



MANZ AG

WEBCAST FINANCIAL FIGURES 6M/2016

AUGUST 11, 2016 / DIETER MANZ, MARTIN HIPPE

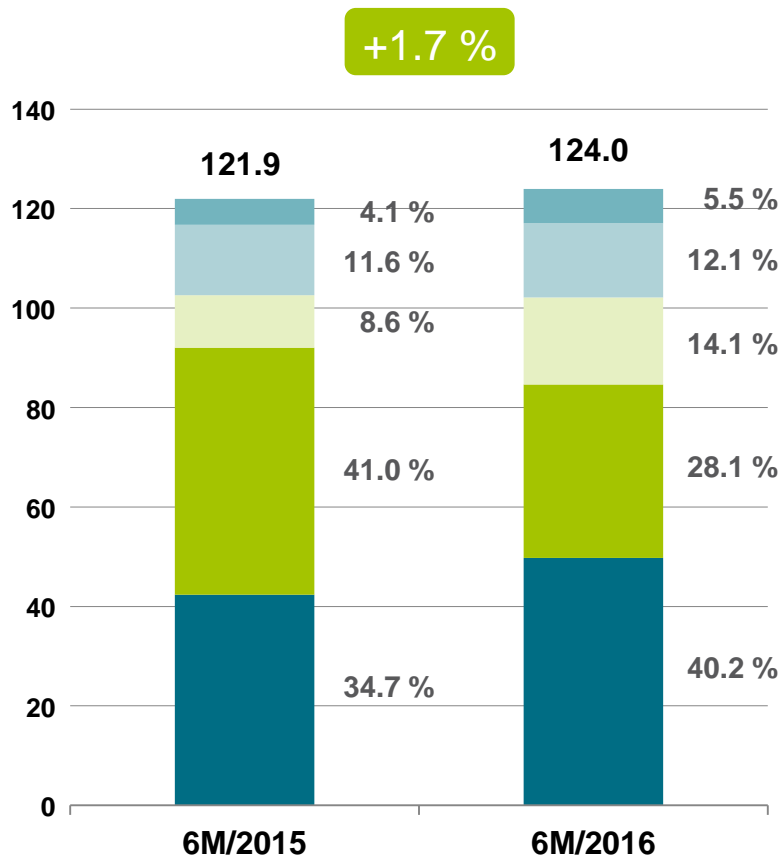


- Revenues of EUR 124.0m slightly above previous year (6M/2015: EUR 121.9m)
 - Order stop on short notice in Energy Storage segment by major customer in June with negative effect on operative business
- Negative EBITDA of EUR -4.5m improved by EUR 2.2m compared to the previous year
- EBIT of EUR -11.7m (6M/2015: EUR -12.9m)
- Solid basis for future development of the company
 - Successful completion of capital increase end of May 2016 with net proceeds of EUR 75.6m
 - Ongoing restructuring measures
 - Detailed planning for strategic cooperation with Shanghai Electric on track

REVENUE DEVELOPMENT

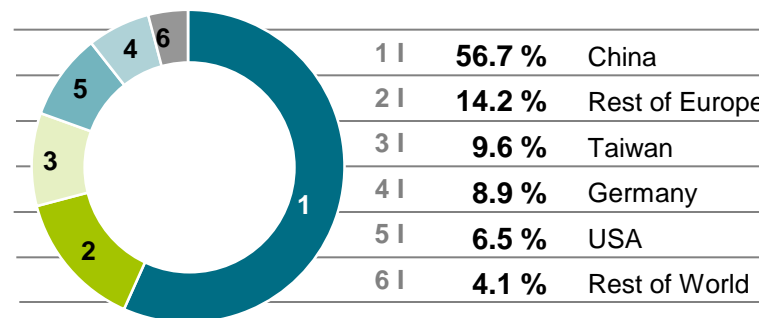
Revenue by business units

in EUR million



Revenue by region – shipment of tools

as of June 30, 2016



➔ Growth of Electronics to EUR 49.8m representing 40.2 % of total revenues

➔ China and Taiwan represent a 66.3 % share of total revenues

Electronics

Energy Storage

Solar

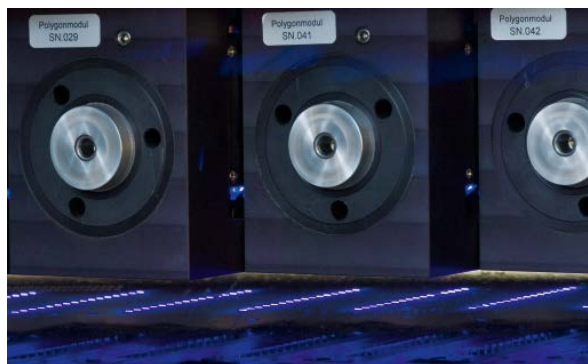
Contract Manufacturing

Others

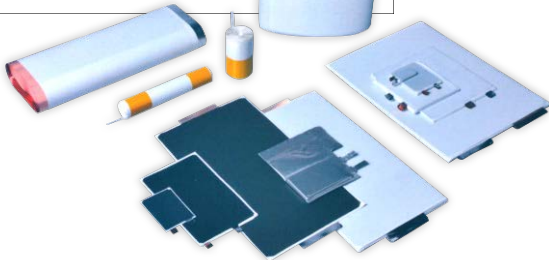
- **Electronics: Return to growth in revenues after decline in demand from Asia in 2015**



- Demand of Asian customers for PCB and display production equipment increased again compared to first half-year 2015
- Strong demand for equipment for fully automated manufacturing of electronic products and laser processing machines for production of components of smartphones and tablets
- Profitability influenced by
 - underutilized capacities at German location
 - the restructuring of this division with the objective of risk reduction – bulk orders with high risks have thus not been accepted



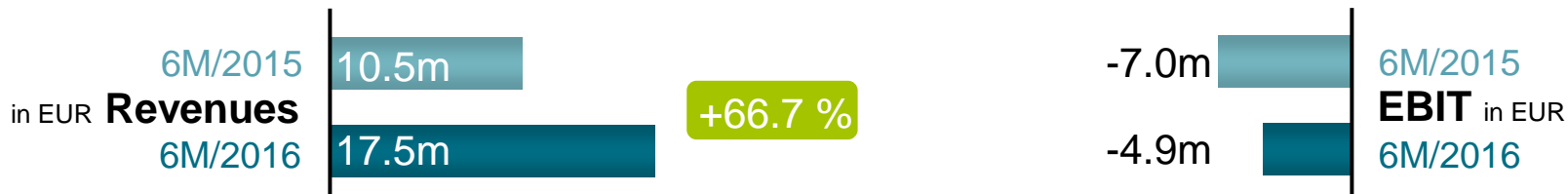
● Energy Storage: performance influenced by preliminary order stop



- Preliminary order stop by major customer in June
 - Ongoing discussions with the customer
 - Final statement on the potential impact of the result of the negotiations on 2016 revenues and earnings not yet possible
- High dynamics in e-mobility sector offering ongoing high growth potential
- Focus of sales activities on broader customer portfolio

REVIEW SOLAR DIVISION

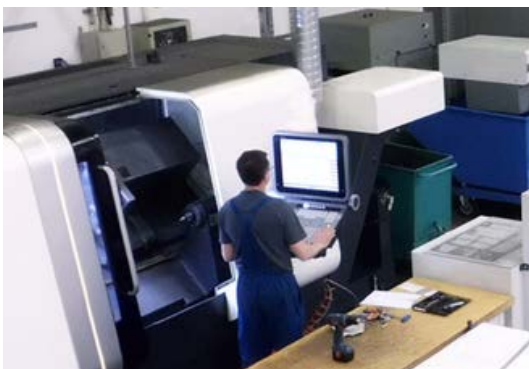
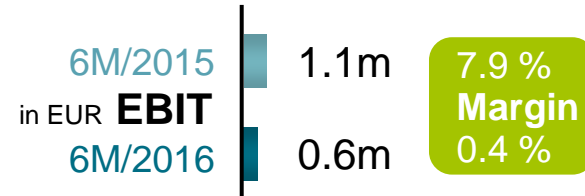
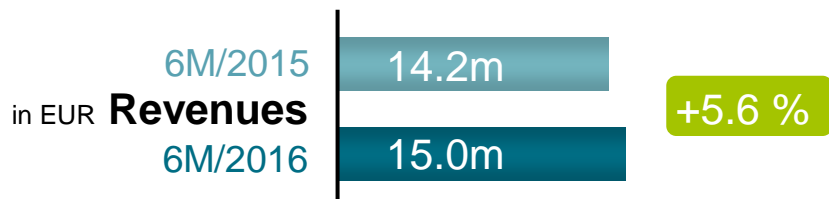
- **Solar: Positive revenue development driven by demand for advanced automation solutions**



- Increase in revenues results from demand for automation solutions in China
- Earnings influenced by maintenance of capacities in CIGS thin-film technology
- Focus on further development and commercialization of CIGS technology together with Shanghai Electric

REVIEW CONTRACT MANUFACTURING SEGMENT

● **Contract Manufacturing: stable development**



- Contract manufacturing for the semiconductor, medical, packaging, and automotive industry
 - Revenues mostly result from customers of the semiconductor industry
 - Positive perspectives through expansion of OEM business in Taiwan

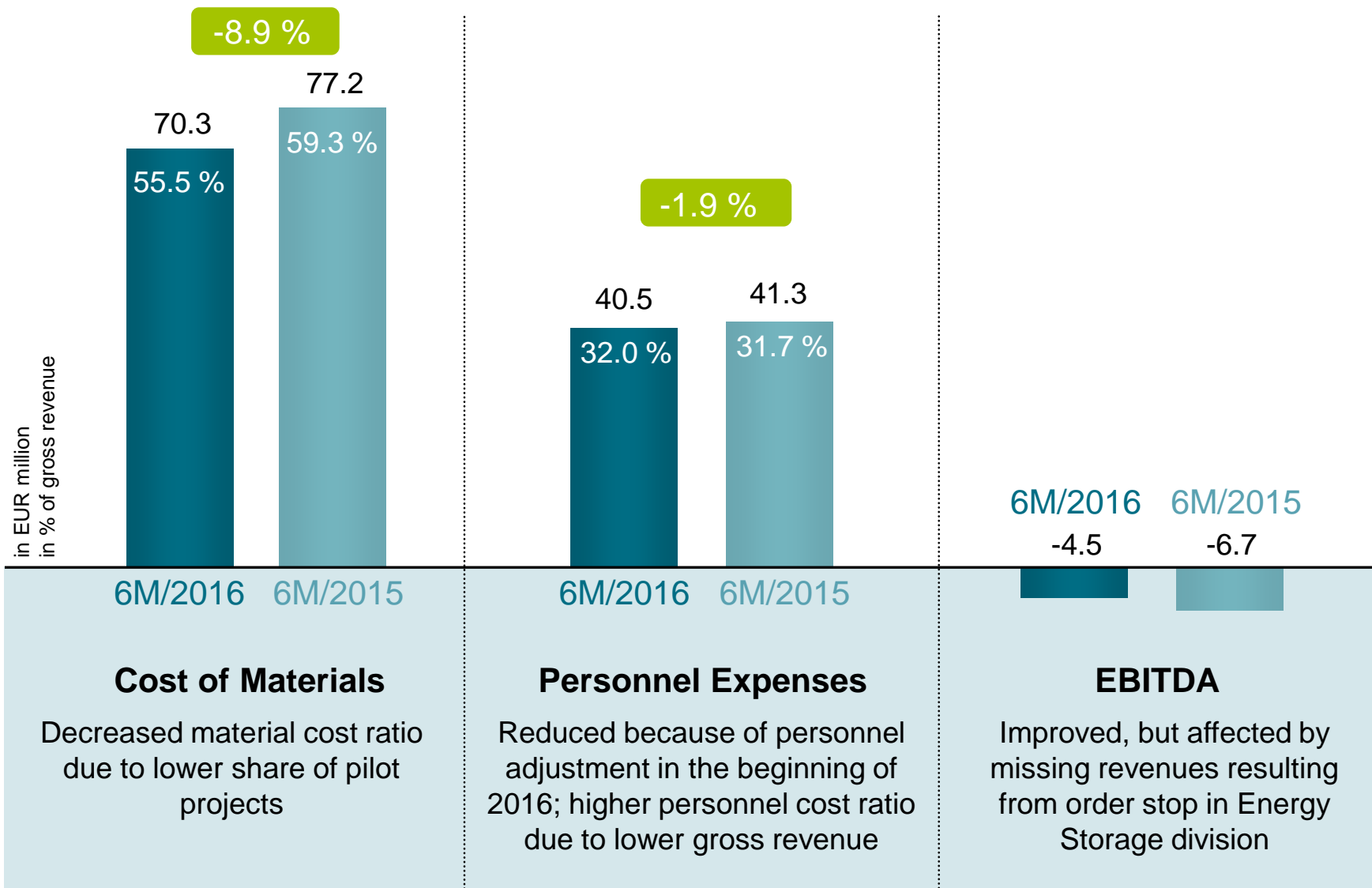
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FINANCIAL FIGURES

in EUR million	Jan.1 – Jun. 30 2016	Jan.1 – Jun. 30 2015
Revenues	124.0	121.9
Gross revenue	126.6	130.2
Other operating income	3.2	3.1
Costs/Expenses	134.2	140.0
EBITDA	-4.5	-6.7
Depreciation	-7.3	-6.2
EBIT	-11.7	-12.9

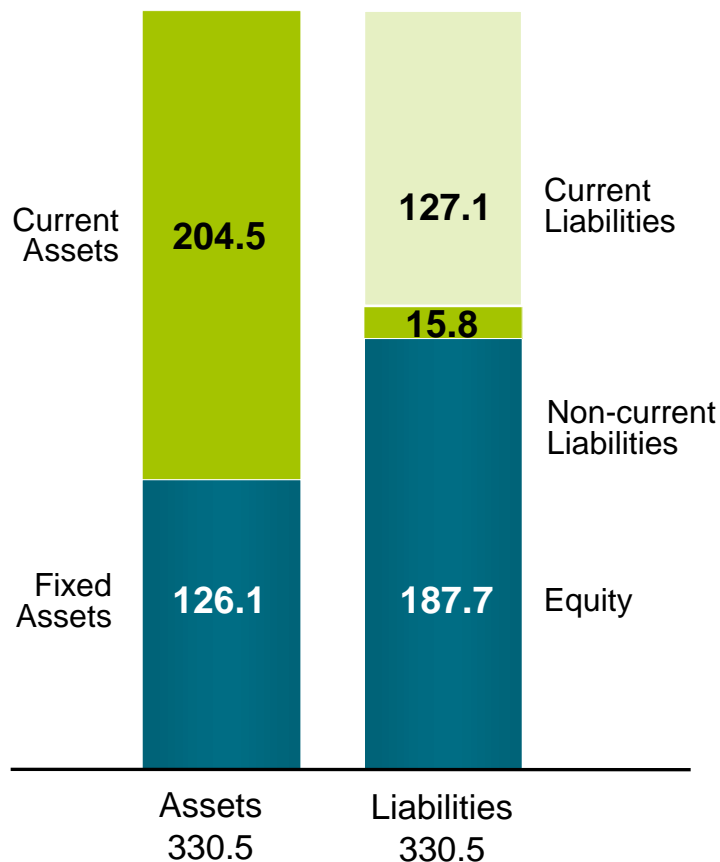
- Revenues slightly above previous year despite revenue loss in the mid single digit million range due to preliminary order stop in Energy Storage division
- Gross revenue decreased because of less capitalized R&D costs
- Reduced overall cost base due to lower material costs and positive effects from the Manz restructuring program
- EBITDA of EUR -4.5m improved due to cost reduction measures, but still negative due to lower revenue base than expected
- Depreciation of EUR -7.3m primarily consists of scheduled depreciation
- EBIT of EUR -11.7m slightly better than previous year's level

INCOME STATEMENT



BALANCE SHEET

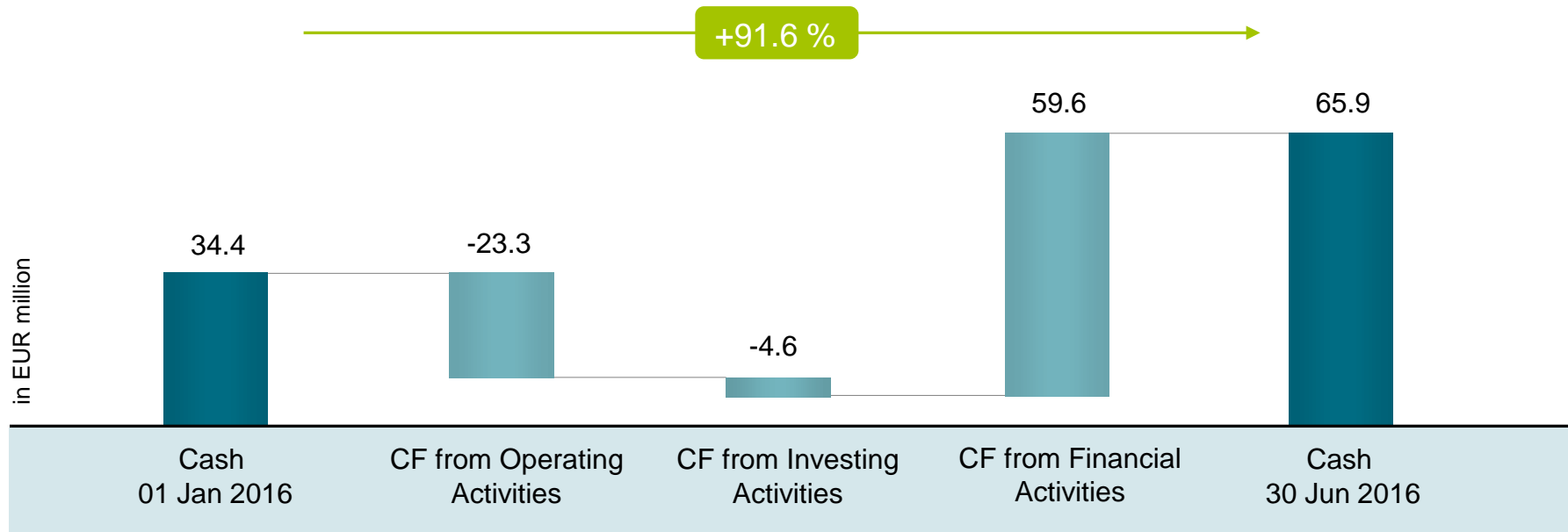
as of June 30, 2016
in EUR million



	Definition	Jun. 30, 2016	Dec. 31, 2015	Change
Equity Ratio	$\frac{\text{equity}}{\text{total assets}}$	56.8 %	42.8 %	+14.0 pp
Net Working Capital <small>(in EUR million)</small>	current assets ./. liquid funds ./. non-interest-bearing current liabilities	76.6	56.1	+36.5 %
Net Debt <small>(in EUR million)</small>	interest-bearing liabilities ./. liquid funds	1.5	48.6	-96.9 %

- Equity ratio with 56.8 % on very good level
- Increase in net working capital mainly due to higher receivables
- Net debt influenced by increase in liquid funds because of capital increase in May 2016 as well as the repaid current financial liabilities.

CASH FLOW

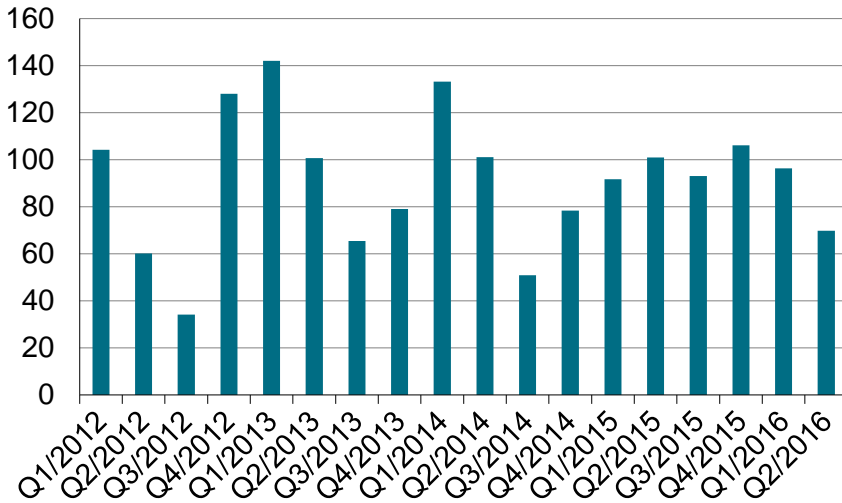


- Improved cash flow from operating activities reflects lower increase of inventories and accounts receivable (6M/2015: EUR -41.0m) and a decrease of accounts payable at the same time
- Cash flow from investing activities reflects investments in R&D (6M/2015: EUR 16.0m)
- Cash flow from financing activities influenced by equity injection resulting from the capital increase and reduction of current financial liabilities (EUR 15.9m)

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OUTLOOK

Development of Order Backlog



- Order backlog at the end of July 2016 at a good level

- Backlog in business unit Energy Storage affected by preliminary order stop by major customer

- Very good development of Electronics division

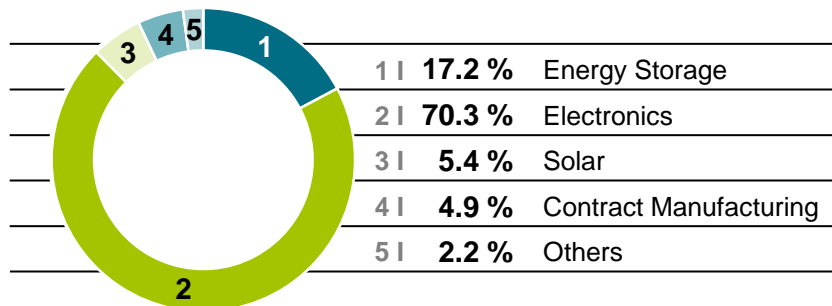
- Increased demand for production equipment for electronic components

- Orders related to Speedfactory project by adidas are shown here

- Stable percentage of Solar division and Contract Manufacturing segment

Order Backlog: EUR 69.8m

as of July 31, 2016





- Comprehensive restructuring program is under progress
 - Adjusting of business model for a better control and minimization of project risks
 - Improvement of transparency of planning processes and cost control to increase the entrepreneurial flexibility and competitiveness
 - Capital increase secures financial stability
- Focus on high growth potential of CIGS technology and successful commercialization with Shanghai Electric as strong anchor investor
- Expansion of our good position as only non-Asian company in the growth market Energy Storage
- Further growth in Electronics division by continuous diversification within product portfolio and customer base as well as strengthening of international sales structures
- Guidance for 2016 despite planning uncertainties relating to order stop in Energy Storage division confirmed: “Significant increase of revenues and significantly improved EBIT”

THANKS

THANK YOU
VERY MUCH FOR
YOUR ATTENTION!

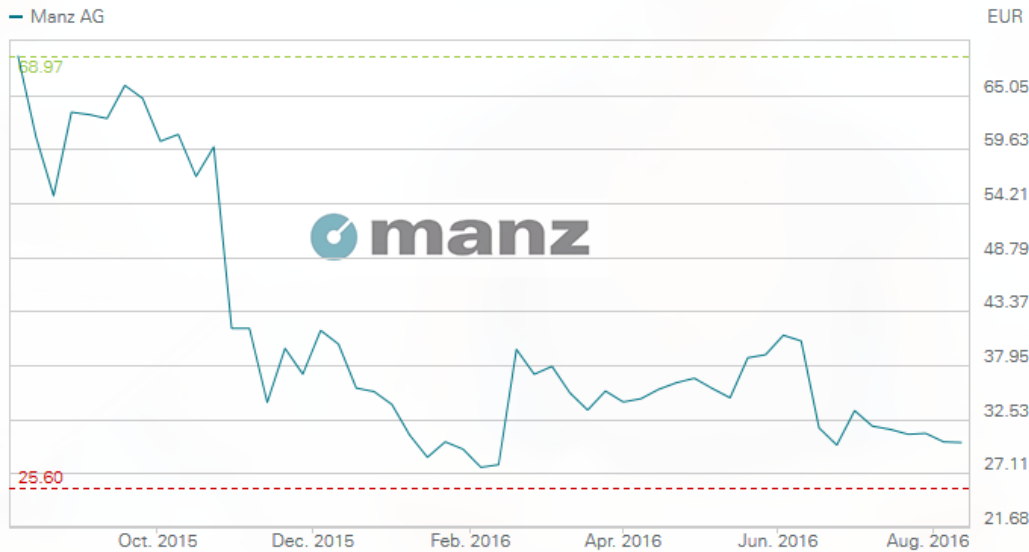
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Stock Key Data and Shareholder Structure

ISIN	DE000A0JQ5U3	
Stock Market Segment	Regulated Market (Prime Standard)	
Capital Stock	7,744,088	
Opening Price	19 EUR (Sep. 2006)	
Shareholder Structure	Dieter Manz	24.66 %
	Ulrike Manz	2.66 %
	Shanghai Electric	19.67 %
	Free Float	53.01 %