



Impulses

9-MONTH REPORT 2017

MANZ AG AT A GLANCE

Overview of consolidated net profits

(in million euros)	Jan. 1 to Sept. 30, 2017	Jan. 1 to Sept. 30, 2016	Change in %
Revenues	192.6	167.3	15.1
Gross revenue for the period	204.3	172.6	18.4
EBITDA	8.5	-15.2	n/a
EBITDA margin (in %)	4.2	n/a	n/a
EBIT	0.8	-25.7	n/a
EBIT margin (in %)	0.4	n/a	n/a
EBT	-0.9	-28.4	n/a
Consolidated net profit (loss)	-2.1	-30.9	n/a
Earnings per share (in euros)	-0.31	-4.70	n/a
Cash flow from operating activities	34.9	-12.9	n/a
Cash flow from investing activities	16.6	-6.5	n/a
Cash flow from financing activities	-14.0	48.4	n/a
	Sept. 30, 2017	Dec. 31, 2016	Change in %
Total assets	347.1	312.1	11.2
Equity	161.6	165.1	-2.1
Equity ratio (in %)	46.6	52.9	-6.3pp
Financial liabilities	40.4	54.4	-25.7
Liquid funds	92.1	55.7	65.4
Net debt	-51.7	-1.3	n/a

2018 Financial Calendar

March 8, 2018	Publication of Preliminary Figures 2017
March 29, 2018	Publication of Annual Report 2017
May 8, 2018	Publication of 2018 3-month financial report
July 3, 2018	Annual Meeting of Shareholders
August 14, 2018	Publication of 2018 6-month financial report
November 13, 2018	Publication of 2018 9-month financial report

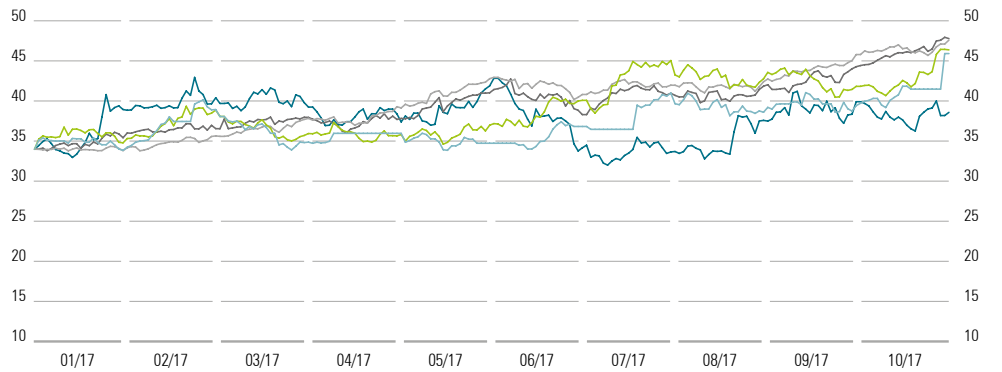
MANZ AG STOCK

Stock Key Data and Performance Indicators January 1 to September 30, 2017

Ticker/ISIN	M5Z/DE000A0JQ5U3
Capital stock	7,744,088
Closing price (Sept. 30, 2017)*	38.360 euros
Annual high/Annual low*	42.93 EUR/32.05 euros
Market performance – absolute	+12.8%
Market performance – TecDAX	+32.2%
Market capitalization (Sept. 30, 2017)	297.06 Mio. euros

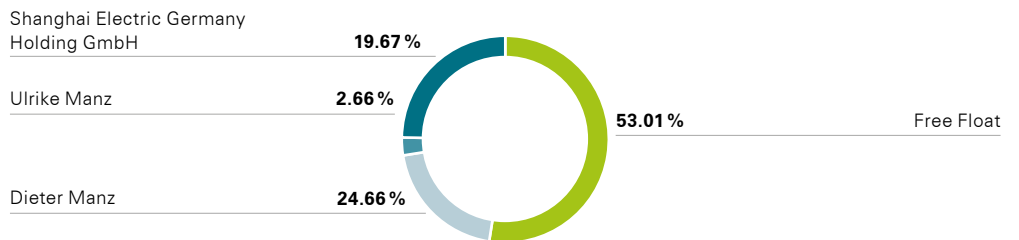
* Closing prices on Deutsche Börse AG's XETRA trading system

Chart Showing Manz AG Stock (XETRA, in EUR)



■ Manz ■ Sox (n) ■ TecDax (n) ■ PV Global 30 (n) ■ SOLEX (n)

Shareholder Structure



FOREWORD OF THE MANAGING BOARD

Dear Shareholders,

In the first nine months of the 2017 fiscal year, the group's sales revenues of 193 million euros (9 M 2016: 167.3 million euros) and the operating result (EBIT) of 0.8 million euros (9 M 2016: –25.7 million euros) were well above the previous year's values.

We continued consistently to implement our optimization program „Manz 2.0“ in the third quarter of 2017; moreover, at the Managing Board level we also approved and initiated additional measures that are necessary to improve operational processes, streamline the cost structures and adjust the product portfolio. In this process, it is our goal to continuously strengthen our competitiveness and our productivity and therefore Manz AG's profitability.

Examining the developments in the various segments, it becomes evident that both the revenues and results of the Solar, Contract Manufacturing and Service segments surpassed their respective previous year values, and were therefore within the expected range; whereby the result in the Solar segment benefits from the sale of Manz CIGS Technology GmbH in the amount of 34.4 million euros in the current fiscal year. In the Electronics and Energy Storage segments, we continue to focus on the acquisition of new customers as well as the development of new products and completion of pilot projects to prepare for potential follow-up orders for a future series production. The preliminary work that must be done in this regard resulted in a situation in which the two segment results fell short of their respective previous year's values during the first nine months of 2017.

With regard to the other business developments in the year 2017, the implementation of the solar orders continues to proceed within the designated time schedule. Based on the progress so far, we therefore also expect that most of the planned solar revenues for the year 2017 will be realized during the course of the fourth quarter.

The Electronics and Energy Storage segments are showing initial success in the acquisition of new customers. In addition, we are developing new application areas in the Energy Storage segment – including the power tool division. Our goal is not to rely solely on the medium-term growth opportunities in the electromobility sector. In these two segments, we want to increase our independence from individual customers and industries in order to achieve an overall more stable position in the market.

Contract Manufacturing continues to be characterized by continued dynamic and profitable growth. Similarly, our service business will contribute towards improving our overall profitability in the future.

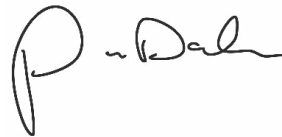
Our order books are quite full, resulting in an improved capacity utilization in the group.

For the entire year of 2017, we therefore continue to expect that revenues will increase significantly to at least 350 million euros, which will require that the project progress in the Solar segment continues on a positive trend as planned. Similarly, we also expect a significantly higher positive result before interest and taxes (EBIT) compared to the previous year (–35.9 million euros), including the special effects for 2017.

The Managing Board



Eckhard Hörner-Marass



Gunnar Voss von Dahlen

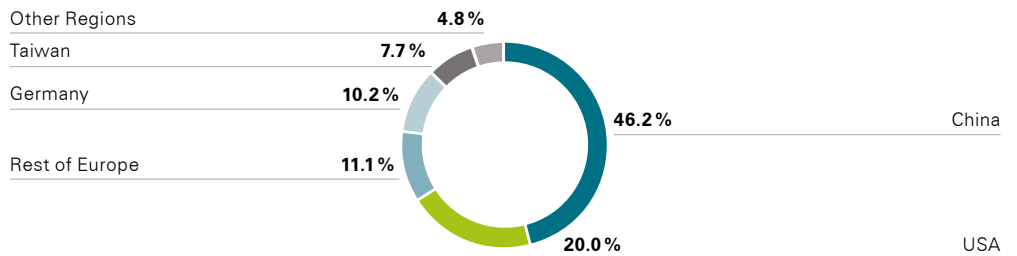


Martin Drasch

BUSINESS PERFORMANCE

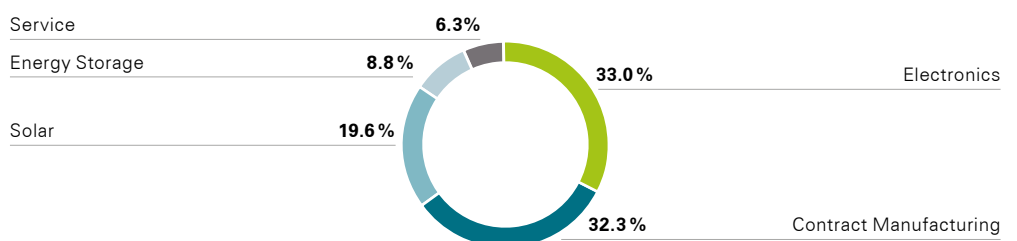
Following the signing of the master agreement regarding the long-term strategic collaboration for the further development and marketing of the CIGS thin film solar technology between Manz AG, the Shenhua Group and the Shanghai Electric Group in November 2016, Manz acquired the largest orders in the company's history at the end of January 2017 following the final closing of the contracts. The two large orders are comprised of a CIGS production line with a capacity of 306 MW (CIGS*fab*) and a CIGS research line with a capacity of 44 MW (CIGS*lab*). The total order volume is 263 million euros, and will impact revenues and earnings as of the 2017 fiscal year. After all conditions for completion were conclusively fulfilled in April, Manz AG received the agreed down-payment of 79 million euros over the next few months. As a result, Manz AG started with the implementation of the large projects in June 2017.

Revenue Distribution by Region January 1 to September 30, 2017



As a result of the fulfillment of all conditions for completion, Manz CIGS Technology GmbH, the current Manz AG CIGS research company, was also transferred to NICE PV Research Ltd., which started its research operations as planned. NICE PV Research Ltd. aims to leverage the potential of the CIGS technology for further increases in efficiency and reducing manufacturing costs. The sale and transfer of Manz CIGS Technology GmbH to NICE PV Research Ltd. for 50 million euros resulted in a positive one-time effect of 34.4 million euros which impacts the result. Suzhou Manz New Energy Equipment Co. Ltd., which is exclusively responsible for the sales activities regarding the CIGS technology in China, and which will provide the engineering services for future projects as well as support during the start-up phase, also started its operations.

Revenues by Business Segment January 1 to September 30, 2017



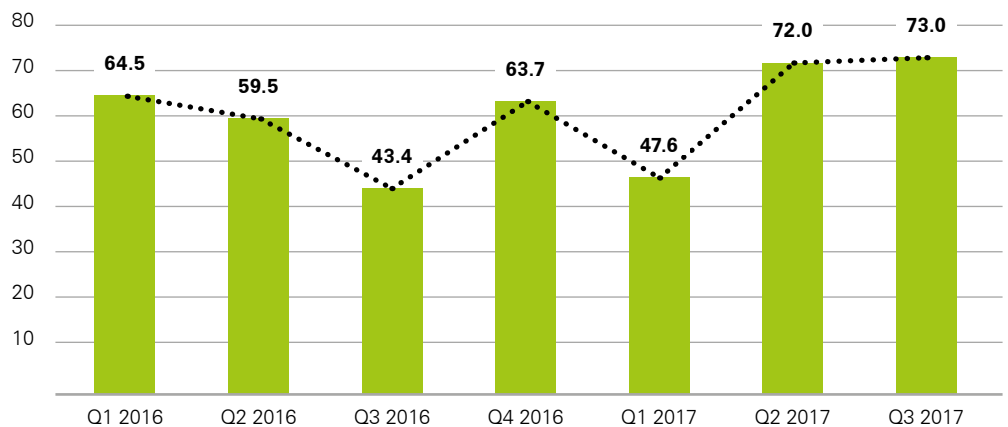
Following the ground-breaking developments in the Solar segment, Manz AG invested in the development of new products and the establishment of pilot projects in the strategic Electronics and Energy Storage business segments, in order to create the basis for potential orders for future series production. Alongside the business with client-specific solutions, the company concentrates on developing, manufacturing and marketing standardized machines and linking them together to create complete, customized system solutions from intelligent modules. These measures target the significant expansion of the customer base in order to stabilize the business model of the company for the long term. In addition, Talus Manufacturing Ltd. in Taiwan also contributed to a significant increase in revenues in the Contract Manufacturing segment, while the service business also experienced positive growth as planned compared to the previous year during the first nine months of 2017.

The value of orders on hand as of September 30, 2017 amounted to 287.3 million euros (September 30, 2016: 93.9 million euros).

BUSINESS REPORT

Revenue trend

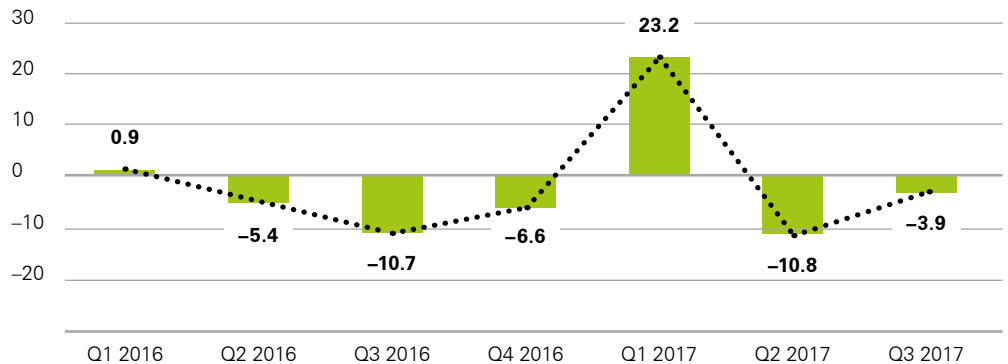
in million euros



- After a slow start in the first quarter of 2017, developments have been stable in all segments during the second and third quarters of 2017
- Group revenues are much higher than in the previous year due to the large solar orders and strong revenue growth in the Contract Manufacturing segment
- The acquisition of new customers in the Energy Storage and Electronics segments were not yet able to compensate for the large orders of individual customers in the previous year

Earnings before depreciation, interest and taxes (EBITDA)

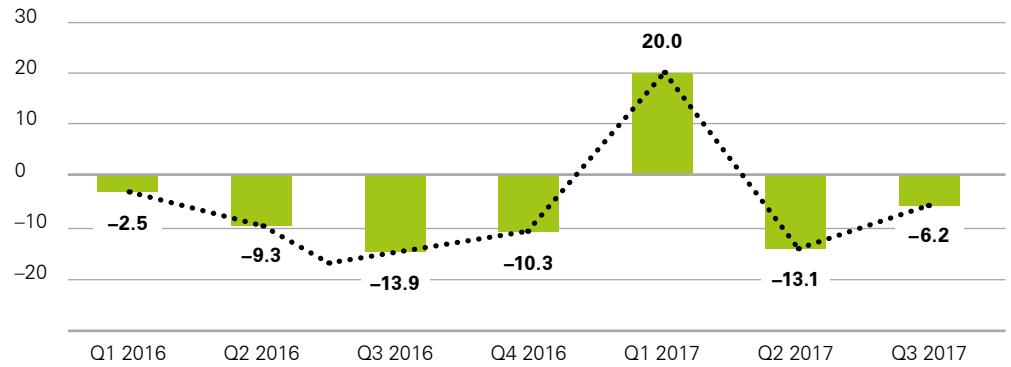
in million euros



- The EBITDA in the first quarter of 2017 was positively influenced by a one-time effect
- Cost optimization measures result in an improved EBITDA

Earnings before interest and taxes (EBIT)

in million euros



- Solar, Contract Manufacturing and Services with a positive contribution to results
- Electronics and Energy Storage with negative burden due to the implementation of operational measures for sustained competitiveness and profitability
- Losses from Electronics and Energy Storage were significantly reduced in the third quarter of 2017 compared to the previous quarter

EVENTS AFTER THE BALANCE SHEET DATE

No further events took place after the end of the reporting period that would have had a significant impact on our financial position, financial performance and cash flows.

FORECAST REPORT

In our forecast report, we address, insofar as possible, Manz AG's expected future growth and the company's business environment in the current fiscal year of 2017.

The Managing Board considers the industry outlook in the three strategic business segments Electronics, Solar and Energy Storage to be thoroughly positive. For the current fiscal year, the Managing Board expects positive business developments based on this assessment, the collaboration in the CIGS segment including the placement of the large CIGS orders and a value of orders on hand of approximately 287.3 million euros as of September 30, 2017. In addition, the Managing Board of Manz AG also expects that revenues in 2017 will rise significantly to at least 350 million euros. This will depend greatly on the projects in the Solar segment proceeding on a positive note as planned. Similarly, the Managing Board also expects a significantly improved positive result before interest and taxes (EBIT) compared to the previous year (–35.9 million euros), including the special effects for 2017.

CONSOLIDATED INCOME STATEMENT

(in EUR tsd.)

	Jan. 1 to Sept. 30, 2017	Jan. 1 to Sept. 30, 2016
Revenues	192,634	167,312
Inventory changes, finished and unfinished goods	3,506	-281
Work performed by the entity and capitalized	8,115	5,561
Total operating revenues	204,255	172,592
Other operating income	39,463	3,969
Cost of materials	-126,714	-100,012
Gross profit	117,004	76,549
Personnel expenses	-55,661	-58,388
Other operating expenses	-52,837	-33,336
EBITDA	8,506	-15,175
Amortization/depreciation	-7,725	-10,480
Operating earnings (EBIT)	781	-25,655
Finance income	61	32
Finance costs	-1,766	-2,802
Earnings before taxes (EBT)	-924	-28,425
Income taxes	-1,130	-2,427
Consolidated profit or loss	-2,054	-30,852
of which attributable to minority interests	308	-77
of which attributable to shareholders of Manz AG	-2,362	-30,775
Weighted average number of shares	7,744,088	6,548,058
Earnings per share (diluted = undiluted) in EUR per share	-0.31	-4.70

CONSOLIDATED INCOME STATEMENT

(in EUR tsd.)

	July 1 to Sept. 30, 2017	July 1 to Sept. 30, 2016
Revenues	73,034	43,353
Inventory changes, finished and unfinished goods	650	1,124
Work performed by the entity and capitalized	3,834	1,542
Total operating revenues	77,518	46,019
Other operating income	599	798
Cost of materials	-48,978	-29,744
Gross profit	29,139	17,073
Personnel expenses	-17,287	-17,887
Other operating expenses	-15,711	-9,884
EBITDA	-3,859	-10,698
Amortization/depreciation	-2,314	-3,209
Operating earnings (EBIT)	-6,173	-13,907
Finance income	22	14
Finance costs	-361	-448
Earnings before taxes (EBT)	-6,512	-14,341
Income taxes	-241	443
Consolidated profit or loss	-6,753	-13,898
of which attributable to minority interests	333	-22
of which attributable to shareholders of Manz AG	-7,086	-13,876
Weighted average number of shares	7,744,088	7,744,088
Earnings per share (diluted = undiluted) in EUR per share	-0.92	-1.79

CONSOLIDATED BALANCE SHEET

ASSETS (in EUR tsd.)

	Sept. 30, 2017	Dec. 31, 2016
Non-current assets		
Intangible assets	58,640	77,796
Property, plant, and equipment	34,806	39,395
Financial investments	24,221	0
Deferred taxes	1,465	3,500
Other non-current assets	632	723
	119,764	121,414
Current assets		
Inventories	60,003	48,950
Trade receivables	65,101	77,726
Income tax receivables	458	651
Other current receivables	9,641	7,651
Liquid funds	92,134	55,722
	227,337	190,700
Total assets	347,101	312,114

CONSOLIDATED BALANCE SHEET

LIABILITIES AND SHAREHOLDERS' EQUITY
 (in EUR tsd.)

	Sept. 30, 2017	Dec. 31, 2016
Equity		
Issued capital	7,744	7,744
Capital reserve	143,809	143,681
Revenue reserves	-14,817	-10,839
Cumulative other equity	19,340	19,933
Shareholders of Manz AG	156,076	160,519
Minority Interests	5,483	4,587
	161,559	165,106
Non-current liabilities		
Non-current financial liabilities	3,362	2,036
Pension provisions	7,030	7,704
Other non-current provisions	3,273	2,868
Other non-current liabilities	340	335
Deferred taxes	2,321	2,127
	16,326	15,070
Current liabilities		
Current financial liabilities	37,073	52,379
Trade payables	61,985	47,228
Payments received	52,041	9,827
Income tax liabilities	718	686
Other current provisions	7,569	7,294
Derivative financial instruments	36	158
Other current liabilities	9,792	14,355
Financial liabilities from leasing	2	11
	169,216	131,938
Total liabilities and shareholders' equity	347,101	312,114

CONSOLIDATED CASH FLOW STATEMENT

(in EUR tsd.)

	Jan. 1 to Sept. 30, 2017	Jan. 1 to Sept. 30, 2016
Operating earnings (EBIT)	781	-25,655
Depreciation / amortization of fixed assets	7,725	10,480
Increase (+) / decrease (-) in pension provisions and other non-current provisions	-36	209
Other non-cash income (-) and expenses (+)	128	180
Gains (-) / losses (+) from disposals of assets	-34,380	128
Increase (-) / decrease (+) in inventories, trade receivables and other assets	2,861	-487
Increase (+) / decrease (-) in trade payables and other liabilities	59,933	4,679
Income tax received (+)/paid (-)	-556	149
Interest paid	-1,648	-2,582
Interest received	61	30
Cash flow from operating activities	34,869	-12,869
Cash receipts from the sale of fixed assets	156	12
Cash payments for investments in intangible assets and property, plant and equipment	-8,056	-6,516
Cash receipts from the sale of consolidated entities, less liquid funds disposed	48,676	0
Cash payments for the acquisition of consolidated entities and other business units	-24,221	0
Cash payments for the acquisition of consolidated entities, less liquid funds received	0	0
Cash flow from investing activities	16,555	-6,504
Cash receipts from long-term borrowings	2,000	985
Cash payments for repayment of long-term borrowings	-674	-578
Change in bank overdrafts	-15,306	-26,771
Purchase of treasury shares	-3	-5
Cash payments for the repayment of financial leases	-9	-11
Cash receipts from issue of capital	0	80,709
Costs of raising capital (before taxes)	0	-5,880
Cash flow from financing activities	-13,992	48,449
Finanzmittelbestand am Ende der Periode		
Net change in cash funds (subtotal 1 – 3)	37,432	29,076
Effect of exchange rate movements on cash and cash equivalents	-1,020	40
Cash and cash equivalents on January 1	55,722	34,372
Cash and cash equivalents on September 30	92,134	63,488
Composition of cash and cash equivalents		
Liquid funds	92,134	63,488
Cash and cash equivalents on September 30	92,134	63,488

SEGMENT REPORTING FOR DIVISIONS

As of September 30, 2017

(in EUR tsd.)						
	Solar	Electronics	Energy Storage	Contract Manufacturing	Service	Group
Revenues with third parties						
Q1-Q3 2016	18,244	59,230	41,663	29,026	19,149	167,312
Q1-Q3 2017	37,784	63,502	16,961	62,158	12,229	192,634
EBITDA						
Q1-Q3 2016	-6,828	-8,326	-5,688	-78	5,745	-15,175
Q1-Q3 2017	29,215	-13,172	-14,918	3,558	3,824	8,506
Depreciation						
Q1-Q3 2016	4,606	3,125	1,863	693	193	10,480
Q1-Q3 2017	2,201	2,842	1,755	823	104	7,725
EBIT						
Q1-Q3 2016	-11,434	-11,451	-7,551	-771	5,552	-25,655
Q1-Q3 2017	27,014	-16,014	-16,673	2,735	3,720	781

SEGMENT REPORTING FOR REGIONS

As of September 30, 2017

(in EUR tsd.)	Third-party revenues by destination of delivery
Germany	
Q1–Q3 2016	13,369
Q1–Q3 2017	19,656
Rest of Europe	
Q1–Q3 2016	24,856
Q1–Q3 2017	21,436
China	
Q1–Q3 2016	86,775
Q1–Q3 2017	88,892
Taiwan	
Q1–Q3 2016	24,040
Q1–Q3 2017	14,876
Rest of Asia	
Q1–Q3 2016	7,513
Q1–Q3 2017	8,895
USA	
Q1–Q3 2016	10,704
Q1–Q3 2017	38,510
Other Regions	
Q1–Q3 2016	55
Q1–Q3 2017	369
Group	
Q1–Q3 2016	167,312
Q1–Q3 2017	192,634

IMPRINT

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The quarterly report for the third quarter is also available in English. In the case of discrepancies, the German version shall prevail.

Digital versions of the Manz AG annual report and the quarterly reports are also available on the Internet under "Investor Relations" in the "Publications" section.



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