manz
passion for efficiency

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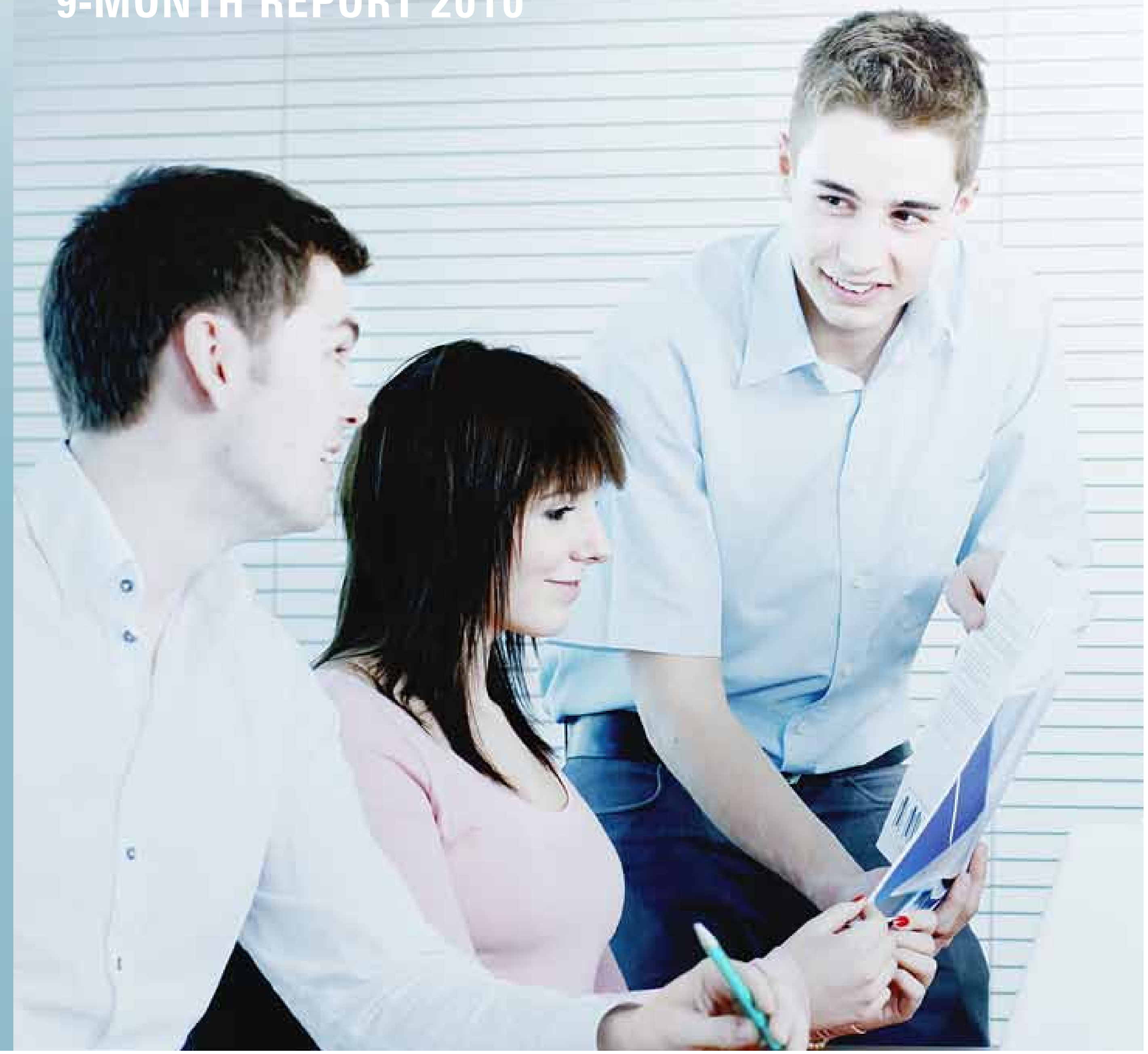
EFFICIENT SOLUTIONS
FOR A SUSTAINABLE FUTURE

manz
passion for efficiency

MADE BY MANZ

9-MONTH REPORT 2010



FINANCIAL CALENDAR 2010/2011

November 22–24	German Equity Forum
June 28	Shareholders`meeting

OVERVIEW OF GROUP RESULTS

in EUR million	Jan.1-Sept.30, 2010	Jan.1-Sept.30, 2009
Revenues	**121.32**	46.73
Total operating revenues	**132.57**	59.14
EBIT	**–3.34**	–16.09
EBIT margin (in %)	**–**	
EBT	**–3.10**	–14.39
Consolidated net result	**–1.57**	–11.53
Earnings per share	**–0.38**	–2.45
Operating cash flow	**–5.82**	–4.41
Equity ratio (in %)	**69.2%**	79.0*
Net debt	**–31.59**	–78.78

*December 31, 2009

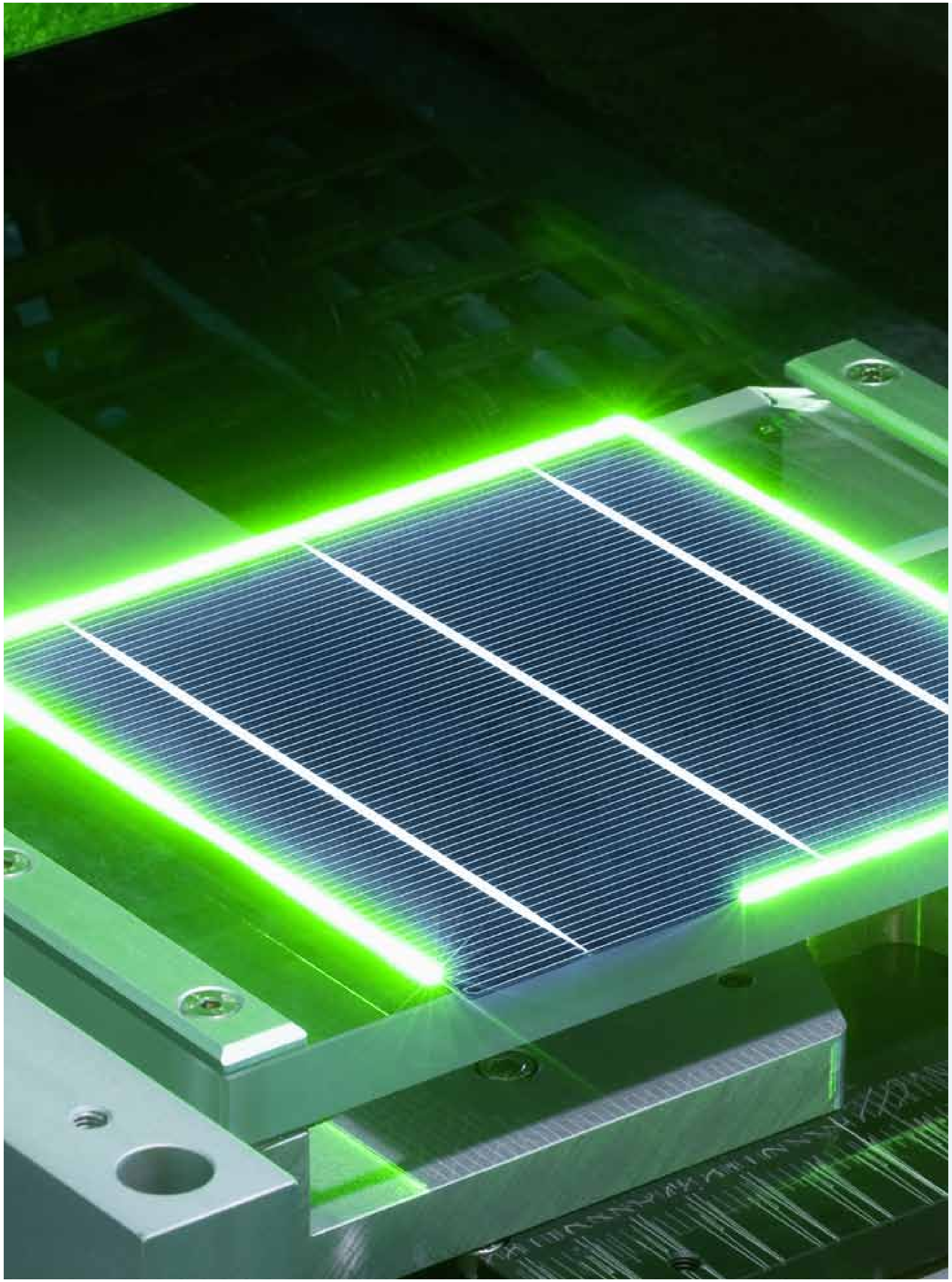
TO OUR SHAREHOLDERS

GROUP INTERIM REPORT

CONSOLIDATED INTERIM FINANCIAL STATEMENT & NOTES

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 that drives innovation in the industry. In this context, our company is also active in the market as a manufacturer of fully integrated production lines for CIGS thin-film solar modules. Other areas of business include the flat panel display (FDP) 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,

For Manz Automation, the first nine months of 2010 were all about the economic recovery, which had positives effects on our company's operations. The number of orders on hand climbed to a total of 125 million euros at the end of October, while, at the same time, our manufacturing capacity saw a high degree of utilization. Our business with flat panel displays (FPD) also benefited from the increased demand for flat-screen televisions and applications with state-of-the-art touch panels. As a result, we expect this division to have a record year, and our manufacturing facilities are running at full capacity and will be until at least the middle of 2011. In addition, trends in our solar division have also been positive during the past few months, and the division has once again been responsible for the lion's share of our orders, contributing 49%. We have been confronted with increased pressure on prices and margins, however, and this is also reflected in our profits. Thanks to a variety of new products that we have developed – among others, such as the Speedpicker and OneStep Selective Emitter technology – we have been able to successfully counteract these trends. As a result, investing in research and development will continue to be of great importance, in order to safeguard our future earnings potential.

Thanks to the improved overall situation in the industry, we were once again able to significantly expand our operations. Thus, in the first nine months of the year 2010, we generated revenues of 121.3 million euros after generating 46.7 million euros in the same period last year. This corresponds to year-over-year growth for the period of around 160%. Above all else, this increase in revenue can primarily be attributed to our new products. As a result of increased margin pressure, as well as lower economies of scale and the start-up costs associated with new developments, this growth is not yet reflected in our earnings to the same degree, however. As a result, we still posted a loss in the first nine months of 2010, with earnings before interest and taxes (EBIT) of –3.3 million euros (previous year: –16.1 million euros). Experience has shown that we generally have a strong fourth quarter, however, which is why we continue to assume that we will post slightly positive earnings for the entire fiscal year.

At the same time, the foundation of Manz Automation's future growth is our strong position in the market, which – if nothing else – we have achieved as a result of our intense R&D activities. Because of this, we have a large portfolio of products that set standards when it comes to crucial parameters such as throughput rate, efficiency, and cost, particularly in the PV industry. This fact was once again confirmed by customers and interested parties at the industry's most important trade fair, the "25th European Photovoltaic Solar Energy Conference and Exhibition" (25th EU PVSEC) held this year in Valencia, Spain.

While there, our CIGS production lines (CIGSfab) – which we presented to trade visitors for the very first time after entering into a licensing and partnership agreement with Würth Solar GmbH & Co. KG in July 2010 – garnered significant interest from solar cell manufacturers. We view the considerable positive feedback received from our customers as confirmation that our decision to focus the company on the further development of CIGS technology was a successful one. In addition, our goal continues to be the acquisition of a first customer during the current fiscal year, which means we would take the next crucial step toward positioning the company as a manufacturer of turnkey, integrated production lines for CIGS thin-film solar modules. Together with our strategic partner Würth Solar, we are currently the only equipment supplier in the world capable of offering such systems and which can also be operated profitably. We are working nonstop to advance this partnership, and are currently developing a new vacuum coating technology together with Würth and the Baden-Württemberg Center for Solar Energy and Hydrogen Research. This technology offers the ability to co-evaporate copper, indium, gallium, and selenium and to deposit it onto a carrier substrate in a uniform manner. At the same time, our engineers are redesigning the layout of the CIGSfab to significantly improve the entire process and further optimize the cost structure. Würth has mass-produced CIGS thin-film solar modules with 30MWp since 1996, and this means we have the competitive edge required when it comes to R&D to make significant progress in a short period of time.

In the crystalline solar cell segment, we have seen growing demand for our Speedpicker technology, which is quite pleasing. The Speedpicker makes it possible to process crystalline cells at high throughput rates, with low breakage rates during loading and unloading, while also keeping costs down. This allows manufacturers to further cut production costs. We have been able to sell a total of 30 such systems to Asian customers within a short period of time. In addition, our OneStep Selective Emitter technology has also been met with great approval. This technology uses a laser process to create a selective emitter structure, and, as a result, significantly increases the conductivity between the silicon wafer and the contact fingers. This technology makes it possible to increase the efficiency of crystalline solar cells by up to 0.5%. Several large solar cell manufacturers are currently testing the selective emitter technology in actual operations. We are extremely pleased with the test results and the positive feedback we have received from our customers, and we expect a large number of follow-up orders for this equipment in the future. With this processing machine, Manz ultimately offers the most affordable solution for the PV industry, because no additional resources need to be used and the wafer is processed entirely using a laser.

We have also seen increased demand for our back-end line in the crystalline solar sector. We now have three reference customers, and this has given us the opportunity to demonstrate the full functionality and power of this line. In this context, it fully integrates all manufacturing steps – from metallization and the application of back and front contacts to measuring electroluminescence and sorting the cell after going through the cell tester. The performance parameters we have achieved in the back-end sector also lead the market when compared to our competitors. We are going to deliver additional systems in the coming months, and, as a result, will reach an installed base of more than ten back-end lines for manufacturing crystalline solar cells during the course of 2011.

Overall, we believe that our company is on the right track. We also continue to work on being the company that will offer the most innovative solutions in the future. That is why we have made the strategic decision both to systematically continue and further expand our R&D activities in the coming year. In the future, our R&D efforts will focus on the development of our vacuum coating technology as well as improving wet-chemical processes. Apart from that, we are also striving for the further integration of our production lines. This is our reason for once again increasing the number of employees at Manz Coating's facility in Karlstein – to press ahead with important core topics such as the innovative silicon nitride equipment for crystalline solar cells. The new R&D employees are primarily engineers with long-term experience, who will enable the company to launch state-of-the-art machines after an extremely short period of development. The subsidiary already plans to launch its first products in 2011. As a result, Manz has the ability to significantly increase its proportion of added value to take over a lasting position as a system provider of integrated production lines.

Due to the growing importance of the Asian market, we have decided to expand our manufacturing capacities in China, and doing so will allow us to benefit from the proximity to our customers while cutting logistics costs at the same time. After all, market experts expect the People's Republic to develop into the world's largest solar market in the foreseeable future. The groundbreaking ceremony for our new production facility in Suzhou is already planned for this fall.

As the description of our technologies shows, in the past few years our company has increasingly developed into a provider of integrated processing machines. Automation is still one of Manz's core areas of expertise. However, we are increasingly positioning ourselves as a supplier of system solutions, where automation remains an integral part of our equipment. Our turnkey, integrated production lines for CIGS thin-film solar modules (CIGSfab) in the thin-film segment particularly underscore our ambitions. In response to the changes that the company has undergone over the past few years, we have dropped the word "automation" from our corporate logo.

At the same time, we have also added our slogan “passion for efficiency” to all of our marketing materials. This signifies the passion we put into our work when it comes to module efficiency, process efficiency, and cutting costs.

In terms of total revenues, we are increasing our forecast for the 2010 fiscal year to between 170 and 175 million euros (our forecast up until now had been at least 140 million euros). Depending on further market developments, particularly in the field of thin-film technology, we still have the potential to even exceed these targets. At the same time, we are also striving to achieve a slightly positive EBIT for the fiscal year. With liquid assets of 42.1 million euros and an equity ratio of 69%, Manz remains extremely well financed.

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.

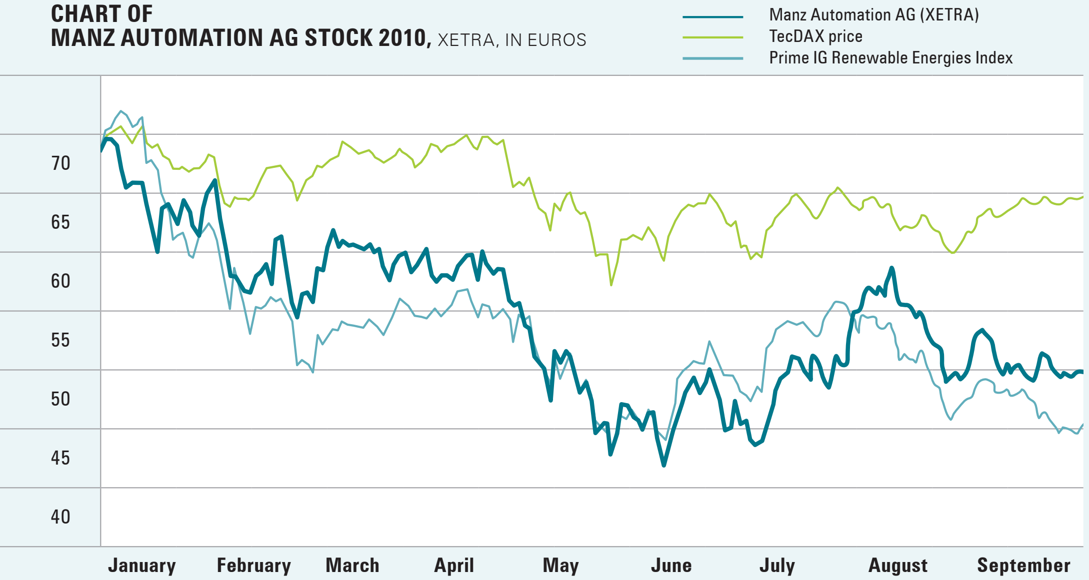
The Managing Board

Dieter Manz
CEO

Martin Hipp
CFO

Volker Renz
COO

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



MANZ AUTOMATION AG STOCK

Overview //

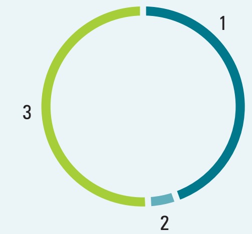
Manz Automation AG's stock has been listed on the Frankfurt Stock Exchange's regulated market (in the Prime Standard segment) since July 2008. While the first half of 2010 was characterized by investors being largely unsure of whether the economic recovery would endure over a long-term period, the markets increasingly stabilized in the third quarter of the year. In addition, the danger the heavily indebted governments of the so-called "PIGS" countries posed to the European currency was deemed to be less serious than in previous quarters. The weak US economy was a cause for concern, however, and the risk of the country falling back into a recession remains high. Despite the overall decline in volatility to be observed, the stock markets have moved unevenly and have proven to be highly sectoral.

Manz Automation AG's stock began the 2010 fiscal year at 68.81 euros, and it reached 70.10 euros on January 5, 2010, its highest point for the year so far. Over the course of the reporting period, the stock price moved with the overall declining trend resulting from the macroeconomic uncertainty that lasted until the middle of the year. On June 8, 2010, the price of Manz's stock was 42.35 euros, its lowest point so far this year. Over the course of the third quarter, the stock price began to stabilize. The price of Manz stock rose by about 13.6% in the last quarter, performing better than the industry average as measured by the Prime IG Renewable Energies Index. On September 30, 2010, the price of Manz stock stood at 49.50 euros. As a result, Manz Automation AG's market capitalization at the end of the reporting period was 221.8 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

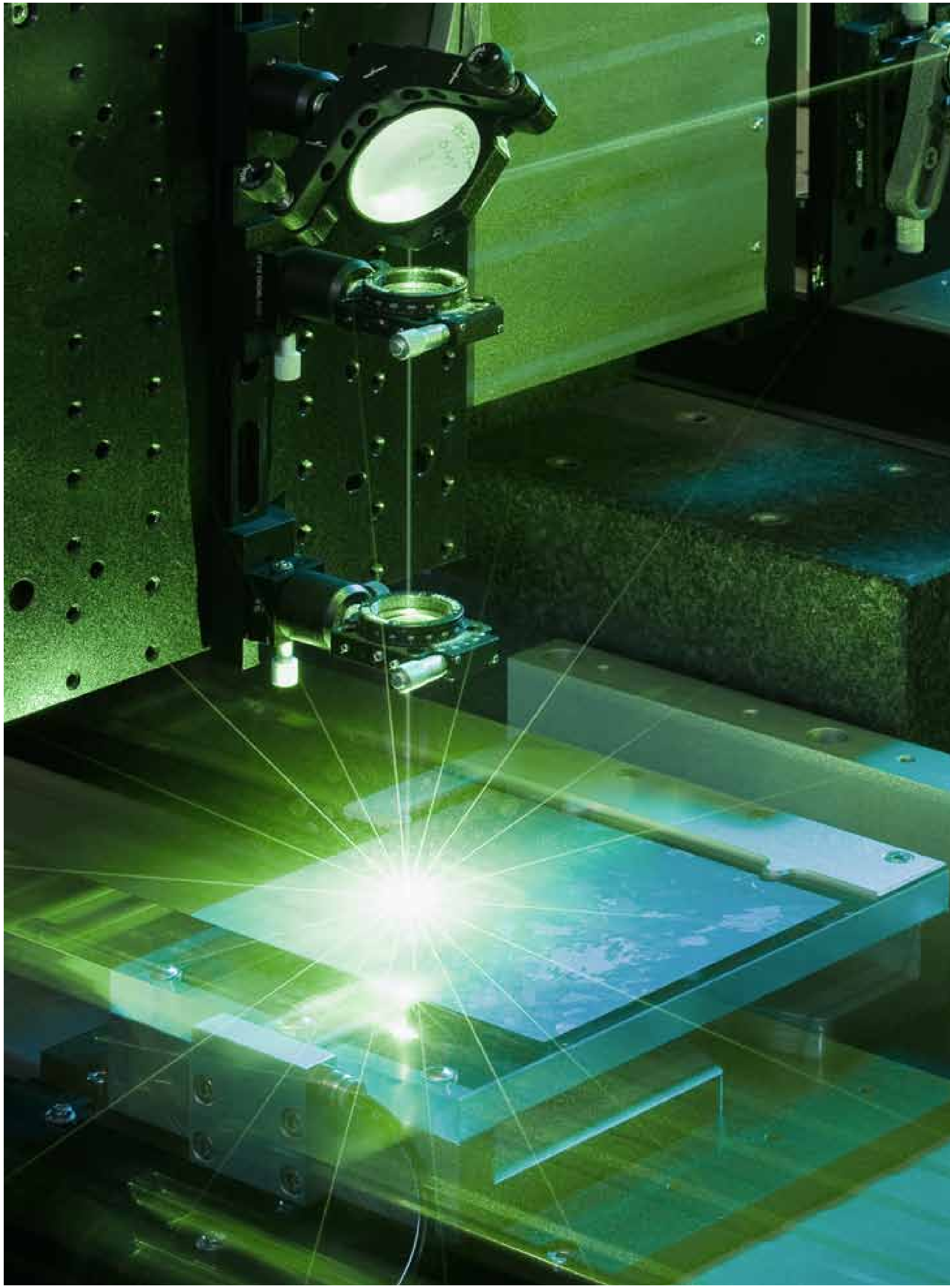
SHAREHOLDER STRUCTURE



1	**44.49 %**	Dieter Manz
2	**4.70 %**	Ulrike Manz
3	**50.81 %**	Free Float

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 Sept. 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.



GROUP INTERIM REPORT

BUSINESS REPORT

MARKET ENVIRONMENT AND COMPANY SITUATION

Market and Competitive Environment //

Economic Environment

The positive macroeconomic trend seen during the first half of the year also proved true in the third quarter of 2010, and experts are also increasingly optimistic about the resilience of the economic recovery. Doubts exist as to whether the rapid GDP growth from the previous quarter (+2.3%) will continue at unchanged speed for the entire year, however. In the meantime, the International Monetary Fund (IMF) has increased its 2010 forecast for Germany from 1.9% to 3.3%. The Kiel Institute for the World Economy has also been surprised by the economic momentum, and corrected its calculations for the year upwards from 1.2% to 3.4%. This trend is based both on the country's export business, which improved significantly between January and July 2010 (+17.2% compared to the same period in 2009), as well as on increasingly solid domestic indicators. For example, according to Germany's Federal Statistical Office, the total volume of gross fixed investments in the first half of 2010 totaled 207.6 billion euros, which was an increase of 3.5% over the same period last year.

On a global level, the economic environment is rather inconsistent. For instance, economists believe Asia will see growth of 9.4%, or almost double the global economy, which they expect to grow by 4.8%. As such, Asian economies are once again proving to be the forces driving the global economy. Leading the pack is the People's Republic of China, with an expected GDP increase of 10.5%. In contrast, the US is barely benefiting from this current positive trend. In this case, the IMF has reduced its forecast for 2010 by 0.7% down to 2.6%. The high unemployment rate has proven to be a particularly critical factor there, as has the danger of falling back into a recession.

The European Central Bank continues to support economic development by keeping its main interest rate unchanged at a record low of 1.0%. But as a result of the uneven growth rates within the eurozone, experts do not see much room to maneuver in terms of a fiscal policy perspective. In addition, leading economists view the current policy of low interest rates as justified in consideration of the tendency toward low inflation rates.

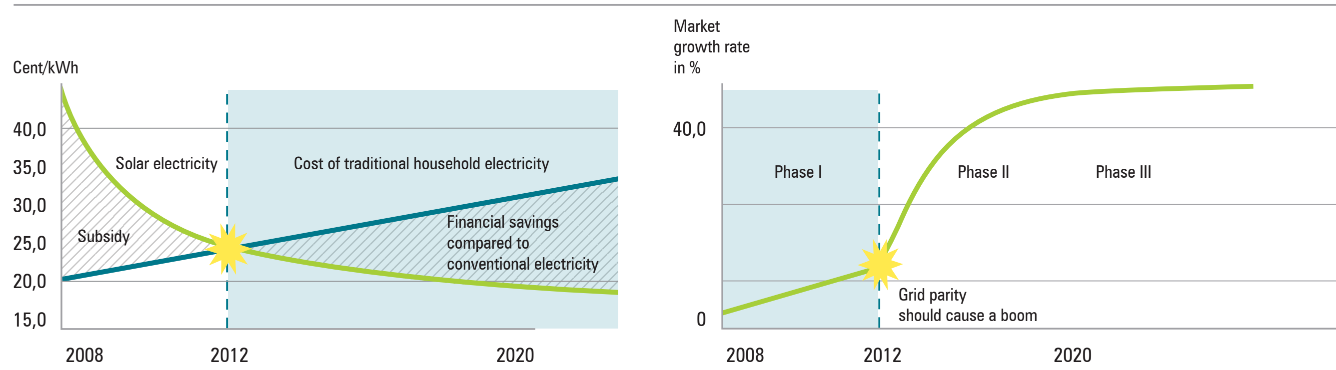
According to the German Engineering Federation (VDMA), equipment manufacturers are seeing significant benefits from this macroeconomic trend. As such, the federation has doubled its production forecast for the industry for the entire year, which had previously stood at 3%, to 6%. Compared to the same period last year, the average order backlog (5.2 as opposed to 4.6 months in 2009), average level of capacity utilization (82.9% as opposed to 69.2%), as well as the number of exports (price-adjusted increase in the first half of 2010: 3.5%) all increased dramatically. The positive trend in this sector is primarily also due to the strong demand seen from emerging markets in Asia as well as South and Central America.

As a result of our innovative product portfolio and the resulting competitive advantage we possess, Manz Automation AG sees itself as extremely well prepared for the coming wave of investments. The renewed increased willingness of banks to offer loans and the necessity to clear existing investment bottlenecks should further jumpstart the demand for capital goods.

Solar Division

Overall, the solar industry has seen a continuation of the trends from the first half of 2010. Thanks to falling prices for solar products, which now offer attractive investment conditions, iSuppli forecasts that global installed photovoltaic output in 2010 should increase to 14.2 GW. The experts expect to see another growth spurt in 2011, propelling installed output to 20.2 GW. This would correspond to an increase in global output of 42.3% compared to 2010; and as the global market leader, Germany's total installed output of 9.5 GW will continue to play a key role in this context – at least for now. According to a study by IMS Research, however, China will develop into the driving force behind growth in the PV industry within the foreseeable future, and by 2013 will be the largest single market and generate more than half of all revenues. In addition, this increase will also be supported by the positive trends in new growth markets such as the US. But India has also discovered photovoltaics as a main method of supporting the country's future energy needs. On the other hand, both Italy and France could also develop into additional markets to drive growth in Europe apart from Germany.

RELATIONSHIP BETWEEN GRID PARITY AND MARKET GROWTH



source: HWM Research, June 2009

Germany _ According to a study by Oliver Wyman, Germany's installed photovoltaic output currently totals close to 10 GWp, with growth of 3.8 GWp seen in 2009 alone. As a result of this rampant growth, in May of 2010 the German government made an amendment to the country's Renewable Energy Act ("Erneuerbare-Energien-Gesetz" in German, or EEG for short). This amendment has reduced the feed-in tariffs for electricity from PV installations. The reductions will 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, which include areas formerly used for industrial or military applications, and 12% for installations in all other open areas. The amendment has also rendered free-standing installations on arable land no longer eligible in order to protect the agricultural sector from an increasing loss of arable land. As a result of the large number of installations in recent months (June: 2,126 MW, July: 669 MW, August: 360 MW), it is already foreseeable that the highest-possible reduction rate of 13% will be applied to the feed-in tariffs for solar power effective January 1, 2011.[1] // 1 Federal Network Agency – Preliminary Figures on Additional PV Installations in Germany – September 30, 2010

In the second phase, the feed-in tariffs for electricity from photovoltaic systems, which began operation after September 30, 2010, will be additionally reduced by 3% each. Despite these reductions, expanding the use of renewable energy sources for supplying electricity remains a central goal of the German government's energy policy.

According to industry experts, the reduction in feed-in tariffs can be viewed as an adjustment to match reality, since the rapid drop in the price of solar equipment led to overly excessive returns. Despite the now significant cuts to these subsidies, the analysts from iSuppli believe growth in the European market will continue to be dominated by Germany. The current trends mean that manufacturers will have to make significant investments in order to cut manufacturing costs to match the changes in prices. Overall, as a leading equipment supplier, Manz Automation AG views these as positive signs pointing to further growth.

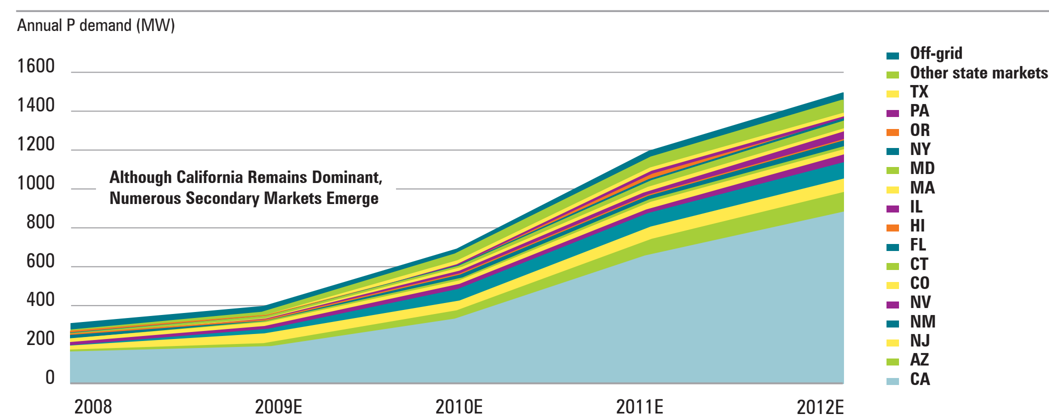
USA _ According to a study by Greentech Media (GTM), the United States could also already develop into the world's second-largest (behind China) – and, at the same time, fastest-growing – market by 2012.[2] The positive outlook for the US rests on one key factor – grid parity – and it has already been reached in states such as California, Arizona, New Mexico, and also New Jersey. As such, 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. In addition, the political process continues to develop in the United States. Based on a bill that was introduced to the US Congress in July of 2010 to expand the use of renewable energy sources, a fixed feed-in tariff for solar power similar to the one in the German Renewable Energy Act could also be possible in the United States. If this bill overcomes the political obstacles in the US, it would give the American PV market an additional and simultaneously powerful boost. Over the medium term, the US plans to increase the percentage of energy generated from renewable sources from the current level of 9% to 25%. // 2 Greentech Media (GTM): "The United States PV Market Through 2013: Project Economics, Policy, Demand and Strategy"

The industry is already benefiting today from two significant subsidy programs. In addition to USD five billion in tax credits to manufacturers in order to stimulate the creation of new jobs in the clean-tech industry, the US solar industry is also benefiting from a subsidy of USD two billion for new solar power plants. These subsidies are both being paid for from the US government's economic stimulus packages.

Manz already has two locations in the United States today, one in California and one in Rhode Island. As a result, our company has the best conditions for participating in the expected growth in the US market.

China _ A sustainable energy policy is particularly important for a rapidly growing, emerging country like China. The country's own petroleum and natural gas reserves will be depleted in the foreseeable future, and other sources of energy will become increasingly important. Because of this, in addition to nuclear power, China is also increasingly focusing on renewable energy sources. In this context, solar energy – which up until now was primarily ignored when it came to national subsidies – is going to play an increasingly important role. According to a forecast by the China Electricity Council, the share of PV projects will be gradually increased to 13% of all energy investments by 2015.[3] The Chinese government's goal is 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

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

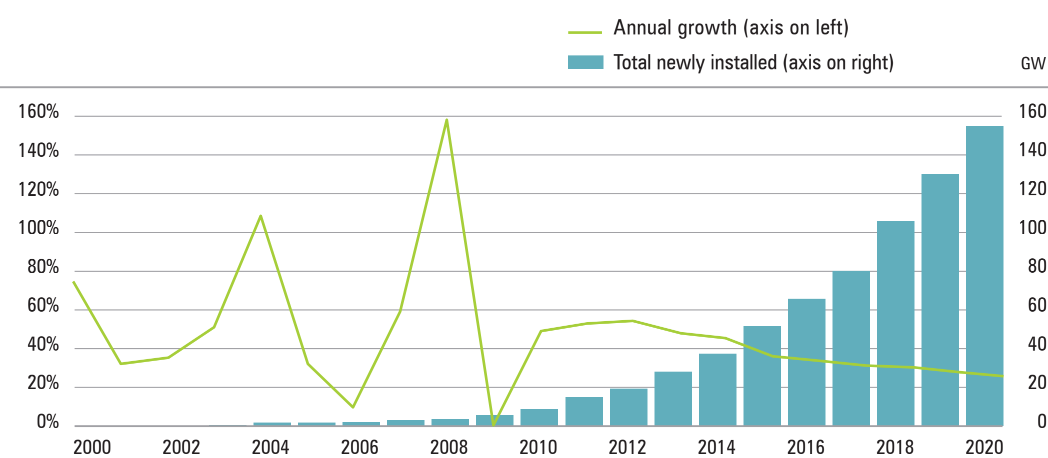


source : Greentech Media (GTM) – „The United States PV Market Through 2013: Project Economics, Policy, Demand and Strategy" jointly with the World Bank and set to run for 10–12 years, China aims to play an increasingly important role in the field of renewable energies. For instance, solar plants with a capacity of more than 50 KW will be subsidized at a rate of USD 2.93 per watt. Furthermore, the country launched the "Golden Sun Demonstration Program" in 2009 which plans to assume up to 50% of the investment costs for grid-connected solar power systems. As a result, the solar market in the People's Republic should grow extremely dynamically in the coming years. // 3 Germany Trade and Invest – „China's Energy Sector Focuses on Efficiency" – 2010

Chinese photovoltaic manufacturers, which according to the "China Solar Polysilicon Industry Report" already had a global market share of 40% in 2009, will particularly benefit from these trends. Manz Automation will indirectly participate in this boom, since companies like Tianwei, Yingli Green Energy, CPI, and additional Chinese solar manufacturers are all clients of our company. Furthermore, with our own manufacturing and sales facilities in China and Taiwan, Manz Automation has an extremely strong position in the Asian market.

India _ With more than 300 days of sunshine a year and ample space, the Indian subcontinent offers excellent conditions for generating solar energy. This explains why the Indian government has set the goal of covering a large part of the country's rapidly growing energy demands through the massive expansion of solar energy. As such, the country's energy policy sets forth the installation of 20 GWp of solar capacity by 2022. By 2014, the government will subsidize projects with a total output of 500 MW in the state of Gujarat alone. In order to create a nationwide capacity of around 200 GWp, India plans to invest a total of USD 20 billion by 2050 in national subsidies for photovoltaics. In a global context, India currently generates a negligible amount of solar electricity, however. Due to the increase in national subsidy programs, an enormous growth spurt can be expected in the coming years. The plan is to finance the subsidies

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



source: Sarasin Bank, November 2009

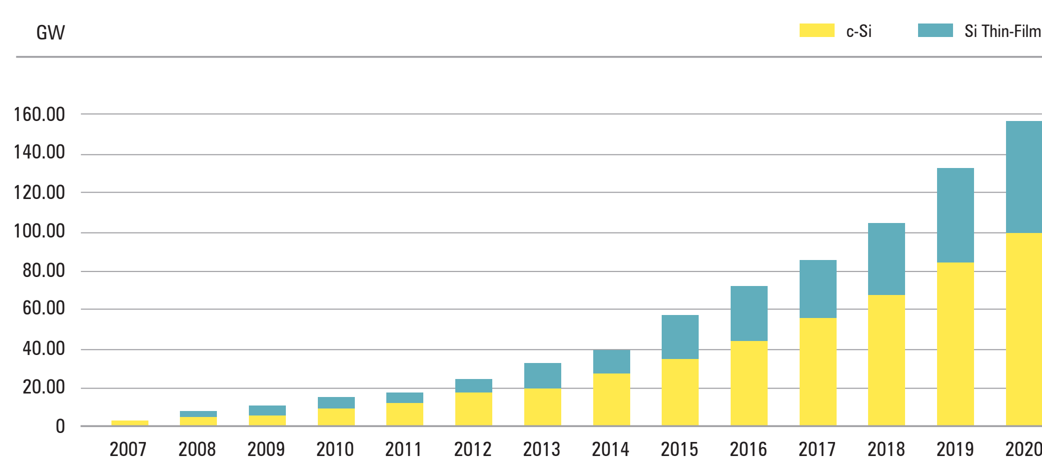
through higher taxes on gasoline and diesel fuel, both of which are currently highly subsidized.

Furthermore, there is huge potential demand in India, as some 450 million residents do not have access to electricity, and around 80,000 villages are not connected to the national power grid. Based on expert estimates, the country's current installed capacity to generate electricity of 140,000 MW is between 10–15% less than actual demand. As a result of the subcontinent's rapid industrialization and urbanization, as well as the ongoing rapid population growth, electricity demand is likely to increase to 400,000 MW by 2020. According to a study by KPMG, the high level of flexibility offered by PV solutions makes the technology particularly appealing to the Indian market, since solar projects can be carried out almost anywhere with almost any size.

For the most part, these trends also mean significant growth potential for Manz Automation on the Indian subcontinent. In order to establish a local, competitive solar industry, the country will initially need powerful, state-of-the-art equipment of the kind our company offers. Today, suppliers and manufacturers in India are already ramping up operations along the entire value chain, which is why Manz has had a subsidiary representing the company in four different locations in India since October 2008.

Long-Term Prospects _ Looking at the PV industry overall, we see extremely positive prospects for the future. For example, experts at Bank Sarasin expect to see annual growth of 30% for the period between 2012 and 2020, with markets primarily outside of Europe exhibiting above-average growth rates. As a result, they predict that newly installed PV output will reach approx. 155 GW by 2020. In this context, the industry will benefit from the fact that various individual markets will already exceed 500 MW of newly installed PV output in 2010 or 2011, which also means that the development of individual key markets will progress more independently.

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.

Thin-Film Solar Module Segment _ According to the European Commission's research institute, thin-film technology had a global market share of 20% in 2009. In detail, this means that of the approx. 7,400 MW of total PV output that was installed last year, 1,500 MW was installed using silicon-based thin-film solar modules. The consulting and market research institute iSuppli already expects this technology's share in 2010 to increase to 25% on the basis of information from the first quarter. According to experts from Roland Berger, a 30% share of global installed solar modules is realistic over the medium term.

Although the compound annual growth rate in the thin-film solar module segment from 2008 to 2012 will exceed that of the entire solar market by 50%, the technology still faces several challenges. Industry experts criticize that the technology's technical efficiency often falls far lower than its self-proclaimed expectations, while manufacturing costs have barely been reduced. In this case, one needs to differentiate between the existing thin-film solutions. After the initial uncertainty regarding which system would prevail, CIGS is now considered the leading thin-film technology. Compared to amorphous silicon (a-Si) and cadmium telluride (CdTe), experts believe that CIGS has the greatest potential when it comes to the level of efficiency to be achieved. This is why Manz entered into a partnership with Würth Solar and the ZSW. By taking this step, Manz Automation is striving to become the market leader as a supplier of fully integrated and economical CIGS production lines (CIGSfab).

As a result of the economic recovery, banks have become significantly more willing to offer loans, and, as a result, thin-film technology's chances of continued success have also increased. Up until now, the difficulties were primarily associated with the significantly higher initial investment that thin-film manufacturing systems require in comparison to crystalline technology. So it is understandable that once the economic recovery took hold, almost all large manufacturers of thin-film solar modules announced a significant increase in their production capacities for the current year.[4] In comparison to modules based on crystalline technology, thin-film solar modules are still appealing, also from a technical standpoint, and therefore still have a right to exist. Due to lower temperature coefficients, this technology is actually superior 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. Ultimately, the amount of space available is the factor that determines which technology is better suited for a given application. // 4 Photovoltaic Magazine – „Race for the Best Spots" – 08/2010

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. By entering into a know-how licensing and partnership agreement with Würth Solar GmbH & Co. KG in July 2010, Manz was able to further expand its technological advantage over the competition and has become the only supplier that can currently offer an integrated and fully operable production line for CIGS solar modules that can be operated profitably.

Flat Panel Display (FPD) Division

The market for flat panel displays includes all products with flat screens, most notably LCD TVs, but also notebooks, cellular phones such as the Apple iPhone®, and MP3 players with an LCD or plasma screen. In the past two years, the FPD market has been able to achieve significant growth rates. According to estimates from DisplaySearch, a 30% increase (to a total of 188 million units) in the volume of the global market for FPD televisions is also expected for 2010, with this positive trend particularly being the result of high demand from China, Latin America, and the Asia-Pacific region. At the same time, strong demand is also being seen in the European market, where manufacturers are benefiting from the rise of HDTV. As such, the market for LCD televisions is growing at twice the rate of the entire TV market, which grew by 16% compared to the previous year.[5] // Displayresearch – LCD TV market continues to grow, LED will take over in 2011 – October 08, 2010

Future growth will be driven particularly by more efficient LCD TVs (green technology), touch screens for mobile devices (such as cellular phones, GPS devices, tablet PCs, notebooks, etc.), and, above all, the use of innovative LED backlighting, 3D technology, and Internet connectivity. Analysts forecast that sales of LED LCD televisions will increase tenfold from 3.6 million units in 2009 to over 35 million units (or 20% of global TV purchases) in 2010.[6] Apart from being more energy efficient and having a thinner form, the benefits of backlit technology lie in its higher frame rate, higher color contrast ratio, and improved black levels.[7] // 6 DisplaySearch: "LCD TVs to Exceed 180 Million Units in 2010" – March 23, 2010 // 7 allesdigital.at: "LED-LCD TVs on the Rise" – May 10, 2009

As a result, investments in the latest generation of manufacturing equipment are essential both to future market growth and to implement more efficient and 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 touch screens is currently in particularly high demand, and is responsible for the lion's share of Manz's revenues in the FPD segment.

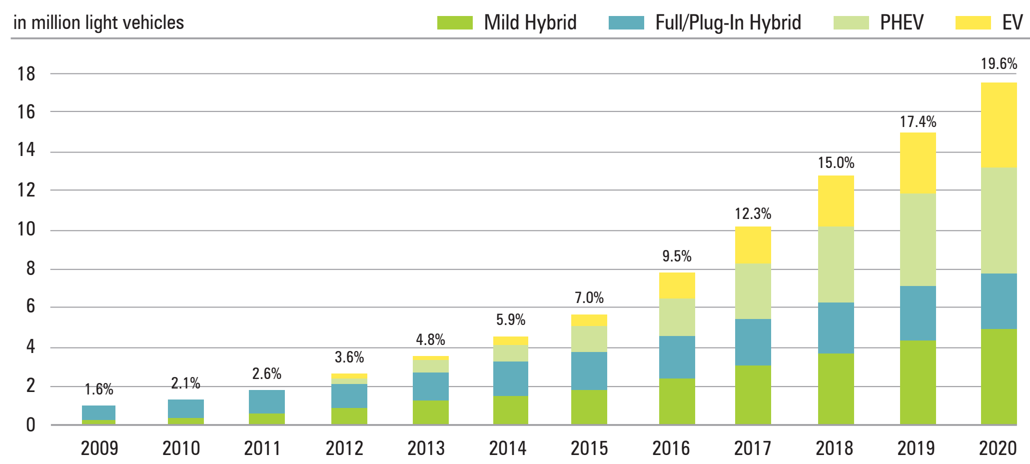
New Business Division

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.

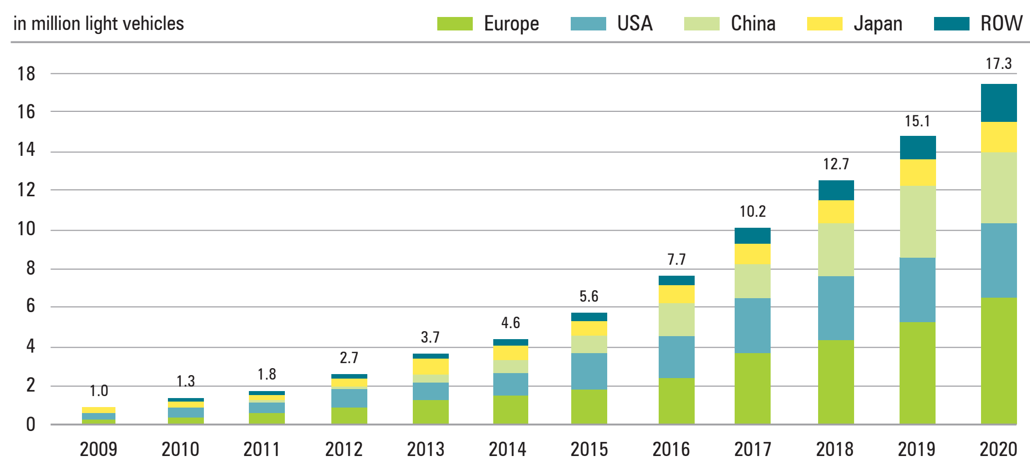
Since July of 2009, Manz has been part of an innovation alliance entitled "Manufacturing Research on High-Performance Lithium-Ion Batteries for Electric-Powered Transportation." The goal of this research project is to explore new manufacturing technologies and apply them to the mass production of lithium-ion battery systems. To achieve this goal, the project will pursue 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 approx. USD 45.8 billion.[8] 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. // 8 HSBC: "Hybrids and Electric Vehicles" – November 2009

In Germany, electric vehicles have garnered significant political attention. With its "National Development Plan for Electric Vehicles," Germany's federal government launched an entire package of different measures dealing with this technology. The plan comprises a subsidy fund totaling 500 million euros for research and development projects, model regions, as well as creating a national electric vehicles platform, which will be responsible for coordinating the concrete steps taken to achieve the government's goals. As a result, the German federal government aims to have at least one million electric and plug-in hybrid vehicles on German roads by 2020 at the latest. Germany's Federal Ministry of Economics and Technology (Bundesministerium für Wirtschaft und Technologie, or BMWi for short) and Federal Ministry of Transport have founded a joint Electric Vehicle Branch whose job is to ensure that this plan comes to fruition.[9] The federal government's goal is to develop Germany into both the leading

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



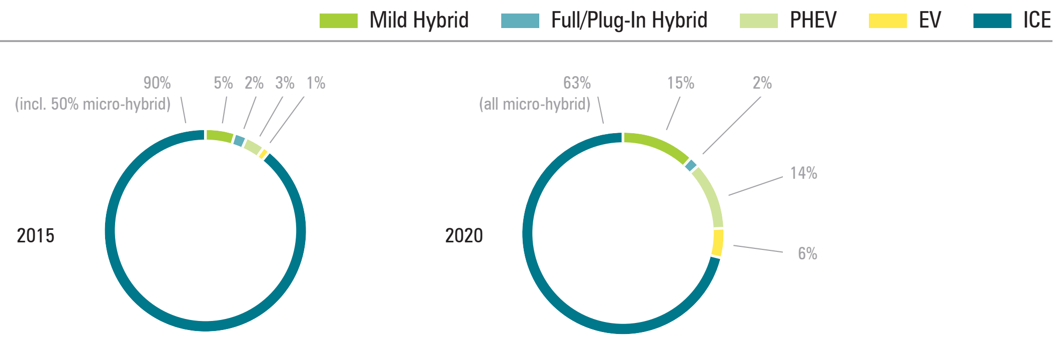
MARKET FCST BY REGION



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

market for and leading supplier of electric vehicles. The expert group clearly views batteries as the focus of this subsidy program.[10] In an international comparison of government subsidies, the US currently leads all other participants, however. As the McKinsey Evi Index shows, prospective investment volume for the next five years (subsidies, loans, and/or guarantees for R&D

EUROPEAN XEV PENETRATION BY TYPE (2015 AND 2020)



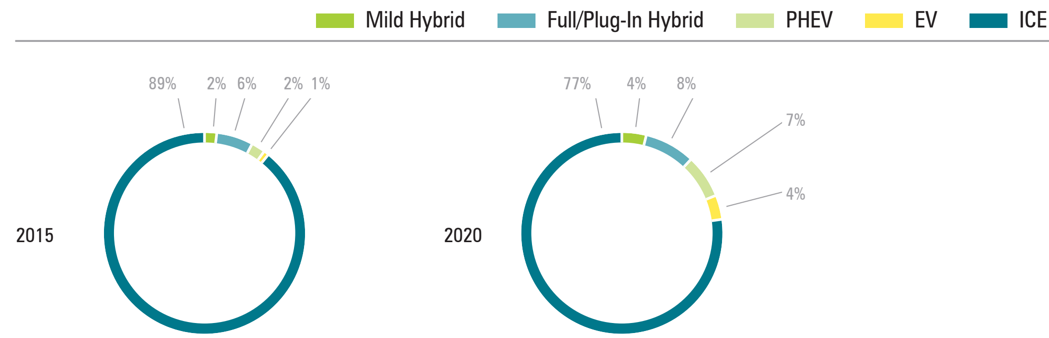
Source: Deutsche Bank, Electric Vehicles: Plugged In 2, November 2009

and the manufacture of electric vehicles) totals 23 billion. This is equal to six times China's total investment volume and 30 times the amount Germany is going to spend.[11] // 9 BmWi – „Electric Vehicles: Environmentally Friendly and Future-Proof!" – May 2010 // 10 FAZ: "Without Government Support, an Electric Car will Never Make It" – July 19, 2010 // 11 Wirtschaftswoche: „China is on the way to becoming global leader when it comes to electric vehicles" – July 17, 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. According to the BMWi, by storing renewable energy, batteries also offer the long-term opportunity to make a sustained contribution to grid stability.[12] // 12 BMWi: "Electric Vehicles: Environmentally Friendly and Future-Proof!" – May 2010

Electric vehicles make environmentally friendly and sustainable transportation possible, and 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 Automation, the result is significant market potential. From today's

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



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

perspective, total market volume in the equipment sector will equal several hundred million euros looking at the next five years. In addition, high-performance batteries can also be used as storage media in many fields outside the automobile industry. In the future, applications will emerge for these batteries in industries 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, particularly in countries with no nationwide power grid.

In conclusion, 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.

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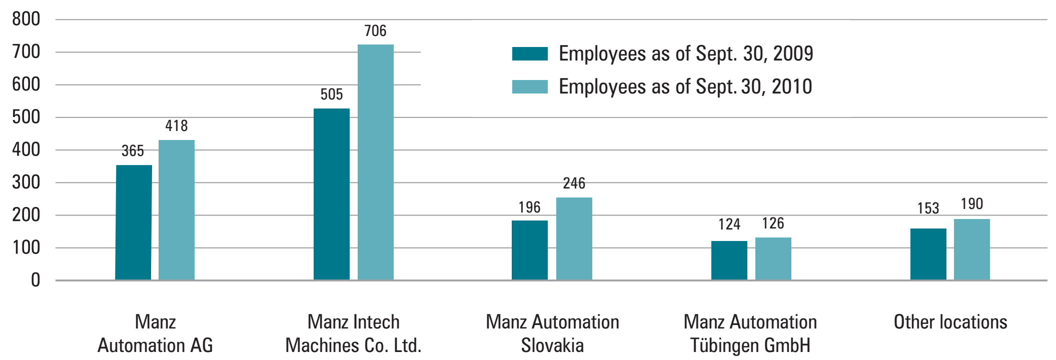
Employees //

As of Sept. 30, 2010, Manz employed a total workforce of 1,685 (2009: 1,343) both in Germany and abroad, 418 employees of which worked at our company headquarters in Reutlingen. Manz Automation has employees from 24 countries – alongside Germany, most come from Taiwan and China, but also Slovakia, Hungary, Israel, and the United States.

Measured by the number of employees, the largest subsidiary in the Group is Intech Machines Co., Ltd., Taiwan, with 706 employees, followed by Manz Automation Slovakia s.r.o with 246 employees and Manz Tübingen GmbH with 126.



Research & Development //

Thanks to Manz Automation AG's intensive R&D activities, we have been able to further expand our advantage over the competition. A large number of our customers expressed the same opinion at this year's 25th European Photovoltaic Solar Energy Conference and Exhibition (25th EU PVSEC) in Valencia, Spain. Our latest innovations in the solar division – such as our OneStep Selective Emitter technology, our Speedpicker, or our new back-end line – all represent products that will drive future revenue growth. Ultimately, Manz sets standards when it comes to the most important parameters like throughput rate, efficiency, and costs.

The current focus of our research activities is on making advancements to our CIGS production lines (CIGSfab) as well as Manz Coating's vacuum coating equipment. In this context, we are working nonstop to advance our partnership with Würth Solar, and are currently developing a co-evaporation system together. This will allow for copper, indium, gallium, and selenium to be co-evaporated and deposited onto a carrier substrate in a uniform manner. At the same time, we are also redesigning the entire layout of the CIGSfab to significantly improve the overall process.

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. Manz views itself as an engine that drives innovation in the PV industry, and will continue to prove this in the future by developing numerous new products.

During the first nine months of 2010, Manz Automation AG had a ratio of research costs to sales of 9.9% (previous year: 15.6%). If we only consider capitalized development costs, the ratio of research costs to sales totals 6.4%.

NOTES TO THE RESULTS AND ANALYSIS OF THE FINANCIAL SITUATION

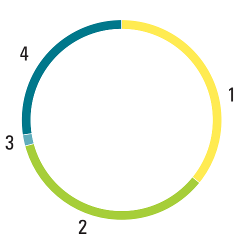
Earnings Position //

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

In the first nine months of the current 2010 fiscal year, revenues increased from 46.7 million euros in the same period last year to 121.3 million euros. This corresponds to year-over-year growth for the period of around 160%. This figure reflects the positive trend in orders received, which we have seen since the beginning of the year. Our manufacturing capacities were particularly well utilized during the second and third quarters. In addition to our 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) segment as well as our products for the printed circuit board industry (our Miscellaneous division) chiefly drove our company's growth. Overall, Manz is particularly benefiting from the high demand exhibited by our Asian clients.

It is difficult to compare sales trends in the individual divisions to their values in the same period last year, due to the base effect that resulted from our revenue situation in 2009. Our Solar division once again contributed the largest portion of revenues in the first nine months of 2010, generating 43.5 million euros, which is equal to 35.8% of the Manz Group's total revenues (previous year: 17.2 million euros). However, the FPD division, which benefited from the increased number of investments made by Asian LCD manufacturers, is not far off, generating 42.5 million euros in the first nine months of the year, equal to 35.0% of total revenues. This division generated 11.2 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 33.3 million euros, or about 27.4% of total revenues (previous year: 16.2 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 equip-

REVENUES BY BUSINESS UNIT JANUARY 1 TO SEPT. 30, 2010

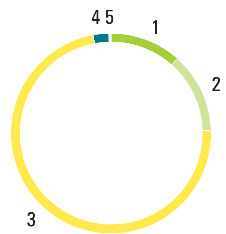


1	Solar	35,8%
2	FPD	35,0%
3	New Business	1,8%
4	Others	27,4%

ment. In our newly founded New Business division, which primarily encompasses our activities in the field of lithium-ion batteries, the Manz Group generated 2.1 million euros, equal to around 1.8% of total revenues, which is exactly what the division generated last year.

Broken down according to regions, Manz Automation generated the following revenues worldwide: in Germany, after generating 18.2 million euros during the same period last year, the company generated revenues of 14.0 million euros this year, which is equal to 11.5% of to revenues. In the rest of Europe, Manz generated 15.5 million euros or 12.8% of total revenues,

REVENUES BY REGION JANUARY 1 TO SEPT. 30, 2010



1	Germany	11,5%
2	Rest of Europe	12,8%
3	Asia	72,6%
4	USA	2,5%
5	Rest of the world	0,5%

after generating 8.5 million euros last year. At 72.6%, Manz generated the largest share of revenues in Asia. Revenues in this region totaled 88.1 million euros this year after totaling 18.2 million euros during the same period last year. In the USA, revenues of approx. 3.1 million euros were achieved (2009:1.8 million euros). In all other regions, Manz generated revenues of approx. 627,000 euros. Last year, our company only generated revenues in the aforementioned regions.

Together with the changes in inventory of finished goods and internally produced and capitalized assets within the scope of increased R&D investments (including vacuum coating technology from Manz Coating, among other things), Manz Automation AG more than doubled its total operating revenues for the reporting period to 132.6 million euros (previous year: 59.1 million euros).

Due to the increase in new orders received, our cost of materials climbed from 35.2 million euros to 79.1 million euros. At the same time, our cost of materials ratio rose slightly to 59.7% (previous year: 59.5%). The increase resulted from low margins, among other factors, which we consciously accepted, particularly at the beginning of the year, in order to gain market share or make it easier to launch new products. With an increasing level of manufacturing completion and delivery of this equipment, the low sales prices began to effect our third quarter results.

Our gross profit rose from 32.2 million euros to 56.4 million euros. This figure also includes other operating income totaling 2.9 million euros (previous year: 8.2 million euros), which primarily result from the release and/or reduction of provisions.

At the end of the reporting period (September 30, 2010), Manz had a total of 1,685 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, our manufacturing capacities were once again well utilized as a result of the new orders we received. As a result, personnel expenses rose from 27.8 million euros during the same period last year to 36.1 million euros this year. However, the increase in revenues meant that our personnel costs ratio fell from 47.0% to 27.2%.

During the first nine months of the year, write-downs totaled 6.1 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. In addition, scheduled write-downs totaling 0.75 million euros for the acquisition of CIGS technology was also included in this figure. Our other operating expenses comprise marketing and sales costs and, in particular, logistics, administration, and consulting costs. These expenses totaled 17.6 million euros after totaling 15.3 million euros in the same period last year, meaning that they increased at a rate disproportionately smaller than the increase in revenues.

In the first nine months of 2010, earnings before interest and taxes (EBIT) totaled –3.3 million euros (previous year: –16.1 million euros). On the one hand, this result was due to the losses we posted in the first quarter (–3.3 million euros), as well as the cost structures and overcapacities existing at the time. Without having this capacity available, however, we would not have been able to support our current levels of growth. On the other hand, our company has been confronted with increased pressure on prices and margins and made numerous investments into various new projects and products. These expenses are reflected in our third quarter earnings (a loss of –1.8 million euros), after our company had already closed the second quarter with a profit (+1.8 million euros). Despite this fluctuation, the company still believes we can achieve a slight profit for the entire 2010 fiscal year.

When looking at our operating results by individual division, our Solar division posted an EBIT of –4.4 million euros, after posting –11.5 million euros in the same period last year. In the FPD division, EBIT grew to 1.0 million euros after totaling –2.2 million euros last year. Earnings before interest and taxes in the New Business division totaled 6,000 euros after totaling –107,000 euros in the same period last year. And our Miscellaneous division posted a division EBIT of 51,000 euros after posting –2.3 million euros last year.51,000 euros after posting -2.3 million euros last year.

Assets Position //

As of the reporting date, total assets increased during the first nine months of 2010. These totaled 260.6 million euros on the reporting date, after totaling 226.7 million euros on December 31, 2009. Despite the loss for the quarter, balance sheet equity remained almost constant thanks to currency gains, increasing from 179.0 million euros to 180.4 million euros. This is the result of the revaluation of important currencies (in particular the Taiwan dollar) compared to the euro after December 31, 2009. As such, the company's equity ratio on the reporting date totaled 69.2%, as compared with 79.0% on December 31, 2009.

At 13.7 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 7.1 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 third quarter, current liabilities totaled 66.5 million euros, up from 35.9 million euros on December 31, 2009. This was primarily due to an increase in accounts payable from 14.2 million euros to 45.8 million euros, which can be attributed to our company's positive growth. Short-term financial liabilities rose slightly from 8.7 million euros at the end of the 2009 fiscal year to 9.8 million euros. In addition, other liabilities decreased from 8.4 million euros to 3.6 million euros, mainly due to the settlement of VAT liabilities.

On the asset side, non-current fixed assets increased from 66.7 million euros to 108.0 million euros. In this context, the value of intangible assets increased from 47.0 million euros to 83.9 million euros, primarily as a result of licensing fees that the company paid as part of the partnership with Würth Solar (30.0 million euros). In addition, our intense R&D activities and the scheduled revaluation of Manz Intech's assets also increased this figure, which resulted from converting Taiwan dollars to euros. Investments in property, plant, and equipment also led to an increase in the figure from 16.6 million euros on December 31, 2009, to 17.3 million euros at the end of the reporting period. At the same time, active deferred taxes rose from 2.5 million euros to 6.3 million euros as a result of the quarterly loss.

The value of our current assets decreased from 160.0 million euros on December 31, 2009, to 152.5 million euros at the end of the reporting period, particularly as a result of the licensing fees we paid for CIGS technology. This is primarily the result of a reduction in securities held by the company, from 28.8 million euros to 7.1 million euros, and a reduction in liquid assets from 59.3 million euros to 35.0 million euros, which was simultaneously also due to an increased demand for working capital. On the other hand, the value of accounts receivable at the end of the reporting period increased from 39.6 million euros to 59.1 million euros as a result of the renewed improvement to our business operations.

Liquidity Position //

During the first nine months 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 3.8 million euros. This represents an increase of 10.3 million euros after posting –6.5 million euros in the same period last year. Taking changes to the value of working capital into account occurring as a result of the new orders recently acquired, the company generated an operating cash flow of –5.8 million euros, a decline of 1.4 million euros compared to the same period last year.

The cash flow from investment activates totaled –19.9 million euros, as compared with 1.1 million euros the previous year. This figure is primarily the result of acquiring intangible assets, which include the licenses within the scope of the partnership with Würth Solar, as well as tangible assets. This payment was made using liquid assets as well as through the sale of securities.

At the end of the reporting period, cash flow from financing activities totaled 0.9 million euros, up from –5.4 million euros in the same period last year. This figure is primarily a reflection of changes to overdraft lines of credit.

EVENTS AFTER THE BALANCE SHEET DATE

The following events, which have an impact on our financial situation occurred after the reporting date:

At the end of October, Manz Automation acquired new orders with a total value of almost 25 million euros, primarily from Asian clients. For the most part, these are new orders for automation and system solutions for the manufacture of crystalline solar cells, and will predominantly be reflected in the company's revenue and earnings in the coming fiscal year. Specifically, we were able to acquire a variety of new orders for our Speedpicker technology, which makes it possible to transport crystalline cells at throughput speeds that have never been seen on the market before. In addition, we also acquired three further orders for our newly developed One-Step Selective Emitter technology.

RISK ANALYSIS AND FORECAST

There have been no significant changes to the opportunities and risks presented in the 2009 Annual Report and the Quarterly Report through Q2 2010.

Outlook //

Our order situation has continued to improve over the past few months, and our new products have been particularly well received. With orders on the books currently valued at 125 million euros (as of October 30, 2010), we are looking toward the future confidently, since our existing capacities are already well utilized, and they will continue to be well utilized into the first half of 2011 as a result of these orders.

However, the market's pricing situation continues to be fierce. As a result, we are also feeling the effects of the solar manufacturers' increased margin pressure, which has resulted from declining prices for solar modules. On top of that, the costs resulting from investments to launch new products and projects also have an effect on our bottom line. But our significantly rejuvenated product portfolio has given us an excellent position in the market – even though we have not yet reached the record revenues from 2008 despite capacities and cost structures remaining comparable. Although we have taken significant measures to cut costs, this is still reflected in our current level of earnings.

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 customer before the end of the year and to ship the first turnkey, fully integrated production line for CIGS thin-film solar modules by the end of next year. 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. 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 both our revenues and our earnings. The investments we have made to tap this revenue potential have already had an impact on our earnings this year.

We firmly believe that we will close out the 2010 fiscal year with total revenues between 170 and 175 million euros. Depending on further market developments, particularly in the field of thin-film technology, we may even have the potential to exceed this goal. At the same time, we are still striving to achieve our goal of a slightly positive EBIT for the 2010 fiscal year.

November 2010

The Managing Board

CONSOLIDATED INTERIM FINANCIAL STATEMENTS & NOTES

CONSOLIDATED INTERIM FINANCIAL STATEMENTS & NOTES

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME IN EUR TSD

	Jan.1-Sep.30, 2010	Jan.1-Sep.30, 2009	Q3 2010	Q3 2009
Revenues	121,323	46,732	53,809	18,456
Changes in inventory	3,454	8,422	–2,164	586
Internally produced and capitalized assets	7,819	3,988	3,349	1,989
Total operating revenues	**132,596**	**59,142**	**54,994**	**21,031**
Other operating income	2,925	8,244	–1,230	4,100
Material expenditure	–79,135	–35,210	–33,193	–13,653
Gross profit/loss	**56,386**	**32,176**	**20,571**	**11,478**
Personnel expenses	–36,126	–27,819	–13,454	–8,378
Write-downs	–6,048	–5,154	–2,617	–1,607
Other operating expenses	–17,554	–15,294	–6,301	–5,026
Earnings before interest and taxes [EBIT]	**–3,342**	**–16,091**	**–1,801**	**–3,533**
Result from equity-accounted financial investments	–36	17	0	16
Financial income	712	2,256	80	1,481
Financial expenses	–432	–576	–229	–244
Earnings before taxes [EBT]	**–3,098**	**–14,394**	**–1,950**	**–2,280**
Taxes on income	1,526	2,866	1,042	570
Consolidated net result	**–1,572**	**–11,528**	**– 908**	**–1,710**
Portion of earnings from minority interests	112	–575	62	–92
Portion of earnings from shareholders Manz Automation AG	–1,684	–10,953	– 970	–1,618
Earnings per share				
Earnings per share (diluted = undiluted) in EUR per share	–0.38	–2.45	–0.22	–0.36

STATEMENT OF OVERALL INCOME FOR THE PERIOD IN TEUR

	Jan.1-Sep.30, 2010	Jan.1-Sep.30, 2009	Q3 2010	Q3 2009
Net income	**–1,572**	**–11,528**	**–908**	**–1,710**
Other comprehensive income				
Difference as a result of currency conversion	3,133	148	– 4,235	–382
Changes to the fair value of securities	–113	3,778	235	396
Changes to the fair value of cash flow hedges	0	–2,286	0	– 776
Changes to the valuation of share-based compensation	198	89	66	29
Tax effects from other comprehensive income	25	375	–51	115
Other comprehensive income	3,243	2,104	– 3,985	–618
Overall income after taxes	**1,671**	**–9,424**	**–4,893**	**–2,328**
Attributed to minority interests	90	–421	–139	–149
Attributed to Manz Automation AG shareholders	1,581	–9,003	– 4,754	– 2,179

CONSOLIDATED BALANCE SHEET IN EUR TSD

	Sept. 30, 2010	Dec. 31, 2009
Assets		
Non-current assets	**108,036**	**66,698**
Intangible assets	83,878	47,012
Tangible assets	17,308	16,608
Equity-accounted financial investments	0	301
Deferred taxes	6,329	2,461
Other non-current assets	521	316
Current assets	**152,536**	**160,012**
Inventories	43,263	29,819
Accounts receivable	59,120	39,566
Income tax receivables	740	524
Other current receivables	7,351	1,934
Securities	7,069	28,838
Liquid assets	34,993	59,331
Total assets	**260,572**	**226,710**
Equity & Liabilities		
Equity	**180,403**	**179,030**
Share capital	4,480	4,480
Capital reserves	144,424	144,226
Revenue reserves	24,928	26,497
Currency conversion	5,156	2,001
Manz Automation AG shareholders	178,988	177,204
Minority interests	1,415	1,826
Non-current liabilities	**13,666**	**11,818**
Non-current financial liabilities	622	666
Non-current deferred investment subsidies	372	248
Financial liabilities from leases	7	24
Pension provisions	3,913	3,825
Other non-current provisions	1,613	2,534
Deferred taxes	7,139	4,521
Current liabilities	**66,503**	**35,862**
Current financial liabilities	9,837	8,686
Accounts payable	45,834	14,222
Advance payments received	2,146	1,045
Income tax liabilities	69	474
Other current provisions	4,976	3,055
Other liabilities	3,639	8,367
Financial liabilities from leases	2	13
Total equity & liabilities	**260,572**	**226,710**

CONSOLIDATED CASH FLOW STATEMENT IN EUR TSD

	Jan.1 – Sept.30, 2010	Jan.1 – Sept.30, 2009
Cash flow from operations		
Annual profit or loss	–1,572	–11,528
Amortization/depreciation of non-current assets	6,048	5,154
Loss (+) / Profit (–) from at equity-accounted investments	36	–17
Increase (+) / Decrease (–) in pension provisions and other non-current provisions	–931	–242
Other non-cash income (–) and expenses (+)	198	89
Cashflow	**3,779**	**–6,544**
Gains (–) / losses (+) from disposals of assets	–7	–13
Increase (–) / Decrease (+) in inventories, accounts receivable, and other assets	–42,516	26,175
Increase (+) / Decrease (–) in pension provisions and other liabilities	32,922	–24,024
Cash flow from operations	**–5,822**	**– 4,406**
Cash flow from investments		
Incoming payments from the sale of non-current assets	10	16
Payments for investments in intangible assets and property, plant, and equipment	–40,654	–6,072
Payments for the acquisition of consolidated companies, minus liquid assets acquired	–1,056	0
Incoming payments from the sale of securities	36,359	23,668
Payments for the purchase of securities	–14,590	–16,477
Cash flow from investments	**–19,931**	**1,135**
Cash flow from financing activities		
Purchase of own shares	–125	0
Payments toward the repayment of finance lease agreements	–10	–22
Payments toward the repayment of non-current loans	–58	–5,003
Change in overdraft loans	1,123	–382
Cash flow from financing activities	**930**	**–5,407**
Cash and cash equivalents at the end of the period		
Cash change in cash and cash equivalents [subtotal 1– 3]	–24,823	–8,678
Net change in cash and cash equivalents due to currency conversion	485	– 151
Cash and cash equivalents on January 1	59,331	33,938
Cash and cash equivalents on December 31	**34,993**	**25,109**
Composition of cash and cash equivalents		
Liquid assets	34,993	25,109
Cash and cash equivalents on December 31	**34,993**	**25,109**

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

	Subscribed capital	**Capital reserves**	**Own shares**	**Revenue reserves**			**Currency conversion**	**Shareholders in Manz Automation AG**	**Minority shares**	**Total equity**
				Accumulated profits	Market valuation securities	Cash flow hedges				
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		89		–10,953	3,511	–1,644	–6	–9,003	–421	–9,424
Use of treasury stock			203					203		203
As of Sept. 30, 2009	**4,480**	**144,211**	**0**	**22,530**	**861**	**157**	**608**	**172,847**	**9,160**	**182,007**
As of January 1, 2010	**4,480**	**144,226**	**0**	**26,397**	**100**	**0**	**2,001**	**177,204**	**1,826**	**179,030**
Overall income		198		–1,684	–88	0	3,155	1,581	90	1,671
Change in non-controlling interests as a result of increased interests				203				203	–501	–298
Purchase of own shares			–125					–125		–125
Use of treasury stock			125					125		125
As of Sept. 30, 2010	**4,480**	**144,424**	**0**	**24,916**	**12**	**0**	**5,156**	**178,988**	**1,415**	**180,403**

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

	Solar		FPD		New Business		Others		Central func-tions/other		Consolidation		Group	
	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09
Revenues with third parties	43,472	17,240	42,456	11,189	2,142	2,141	33,253	16,162	0	0			121,323	46,732
Revenues with other segments							9,845	8,574			–9,845	–8,574		
EBIT	–4,403	–11,514	1,004	–2,161	6	–107	51	–2,309					–3,342	–16,091
Segment assets*	104,511	99,394	56,807	40,332	5,937	5,250	33,231	18,384	60,086	63,555			260,572	226,915
Segment liabilities	5,983	3,789	26,010	8,056	886	543	15,996	2,719	31,294	29,801			80,169	44,908
Net assets	98,528	95,605	30,797	32,276	5,051	4,707	17,235	15,665	28,792	33,754			180,403	182,007
Additions to assets	37,005	4,641	407	230	168	80	1,557	270	1,517	851			40,654	6,072
Amortization/ depreciation	2,820	2,681	959	745	108	81	1,104	1,007	1,057	640			6,048	5,154
Employees (annual average)	353	265	302	277	44	22	519	505	279	288			1,497	1,357

* 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 SEPT. 30, 2010 IN EUR TSD

	Germany		Rest of Europe		Asia		America		Other Regions		Group	
	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09	01.01-30.09.10	01.01-30.09.09
Third-party revenues by customer location	14,001	18,228	15,527	8,486	88,102	18,240	3,066	1,778	627	0	121,323	46,732
Non-current assets (without deferred taxes)	57,536	20,131	7,943	7,444	34,684	33,116	79	97	1,465	330	101,707	61,118

NOTES

I. Basic principles //

These consolidated interim financial statements dated September 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. It has been neither officially audited nor 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: September 30, 2010	Exchange Rate On: December 31, 2009	Average Rate During: Jan. 1-Sept. 30, 2010	Average Rate During: Jan. 1-Sept. 30, 2009
USA	USA	1.3612	1.4406	1.3170	1.3669
Taiwan	TWD	42.7142	46.2077	42.0307	45.5035
Hong Kong	HKD	10.5612	11.1170	10.2507	10.6041
China	CNY	9.1174	9.8000	8.9772	9.3526
Hungary	HUF	276.9850	270.4200	275.7877	284.3196

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	97.05%
Intech Enterprises [B.V.I.] Co. Ltd. (2)	Road Town/British Virgin Islands	97.05%
Intech Machines [B.V.I.] Co. Ltd. (2)	Road Town/British Virgin Islands	97.05%
Intech Machines (Suzhou) Co. Ltd. (3)	Suzhou/China	97.05%
Intech Technical (Shenzhen) Co. Ltd (3)	Shenzhen/China	97.05%

(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 Q3 2010

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

On June 18, 2010, Manz AG entered into an agreement to purchase the remaining 76% interest in Axystems 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 own stock. 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 Axystems, Manz AG secures access to the underlying technology behind the control technology used in many of Manz's machines (aico.control). Axystems activities are included in our "Miscellaneous" division.

Up until now, Axystems 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 1.175 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	1,175	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	–284	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.

Under the assumption that the first consolidation had taken place on January 1, 2010, the Group would have generated consolidated revenues of 122,083 million euros and a consolidated loss of –1,502 million euros.

III. Key events in the reporting period //

For the first nine months of the 2010 fiscal year, the Manz Group's sales revenue increased by 160% year-over-year – from 46.7 million euros in the same period last year to 121.3 million euros. Total operating revenue increased by 124.2% to 132.6 million euros

Earnings before interest and taxes (EBIT) improved from –16.1 million euros in the same period last year to –3.3 million euros this year.

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.

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

Other operating income

	September 30, 2010 EUR tsd	September 30, 2009 EUR tsd
Income from the release/reduction of provisions	1,736	938
Changes to write-downs on accounts receivable	11	1,040
Capital gains	517	5,502
Subsidies	185	247
Income from the sale of investments	7	13
Other	469	504
	2,925	8,244

Material expenditure

	September 30, 2010 EUR tsd	September 30, 2009 EUR tsd
Cost of raw materials, supplies, and purchased goods	51,896	31,663
Expenditure on third-party services	27,239	3,547
	79,135	**35,210**

Other operating expenses

	September 30, 2010 EUR tsd	September 30, 2009 EUR tsd
Rent and leasing	3,590	3,187
Advertising and travel expenses	2,912	2,178
Outgoing freight, packaging	1,059	613
Legal and consultancy costs	1,232	1,031
Insurance	361	407
Capital losses	718	1,087
Changes to write-downs on accounts receivable	0	526
Other	7,682	6,265
	17,554	**15,294**

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:

	September 30, 2010 EUR tsd	September 30, 2009 EUR tsd
Current tax liabilities/income (–)	–123	–193
Deferred tax liabilities/income (–)	–1,403	–2,673
	–1,526	**–2,866**

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 September 30, 2010	**43,467**	**16,682**	**23,464**	**265**	**83,878**

The increase in licenses, software, and similar rights and assets of 29.2 million euros can be attributed to the capitalized licensing payments totaling 30.0 million euros made within the scope of the licensing agreement with Würth Solar, minus pro-rated depreciations and amortizations in the third quarter totaling 750,000 euros. The value of goodwill increased from 21,933 million euros to 23,464 million euros solely as a result of fluctuating exchange rates.

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 September 30, 2010	**8,785**	**4,586**	**3,752**	**185**	**17,308**

Inventories

	September 30, 2010 EUR tsd	Dec, 31, 2009 EUR tsd
Raw materials and supplies	16,704	12,570
Goods in process, work in progress	19,691	15,776
Finished goods, products	4,946	879
Advance payments	1,922	594
	43,263	**29,819**

Accounts receivable

	September 30, 2010 EUR tsd	Dec, 31, 2009 EUR tsd
Future receivables from non-current construction contracts	26,093	13,469
Accounts receivable	33,027	26,097
	59,120	**39,566**

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

	September 30, 2010 EUR tsd	Dec, 31, 2009 EUR tsd
Manufacturing costs including outcome of the contract for non-current construction contracts	55,543	32,921
minus advance payments received	–29,450	–19,452
	26,093	**13,469**

Other current receivables

	September 30, 2010 EUR tsd	Dec. 31, 2009 EUR tsd
Tax receivables (not income taxes)	4,091	321
Receivables, personnel	379	75
Accrued interest	45	180
Other accruals and deferrals (primarily from insurance)	626	566
Other	2,210	792
	7,351	**1,934**

Equity _ Changes to the Group's individual equity items are detailed separately in the Consolidated Statement of Changes in 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 to the company's capital stock during the first nine months of 2010.

Capital reserves _ Capital reserves primarily comprise payments from shareholders pursuant to Article 272, Paragraph 2, No. 1 of the German Commercial Code, minus financing costs after taxes.

The increase in 2010 totaling 198,000 euros pertains to the allocation of funds from share-based compensation (Manz Performance Share Plan).

Treasury Shares _ In 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.

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

The following events, which have an impact on our financial situation occurred after the reporting date:

At the end of October, Manz Automation acquired new orders with a total value of almost 25 million euros, primarily from Asian clients. For the most part, these are new orders for automation and system solutions for the manufacture of crystalline solar cells, and will predominantly be reflected in the company's revenue and earnings in the coming fiscal year. Specifically, we were able to acquire a variety of new orders for our Speedpicker technology, which makes it possible to transport crystalline cells at throughput speeds that have never been seen on the market before. In addition, we also acquired three further orders for our newly developed One-Step Selective Emitter technology.

VII. Further Information //

Employees

In the first nine months of 2010, the Manz Group had an average of 1,497 employees (January 1–September 30, 2009: 1,357 employees).

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, November 8, 2010

The Managing Board of Manz Automation AG

Dieter Manz Chief Executive Officer	Martin Hipp	Volker Renz