Manz AG publishes report on the first quarter of 2016

- *Revenue in first quarter of 2016 up by 19.5% to EUR 64.5 million compared to the same period last year*
- *Restructuring measures showing first signs of success: slightly positive EBITDA with significantly improved EBIT*
- *Planned investment by Shanghai Electric with agreed capital increase successfully initiated at the end of April*

Reutlingen, May 12, 2016 – Manz AG, a globally operating high-tech equipment manufacturer with an extensive technology portfolio in the three strategic business segments of "Electronics", "Solar" and "Energy Storage" published its financial report for the first quarter of 2016 today. According to the report, Manz AG had a good start into the current fiscal year and was able to acquire attractive new and follow-up orders in the Energy Storage and Electronics business segments within the first three months of 2016. In addition to manufacturers of smartphones and tablets, as well as in the area of e-mobility, the continued trend towards automated production in China also provided corresponding impulses. In total, Manz AG's order volume amounted to EUR 96.3 million by March 31, 2016 (March 31, 2015: EUR 91.7 million).

As a result of the improved operational development, revenues in the first quarter of 2016 increased by 19.5% compared to the same period of the previous year, to EUR 64.5 million (previous year: EUR 54.0 million). Dieter Manz, CEO and founder of Manz AG, commented: "Our very dynamic Energy Storage segment was once again the revenue driver in the first quarter. The restructuring measures also showed their first effects in the results. These developments prove that we are on the right path. To become sustainably profitable, however, we still have several tasks ahead of us. We are working hard to master them in the upcoming quarters."

At EUR 17.5 million, the Electronics segment accounted for about 27.2% of total revenues during the reporting period (previous year: EUR 19.3 million, 35.8%). The Solar business segment contributed about EUR 8.1 million, or 12.6% of Manz AG's total revenues, in the first quarter of 2016 (previous year: EUR 6.9 million, 12.9%). The largest share of revenues during the reporting period, at EUR 27.9 million, or 43.1% (previous year: EUR 16.5 million, or 30.6%) was achieved by the Energy Storage business segment, with lithium-ion batteries and capacitors production equipment. The Contract Manufacturing reporting segment was responsible for revenues in the amount of EUR 7.5 million, or 11.6% (previous year: EUR 8.7 million, 16.2 %). Sales in the Others reporting segment totaled EUR 3.5 million, following EUR 2.5 million in the previous year's period; this corresponds to a revenues share of 5.5%, following 4.5% in the first quarter of 2015.

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 0.9 million in the reporting period (previous year: EUR -6.4 million) and is within the scope of Manz AG's overall annual planning. Earnings before interest and taxes (EBIT) also improved significantly over the previous year, to EUR -2.5 million (previous year: EUR -9.4 million). The consolidated net profit amounted to EUR -3.2 million (previous year: EUR -10.2 million), which corresponds to an earning of -0.58 EUR per share (previous year: -2.08 EUR).

With regard to the restructuring program that has been initiated, Manz AG prepared a detailed plan of measures for the entire Manz Group during the last few months. Among other things, it is intended to increase the transparency and quality of the planning processes of the subsidiaries and business segments of Manz AG through the continued harmonization of global processes and standards. The expansion of project and investment controlling will also ensure consistent and comprehensive cost controlling within the entire Manz Group. Other measures to further strengthen the business flexibility relate to the optimization of sales and the expansion of Manz AG's international production and supplier network. In line with an integrated R&D strategy, future competitiveness will be further increased by targeted product developments.

In order to enable the Shanghai Electric Group to invest in Manz AG as planned, the Managing Board and the Supervisory Board decided upon a capital increase of about 43% of the capital stock at the end of April, 2016, as announced. Dieter Manz: "In addition to an optimization of the cost basis, the planned investment and collaboration with the Chinese Shanghai Electric Group will form a solid foundation for the positive business development of Manz AG. We are confident that the measures we have initiated, the successful completion of the capital increase and the beginning of our cooperation with Shanghai Electric will enable us, as a German high-tech equipment manufacturer, to look to our future with renewed vigor."

Company profile:

Manz AG – passion for efficiency

As a globally active high-tech equipment manufacturer, Manz AG, based in Reutlingen, Germany, is a pioneer for innovative products in fast-growing markets. Founded in 1987, the company has expertise in seven technology sectors: automation, laser processing, vacuum coating, screen printing, metrology, wet chemical and roll-to-roll processing. Manz deploys and continuously develops these technologies in three strategic business segments: Electronics, Solar and Energy Storage.

The company is led by founder Dieter Manz and has been listed on the stock exchange in Germany since 2006. It currently develops and produces in Germany, China, Taiwan, Slovakia, Hungary and Italy. It also has sales and service branches in the United States and India. Manz's claim "passion for efficiency" offers the promise of production systems of the highest efficiency and innovation to its customers in dynamic, future-oriented industries. With its comprehensive expertise in developing new production technologies and related machines, the company contributes substantially to reducing production costs for end products, making them accessible to large groups of buyers the world over.

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