

# Manz Automation AG

## Conference Call, Half Year Results

August 10th, 2010



- ⇒ Break of the economic trend has been reached. Manz Automation is back on track!
- ⇒ Order backlog passed EUR 100 million mark again
- ⇒ Second quarter first positive quarter after start of financial crisis
- ⇒ Good prospects for each business unit
- ⇒ **Business Unit “Solar”:**
  - High demand for cSi products such as One Step Selective Emitter or Laser-Tool especially in Asia
  - First Backend-Lines have been successfully installed
  - Significant stimulation of the tfs business. New orders for laserscribers and fab automation
  - Very promising talks with potential customers for the CIGSfab. Good progress in the development of the machines



⇒ **Business Unit “FPD”:**

- High demand for touch panel applications
- Utilization of plant ensured until mid of next year

⇒ **Business Unit “New Business”:**

- High interest in our products for Li-Ion in Asia
- Ongoing participation in R&D projects

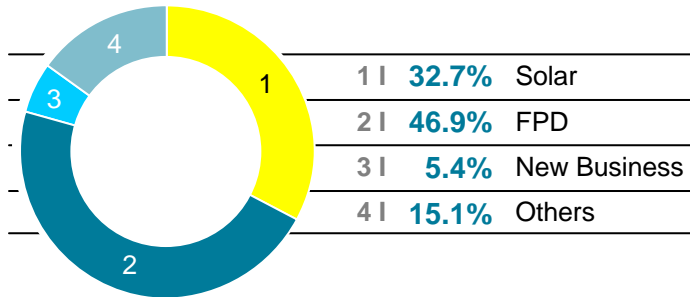
⇒ **Business Unit “Others”:**

- Many orders for tools for the production of PCB and packaging materials



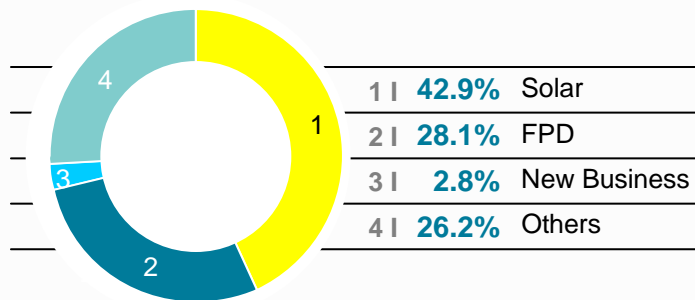
- ⇒ Signing exclusive know-how licensing and strategic alliance agreement with Würth Solar allows Manz to take decisive step towards positioning itself as supplier of integrated production systems including process expertise in the thin-film solar sector
- ⇒ Exclusive access to research results of the ZSW that holds the world record of 20.3% for efficiency for all thin-film technologies
- ⇒ Unique constellation of research institute, module producer and equipment manufacturer guarantees
  - lowest production cost
  - highest efficiency
  - maximum investment security

## Order Backlog: €100.1m as of 06/30/2010



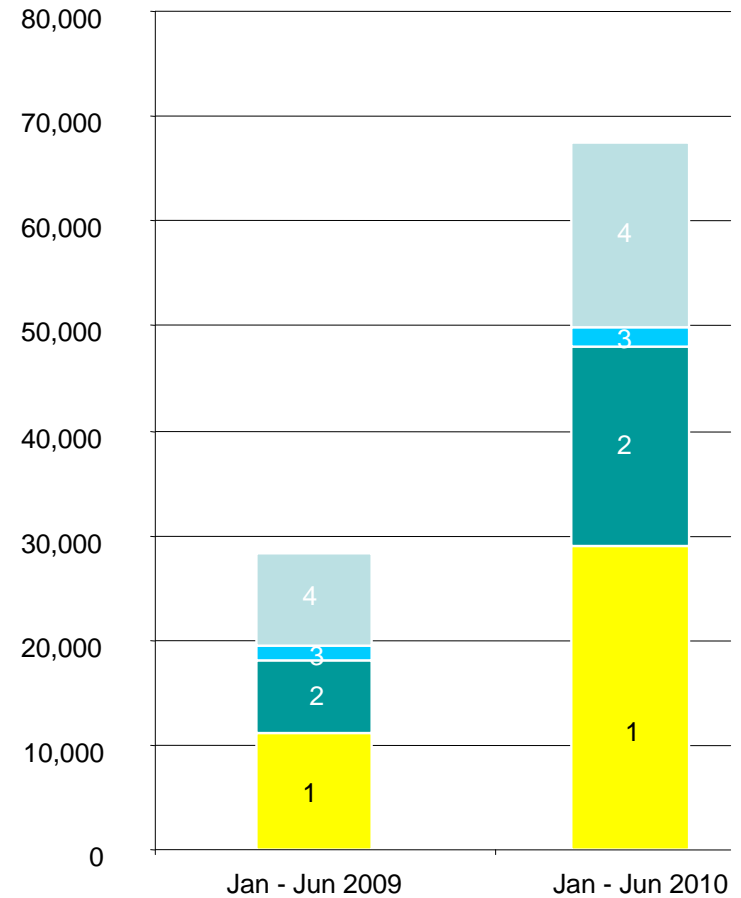
## Revenues by business units

as of 06/30/2010



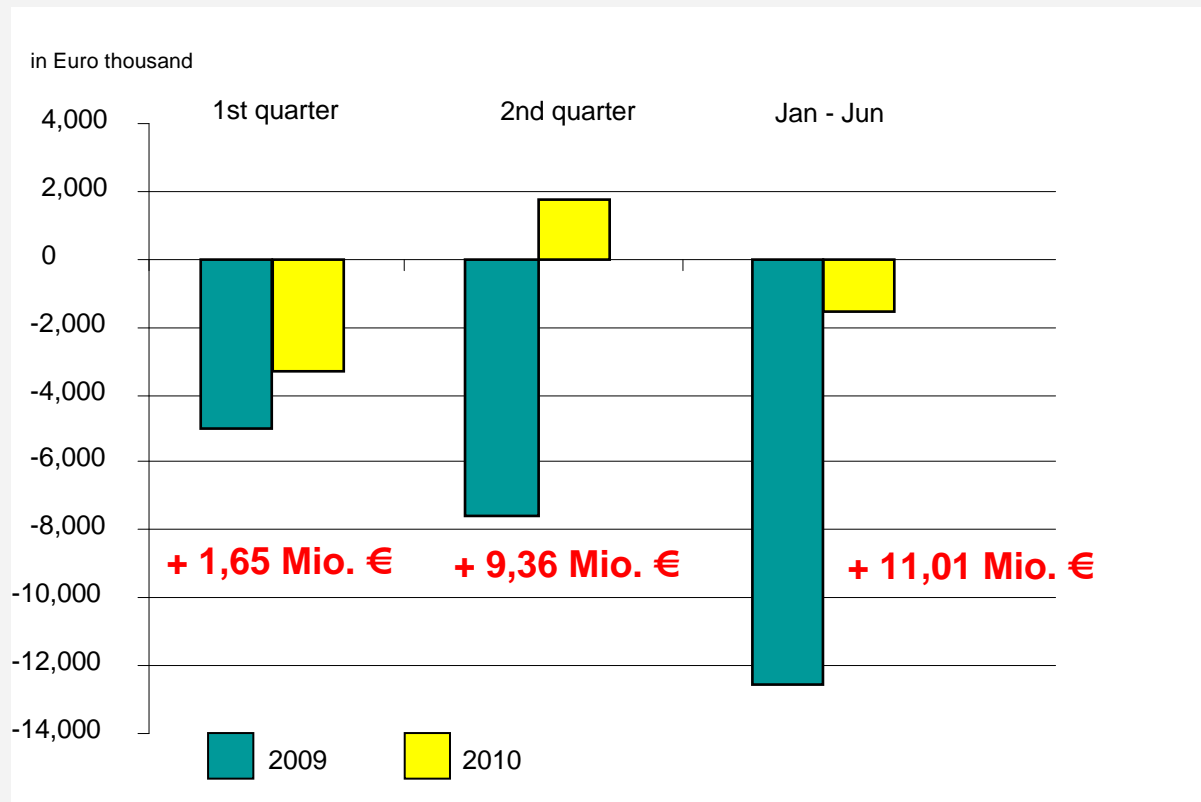
## Revenues by business units

in Euro thousand



1 | Solar    2 | FPD    3 | New Business    4 | Others

- ⇒ 2nd quarter with a positive EBIT of € 1,77m
- ⇒ First half year of 2010 in total still with a negative EBIT of € 1,54m due to loss in the first quarter of 2010



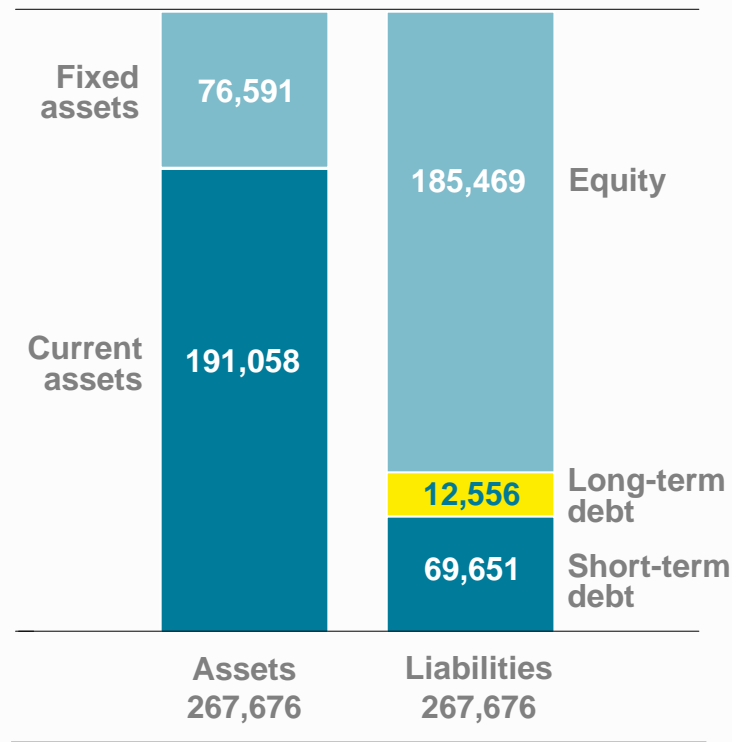
- ⇒ Shipments from first and second quarter had been sold under high price pressure end of last year
- ⇒ Raising demand led to better prices. Thus higher margins are expected for second half year.

- >> Positive trend for full year is emphasized
- >> Strong confidence to reach positive EBIT for full fiscal 2010

in Euro thousand	Jan. 1 – Jun 30 2010	Jan. 1 – Jun 30 2009
<b>Revenues</b>	<b>67,514</b>	<b>28,276</b>
<b>Total operating revenue</b>	<b>77,602</b>	<b>38,111</b>
Cost of materials	-45,942	21,557
Personnel expenses	-22,672	19,441
Other expenses	-11,253	10,268
<b>EBIT</b>	<b>-1,541</b>	<b>-12,558</b>
EBT	-1,148	-12,114
<b>Net income for the period</b>	<b>-664</b>	<b>-9,818</b>

- ⇒ Revenues rose by 138.7% to € 67,5m in 2010 (previous year: € 28,3m) reflecting the stronger business
- ⇒ Total operating revenue grew to € 77,6m compared to € 38,1m in 2009
- ⇒ Material cost ratio increased to 59.2% (previous year: 56.6%) as a result of the price situation beginning of the year
- ⇒ Personnel cost ratio decreased from 56.6% to 29.2% due to the increased total operating revenue and improved capacity utilization
- ⇒ EBIT improved to - € 1,5m (previous year: - 12,6m)
- ⇒ EBT of € -1,1m even better than EBIT caused by a positive financial result

in Euro thousand



- ⇒ Equity slightly increased from € 179,0m to € 185,5m and results in a strong Equity Ratio of 70%
- ⇒ Short-term liabilities increased from € 35,9m to € 69,7m due to the good business.
- ⇒ Accounts payable increased from € 14,2m to € 31,8m as a result of the growing turnover
- ⇒ Fixed assets increased from € 66,7m to € 76,6m due to intensified R&D and invest in other equipment
- ⇒ Current assets grew from € 160,0m to € 191,1m as a result of the stronger business and thus the increase of work in progress & accounts receivable



in Euro thousand	As of June 30 2010	As of June 30 2009
<b>Cash flow from operating activities</b>	<b>-5,274</b>	-2,892
<b>Cash flow from investing activity</b>	<b>-13,520</b>	-1,958
<b>Cash flow from financing activity</b>	<b>-11,050</b>	-3,931
<b>Cash and cash equivalents</b>	<b>52,573</b>	25,172

- ⇒ Operating cash flow is negative due to higher working capital (strong increase of work in progress)
- ⇒ Invest in R&D and the acquisition of Axystems (Israel) are main reasons for the negative cash flow from investments
- ⇒ The cash flow from financing activity is a result of the temporary financing of the “Würth transaction” with €10,0m
- ⇒ Cash and cash equivalents rose to almost € 52,6m. Including long term investments (>3months) it adds to € 87,7m
- ⇒ Net cash at the end of 2<sup>nd</sup> Quarter is more than € 67m

Manz will continue the positive development in turnover and margin

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Positioning as a leading supplier of integrated production equipment for the solar, fpd and Li-Ion battery industry

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Manz has developed the latest technologies in solar machines which will expand our market leading position

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Through licensing of the Würth Solar know-how and patents, there is a great chance to become the world's leading supplier of turn-key production lines for thin-film solar modules

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The straight use of our low cost facilities in Eastern Europe, Taiwan and China gives us the ability to increase the margins – even with declining sales prices

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### >> **Guidance for full fiscal year 2010:**

- **We will reach at least €140m for the full year 2010 with an upside potential**
- **Strong confidence from management in positive EBIT for the whole fiscal year**

# CONTACT >>

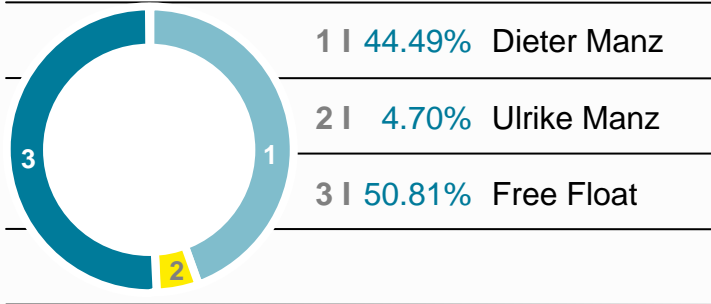
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## Shareholder Structure as of August 10th, 2010



## Chart as of August 10th, 2010 [in Euro]

