

Manz AG Publishes Report on the First Nine Months of 2016

- *Revenue of 167.3 million euros roughly at previous year's level*
- *Negative EBITDA, but improved by about 5 million euros compared to prior year*
- *Good order backlog of 93.9 million euros as of September 30, 2016.*
- *Framework Agreement on strategic cooperation in CIGS, including CIGS orders, sets the conditions for continuous growth*

Reutlingen, November 15, 2016 – Manz AG, a globally active high-tech equipment manufacturer with an extensive technology portfolio covering the three strategic business segments of "Electronics", "Solar" and "Energy Storage," is publishing its financial report for the first nine months of 2016 today. It shows that business performance in the third quarter was significantly affected by a lack of follow-up orders related to a stop in orders from a large customer in the Energy Storage business segment. Contrary to original planning, the lost revenue could not be compensated by revenues from the sale of turnkey production lines for CIGS thin film solar modules, because the final signing of the contract for planned CIGS orders was postponed and is not expected to take place before year's end. With the framework agreement aiming on a strategic cooperation in the CIGS sector in early November, however, Manz considers itself to have reached a corporate milestone that will have a fundamentally positive effect on business growth in the coming year.

Dieter Manz, founder and CEO of Manz AG, remarked, "The first nine months of 2016 were not as we had planned early in the year. However, orders from the pending CIGS cooperation are expected to be in the hundreds of millions and represent by far the largest order placement in the history of our company. At the same time, our future collaboration partners will immediately assume the expense of operating our CIGS research site, relieving us of costs in the low tens of millions per year. This combination, significant sales contributions and considerable cost reduction in the Solar sector, along with an order backlog of about 94 million euros as of September 30, are the basis for a stable, results-oriented business model in the future."

Due to the lack of follow-up orders in the third quarter of 2016, and the postponed contract signing for CIGS orders, at 167.3 million euros, Manz AG generated revenue comparable to that of the previous year (168.9 million euros). At 72.0 million euros, the Electronics segment realized 43.0% of total revenues in the reporting period (previous year: 65.3 million euros or 38.7%). After nine months, the Solar segment had generated around 21.4 million euros or 12.8% of Manz AG's total revenues (previous year: 17.2 million euros or 10.2%). At 41.9 million euros, the Energy Storage segment accounted for a 25.0% share of the revenues during the reporting period (previous year 55.6 million euros or 32.8%). The Contract Manufacturing reporting segment was responsible for revenue contributions of 22.7 million euros or 13.6% (previous year: 22.8 million euros or 13.5%). Revenues in the Others reporting segment totaled

9.3 million euros, following 8.1 million euros in the prior-year period; this corresponds to a revenue share of 5.6%, following 4.8% in the first three quarters of 2015.

Through continuous optimization of structures and processes within the Group, Manz improved its cost basis and correspondingly stabilized results. Earnings before interest, taxes, depreciation and amortization (EBITDA) improved to -15.2 million euros in the reporting period (previous year: -20.6 million euros). Earnings before interest and taxes (EBIT) amounted to -25.7 million euros (previous year: -30.1 million euros). Consolidated net results came to -30.9 million euros (previous year: -33.8 million euros), corresponding to per-share results of -4.70 euros (previous year: -6.48 euros).

Company Profile:

Manz AG – passion for efficiency

As a globally active high-tech equipment manufacturer, Manz AG, based in Reutlingen, Germany, is a pioneer for innovative products in fast-growing markets. Founded in 1987, the company has expertise in seven technology sectors: automation, laser processing, vacuum coatings, screen printing, metrology, wet chemical and roll-to-roll processing. Manz deploys and continuously develops these technologies in three strategic business segments: Electronics, Solar and Energy Storage.

The company is led by founder Dieter Manz and has been listed on the stock exchange in Germany since 2006. It currently develops and produces in Germany, China, Taiwan, Slovakia, Hungary and Italy. It also has sales and service branches in the United States and India. Manz's motto "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 comprehensive expertise in developing new production technologies and related machines, the company contributes substantially to reducing production costs for end products, making them accessible to large groups of buyers the world over.

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