



MANZ AG

PRELIMINARY FIGURES 2014

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**POINTING
THE WAY:
OUR IDEAS FOR
THE FUTURE**

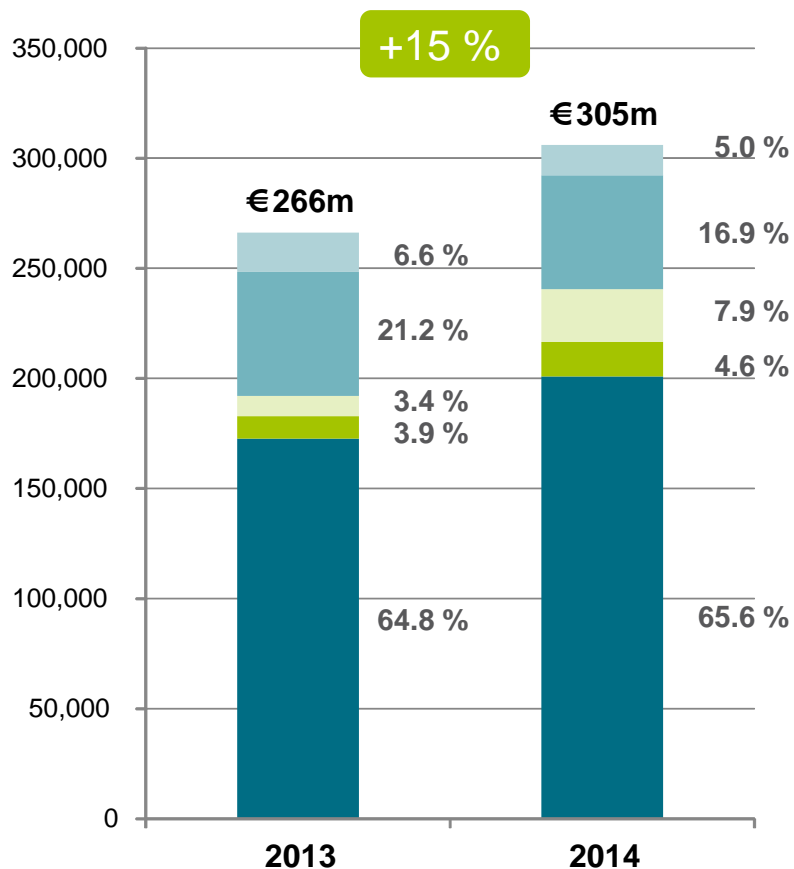
With its outstanding technological expertise, Manz AG is an important driver of innovation, helping to achieve breakthroughs in key technologies of our times such as displays and devices for global communication needs, sustainable power generation and e-mobility.



- Record-breaking revenues due to successful diversification
 - With EUR 306m the turnover is 15 % above previous year's level
 - Less than 5 % of revenues generated by Solar division
- Operative goals for 2014 achieved
 - EBITDA adjusted for non-recurring special effects amounts to EUR 24.3m and proves operative strength
 - EBIT adjusted for non-recurring special effects is positive at roughly EUR 0.5m – despite ongoing burden from Solar-R&D
- EBIT of EUR -32.8m strongly burdened by non-recurring negative special effects and non-scheduled depreciation on capitalized R&D in Solar business unit
- Ongoing growth and significantly improved EBIT for 2015 expected
 - Very good order situation in Display and Battery divisions
 - High order intake expected in both divisions
 - Reduced costs in Solar division and adjusted balance sheet will have positive effect on results of coming years

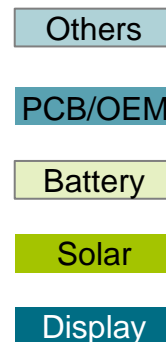
Revenue by business units

in EUR thousand

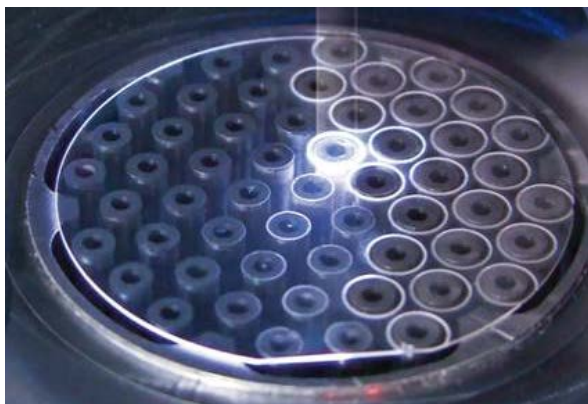


➔ Display division accounts for largest share of revenues amounting to EUR 201m or 65.6 %

➔ Solar division contributed only 4.6 % or EUR 14m to total revenues

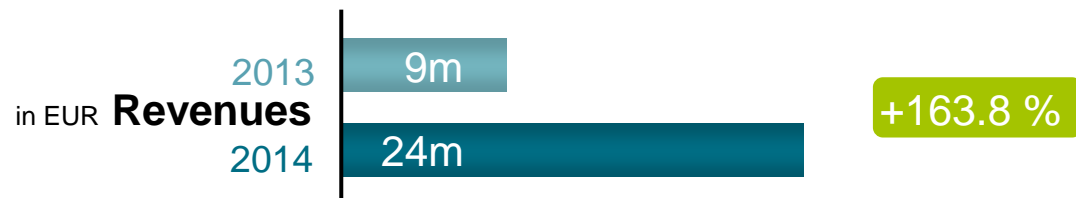


● **Display: Main driver of revenues**



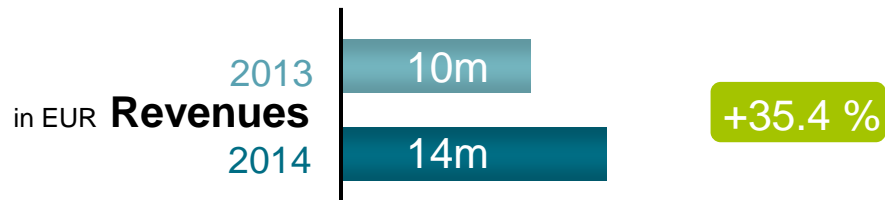
- Display business is sustainable and profitable
 - Manz established as industry partner for development of innovative and efficient production solutions for smart phones and tablet PCs
 - New functions and technological innovations continually create application fields for our core technologies
- Good order situation and excellent prospects for new and follow-up orders
 - Trend toward automated assembly in Asia offers high potential

● **Battery: Fastest-growing business unit due to enlarged product portfolio**



- Strong growth of battery business reflects comprehensive technological portfolio and outstanding positioning
- Non-recurring special effects by cancellation of project which has not been completed yet (EUR 4.0 m)
 - Strategy change of a German automobile manufacturer
 - Shifting of capacities to other projects for consumer electronic industry resulted in order intake amounting to around EUR 40m received in January 2015
- Manz is the only equipment manufacturer that covers all important production technologies for all Li-ion cell technologies
- Best conditions for lifting this segment to a new level of revenues
 - Enormous potential for follow-up orders in the field of consumer electronics in the short to medium term

- **Solar: Ongoing investment reluctance of customers in crystalline technology**
Ongoing good perspectives for selling turnkey production lines for CIGS modules!

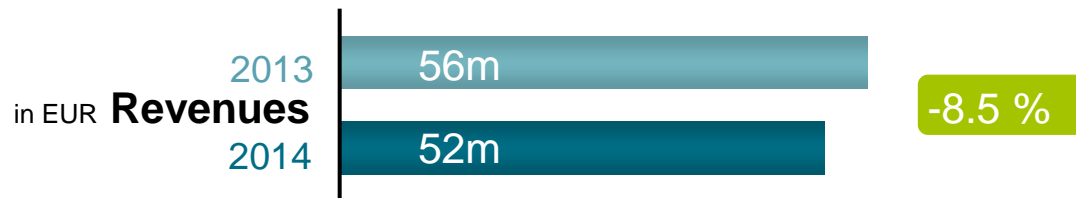


- Less than 5 % of turnover is generated by Business Unit Solar
 - Development of business is strongly burdened by ongoing investment reluctance of PV industry
 - Non-recurring special effects due to non-scheduled depreciation on capitalized R&D mainly from crystalline technology amounting to EUR 22.5m
 - Future demand for crystalline solar equipment will be concentrated in China
 - Shifting of solar business to Manz China



- Ongoing good perspectives to sell Manz CIGSfab
 - Leading technology with efficiency world record on cell level of 21.7 %
 - Manz is the only remaining provider of a turnkey CIGS production line
- Cost savings at Schwaebisch Hall sites will have positive impact on company profitability

- OEM/PCB: Slight decline due to high capacity utilization in strategic business units



- Strengthening of PCB segment
 - Increased sales activities in Europe and USA
 - Cooperation with KLEO Halbleitertechnik GmbH since October 2014 ensures Manz the exclusive rights of sales in China for LDI system (Laser Direct Imaging)
- Expansion of OEM business to other industries as strategic target to further stabilize business model

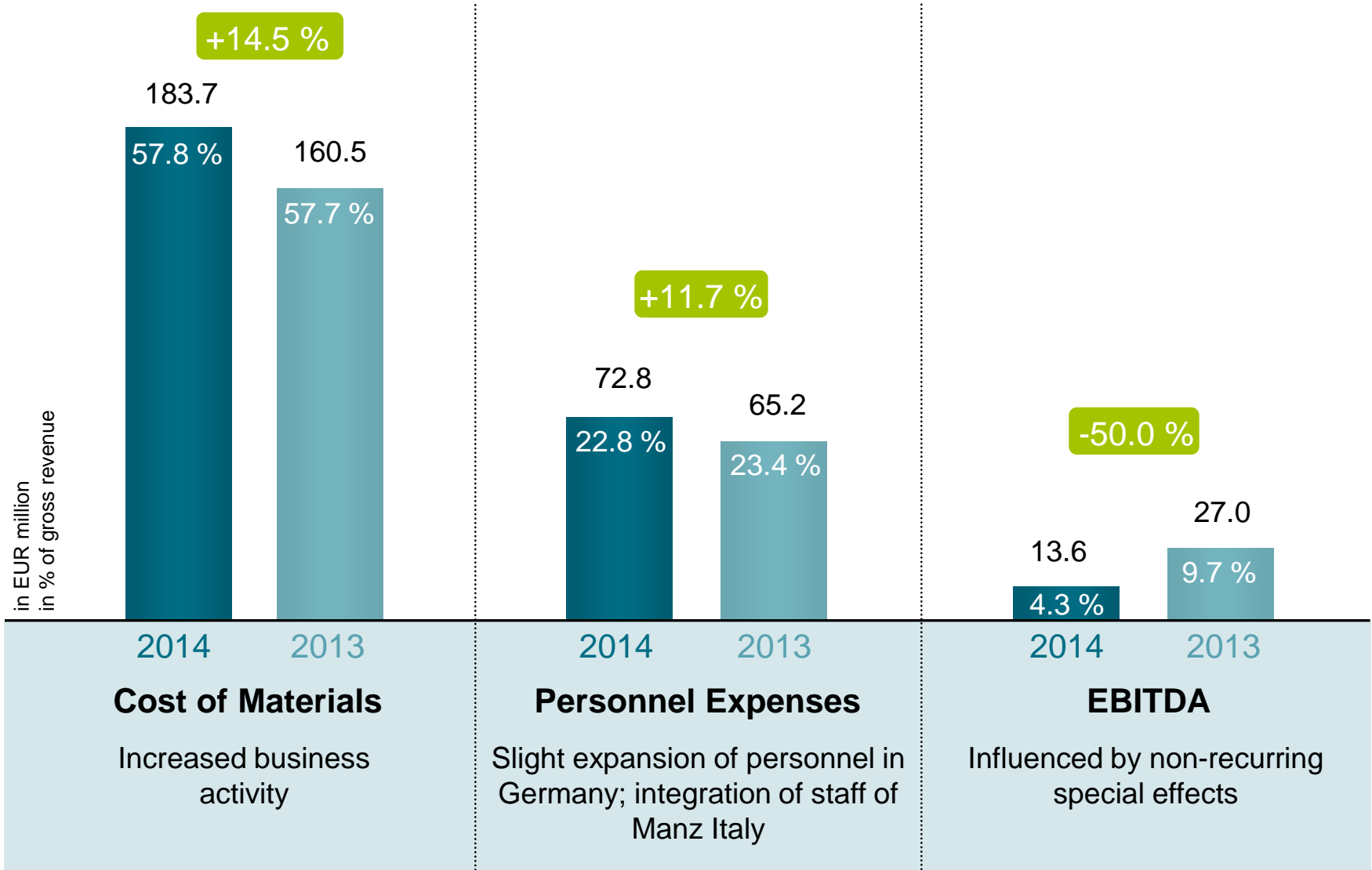
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PRELIMINARY FINANCIAL FIGURES

in TEUR	Jan.1 – Dec. 31 2014	Jan.1 – Dec. 31 2013
Revenues	305,987	266,248
Gross revenue	317,909	278,362
Other operating income	13,135	13,917
Costs/Expenses	-317,469	-265,269
EBITDA	13,575	27,010
Depreciation	-46,383	-23,909
EBIT	-32,808	3,101

- With increase by 15 % YOY highest revenue ever achieved in company history
- Costs of material and personnel expenses at a comparable ratio level YOY
- EBITDA influenced by non-recurring special effects:
 - EUR 2.5 m resulting from bankruptcy of GTAT
 - EUR 4.0 m resulting from cancellation of project in Business Unit Battery
- Depreciation on R&D of EUR 46.4m mainly results from Solar division
 - EUR 16m scheduled depreciation
 - EUR 22.5m non-scheduled depreciation
- Strong equity quote of 54 %

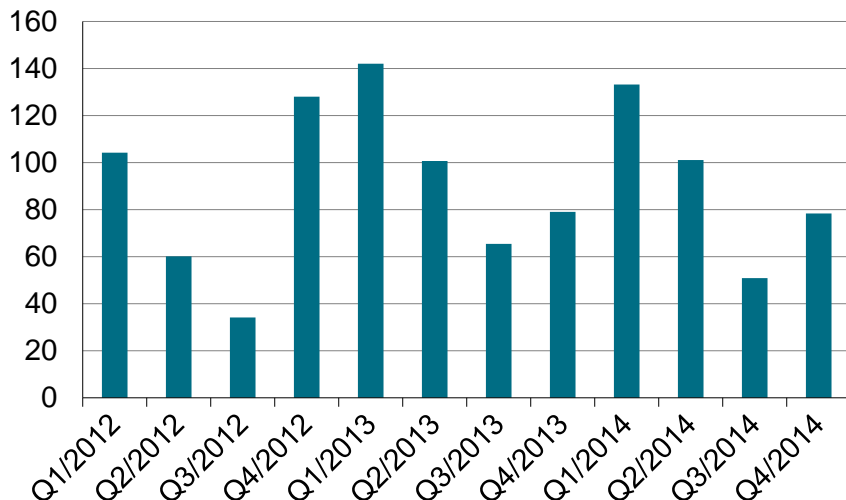
INCOME STATEMENT



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OUTLOOK

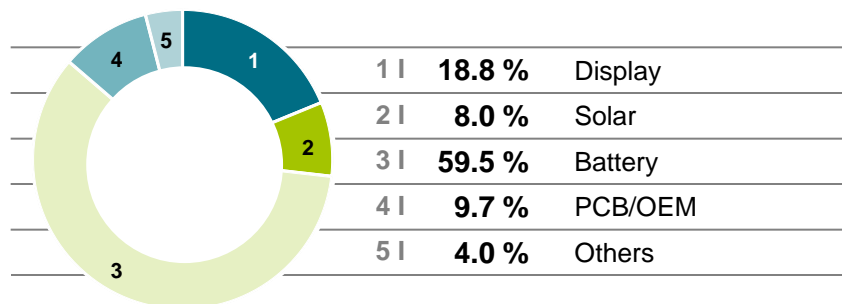
Development of Order Backlog



- High order backlog by end of December as a result of successful diversification strategy
 - Very positive development of business unit Battery
 - Very good prospects for new and follow-up orders in business unit Display
 - Stable development of PCB/OEM segment

Order Backlog: EUR 78.4m

as of December 31, 2014



Good perspectives for substantial increase of order backlog in Q1 2015

OBJECTIVES



- Diversification in technology, industries, and regions remains core of our growth strategy
 - Focus on further expansion of excellent position as leading equipment supplier for consumer electronic and battery industry
- Good prospects for 2015 due to high growth potential in all strategic divisions
 - Stable development of Display division and OEM/PCB segment
 - Strong increase in revenues in Battery division resulting from consumer electronics sector
 - Recovery in solar industry has high upside potential and creates good conditions for a sale of a CIGSfab
- Order backlog by end of December of EUR 78.4m as good starting position for further growth in 2015



Increase in revenues to EUR 320 - 340 million with further upside potential resulting from an upturn in the PV market with a clearly positive EBIT expected for 2015

THANKS

THANK YOU
VERY MUCH FOR
YOUR ATTENTION!

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