

## Manz AG Publishes Report on the First Nine Months of 2015

- *Revenue trend in 2015 substantially affected by order cancellation and order delays*
- *Significant negative operating result due to high cost basis and low revenue level*
- *Restructuring program for adjustment of the Group-wide cost structure initiated*

Reutlingen, November 9, 2015 – Manz AG is publishing its financial report for the first nine months of 2015 today. The first six months were mainly characterized by delays in incoming orders as well as the cancellation of a bulk order and its associated effects. Contrary to original expectations, the economic slowdown in China, in particular, as well as developments on Chinese capital markets in the third quarter again led to significant order delays in the Energy Storage and Electronics segments. Consequently, revenues and earnings for the first nine months are under strain.

Overall, in this fiscal year, Manz AG is confronted with cancellations and order delays with a total volume of around 140 million euros. Revenue totaling 169.0 million euros for the 2015 reporting period was significantly below the prior-year level of 250.9 million euros. Dieter Manz, CEO and founder of Manz AG, comments: "Our original planning envisaged a rise in revenues to around 320 million to 340 million euros. We therefore focused our Group structures on growth with corresponding ramifications on our cost structure. Using this constellation – significantly lower revenues than planned and a simultaneous increased cost basis – our operating result was also heavily impacted." Earnings before interest, taxes, depreciation and amortization (EBITDA) in the reporting period amounted to -20.6 million euros (previous year: 19.6 million euros); earnings before interest and taxes (EBIT) totaled -30.1 million euros (previous year 1.5 million euros).

Broken down by business segment, the picture after the first nine months of 2015 is as follows: the Electronics segment accounted for a 38.7% share of revenues in the reporting period with 65.3 million euros (previous year: 189.4 million euros or 75.5%). The Solar segment generated around 17.2 million euros or 10.2% of Manz AG's total revenues in the first nine months of 2015 (previous year: 9.3 million euros or 3.7%). At 55.6 million euros, the Energy Storage segment accounted for a 32.9% share of the revenues (previous year 12.2 million euros or 4.9%). The Contract Manufacturing reporting segment was responsible for revenue contributions of 22.8 million euros or 13.4% (previous year: 29.3 million euros or 11.7%). Revenues in the reporting segment Others came to 8.1 million euros in the 2015 reporting period, which corresponds to a 4.8% share of revenue (previous year: 10.6 million euros or 4.2%).

As a direct consequence of the 2015 business performance to this point, Manz AG has initiated a restructuring program with external support. The company will present the key measures and associated expenses on December 10, 2015. The clear target of the program is the adaptation of the global cost structure in order to achieve at minimum the break-even

level based on conservative planning for the year 2016. Manz AG will use this as a basis to continue on the growth path. In this context, Manz will focus in the future on the growth markets Electronics and Energy Storage. On the other hand the Managing Board is examining options for the Solar segment since negotiations concerning the sale of a CIGSfab are drawing out longer than expected. The goal is that beginning with the fiscal year 2016, no further cost burden will arise from this segment.

Although the restructuring will make high demands on all involved parties in the company, Dieter Manz is undaunted: "We intend to turn a profit from the potentials of Manz AG and our markets. I continue to assess our prospects in our strategic target industries as positive and see definite opportunities for our company to be able to grow again in this environment. In the course of the restructuring program, it will be essential to the success of our company that we significantly increase planning reliability, transparency and flexibility within the Group so that we can better manage the risks associated with cancellations of large-scale orders. I firmly believe that together we will overcome these challenges."

The complete report for the first nine months of 2015 is available for download on the company website [www.manz.com](http://www.manz.com) in the "Investor Relations" section.

### Company profile:

#### Manz AG – passion for efficiency

As one of the world's leading high-tech equipment manufacturers, Manz AG, based in Reutlingen, Germany, is a pioneer in innovative products for fast-growing markets. Founded in 1987, the company has expertise in seven technology sectors: automation, laser processing, vacuum coating, screen printing, metrology, wet chemical and roll-to-roll processing. Manz deploys and continuously develops these technologies in three strategic business segments: Display, Solar and Battery.

The company, led by founder Dieter Manz and listed on the stock exchange in Germany since 2006, currently develops and produces in Germany, China, Taiwan, Slovakia, Hungary and Italy. It also has sales and service branches in the USA and India. At the beginning of 2015, Manz AG had approximately 2,000 employees, around half of whom were employed in Asia. Manz's claim "passion for efficiency" offers the promise of production systems of the highest efficiency and innovation to its customers in dynamic, future-oriented industries. With its extensive expertise in the development of new production technologies and the related machines, the company substantially contributes to reducing the production costs of final products and making them accessible to large groups of buyers around the world.

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