



**MANZ AG**

**WEBCAST FINANCIAL FIGURES 3M/2017**

**MAY 11, 2017 / DIETER MANZ**

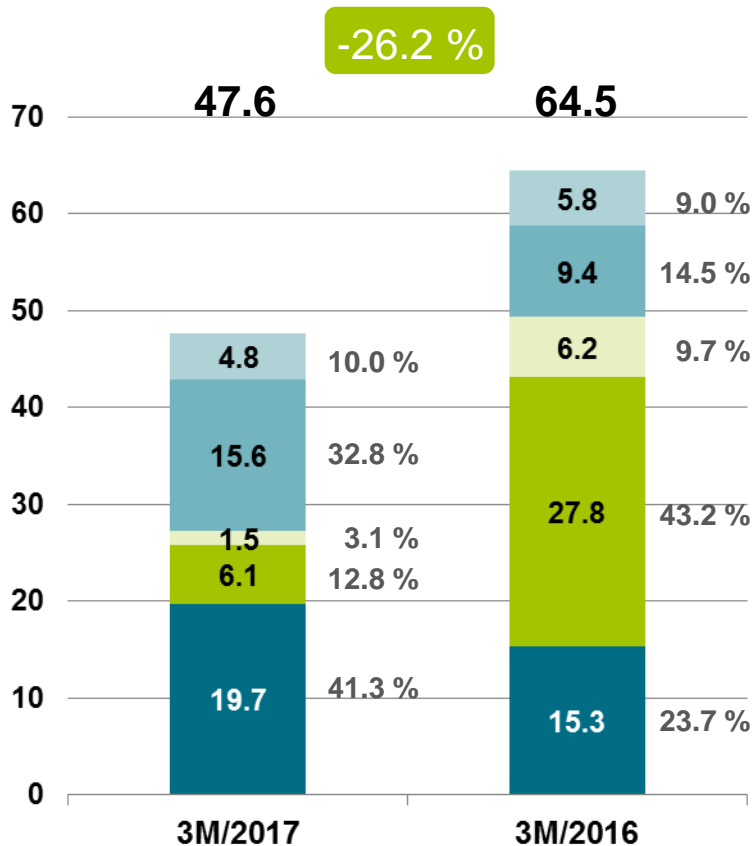


- Revenues with EUR 47.6m below previous years' level (3M/2016: EUR 64.5m)
  - Exceptionally high revenue share of business unit Energy Storage in 1<sup>st</sup> quarter of 2016 due to processing of a bulk order
  - No contribution of CIGS bulk orders to revenues of 1<sup>st</sup> quarter 2017
- Operating profit of 3M/2017 results from one-time accounting effect of EUR 34.4m from sale of Manz CIGS Technology GmbH
  - EBITDA of EUR 23.2m (3M/2016: EUR 0.9m)
  - EBIT of EUR 20.0m (3M/2016: EUR -2.5m)
- Ongoing focus on improvement program to realize a sustainable and profitable growth
- Fully on track to meet our forecast for full year 2017

# REVENUE DEVELOPMENT

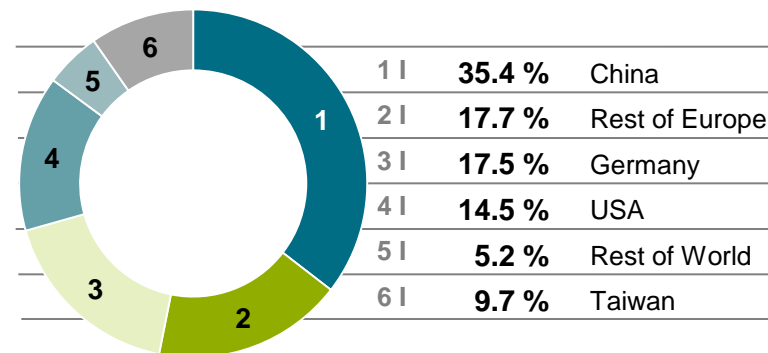
## Revenue by business units

in EUR million



## Revenue by region – shipment of tools

as of March 31, 2017



➔ Significant increase of revenues in BU Electronics and segment Contract Manufacturing

➔ High share of revenues generated in Germany mainly results from adidas projects



- **Electronics: Growth in revenues driven by strong demand from Chinese display industry**



- Revenue growth due to revived market for classic display business with flat panel displays in China
- Strong decline of business with production systems for electronic devices industry as a result of risk mitigation after last years' negative experiences
  - Development of diversified customer base is most important task, but will take some time
  - Expansion of target industries by automotive and industrial electronics
- Starting with this report, high-margin service business is reported in an own reporting segment

## REVIEW BUSINESS UNIT ENERGY STORAGE

- Energy Storage: Performance influenced by strategic reorientation



- Exceptionally high revenues in 1<sup>st</sup> quarter of 2016 due to processing of a bulk order
- High-margin service business is reported in an own reporting segment
- Strategic reorientation towards broader customer portfolio requires and related investments have current impact on sales and profitability
  - Development of standard laser machine (Flexible Laser System FLS 1800) for battery production
  - Intensive R&D in Germany and Italy for high-performance cell formats
  - Adjustment of sales structures to gain access to broader customer base

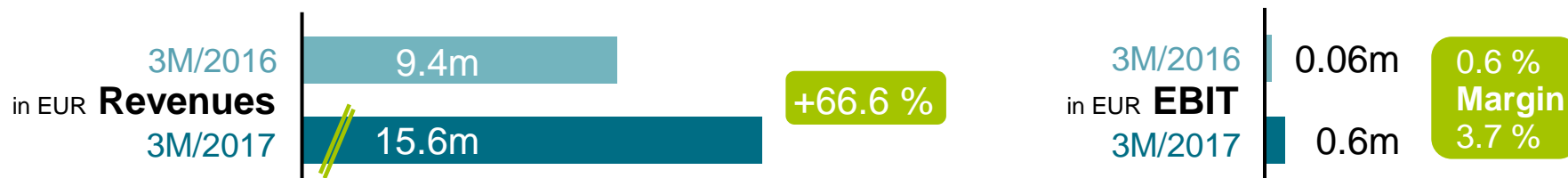
- Solar: Earnings strongly affected by one-time accounting effect



- No contribution of CIGS bulk orders to revenues of 1<sup>st</sup> quarter 2017
- Payment of EUR 50 million for sale of Manz CIGS Technology GmbH received early May
  - One-time accounting effect of EUR 34.4m
- CIGS orders will impact revenues and earnings in the fiscal years from 2<sup>nd</sup> quarter 2017 onwards
- Agreed downpayment totaling EUR 79m expected in May
- Newly established companies Suzhou Manz New Energy Equipment Co., Ltd. and NICE PV Research Ltd. started operations

# REVIEW SEGMENT CONTRACT MANUFACTURING

- **Contract Manufacturing: Talus Manufacturing drives positive development**



- Joint venture “Talus Manufacturing” started operations in middle of second half-year of 2016
  - Increasing demand for refurbishment of Lam’s production equipment for the semiconductor industry
  - Sustainable contribution to positive development of this segment
- Contract manufacturing for the semiconductor, medical, packaging, and automotive industry at steady level

**2017** | **3M**

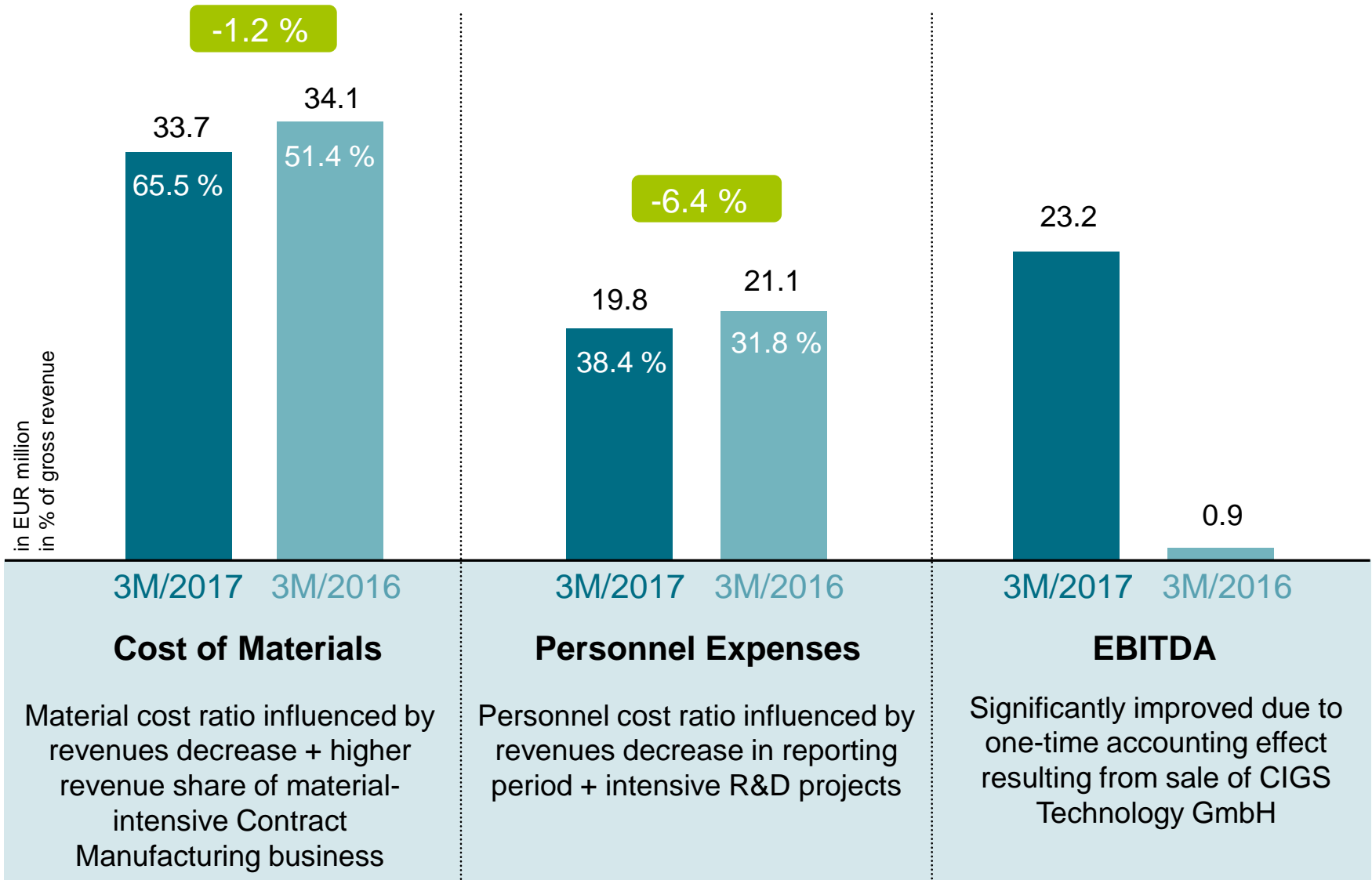
# FINANCIAL FIGURES



in EUR million	Jan.1 – Mar. 31 2017	Jan.1 – Mar. 31 2016
Revenues	47.6	64.5
Gross revenue	51.4	66.4
Other operating income	35.6	2.0
Costs/Expenses	63.9	67.4
EBITDA	23.2	0.9
Depreciation	3.1	3.4
EBIT	20.0	-2.5

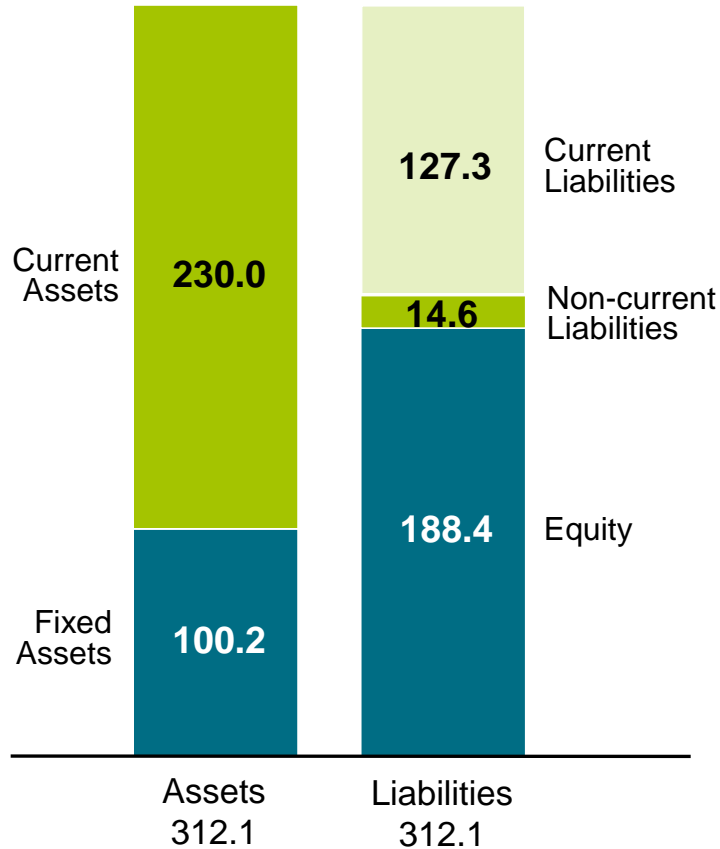
- Revenues below previous years' level by 26.2 % due to exceptionally high revenue contribution of business unit Energy Storage in Q1/2016 and postponement of processing of CIGS bulk orders
- Other operating income reflects one-time accounting effect of EUR 34.4m resulting from sale of CIGS Technology GmbH
  - Official approvals in connection with CIGS orders and collaboration were granted at the end of March
- Reduced overall cost base due to improved cost control by means of optimization program Manz 2.0

**INCOME STATEMENT**



# BALANCE SHEET

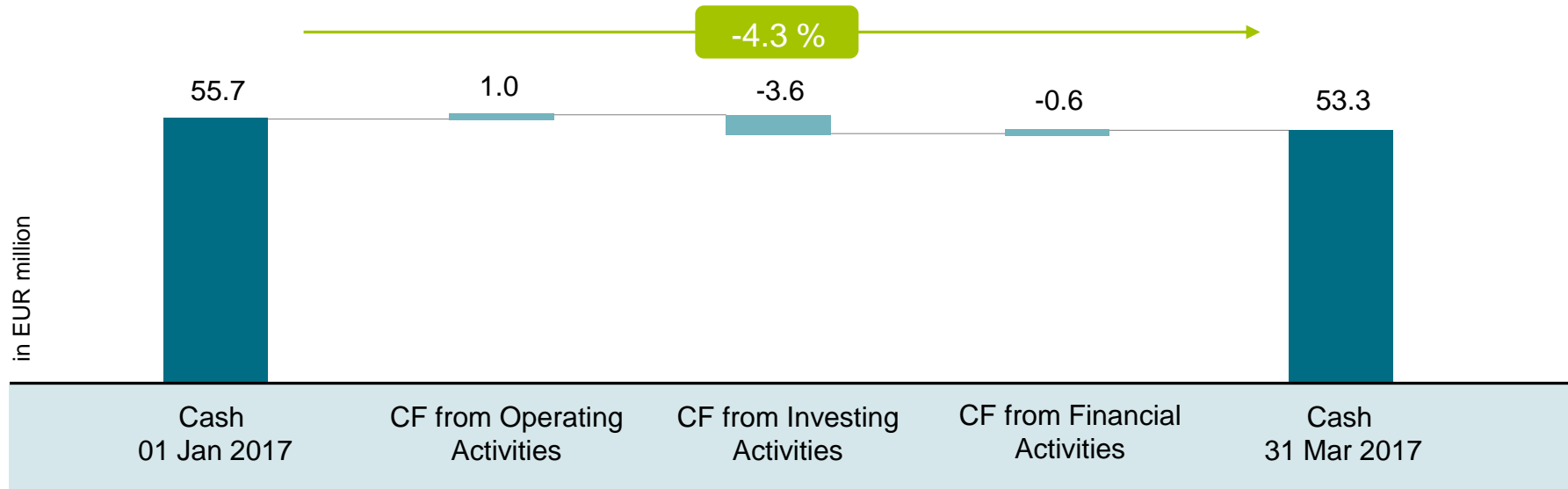
as of March 31, 2017  
in EUR million



	Definition	Mar. 31, 2017	Dec. 31, 2016	Change
<b>Equity Ratio</b>	$\frac{\text{equity}}{\text{total assets}}$	57.0 %	52.9 %	+4.1 pp
<b>Net Working Capital</b> <small>(in EUR million)</small>	current assets ./. liquid funds ./. non-interest-bearing current liabilities	101.5	55.4	83.2 %
<b>Net Debt</b> <small>(in EUR million)</small>	interest-bearing liabilities ./. liquid funds	0.5	-1.3	-138.5 %

- Equity ratio on very good level
- Net working capital reflects sale of Manz CIGS Technology GmbH
- Net debt influenced by decrease in liquid funds

CASH FLOW

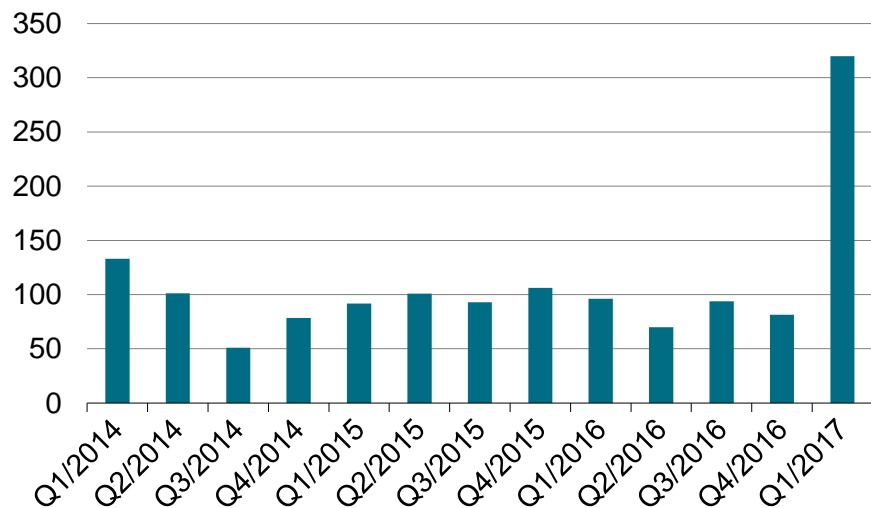


- Cash flow from operating activities of EUR 1.0m (3M/2016: EUR 1.2m) on low level due to weak start in 1<sup>st</sup> quarter
- Cash flow from investing activities of EUR -3.6m (3M/2016: EUR -2.9m) reflects slightly increased investments in R&D
- Cash flow from financing activities of EUR -0.6m (3M/2016: EUR -6.0m) influenced by reduction of current financial liabilities

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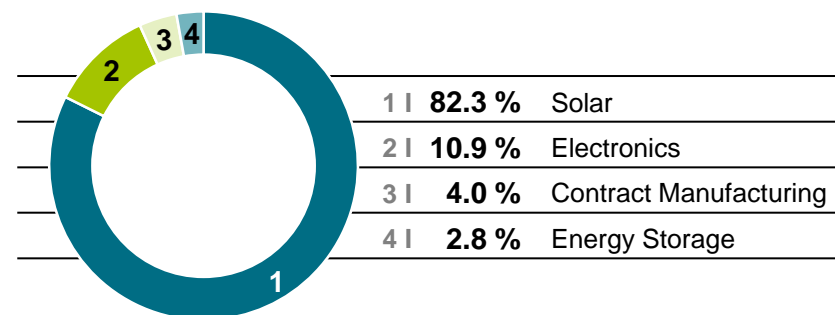
# OUTLOOK

### Development of Order Backlog



### Order Backlog: EUR 319.8m

as of March 31, 2017 (project-related)



- Order backlog at the end of March 2017 reflects bulk orders for CIGS production lines
  - ➔ Manz will shortly start to work on the CIGS orders after receipt of downpayment expected for May 2017



- Dieter Manz plans move to Supervisory Board
  - Supervisory Board will nominate Dieter Manz at AGM on July 04, 2017 for election to Supervisory Board
  - Dieter Manz retains his involvement as Manz AG's main shareholder
- Management of Manz AG will be handed over to the hands of an experienced management team
  - Eckhard Hörner-Marass, CTO, is to take over as CEO: strategic business units of Energy Storage and Electronics, R&D, business development
  - COO Martin Drasch: Production and Purchasing, strategic business unit Solar, segments Contract Manufacturing and Service
  - Gunnar Voss von Dahlen will start as CFO on June 1<sup>st</sup>, 2017



- Consequent pursue of our diversification strategy: success of company is based on 3 equally strong business units
  - Focus on excellent growth potential in business unit Solar
    - First orders for CIGS*fabs* and accelerated development of the CIGS technology will add further dynamics to the demand for the Manz CIGS*fab*
  - Expansion of our good position as leading non-Asian company in the growth market Energy Storage
  - Further growth in business unit Electronics by continuous diversification within product portfolio and customer base
  - Broadening of product portfolio with standard machines and intelligent solutions based on modular systems to further expand customer base in BUs Electronics and Energy Storage
- **Guidance 2017: significant increase in revenue to at least EUR 350m, with significantly improved and positive EBIT** (in dependence on the project start of the CIGS order, which will be determined at the time of downpayment)



THANKS

THANK YOU  
VERY MUCH FOR  
YOUR ATTENTION!

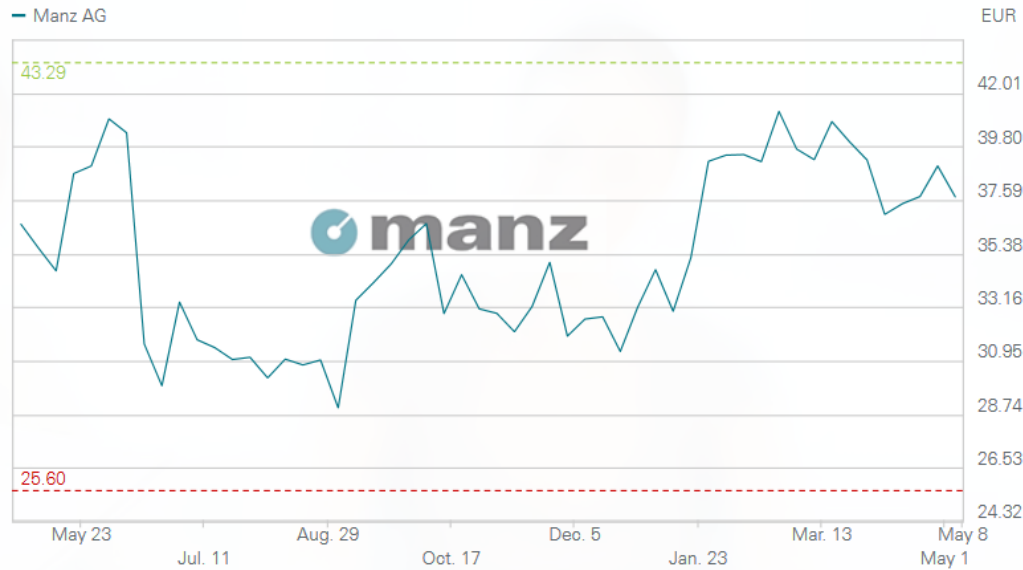
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## Stock Key Data and Shareholder Structure

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