis of the forecast for 2013.

The effects of the measures introduced can already be seen in the employee figures for the reporting period and will also be reflected in future reporting periods.

Employees

	03/31/2013	03/31/2012	03/31/2011	03/31/2010	03/31/2009
Employees (excl. temporary employees)	5,837	5,676	4,691	3,299	2,338
of which domestic	4,477	4,726	4,232	3,020	2,183
of which abroad	1,360	950	459	279	155
Temporary employees	714	1,154	1,114	1,577	346
Total employees (incl. temporary employees)	6,551	6,830	5,805	4,876	2,684

At the end of the first quarter, the SMA Group had 5,837 employees (March 31, 2012: 5,676 employees, figures exclude temporary staff). This is a 2.8% increase in comparison to the previous year.

However, this growth predominantly took place abroad and is due to the acquisition of Jiangsu Zeversolar New Energy Co., Ltd., Suzhou, China. The number of employees abroad grew by 410 (thereof 405 employees from Zeversolar) or 43.2% within a year (March 31, 2012: 950 employees, figures exclude temporary staff). Since January 1, 2013, the number of employees outside Germany has grown by 425 or 45.5% (December 31, 2012: 935 employees abroad, figures exclude temporary staff).

In contrast, the number of employees at the German locations fell by 249 or 5.3% year-on-year (March 31, 2012: 4,726 employees, figures exclude temporary staff) and by 172 or 3.7% since the beginning of the year (December 31, 2012: 4,649 employees in Germany, figures exclude temporary staff).

SMA uses temporary employees to compensate for short-term fluctuations in demand and increase flexibility. In this regard, it is very important to SMA that temporary employees are paid the same hourly rate as SMA employees and participate in the company's success. Globally, SMA employed 714 temporary employees at the end of the reporting period. This figure fell by 440 or 38.1% year-on-year (March 31, 2012: 1,154 temporary employees).

HUMAN RESOURCE MANAGEMENT – CONCRETE SUPPORT IN TIMES OF CHANGE

Rethinking, reorganizing and taking alternative routes: SMA managers are faced with the challenge of shaping the changes and winning their employees' approval for their implementation. SMA performs the necessary qualification and development of its managers and employees by focusing on target groups. Human Resources Management is available to the Company divisions as a contact for detailed personnel planning, as a consultant for its implementation and as support for the communication of the changes to the Works Council. Measures like moderated meetings for communication between colleagues, individual and group coaching, workshops within the management team and theoretical basic training on change management and subsequent services to help with putting the theory into individual practice have proved effective.

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PROMOTING YOUNG STAFF – STARTING CAREERS WITH AN EXCELLENT EDUCATION

In January 2013, 44 apprentices and 14 retrainees successfully completed their training at SMA in 12 different industrial/technical and commercial occupations. Six of the apprentices passed their examinations with the grade "very good." Two Management Assistants for Office Communication, two Management Assistants for Wholesale and Foreign Trade, one Electronics Technician for IT Systems and one Industrial Management Assistant were honored as the best of their year group by the Chamber of Industry and Commerce at a formal ceremony. SMA has always been an intensive educator in order to meet its own requirement for skilled workers and offer young people the longest possible employment prospects within the Company. Successful trainees are initially given an employment contract for a term of one year. However, there are not always enough permanent posts in the Company for all candidates in a certain field. For this reason, SMA has created an additional alternative for joining the Company. Skilled-worker positions of 30 hours a week will be offered on a one-year contract. This exceptional offer makes it easier for the young people to start their careers and gives SMA the chance to tie good skilled workers to the Company and enable them to move to a permanent employment relationship during their first year. In the first quarter of 2013, we took on 39 of the career entrants and four of the retrainees at SMA.

PROMOTING HEALTH – HEALTH MANAGEMENT IMPROVES INDIVIDUAL HEALTH BEHAVIOR

SMA's company health management is the expression of an employee-oriented corporate culture and includes all activities to protect, promote and restore employees' health. With its diverse measures, such as the wide-ranging company sports program, which is partially self-organized by employees, it aims to optimize the working conditions and health behavior of the workforce on a continuous basis. In addition, numerous counseling services, e.g. psychological consultation, addiction counseling, support to quit smoking and an extensive Internet presence especially for stress and burnout prevention, help identify risks and indicate practical support options at an early stage.

In the first quarter of 2013, this year's SMA Health Day raised awareness of high blood pressure under the motto "listen to your heart." For this purpose, a team of health experts measured volunteers' blood pressure and gave the more than 1,600 participants extensive advice on their personal risk of hypertension. Employees with results suggesting high pressure received an information sheet for their doctor and specific recommendations for action. The series of events was accompanied by a campaign in all SMA cafeterias on the risk of high salt consumption. After the measurements, a health program was started to help lower blood pressure with advice and courses on prevention through exercise, nutrition, luxuries, relaxation and stress management.

SUPPLEMENTARY REPORT

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no significant events after the end of the reporting period with effects on net assets, financial position or results of operations.

RISK AND OPPORTUNITIES MANAGEMENT

The Group's risks and opportunities management as well as possible individual risks are described in detail in the Annual Report 2012. The comments made there remain essentially unchanged. 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 GENERAL ECONOMIC SITUATION

Euro Zone to Grow Again Only in 2014

The global economy is only gradually picking up. In its World Economic Outlook of April 2013, the International Monetary Fund (IMF) forecasts economic growth of 3.3% for 2013, but sees a major downside risk for the global economic outlook. The reasons for this remain the debt crisis in the euro zone in connection with the uncertainty regarding the effectiveness of the countermeasures being taken. In 2013, the Kiel Institute for the World Economy (IfW) expects a distinct upturn in production and an increasing rate of global economic expansion over the course of the year. According to the IfW, this equates to an increase in global production of 3.4% for 2013. For 2014, both the IMF and IfW expect global gross domestic product to grow by 4.0%.

The recovery of the euro zone is slowing down in the opinion of IMF experts. While they still expected positive economic output of 0.2% in October 2012, they now forecast shrinking economic output of –0.3% for 2013. In particular, the Fund's experts cast doubt on the ability of key countries to support the peripheral states and they fear a lasting phase of stagnation within the euro zone. France's economy is facing imminent recession and, for Italy and Spain in particular, the International Monetary Fund again predicts a contraction of economic output by –1.5% and –1.6% respectively. The IMF does not expect euro zone countries to return to the black until 2014 and forecasts gross domestic product (GDP) growth of 1.5%. The IfW also expects aggregate production to decline by –0.2% in the euro zone. This is due to the laborious move out of recession. The Institute says aggregate production will strengthen in 2014, when GDP will grow by 1%.

The German economy will grow only modestly in 2013, according to the IMF and IfW. Both institutes expect positive German GDP growth of 0.6% in 2013 and of between 1.4% and 1.5% next year due to a good economy.

The IMF anticipates solid growth of 1.9% in the U.S. in 2013. However, this depends on a sustainable solution to the fiscal policy problems and a medium-term strategy to reduce the high sovereign debt. If this succeeds, the IMF expects a further increase of growth rates to 3.0% in 2014.

In the view of IMF and IfW experts, major growth stimuli will continue to come from newly industrialized and developing countries. For the current year, the IMF expects a growth rate in production of 5.3% and as much as 5.7% for 2014. The Institute for the World Economy is even more optimistic with regard to growth rates, and forecasts 5.9% for 2013 and 6.0% for 2014. Growth will continue to be driven by China in particular, whose growth the IMF estimates at 8.0% for 2013 and 8.2% for 2014.

FUTURE GENERAL ECONOMIC CONDITIONS IN THE PHOTOVOLTAICS SECTOR

The Solar Sector Is at the Start of a Phase of Consolidation

The development of the photovoltaics industry is still determined predominantly by various subsidy programs. In addition, financing terms also play a role in many countries, especially for large-scale solar projects. Due to foreseeable changes in different subsidy programs and the tremendous momentum of change in the photovoltaics markets, estimating its future development is fraught with uncertainty. For 2013, the SMA Managing Board forecasts newly installed capacity of between 29 GW and 34 GW. In the best case, this is volume growth of approximately 10%.

The severe subsidy cuts in Europe have caused demand to slump. Because of the greater-than-planned new installation of photovoltaics, many European countries no longer want to pay for the transformation of the energy sector toward decentralized plants. This is compounded by major uncertainty due to the anti-dumping action in Europe, which could result in the introduction of punitive duties on Chinese modules. These proceedings mean that investment costs cannot be bindingly specified and banks are setting higher

requirements for financing PV projects. This is resulting in numerous deferrals of medium- and large-scale PV projects or even to their cancelation. The SMA management estimates that demand in Europe will therefore halve and make up just a quarter of the global market. Germany and Italy will probably remain Europe's largest markets. In Germany in particular, the Federal Government's heavy-handedness with regard to the potential amendment of the Renewable Energy Sources Act (EEG) has created a lot of additional uncertainty. Further talks on the possible change to the EEG will be held in May 2013. In the medium term, non-subsidized photovoltaic systems will become more important. However, this trend will only gain momentum in 2014.

The non-European markets are also heavily dependent on subsidy programs. Strong growth stimuli are currently emanating in particular from China, Japan and America due to positive general conditions. The PV plants installed in these markets are primarily on a medium- or large-scale. Overall, the SMA management expects the non-European markets to compensate for the enormous decline in volume in Europe only in the best-case scenario.

As well as volume effects, price development also plays a crucial role. In Europe especially, price pressure has been noticeably increasing, because a large number of inverter manufacturers have concentrated on this market and must now share the shrinking volume. In the view of the Managing Board, this trend is leading to further consolidation of the industry. For Europe, the SMA Managing Board therefore expects considerably reduced market volume measured in euros.

By contrast, the Managing Board estimates that the medium-term global prospects for photovoltaics are good. Photovoltaics has proven increasingly competitive in recent years and is gaining importance around the world. In the Managing Board's opinion, Asia, North America and South Africa in particular display considerable potential for growth. But in the medium term, strong growth stimuli will also come from sunny countries with poor grid infrastructure. With hybrid applications, photovoltaics is already an economically attractive solution there, and it pays for itself within a few years. Furthermore, energy management will become more important because of rising electricity costs. Investing in decentralized energy supply systems creates independence for operators and ensures affordable electricity costs in the long term. In the future, efficiently managed photovoltaic systems with battery storage will make a crucial contribution to sustainable energy supply in private households and commercial enterprises in the interests of the energy transition.

OVERALL STATEMENT ON THE EXPECTED DEVELOPMENT OF THE SMA GROUP

SMA Expects Long-lasting Consolidation

The following statements on the future development of the SMA Group are based on the estimates drawn up by the Managing Board of SMA and the expectations concerning the development of global photovoltaics markets set out above.

With its wide range of products, high product quality and flexibility, presence in 21 PV markets and unique range of services, SMA is excellently positioned in the global photovoltaics market. In addition, SMA has laid the foundation for tapping into the Chinese PV market by acquiring the majority shareholding in Zeversolar. SMA also has more than 20 years' experience in the generation of electricity from the combined use of renewable energies and fossil fuels and offers intelligent system solutions for future energy supply structures. Measured by the 7.2 GW of inverter output sold in 2012, SMA is the global market leader and accounted for nearly 25% of global demand in that year, according to its own estimates. Because of the good positioning in all major photovoltaics markets, the Managing Board is optimistic that it will be able to maintain or even slightly improve upon its market share in 2013. Last year, the Managing Board focused its strategy on the quickly changing market and competitive conditions. The target for 2015 is to extend our innovation leadership by launching new products, to reduce costs consistently with new product platforms and by increasing productivity, and to continue pressing ahead with internationalization.

Because of the gradual discontinuation of subsidies for photovoltaics, saving energy costs is increasingly coming to the forefront of investment decision-making and the self-consumption of solar power is gaining in importance. The use of self-generated photovoltaic energy can make private households independent of rising electricity prices. With the Smart Home, SMA offers intelligent energy management at the household level, which enables solar power to be stored in a battery integrated into the inverter and used in the evening. Due to the increasing importance of integrating storage into grid-connected systems, SMA is transferring the business operations of the Off-Grid Solutions division into Medium Power Solutions (MPS). The objective is to use existing sales structures and development resources more efficiently than before. In addition, dtw is being moved from Complementary Divisions and integrated into MPS in order to make better use of synergies.

Due to the expected sharp decline in sales in Europe, the Medium Power Solutions (MPS) division will generate approximately 50% to 60% of sales in 2013. The three-phase inverter Sunny Tripower will account for a share of up to 60% in MPS sales. These inverters are used mainly for commercial PV plants. It is anticipated that in 2013 up to 40% of the division's sales will be generated by PV inverters in the Sunny Boy product family, which is principally deployed in PV plants with an output of up to 10 kW.

The trend to large-scale PV power plants with an output of over 500 kW will continue to intensify in 2013 on the basis of regional shifts in demand. The Power Plant Solutions (PPS) division is expected to account 40% to 50% of sales in 2013. Above all, a decisive contribution to sales in the PPS division in the current year will be made by international business in North America, India and South Africa. The Sunny Central Compact Power is one of the central inverters generating the greatest sales in this segment in 2013. This product family is characterized by its especially low system costs, extensive grid integration functions and easy installation at the site. An additional positive contribution is expected from the new medium-voltage technology.

The development of the solar diesel hybrid market will also have a medium-term positive effect on sales growth. In terms of investment costs, diesel generators are still the cheapest method of supplying electricity to the world's off-grid regions or supplementing unstable grids. With intelligent system technology from SMA, photovoltaics can be integrated simply into such diesel networks. In this way, operators can save expensive fuel and thus significantly reduce operating costs.

Service is an important distinguishing feature for SMA and will continue to benefit in 2013 from the high level of commissioning in the Power Plant Solutions division. In addition, new long-running service and maintenance contracts with larger volumes are expected to be signed in the Service division in 2013, which will lay the foundation for long-term success in service business. An additional driver for operating service business is known as the 50.2 Hz conversion in Germany: Because modernizations to existing systems are required on the basis of the System Stability Regulation, it is assumed that service business in Germany will pick up strongly in the years to come. Moreover, SMA will expand the range of services offered for inverters and medium-voltage components for selected markets such as North America. By taking on all services relating to the PV power station, the performance of the whole system will be optimized.

Zeversolar is managed as a separate division in the SMA Group and is made of the Jiangsu Zeversolar New Energy Co., Ltd., which was acquired in March. The Managing Board estimates that Zeversolar will make a positive earnings contribution only in the medium-term. For 2013, the Managing Board expects a slight sales growth to more than €40 million, negative earnings and negative cash flow. In order to drive profitable growth for Zeversolar, a considerable number of restructuring measures as well as a realignment of the sales department is necessary.

The Managing Board expects positive growth stimuli for SMA Railway Technology in 2013 from intensified sales activities and further internationalization as well as attractive returns in the medium run.

In general, the SMA Managing Board expects strong fluctuations in demand in the current fiscal year on the basis of differing growth rates. In the best-case scenario, the non-European markets will offset the fall in demand in Europe measured in gigawatts. The Managing Board anticipates global demand for photovoltaic systems between 29 GW and 34 GW in 2013. Due to the expected sharp rise in price pressure around the world, SMA is expecting strongly declining demand measured in euros for the first time in many years. For 2013, the SMA Managing Board therefore expects sales to decline to between €0.9 billion and €1.3 billion. This sales forecast also includes the majority shareholding aquired in Zeversolar.

In addition, the change in the product mix will also be reflected in the average selling price per watt and thus in a sinking gross margin. With regard to the operating result, the SMA Managing Board expects to break even, at best, but cannot rule out making a loss.

In order to counteract this trend effectively, SMA has identified savings and an icreased productivity potential for reducing production costs at an early stage by systematically analyzing product costs. SMA is concentrating on implementing defined strategic measures, such as the development of completely new product platforms for all power classes. The first products are to be launched from mid 2014. SMA's top development goal is to significantly reduce production costs by using new technologies and a higher proportion of carry-over parts. In addition, SMA will upgrade its technological solutions for energy management. These center on the Sunny Boy Smart Energy. In new projects in 2013, SMA will demonstrate its technical expertise in the design of hybrid systems as well as its many years of experience in large-scale PV power plants. The focal points of research and development are accordingly the further reduction of system costs, our extensive work on grid integration and the continued development of innovative energy management solutions. To achieve its goals, SMA will invest more than €120 million in research and development in 2013 and purposefully expand its network of strategic research and development partnerships.

By establishing and expanding its purchasing offices in Germany, Poland, the U.S. and China, SMA has laid the foundation for establishing new procurement channels, certifying new suppliers and systematically reducing material costs. Further measures for lowering costs are Company-wide projects to increase productivity as well as the adjustment of administrative functions and structures to the changed circumstances and the low level of sales.

In 2013, SMA is focusing on the expansion of market access in Asia, particularly in China, and on the North and South America and South Africa regions. Activities in Europe will be adapted to the changing, declining markets. In the years to come, SMA will continue with its tried and tested strategy of being among the first PV inverter manufacturers to be represented in developing markets, while focusing primarily on the Arab countries.

SMA will continue with its successful strategy of producing primarily on the basis of orders received, especially as the Managing Board believes the annual production capacity of approximately 15 GW (including Zeversolar) is sufficient to meet global demand. Before the consolidation of Zeversolar, the net working capital ratio will be between 19% and 22%. After completion of the construction work in 2012, the acquisition of machinery and equipment and the increasing value of capitalized development projects will result in a stable investment volume of approximately €100 million in 2013. In the medium-term, SMA is aiming for total annual investments to comprise up to 10% of sales.

With cash reserves of more than €350 million and an equity ratio of nearly 60%, SMA is in a good financial position at the end of the first quarter of 2013. In addition, SMA has focused its strategy on the changed conditions in order to cope with the market consolidation.

Niestetal, May 6, 2013

SMA Solar Technology AG

The Managing Board

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

QUARTERLY FINANCIAL REPORT JANUARY TO MARCH 2013

NEARLY **25%**

MARKET SHARE

67.5%

EXPORT RATIO

PRESENT IN **21** PHOTOVOLTAICS MARKETS

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INCOME STATEMENT SMA GROUP

€'000	Note	Jan. – March (Q1) 2013	Jan. – March (Q1) 2012
Sales	**4**	**212,308**	**404,954**
Cost of sales	5	173,622	299,946
Gross profit on sales		**38,686**	**105,008**
Selling expenses	6	14,061	17,162
Research and development expenses	7	18,789	23,721
General administrative expenses	8	16,773	19,442
Other operating income	9	14,909	11,951
Other operating expenses	9	12,415	13,798
Operating profit (EBIT)		**–8,443**	**42,836**
Financial income		881	1,799
Financial expenses		769	519
Financial result	**11**	**112**	**1,280**
Profit before income taxes		**–8,331**	**44,116**
Income tax expenses		–2,529	14,564
Consolidated net loss/profit		**–5,802**	**29,552**
of which attributable to non-controlling interest		–195	0
of which attributable to shareholders of SMA AG		–5,607	29,552
Earnings per share, basic (€)	12	–0.16	0.85
Earnings per share, diluted (€)	12	–0.16	0.85
Number of ordinary shares (in thousands)		34,700	34,700

STATEMENT OF COMPREHENSIVE INCOME SMA GROUP

€'000	Jan. – March (Q1) 2013	Jan. – March (Q1) 2012
Consolidated net loss/profit	**–5,802**	**29,552**
Changes in fair values of available-for-sale assets	–22	391
Income taxes	6	–118
Changes recognized outside profit or loss (available-for-sale financial assets)	**–16**	**273**
Unrealized gains (+)/losses (-) from currency translation of foreign subsidiaries	284	2,335
Changes recognized outside profit or loss (currency translation differences)	**284**	**2,335**
Total comprehensive income[1]	**–5,534**	**32,160**
of which attributable to non-controlling interest	–201	0
of which attributable to shareholders of SMA AG	–5,333	32,160

[1] All items of other comprehensive income may be reclassified to profit and loss in future.

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BALANCE SHEET SMA GROUP

€'000	Note	03/31/2013	12/31/2012
Non-current assets			
Goodwill	13	21,058	311
Other intangible assets	13	71,142	66,424
Fixed assets	14	378,482	377,107
Other financial investments		5	75
Other financial assets	16	51,408	51,073
Deferred taxes		32,196	25,184
		554,291	**520,174**
Current assets			
Inventories	15	238,341	221,369
Trade receivables		139,857	119,288
Other financial assets	16	213,512	257,398
Claims for income tax refunds		12,154	11,302
Other receivables		22,375	13,846
Cash and cash equivalents	26	190,915	185,299
Assets held for sale		70	0
		817,224	**808,502**
Total assets		**1,371,515**	**1,328,676**
Shareholders' equity			
Subscribed capital		34,700	34,700
Capital reserve		119,200	119,200
Retained earnings		656,606	666,761
Equity attributable to non-controlling interest		574	2
	17	**811,080**	**820,663**
Non-current liabilities			
Provisions	18	111,171	112,815
Financial liabilities	19	40,207	32,775
Other financial liabilities	20	1,816	2,078
Other liabilities	21	98,510	94,422
Deferred taxes		22,601	21,553
		274,305	**263,643**
Current liabilities			
Provisions	18	85,916	89,879
Financial liabilities	19	33,383	2,788
Trade payables		88,556	72,691
Other financial liabilities	20	54,012	55,892
Income tax liabilities		692	681
Other liabilities	21	23,571	22,439
		286,130	**244,370**
Total equity and liabilities		**1,371,515**	**1,328,676**

STATEMENTS OF CASH FLOWS SMA GROUP

€'000	Note	Jan. – March (Q1) 2013	Jan. – March (Q1) 2012
Consolidated net loss/profit		–5,802	29,552
Income tax expenses		–2,529	14,564
Financial result		–112	–1,280
Depreciation and amortization		17,797	14,474
Change in other provisions		–5,606	8,115
Losses from the disposal of assets		107	65
Other non-cash expenses/revenue		1,040	5,204
Interest received		527	1,119
Interest paid		–146	–140
Income tax paid		–4,275	–18,195
Gross cash flow		**1,000**	**53,478**
Increase of inventories		–9,509	–19,583
Increase (–)/decrease (+) in trade receivables		4,756	–25,928
Increase in trade payables		3,081	7,485
Change in other net assets/other non-cash transactions		–2,669	–7,590
Net cash flow from operating activities	**23**	**–3,341**	**7,862**
Payments for investments in fixed assets		–10,822	–19,088
Proceeds from the disposal of fixed assets		1,044	5
Payments for investments in intangible assets		–7,596	–8,005
Payments for the acquisition of companies net of cash/ payments for the acquisition of business units		–22,125	0
Proceeds from the disposal of securities and other financial assets		131,000	468
Payments for the acquisition of securities and other financial assets		–85,000	–60,318
Net cash flow from financing activities	**24**	**6,501**	**–86,938**
Proceeds from increase of financial liabilities		8,806	0
Redemption of financial liabilities		–3,402	–832
Net cash flow from financing activities	**25**	**5,404**	**–832**
Net increase/decrease in cash and cash equivalents		8,565	–79,908
Net increase/decrease due to exchange rate effects		–2,949	2,442
Cash and cash equivalents as of 01/01		185,299	371,101
Cash and cash equivalents as of 03/31	**26**	**190,915**	**293,635**

STATEMENT OF CHANGES IN EQUITY SMA GROUP

	Equity attributable to the shareholders of the parent company						
€'000	Subscribed capital	Capital reserves	Market valuation of securities	Other retained earnings	Total	Non-controlling interests	Consolidated shareholders' equity
Shareholders' equity as of Jan. 1, 2012	34,700	119,200	-47	635,451	789,304	2	789,306
Consolidated net profit Q1 2012	0	0	0	29,552	29,552	0	29,552
Differences from currency translation	0	0	0	2,335	2,335	0	2,335
Changes not shown in the income statement	0	0	273	0	273	0	273
Overall result							32,160
Changes in minority interests	0	0	0	0	0	0	0
Shareholders' equity as of Mar. 31, 2012	**34,700**	**119,200**	**226**	**667,338**	**821,464**	**2**	**821,466**
Shareholders' equity as of Jan. 1, 2013	**34,700**	**119,200**	**271**	**666,490**	**820,661**	**2**	**820,663**
Consolidated net loss Q1 2013	0	0	0	-5,607	-5,607	-195	-5,802
Differences from currency translation	0	0	0	290	290	-6	284
Changes not shown in the income statement	0	0	-16	0	-16	0	-16
Overall result					-5.333	-201	-5,534
Other changes in equity	0	0	0	-4,822	-4,822	0	-4,822
Changes in minority interests	0	0	0	0	0	773	773
Shareholders' equity as of March 31, 2013	**34,700**	**119,200**	**255**	**656,351**	**810,506**	**574**	**811,080**

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2013

1. BASIC INFORMATION

The Condensed Interim Consolidated Financial Statements of SMA Solar Technology AG as at March 31, 2013, were prepared, like the Consolidated Financial Statements for the year ended December 31, 2012, in compliance with the International Financial Reporting Standards (IFRS) as adopted by the EU, as well as in compliance with the regulations of Section 315a of the German Commercial Code (HGB). Accordingly, the Interim Financial Statements of SMA Technology AG are prepared in line with IAS 34 Interim Financial Reporting in the 2013 fiscal year. In accordance with the regulations of IAS 34, a condensed reporting format was chosen compared with the Consolidated Financial Statements as of December 31, 2012. The Condensed Financial Statements do not include all the information and disclosures required for Consolidated Financial Statements and have therefore to be read in conjunction with the Consolidated Financial Statements as of December 31, 2012.

The Condensed Interim Consolidated Financial Statements were prepared in euros. Unless indicated otherwise, all amounts stated were rounded to full thousands of euros (€'000) or millions of euros (€ million) in order to improve clarity.

The Consolidated Financial Statements are prepared on the basis of amortized historical costs. Exceptions to this are provisions, deferred taxes, leases, derivative financial instruments and available-for-sale securities.

The income statement is classified according to the cost of sales method.

The Managing Board of SMA Solar Technology AG authorized the Interim Consolidated Financial Statements on May 6, 2013, for submission to the Supervisory Board.

The registered office of the Company is Sonnenallee 1, 34266 Niestetal, Germany. 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 develops, produces and distributes PV inverters, transformers, choke coils, and monitoring and energy management systems for PV plants and power-electronic components for railway technology. More detailed information on segments is provided in section 4.

2. SCOPE OF CONSOLIDATION AND CONSOLIDATION PRINCIPLES

The scope of consolidation as at December 31, 2012, was expanded compared with December 31, 2011, due to the newly founded companies SMA South America SpA (Santiago, Chile), Solar Technology South Africa Pty. Ltd. (Centurion, South Africa), SMA Solar Beteiligungs GmbH (Niestetal, Germany), SMA Service International GmbH (Niestetal, Germany) and SMA Brasil Tecnologia Ferroviaria Ltda. (Itupeva, Brazil). All companies were fully consolidated. The investments reported in the Financial Statements are not consolidated due to their subordinate importance. Non-controlling interests share in equity of the consolidated companies is shown separately within equity.

The Interim Consolidated Financial Statements are based on the Financial Statements of SMA Solar Technology AG and the subsidiaries included in consolidation, which are prepared in accordance with uniform accounting policies throughout the Group.

More detailed information is provided in the Notes to the Consolidated Financial Statements as of December 31, 2012.

The scope of consolidation as at March 31, 2013, was expanded compared with December 31, 2012, by the acquisition of the subgroup Jiangsu Zeversolar New Energy Co., Ltd. (Suzhou, China).

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As of March 12, 2013, SMA acquired 72.5% of the shares in Jiangsu Zeversolar New Energy Co., Ltd. (Zeversolar). Jiangsu Zeversolar New Energy Co., Ltd. is a Chinese subgroup that is included on a pre-consolidated basis in SMA's Consolidated Financial Statements. This subgroup includes the following fully consolidated companies: Jiangsu Zeversolar New Energy Co., Ltd. (parent company of the subgroup, Suzhou, China), Jiangsu ZOF New Energy Co., Ltd. (Suzhou, China), Shanghai ZOF New Energy Co., Ltd. (Shanghai, China), Eversolar GmbH (Munich, Germany) and Australia Zeversolar New Energy Pty Ltd. (Surrey Hills, Australia).

Zeversolar manufactures inverters in low to medium power classes, Jiangsu ZOF inverters of high power classes. Part of the research department is located in Shanghai. As one of the leading inverter manufacturers in China, Zeversolar offers products tailored to the requirements of the Chinese market.

It is initially consolidated on the basis of the IFRS carrying amounts of the assets and liabilities as of March 12, 2013. The purchase price allocation will be finalized when all relevant information is available – after a year at the latest. Until then, the determined goodwill is also provisional.

The purchase price was paid with cash funds. Including the acquired cash and cash equivalents, the net outflow of funds from the acquisition amounted to €22.1 million. The gross amount of acquired receivables is €24.9 million. This relates primarily to receivables from Chinese state-owned companies, so they are assumed to be recoverable. The provisional goodwill is €20.8 million and will be allocated when all relevant information is available. The provisionally determined value of the minority interests was €0.8 million as of March 12, 2013.

As part of the acquisition, SMA wrote a put option for shares in Jiangsu Zeversolar New Energy Co., Ltd. in exchange for financial assets. In this connection, SMA recorded a financial obligation in the amount of the present value of the repurchase amount of these shares (€4.8 million), which must be recognized in profit or loss in compliance with IAS 39 in subsequent periods.

The transaction costs amounted to €0.6 million.

Acquired Assets and Liabilities

€ million	Carrying amounts on acquisition date
Provisional goodwill	20.8
Intangible assets	1.7
Fixed assets	6.2
Inventories	8.9
Trade receivables	24.9
Cash and cash equivalents	0.8
Other receivables	5.9
Liabilities towards credit institutions	–25.6
Other liabilities	–9.0
Trade payables	–12.8
Deferred taxes	1.1
Net assets	22.9
Purchase price	22.9
Acquired cash and cash equivalents	0.8
Net outflow from acquisitions	22.1

3. ACCOUNTING AND VALUATION POLICIES

There were no changes to the accounting and valuation policies in the present Interim Consolidated Financial Statements as at March 31, 2013, compared with the Consolidated Financial Statements of SMA Solar Technology AG as at December 31, 2012. A detailed description of these policies is published in the Notes to the Consolidated Financial Statements as at December 31, 2012.

When preparing the Interim Consolidated Financial Statements, the following new accounting standards to be applied mandatorily as of the fiscal year 2013 had to be observed (see annual report 2012, page 99). The following new obligatory accounting standards had to be applied for since the beginning of fiscal 2013 compared to December 31, 2012.

Standard/Interpretation			Date of compulsory application[1]	Endorsement (until Mar. 31, 2013)[2]
Amendment	Annual Improvements	Annual Improvements 2009–2011	January 1, 2013	yes
Amendment	IFRS 1	Government Loans	January 1, 2013	yes

[1] Application to the first reporting period of a fiscal year beginning on or after that date. First-time application in the EU may deviate.
[2] Adoption of IFRS standards or interpretations by the EU Commission.

The Consolidated Financial Statements as at December 31, 2012, contain a detailed description of the new accounting standards relevant to the SMA Group.

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4. SEGMENT REPORTING

At the beginning of fiscal year 2013, the SMA Group reorganized its photovoltaics operations and adjusted the Group structure accordingly. In accordance with the regulations of IFRS 8, this reorganization led to a change in the segment reporting for all comparative periods. To leverage synergies within the organization more effectively, dtw was integrated in the Medium Power Solutions division from January 1, 2013, and removed from Complementary Divisions. Likewise, the Off-Grid Solutions business activities were integrated in the Medium Power Solutions division in order to strengthen energy management, grid integration and storage integration within the division. At the same time, the division was removed from Complementary Divisions.

The majority shareholding acquired in March in Jiangsu Zeversolar New Energy Co., Ltd. is being integrated in the new Zeversolar segment.

The Power Plant Solutions (PPS) segment will remain unchanged and serve the rapidly growing market for large-scale PV plants with outputs ranging from 100 kW to several megawatts with Sunny Central type central inverters, among other things.

The Railway Technology segment includes SMA Railway Technology GmbH and its Brazilian subsidiary. This segment manufactures converters as individual devices and complete energy supply systems for railway coaches and multiple-unit trains for short and long-distance railway traffic.

The Service segment continues to pool the functional service activities relating to photovoltaics.

Sales revenue in the Medium Power Solutions, Power Plant Solutions and Zeversolar segments is subject to fluctuations for reasons including discontinuous incentive programs.

The segment information pursuant to IFRS 8 is made up as follows for the first quarters of 2013 and 2012:

Financial Ratios by Segments and Regions

Segments	Medium Power Solutions		Power Plant Solutions		Service	
€ million	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012
External sales	115.1	295.7	84.5	96.3	6.0	4.6
Internal sales	16.6	25.8	3.8	3.3	24.3	20.0
Total sales	131.7	321.5	88.3	99.6	30.3	24.6
Depreciation and amortization	8.5	6.8	1.1	0.8	0.7	0.4
Operating profit (EBIT)	–16.5	37.1	5.5	9.9	–0.1	–3.8
Sales by regions						
Germany	57.1	156.9	11.6	3.7	1.1	0.7
European Union	32.9	90.4	13.6	14.2	3.0	3.6
Third-party countries	32.1	63.9	59.5	78.8	2.0	0.4
Sales deductions	–7.0	–15.5	–0.2	–0.4	–0.1	–0.1
External sales	**115.1**	**295.7**	**84.5**	**96.3**	**6.0**	**4.6**

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

€ million	Q1 2013	Q1 2012
Total segment earnings (EBIT)	–12.0	42.9
Eliminations	3.6	–0.1
Consolidated EBIT	–8.4	42.8
Financial result	0.1	1.3
Profit before income taxes	**–8.3**	**44.1**

Circumstances are shown in the reconciliation which by definition are not part of the segments. In addition, unallocated parts of the Group head office, including cash and cash equivalents and own buildings, are included therein, the expenses of which are assigned to the segments. Business relations between the segments are eliminated in the reconciliation.

Segment assets as of March 31, 2013, changed by €42.9 million in the Zeversolar segment compared with the reporting date of the last Consolidated Financial Statements (December 31, 2012).

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	Zeversolar		Railway Technology		Reconciliation		Continuing operations	
	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012
	0.1	–	6.6	8.4	0.0	0.0	212.3	405.0
	0.0	–	0.2	1.1	–44.9	–50.2	0.0	0.0
	0.1	–	6.8	9.5	–44.9	–50.2	212.3	405.0
	0.1	–	0.2	0.1	7.2	6.4	17.8	14.5
	–0.6	–	–0.3	–0.3	3.6	–0.1	–8.4	42.8
	0.0	–	1.5	2.7	0.0	0.0	71.3	164.0
	0.0	–	2.4	3.9	0.0	0.0	51.9	112.1
	0.1	–	2.7	1.9	0.0	0.0	96.4	145.0
	0.0	–	0.0	–0.1	0.0	0.0	–7.3	–16.1
	0.1	**–**	**6.6**	**8.4**	**0.0**	**0.0**	**212.3**	**405.0**

SELECTED NOTES TO THE INCOME STATEMENT SMA GROUP

5. COST OF SALES

€'000	Q1 2013	Q1 2012
Material expenses	112,786	217,365
Personnel expenses	35,639	46,966
Depreciation and amortization	16,048	12,908
Other	9,149	22,707
	173,622	**299,946**

Cost of sales include, as direct costs, the product-related material expenses as well as all other expenses for Production, Purchasing, Service, Facility Management and IT. Material costs adjusted for impairment and scrapping fell at a greater rate than sales at 48.1% (Q1 2013: 1,167 MW, Q1 2012: 1,885 MW). The disproportionate savings of material costs are the result of improved purchasing processes and shifts in the product mix. In relation to sales, material expenses remained constant due to the price decline. Personnel expenses fell by 24.1% compared with the same quarter of the previous year due to the reduction of temporary employees and the decrease of the variable employee bonus. The development of depreciation and amortization is attributable in particular to investing activities in recent years. The decline in other costs results primarily from the formation of warranty provisions, which is lower than in the same quarter of the previous year due to sales.

6. SELLING EXPENSES

€'000	Q1 2013	Q1 2012
Material expenses	113	308
Personnel expenses	8,037	9,442
Depreciation and amortization	190	107
Other	5,721	7,305
	14,061	**17,162**

Selling expenses include expenditure for global sales activities, internal sales and marketing department. In comparison with the same quarter of the previous year, SMA further expanded its international sales and marketing structures. This included founding new sales and service companies in South Africa and Chile. Due to lower allocations to provisions for employee bonuses, personnel expenses are 14.9% lower here than in the same quarter of the previous year. The decrease in other costs is attributable to savings in marketing and advertising costs.

7. RESEARCH AND DEVELOPMENT EXPENSES

€'000	Q1 2013	Q1 2012
Material expenses	1,394	2,051
Personnel expenses	14,578	18,067
Depreciation and amortization	1,244	1,184
Other	7,092	8,238
	24,308	**29,540**
Capitalized development projects	–5,519	–5,819
	18,789	**23,721**

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Research and development expenses include all costs that may be attributed to the areas of product development, development-related testing and product management. In order to strengthen its technological leadership even further, SMA systematically expanded the area of development. 31 more employees are employed in this area than in the same quarter of the previous year. The increase in employees was more than compensated for by the decline in variable employee bonuses and resulted in the decrease of personnel costs by 19.3% as against the same quarter of the previous year. The decline in other costs is primarily attributable to lower internal settlements from other departments. The capitalized development projects are around the same level as in the previous year.

8. GENERAL ADMINISTRATIVE EXPENSES

€'000	Q1 2013	Q1 2012
Material expenses	12	155
Personnel expenses	10,516	13,213
Depreciation and amortization	315	274
Other	5,930	5,800
	16,773	**19,442**

Administrative expenses include expenses for the Managing Board, division management and the areas of Finance, Human Resources, Legal and Compliance, Corporate Communications and Quality Management. Due to lower allocations to provisions for employee bonuses, personnel expenses are 20.4% lower here than in the same quarter of the previous year.

9. OTHER OPERATING INCOME/ OTHER OPERATING EXPENSES

Other operating income basically includes income from foreign currency valuation as well as non-operating income, such as assets recognized at fair value through profit or loss and the reversal of provisions.

Other expenses include, in particular, expenses incurred from foreign currency valuation, impairment losses on receivables, the disposal of fixed assets and assets classified as at fair value through profit or loss.

10. BENEFITS TO EMPLOYEES AND TEMPORARY EMPLOYEES

€'000	Q1 2013	Q1 2012
Wages and salaries	54,471	66,907
Expenses for temporary employees	4,524	8,502
Social security contribution and welfare payments	9,764	12,278
	68,759	**87,687**

The average number of employees in the Group amounted to:

	Q1 2013	Q1 2012
Research and Development	990	959
Production and Service	3,118	3,110
Sales and Administration	1,107	1,127
	5,215	**5,196**
Apprentices and interns	387	445
Temporary employees	724	1,058
	6,326	**6,699**

11. FINANCIAL RESULT

€'000	Q1 2013	Q1 2012
Interest income	855	1,418
Other financial income	26	381
Financial income	**881**	**1,799**
Interest expenses	556	328
Other financial expenses	131	75
Interest portion from valuation	82	116
Financial expenses	**769**	**519**
Financial result	**112**	**1,280**

The decreased financial income reflects current price performance on the financial markets. The increase in interest expenses is attributable to the addition of Zeversolar.

12. 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 profit after tax, excluding the portion attributable to non-controlling interests. Since there are no shares held by the Company on the reporting date or any other special cases, the number of ordinary shares issued equates to the number of shares in circulation.

The calculation of earnings in relation to the weighted average number of shares in accordance with IAS 33 results in earnings of €–0.16 per share for the period from January 1 to March 31, 2013, on the basis of 34.7 million shares. In relation to the weighted average number of shares in accordance with IAS 33, there were earnings of €0.85 per share for the period from January 1 to March 31, 2012, on the basis of 34.7 million shares.

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

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SELECTED NOTES TO THE BALANCE SHEET SMA GROUP

13. GOODWILL AND OTHER INTANGIBLE ASSETS

€'000	03/31/2013	12/31/2012
Goodwill	21,058	311
Software	11,588	10,870
Licenses	1,908	197
Development projects	34,412	30,610
Intangible assets in progress	23,231	24,187
Prepayments	3	560
	92,200	**66,735**

The changes in goodwill and licenses are the result of the first-time consolidation of Jiangsu Zeversolar New Energy Co., Ltd. (Suzhou, China), acquired in March 2013, in the Consolidated Financial Statements of SMA. The measurement of goodwill is provisional; see section 2.

The additions to the development expenses reflect the intensified development activities to secure the SMA Group's technological leadership.

14. FIXED ASSETS

€'000	03/31/2013	12/31/2012
Land and buildings incl. buildings on third-party property	236,751	233,931
Technical equipment and machinery	43,534	43,322
Other equipment, fixtures and furniture	83,896	89,364
Prepayments	14,301	10,490
	378,482	**377,107**

The additions to prepayments in the period from January 1 to March 31, 2013, primarily include investments for the expansion or modification of office buildings following on from the previous year totaling €5.7 million.

15. INVENTORIES

€'000	03/31/2013	12/31/2012
Raw materials, consumables and supplies	128,356	128,390
Unfinished goods, work in progress	32,294	27,211
Finished goods and goods for resale	77,520	64,998
Prepayments	171	770
	238,341	**221,369**

Inventories are measured at the lower value of acquisition and production costs or net realizable value. The increase in finished goods and goods for resale is largely the result of the targeted increase in delivery capacity in individual markets and of increasing project business. The impairment on inventories, included under expenses as production costs, amounts to €1.7 million (Q1 2012: €3.2 million).

16. OTHER FINANCIAL ASSETS

As at March 31, 2013, other current financial assets include in particular financial assets, time deposits with a term to maturity of over three months and accrued interest totaling €201.0 million (December 31, 2012: €246.7 million). The other non-current financial assets primarily include financial assets of €49.1 million (December 31, 2012: €48.8 million) and a rent deposit for buildings in the USA amounting to USD 2.5 million (December 31, 2012: USD 2.5 million).

17. SHAREHOLDERS' EQUITY

The change in equity, including effects not shown in the income statement, is presented in the statement of changes in equity.

18. PROVISIONS

Provisions account for all discernible risks and contingent liabilities at the balance sheet date and break down as follows:

€'000	03/31/2013	12/31/2012
Warranties	176,593	178,519
Other	20,224	24,175
	197,087	**202,694**

Warranty provisions consist of general warranty obligations (periods of between five and ten years) for the various product areas within the Group. In addition, provisions are set aside for individual cases, which are expected to be used the following year.

Other provisions contain obligations for the severance program agreed by the Managing Board and the Works Council, for restoration obligations, risks from acceptance obligations to suppliers and obligations for long-service anniversaries, death benefits, partial retirement and service-related benefits. SMA expects that these provisions will normally affect cash within the next 12 months to 20 years.

19. FINANCIAL LIABILITIES

€'000	03/31/2013	12/31/2012
Liabilities towards credit institutions	65,523	34,515
Derivative financial liabilities	8,067	1,048
	73,590	**35,563**

The liabilities due to credit institutions in the 2012 fiscal year were incurred for the financing of SMA Immo properties and an SMA AG PV plant and have an average time to maturity of 11 years.

The change in liabilities to credit institutions resulted from the addition of Zeversolar to SMA's Consolidated Financial Statements.

Derivative financial liabilities consist of interest rate derivatives related to the financing of SMA Immo and a written put-option of the Jiangsu Zeversolar New Energy Co., Ltd shares amounting to €4.8 million (section 2).

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20. OTHER FINANCIAL LIABILITIES

€'000	03/31/2013	12/31/2012
Liabilities Human Resources department	41,021	43,000
Liabilities Sales department	8,192	11,900
Other	6,615	3,070
	55,828	**57,970**

Liabilities in the Human Resources area contain obligations towards employees regarding performance-based bonuses, positive vacation and flexitime balances as well as variable salary components and contributions to the worker's compensation association. The liabilities in the Sales area primarily contain liabilities towards customers from advance payments received and bonus agreements.

21. OTHER LIABILITIES

€'000	03/31/2013	12/31/2012
Deferred income for extended guarantees	99,194	92,952
Liabilities from prepayments received	17,756	18,023
Liabilities due to tax authorities	2,050	4,507
Liabilities from subsidies received	1,178	1,204
Other	1,903	175
	122,081	**116,861**

The deferred income extended warranties includes liabilities from chargeable guarantee extensions granted for products in the Medium Power Solutions segment. The main items included in the liabilities towards tax authorities are tax liabilities from payroll accounting and sales tax liabilities. The liabilities from subsidies received relate to taxable government grants from funds of the common-task program „Improvement of the Regional Economic Structure" (EU GA), granted as investment subsidies. The total amount of retransfer of government grants is stated under other operating income.

22. FINANCIAL INSTRUMENTS

As of March 31, 2013, there were 17 forward transactions for hedging the currency risks of expected future sales generated with customers. The derivatives were still classified as held for trading. They are not part of a hedging relationship as defined by IAS 39. For the interest risks arising for SMA Immo due to financial liabilities, interest derivatives were concluded for a part of these financial liabilities. The derivatives are classified as held for trading. They are not part of a hedging relationship as defined by IAS 39.

€'000	Assessment category according to IAS 39	03/31/2013 Market value	03/31/2013 Book value	12/31/2012 Market value	12/31/2012 Book value
Assets					
Cash and cash equivalents	LaR	190,915	190,915	185,299	185,299
Trade receivables	LaR	139,857	139,857	119,288	119,288
Other financial investments	AfS	5	5	75	75
Assets held for sale[1]	AfS	70	70	0	0
Other financial assets		**264,919**	**264,920**	**308,464**	**308,471**
of which debentures	AfS	49,960	49,960	49,729	49,729
of which institutional mutual funds	FAHfT	49,297	49,297	49,298	49,298
of which debentures	HtM	5,416	5,417	5,410	5,417
of which other	LaR	160,053	160,053	203,331	203,331
of which derivatives that do not qualify for hedge accounting	FAHfT	193	193	696	696
Liabilities					
Trade payables	FLAC	88,556	88,556	72,691	72,691
Financial liabilities		**73,590**	**73,590**	**35,563**	**35,563**
of which liabilities towards credit institutions	FLAC	65,523	65,523	34,515	34,515
of which derivatives that do not qualify for hedge accounting	FLHfT	8,067	8,067	1,048	1,048
Other financial liabilities	FLAC	55,828	55,828	57,970	57,970
Of which summarized by categories according to IAS 39:					
Loans and Receivables	LaR	490,825	490,825	507,918	507,918
Financial Liabilities Measured at Amortized Cost	FLAC	209,907	209,907	165,176	165,176
Financial Assets Held for Trading	FAHfT	49,490	49,490	49,994	49,994
Financial Liabilities Held for Trading	FLHfT	8,067	8,067	1,048	1,048
Financial Assets Held to Maturity	HtM	5,416	5,417	5,410	5,417
Available for Sale Financial Assets	AfS	50,035	50,035	49,804	49,804

[1] SMA Railway Technology GmbH investment in Changzhou SMA Electronics Co., Ltd., whose result is not included in consolidated profits. Cf. Annual Report 2012, page 96.

Cash and cash equivalents and trade receivables mainly have short terms to maturity. Accordingly, their carrying amounts on the reporting date are almost identical to their fair value.

The fair values of other non-current receivables correspond to the present values of the payments related to the assets while taking into account current interest parameters, which reflect market- and partner-related changes to conditions and expectations.

The item "other financial investments" relates to investments not included in the scope of consolidation. However, since no active market exists for these investments and a reliable measurement of their fair value was not possible, measurement on the relevant reporting dates was effected at amortized cost.

The fair value for held-to-maturity investments is determined with the help of prices listed on active markets. Impairment on held-to-maturity investments is not necessary, as there is no lasting impairment.

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Trade payables and other current financial liabilities normally have short terms to maturity. The recognized values are almost identical to the fair values.

Fair values of liabilities under leases and other non-current financial liabilities are determined by referring to the present values of the payments associated with the debts.

Derivative financial instruments are used to hedge against currency risks arising from operative business. These include currency futures and options. In principle, these instruments are only used for hedging purposes. As is the case with all financial instruments, they are recognized at fair value upon initial recognition. The fair values are also relevant for subsequent measurements. The fair value of traded derivative financial instruments is identical to the market value. This value may be positive or negative. The measurement of forward transactions is based on the market value. Options are measured in line with the Black-Scholes and Heath-Jarrow-Morton option pricing models. The parameters that were used in the valuation models are in line with market requirements.

The put option in the amount of the present value of the repurchase amount of the shares (€4.8 million) granted in connection with the acquisition of Zeversolar shares is posted under derivative financial liabilities without a hedge relationship.

Due to the temporal proximity, there was no change in profit and loss between the time of addition and the balance sheet date.

The present value of the repurchase amount was determined using a discounted cash flow methodology (level 3 of the fair value hierarchy). The unobservable input is the Zeversolar EBIT derived from internal company planning.

A sensitivity analysis shows that a 10% increase in the Zeversolar EBIT results in the present value of the repurchase price increasing to €6.9 million and a 10% reduction results in a present value for the repurchase price of €2.7 million. A change in the interest rate of +/- 100 basis points results in an increase or decrease of the present value of the repurchase price of approximately €0.2 million.

The following table shows the allocation of our financial assets and liabilities measured at fair values in the balance sheet to the three levels of the fair value hierarchy:

03/31/2013	Level 1	Level 2	Level 3	Total
Financial assets, measured at fair value				
Debentures	49,960	–	–	49,960
Institutional mutual funds	49,297	–	–	49,297
Derivative financial instruments	–	193	–	193
Financial liabilities, measured at fair value				
Derivative financial instruments	–	3,245	4,822	8,067
2012				
Financial assets, measured at fair value				
Debentures	49,729	–	–	49,729
Institutional mutual funds	49,298	–	–	49,298
Derivative financial instruments	–	696	–	696
Financial liabilities, measured at fair value				
Derivative financial instruments	–	1,048		1,048

NOTES TO THE STATEMENT OF CASH FLOWS SMA GROUP

The liquid funds shown in the Consolidated Statement of Cash Flows correspond to the balance sheet item "Cash and cash equivalents".

23. NET CASH FLOW FROM OPERATING ACTIVITIES

The gross cash flow of €1.0 million (Q1 2012: €53.5 million) reflects the operating income prior to commitment of funds. It declined in line with the operating result.

In the first quarter of 2013, net cash flow from operating activities totaled €–3.3 million (Q1 2012: €7.9 million). The decrease is mainly attributable to the year-on-year reduced gross cash flow (€–52.5 million), which is mainly attributable to the reduced earnings before taxes.

The change in net working capital is due primarily to a €4.8 million decrease in trade receivables relevant to the Statement of Cash Flows. Year on year, the increase in inventories was considerably lower. The change to inventories relevant to the Statement of Cash Flows amounted to €9.5 million. Furthermore, a €3.1 million increase in trade payables relevant to the Statement of Cash Flows occurred.

The changes in other net assets relate primarily to the effects from paying variable salary components to employees, future performance commitments from guarantee extensions and liabilities from prepayments received.

24. NET CASH FLOW FROM INVESTING ACTIVITIES

Net cash flow from investing activities reflects the adjusted investment strategy and increased in the first quarter of 2013 to €6.5 million compared to the previous year's figure of €-86.9 million. This increase reflects the adjusted investing activities. The outflow of funds for investments in fixed assets and intangible assets was €18.4 million (Q1 2012: €27.1 million). In March 2013, 72.5% of the shares carrying voting rights in Jiangsu Zeversolar New Energy Co., Ltd. (Zeversolar) were acquired. Including the acquired cash and cash equivalents of Jiangsu Zeversolar New Energy Co., Ltd. , the net outflow of funds from the acquisition of the majority shareholding amounted to €22.1 million.

Pursuant to IAS 7.17, monetary investments with a term to maturity of more than three months are allocated to the net cash flow from investing activities.

25. NET CASH FLOW FROM FINANCING ACTIVITIES

In the reporting period, net cash flow from financing activities included the repayment of loan liabilities and Jiangsu Zeversolar New Energy Co., Ltd. loans.

26. CASH AND CASH EQUIVALENTS

Cash and cash equivalents amounting to €190.9 million (December 31, 2012: . €185.3 million) include cash in hand, bank balances and short-term deposits with an original term to maturity of less than three months Together with the time deposits with a term to maturity of more than three months and other financial assets, this results in financial resources amounting to €441.0 million (December 31, 2012: €480.8 million).

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OTHER DISCLOSURES

27. EVENTS AFTER THE BALANCE SHEET DATE

There were no further significant events on or after the reporting date other than those presented in or recognizable from the statements in the Notes to the Consolidated Financial Statements.

28. RELATED PARTY DISCLOSURES

With the new Zeversolar division, the group of related parties was extended by the management of the division and their close relatives. In the reporting period, there were no significant transactions with related parties.

Niestetal, May 6, 2013

SMA Solar Technology AG
The Managing Board

Jürgen Dolle Roland Grebe Lydia Sommer

Pierre-Pascal Urbon Marko Werner

AUDITOR'S REVIEW REPORT

To SMA Solar Technology AG, Niestetal

We have implemented an audit review of the Condensed Interim Consolidated Financial Statements prepared by SMA Solar Technology AG, Niestetal, comprising the the condensed income statement, the condensed statement of comprehensive income, the condensed balance sheet, condensed statements of cash flows, the condensed statement of changes in equity and selected Notes to the Consolidated Financial Statements and the Consolidated Interim Management Report for the period from January 1, 2013 to March 31, 2013 which are part of the quarterly financial report pursuant to Section 37x (3) of the German Securities Trading Act (WpHG). The preparation of the Condensed Interim Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), and the Consolidated Interim Management Report pursuant to the regulations of the German Securities Trading Act on consolidated interim management reports are the responsibility of the company's Managing Board. Our responsibility is to provide a review report on the Condensed Interim Consolidated Financial Statements and the Consolidated Interim Management Report on the basis of our audit review.

We conducted the audit review of the Condensed Interim Consolidated Financial Statements and Consolidated Interim Management Report in accordance with the generally accepted standards for the audit review of financial statements as promulgated by the Institut der Wirtschaftsprüfer. This states that the audit review is to be planned and performed in such a way that through critical evaluation we can preclude with a certain level of assurance that the Condensed Interim Consolidated Financial Statements in material aspects have not been prepared in accordance with IFRS for interim consolidated financial statements as adapted by the EU or the Consolidated Interim Management Report in material aspects has not been prepared in material aspects in accordance with the regulations of the German Securities Trading Act relevant for consolidated interim management reports. An audit review is limited primarily to questioning company employees and to analytical assessments and therefore does not offer the assurance attainable in an annual audit. As we were not instructed to perform a full audit, we cannot issue an audit certificate.

Based on our review, no matters have come to our attention that cause us to presume that the Condensed Consolidated Interim Financial Statements of SMA Solar Technology AG, Niestetal have not been prepared in material aspects in accordance with IFRS for interim consolidated financial statements as adapted by the EU or the Consolidated Interim Management Report in material aspects has not been prepared in accordance with the regulations of the German Securities Trading Act relevant for consolidated interim management reports.

Hanover, May 6, 2013

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

Scharpenberg Wirtschaftsprüfer (German Public Auditor)	Schwibinger Wirtschaftsprüfer (German Public Auditor)

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Disclaimer

The quarterly finance report from January to March 2013, in particular the forecast report included in the management report, includes various forecasts and expectations as well as statements relating to the future development of the SMA Group and SMA Solar Technology AG. These statements are based on assumptions and estimates and may entail known and unknown risks and uncertainties. Actual development and results as well as the financial and asset situation may therefore differ substantially from the expectations and assumptions made. This may be due to market fluctuations, the development of world market prices for commodities, of financial markets and exchange rates, amendments to national and international legislation and provision or fundamental changes in the economic and political environment. SMA does not intend to and does not undertake an obligation to update or revise any forward-looking statements to adapt them to events or developments after the publication of this quarterly finance report.

FINANCIAL CALENDAR

May 23, 2013	Annual General Meeting 2013, Kassel, Kongress Palais
June 20, 2013	Capital Markets Day 2013, Munich
August 8, 2013	Publication of HY financial report (January to June 2013) Analyst Conference Call: 9:00 am (CET)
November 7, 2013	Publication of Q3 financial report (January to September 2013) Analyst Conference Call: 9:00 am (CET)

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ENERGY
THAT
CHANGES

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