

## Manz AG Improves Profitability in First Half of 2018

- *Revenue compared to previous-year period significantly expanded by 45 % to 174 million euros*
- *Operating results significantly improved from previous year*
- *Operating results in second quarter adjusted by one-time effect of fire at Taiwan site slightly positive*
- *Measures to increase competitiveness and profitability are having an effect*

Reutlingen, August 14, 2018 – Manz AG, a global high-tech equipment manufacturer with an extensive technological profile, today publishes its report on the financial figures for the first half of 2018. The report states the company significantly increased revenues to 173.5 million euros (previous year: 119.6 million euros). The revenue figure for the second quarter was 87.4 million euros and similar to that for the first quarter of 2018 (86.1 million euros). This is well above the second quarter of the previous year, at 72.0 million euros.

A cable fire at the Taiwan location impacted the EBIT for the second quarter of 2018 at 2.2 million euros. Adjusted for this one-time effect, the EBIT for the second quarter of 2018 was 0.1 million euros (before adjustment: -2.1 million euros). Compared to the first quarter of 2018 EBIT, this corresponds to an increase of the EBIT by 3.1 million euros. The comparison to the second quarter of 2017 is even more significant, with an EBIT increase of 13.2 million euros (Q2 2017: -13.1 million euros). Overall, the first half of 2018 saw an EBIT of -5.1 million euros or, adjusted by the one-time effect of the cable fire, of -2.9 million euros (previous year: 7.0 million euros including the special effect from the sale of NICE Solar Energy GmbH of 34.4 million euros).

Eckhard Hörner-Marass, CEO of Manz AG, comments: "We see the first six months of 2018 as another step in the right direction. We believe the positive trend in our operational business over the second quarter is confirmation of our strategy to move towards a sustainably profitable business model. We have further improved our competitive capabilities, productivity, and, as a result, our profitability through the ongoing optimization program Manz 2.0 by streamlining group structures and consistently standardizing our processes across all business segments. Our productivity during the first six months of 2018 increased by 45 % in comparison to the previous year to roughly 210 thousand euros in revenue per employee. Our incoming orders were 196 million euros after 6 months, and our order backlog was 240 million euros. Based on this sound order situation and the expected continuous increase in productivity in all segments, the management board foresees a corresponding improvement of revenues and earnings in the second half of 2018. Assuming framework conditions do not change, we can thus confirm our forecast."

In examining the individual segments of Manz AG, the revenue and earnings development in the Solar segment was consistent with project planning for the implementation of the large CIGS orders. Both revenues and the EBIT improved in comparison to the previous year in the Energy Storage segment. Revenues in the Electronics segment was still below the level of the previous year. The segment EBIT was still negative but improved significantly as expected. The earning situation for both segments reflects expenditures for developing new standardized products, automation and process modules, and for the expansion of distribution in Asia, Europe, and the USA. Revenues in the Contract Manufacturing segment increased significantly in comparison to the same period in the previous year. The one-time special effect associated with the cable-fire at the Taiwan location negatively impacted results, because of which the segment EBIT was slightly below the previous year. Service revenues were higher than in the previous year, with results at roughly the same level as the previous year.

#### 2018 H1 revenue, EBITDA, and EBIT compared to the previous year

in million euros	H1 2018	H1 2017
<b>Group revenue</b>	<b>173.5</b>	<b>119.6</b>
Solar	69.3	16.5
Electronics	30.0	42.1
Energy Storage	13.8	12.0
Contract Manufacturing	49.9	40.4
Service	10.4	8.7
<b>Group EBIT</b>	<b>-5.1</b>	<b>7.0</b>
Solar	6.5	26.2
Electronics	-8.1	-11.0
Energy Storage	-6.2	-11.5
Contract Manufacturing	0.3	0.7
Service	2.7	2.6
<b>Group EBITDA</b>	<b>-0.7</b>	<b>12.4</b>
Solar	7.1	27.9
Electronics	-6.5	-9.1
Energy Storage	-4.8	-10.3
Contract Manufacturing	0.9	1.3
Service	2.9	2.6

### Company profile:

#### **Manz AG – passion for efficiency**

As a leading global high-tech equipment manufacturer, Manz AG, based in Reutlingen, Germany, is a pioneer of innovative products in fast-growing markets. Founded in 1987, the company has expertise in five technology sectors: automation, laser processing, and measurement technology, as well as wet chemical and roll-to-roll processes. These technologies are deployed and continuously developed by Manz in three strategic business segments: "Electronics," "Solar," and "Energy Storage."

The company has been listed on the stock exchange in Germany since 2006 and currently develops and manufactures in Germany, China, Taiwan, Slovakia, Hungary, and Italy. It also has sales and service branches in the USA and India. Manz AG currently has around 1,700 employees, about half of which are located in Asia. With its claim "passion for efficiency", Manz makes the following service promise to its customers who are active in dynamic future-oriented industries: offering production equipment with the highest degree of efficiency and innovation. The company's comprehensive expertise in the development of new production technologies, along with the equipment required for this, makes a significant contribution to reducing the production costs for end products and making these accessible to a broad range of buyers around the world.

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