

MADE BY MANZ

6-MONTH REPORT 2010

Manz Automation AG
Steigaeckerstraße 5
72768 Reutlingen, Germany
Phone +49 (0) 7121 9000-0
Fax +49 (0) 7121 9000-99
info@manz-automation.com
www.manz-automation.com



FINANCIAL CALENDAR 2010

November 8	9-Month Report
November 22–24	German Equity Forum

OVERVIEW OF GROUP RESULTS

in EUR million	Q1 + Q2 2010	Q1 + Q2 2009
Revenues	67.51	28.28
Total operating revenues	77.60	38.11
EBIT	-1.54	-12.56
EBIT margin (in %)	–	–
EBT	-1.15	-12.11
Consolidated net result	-0.66	-9.82
Earnings per share	-0.16	-2.08
Operating cash flow	-5.27	-2.89
Equity ratio (in %)	69.29%	78%*
Net debt	-66.92	-78.78*

*December 31, 2009

TO OUR SHAREHOLDERS

005	Manz Automation AG Mission Statement
006	Letter to the Shareholders
010	Manz Automation AG Shares

GROUP INTERIM REPORT

014	Business Report
034	Events After the Balance Sheet Date
035	Risk Analysis and Forecast

**CONSOLIDATED INTERIM FINANCIAL STATEMENT
& NOTES**

039	Consolidated Interim Financial Statement
045	Notes to the Consolidated Interim Financial Statement

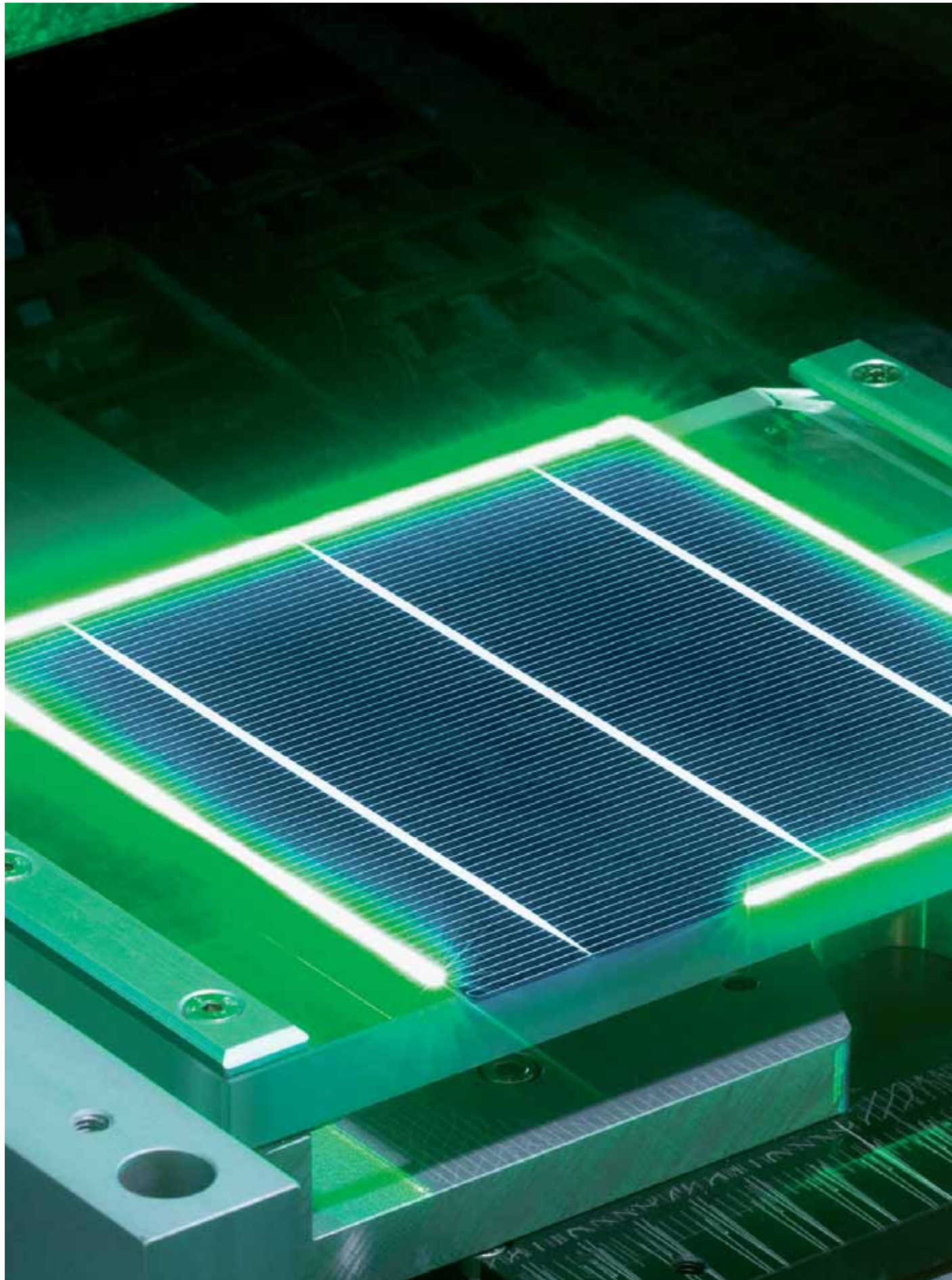


Title: Vocational training made by manz

The cover photo shows some of our young trainees, who represent extremely important parts of our corporate culture and positioning: Sustainability, future technology, and responsibility. These young colleagues enrich our company with their high level of dedication as well as truly individual skills and interests.

MANZ AUTOMATION AG MISSION STATEMENT

Manz Automation views itself as a high-tech equipment manufacturer. Our goal is to develop machines and systems for fast-growing industries around the world, especially companies active in the field of green technology. In pursuit of this goal, our strategy is to innovate at a fast pace, improving existing products and creating new solutions that offer our clients competitive advantages. In this regard, our extensive technological expertise forms the foundation upon which our company is built. We are primarily focused on the photovoltaics industry, and we play a significant role in shaping this field as a company driving innovation in the industry. In the future, our company will also be active in this market as a manufacturer of fully integrated production lines for CIGS thin-film solar modules. Other areas of business include the flat panel display (FPD) industry and our New Business division, which is where we pick up on new trends (such as lithium-ion batteries) and develop innovation solutions. Thanks to our core area of expertise – automating processes and developing integrated systems – our technologies find application in a wide variety of industries. Living and breathing the art of engineering day in and day out rapidly leads us to become familiar with further processes, which allows us to develop new, powerful products. At Manz, research and development are a top priority. This spirit of invention spurs us on each and every day – and drives our company's dynamic growth.



LETTER TO THE SHAREHOLDERS

Dear Shareholders,

The value of orders on our books at the end of June once again exceeded 100 million euros

The first half of 2010 was characterized by numerous positive signs for Manz Automation's operations. In February we saw a turnaround in the number of orders we received, and this trend continued in the following months. As a result, the value of the orders we had on the books at the end of July 2010 once again surpassed the 100 million euro mark – the first time this was the case since the economic crisis began. In this context, we saw particularly high demand for our newly developed products such as our back-end line for manufacturing crystalline solar cells. We are shipping the lion's share of the machines that have been ordered to the Asian growth markets such as China, Taiwan, South Korea, and India, but our innovative solutions have also been extremely well received in Germany, too.

The improved market situation is now reflected in our revenues and profit. Thus, in the first six months of the year, we generated revenues of 67.51 million euros after generating revenues of 28.28 million euros in the same period last year. This corresponds to year-over-year growth for the period of around 139%. With regard to earnings before interest and taxes (EBIT), we recorded a profit for the second quarter totaling 1.77 million euros after posting a loss of 7.60 million euros in the same period last year. Although our EBIT for the first six months of 2010 remains negative, the current trend should enable us to post a positive EBIT for the entire fiscal year. We believe these figures demonstrate that we chose the right strategy in maintaining our workforce in Germany through the economic crisis, in order to have sufficient capacities during the current recovery phase to spur on further growth.

Investments in research and development for a leading technological market position

The intensive research and development activities we conducted over the past months as well as our strong position in Asian markets are the engine powering this further growth. In the future, our presence in Asia will continue to gain importance, since companies active in the Asian market will benefit from the local solar boom. Experts expect China to develop into the world's largest solar market in the foreseeable future. At the same time, India is pursuing the ambitious goal of installing solar equipment with a peak output of 20 GW by 2020. Because of these reasons, we will expand our capacities in China and set up a new manufacturing facility in Suzhou. Our existing production facilities have once again been running at high capacity since March 2010, which is why our outlook for the future is extremely optimistic. In addition, we are continuing to work on being able to offer the most innovative solutions. This turned out to be a decisive factor, which influenced our client's selection process, especially during the economic crisis. That is why we have made the strategic decision to systematically continue and further expand our R&D activities during the current year as well. Our R&D efforts will concentrate both on developing our vacuum coating technology into a further core area of expertise and on making advancements in wet chemical processing. In addition, our goal is to further integrate

production lines. Thus, the main focus of our activities in 2010 will primarily be on the dynamic growth of our company as well as continuing our intensive research and development efforts.

As a result of this positive trend, in order to expand our business model we have decided to become a future manufacturer of turnkey, integrated production lines for CIGS thin-film solar modules. Working together with our partner Würth Solar, we are the only equipment supplier in the world capable of offering such systems, which can also be operated profitably. Würth Solar contributes more than ten years of experience in developing and manufacturing CIGS thin-film modules to this partnership. Thanks to an existing contractual relationship our partner has with the Baden-Württemberg Center for Solar Energy and Hydrogen Research (Zentrum für Sonnenenergie- und Wasserstoff-Forschung Baden-Württemberg in German, or ZSW), Manz has also gained exclusive access to the results of this center's research activities. When it comes to CIGS technology, the ZSW currently holds the world record for efficiency, having achieved 20.3%. This makes CIGS modules the world's most efficient form of thin-film technology. Based on this partnership, Manz Automation is striving to be the market leader as a supplier of fully integrated and economical thin-film production lines.

Our expanded business model: integrated production lines for CIGS thin-film solar modules

We believe this strategic step is the logical continuation of goals we have already achieved on our way to becoming a specialist for integrated production lines. In consideration of numerous technologies which we have developed ourselves and which have proven to be successful on the market (such as in the field of laser processing technology, for example), we reached a further milestone in April 2008 when we acquired Intech, with headquarters in Taiwan, a company focused on wet chemical processes. With the recently founded Manz Coating for vacuum coating technology, we now cover approximately 90% of the value-added chain when it comes to thin-film technology. In the future, our additional range of products will include CIGS manufacturing equipment, which we plan to ship to manufacturers of thin-film solar modules worldwide. The potential annual revenue from a CIGSfab with a capacity of 120 MW totals around 150 million euros. We expect to see significant revenue growth from the cooperation with Würth Solar beginning in 2011. In fact, we believe this partnership will breathe new life into the global market for thin-film technology, since we can offer our clients a reliable, highly efficient technology with a clear cost and technology road map that will allow them to manufacture competitively, even over the long term.

A high percentage of the value-added chain of up to 90%

As a result of the enormous potential revenues we can generate from the sale of CIGS production lines, we believe that successfully implementing this business model will allow us to move into a completely new dimension when it comes to revenues and earnings in the coming years.

Significant revenue
and earnings growth

We are convinced that Manz will already record significant increases in revenues and earnings for the fiscal year 2010, and we forecast a total revenue of at least 140 million euros (total revenues in 2009: 85.9 million euros). Depending on further market developments, particularly in the field of thin-film technology, we might be able to achieve and even exceed this goal. For constructing production lines in the area of thin-film technology involves high investment costs and generally required external financing. Accordingly, the earlier our clients implement such projects, the more positive the effect this will have on our company's earnings and revenue. We already recorded the first orders for individual pieces of thin-film equipment toward the end of the second quarter of 2010. In addition, we have already held intense discussions with various clients and, as a result, we should see additional new orders come in during the remainder of the year. With liquid assets valued at 87.7 million euros and an equity ratio of approx. 70%, Manz remains extremely well financed, giving our company an excellent position from which to continue advancing our expanded business model.

We will also discuss the aforementioned topics with our new member of the Supervisory Board, Peter Leibinger, who was elected during the 2010 Annual General Meeting held on June 22, 2010. As a result of this election, Dr. Guido Quass was removed from his position as a member of the Supervisory Board, which he took over by court order on March 17, 2010, after the unexpected passing of the Chairman of the Supervisory Board, Dr. Jan Wittig. Since the first meeting of the new board on March 29, 2010, Professor Heiko Aurenz has held the position of Chairman of the Supervisory Board; Peter Leibinger will be his future Deputy Chairman.

We would like to take this opportunity to thank our shareholders, clients, suppliers, and strategic partners for the confidence they have shown in us. And we would also like to especially thank our employees, whose hard work and dedication throughout this fiscal year have once again played a significant role in Manz Automation's success.

The Managing Board



Dieter Manz
CEO

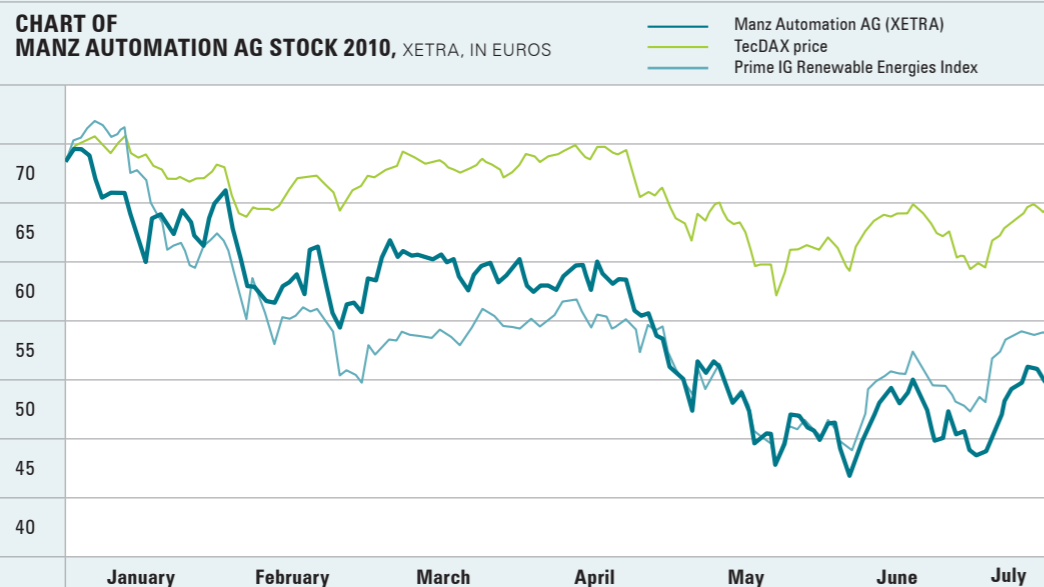


Martin Hipp
CFO



Volker Renz
COO



**CHART OF
MANZ AUTOMATION AG STOCK 2010, XETRA, IN EUROS**

MANZ AUTOMATION AG STOCK

Overview //

Manz Automation AG's stock has been listed on the Frankfurt Stock Exchange's regulated market (in the Prime Standard segment) since July 2008. During the fiscal year 2009, the stock markets plunged under the weight of the global economic and financial crisis. The effects of the crisis could still be felt significantly during 2010, and were reflected in the markets' high volatility. After the possibility that Greece would declare bankruptcy was barely averted, the public's focus turned to Portugal's and Spain's national financial situation. These uncertainties had a massive impact on the bond market and the euro during the first half of 2010. Despite a generally positive economic trend, the stock markets have moved unevenly and have proven to be highly sectoral.

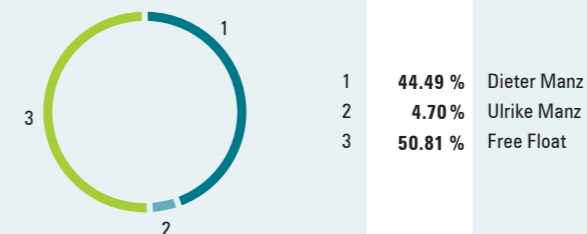
Manz's stock price at the beginning of the year was 68.81 euros, and it reached its annual high up until now on January 5, 2010, standing at 70.10 euros. In subsequent weeks, the value of Manz's stock could not escape the market's trend and declined. On June 8, 2010, Manz's stock was valued at 42.35 euros, its lowest point so far this year. These changes correspond to the overall industry average. As such, Manz Automation's stock moved mostly parallel with the Prime IG Renewable Energies Index, which performed worse than the TecDAX index. This trend has reversed since the beginning of July, however, and the discrepancy between the value of the TecDAX and the values of companies in the renewable energy segment is beginning to close once again. At the end of the quarter on June 30, 2010, with a closing price of 45.60 euros per share, our company's market capitalization totaled 205 million euros, but it has since increased after the reporting date as the result of a slight improvement in the capital markets to around 250 million euros.

Market capitalization
(June 30, 2010):
205 million euros

KEY DATA

German Securities Identification Number	A0JQ5U
International Securities Identification Number	DE000A0JQ5U3
Ticker Symbol	M5Z
Stock Market Segment	Regulated market (Prime Standard)
Type of Stock	Registered, common, no-par value bearer shares each with a proportionate value of 1.00 euro of capital stock
Capital Stock	4,480,054 euros
Number of shares in circulation	4,480,054

SHAREHOLDER STRUCTURE



Shareholder Structure //

Currently at 50.81%, Manz Automation has a large number of shares in free float and has a wide shareholder base. At the end of the quarter on June 30, 2010, company founder and Chairman of the Managing Board, Dieter Manz, held a 44.49% stake in Manz Automation. In addition, Ulrike Manz holds a 4.70% share of the company.



014 BUSINESS REPORT

014	Company Situation
014	Market and Competitive Environment
024	Group Structure
026	Employees
027	Research & Development
030	Notes to the Results
030	Earnings Position
033	Assets Position
034	Liquidity Position

034 EVENTS AFTER THE BALANCE SHEET DATE

035 RISK ANALYSIS AND FORECAST

036	Outlook
-----	---------

GROUP INTERIM REPORT

BUSINESS REPORT

MARKET ENVIRONMENT AND COMPANY SITUATION

Market and Competitive Environment //

Economic Environment

The German economy in the first half of 2010 was characterized by the lingering effects of the recession as well as the subsequent economic recovery. The unclear view of the situation was the result of early indicators which continued to fluctuate as a result of uncertainties in the market. In addition, the second half of 2009 saw a slight decline in the moderate recovery which the economy had seen up until that time. This stands in direct contrast to an increase in exports and gross investments. The former grew to 1.9% in the first quarter of 2010 after recording a significant decline of 12.5% in 2009. This recovery primarily benefited foreign trade, which recorded its fastest increase in ten years. According to the German Federal Statistical Office, in May 2010 exports alone rose by close to 30%.

The International Monetary Fund (IMF) also sees the economic recovery becoming more stable, and in July 2010 raised its forecast for global GDP growth to 4.6% percent. In April it had still predicted worldwide GDP growth in the fiscal year 2010 to total 4.3%. The IMF predicts growth of 1.0% for the Eurozone in 2010, and currently forecasts growth for next year of 1.3%. In contrast, the IMF has indicated that growth in Germany will total 1.4% and 1.6% for 2010 and 2011 respectively. However, the institute cautions that these forecasts are all based on the Eurozone countries' national governments pursuing a confidence-building monetary and fiscal policy.

In the meantime, the European Central Bank is supporting economic development by keeping its main interest rate unchanged at its record low of 1.0%. Due to low inflation and an economy which continues to struggle, economic analysts believe that the ECB will initially keep its base rate at this level.

The German Engineering Federation ("Verband Deutscher Maschinen- und Anlagenbauer" in German, or VDMA for short) has also registered similar positive trends. In the latest economic survey conducted by the VDMA, 75% of the companies participating in the survey rated the number of orders that they are receiving on a scale from satisfactory to very good. The majority of these companies also expect this positive trend to continue in the coming months. In the first five months of the current year, the number of orders which German engineering firms received had already increased by around 25% year-over-year.

Positive economic environment is predicted

Thanks to our innovative range of products and our resulting competitive advantage, Manz Automation expects the overall economic recovery to deliver sustained positive growth prospects for our company. As soon as the markets have recovered and clients begin to receive the financing they need, we anticipate that the demand for capital goods will once again increase.

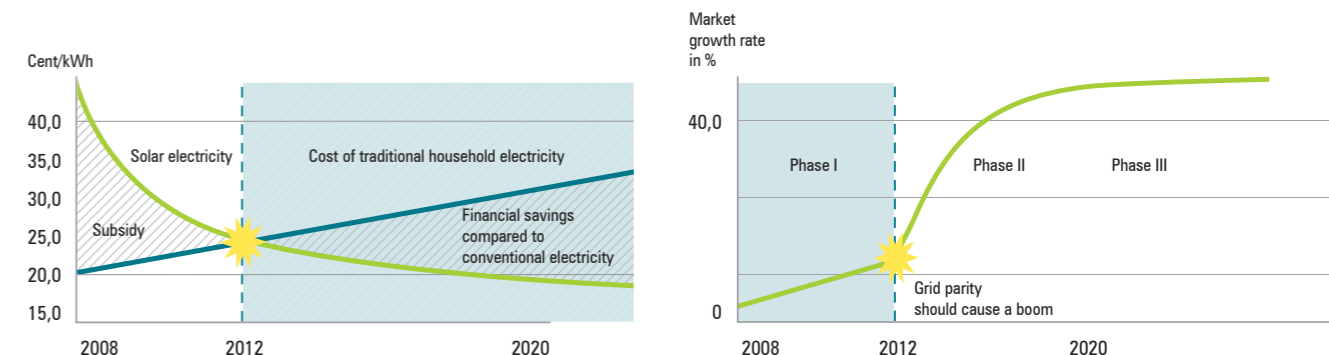
Long-term positive growth prospects for Manz

Solar Division

After weathering the economic crisis in 2009, the photovoltaic industry is currently exhibiting a number of positive trends. Boosted primarily by the drop in prices for solar products, which now offer attractive conditions for making investments, global installed PV output in 2010 will increase by 13.5 GW according to forecasts by iSuppli. This increase is being carried by positive trends in new growth markets such as the USA, Italy, and, above all, China. But India has also zeroed in on photovoltaics as a main method of supporting the country's future energy needs. According to a study by IMS Research, China will be the driving force behind future growth in the PV industry, and by 2013 will develop into the largest single market with more than half of all revenues. At the same time, investments made in the US market are forecast to triple by 2012. In Europe, Italy and France have established themselves as the engines powering growth – analysts expect installed output of 38 GW in these countries by 2020. And according to estimates by EuPD Research, Germany, the largest individual market up until now, will also see growth in installed PV output of 5.5 GW for 2010, which would mean another record-breaking year despite the amendments to Germany's Renewable Energy Act.

Achievement of grid parity will unleash a solar boom

RELATIONSHIP BETWEEN GRID PARITY AND MARKET GROWTH



source: HWM Research, June 2009

Adjustment of the New Electronic Business Act (EGG) creates significant need for investment by manufacturers

Germany _ According to a study conducted by Oliver Wyman, the peak output of PV installations in Germany totals close to 10 GW. Growth in Germany totaled 3.8 GWp in 2009 alone. As a result of this rampant growth, the German government has made an amendment to the Renewable Energy Act ("Erneuerbare-Energien-Gesetz" in German, or EEG for short). This amendment sets forth reductions in the feed-in tariffs for electricity from PV installations. The reductions are to be carried out in two phases. The first phase already took effect on July 1, 2010, with an initial reduction of 13% for rooftop installations, 8% for installations on undeveloped land in what are known as converted areas, and 12% for installations in all other open areas. One of the largest cuts up until now was the result of completely eliminating the feed-in tariff for electricity from PV installations on arable land. The next phase of reduction will take effect on October 1, 2010, reducing all the current feed-in tariffs by a further 3%. The government views the reduction in feed-in tariffs as long overdue, since the drastic drop in the price of solar equipment led to excessive returns. Despite the significant cuts to these subsidies, the analysts from iSuppli still see Germany continuing to lead growth in the European market. The current developments mean that manufacturers will have to make significant investments in order to cut manufacturing costs to match lower prices. All in all, as one of the industry's leading equipment suppliers, Manz Automation views this as a positive sign of future growth.

India _ India's goal is to install solar equipment with a peak output of 20 GW by 2020. The country will invest a total of 20 billion US dollars by 2050 in national subsidies for photovoltaic power in order to make a capacity of around 200 GWp a reality nationwide. In comparison, current global PV output is estimated at around 23 GW. Currently, however, the country generates a negligible amount of solar electricity. But the subcontinent offers more than 300 days of sunshine a year, ample space, and excellent conditions – like in the state of Gujarat, for example, where projects with a total output of 500 MW will be subsidized by 2014 alone.

India offers optimal conditions for photovoltaic equipment

Due to these national subsidy programs which are increasingly taking effect, an enormous growth spurt can be expected in the coming years. The plan is to finance the subsidies through higher taxes on gasoline and diesel fuel, both of which are currently highly subsidized.

Furthermore, there is huge potential demand in India, as some 80,000 villages are not connected to the national power grid, and water pumps are still driven by some nine million diesel generators. Over the coming years, the country plans to replace these generators with solar-powered equipment. Another application is in the field of cellular communications. About 90,000 additional cell towers were built in 2009. Diesel generators are also used to power these towers, but the country plans to use solar equipment as backup systems to provide them with additional electricity. The move toward cellular phones in India continues unabated. More than 11 million handsets are sold every month, which means that there is a growing demand to expand local cellular networks.¹ // 1 GTI: "Indian Solar Industry Feeling Optimistic" – July 24, 2009

Manz Automation can also benefit from these trends. In order to establish a local solar industry, the first thing the country needs is powerful, state-of-the-art equipment of the kind our company offers. Recently, suppliers and manufacturers in India have begun ramping up operations along the entire value chain, which is why Manz has been represented in four different locations in India by a subsidiary since October 2008.

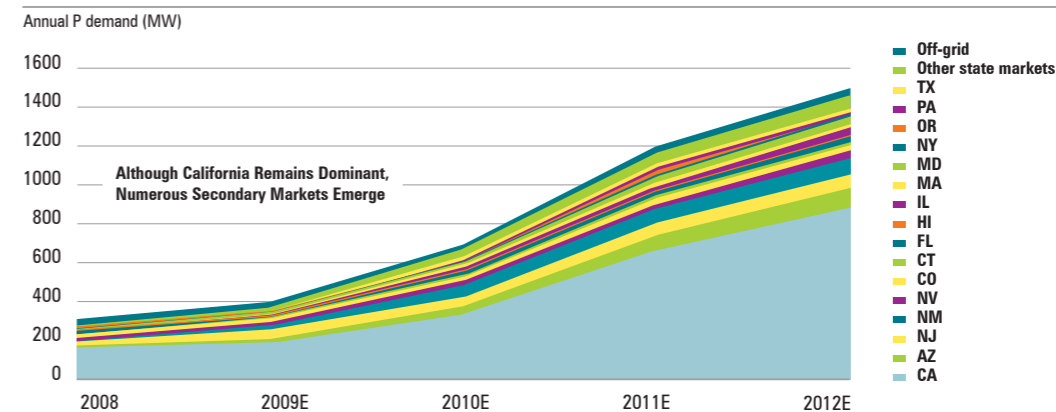
USA _ According to a study by Greentech Media (GTM), the United States could become the world's second-largest and, at the same time, fastest-growing market by 2012.² These positive assumptions rest on one key factor – that grid parity be achieved in states such as California, Arizona, New Mexico, and New Jersey. Experts predict that this will be the case in eleven states by 2012. This suggests that the ambitious plans of Governor Schwarzenegger to increase the percentage of electricity generated from renewable energy in California to 33% by 2020 are entirely realistic. This will be possible since the cost of generating electricity from photovoltaics will continue to decline, closing the gap between solar power and conventional electricity generation. Over the medium term, the US plans to increase the percentage of energy generated from renewable sources from the current 9% to 25%.

Experts see the USA as the growth market of the future

// 2 Greentech Media (GTM): "The United States PV Market Through 2013: Project Economics, Policy, Demand and Strategy"

By implementing two well-funded subsidy programs, President Barack Obama is meeting his announced goals in this regard. The first of these programs will provide five billion US dollars in tax credits to manufacturers in order to stimulate the creation of new jobs in the clean-tech industry. At the same time, the US solar industry will particularly benefit from a subsidy for new solar power plants valued at two billion dollars. These subsidies will both be paid for from the US government's 862 billion dollar stimulus package.

TREND OF DEMAND DUE TO ADMINISTRATIVE TARGETS BY STATE (REGULATORY CASE).



source : Greentech Media (GTM) – „The United States PV Market Through 2013: Project Economics, Policy, Demand and Strategy“

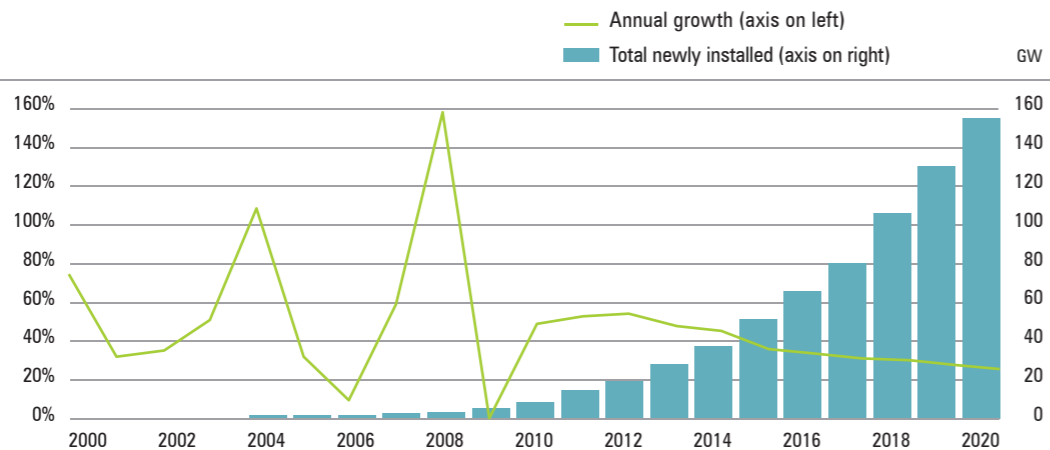
China strives for an independent and self-supporting solar industry

China _ China is aiming to establish an independent and self-supporting solar industry. In this context, the country wants to cover the entire manufacturing value chain and operate solar power plants to meet the country's own energy demands. With the China Renewable Energy Scale-up Program (CRESP), launched jointly with the World Bank and set to run for ten to twelve years, China aims to play an increasingly important role in the field of renewable energies. For instance, solar plants with a capacity of more than 50 KW will be subsidized at a rate of USD 2.93 per watt. This plan will primarily benefit the Chinese solar industry, but Manz Automation will be able to participate in this subsidy program indirectly, since the major Chinese solar manufacturers – Yingli Green Energy and Suntech – are both clients of our company. Furthermore, the Chinese government plans to expand the percentage of renewable energy used in the country to 23% by 2020, which corresponds to an average annual increase of 6% to 7%. According to expert's estimates, with the programs it has implemented China will develop into the largest solar market in the world over the long term. According to GTM Research, around 1 GWp of photovoltaic power will be installed in 2011. With our own manufacturing and sales locations in China and Taiwan, Manz Automation has an outstanding position in the Asian market, and as a result, we will gain significant benefits from these trends over the medium term.

The solar industry will become increasingly less dependent on trends in individual key markets

Long-Term Prospects _ When looking at the industry from a long-term perspective, we can make an initial assumption that various individual markets will exceed 500 MW of newly installed PV output in 2010 or 2011. As a result, the industry will become increasingly less dependent on trends in individual key markets, as is still currently the case in Germany. That is why experts at Sarasin Bank have an optimistic view of the future, forecasting average annual growth of approximately 30% between 2012 and 2020.

SARASIN'S LONG-TERM FORECAST FOR THE GLOBAL PV MARKET



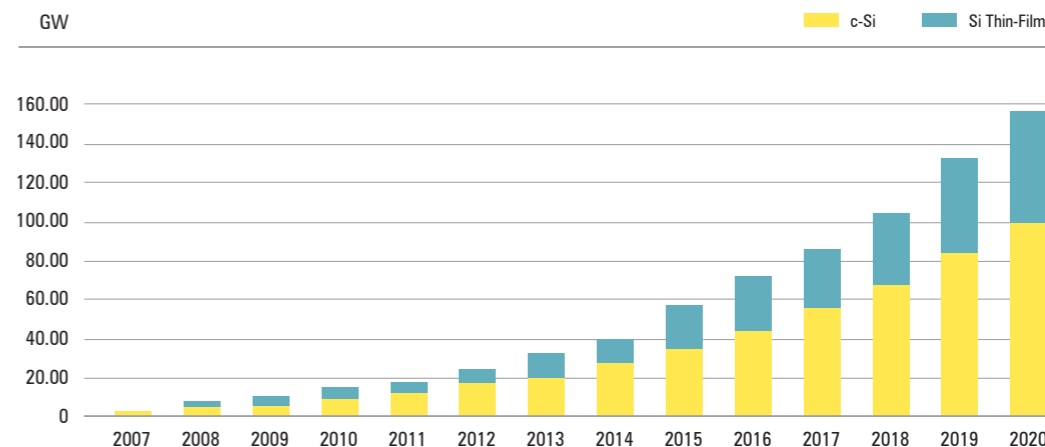
source: Sarasin Bank, November 2009

As a result, they expect newly installed PV output to reach 155 GW in 2020, and significantly higher dynamic growth will be seen, particularly in the markets outside of Europe.

Thin-Film Solar Module Segment _ Previously, analysts had been forecasting a market share of up to 23% for thin-film technology in 2012. Current forecasts for 2010 are more conservative than previous assumptions, with experts anticipating a production in 2010 of around 3.1 GW, rising to 4.1 GW in 2011. Even so, the compound annual growth rates (CAGR) from 2008 to 2012 will still exceed those of the entire solar market by 50%. Thus, manufacturers will largely postpone the expansion of their production capacities until 2011.³ // 3 Bank Sarasin – Study: "Solar Industry – A Green Recovery in Sight," 2009

Because of the global economic crisis, which caused manufacturers to face significant financing problems, demand for this technology was especially low, since thin-film manufacturing equipment requires significantly higher initial investments than crystalline technology. As soon as banks begin to provide financing again, thin-film technology will also be able to benefit from the economic recovery. In comparison to modules based on crystalline technology, thin-film solar modules are still appealing from a technical standpoint and therefore still have a right to exist. Due to lower temperature coefficients, this technology is actually superior, particularly in regions with high ambient temperatures. And in areas with diffuse lighting conditions, the energy output of modules made with thin-film technology is also higher than those based on crystalline technology. Finally, the amount of space available also determines which technology is better suited for a given application.

HISTORY OF ELECTRICITY GENERATION FROM VARIOUS PV TECHNOLOGIES



In its study entitled "Set for 2020," the EPIA predicts that thin-film technology will play an important role in generating electricity with photovoltaics.

By successfully combining long-term experience in wet-chemical system solutions, in the field of LCD production, and with applications for the manufacture of thin-film solar modules, the Manz Group has expanded its position as an equipment supplier respected throughout the world. The company is the only supplier outside of Asia with long-term experience in safely handling large glass substrates in cleanroom conditions. Our newly acquired expertise in CIGS technology will particularly revolutionize Manz Automation's range of products, allowing our company to become a future supplier of turnkey, integrated production lines for CIGS thin-film solar modules.

Flat Panel Display (FPD) Division

The flat panel display market comprises all products built with flat screens. This includes such products as LCD TVs, as well as notebooks, cellular phones, and MP3 players with an LCD or plasma screen. Overall, the FPD market has recorded significant growth rates in the past two years, and in 2009 posted growth of more than 32%. According to DisplaySearch, this trend will continue, particularly in China. The People's Republic already proved to be the strongest market driving industry growth in 2009.⁴ In this context, experts believe annual FPD TV sales will increase to around 59 million by 2014. Last year already saw 31 million units sold in China. The country has subsidized the purchase of an LCD television since the beginning of 2009.⁵

// 4 IT Times: "LCD Monitor Sales Set to Reach 180 Million Units Next Year" – December 30, 2009 // Channel Partner: "China Considering Even Larger Lifeline for the LCD TV Industry" – October 21, 2009

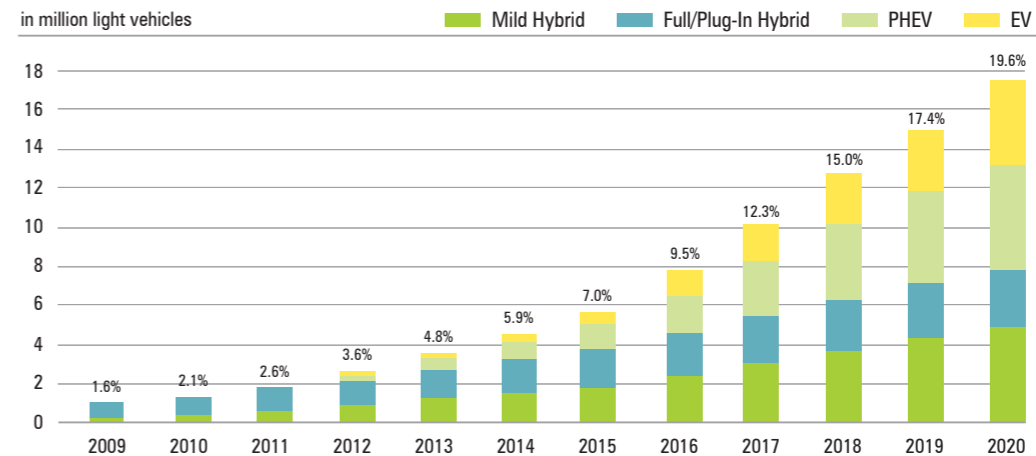
Experts are expecting sales of 170 to 180 million LCD units in 2010

Analysts expect sales figures to continue rising, particularly those for large-size LCD displays. Experts are expecting sales of 170 to 180 million LCD units in 2010. But sales increased in North America and Western Europe in 2009 as well. While the move to digital HDTV boosted revenues in Europe, substantial discounts led to an increased demand for state-of-the-art units in the USA.⁶ // 6 ZDnet.de: "LCD TVs will Overcome the Crisis in 2010" – December 31, 2009

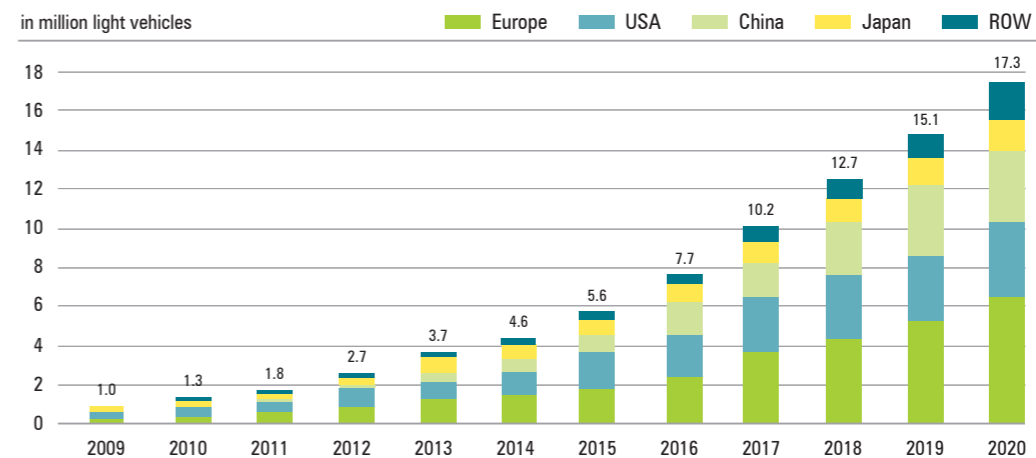
The future market will be driven particularly by more efficient LCD TVs (green technology), touchscreens for mobile devices (for example, cellular phones, GPS devices, tablet PCs, notebooks, etc.), and, above all, the use of innovative LED backlighting, 3D technology, and Internet connectivity. In 2009, 3.6 million LED-LCD units were sold, and analysts forecast that almost ten times that figure will be sold in 2010, as sales soar to 35 million units, which represents 20% of worldwide TV sales.⁷ Apart from being more energy efficient and having a thinner form factor, the benefits of backlit technology lie in its higher frame rate, higher color contrast ratio, and improved black levels.⁸ As a result, investments in the latest generation of manufacturing equipment are essential both to future market growth and for efficient, cost-effective manufacturing processes. As a leading global supplier of systems for handling glass substrates and wet-chemical cleaning, Manz Automation will benefit from the current trends in the FPD market. Equipment for the manufacture of touchscreens is currently in particularly high demand, and will be responsible for a large portion of Manz's revenues in the FPD segment.

// 7 DisplaySearch - LCD TVs to exceed 180 million units in 2010 – 23.03.2010 // 8 alledigital.at - LED-LCD TV's im Vormarsch – 10.05.2009

GLOBAL XEV MARKET FORECAST MARKET FCST TYPE (XEV PENETRATION %'S)



MARKET FCST BY REGION



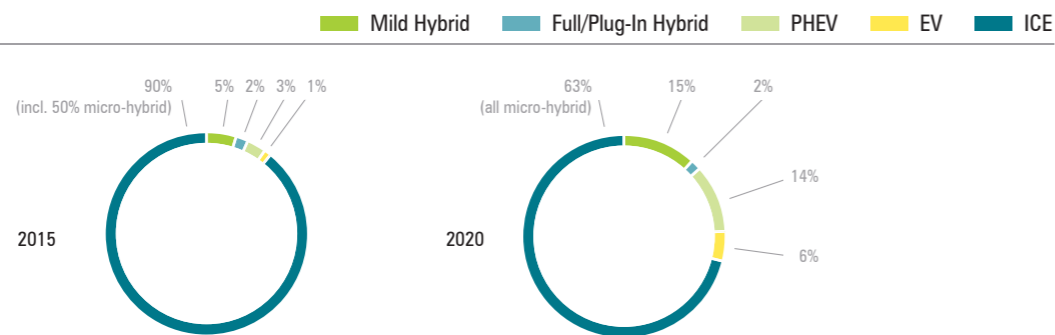
source: Deutsche Bank, Electric Vehicles: Plugged In 2, November 2009

New Business Division

Our new division – aptly named New Business – is the successor of the former systems.aico segment and encompasses various future technologies. In this context, we must particularly highlight our work in the field of lithium-ion batteries.

Since July of 2009, Manz has been part of an innovation alliance entitled "Manufacturing Research on High-Performance Lithium-Ion Batteries for Electric-Powered Transportation." The goal of this research project is to explore new manufacturing technologies and apply them to the mass production of lithium-ion battery systems. Electric vehicles will only gain traction

EUROPEAN XEV PENETRATION BY TYPE (2015 AND 2020)

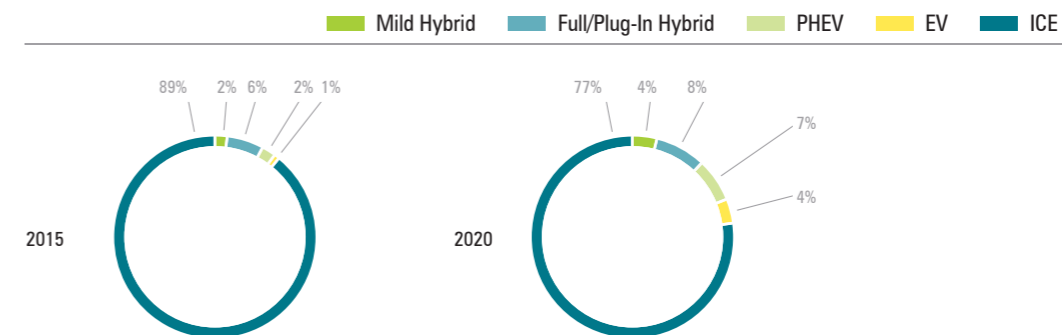


Source: Deutsche Bank, Electric Vehicles: Plugged In 2, November 2009

if powerful, high-quality lithium-ion cells, batteries, and battery components exist, which meet the demands of the automobile industry and, above all, can be mass produced in a cost-effective manner. Industrial-scale production is the only way to significantly reduce the costs of battery systems, create a guaranteed supply, and make them an economically viable alternative to internal combustion engines. To achieve this goal, the project will make advancements to both new industrial manufacturing technologies and automation solutions, as well as devise solutions for system integration and production-process planning for battery-cell manufacturers. A study conducted by HSBC forecasts that cars powered by lithium-ion technology will command an 87% share of the electric vehicles market by 2020, which would equal a global sales volume of approximately 45.8 billion dollars.⁹ By participating in the aforementioned industrial partnership, Manz Automation has created an outstanding initial position from which we can establish ourselves as a long-term leading system supplier in this additional dynamic growth market. // 9 HSBC: "Hybrids and Electric Vehicles" – November 2009

With the help of the National Electric-Powered Vehicle Development Plan, the German federal government aims to have at least one million electric and plug-in hybrid vehicles, which can be recharged by connecting them to an external electric power source, on German roads by 2020 at the latest. Within the scope of the second economic recovery package, the German government has set aside a total of 500 million euros for various projects to be carried out from 2009 to 2011 alone. Germany's Federal Ministry of Economics and Technology (Bundesministerium für Wirtschaft und Technologie in German, or BMWi for short) and Federal Ministry of Transport have founded a joint Electric Vehicle Branch whose job is to ensure that Germany achieves its goal of positioning itself as the leading market for electric vehicles.¹⁰ One of the Ministry's main investment focuses will be on the electric vehicles sector.¹¹ Over the course of 2010, the

U.S. XEV PENETRATION BY TYPE (2015 AND 2020)



Source: Deutsche Bank, Electric Vehicles: Plugged In 2, November 2009

Ministry has taken additional important steps. A national electric vehicles platform was founded at the Electric Vehicles Summit held during the beginning of March, which saw high-ranking members of the German government meet to discuss relevant issues. The platform has formulated the goal of making Germany both the leading market for and leading supplier of electric vehicles. The work groups comprising top leaders from the worlds of business, industry, associations, and politics want to take concrete steps to achieve their goals in this regard.^{12 13} The expert group clearly views batteries as the focus of this program.¹⁴ // 10 German Federal Government: "Moving Toward the Future with New Technologies" – January 21, 2010 // 11 German Federal Government: "Greater Mobility and Improved Infrastructure in Germany" – January 22, 2010 // 12 BMWi: "National Electric Vehicles Platform Goes to Work" – May 31, 2010 // 13 BMWi: "Electric Vehicles: Environmentally Friendly and Future-Proof!" – May 2010 // 14 FAZ: "Without Government Support, an Electric Car will Never Make It" – July 19, 2010

Studies conducted by Deutsche Bank and HSBC forecast worldwide sales of over four million cars powered entirely by electricity in 2020. At the same time, the market for hybrid vehicles, as a first step by automobile manufacturers on the road to an electric future, will grow significantly faster – with forecasts predicting sales of 13 million units by 2020. Based on current studies, the BMWi has calculated that for 1 million electric vehicles, an annual increase of only 0.3% more electricity than what is currently being generated is all that will be needed. By storing renewable energy, batteries, according to the BMWi, also offer the long-term opportunity to make a sustained contribution to grid stability.¹⁵ // 15 BMWi: "Electric Vehicles: Environmentally Friendly and Future-Proof!" – May 2010

It is becoming clear that the use of electric vehicles will not only catch on due to environmental and climate-related considerations (reducing CO2 and toxic emissions), but also for economic reasons. For Manz, the result is significant market potential. From today's perspective, the market volume of the equipment sector will total several hundred million euros in the next five

years. Manz Automation aims to gain a large double-digit share of this market. In addition, high-performance batteries can also be used as storage media in many fields outside the automobile industry. In the future, they will also be used in fields such as shipping, aerospace, commercial vehicles, as well as for a range of industrial and private applications. For example, the technology can be used in motorboats, avionics, satellites, agriculture, and in distributed photovoltaic equipment, primarily in countries with no nationwide power grid.

In summary, our company views the lithium-ion battery segment as a highly attractive growth area, and one which Manz can participate in over the medium term thanks to our extensive research and development expertise.

Group Structure //

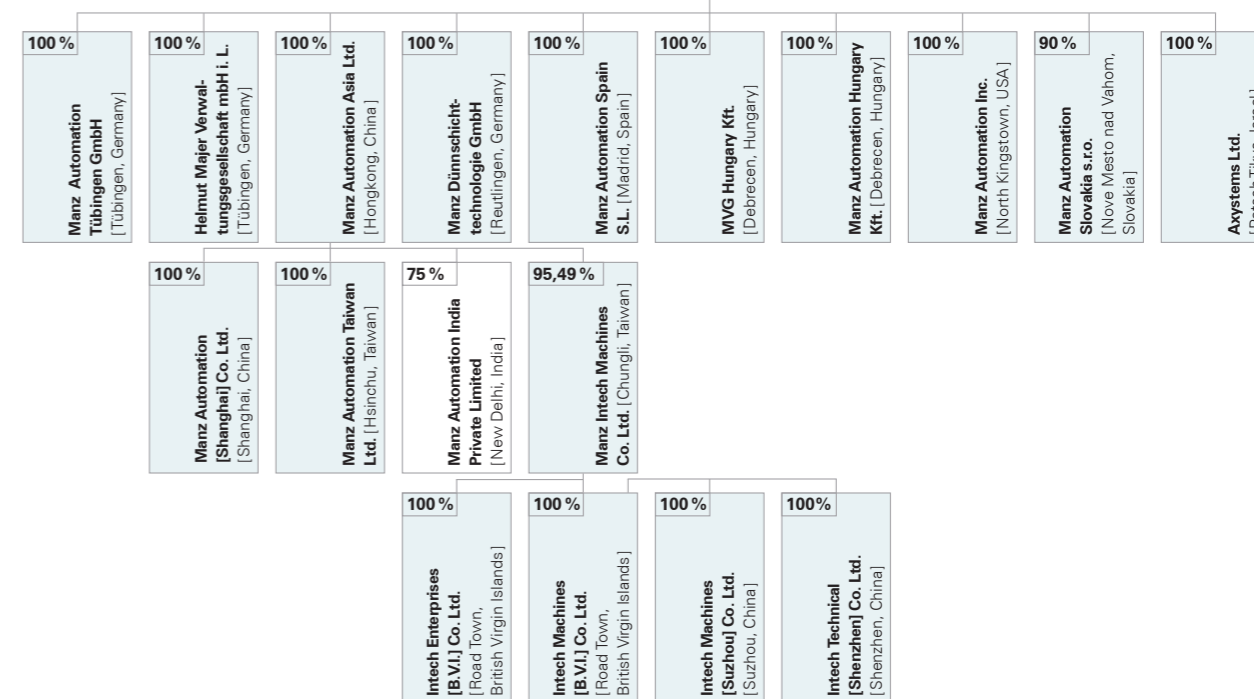
Reutlingen-based Manz Automation AG is one of the world's leading providers of technological systems in the fields of automation, quality assurance, and laser processing technology for the photovoltaics industry. In addition, our company offers system solutions in the fields of automation and wet-chemical processing for the LCD and printed circuit board industries.

Our company is divided into Solar, Flat Panel Display (FPD), and New Business (which includes lithium-ion batteries, among other things) divisions, as well as a "miscellaneous" division (which was established as a result of our new acquisitions).

In this context, the Reutlingen-based parent company Manz Automation AG focuses primarily on the final assembly of systems and their technological advancement, sales, and marketing, as well as the administrative management of the entire Group. The strength of the Manz Group in carrying out research and development activities is particularly noteworthy. In recent years, our company was able to reach a number of milestones thanks to our technological advancements.

Our Center for Product Development is located at our headquarters in Reutlingen, since this division plays an important role in our company's overall performance. As the Group's parent company, at the end of the quarter Manz Automation AG held a 100% interest in six international subsidiaries, two domestic subsidiaries located in Tübingen, and three second-tier

MANZ AUTOMATION AG

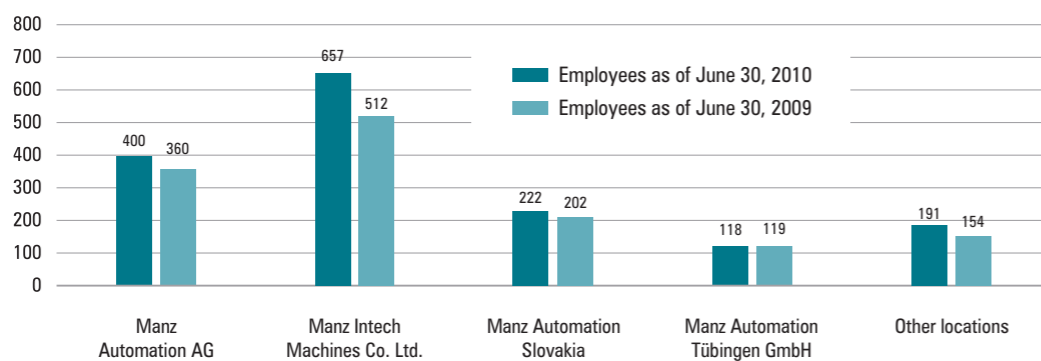


subsidiaries in Taiwan, China, and Hungary. Two of these subsidiaries are based in Hungary, and one subsidiary each is located in the United States, Spain, India, Israel, and Hong Kong. All of the subsidiaries are reflected in Manz Automation's consolidated financial statements and are therefore fully consolidated. Furthermore, Manz holds a 90% interest in a Slovakian subsidiary headquartered in Nove Mesto nad Vahom.

Employees //

As of June 30, 2010, Manz employed a total workforce of 1,588 (2009: 1,347) both in Germany and abroad, 400 employees of which worked at our company headquarters in Reutlingen.

Based on the number of employees, the largest subsidiary in the Group is Intech Machines Co., Ltd., Taiwan, with 657 employees, followed by Manz Automation Slovakia s.r.o with 222 employees and Manz Tübingen GmbH with 118.



Research & Development //

Research and development activities play an important role in the success of any engineering company. This is why Manz Automation has made the strategic decision to continuously invest in new developments in the future. This decision emerged particularly during the course of the economic crisis as well as the following recovery. Our newly developed products are now driving sales and are responsible for the increase in orders we have received. Manz views itself as an engine driving innovation in the PV industry, and has proved that this is the case by developing numerous new products.

OneStep Selective Emitter Technology

With our new OneStep selective emitter technology, we were able to acquire first orders from Yingli, Bosch, and Conergy. This innovative process was tested successfully in numerous studies. In the coming months, all three clients will familiarize themselves with Manz's system in a pilot production phase, and then subsequently verify it during mass production. This means that Manz has taken a crucial step on the path from new development to commercialization of the innovative selective emitter process.

In Manz's OneStep selective emitter process, the selective emitter structures are created using a laser process. Using specially designed laser optics, it will be possible to diffuse parts of the phosphorus remaining in the phosphosilicate glass after diffusion into the surface of the solar cell using a gentle method without any defects. This means the number of phosphorus atoms used for local doping can be increased, which will significantly increase the conductivity between the silicon wafer and the contact finger.

In connection with an adjusted diffusion profile for the entire cell, tests conducted with various clients have proven that efficiency can be increased by up to 0.5 percent. In order to gain the full potential for increasing efficiency, the contact fingers must be positioned on top of the selective emitter structure generated by laser in an extremely precise manner. And this is exactly what Manz's newly developed HAP2400 highly accurate printer makes possible. In extensive tests and studies, we verified a reproducible accuracy significantly under 10 micrometers.

High Accuracy Printer (HAP) 2400

As a result, the HAP2400 is by far the most accurate and fastest screen printer on the market. As an integral part of Manz's back-end line, when paired with our OneStep selective emitter laser equipment these machines represent an ideal combination for manufacturing highly efficient solar cells. This technology offers exactly what solar manufacturers need. The process developed by Manz to generate selective emitters has by far the lowest manufacturing costs, and as a result will help manufacturers improve their profitability.

The Second Generation of Laser Scribing

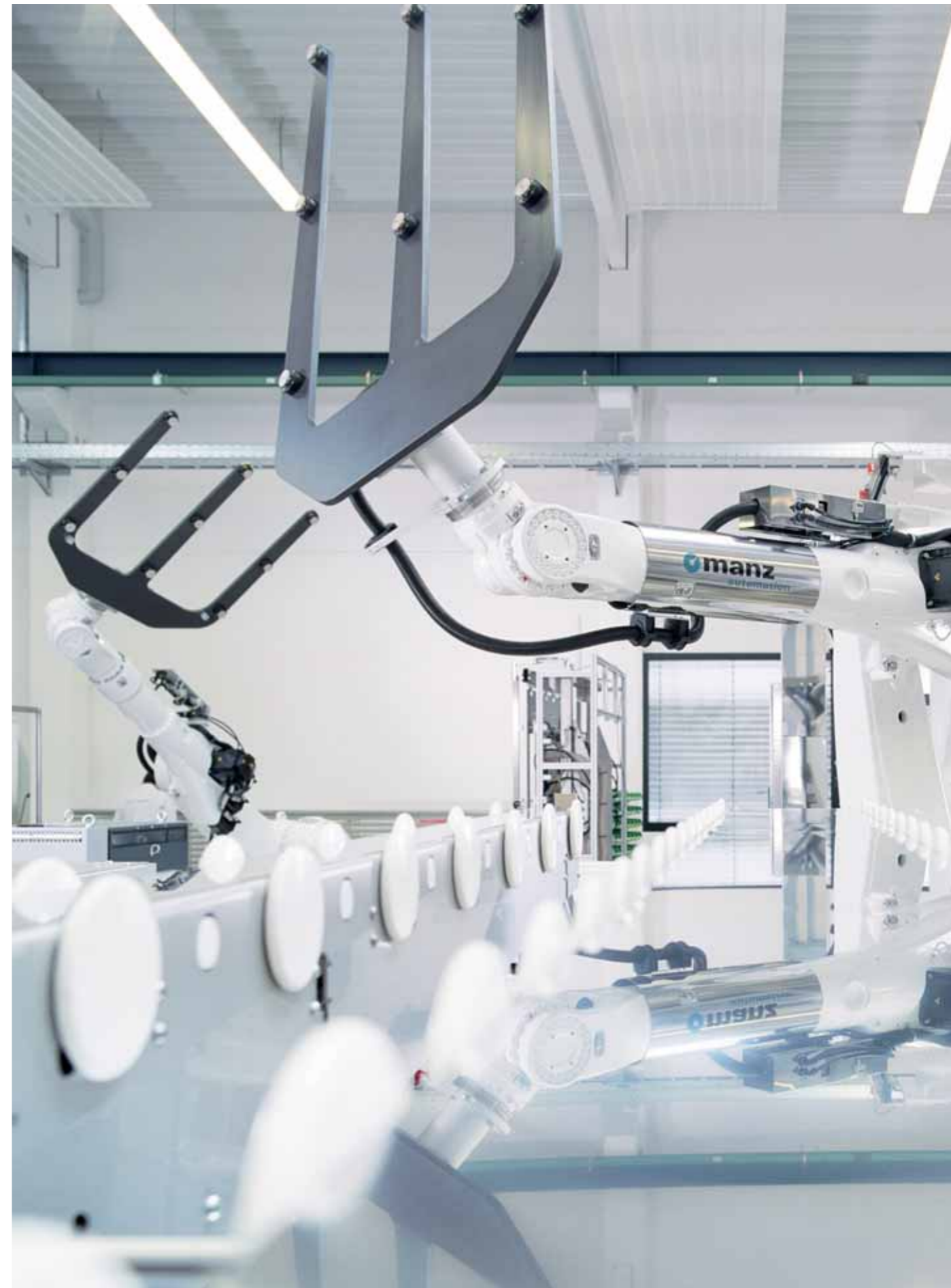
The advancements we have made to our laser scribing equipment have primarily improved both speed and accuracy. As a result, we have been able to reduce dead areas, which refer to the spaces between the conductive pathways, to under 200 μm in size. This offers a significant competitive advantage over other systems, which have dead areas between 350 μm and 500 μm in size, meaning that efficiency is lower. This level of accuracy is made possible using an innovative control system, and the result is an increase in the efficiency of thin-film solar modules. In addition, depending on the size of the substrate selected, the second generation can have 16 laser sources working simultaneously in one system. Last but not least, another advancement was made that reduces the level of maintenance the system needs, which in turn reduces downtime for the entire production line, and, as a result, optimizes production costs for the manufacturers.

Developments by Manz Coating

The development of vacuum coating systems for crystalline solar cells and thin-film solar modules represents a major milestone in the company's progress. As a result, the future percentage of machines developed and produced by the Manz Group for both technologies will rise to over 90%. This will allow us to significantly optimize the integration of individual machines and processes, while, at the same time, creating considerable potential for further cost cuts and efficiency increases. As a result, the Manz Group will be able to establish itself on the market as a supplier of integrated systems for the manufacture of crystalline solar cells and thin-film solar modules.

After a short development period, the first state-of-the-art machines should be ready for launch as early as 2011. This will represent a decisive step towards positioning Manz Automation as a provider of technology and process machines, but will, above all, strengthen the long-term future viability of the entire Group. Not only will this complement our entire product range, it will also create a broader technological base upon which to achieve future efficiency increases in products across all of the company's divisions.

During the first six months of the 2010 fiscal year, Manz Automation AG had a ratio of research costs to sales of 11.2% (previous year: 13.8%). Considering capitalized development costs alone, the ratio of research costs to sales amounts to 6.6% (previous year: 7.1%).



NOTES TO THE RESULTS AND ANALYSIS OF THE FINANCIAL SITUATION

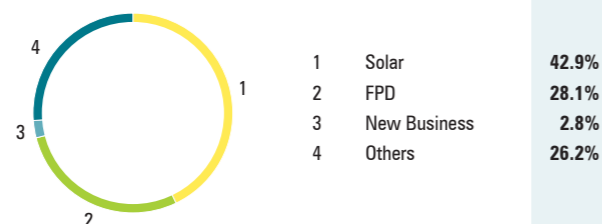
Earnings Position //

The company's profit and loss statement is organized according to the total cost method of accounting.

During the first six months of the current 2010 fiscal year, revenues rose from 28.3 million euros in the same period last year to 67.5 million euros, which represents year-over-year growth for the period of 138.7%. This total reflects the positive trend in orders received, which began at the start of the year. In particular, the second quarter saw us fully utilizing our production capacity once again. In addition to the Solar division, where our newly developed products such as the back-end line or the highly accurate printer made significant contributions, the Flat Panel Display (FPD) division as well as products for the printed circuit board industry (our Miscellaneous division) particularly drove our company's growth. Overall, Manz is currently benefiting from the high demand exhibited by our Asian clients.

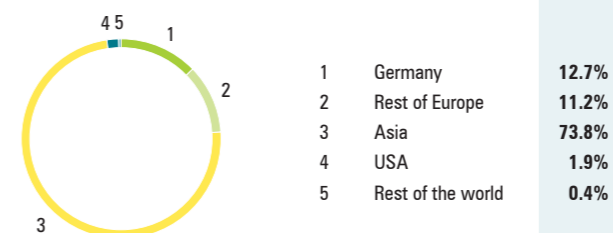
Due to the base effect which resulted from our revenue situation in 2009, it is difficult to compare sales trends in the individual divisions to their values in the same period last year. Our Solar division once again contributed the largest portion of revenues in the first six months of 2010, generating 29.0 million euros, which is equal to 42.9% of the Manz Group's total revenues (previous year: 11.0 million euros). In the FPD division, our company benefited from the increased number of investments made by Asian LCD manufacturers, generating 19.0 million euros in the first six months of the year, equal to 28.1% of total revenues. This division generated 7.0 million euros in revenues in the same period last year. Manz was also able to participate in the early recovery in the printed circuit board industry, and as a result our Miscellaneous division generated 17.7 million euros, or about 26.2% of total revenues (previous year: 8.8 million euros). Products from Intech Machines Co., Ltd. in Taiwan were responsible for the lion's share of revenues in this division, among them wet chemical processing equipment. In our newly founded New Business division, which primarily encompasses our activities in the field of lithium-ion batteries, the Manz Group generated 1.9 million euros, equal to around 2.8% of total revenues, after generating 1.4 million euros in the same period last year.

REVENUES BY BUSINESS UNIT JANUARY 1 TO JUNE 30, 2010



Broken down according to regions, Manz Automation generated the following revenues worldwide: in Germany, after generating 9.0 million euros during the same period last year, the company generated revenues of 8.6 million euros this year, which is equal to 12.7% of total revenues. In the rest of Europe, Manz generated 7.5 million euros or 11.2% of total revenues, after generating 4.9 million euros last year. At 73.8%, Manz generated the largest share of revenues in Asia. Revenues in this region totaled 49.8 million euros this year after totaling 14.1 million euros during the same period last year. In the USA, Manz's revenues totaled close to 1.3 million euros, after totaling 0.3 million euros last year. In all other regions, Manz generated revenues of approximately 253,000 euros. Last year, our company only generated revenues in the aforementioned regions.

REVENUES BY REGION JANUARY 1 TO JUNE 30, 2010



Together with the changes in inventory of finished goods as well as the internally produced and capitalized assets within the scope of increased R&D investments (including vacuum coating technology by Manz Coating, among other things), Manz Automation AG's total operating revenues for the reporting period totaled 77.6 million euros (previous year: 38.1 million euros).

Due to the increase in new orders received, our cost of materials climbed from 21.6 million euros to 45.9 million euros. At the same time, our cost of materials ratio also rose slightly to 59.2% (previous year: 56.6%). This increase was primarily due to orders which we began but in accordance with the POC method could not be booked as revenue during the first half of the year. Accordingly, our gross profit rose from 20.7 million euros to 35.8 million euros during the reporting period. This figure also includes other operating income of 4.2 million euros (2009: 4.1 million euros), which is chiefly down to the release of bad debt provisions.

At the end of the reporting period (June 30, 2010), Manz had a total of 1,588 employees. As a result of expanding our research and development activities as well as our new pursuits in the field of vacuum coating technology, we hired a number of highly qualified specialists. In addition, the new orders we received meant that our production facilities were operating at full capacity, which led to many employees working overtime. As a result, personnel expenses rose from 19.4 million euros during the same period last year to 22.7 million euros this year. However, the increase in revenues meant that our personnel costs ratio fell from 56.6% to 29.2%.

During the first six months of the year, write-downs totaled 3.4 million euros, which is slightly less than during the same period last year. This figure primarily contains write-downs on fixed assets and on internally produced and capitalized assets. Our other operating expenses comprise rents and leasing costs, marketing and sales costs and, in particular, logistics, administration, and consulting costs. Other operating expenses thus totaled 11.3 million euros (2009: 10.3 million euros).

At 1.8 million euros, earnings before interest and taxes (EBIT) were once again clearly positive in the second quarter thanks to the increase in orders we received during the reporting period. This once again highlights the positive trend for the entire fiscal year. Our cumulative EBIT for the first half of the year totaled –1.5 million euros. This is due to the losses we posted in the first quarter (–3.3 million euros) as well as the cost structures and overcapacities which existed at the time. Without having this capacity available, however, we would not have been able to support our current levels of growth.

When looking at our operating results by individual division, our Solar division posted an EBIT of –2.4 million euros, after posting –7.8 million euros in the same period last year. In the FPD division, EBIT grew to 0.8 million euros after totaling –3.2 million euros last year. Earnings before interest and taxes in the New Business division totaled –19,000 euros after totaling –126,000 euros in the same period last year. And our Miscellaneous division posted an EBIT of 136 thousand euros after posting a division EBIT of –1.4 million euros last year.

Interest-bearing financial liabilities, some of them non-current, are held by our subsidiaries. However, these interest expenses are offset by interest earnings and current investments. During the reporting period, income from financial assets totaled 429 thousand euros. As a result, earnings before taxes (EBT) improved to –1.1 million euros after totaling –12.1 million euros in the same period last year.

After taxes and minority shares, the Group posted a loss of –0.7 million euros for the period after posting –9.3 million euros in the same period last year. Based on an average of 4,480,054 shares outstanding, this corresponds to earnings per share of –0.16 euros (previous year: –2.08 euros per share).

Assets Position //

As of the reporting date, total assets increased during the first six months of 2010. On June 30, 2010, they totaled 267.7 million euros, as compared with 226.7 million euros on December 31, 2009. Despite the loss for the period, balance sheet equity rose slightly from 179.0 million euros to 185.5 million euros thanks to currency gains, a result of the reporting date valuation of Manz Asia's holding in Manz Intech. As a result, our equity ratio on the reporting date was approx. 70%, down from 79% on December 31, 2009.

At 12.6 million euros, non-current liabilities at the end of the reporting period had increased slightly compared to their value at the end of 2009 (11.8 million euros). This was due to a slight increase in deferred taxes, up to 5.9 million euros after totaling 4.5 million euros at the end of the last fiscal year on December 31, 2009. At the end of the second quarter, current liabilities totaled 69.7 million euros, up significantly from 35.9 million euros, their value on December 31, 2009. This was primarily due to an increase in accounts payable from 14.2 million euros to 31.8 million euros, which can be attributed to the positive growth our company has seen. As part of the deal with Würth Solar, before signing the partnership agreement an escrow account was set up as collateral during the reporting period. To do so, we obtained temporary financing using short-term money market loans, since our available capital was tied up in short-term securities and investments. As a result, our short-term financial liabilities rose from 8.7 million euros to 19.9 million euros. In addition, other liabilities decreased from 8.4 million euros to 2.5 million euros, mainly due to the settlement of VAT liabilities.

The value of our long-term assets increased from 66.7 million to 76.6 million euros. In this context, the value of our intangible assets increased from 47.0 million euros to 53.8 million euros, the result of intensive research and development activities as well the regular valuation of Manz Intech's assets due to currency conversions from Taiwan dollars to euros. In addition, investments in property, plant, and equipment led to an increase here, from 16.6 million euros on December 31, 2009, to 18 million euros at the end of the quarter. Meanwhile, due to the loss for the period, deferred taxes on the asset side also rose from 2.5 million euros to 4.2 million euros.

Current assets significantly increased from 160.0 million euros at the end of the 2009 fiscal year to 191.1 million euros, while the value of inventories increased from 29.8 million euros to 40.1 million euros, primarily as a result of building up a stock of semi-finished goods. In the course of rebounding operations during the first half of 2010, trade receivables rose from 39.6 million euros to 59.5 million euros. Liquid assets to finance working capital decreased accordingly, from 59.3 million euros to 52.6 million euros.

Liquidity Position //

During the first half of the year, Manz Automation AG generated a cash flow in the narrower sense (annual net income plus write-downs on fixed assets as well as an increase/decrease in long-term pension provisions) of 2.0 million euros. This represents an increase of 8.4 million euros after posting –6.4 million euros in the same period last year. Taking changes to working capital into account, the company generated an operating cash flow of –5.3 million euros, a decline of 2.4 million euros compared to the same period last year. This was due to the increased working capital needed to process the new orders we recently received.

The cash flow from investment activities totaled –13.5 million euros, as compared with –2.0 million euros the previous year. These investments can primarily be attributed to intangible assets and plant, property, and equipment as well as the acquisition of short-term securities. This also encompasses cash investments with a holding period of more than three months (most of which are safe investments in money market funds).

At the end of the reporting period, cash flow from financing activities totaled 11.1 million euros, up from –3.9 million euros in the same period last year. This can primarily be attributed to the temporary financing of the Würth Solar transaction.

EVENTS AFTER THE BALANCE SHEET DATE

The following events occurred after the reporting date, which could have had a significant impact on our financial situation:

On July 16, 2010, Manz Automation AG signed a know-how licensing and partnership agreement with Würth Solar GmbH & Co. KG. This agreement grants Manz exclusive usage rights to Würth Solar's CIGS manufacturing technology, making our company the only supplier that can currently offer an integrated and fully operable production line for CIGS solar modules which can be operated profitably. In addition, Würth Solar contributes more than ten years of experience in developing and manufacturing CIGS thin-film modules to this partnership. Thanks to an existing contractual relationship Würth Solar has with the Baden-Württemberg Center for Solar Energy and Hydrogen Research (Zentrum für Sonnenenergie- und Wasserstoff-Forschung Baden-Württemberg in German, or ZSW), Manz has also gained exclusive access to the results of this center's research into CIGS modules on glass substrates. When it comes to CIGS technology, the ZSW currently holds the world record for cell efficiency, having achieved 20.3%. This makes CIGS modules the world's most efficient form of thin-film technology. This partnership will initially run for a period of ten years. By entering into this partnership,

Manz Automation is striving to become the market leader as a supplier of fully integrated and economical thin-film production lines.

In return for licensing its know-how and the intense personal support the company is providing, Manz has agreed to a payment of 50 million euros, which is due in numerous installments until accepting the first CIGSfab. Furthermore, our company plans to make additional investments in research and development as well as expand our staff. We have secured the financing for this deal using our own available equity, additional external financing, as well as future cash flows, which will result from our expanded business model.

In the future, our additional range of products will include CIGS manufacturing equipment, which we plan to ship to manufacturers of thin-film solar modules worldwide. The potential annual revenue from a CIGSfab with a capacity of 120 MW totals around 150 million euros. By successfully implementing this business model, Manz may be able to move into completely new territory when it comes to revenues and earnings in the coming years. At the same time, during the first stage of financing this deal, our liquid assets will decrease by approximately 30 million euros.

RISK ANALYSIS AND FORECAST

The following opportunities and risks have developed in addition to those outlined in the 2009 Annual Report:

The following additional risks and opportunities particularly apply to the "Manz CIGSfab" business model and the investment Manz will make in CIGS technology within the scope of the company's partnership with Würth Solar and the ZSW initially valued at up to 50 million euros

Risks From a Lack of Demand for CIGS Technology

By investing in CIGS technology, Manz will incur expenses initially totaling 30 million euros. Our company will pay this amount to Würth Solar GmbH & Co. KG for the use of its licenses and patents as an initial investment. If we are not successful in establishing the production line in the market and/or selling at least one system, this investment will need to be written off completely with the corresponding effect on our company's profit/loss.

Risks From a Failure to Acquire Working Capital Financing

After successfully implementing our expanded business model and acquiring follow-up orders, our company's need for working capital will increase significantly. We initially plan on covering this need with external financing. If we fail to acquire the capital we need, however, it could have negative effects on the successful implementation of our corporate strategy.

Risks Due to Technological Difficulties

Despite Würth Solar having more than ten years of experience in developing and manufacturing CIGS thin-film modules, we cannot rule out the possibility that technological difficulties may arise. These may appear while manufacturing machines which use CIGS technology, making advancements to such machines or bringing them into operation. Should such difficulties arise, they would cause delays in the delivery of such machines, and cause us to incur large financial expenses to rectify such issues with a corresponding detrimental effect on both our company's profit/loss and reputation.

Opportunities Due to Significant Revenue and Profit Growth

From a long-term perspective, the successful implementation of the Manz CIGSfab business model will move Manz Automation into completely new territory when it comes to revenue and earnings, which will allow us to continuously strengthen our position in the market and gain market share. As a result, Manz will have the opportunity to establish itself on the market as a supplier of fully integrated production lines for the manufacture of thin-film solar modules. In addition, thanks to our partnership with Würth Solar and the ZSW, this one-of-a-kind technology and the enormous competitive edge in development will allow us to achieve above-average margins in the field of CIGS technology.

Outlook //

In the beginning of July, the value of our orders on the books had already surpassed the 100 million euro mark, the first time this was the case since the economic crisis began. As a result, our production facilities are operating at close to full capacity. This increases our planning reliability for the coming months. We are particularly pleased with the recovery of the thin-film market. We have received new orders from clients in Germany and the USA for second-generation laser scribing machines as well as factory automation equipment valued at around 8 million euros. The meetings our sales team have held with clients also confirm our expectations of a sustained recovery, since our clients have finalized investment plans which even extend beyond the end of 2010. If this trend improves, Manz will have the possibility of exceeding our operative and financial goals for the current fiscal year.

In order to offer our clients innovative solutions in the future, while at the same time increasing our share of the value-added chain to our goal of 90% of the investment volume of a production line, we continue to push on with one of our most important projects – namely, establishing our new subsidiary Manz Coating on the market. We have also made much progress in this area, and our goal is to present a silicon nitride coating system at the 26th EU PVSEC in Hamburg, which will be held in the summer of 2011. This would allow the Manz Group to offer a fully integrated production line in the crystalline field, which would have a lasting positive effect on our position as market leader and the entire Manz Group. At the same time, we are not only rounding out our product range, but also creating a broader technological base upon which to achieve future efficiency increases in products across all of the company's divisions.

Our largest challenges in the coming years will be the implementation of our Manz CIGSfab. By entering into a partnership with Würth Solar, we have gained an outstanding initial position from which to proceed. Our goal is to acquire a pilot program in the coming months and to ship the first turnkey, fully integrated production line for CIGS thin-film solar modules by the end of next year. Together with our partner Würth Solar, we are the only equipment supplier in the world capable of offering such systems that can also be operated profitably. In the future, our additional range of products will include CIGS manufacturing equipment, which we plan to ship to manufacturers of thin-film solar modules worldwide. The potential annual revenue from a CIGSfab with a capacity of 120 MW totals around 150 million euros. We expect to see significant revenue growth from these activities beginning in 2011. By successfully implementing our expanded business model in the coming years, we will have the opportunity to considerably increase our revenues and earnings.

Due to the improvement in business operations, we are anticipating year-over-year revenue growth for the 2010 fiscal year of at least 50% (total 2009 revenue: 85.9 million euros). Depending on further market trends, particularly in the thin-film technology segment, we will even have the potential to exceed this goal. At the same time, we are also aiming to achieve a positive EBIT for this fiscal year, and we expect the trends we have seen in the second quarter to continue.

August 2010

The Managing Board

CONSOLIDATED INTERIM FINANCIAL STATEMENTS & NOTES

039 CONSOLIDATED INTERIM FINANCIAL STATEMENTS

039	Consolidated Statement of Income
040	Statement of Overall Income for the Period
041	Consolidated Balance Sheet
042	Consolidated Cash Flow Statement
043	Statement of Changes in Consolidated Equity
044	Segment Reporting for Divisions
044	Segment Reporting for Regions

045 NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

045	Basic Principles
046	Basis of Consolidation
049	Key Events in the Period Under Review
049	Notes to the Individual Items on the Income Statement
050	Notes to the Individual Items on the Consolidated Balance Sheet
052	Key Events of Particular Importance Occuring after the End of the Reporting Period
053	Further Information

CONSOLIDATED INTERIM FINANCIAL STATEMENTS & NOTES

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME

	Q1 + Q2, 2010 EUR tsd	Q1 + Q2, 2009 EUR tsd	Q2, 2010 EUR tsd	Q2, 2009 EUR tsd
Revenues	67,514	28,276	46,180	11,789
Changes in inventory	5,618	7,836	-5,801	3,783
Internally produced and capitalized assets	4,470	1,999	2,932	1,238
Total operating revenues	77,602	38,111	43,311	16,810
Other operating income	4,155	4,144	2,798	2,611
Material expenditure	-45,942	-21,557	-25,283	-11,625
Gross profit/loss	35,815	20,698	20,826	7,796
Personnel expenses	-22,672	-19,441	-11,688	-9,282
Write-downs	-3,431	-3,547	-1,738	-1,825
Other operating expenses	-11,253	-10,268	-5,627	-4,284
Earnings before interest and taxes [EBIT]	-1,541	-12,558	1,773	-7,595
Result from equity-accounted financial investments	-36	1	-17	6
Financial income	632	775	442	468
Financial expenses	-203	-332	-138	-126
Earnings before taxes [EBT]	-1,148	-12,114	2,060	-7,247
Taxes on income	484	2,296	-5	2,114
Consolidated net result	-664	-9,818	2,055	-5,133
Portion of earnings from minority interests	50	-483	-4	-80
Portion of earnings from shareholders				
Manz Automation AG	-714	-9,335	2,059	-5,053
Weighted average number of shares	4,480,054	4,478,145	4,480,054	4,478,145
Earnings per share				
Earnings per share (diluted = undiluted) in EUR per share	-0.16	-2.08	0.46	-1.13

STATEMENT OF OVERALL INCOME FOR THE PERIOD

	Q1 + Q2, 2010 EUR tsd	Q1 + Q2, 2009 EUR tsd	Q2, 2010 EUR tsd	Q2, 2009 EUR tsd
Net income	-664	-9,818	2,055	5,278
Other comprehensive income				
Difference as a result of currency conversion	7,368	530	3,973	522
Changes to the fair value of securities	-348	3,382	-380	3,629
Changes to the fair value of cash flow hedges	0	-1,510	0	413
Changes to the valuation of share-based compensation	132	60	66	30
Tax effects from other comprehensive income	76	260	82	-292
Other comprehensive income	7,228	2,722	3,741	8,165
Overall income after taxes	6,564	-7,096	5,796	13,443
Attributed to minority interests	229	-272	185	-108
Attributed to Manz Automation AG shareholders	6,335	-6,824	5,611	13,551

CONSOLIDATED BALANCE SHEET IN EUR TSD

	June 30, 2010	Dec. 31, 2009
Assets		
Non-current assets	76,591	66,698
Intangible assets	53,781	47,012
Tangible assets	18,039	16,608
Equity-accounted financial investments	0	301
Deferred taxes	4,223	2,461
Other non-current assets	548	316
Current assets	191,085	160,012
Inventories	40,067	29,819
Accounts receivable	59,526	39,566
Income tax receivables	775	524
Other current receivables	3,042	1,934
Securities	35,102	28,838
Liquid assets	52,573	59,331
Total assets	267,676	226,710
Equity & Liabilities		
Equity	185,469	179,030
Share capital	4,480	4,480
Capital reserves	144,358	144,226
Treasury shares	-125	0
Revenue reserves	25,511	26,497
Currency conversion	9,190	2,001
Manz Automation AG shareholders	183,414	177,204
Minority interests	2,055	1,826
Non-current liabilities	12,556	11,818
Non-current financial liabilities	807	666
Non-current deferred investment subsidies	358	248
Financial liabilities from leases	7	24
Pension provisions	3,979	3,825
Other non-current provisions	1,544	2,534
Deferred taxes	5,861	4,521
Current liabilities	69,651	35,862
Current financial liabilities	19,939	8,686
Accounts payable	31,816	14,222
Advance payments received	10,285	1,045
Income tax liabilities	451	474
Other current provisions	4,620	3,055
Other liabilities	2,538	8,367
Financial liabilities from leases	2	13
Total equity & liabilities	267,676	226,710

CONSOLIDATED CASH FLOW STATEMENT IN EUR TSD

	Q1 + Q2, 2010	Q1 + Q2, 2009
Cash flow from operations		
Annual profit or loss	-664	-9,818
Amortization/depreciation of non-current assets	3,431	3,547
Loss (+) / Profit (-) from at equity-accounted investments	36	-1
Increase (+) / Decrease (-) in pension provisions and other non-current provisions	-935	-197
Other non-cash income (-) and expenses (+)	132	60
Cashflow	2,000	-6,409
Gains (-) / losses (+) from disposals of assets	-1	-8
Increase (-) / Decrease (+) in inventories, accounts receivable, and other assets	-33,873	19,302
Increase (+) / Decrease (-) in pension provisions and other liabilities	26,600	-15,777
Cash flow from operations	-5,274	-2,892
Cash flow from investments		
Incoming payments from the sale of non-current assets	5	11
Payments for investments in intangible assets and property, plant, and equipment	-6,205	-3,778
Payments for the acquisition of consolidated companies, minus liquid assets acquired	-1,056	0
Incoming payments from the sale of securities	8,326	11,465
Payments for the purchase of securities	-14,590	-9,656
Cash flow from investments	-13,520	-1,958
Cash flow from financing activities		
Payments toward the repayment of finance lease agreements	-10	-12
Payments toward the repayment of non-current loans	-39	-4,942
Change in overdraft loans	11,224	1,023
Cash flow from financing activities	11,050	-3,931
Cash and cash equivalents at the end of the period		
Cash change in cash and cash equivalents [subtotal 1-3]	-7,744	-8,781
Net change in cash and cash equivalents due to currency conversion	986	15
Cash and cash equivalents on January 1	59,331	33,938
Cash and cash equivalents on December 31	52,573	25,172
Composition of cash and cash equivalents		
Liquid assets	52,573	25,172
Cash and cash equivalents on December 31	52,573	25,172

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY FOR THE INTERIM FINANCIAL STATEMENTS AS OF JUNE 30, 2010 IN EUR TSD

	Subscribed capital	Capital reserves	Own shares	Revenue reserves	Accumulated profits	Market valuation securities	Cash flow hedges	Currency conversion	Shareholders in Manz Automation AG	Minority shares	Total equity
As of January 1, 2009	4,480	144,122	-203	33,483	-2,650	1,801	614	181,647	9,581	191,228	
Overall income		60		-9,335	3,218	-1,086	319	-6,824	-272	-7,096	
Use of treasury stock			203					203		203	
As of June 30, 2009	4,480	144,182	0	24,148	568	715	933	175,026	9,309	184,335	
As of January 1, 2010	4,480	144,226	0	26,397	100	0	2,001	177,204	1,826	179,030	
Overall income		132		-714	-272	0	7,189	6,335	229	6,564	
Purchase of own shares			-125					-125		-125	
As of June 30, 2010	4,480	144,358	-125	25,683	-172	0	9,190	183,414	2,055	185,469	

SEGMENT REPORTING FOR DIVISIONS AS OF JUNE 30, 2010 IN EUR TSD

	Solar		FPD		New Business		Others		Central func- tions/other		Consolidation		Group	
	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009
Revenues with third parties	28,985	11,023	18,990	7,035	1,858	1,402	17,681	8,816	0	0			67,514	28,276
Revenues with other segments							5,162	6,810					-5,162	-6,810
EBIT	-2,433	-7,839	775	-3,177	-19	-126	136	-1,416					-1,541	-12,558
Segment assets*	65,412	131,587	65,284	41,290	5,580	4,964	29,087	18,684	102,313	42,228			267,676	238,753
Segment liabilities	4,824	6,956	27,533	8,168	1,202	701	9,194	2,936	39,454	35,657			82,207	54,418
Net assets	60,588	124,631	37,751	33,122	4,378	4,263	19,893	15,748	62,859	6,571			185,469	184,335
Additions to assets	3,320	2,786	332	182	114	45	1,379	223	1,060	542			6,205	3,778
Amortization/ depreciation	1,158	1,658	691	574	55	124	819	706	708	485			3,431	3,547
Employees (annual average)	343	258	291	292	22	12	514	514	270	311			1,440	1,387

* As of the 2010 fiscal year, our liquid assets/securities are accounted for within our administrative departments; last year they were accounted for within our individual divisions

SEGMENT REPORTING FOR REGIONS AS OF JUNE 30, 2010 IN EUR TSD

	Germany		Rest of Europe		Asia		America		Other Regions		Group	
	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009	Q1+Q2/ 2010	Q1+Q2/ 2009
Third-party revenues by customer location	8,611	8,981	7,544	4,856	49,806	14,125	1,300	314	253	0	67,514	28,276
Non-current assets (without deferred taxes)	26,205	18,269	7,214	7,488	37,336	34,315	93	107	1,520	314	72,368	60,493

NOTES**I. Basic principles //**

These consolidated interim financial statements dated June 30, 2010, were prepared according to the International Financial Reporting Standards (IFRS) established by the International Accounting Board (IASB), as approved for use in Europe by the EU. The consolidated interim financial statements were subjected to an auditor's review.

There were no changes to the accounting and valuation methods as compared to the annual financial statements dated December 31, 2009. A detailed description of these methods was published in the Notes to the 2009 Annual Report.

These consolidated interim financial statements were prepared in euros. Unless otherwise stated, all amounts are shown in thousands of euros.

THE FOLLOWING IS A LIST OF THE CURRENCIES MOST RELEVANT TO MANZ, AS WELL AS THEIR EURO EXCHANGE RATES:

		Exchange Rate On: June 30, 2010	Exchange Rate On: December 31, 2009	Average Rate During: First Half of 2010	Average Rate During: First Half of 2009
USA	USA	1.2208	1.4406	1.3305	1.3352
Taiwan	TWD	39.1447	46.2077	42.4525	44.7893
Hong Kong	HKD	9.5039	11.1170	10.3546	10.3575
China	CNY	8.2874	9.8000	9.0688	9.1368
Hungary	HUF	287.1560	270.4200	272.1164	290.5425

II. Basis of consolidation //

Manz Automation AG's consolidated financial statements include all the companies for which Manz AG can either directly or indirectly determine said company's financial and operational policy ("controlling relationship"). In addition to Manz Automation AG, the group of consolidated companies includes the following subsidiaries:

FULLY CONSOLIDATED COMPANIES		Interest in %
Manz Automation Tübingen GmbH	Tübingen/Germany	100.0%
Helmut Majer Verwaltungsgesellschaft mbH i.L.	Tübingen/Germany	100.0%
Manz Coating GmbH	Reutlingen/Germany	100.0%
Manz Automation Inc.	North Kingstown/USA	100.0%
Manz Automation Hungary Kft.	Debrecen/Hungary	100.0%
MVG Hungary Kft.	Debrecen/Hungary	100.0%
Manz Automation Slovakia s.r.o.	Nove Mesto nad Vahom/Slovakia	90.0%
Manz Automation Spain S.L.	Madrid/Spain	100.0%
Axysystems Ltd.	Petach-Tikva/Israel	100.0%
Manz Automation Asia Ltd.	Hong-Kong	100.0%
Manz Automation Taiwan Ltd. (1)	Hsinchu/Taiwan	100.0%
Manz Automation (Shanghai) Co., Ltd. (1)	Shanghai/China	100.0%
Manz Automation India Private Limited (1)	New-Delhi, India	75.0%
Manz Intech Machines Co. Ltd. (1)	Chungli/Taiwan	95.5%
Intech Enterprises [B.V.I.] Co. Ltd. (2)	Road Town/British Virgin Islands	95.5%
Intech Machines [B.V.I.] Co. Ltd. (2)	Road Town/British Virgin Islands	95.5%
Intech Machines (Suzhou) Co. Ltd. (3)	Suzhou/China	95.5%
Intech Technical (Shenzhen) Co. Ltd (3)	Shenzhen/China	95.5%

(1) via Manz Automation Asia Ltd.

(2) via Manz Intech Machines Co. Ltd.

(3) via Intech Machines [B.V.I.] Co. Ltd.

Changes to the Basis of Consolidation Through Q2 2010

Complete acquisition of all shares in Axysystems Ltd., headquartered in Petah Tikva, Israel

On June 18, 2010, Manz AG entered into an agreement to purchase the remaining 76% interest in Axysystems Ltd., headquartered in Petah Tikva, Israel. The contract's closing date was on June 30, 2010. The purchase price totaled 1.337 million euros. Of this total, 1.240 million euros were paid in cash and 97,000 euros were paid using 2,134 shares of Manz Automation AG's stock. These treasury shares were transferred on July 7, 2010, which means that at the end of the reporting period on June 30, 2010, these 97,000 euros were accounted for under other current liabilities. All in all, the acquisition of this company resulted in a total cash outflow of 1.057 million euros, which was financed entirely using our company's available cash. By acquiring a 100% interest in Axysystems, Manz AG secures access to the underlying technology behind the control technology used in many of Manz's machines (aico.control). Axysystems activities are included in our "Miscellaneous" division.

Up until now, Axysystems was accounted for in our consolidated financial reports using the equity method. Since acquiring the remaining shares in the company, it is now fully consolidated in Manz's consolidated financial reports. In addition to the company's assets and liabilities which had already been valued, intangible assets comprising various technologies have been valued at 1.173 million euros with an average useful economic life of eight years. Deferred tax liabilities totaling 282,000 euros which arise as a result of accounting for these technologies will be liquidated in the following quarters along the same lines as our write-offs.

The following list details the fair value of Axystems' identifiable assets and liabilities on the purchase date:

	Fair value on the purchase date EUR tsd	Carrying value EUR tsd
Intangible assets		
Technology	1,173	0
Miscellaneous	8	8
Tangible assets	27	27
Deferred taxes	53	53
Other non-current assets	30	30
Inventories	32	32
Accounts receivable	275	275
Other current assets	284	284
Cash and cash equivalents	184	184
	2,068	893
Pension obligations	-98	-98
Deferred taxes	-282	0
Current financial liabilities	-29	-29
Accounts payable	-64	-64
Other current liabilities	-256	-256
	-731	-447
Net assets / Purchase price	1,337	446

The purchase price allocation process for Axystems Ltd. has not been finished. As stipulated in IFRS 3.61 and the following sections, the acquisition is accounted for on June 30, 2010, using the preliminary values. These values could change between now and the end of the fiscal year on December 31, 2010.

Assuming that the company was first consolidated on January 1, 2010, we would have generated consolidated revenues totaling 68.274 million euros and a consolidated loss of -733,000 euros.

III. Key events in the reporting period //

During the first six months of 2010, the Manz Group's revenues rose by 138.7% from 28.3 million euros in Q1 2009 to 67.5 million euros, while total operating revenues increased by 103.6% to 77.6 million euros.

Earnings before interest and taxes (EBIT) improved from -12.6 million euros in the same period last year to -1.5 million euros this year.

IV. Notes to the individual items on the income statement //

Other operating income

	June 30, 2010 EUR tsd	June 30, 2009 EUR tsd
Income from the release/reduction of provisions	2,171	268
Changes to write-downs on accounts receivable	1,217	224
Capital gains	451	2,956
Subsidies	135	232
Income from the sale of investments	1	9
Other	180	455
	4,155	4,144

Material expenditure

	June 30, 2010 EUR tsd	June 30, 2009 EUR tsd
Cost of raw materials, supplies, and purchased goods	26,614	18,710
Expenditure on third-party services	19,328	2,847
	45,942	21,557

Other operating expenses

	June 30, 2010 EUR tsd	June 30, 2009 EUR tsd
Rent and leasing	2,353	1,814
Advertising and travel expenses	1,627	1,426
Outgoing freight, packaging	717	391
Legal and consultancy costs	482	720
Insurance	291	320
Capital losses	413	657
Changes to write-downs on accounts receivable	32	1,022
Other	5,338	3,918
	11,253	10,268

Taxes on income

Income taxes include both actual and deferred income taxes arising from temporary differences and existing tax loss carryforwards.

Income taxes are composed of the following items:

	June 30, 2010 EUR tsd	June 30, 2009 EUR tsd
Current tax liabilities/income (–)	393	-466
Deferred tax liabilities/income (–)	-877	-1,830
	-484	-2,296

V. Notes to the individual items on the consolidated balance sheet //

Intangible assets

	Licenses, software and similar rights, and assets EUR tsd	Capitalized development costs EUR tsd	Goodwill EUR tsd	Advance payments EUR tsd	Total EUR tsd
As at December 31, 2009	14,283	10,473	21,933	323	47,012
As at June 30, 2010	14,686	13,909	24,921	265	53,781

The increase in goodwill from 21,933,000 euros to 24,921,000 is exclusively attributable to foreign currency effects.

Tangible assets

	Property and buildings including buildings on third-party properties EUR tsd	Technical equipment and machinery EUR tsd	Other equipment, furniture, and office equipment EUR tsd	Advance payments EUR tsd	Total EUR tsd
As at December 31, 2009	8,277	4,114	4,062	155	16,608
As at June 30, 2010	9,470	4,550	3,908	111	18,039

Inventories

	June 30, 2010 EUR tsd	Dec. 31, 2009 EUR tsd
Raw materials and supplies	14,848	12,570
Goods in process, work in progress	20,251	15,776
Finished goods, products	1,653	879
Advance payments	3,315	594
	40,067	29,819

Accounts receivable

	June 30, 2010 EUR tsd	Dec. 31, 2009 EUR tsd
Future receivables from non-current construction contracts	20,334	13,469
Accounts receivable	39,192	26,097
	59,526	39,566

Future receivables from non-current construction orders, accounted for according to their percentage of completion, are determined as follows:

	June 30, 2010 EUR tsd	Dec. 31, 2009 EUR tsd
Manufacturing costs including outcome of the contract for non-current construction contracts	44,119	32,921
minus advance payments received	-23,785	-19,452
	20,334	13,469

Other current receivables

	June 30, 2010 EUR tsd	Dec. 31, 2009 EUR tsd
Tax receivables (not income taxes)	1,772	321
Receivables, personnel	247	75
Accrued interest	34	180
Other accruals and deferrals (primarily from insurance)	136	566
Other	853	792
	3,042	1,934

Equity _ Changes to the Group's individual equity items are detailed separately in the Consolidated Statement of Changes to Equity.

Share capital _ Share capital totals 4,480,054 euros (December 31, 2009: 4,480,054 euros), divided into 4,480,054 registered, common, no-par shares. The face value of a no-par share is 1.00 euro. There were no changes in share capital in the first half of 2010.

Capital reserves _ The capital reserves chiefly comprise payments by shareholders in accordance with Article 272, paragraph 2, sentence 1, of the German Commercial Code (Handelsgesetzbuch – HGB) less the costs of capital procurement after taxes. The increase in the first half of 2010 totaling 132,000 euros pertains to the allocation of funds from share-based compensation (Manz Performance Share Plan).

Treasury Shares _ In the first half of 2010, our company purchased 2,144 of its own shares at an average price of 58.20 euros per share (total market value: 125,000 euros). These shares were purchased in part to finance the acquisition of the remaining shares of Axystems Ltd. As of June 30, 2010, the number of treasury shares held by the company remained unchanged. On July 7, 2010, our company transferred 2,134 shares as a result of this acquisition.

VI. Key events of particular importance occurring after the end of the reporting period //

On July 19, 2010, Manz Automation AG signed a know-how licensing and partnership agreement with Würth Solar. This agreement grants Manz exclusive usage rights to Würth Solar's CIGS manufacturing technology, making our company the only supplier to currently offer an integrated and fully operable production line for CIGS thin-film solar modules, which can already be operated profitably today. A total of 30 million euros in capital is needed for a one-time licensing payment due after signing the agreement, and an additional payment of 20 million euros is due until the inspection and approval of the first CIGSfab. Otherwise, no further events occurred after the reporting date which could have an impact on our company's financial position and results of operations.

VII. Further Information //

Employees

As of June 30, 2010, the Manz Group employed an average of 1,440 persons (June 30, 2009: 1,387 persons).

Managing Board

Dieter Manz, Dipl. Ing. (FH), CEO
Martin Hipp, Dipl.-Kaufmann, CFO
Volker Renz, Dipl. Ing. (FH), COO

Supervisory Board

Prof. Dr. Heiko Aurenz, Dipl. oec. (Chairman), Partner at Ebner Stolz, Mönning Bachem Unternehmensberatung GmbH, Stuttgart
Peter Leibinger, Dipl.-Ing. (Deputy Chairman), Managing Partner of Trumpf GmbH & Co. KG, Ditzingen
Prof. Dr.-Ing. Dr. h.c. mult. Rolf D. Schraft

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the shortened interim consolidated financial statements give a true and fair view of the Manz Group's assets, liabilities, financial position, and profit or loss, and the Manz Group's interim management report includes a fair review of the trends and performance of the business and the position of the Group, as well as a description of the principal opportunities and risks associated with the Group's expected performance.

Reutlingen, August 9, 2010

The Managing Board of Manz Automation AG



Dieter Manz
Chief Executive Officer



Martin Hipp



Volker Renz

Auditor's Statement After Conducting an Auditor's Review

To Manz Automation AG, Reutlingen:

We have reviewed Manz Automation AG's shortened consolidated interim financial statements – comprising the balance sheet, income statement, statement of comprehensive income, cash flow statement, statement of changes in equity, and select explanatory notes – and the company's consolidated interim management report for the period from January 1, 2010, to June 30, 2010, which, pursuant to Article 37w of the German Securities Trading Act, are all components of a company's semi-annual financial statements. The company's legal representatives are responsible for preparing these condensed consolidated financial statements in accordance with both the IFRS for interim financial statements as approved for use in the EU as well as the IFRS for interim financial statements as issued by the International Accounting Standards Board (IASB), and are also responsible for preparing the consolidated interim management report pursuant to the regulations governing consolidated interim reports as set forth in the German Securities Trading Act. Our responsibility is to issue a statement on the condensed consolidated interim financial statements and on the interim Group management report on the basis of our review.

We conducted our review of the company's condensed consolidated interim financial statements and consolidated interim management report in accordance with the German principles of reviewing financial reports as set forth by the German Institute of Chartered Accountants (Institut der Wirtschaftsprüfer in German, or IDW for short). These standards require that we plan and perform the review in such a way that we can, through critical evaluation, state with some level of certainty that in all material aspects, the condensed consolidated interim financial statements were prepared in accordance with both the IFRS for interim financial statements as approved for use in the EU as well as the IFRS for interim financial statements as issued by the International Accounting Standards Board (IASB), and that the consolidated interim management report was prepared pursuant to the regulations governing consolidated interim reports as set forth in the German Securities Trading Act. An auditor's review is limited primarily to surveys of company personnel and analytical procedures, and therefore does not provide the level of assurance attained when conducting a complete audit of a company's annual financial statements. Since we were not tasked with conducting a complete audit of the financial statements, we cannot issue an auditor's report.

While conducting our review, we did not discover any information which would lead us to believe that the condensed consolidated interim financial statements, in all material aspects, were not prepared in accordance with both the IFRS for interim financial statements as approved for use in the EU as well as the IFRS for interim financial statements as issued by the International Accounting Standards Board (IASB), nor did we find anything which would lead us to believe that the consolidated interim management report was not prepared pursuant to the regulations governing consolidated interim reports as set forth in the German Securities Trading Act.

Reutlingen, August 9, 2010

alltax gmbh
Accounting and Auditing Firm
Tax Consultants

Klaiber
Certified Public Accountant

Aigner
Certified Public Accountant