



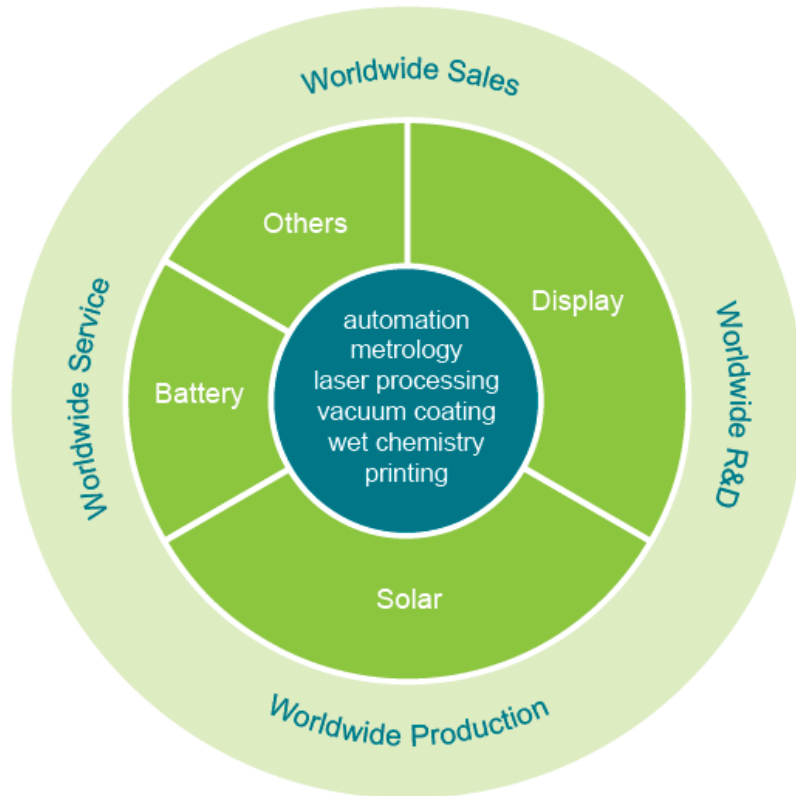
MANZ AG

CONFERENCE CALL 3M-RESULTS 2013

MAY 08, 2013 / DIETER MANZ, MARTIN HIPPE

HIGH TECH FOR A GREEN FUTURE

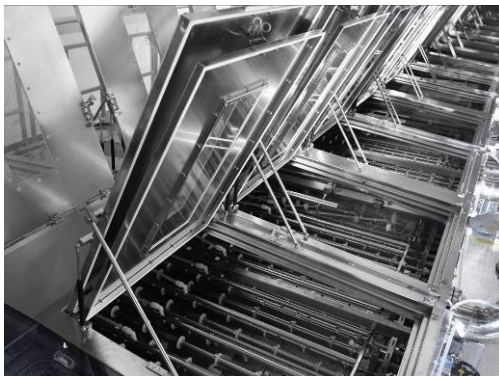
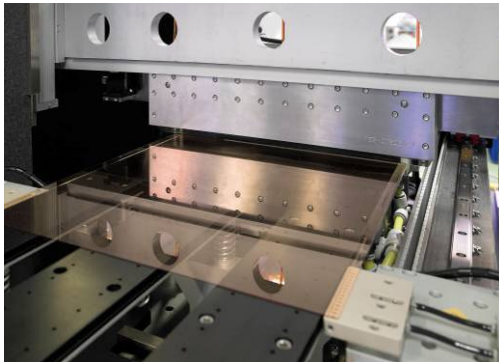
With its outstanding technological expertise, Manz AG is one of the world's leading suppliers of high-tech manufacturing equipment for key technologies of our times, such as displays and devices for global communication needs, sustainable power generation and e-mobility.



- Core of Manz' strategy is to maintain and expand extensive portfolio of base technologies
 - Significant cuts in production costs on customer side through matched, combined and interlinked processes
- Technology transfer across business units allows diversification strategy
 - High synergy effects in base technologies
 - Almost entire technology portfolio successfully deployed in Display division
- No dependency on the development of just one industry
 - Weak order intake in solar segment is overcompensated by Display and Battery segment
- Worldwide sales, service, production and R&D
 - Excellent positioning in Asia



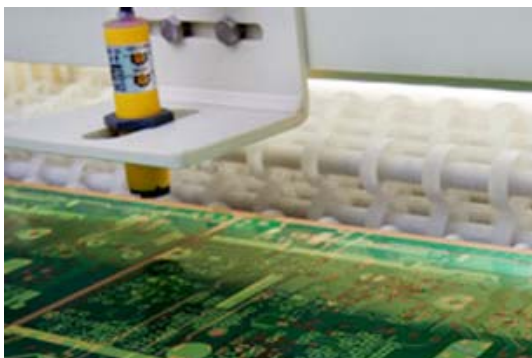
- **Manz withstands solar crisis: successful development of business in first quarter 2013**
 - High revenues of EUR 49.8m (+13.0% yoy)
 - Overcompensation of weak order situation in Solar segment by growing segments Display and Battery
 - 37% growth in revenue compared to Q4 2012 (EUR 36.4m)
 - Improved EBIT of EUR -1.4m
 - Q1 2012: EUR -4.9m
 - Q4 2012: EUR -10.2m (without one-time special effects)
 - Project to optimize organizational structure and cut costs shows first visible results
 - Well on track towards the goal of sustainable increase of profitability



- **Display: strong growth in revenues and earnings**
 - Revenue increased by 32.4% to EUR 28.3m (Q1 2012: EUR 21.4m)
 - EBIT increased by 61.5% to EUR 2.1m (Q1 2012: EUR 1.3m)
 - Bulk orders for production equipment for touch panel displays and mobile devices totaling EUR 80m in first quarter 2013
 - Further major orders of around EUR 45m until May 6th
 - Sustained high demand for devices with touch panel displays (e.g. smart phones, tablet computers)
 - New and replacement investments of the display industry in production systems
 - Excellent chances for further increasing revenues and earnings in 2013
 - Manz is market leader for wet chemical processing machines for touch sensors in Taiwan and China



- **Solar: ongoing weak demand due to solar crisis**
 - Decrease of Solar revenues by 73.7% to EUR 3.1m
 - Still no balance between supply and demand for solar cells and modules reached
 - Ongoing reluctance to make investments in PV sector due to continuing uncertainty about market consolidation
 - EBIT of EUR -5.3 in Q1 2013 (Q1 2012: EUR -6.3m)
- Only 2.3% of order backlog from Solar division
 - Independence of volatile development in the solar industry
 - High upside potential
- Manz completed the development of next generation's equipment for the solar industry
 - Excellent opportunities to benefit from the next investment cycle
 - Reduction of R&D budget for Solar in 2013
- Turnaround for solar industry expected in late 2013 / 2014



- **Battery: highest growth rate**

- Revenues increased by 64% to EUR 1.9m
- Proof of technological competence through new order totaling EUR 4.5m from Saft (one of the most renowned and experienced manufacturer of lithium-ion batteries)
- Positive development expected to continue in 2013
 - Increasing demand for production systems for lithium-ion batteries for automotive industry, stationary power storage and premium consumer electronics

- **OEM / PCB: positive development**

- Revenues of EUR 11.2m after EUR 5.8m in previous year
 - Increase of 93%
- High order backlog of EUR 16.9m
- Intensive marketing commitment to strengthen OEM business
 - Integration of “OEM” on corporate website



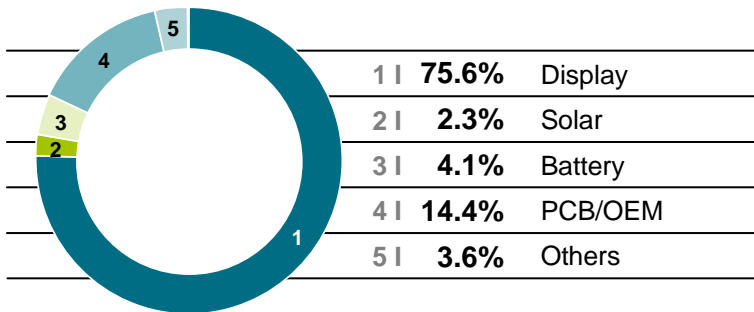
- **Successful year 2013 expected**

- Project to optimize organizational structure and costs, which has been started in 2nd half-year 2012, will be consequently continued in 2013
- Order backlog of EUR 142m on highest level since more than 2.5 years
 - Order backlog more than 40% ahead of the comparable previous year's figure
 - Order intake in Display and Battery segments totaling EUR 112.9m (approx. 80% of total order backlog)
 - Orders will largely become effective in terms of revenue and earnings in third and fourth quarter 2013
- Positive development of revenues, earnings, and costs will continue
 - Positive EBIT for 2nd quarter and 1st half year 2013 expected
 - Substantial double digit revenue growth & positive EBIT for full year 2013 expected

FINANCIAL FIGURES

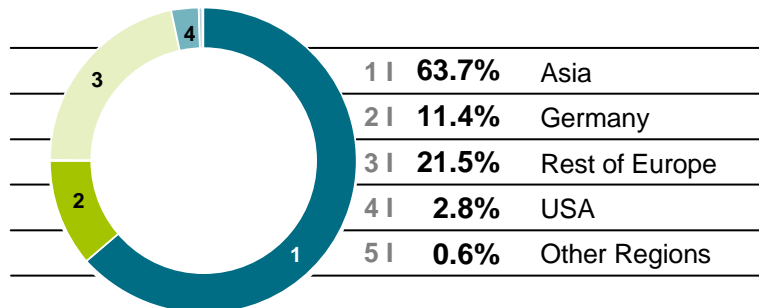
Order backlog: € 142m

As of May 6, 2013



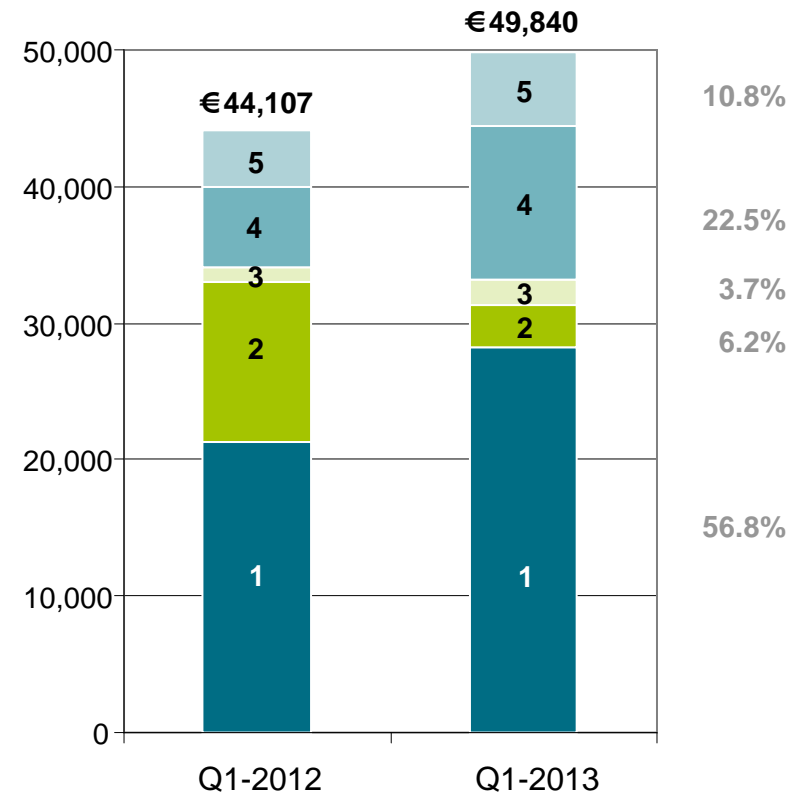
Revenues by region

As of March 31, 2013



Revenues by business units

In EUR thousand

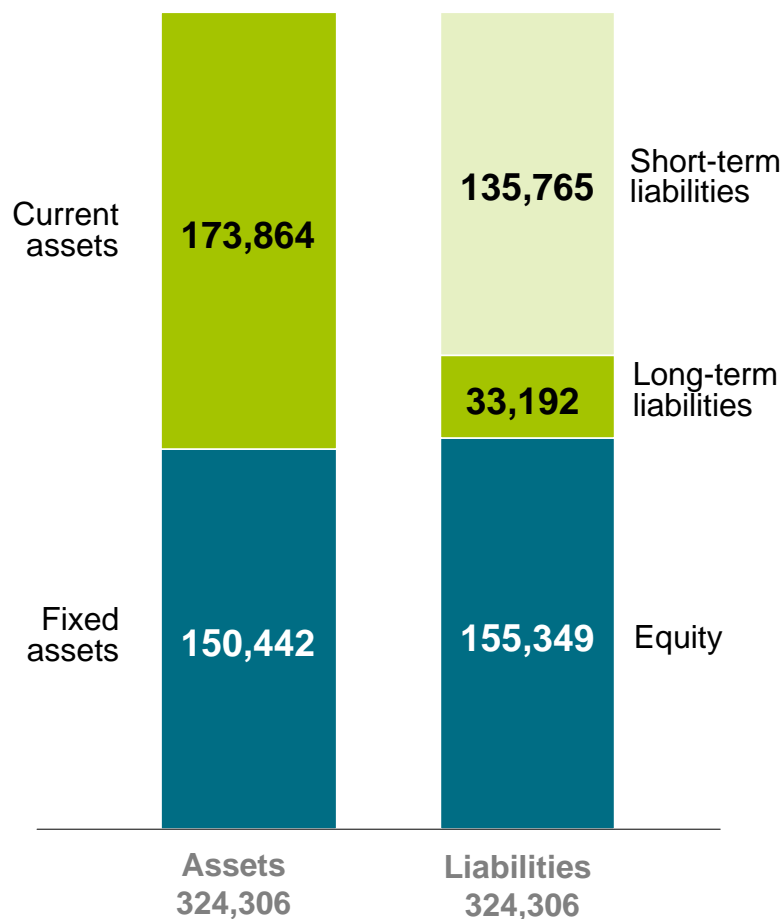


1 | Display 2 | Solar 3 | Battery 4 | PCB/OEM 5 | Others

in EUR thousand	Jan.1 – Mar. 31 2013	Jan.1 – Mar. 31 2012
Revenues	49,840	44,107
Total operating revenue	54,726	46,618
Cost of materials	-29,600	-23,232
Personnel expenses	-16,069	-17,498
Other expenses	-8,170	-9,982
EBIT	-1,403	-4,930

- Increase of revenue by 13.0% to EUR 49.8m (Q1 2012: EUR 44.1m)
- Material cost ratio increased to 54.1% (Q1 2012: 49.2%) due to increasing revenue share of products with higher material costs manufactured at Manz Asia
- Personnel costs ratio improved from 38.7% to 30.3% due to higher share of orders processed in Asia as well as personnel reduction at the end of 2012
- Cost reduction program results in lower other expenses
- EBIT is at EUR -1.4m
 - Q1 2012 : EUR -4.9m
 - Q4 2012: EUR -10.2m

As of March 31, 2013
In EUR thousand



- Equity ratio decreased from 52.6% at the end of 2012 to 47.8%
- Long-term liabilities decreased from EUR 35.9m at the end of 2012 to EUR 33.2m due to scheduled repayment of existing loans and decrease of other non-current provisions
- Short term liabilities increased from EUR 106.3m to EUR 135.8m due to higher accounts payable and use of credit lines for pre-financing of orders
- Fixed assets decreased from EUR 155.1m to EUR 150.4m because of scheduled depreciation
- Current assets increased from EUR 144.5m to EUR 173.9m as a result of higher accounts receivable and inventories
- Net debt is at EUR 45.3m after EUR 35.0m at the end of 2012

in EUR thousand	As of Mar. 31 2013	As of Mar. 31 2012
Cash flow from operating activities	-5,685	-11,908
Cash flow from investing activities	-1,398	-7,437
Cash flow from financing activities	5,568	6,766
Cash	28,942	20,418

- Operating cash flow improved to EUR -5.7m as a result of increased inventories and accounts receivables due to growth in revenues
- Negative cash flow from investments as a result of spendings for development activities
- Cash flow from financing activities was needed to finance working capital due to extended business
- Cash position increased to EUR 28.9m due to cost savings and prepayments from customers



- Diversification reduces dependence on different market dynamics of our target industries display, PV, and battery
 - Only 2.3% of order backlog from Solar division
 - High upside potential
 - No remaining risks in Solar segment
 - Focus on expansion of our excellent position in Battery and Display segments
- Continuation of project started in 2nd half-year 2012 to optimize organizational structure and costs
- Very good prospects for 2013
 - High order backlog of EUR 142m as of May 6, 2013
 - Good prospects for follow-up orders in Display segment
 - High potential for follow-up and new orders in Battery segment
 - Arising opportunities in Solar segment will be exploited consequently
 - Positive EBIT for 2nd quarter and 1st half year 2013 expected
 - Substantial double digit revenue growth & positive EBIT for full year 2013 expected

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