



MANZ AG

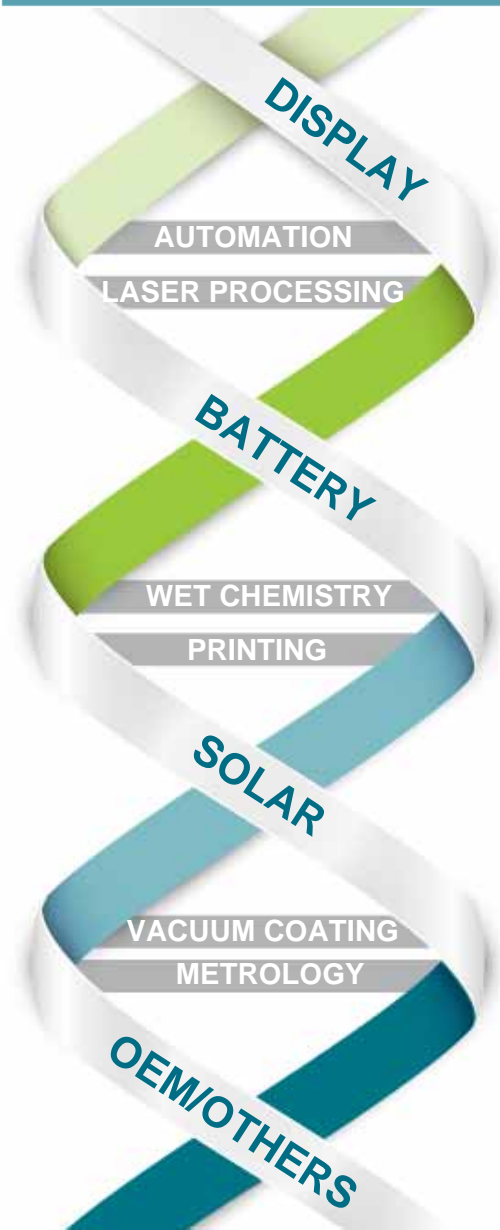
CONFERENCE CALL FULL YEAR RESULTS 2013

MARCH 28, 2014 / DIETER MANZ, MARTIN HIPPE



**ENABLING
THE
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.

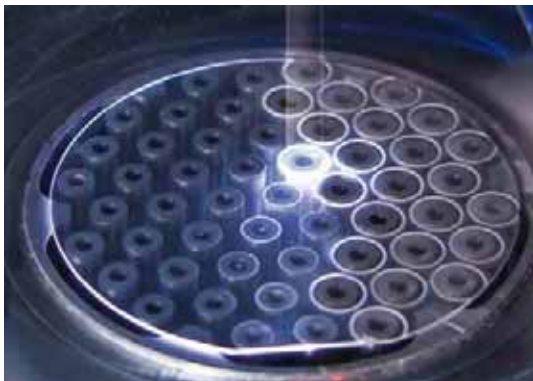


- Diversification in technologies, industries and regions is our backbone and of vital importance for a sustainable and dynamic development of our company
 - Technology transfer across business units with high synergy effects
 - Coverage of various applications in multiple industries with same base technology
 - Significantly reduced R&D costs and very short time to market
 - Strong market position in several industries
 - No dependency on the volatility of just one industry
 - Flexibility and resistance to crises in global competition
 - Worldwide sales, service, production and R&D
 - International production network and excellent positioning in Asia ensures German high-tech engineering with global cost advantages and local service

>> Advanced technology and equipment for high growth industries



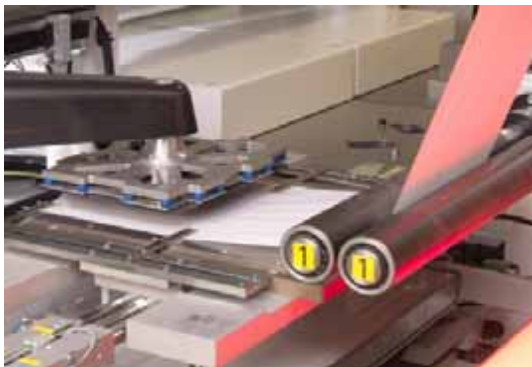
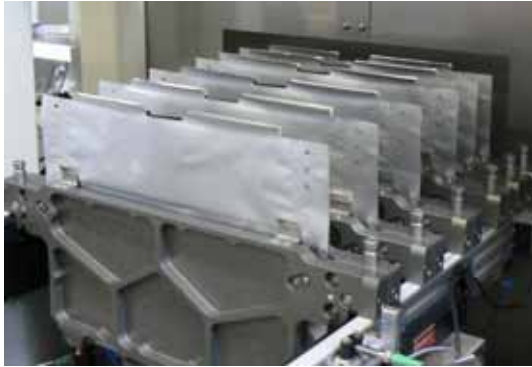
- **Record revenue following successful turnaround in 2013**
 - Significant 44.6 % increase of revenue to EUR 266.2m (previous year: EUR 184.1m)
 - Display division more than compensates for absence of Solar revenue (3.9 %)
 - Return to TecDax proves strong development of business and high trust of shareholders
- **Substantial improvement of profitability**
 - High EBITDA margin of 9.7 % and positive EBIT impressively underline operating strength
 - EBITDA of EUR 27.0m (previous year: EUR -10.8m)
 - EBIT of EUR 3.1m (previous year: -30.7m)
 - Scheduled depreciation of EUR 23.9m resulting mainly from Solar division
- Targets for 2013 clearly achieved
- Further positive revenue and earnings growth also anticipated in 2014



- **Display: Main driver of our business success in 2013**
 - Revenue increased by 55.1 % to EUR 172.5m (2012: EUR 111.3m)
 - EBIT increased by 43.7 % to EUR 20.1m (2012: EUR 14.0m)
- Manz is world market leader for wet chemical machines for touch panels
 - One of the most important process steps in the production of touch-sensitive displays
- Transfer of technology from Solar division successfully completed
 - New vacuum coating systems for improved mechanical properties of touch panel displays
- Outstanding market position as leading equipment and solution provider for display and touch panel industry
 - Orders from component manufacturers and premium brand owners themselves
 - Above-average benefit from global boom in demand for tablet computers and smart phones
- Excellent chances for further increase of revenue and earnings in this division in 2014
 - Strategic cooperation with AIXTRON SE in the high-growth OLED area
 - Existing bulk orders in 2014 totaling EUR 95m



- **Solar: Expectably weak order situation overcompensated by other divisions**
 - Decrease of revenue by 36.6 % to EUR 10.4m (2012: EUR 16.4m)
 - Marginal contribution of a mere 3.9 % to total revenue
 - EBIT of EUR -22.6m (2012: EUR -47.4m)
 - EBIT strongly burdened by high investments in development of new technology
 - Capacities fully utilized by other divisions
- Close of supply-demand gap for modules expected for 2014
 - Stabilizing effect on price level
 - Necessity to invest in advanced production solutions of PV industry
- Manz will participate as leading equipment manufacturer in next investment cycle
 - Development of next generation's equipment for solar industry completed → transfer to Manz China ongoing
 - Unchanged high potential for CIGSfab in emerging PV markets with political support for localization of production
 - Existing enquiries and orders in 2014 reflect stimulation of solar industry



- **Battery: Revenue and earnings influenced by slow e-mobility market development**
 - Revenue decreased by 36.9 % to EUR 9.1m (2012: EUR 14.5m)
 - EBIT of TEUR 108 (2012: EUR 1.5m)
 - Battery division is not yet meeting expectations due to insufficient growth dynamic in e-mobility market
- Manz will exploit future growth opportunities
 - Expansion of technology portfolio and access to market with possible acquisition
 - Strengthening of position as Europe's leading equipment supplier for production of Li-ion batteries
 - Additional sales potential in the field of "premium consumer electronics" (tablet computers, mobile phones, notebooks)
- Comprehensive technological competence enables Manz covering all major market segments of Li-ion batteries
 - High upside potential thanks to positive prospects in all end markets

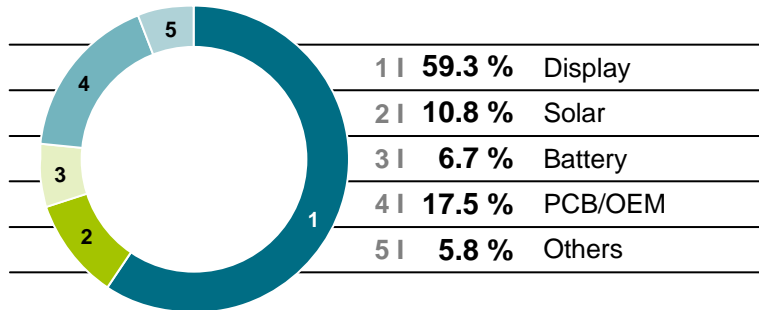


- **OEM/PCB: Positive development due to strongly expanded OEM business**
 - Revenue increased by 117.3% to EUR 56.4m (2012: EUR 25.9m)
 - EBIT increased significantly to EUR 3.7m (2012: TEUR 390)
- OEM business still driven by strong demand of semiconductor industry
- Ongoing positive development of PCB segment
 - Benefit from increasing use of electronic devices in everyday life and ongoing high demand for consumer electronics, e.g. smart phones and tablet computers
 - High demand reflects strong local presence of Manz in China
- Strengthening of OEM business and expansion to other industries as strategic target to further stabilize business model
 - Ensures high utilization rate of our capacities
 - Compensation of volatile revenue and capacity utilization in strategic business units

FINANCIAL FIGURES

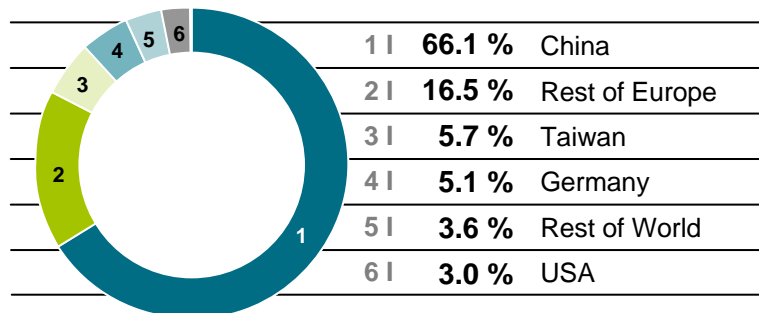
Order backlog: 79m EUR

As of February 28, 2014



Revenue by region

As of December 31, 2013



Revenue by business units

In EUR thousand

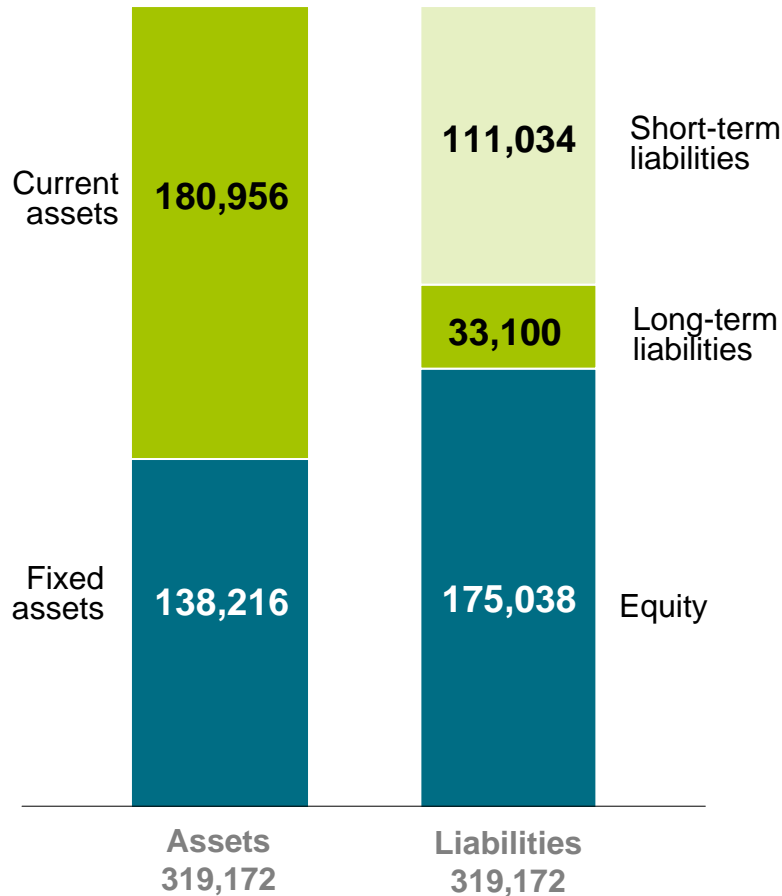


1 | Display 2 | Solar 3 | Battery 4 | PCB/OEM 5 | Others

in EUR thousand	Jan.1 – Dec. 31 2013	Jan.1 – Dec. 31 2012
Revenue	266,248	184,107
Total operating revenue	278,362	188,877
Cost of materials	-160,490	-100,870
Personnel expenses	-65,216	-71,591
Other expenses	-39,563	-42,712
EBITDA	27,010	-10,801
EBIT	3,101	-30,708

- Increase of revenue by 44.6 % to EUR 266.2m (previous year: EUR 184.1m) reflects the strong business especially in our Display division
- Material cost ratio of 57.7 % (previous year: 53.4 %) due to growing revenue share of products with higher material costs manufactured at Manz Asia and Slovakia
- Personnel costs improved significantly from EUR 71.6m to EUR 65.2m despite strong increase in turnover
- High EBITDA of EUR 27.0m (previous year: EUR -10.8m) proves that Manz has returned to good operating profitability
- Positive EBIT of EUR 3.1m (previous year: EUR -30.7m) marks successful turnaround

As of December 31, 2013
In EUR thousand



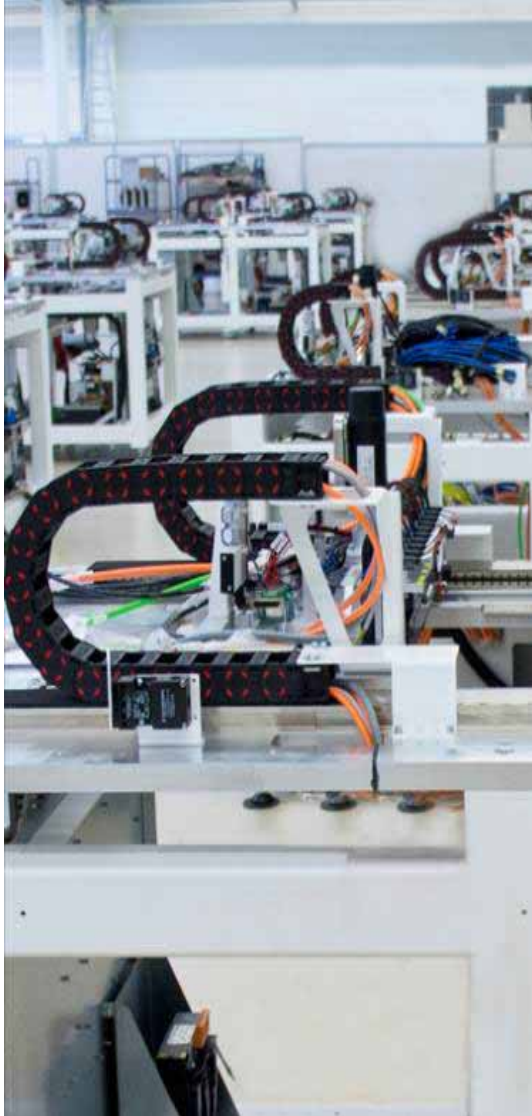
- Equity increased from EUR 156.2m to EUR 175.0m due to successful capital increase in November 2013
- Long-term liabilities decreased from EUR 37.5m to EUR 33.1m due to scheduled repayments of KfW loan for innovation and loan for financing buildings at our location in Slovakia
- Short term liabilities slightly increased from EUR 106.3m to EUR 111.0m due to higher accounts payable and use of credit lines for pre-financing of working capital because of strong growth
- Fixed assets decreased from EUR 155.4m to EUR 138.2m due to scheduled depreciation of both intangible and fixed assets (new fab in Suzhou)
- Current assets increased from EUR 144.5m to EUR 181.0m as a result of cash inflow from cash capital increase and positive business development

in EUR thousand	As of Dec. 31 2013	As of Dec. 31 2012
Cash flow from operating activities	22,477	20,521
Cash flow from investing activities	-11,702	-39,083
Cash flow from financing activities	23,891	15,821
Cash	64,666	30,708
Net debt	358	35,040

- Positive operating cash flow improved slightly to EUR 22.5m as a result of good profitability
- Cash flow from investments has been reduced significantly to EUR -11.7m and comprises investment in R&D
- Cash flow from financing activities increased from EUR 15.8m to EUR 23.9m mainly due to capital increase
- Cash position more than doubled to EUR 64.7m due to the mentioned developments
- With net debt of TEUR 358 almost debt-free



- Return to the TecDax as of March 24, 2014
 - Manz AG shares return to the league of Germany's 30 largest, Prime Standard listed technology companies
- Inclusion in TecDax proofs the capital market's confidence in our successful and sustainable business performance and corporate strategy
 - Manz AG is the only remaining equipment company from the 2011 “SolarDax” stocks
 - Manz share price increased by 250% in 2013
- Listing will further increase our attractiveness to investors
 - Share price peaked at 8% after the announcement



- Successful turnaround due to diversification in technology, industries, and regions
 - Focus on further expansion of excellent position as leading equipment supplier for consumer electronic and battery industry
 - Possible acquisition in battery segment to strengthen market position
- Very good prospects for 2014 due to high growth potential in all strategic divisions
 - Despite temporarily slight slowdown of market dynamics, investment boom in display industry will continue
 - Upturn in solar industry has high upside potential and creates good conditions for sale of a CIGSfab
 - Positive momentum for Battery division by promising perspectives in the premium consumer electronics sector and by stimulation of market growth for e-mobility expected
 - Positive development of OEM/PCB segment due to expansion of OEM business to other industries and ongoing high demand for consumer electronics

>> 2014: Strong growth (including sale of CIGSfab) in revenue and considerably improved EBIT expected

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