



MANZ AG

WEBCAST FINANCIAL FIGURES 6M/2015

AUGUST 11, 2015 / DIETER MANZ, MARTIN HIPPE



**POINTING
THE WAY:
OUR IDEAS FOR
THE FUTURE**

With its outstanding technological expertise, Manz AG is a leading **high-tech equipment manufacturer and an important driver of innovation**, helping to achieve breakthroughs in key technologies of our times such as displays and devices for global communication needs, sustainable power generation and energy storage as well as e-mobility.

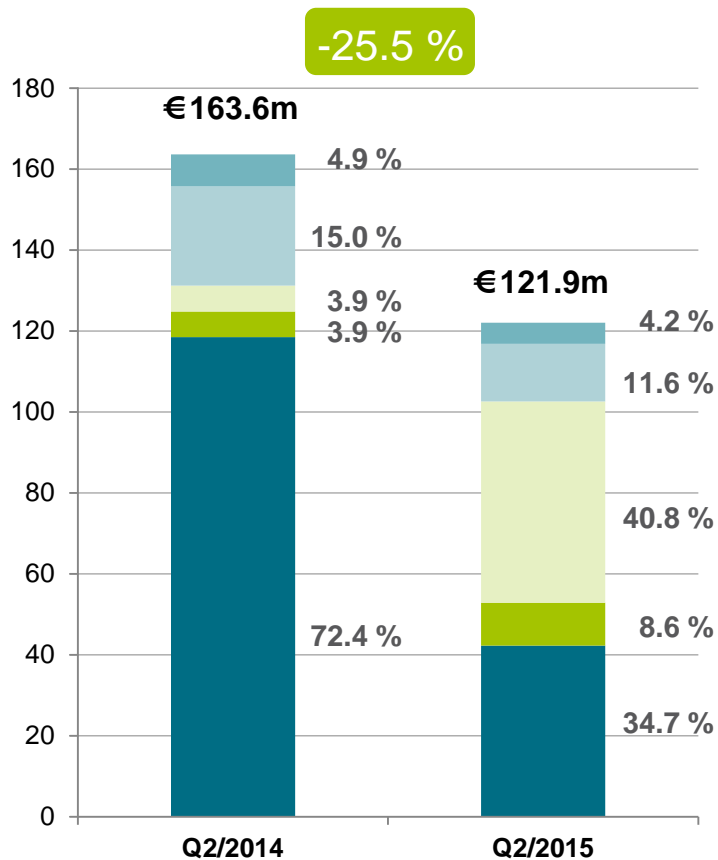


- Financial figures of 6M/2015 affected by
 - Volatility and cyclical character of growth markets
 - Order cancellation and loss of related follow-up orders in Electronics division
 - Delay in incoming orders in Energy Storage division
- Revenues of EUR 121.9m below previous year's level (EUR 163.6m)
 - Comparatively weak revenue development of Q1/2015
 - Lower turnover in Electronics business resulting from weaker demand of Asian customers for PCB and display production equipment
- EBITDA of EUR -6.7m (EUR -6.4m resulting from first quarter) influenced by
 - Lower revenue base compared to previous year
 - Increased personnel expenses due to intensified sales and R&D activities
 - Deferred order intake for mass production machines with higher margins

REVENUE DEVELOPMENT

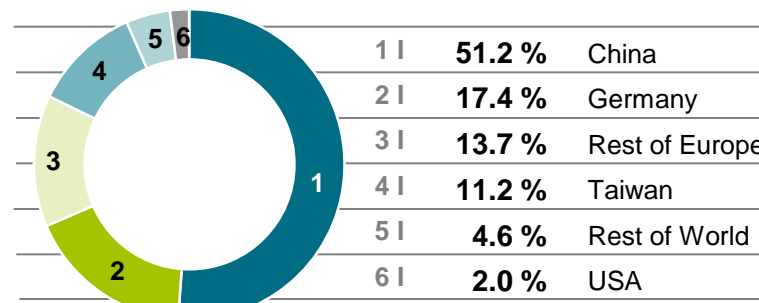
Revenue by business units

in EUR million



Revenue by region – shipment of tools

as of June 30, 2015



➔ Growth of Energy Storage to EUR 49.7m representing 40.8 % of total revenues

➔ China and Taiwan represent a 62.4 % share of total revenues

Electronics

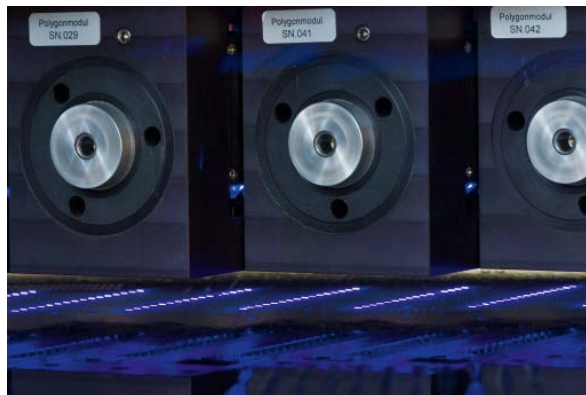
Solar

Energy Storage

Contract Manufacturing

Others

- **Electronics: Challenging competitive environment and order cancellation influence performance**

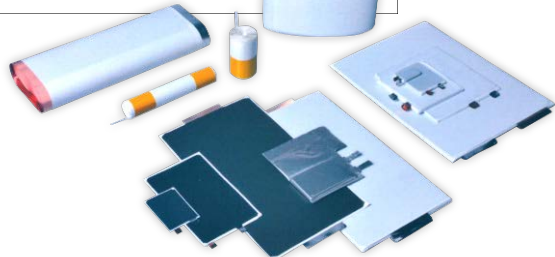


- Revenues and earnings influenced by
 - End customer's decision for an alternative technical solution in the final product
 - Order cancellation amounting to approx. EUR 12m
 - Missing related follow-up orders
 - Weaker demand of Asian customers for PCB and display production equipment
- Acquisition of KLEO Halbleitertechnik GmbH (a ZEISS Group company) financed by funds from the capital increase
 - Expansion of the technology portfolio opens new perspectives in the rapidly growing market for high resolution PCBs as well as in the production of touch sensors and displays

● **Energy Storage: Outstanding development continues**

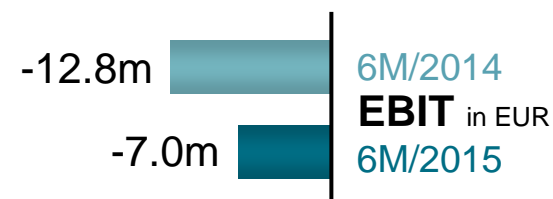
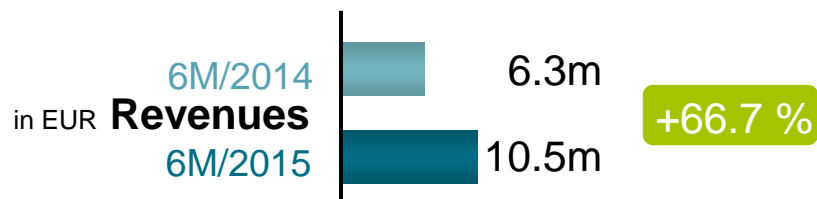


- Very positive development of Energy Storage division reflects comprehensive technological portfolio and outstanding positioning
- Strong growth impulses from consumer electronics market
- Manz offers innovative production solutions for longer battery life and reduced size and weight
 - Follow-up orders for mass production equipment received in July totaling around EUR 50m will impact revenues and earnings in 2015 and in the first half of 2016



REVIEW SOLAR DIVISION

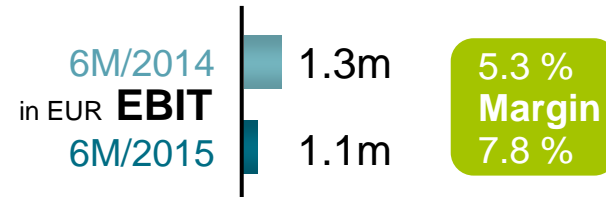
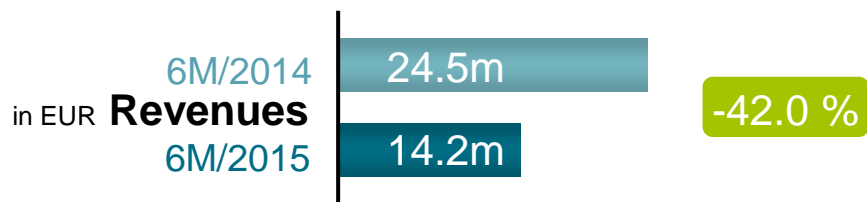
- **Solar: Positive development due to initial recovery trends in PV industry**
Ongoing good perspectives for selling turnkey production lines for CIGS modules



- Business unit Solar experiences upturn, although still at low level
- Manz is sole remaining supplier worldwide of turnkey CIGS production line
 - Highest cost-per-watt-potential of all PV technologies
 - Negotiations with several prospective investors
- Business unit Solar has highest future potential of all our divisions

REVIEW CONTRACT MANUFACTURING SEGMENT

- **Contract Manufacturing: Decline due to cyclical business with semiconductor industry**



- Contract manufacturing for the semiconductor, medical, packaging, and automotive industry
 - Less orders from semiconductor customers
 - Utilization of capacities at Manz Slovakia for production of mass production equipment in Business Unit “Energy Storage”

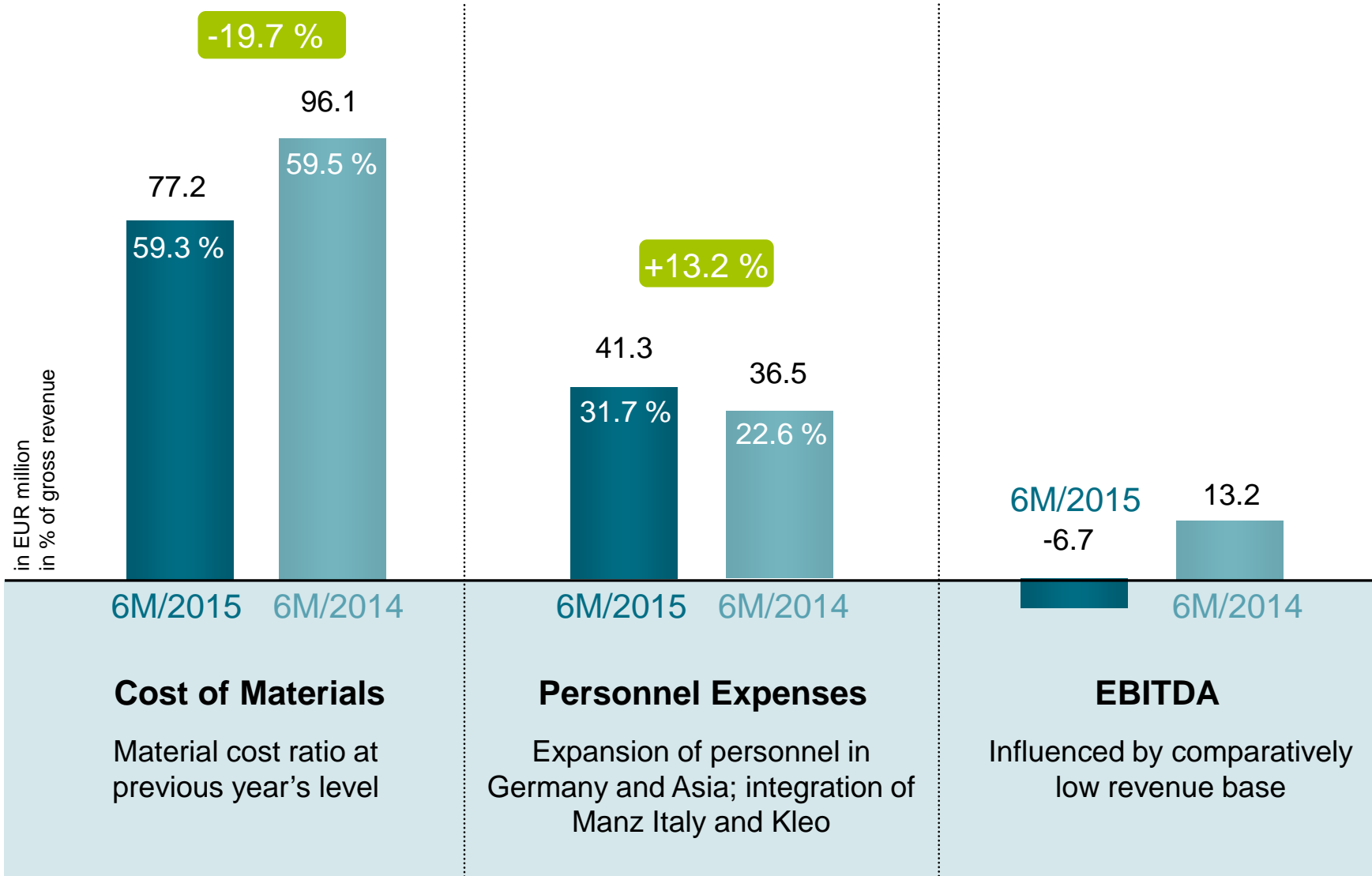
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FINANCIAL FIGURES

in TEUR	Jan.1 – Jun. 30 2015	Jan.1 – Jun. 30 2014
Revenues	121,928	163,614
Gross revenue	130,236	161,570
Other operating income	3,097	4,032
Costs/Expenses	140,029	-152,424
EBITDA	-6,696	13,178
Depreciation	-6,209	-12,001
EBIT	-12,905	1,177

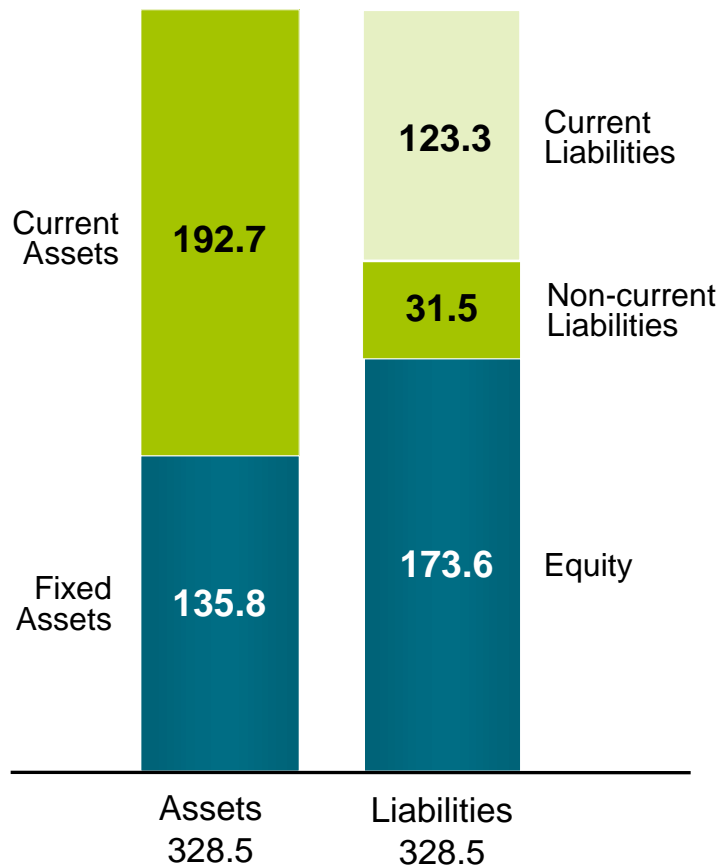
- Revenues of EUR 121.9m influenced by low revenue level of Q1/2015 and deferred orders in Energy Storage division
- Gross revenue of EUR 130.2m due to intensified R&D mainly for Energy Storage division in the first quarter
- Material cost ratio at previous year's level
- Personnel expenses higher since more engineering capacity was built up to develop new technologies in Germany and China
- EBITDA of EUR -6.7m as a result of the lower revenue base compared to previous year
- Decrease in depreciation reflects last year's non-scheduled depreciation
- EBIT of EUR -12.9m

INCOME STATEMENT



BALANCE SHEET

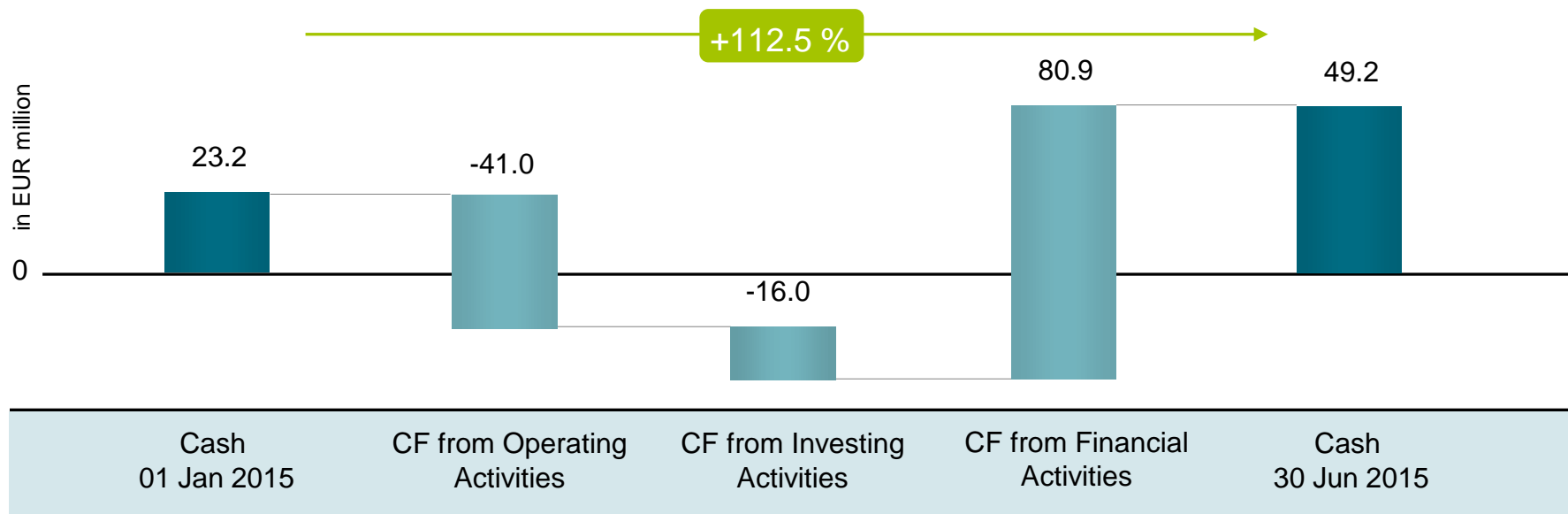
as of June 30, 2015
in EUR million



	Definition	Jun. 30, 2015	Dec. 31, 2014	Change
Equity Ratio	$\frac{\text{equity}}{\text{total assets}}$	52.9%	55.2 %	-2.4 pp
Net Working Capital <small>(in EUR million)</small>	current assets ./. liquid funds ./. non-interest-bearing current liabilities	78.8	46.0	+71.3 %
Net Debt <small>(in EUR million)</small>	interest-bearing liabilities ./. liquid funds	23.0	9.2	+150.1 %

- Equity ratio with 52.9 % remains on strong level
- Increase in net working capital mainly due to higher receivables
- Net debt influenced by negative cash flow and use of credit lines mainly in the Asian subsidiaries

CASH FLOW

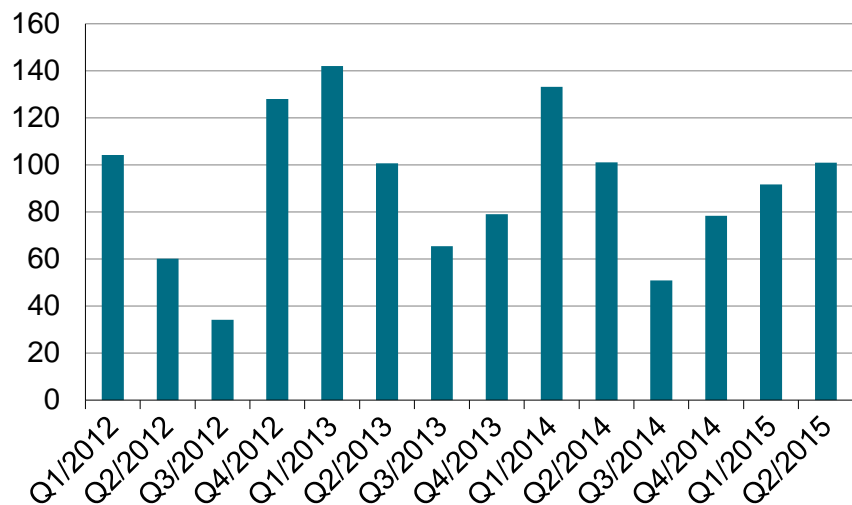


- Cash flow from operation activities influenced by increase in receivables, inventories & advances to suppliers
- Cash flow from investing activities reflects investments in R&D
- Funds from cash capital increase amounting to EUR 41.9m result in higher cash flow from financing activities

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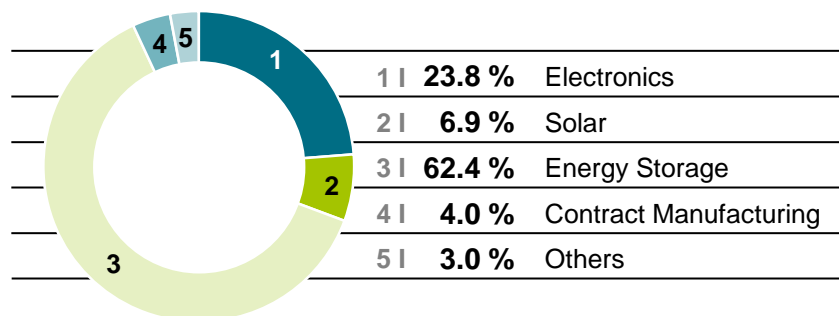
OUTLOOK

Development of Order Backlog



Order Backlog: around EUR 101m

as of July 31, 2015



- High volatility of order backlog due to cyclical development of end-product markets
- High order backlog at the end of July as a result of successful diversification strategy
 - ➔ Excellent development of business unit Energy Storage compensates moderate development of Electronics division
 - ➔ Share of Solar division still on low level, but increasingly benefitting from arising dynamic in PV industry
 - ➔ Stable percentage of Contract Manufacturing segment
- Good conditions for significantly improved 2nd half-year
 - ➔ Bulk orders received end of July



- Diversification in technology, industries, and regions remains core of our growth strategy
 - Consequent continuation in order to further reduce dependence on major customers and volatility of markets
 - Focus on further expansion of excellent position as leading equipment supplier for consumer electronic and battery industry
- Good prospects for 2016 and beyond due to high growth potential in all strategic divisions
 - Dip in growth of Electronics division is only temporary due to order cancellation and missing related follow-up orders
 - Strong increase in revenues in Energy Storage division resulting mainly from consumer electronics sector
 - Increasing activity in the e-mobility industry
 - Recovery of solar industry has high upside potential and improves conditions for a sale of a CIGSfab



Moderate decline in revenues for the 2015 fiscal year compared to previous year (2014: EUR 305.9 million) and an improved but likely negative EBIT for the 2015 year expected

THANKS

THANK YOU
VERY MUCH FOR
YOUR ATTENTION!

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Stock Key Data and Shareholder Structure

ISIN	DE000A0JQ5U3	
Stock Market Segment	Regulated Market (Prime Standard)	
Capital Stock	5,420,864	
Opening Price	19 EUR (Sep. 2006)	
Shareholder Structure	Dieter Manz Ulrike Manz Free Float	35.2 % 3.8 % 61.0 %