

**Manz AG publishes 2016 Annual Report and 2017 forecast**

- *Revenue of EUR 231 million slightly above previous year's level*
- *Significantly improved cost basis reflects extensive optimization measures*
- *EBIT significantly improved compared to previous year*
- *Significant increase in revenues to at least EUR 350 million with positive EBIT anticipated for 2017*

Reutlingen, March 30, 2017 – Manz AG, a globally active high-tech equipment manufacturer with an extensive technology portfolio covering the three strategic business units of "Solar," "Electronics" and "Energy Storage," is publishing its 2016 Annual Report today. Manz AG achieved significant milestones in its strategic development over the past year, allowing it to grow profitably again. Material and personnel expenses were reduced through the optimization of processes and structures and the overall cost basis was significantly improved. In addition, the strategic cooperation with the anchor shareholder Shanghai Electric that has started in 2016 was solidified in the Solar business unit in early 2017 with the largest order in company history, with a total volume of EUR 263 million.

Overall revenues for the 2016 reporting period, at EUR 231.0 million, was slightly above the previous year (EUR 222.0 million). The revenue trend thus proved to be resilient against setbacks, in consideration of the short-notice cancellation of a major order in June 2016 and the lost follow-up orders. This is also particularly the case because the major order in the Solar business unit was not placed until January 2017, significantly later than initially planned. As a result of implemented optimization measures, the material cost ratio improved to 58.0 % (previous year: 64.3 %), and the 2016 personnel expenses ratio, at 33.1 % was also significantly below the previous year's level of 36.6 %. In operating business, Manz AG thus achieved significantly improved earnings before interest, taxes, depreciation and amortization (EBITDA) compared to the preceding year, of EUR -21.8 million (previous year: EUR -41.9 million); earnings before interest and taxes (EBIT) also significantly improved to EUR -35.9 million (previous year: EUR -58.2 million). Revenues and profit for 2016 are thus within the last forecasted predictions, with revenue at the level of the previous year and a significantly improved EBIT. With the net proceeds achieved as a result of the capital increase last year, Manz AG's equity capital ratio increased significantly by 10.1 percentage points to 52.9% (previous year: 42.8%). At the same time, liquid assets at the 2016 reporting date rose by 62.1 %, from EUR 34.4 million to EUR 55.7 million. This resulted in a positive net liquidity of EUR 1.3 million.

In dependence on the project start of the CIGS order, which will be determined at the time of fulfillment of all closing conditions, the Managing Board of Manz AG anticipates for the fiscal year 2017 a significant increase in revenue to at least EUR 350 million with a significantly improved, positive EBIT.

Dieter Manz, Chairman and founder of Manz AG: "We have made the turnaround in 2016 and laid the foundation for profitable business performance. Our optimization program is bearing its initial fruit, the diversification strategy has proven itself correct and our broadly diversified business model has repeatedly proven itself to be robust. With the largest order in company history, we have begun the new fiscal year with the wind at our back. As a result, we have every reason to look forward with optimism."

It's not only the agreed cooperation and the major order in the Solar business unit that the Managing Board find to be optimistic. The outlook for the Electronics and Energy Storage business units is also positive. Based on continued high demand for consumer electronics and an upturn in the classic display and printed circuit board business, Manz expects stable business developments in the Electronics business unit. In addition, the global mega trends e-mobility, autonomous driving and stationary energy storage will also provide considerable growth impulses for the Energy Storage segment in the medium and long term. Particularly in the e-mobility field, increased business activities have been noted worldwide in recent months – along with a correspondingly rising interest on the part of potential customers in solutions from Manz AG, both in the area of standard machines and also with regard to complete, customized system solutions.

In order to protect its exceptional market position over the long term in the three strategic business units, Manz AG is pursuing the strategy of expanding its customer base with standard products and system solutions from intelligent product modules, and thereby strengthening its business. In addition, an expansion of the product portfolio with innovative and higher-margin high-end products for strategic target industries should contribute to the optimization of Manz AG's profitability. The steady expansion of its technology and product portfolio, with more than 500 qualified engineers, technicians and scientists, as well as having a strong local presence in the main sales region of Asia, both remain central components of the company's strategic positioning.

#### **2016 revenue and EBIT by business segment**

<b>in EUR million</b>	Electronics	Solar	Energy Storage	Contract Manufacturing	Others
Revenues	106.6	24.7	46.4	42.2	11.1
EBIT	-9.9	-12.3	-16.0	2.1	0.2

### 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 six technology sectors: automation, laser processing, 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. With its claim "passion for efficiency," Manz makes the promise to its customers in dynamic, future-oriented industries to offer production systems with the highest level of efficiency and innovation. 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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