

MANZ AG

WEBCAST FINANCIAL FIGURES 9M/2015

NOVEMBER 09, 2015 / DIETER MANZ, MARTIN HIPPE

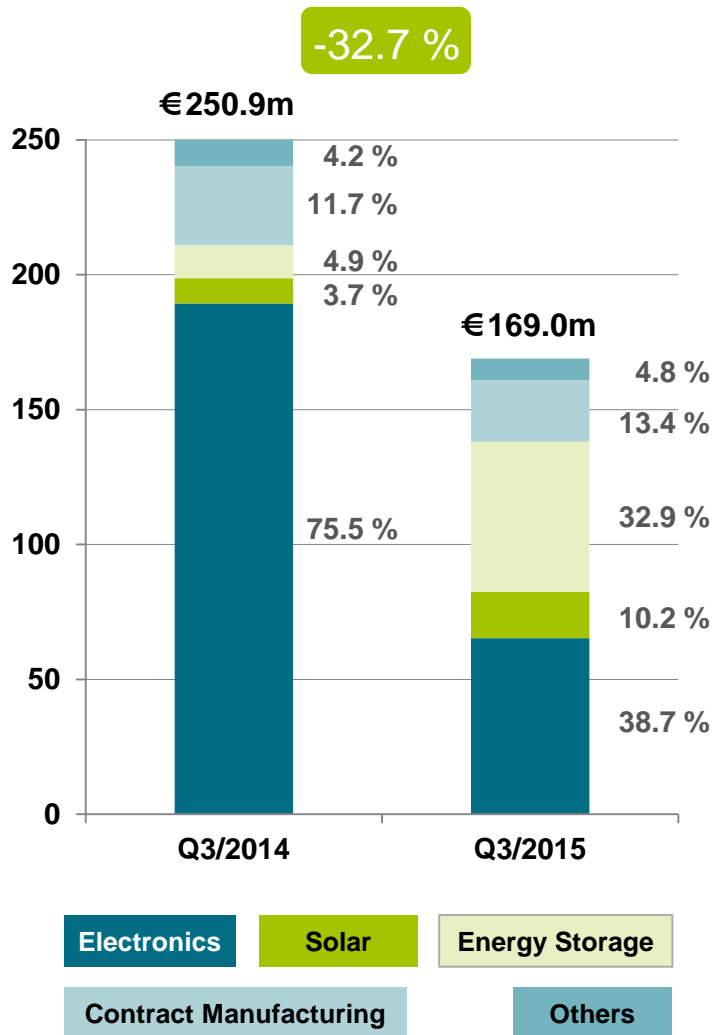


- Financial figures of 9M/2015 significantly affected by cancellation of bulk order and order postponements totaling EUR 140m
- Revenues of EUR 169.0m far below previous year's level (EUR 250.9m)
 - Order cancellation and loss of follow-up orders in business unit Electronics as well as order postponements in business unit Energy Storage
 - Further order delays in Q3 in BU Energy Storage and Electronics, primarily by customers in Asia
 - Macroeconomic cooling off in China and latest developments on Chinese capital markets
- EBITDA of EUR -20.6m influenced by
 - Weak revenue base compared to previous year
 - Increased cost base as group's structures were geared for growth according to the original planning for 2015
- Reduction of forecast for fiscal year 2015 and initiation of restructuring program

REVENUE DEVELOPMENT

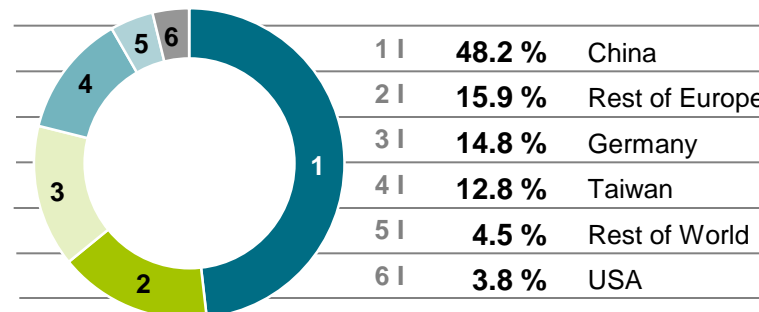
Revenue by business units

in EUR million



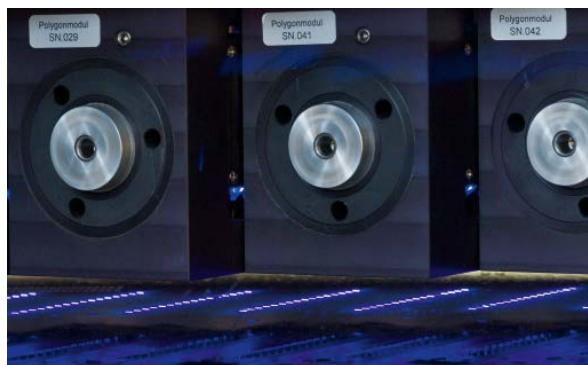
Revenue by region – shipment of tools

as of September 30, 2015



- ➔ Decline in Electronics' revenues due to postponed orders
- ➔ Growth of Energy Storage to EUR 55.6m representing 32.9 % of total revenues
- ➔ China and Taiwan represent a 61.0 % share of total revenues

- **Electronics: macroeconomic cooling off in China, order cancellation and order postponements influence performance**

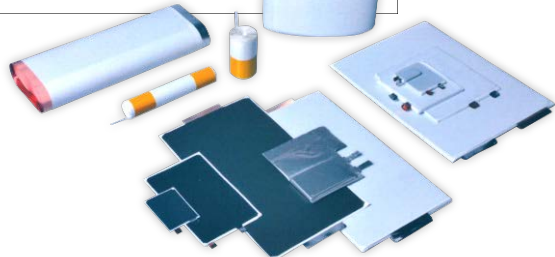


- Declining development of operating business in Electronics division
 - Order cancellation and missing related follow-up orders from 1st HY
 - Order postponements due to financing gap of Chinese customers
 - Weaker demand of Asian customers for PCB and display production equipment

● **Energy Storage: Outstanding development continues**



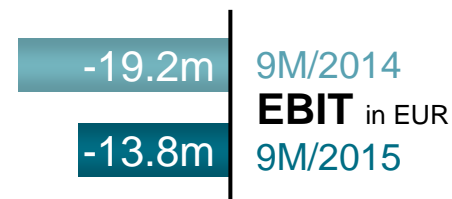
- Very positive revenue development of Energy Storage division reflects comprehensive technological portfolio and outstanding positioning
- Strong growth impulses from consumer electronics market
 - Innovative production solutions for longer battery life and reduced size and weight
- Increasing investment activities for production technology for the manufacture of high-performance batteries in e-mobility sector
- Profitability affected by low revenue in third quarter due to postponement of orders and high investments in Consumer Electronic project



- Solar: Positive development on low level due to initial recovery trends in PV industry



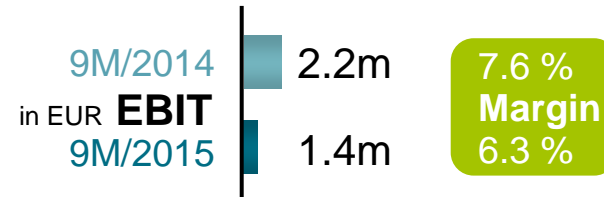
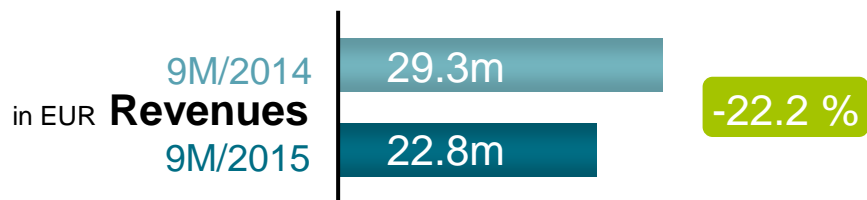
+84.6 %



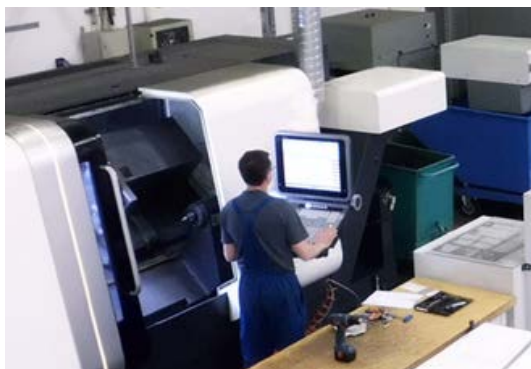
- Business unit Solar experiences upturn, although at low level
- Negotiations with several prospective CIGSfab investors are influenced by changing political and economic parameters and take much longer than expected
 - Evaluation of strategic options for Solar division

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”



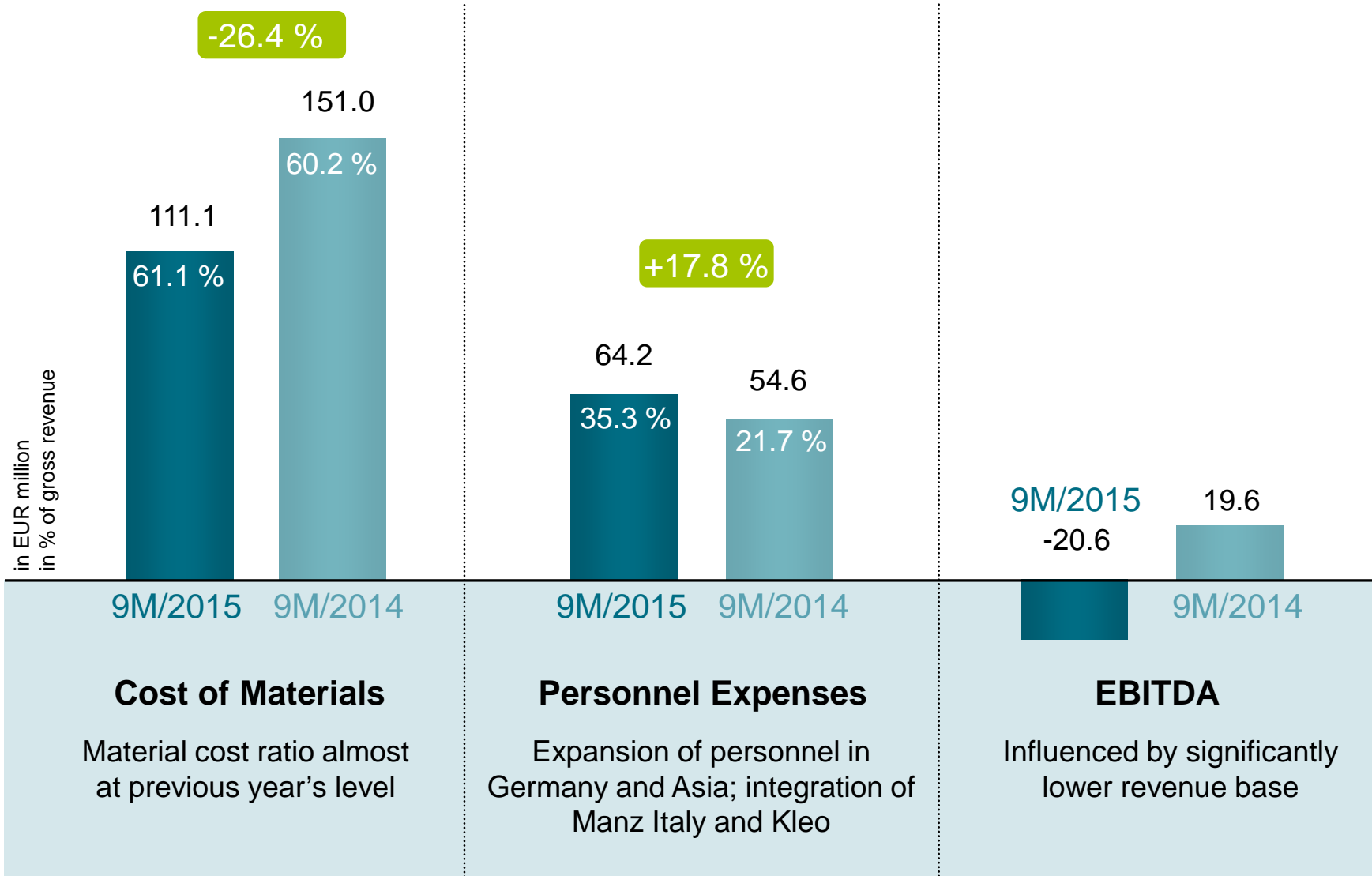
2015 | **9M**

FINANCIAL FIGURES

in TEUR	Jan.1 – Sept. 30 2015	Jan.1 – Sept. 30 2014
Revenues	168,951	250,872
Gross revenue	181,894	250,410
Other operating income	5,435	5,598
Costs/Expenses	207,976	-236,371
EBITDA	-20,647	19,637
Depreciation	-9,451	-18,185
EBIT	-30,098	1,452

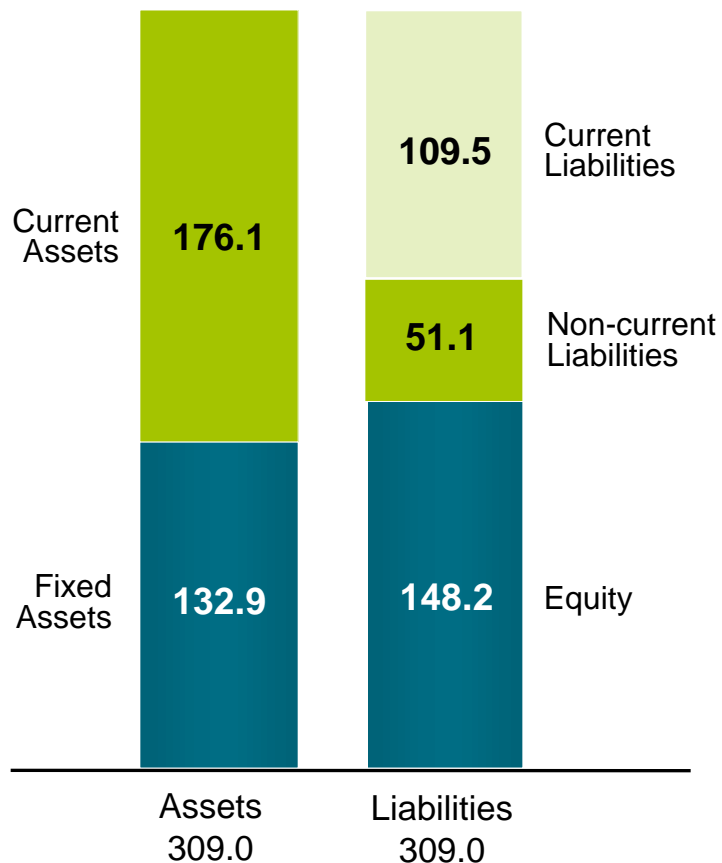
- Revenues of EUR 169.0m strongly influenced by cancelled and postponed orders in Electronics and Energy Storage divisions
- Gross revenue of EUR 181.9m due to intensified R&D mainly for Energy Storage division
- Material cost ratio of 61.1 % at previous year's level
- Increased personnel expenses since engineering capacity was built up due to original growth expectations for 2015 and high workload in BU Energy Storage
- EBITDA of EUR -20.6m 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 -30.1m

INCOME STATEMENT



BALANCE SHEET

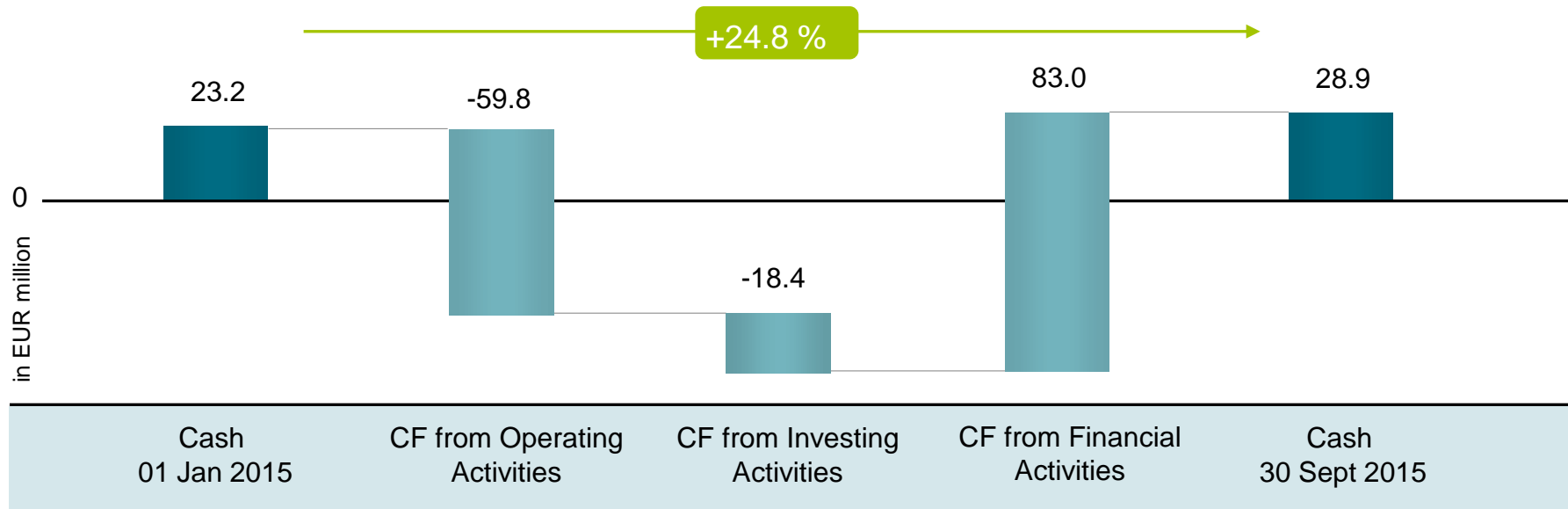
as of September 30, 2015
in EUR million



	Definition	Sept. 30, 2015	Dec. 31, 2014	Change
Equity Ratio	$\frac{\text{equity}}{\text{total assets}}$	48.0 %	55.2 %	-7.2 pp
Net Working Capital <small>(in EUR million)</small>	current assets ./. liquid funds ./. non-interest-bearing current liabilities	79.3	45.1	+75.8 %
Net Debt <small>(in EUR million)</small>	interest-bearing liabilities ./. liquid funds	45.4	9.2	+393.5 %

- Equity ratio with 48.0 % on good level
- Increase in net working capital mainly due to higher receivables
- Net debt influenced by negative cash flow and use of credit lines

CASH FLOW

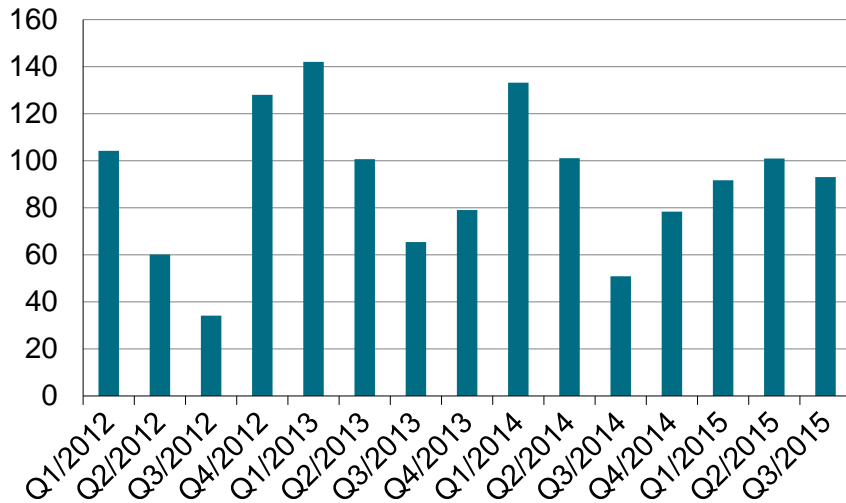


- Cash flow from operating activities influenced by increase in receivables and inventories
- Cash flow from investing activities reflects investments in R&D and acquisition of KLEO Halbleitertechnik GmbH
- Funds from cash capital increase amounting to EUR 41.9m result in higher cash flow from financing activities

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OUTLOOK

Development of Order Backlog



- Order backlog at the end of September influenced by postponed orders primarily in Electronics division

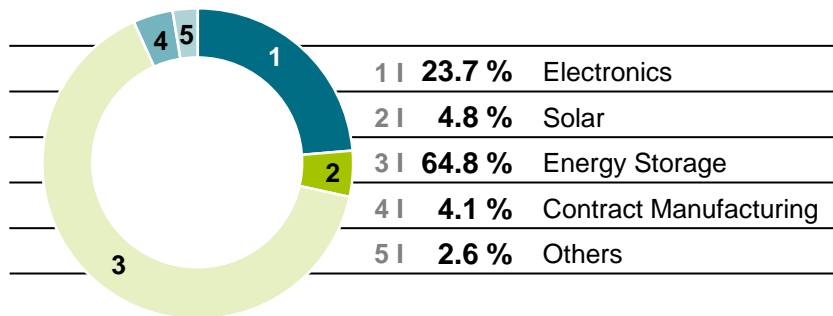
→ Excellent development of business unit Energy Storage resulting mainly from consumer electronics sector and increasing activity in the e-mobility industry compensates moderate development of Electronics division

→ Share of Solar division still on low level, but increasingly benefitting from arising dynamic in PV industry

→ Stable percentage of Contract Manufacturing segment

Order Backlog: EUR 93.0m

as of Sep 30, 2015





- Initiation of restructuring program and presentation of its key measures on December 10, 2015
 - Diversification in technology, industries, and regions remains core of our growth strategy
 - Focus on growth markets Consumer Electronics and Energy Storage
 - Evaluation of strategic options for business segment Solar
 - Optimization of cost structure with the goal to reach the break-even based on a conservative planning of the upcoming fiscal year
- ➔ **Revenues for fiscal year 2015 between 200 and 210 million euros and negative earnings before interest and taxes (EBIT) in the mid tens of millions.**

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 %