



Impulses

6-MONTH REPORT 2015

Manz AG at a glance

2015 Financial Calendar

November 9, 2015
November 23–25, 2015

Publication of 2015 Q3 financial report
 2015 German Equity Forum

Overview of Group Results

(in EUR million)	Jan. 1 to June 30, 2015	Jan. 1 to June 30, 2014	Change in %
Revenues	121.93	163.61	-25.48
Total operating revenues	130.24	161.57	-19.39
EBITDA	-6.70	13.18	n/a
EBITDA margin (in %)	n/a	8.16	n/a
EBIT	-12.91	1.18	n/a
EBIT margin (in %)	n/a	0.73	n/a
EBT	-14.09	0.27	n/a
Consolidated net profit (loss)	-14.99	0.19	n/a
Earnings per share (in euros)	-2.94	0.04	n/a
Cash flow from operating activities	-40.99	-3.78	n/a
Cash flow from investing activities	-15.95	-12.71	n/a
Cash flow from financing activities	80.94	-17.53	n/a

	June 30, 2015	Dec. 31, 2014	Change in %
Total assets	328.46	253.58	+29.53
Shareholders' equity	173.62	140.01	+24.01
Equity ratio (in %)	52.86	55.21	-2.35pp
Financial liabilities	72.13	32.30	+123.31
Liquid assets	49.19	23.15	+112.48
Net debt	22.98	9.19	+150.05

MANZ AG MISSION STATEMENT

As a high-tech equipment manufacturer, our goal is to develop equipment and systems for fast-growing industries around the world. With our claim "passion for efficiency," we are making a service promise to offer our customers – companies in fast-growing future markets – increasingly efficient production equipment. Global proximity to customers and extensive technological expertise are the foundation of our company, and they enable us to continually optimize our range of products in line with industry requirements. This makes the Manz Group an important innovation leader – for breakthroughs in key technologies, such as the production of sustainable energy and stationary power storage, displays and devices for global communication needs, and e-mobility. On the basis of our extensive expertise in the technology sectors automation, laser processing, vacuum coating, printing and coating, metrology, wet chemistry, and roll-to-roll, there are application opportunities for our solutions in numerous industries. Currently we are concentrating our research and development activities on production systems for our strategic business segments Electronics, Solar and Energy Storage. The spirit of invention spurs us on each and every day – it is what makes our company's dynamic growth possible.

WE SET THE PACE FOR BRINGING NEW TECHNOLOGIES FORWARD

More powerful displays, printed circuit boards, and other core components for Smartphones, notebooks and tablet computers; more efficient lithium ion batteries for stationary energy storage, e-mobility, and consumer electronics; and solar modules with the highest degree of efficiency: With our solutions we are creating vital impulses so that new technologies and products can become quickly established and inexpensively produced.

We focus on fast-growing markets where product life cycles are short and continuous innovation is a must. Our fast deployment and successful cross-industry knowledge transfer let us react immediately to changing conditions and create clear competitive advantages for our customers.



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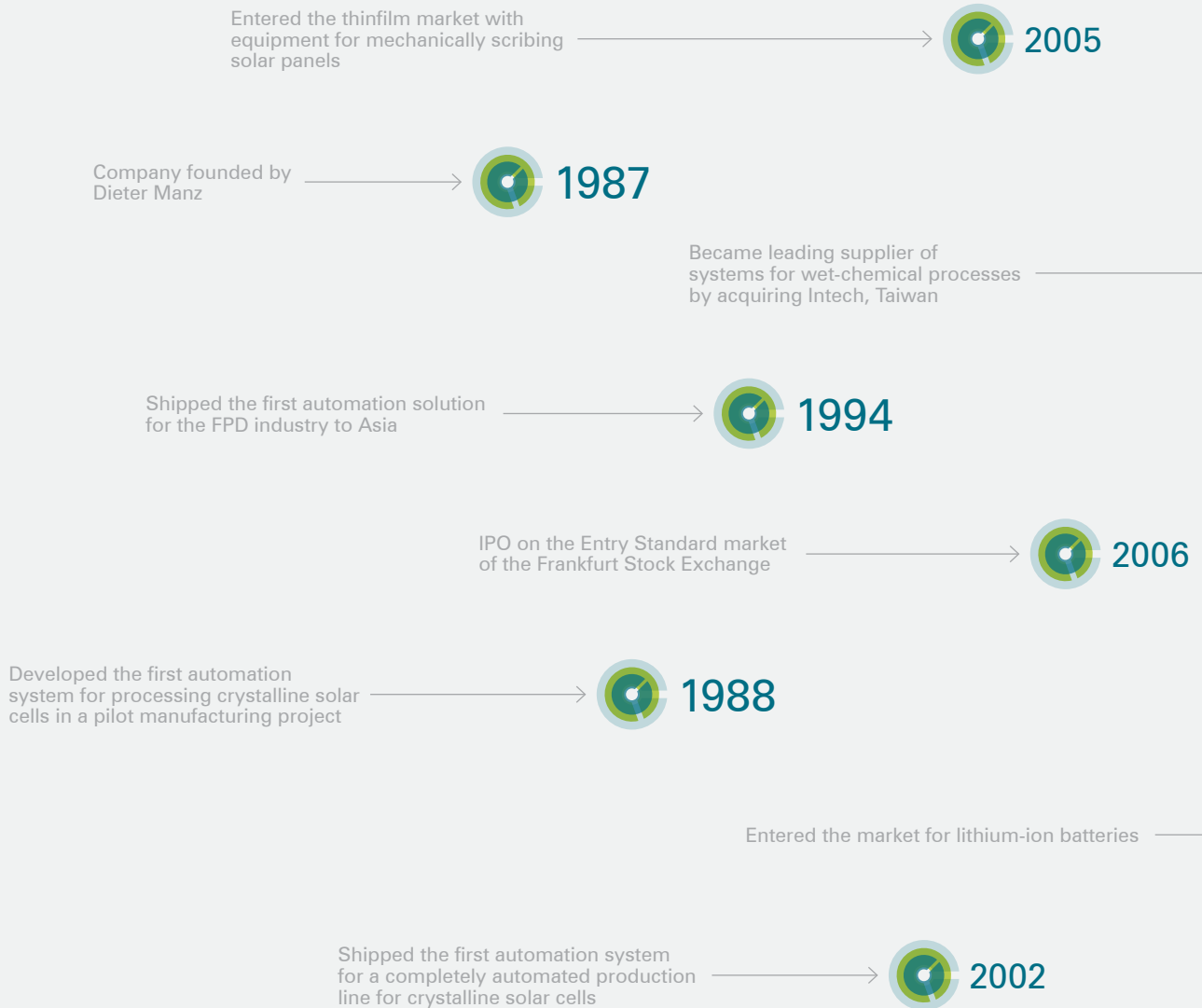
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THE HISTORY OF MANZ AG



1987

Acquisition of mechanical engineering division of Kemet Electronics Italy (formerly Arcotronics) for enlargement of technology portfolio in Battery division

2014

2008

Acquisition of KLEO, a company of the Zeiss Group, expansion of the technology portfolio by the addition of "laser direct imaging"

2015

Manz Coating GmbH founded – development center for vacuum-coating technology

2010

Acquired the CIGS innovation line from Würth Solar
Opened facility for solar and display production systems in Suzhou, China

2012

2009

Manz becomes global leading equipment supplier for the touch panel production
First order from AMOLED display industry

2013

2015

A large, white, stylized lowercase letter 'a' is centered on a dark teal circular background. The 'a' has a thick, rounded stroke and a small tail at the bottom right. The background consists of several overlapping circles of varying shades of teal, creating a layered effect.

a

TO OUR SHAREHOLDERS

LETTER FROM THE MANAGING BOARD

Dear Shareholders,

In the first half of 2015, delays in incoming orders and an order cancellation and their effect on expected follow-on orders placed high demands on our entrepreneurial flexibility. Overall the first six months were critically influenced by these factors. Thanks to our diversified business model in technologies, markets and regions, we were however able to partially offset the effects on our revenue and earnings. At the same time, the incoming orders of the past few weeks give reason to expect significantly improved business development for the second half of the year.

As we expected, the first quarter of 2015 was characterized by the volatility and the cyclical character of the growth markets in which we are active. The resulting low incoming orders in the final quarter of 2014 had a corresponding effect on our start to the year 2015: After a first quarter with sales at the relatively low level of the prior year, business clearly picked up steam again in the second quarter, following the industrial cycle. But as a result of the cancellation of an order at the end of June with a volume of approximately 12 million euros in the Electronics segment and the follow-on orders that could not be realized for this reason with a volume in the high tens of millions of euros, as well as delays in incoming orders in the Energy Storage segment, we again lagged behind the extraordinarily positive second quarter of the prior year during the second quarter of 2015. Consequently, revenues of 121.9 million euros during the first six months of 2015 were below the comparable value of the prior year (163.6 million euros). In total, the gross revenue for the reporting period was 130.2 million euros (previous year: 161.6 million euros).

Even though the revenue trend in the first six months did not meet our expectations, we are convinced of the potential of our target industries and of our very good positioning in these industries. In order to be able to systematically take advantage of opportunities, we have already undertaken important strategic steps in the form of diversification in technologies, markets, and regions. We will systematically pursue this strategy in order to further reduce our dependence on major customers and on the volatile market development. Associated with this are also future investments such as increased personnel expenses as a result of intensified sales activities and the successful integration of Manz Italy and KLEO Halbleitertechnik GmbH. As a consequence, we realized earnings before interest, taxes, depreciation and amortization (EBITDA) of –6.7 million euros (previous year: 13.2 million euros), of which –6.4 million euros was attributable to the first quarter. Earnings before interest and taxes (EBIT) came to –12.9 million euros, following 1.2 million euros in the first six months of 2014. For the current fiscal year, we are expecting moderately lower revenues compared with the prior year and an improved, but prospectively still negative EBIT. Although we are reflecting a negative operating result in the first six months of 2015, the positive signals in all three segments as well as the solid orders on hand of currently around 101 million euros form a good basis for a significantly improved second six months of 2015. In view of the currently very dynamic business development in the Energy Storage segment and



continued significant potentials in our strategic target industries Electronics and Solar, we are optimistic for the coming years.

With the appointment of Martin Drasch as the new chief operating officer of Manz AG as at August 1, 2015, we as a worldwide high-tech equipment manufacturer are also continuing to further optimize our intra-group processes. The goal is to increase company's profitability by improving the cost basis. To this end, among other things the synergies between the individual locations are to be used and the China location is to be strengthened in the international production network of Manz AG.

At this point, we would like to extend our particular thanks to our employees, who through their commitment, flexibility and inventiveness have made a crucial contribution to further developing our technologies, thereby laying the foundation for our continued growth.

Reutlingen, August 2015

The Managing Board



Dieter Manz



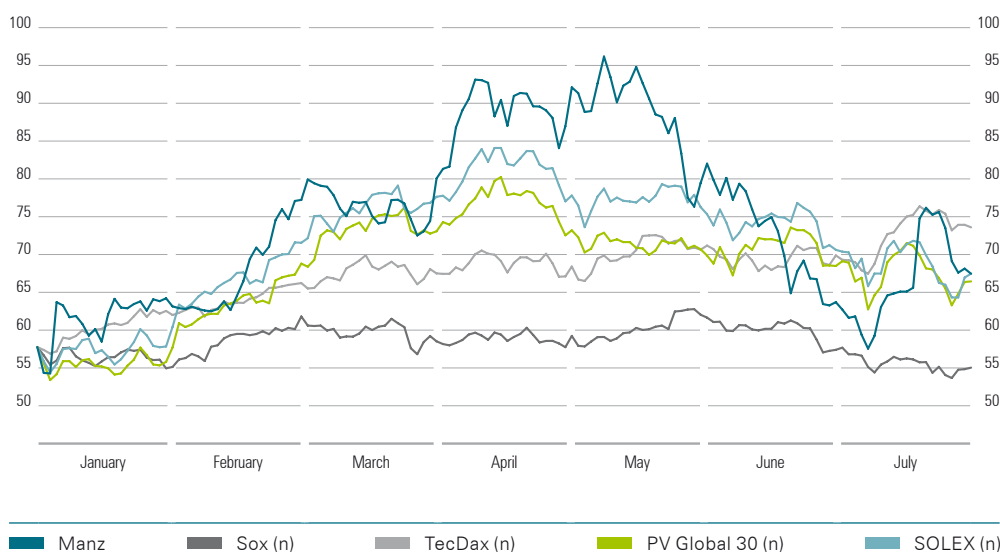
Martin Hipp

MANZ AG STOCK

PRICE PERFORMANCE (JANUARY 1, 2015 – JULY 31, 2015)

The Manz share began the 2015 fiscal year on January 2, 2015, with a closing price of 57.66 euros. Following a brief period of falling prices at the beginning of the year, the share reached the low for the period under review at 54.17 euros on January 6, 2015. The value subsequently recovered and remained at a price level slightly above 60 euros per share until the middle of February. By the beginning of March, the share was able to rise strongly, and on March 3, 2015 was quoted at 79.84 euros. Following a consolidation phase, the share cleared the next hurdle, and on May 11, 2015 achieved the high for the period under review of 96.12 euros. Then the stock again pulled back, closing at 67.84 euros on July 31, 2015.

Chart Showing Manz AG Stock January 1 to July 31, 2015 (XETRA, in EUR)



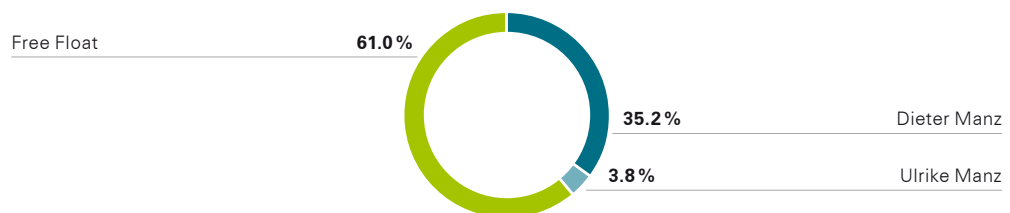
In the period under review, the Manz share achieved a price increase of around 21%. In comparison with the reference indices, only the performance of the TecDAX exceeded that of the Manz share. The solar industry indices World Solar Energy TR Index (SOLEX) of Société Générale and the Photovoltaik Global 30 Index (PV Global 30) of Deutsche Börse AG ended the year with increases similar to that of Manz AG stock. The Semiconductor Sector Index (SOX) of the Philadelphia Stock Exchange closed more or less at the same level as at the beginning of the period and significantly below the Manz share.

Stock Key Data and Performance Indicators

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 EUR of capital stock
Capital Stock	5,420,864 EUR
IPO	September 22, 2006
Opening Price	19.00 EUR
Stock Price at the Beginning of the Reporting Period*	57.66 EUR
Stock Price at the End of the Reporting Period*	63.17 EUR
Change (in percent)	+9.56 %
Annual High	96.12 EUR
Annual Low	54.17 EUR

* Closing prices on Deutsche Börse AG's XETRA trading system

Currently at 61.0%, Manz AG has a large number of shares in free float and has a wide shareholder base. As of June 30, 2015, company founder and chairman of the Managing Board, Dieter Manz, holds a total of 35.2% of Manz's stock. In addition, Ulrike Manz holds 3.8% of the company's shares.

Shareholder Structure**2015 Financial Calendar**

November 9, 2015	Publication of 2015 Q3 financial report
November 23–25, 2015	2015 German Equity Forum

2015 ANNUAL MEETING OF SHAREHOLDERS

The FILharmonie in Filderstadt, Germany, hosted Manz AG's 2015 Annual General Meeting on July 7, 2015. A total of 289 shareholders were present and listened to the report by the Managing Board regarding the company's performance in 2014 as well as the outlook for the current fiscal year.

A total of 56.21 % of capital stock with voting rights was represented (previous year: 61.99%). Almost all of the represented shareholders approved the items on the meeting's agenda. The following table provides an overview of the detailed voting results:

Results of voting – summary

Agenda Item	Voting issue	Votes withheld	Valid votes	In % of capital stock	No votes	No – %	Yes votes	Yes – %	Result
2	Discharge of the members of the Managing Board 2014	70	1,128,700	20,82	10,084	0,89	1,118,616	99.11	Adopted
3	Discharge of the members of the Supervisory Board 2014	70	3,038,772	56,06	10,084	0,33	3,028,688	99.67	Adopted
4	Election of auditor, auditor for consolidated financial statements, auditor of six-month financial	120	3,038,872	56,06	200,533	6,60	2,838,339	93.40	Adopted
5	Creation of new authorized capital, amendment of the Charter	9,225	3,029,767	55,89	664,260	21,92	2,365,507	78.08	Adopted
6	Granting of subscription rights to members of the Managing Board, creation of conditional capital, amendment of the Charter	120	3,038,872	56,06	12,517	0,41	3,026,355	99.59	Adopted
7	Acquisition and use of treasury shares	104,357	2,934,635	54,14	62,293	2,12	2,872,342	97.88	Adopted



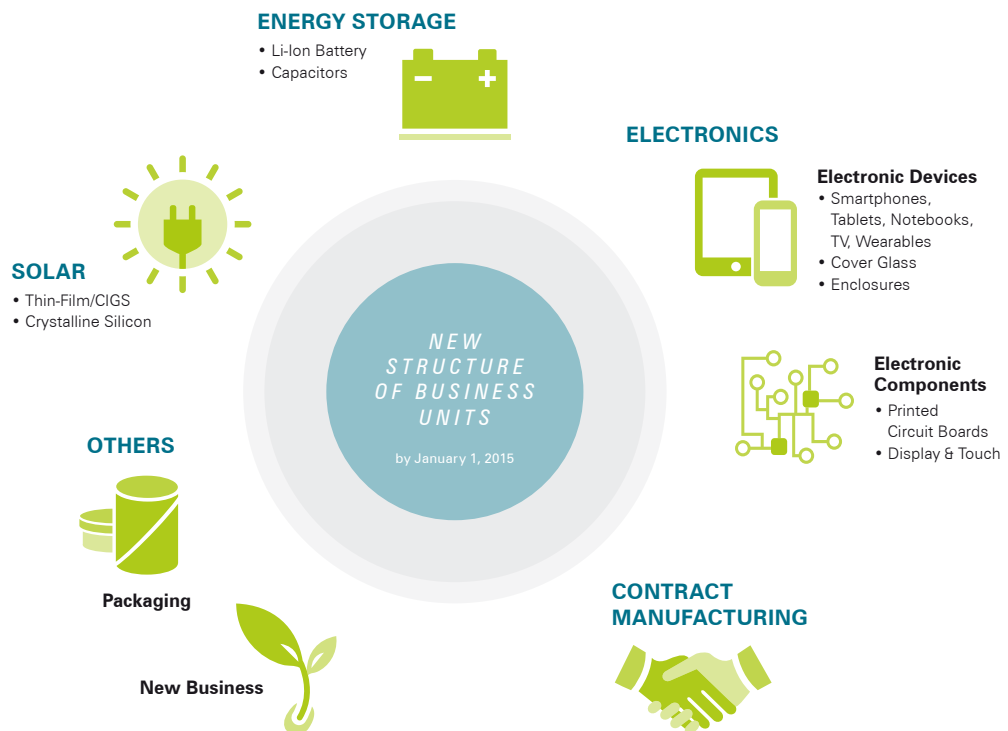
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*GROUP INTERIM
MANAGEMENT REPORT*

BASIC INFORMATION ON THE GROUP

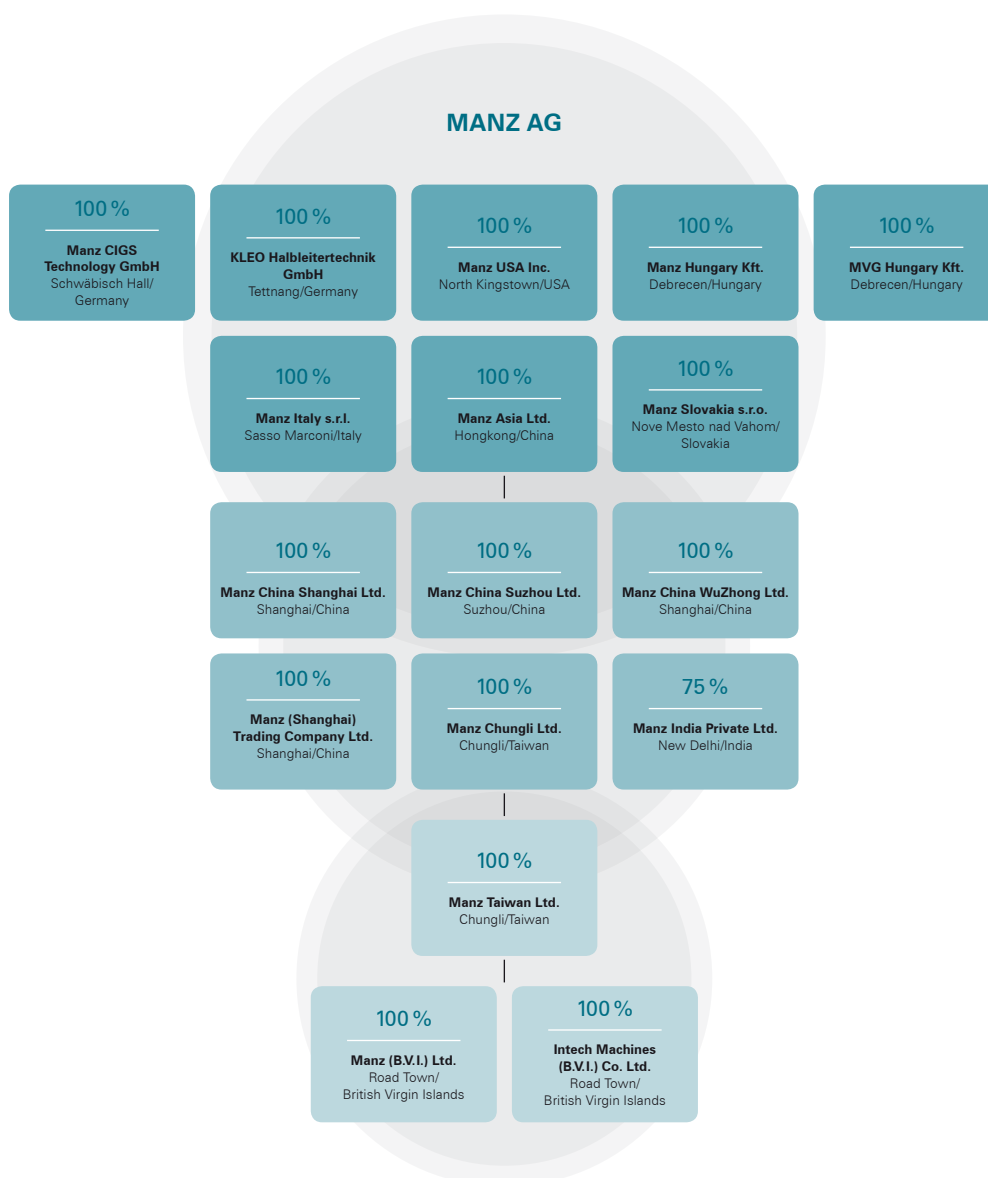
BUSINESS MODEL INCLUDING GOALS AND STRATEGY

Manz AG, founded in 1987, is an internationally leading high-tech equipment manufacturer with a global presence. The company offers its customers in growth and sunrise industries highly efficient production processes and in the years gone by has successfully established itself as a sought-after development partner of industry. With innovative production solutions, Manz AG is a pioneer for the further development and breakthrough of key technologies of today's world. With extensive expertise in automation, laser processing, vacuum coating, metrology, wet chemistry, printing and coating and roll-to-roll processes, Manz AG focuses on the three strategic business segments Electronics, Solar and Energy Storage. To secure medium-term and long-term success, Manz AG will also continue to be rigorous in the future in its pursuit of cross-industry technology transfer, the diversification of its business model and the internationalization of the company.



GROUP STRUCTURE AND HOLDINGS

Altogether, 18 companies are included in Manz AG's consolidated financial statements as of June 30, 2015, and are therefore fully consolidated. On the reporting date, Manz AG, as the Group's parent company, held a 100% interest in six international subsidiaries and two domestic subsidiaries located in Schwäbisch Hall and Tettngang. Two of the foreign subsidiaries are based in Hungary and one subsidiary each in Italy, the USA, Slovakia, and Hong Kong. In addition, the company has a 100% stake in four second-tier subsidiaries in China and one in Taiwan. A 75% second-tier subsidiary exists in India. Manz AG also has a 100% stake in a third-tier subsidiary in Taiwan and two fourth-tier subsidiaries in the British Virgin Islands.

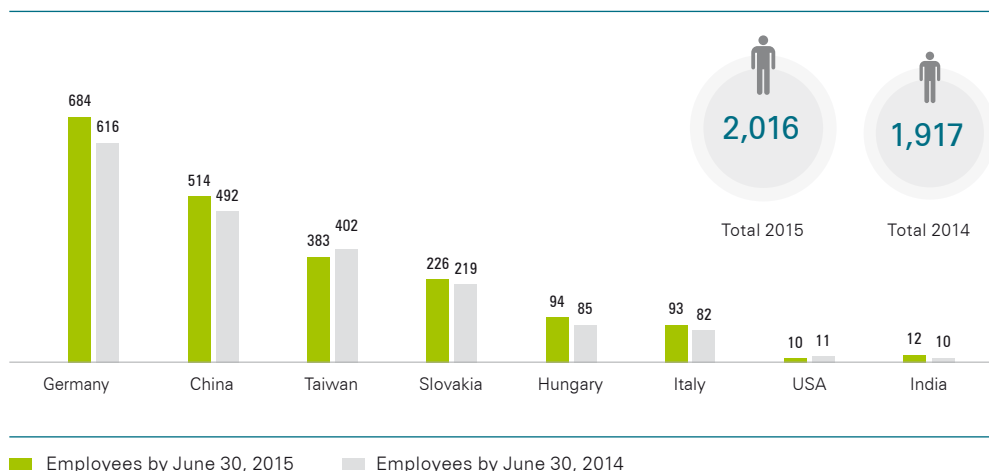


LOCATIONS AND EMPLOYEES

Qualified and motivated employees provide the basis of Manz AG's long-term success. As of June 30, 2015, Manz employed a total workforce of 2,016 (previous year: 1,917) both in Germany and abroad, of which 684 employees worked at the German locations. Based on the number of employees, the largest subsidiary in the Group is Manz China Suzhou Ltd. in China, with 496 employees, followed by Manz Taiwan Ltd. in Taiwan, with 383 employees, and Manz Slovakia s.r.o., with 226 employees.

The continuous 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 and are reflected in its employee structure.

Employees by country



CONTROL SYSTEM AND PERFORMANCE INDICATORS

The following major performance indicators are used for Group-internal control purposes: Revenue, EBITDA and EBITDA margin, EBIT and EBIT margin, equity ratio and liquidity. Manz reports on the development of the control indicators in respect of defined target values on an annual basis. For more detailed information about this, please refer to the section "Control System and Performance Indicators" in Manz AG's 2014 Annual Report, which can be viewed on Manz AG's website (www.manz.com).

Locations and Employees



LOCATIONS

- | | | |
|---|---|--|
| <p>1 Germany
Reutlingen, Tübingen, Tettnang, Karlstein, Schwäbisch Hall, Leipzig
Production, Sales & Service</p> <p>2 Hungary
Debrecen
Production & Service</p> <p>3 Slovakia
Nove Mesto nad Vahom
Production, Sales & Service</p> | <p>4 Italy
Sasso Marconi
Production, Sales & Service</p> <p>5 USA
North Kingstown, Cupertino
Sales & Service</p> <p>6 Taiwan
Taoyuan, Taichung, Tainan
Production, Sales & Service</p> <p>7 South Korea
Seoul, Incheon, Daegu
Sales & Service</p> | <p>8 China
Shanghai, Suzhou, Wuxi, Yingkuo, Huaian, Jiangyin, Ningbo, Longhua, Xiamen
Production, Sales & Service</p> <p>9 India
New Delhi, Calcutta, Bangalore, Hyderabad
Sales & Service</p> |
|---|---|--|

RESEARCH AND DEVELOPMENT

Research and development is a key component for the successful expansion of Manz AG's cross-industry technology and product portfolio. In order to further strengthen Manz's position as a company driving innovation in growth industries, research and development (R&D) activities again play an important role for the company in the 2015 fiscal year. With over 500 engineers, technicians and scientists at its development facilities in Germany, Italy, Slovakia, Taiwan and China, Manz AG will focus on the main technologies in its Electronics, Solar and Energy Storage business segments and accelerate the cross-industry integration of these core competencies in order to achieve synergy effects and economies of scale.

Manz AG had a total ratio of research costs to sales of 11.9 % in the reporting period (previous year: 5.6 %). If we consider only capitalized development costs, the ratio of research costs to sales totals 6.4 % (previous year: 2.1 %). In order to provide sustained and long-term consolidation of its excellent technological positioning in the relevant target markets and its innovativeness, Manz AG is striving for an annual ratio of research costs to sales of 6.5% on average.

BUSINESS REPORT

MACROECONOMIC ENVIRONMENT AND INDUSTRY-RELATED CONDITIONS

Economic Market Environment

Following a growth of the global economy in 2014 of 3.5%, the Kieler Institut für Weltwirtschaft (IfW) is expecting a marginally weaker rise of 3.4% in this year, with higher growth rates being expected for the advanced economies. While the emerging markets will benefit from the stronger demand in the advanced economies, the experts of the IfW also see considerable economic as well as structural pressures in leading emerging countries and regions such as China, Russia, and Latin America. For the European Union, the economists of the IfW expect an increase in GDP of 1.6% for the year 2015; the gross domestic product (GDP) in Germany is expected to increase by 1.8% in 2015.

Economic development in Asia and in the People's Republic of China, in particular, is of major importance to Manz AG as this is its principal sales region. According to the IfW, a lower growth of 6.6% is expected in the year 2015 in comparison with the previous year. The experts forecast for the United States, the largest economy in the world, a GDP growth of 2.2% for the year 2015.

Electronics Segment

In its Electronics business segment, Manz AG offers production solutions for wet chemical processes in the manufacture of LCD and OLED flat screens and touch sensors, for the manufacture of printed circuit boards and chip carriers and for the manufacture of smartphones, tablet computers, laptops and other consumer electronics.

For the global market for flat panel displays (FPD), the market research institute NPD DisplaySearch expects increasing demand in the coming years. The reason for this is the increasing screen size in televisions, smartphones, laptops and displays for the automotive industry. In comparison with the previous year, the total display sales for all FDP applications increased by 9% in 2014 to 168.9 million square meters. For the current year of 2015, a growth in demand of 5% is forecast for these FPD applications. For the coming years as well, industry experts forecast further growth: Up to the year 2020, the FPD demand is expected to increase to 223.6 million square meters, with an average annual growth rate (CAGR) of 5%. Corresponding to the rising demand on the end markets, the market research institute IHS expects record sales for suppliers of corresponding production equipment. Accordingly, investments in new equipment in 2015 will increase for the third year in a row and will reach USD 9.1 billion. IHS considers the factors for these high investments as being based on the rising demand for LCD and AMOLED displays for smartphones and TVs.

With respect to the technologies, NPD DisplaySearch expects in the middle term an increasing share for AMOLED technology. Due to improvements in production processes, the costs of AMOLED displays will thus fall below those of LCD displays and make a corresponding contribution to the spread of AMOLED technology. In regional terms, Taiwan will remain the world's leading region for the manufacture of touch-sensitive displays in the medium term. At the same time, China will climb to number two by 2016, owing to the high local demand for smartphones and tablet computers. Accordingly, the market research institute NPD DisplaySearch expects to see significant capacity expansion investment in China over the next two years, which will be responsible for around 70% of global investment.

Industry experts are positive for the market for smartphones for the current year. Following a difficult year in 2014, the market for tablet computers in the opinion of the market research institute Gartner will grow in the current year 2015 by around 8% to 233 million sold devices. For 2016, Gartner expects further growth of sales figures by around 11% to 259 million units – and is in a positive mood for the market development of the coming years. According to a forecast of the market research institute CSS, the smartphone market will continue to grow in the next few years, but at lower rates. Following 1.24 billion devices sold in the year 2014, CSS Insight expects unit sales of 1.89 billion by 2018. This represents an average annual growth rate of 13%. Smartphones will then comprise around 83% of the global cell phone market. Although the subsegment smart watches currently constitutes a very small share of the total market for cover glasses, IHS expects a quintupling of the market volume in the current year to 33,000 square meters. In the opinion of the institute, the high customer demand for the Apple watch is the primary cause of this. Despite the comparably small volume in the total market in terms of square meters, IHS believes that due to the use of sapphire glass and an accordingly significantly higher average sale price, smart watches will represent a 3% share of the total market in terms of sales value in 2015.

The printed circuit board market developed positively for the German industry in the previous year of 2014. For 2015, the Zentralverband der Elektrotechnik- und Elektronikindustrie e. V. (ZVEI) forecasts growth for the German market of 2.3% to 1.46 billion euros. ZVEI puts the global market in the current year at USD 63.5 billion (2014: USD 61.5 billion), which is equivalent to growth of 3.3%. The largest share at USD 41.7 billion will go the Asian/Pacific region, followed by Japan (USD 8.1 billion), Europe (USD 7.1 billion), America (USD 6.1 billion) and Africa (USD 0.5 billion).

With its established production locations in Taiwan and China, Manz AG is active in hot spots of the target industries. Cross-industry technology transfer and target-oriented research and development activities enable Manz to provide innovative and customer-specific production solutions in both tried-and-tested and new technologies. With this strategy, Manz AG sees itself extremely well positioned to be able to further expand its strong market position and to benefit from future opportunities.

Solar Segment

As a high-tech equipment manufacturer, Manz AG offers the industry innovative production solutions for crystalline solar cells and thin-film solar modules.

In the course of 2014, global PV demand continued to increase significantly. According to information from the market research institute NPD Solarbuzz, the new installations of around 20 GW in the fourth quarter of 2014 alone, which to a significant extent were in China, exceeded the total newly installed capacity from the pre-crisis year of 2010. In new installations above a total capacity of 50 GW, the equilibrium between existing production capacities and end customer demand will again strengthen the confidence of investors in the PV industry, according to NPD Solarbuzz. The market researchers accordingly also expect investments in the near term in new and efficient production systems.

Also for the coming years the market research group IHS is assuming strong growth for the PV industry. By 2019 the experts expect an expansion of the cumulative installed power worldwide to almost 500 GW, which corresponds to an increase of 177 % over the level of 2014. The annual demand in 2019, they believe, will come to 75 GW, an increase of 66 % in comparison with 2014, with China and Japan accounting for half of the demand. In addition, the IHS expects that in the years up to 2019, eleven other markets worldwide will have an average annual demand of more than 1 GW and thus will contribute to the general stability of the demand situation on the PV market.

NPD Solarbuzz puts the potential revenue for mechanical engineering in the solar industry at USD 10 billion through the year 2017. It is expected that there will continue to be a variety of different technologies. With a predicted doubling of the worldwide PV demand every four years, the experts continue to see crystalline solar cells as having the largest market share. Up to 2019, the market share of thin film solar modules as an alternative technology is expected to remain stable at the 2014 level of 7 %. CIGS thin film solar technology will have increasing significance within thin film technologies.

With its products, Manz AG offers the industry both efficiency gains and significant cost savings. With the Manz CIGS*fab*, the company already today offers its customers a turnkey, fully integrated production line for the manufacture of CIGS thin-film solar modules. With the industry-wide unique innovation line at the Schwäbisch Hall location and an exclusive collaboration with the Center for Solar Energy and Hydrogen Research at Baden-Württemberg (ZSW), Manz AG is pursuing the goal of moving ZSW's world-record thin-film technology, with an efficiency of 21.7 %, from the laboratory into mass production.

At the same time, Manz AG also offers a pioneering production technology for the manufacture of crystalline solar cells of the next generation, the highly efficient PERC cells (passivated emitter rear cell). Also in this segment, the fully integrated, optimally coordinated systems achieve maximum efficiency at the lowest cost. With these innovative production

solutions for all technologies, Manz AG sees itself excellently positioned to be able to benefit from the next investment cycle in the solar industry.

Energy Storage Segment

In its Energy Storage business segment, Manz AG focuses on production equipment for lithium-ion battery cells and battery systems as well as for capacitors, which are used in the fields of consumer electronics, e-mobility and stationary power storage.

Experts from the market research institute Lux Research expect a quadrupling of the total global market for lithium-ion batteries from USD 17.6 billion in 2013 to around USD 70 billion by 2020. According to Lux Research, lithium-ion batteries are currently mainly being sold in the form of consumer electronics such as smartphones and tablet computers. For this segment alone, Lux Research is expecting lithium-ion batteries to achieve a sales volume of USD 25 billion in 2018. This is also confirmed by the market research and analysis company Frost & Sullivan, which considers that the fields of "mobile communication" and "computing devices" will be the main drivers of growth over the next three to four years. Frost & Sullivan are expecting further medium- to long-term growth momentum for the market for lithium-ion batteries from e-mobility and stationary power storage. According to them, both in the automotive industry and in the sector for energy networks and the storage of renewable energies, statutory incentives will impact sales figures for Li-ion batteries. The market research institute Navigant Research forecasts that the e-mobility sector will experience worldwide growth of 86% in 2015, which is equivalent to around 346,000 new electric vehicles. This development is primarily being driven by brands such as Tesla, Mercedes, Audi and BMW, which marketed electrically powered vehicles for the first time in 2014. Furthermore, governments in the automotive industry's key sales markets of Germany and China are providing incentives for end consumers to purchase electric vehicles. Numerous projects in the field of stationary power storage are currently being promoted in the USA and Europe. As far as Asia is concerned, the US Department of Energy identifies China, South Korea and Japan as the market drivers of stationary power storage.

In the Energy Storage business segment, Manz AG has proven expertise in winding, stacking and laminating technologies, the most important technologies in the manufacture of lithium-ion batteries and capacitors for consumer electronics, e-mobility and stationary energy storage. This provides an excellent basis for systematic use of the revenue and earnings potential in these industries, both now and in the future.

Overall Assertion

As a result of the implementation of the diversification strategy and the technology transfer between the Electronics, Solar and Energy Storage business segments, Manz AG views the current fiscal year 2015 as being strategically well positioned. Despite the lower growth trend in the display industry in comparison with the previous year, the company continues to see additional revenue and earnings potential in the intermediate term as a

result of an increase in touch-capable mobile end-user devices as well as technological innovations such as OLED technology and new product groups such as smart watches. In this regard, Manz AG will benefit from its position as the market leader for innovative production solutions and its decades-long technological expertise in the fields of automation, laser processing, vacuum coating, printing and coating, metrology, wet chemistry and roll-to-roll. Manz AG expects market development in the printed circuit boards segment to be stable. In view of the equilibrium between existing production capacities and end customer demand, an increasing willingness to invest is emerging in the solar industry. With its innovative production solutions, particularly in relation to the highly efficient and cost-efficient CIGS thin-film technology, Manz AG is extremely well placed to benefit from future investments.

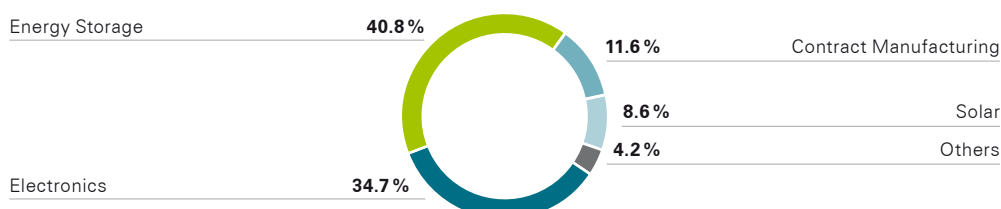
Due to further intensified research and development activities for battery and capacitor technologies for Consumer Electronics, e-mobility and stationary power storage, Manz AG also sees significant growth opportunities in the Energy Storage business segment.

ANALYSIS OF FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CASH FLOWS

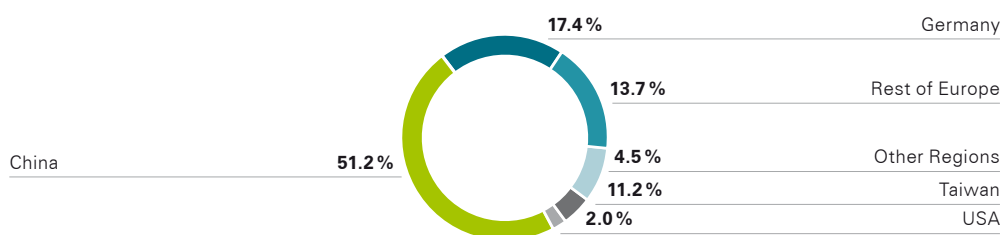
Financial Performance

Manz AG's financial performance in the first six months of the 2015 fiscal year was shaped by the comparatively low level of orders on hand in the fourth quarter of the 2014 fiscal year and consequently the low level of sales of the first quarter of 2015. While the revenue trend improved significantly in the second quarter, it will not be possible for crucial revenue contributions to be realized before the third and fourth quarters due to delays in incoming orders in the Energy Storage segment. Revenues in the 2015 reporting period amounted to 121.9 million euros, following 163.6 million euros in the same period in the previous year.

The Electronics segment accounted for a 34.7% share of revenues in the reporting period with 42.3 million euros (previous year: 118.5 million euros or 72.4%). This drop in sales is due to the weaker demand of Asian customers in comparison with the same period of the previous year for production equipment in the printed circuit board segment as well as in the classic display business. The Solar segment generated around 10.5 million euros or 8.6% of Manz AG's total revenues in the first six months of 2015 (previous year: 6.3 million euros or 3.9%). The Energy Storage segment accounted for the largest share of sales in the reporting period with 49.7 million euros or 40.8% (previous year: 6.4 million euros or 3.9%) with equipment for the production of lithium-ion batteries and capacitors. The Contract Manufacturing reporting segment was responsible for revenue contributions of 14.2 million euros or 11.6% (previous year: 24.5 million euros or 15.0%). Revenues in the Others reporting segment totaled 5.2 million euros in the first six months of 2015, following 7.9 million euros in the prior-year period; this corresponds to a revenue share of 4.2% (previous year: 4.9%).

Revenues by Business Units January 1 to June 30, 2015

Manz AG revenues by region had the following distribution in the first six months of 2015: Taiwan and China accounted for the largest share of Manz AG's revenues, at 76.1 million euros or 62.4% (previous year: 114.4 million euros or 69,9%). Business in the rest of Asia contributed 4.6 million euros to total sales or 3.8% (previous year: 4.8 million euros or 3.0%). In Germany, the company generated 21.2 million euros or 17.4% of total revenues (previous year: 14.0 million euros or 8.6%). The increase in sales to customers in Germany is essentially due to a major customer of Manz Italy, which has been consolidated in the Group only since April 30, 2014 and accordingly contributed to revenue in the comparable period of the previous year only on a pro-rata basis. Manz AG generated around 16.7 million euros or 13.7% of its revenues in the rest of Europe in the reporting period, following 27.7 million euros or 16.9% in the prior-year period. In the USA, the company achieved revenues of 2.5 million euros; this corresponds to a 2.0% share of total revenues (previous year: 1.3 million euros or 0.8%). Revenues in other regions worldwide amounted to 0.9 million euros or 0.7% (previous year: 1.4 million euros or 0.9%).

Revenues by Region January 1 to June 30, 2015

Based on revenues of 121.9 million euros, there was a slight overall increase of 0.5 million euros in inventories of finished goods and work in progress (previous year: -5.5 million euros). Own work capitalized, at 7.8 million euros, was above the prior-year level (previous year: 3.4 million euros). This increase is due essentially to the positive market development and correspondingly more intensive development activities in the Energy Storage segment as well as the further development of CIGS thin-film solar technology in the first quarter of 2015. In the second quarter of 2015, own work capitalized at 2.5 million euros was again

at about the level of the previous year. The Managing Board expects own work capitalized for 2015 to adjust to the level of the previous year. This will result in gross revenue of 130.2 million euros (previous year: 161.6 million euros). Other operating income came to 3.1 million euros (previous year: 4.0 million euros) and primarily comprises subsidies for the development of technology. Material costs amounted to 77.2 million euros (previous year: 96.1 million euros) with the material cost ratio, at 59.3%, being at the level of the previous year of 59.5%. Gross profit came to 56.2 million euros, compared with 69.5 million euros in the previous year. Personnel expenses in the first six months of 2015, at 41.3 million euros, were above the reference period in 2014 (previous year: 36.5 million euros), which was due to an expansion in personnel in the German and Asian locations, additional employees resulting from the acquisition of Manz Italy (April 30, 2014) as well as planned wage increases. This development was also intensified through the RMB/EUR and TWD/EUR exchange rate effect in connection with the Asian subsidiaries. The personnel expenses ratio, at 31.7%, was above that of the previous year, when it stood at 22.6%.

Other operating expenses increased to 21.6 million euros (previous year: 19.8 million euros) as a result of several factors. This increase is attributable in large part to the inclusion of Manz Italy, which was contained in the comparable period only on a pro-rata basis. In addition, higher sales expenditures as well as higher advertising and personnel recruiting costs for opening new markets and regions played a part. Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to –6.7 million euros (previous year: 13.2 million euros). In the 2015 reporting period, depreciation and amortization at 6.2 million euros (previous year: 12.0 million euros) was significantly below the prior year's level due to the unscheduled write-offs taken at the end of 2014 particularly in the Solar segment. Overall, this results in operating earnings (EBIT) of –12.9 million euros (previous year: 1.2 million euros).

An analysis of the individual business segments shows that the EBIT in the Electronics segment amounted to –8.2 million euros (previous year: 12.2 million euros). The Solar segment posted negative EBIT of –7.0 million euros, following –12.8 million euros in the previous year. Operating earnings in the Energy Storage segment amounted to 1.7 million euros, following 27 thousand euros in the reference period of the previous year. The Contract Manufacturing reporting segment recorded an operating profit of 1.1 million euros (previous year: 1.3 million euros), and the Others segment also posted an operating loss of –0.6 million euros, following 0.4 million euros in the previous year.

After deduction of taxes on income, Manz AG's consolidated net loss for the first six months of 2015 was –15.0 million euros (previous year: 0.2 million euros). Based on a weighted average of 5,097,803 shares, that corresponds to earnings per share of –2.94 euros (previous year: 0,04 euros with 4,928,059 shares).

Financial Position

Total assets as of June 30, 2015 increased in comparison with the end of the 2014 year to 328.5 million euros (December 31, 2014: 253.6 million euros). On the liabilities side, the company's equity came to 173.6 million euros. This increase in comparison with the end of the year 2014 (December 31, 2014: 140.0 million euros) resulted from the successful capital increase carried out at the end of April 2015. As a result, subscribed capital increased by 492,805 euros, while capital reserves increased to 144.3 million euros (December 31, 2014: 103.8 million euros). At the same time, retained earnings dropped as a result of the net loss for the 2015 period and at the same time there was a significant increase in the amount resulting from currency translation at the foreign subsidiaries of 9.6 million euros to 21.7 million euros (December 31, 2014: 12.1 million euros). This relates, in particular, to the strength of the Chinese renminbi and the Taiwanese dollar against the euro. As of the balance sheet date of the reporting period, the equity ratio is 52.9%, following 55.2% as of December 31, 2014.

Non-current liabilities declined from 36.4 million euros as of December 31, 2014 to 31.5 million euros as of the reference date June 30, 2015. This development results primarily from the reclassification of the loan from the European Investment Bank (EIB) in the amount of 20 million euros (December 31, 2014: 10 million euros) that in the past was reported as non-current and which as of June 30, 2015 was reported as current on the basis of the possibility of termination as a result of non-fulfillment of covenant agreements with other credit institutions. In this regard, please see our explanations on the liquidity position on page 32. Pension provisions increased essentially as a result of the exchange-rate-related change in pension provisions at Manz Taiwan to 8.7 million euros (December 31, 2014: 8.4 million euros). Other non-current provisions came to 3.8 million euros (December 31, 2014: 3.6 million euros). Other long-term liabilities include the non-current share of the earn-out components from the purchase of KLEO Halbleitertechnik GmbH on June 1, 2015.

In addition, current liabilities increased significantly in comparison with the end of the 2014 fiscal year, to 123.3 million euros (December 31, 2014: 77.2 million euros). This is attributable primarily to the reclassification of the EIB loan at 20 million euros to current financial liabilities (see note on non-current liabilities) and greater utilization of overdraft facilities by the Slovakian and Asian subsidiaries for operating funds. In the case of the Asian companies, the trend of the currencies also resulted in a rise in financial debts. Trade payables as of the end of the 2015 reporting period, at 39.1 million euros, were slightly below the level of the end of the year 2014 (December 31, 2014: 42.3 million euros). As a result of the lower level of sales, prepayments received declined to 6.2 million euros (December 31, 2014: 10.6 million euros). As of June 30, 2015, other current provisions came to 5.3 million euros following 3.5 million euros as of the 2014 balance sheet date. The increase over the comparable value as of the end of 2014 is the result of additional scheduled personnel-related provisions. Other liabilities of 10.9 million euros (December 31, 2014: 8.3 million euros) contain personnel-related liabilities as well as earn-out liabilities to Würth-Solar at 3.0 million euros and the non-current share from the purchase of KLEO Halbleitertechnik GmbH at 0.4 million euros.

On the asset side, the increase in non-current assets from 117.4 million euros as of the end of the 2014 fiscal year to 135.8 million euros as of June 30, 2015 is due to an increase in intangible assets, which as of the end of the reporting period in 2015 stood at 87.7 million euros (December 31, 2014: 74.7 million euros). This increase is due first to capitalized development costs and the purchase of KLEO Halbleitertechnik GmbH and second to positive exchange rate effects in connection with goodwill contained therein for Asian subsidiaries. At the same time, property, plant and equipment also showed slight increase: as of June 30, 2015, property, plant and equipment totaled 44.4 million euros, compared with 40.3 million euros at the end of the fiscal year 2014. This increase is also attributable to the purchase of KLEO Halbleitertechnik GmbH as well as to positive exchange rate effects in the valuation of property, plant and equipment of Asian subsidiaries.

As of June 30, 2015, current assets at 192.7 million euros were above the amount for the 2014 balance sheet date of 136.2 million euros. Inventories amounted to 49.4 million euros (December 31, 2014: EUR 48.3 million). At the same time, trade receivables at 85.3 million euros were significantly above the level of the end of the year 2014 (December 31, 2014: 58.7 million euros). This development is grounded in the current positive order situation, in particular in connection with incoming orders in the Energy Storage segment. Other current receivables in the amount of 8.4 million euros as of June 30, 2015 (December 31, 2014: 5.9 million euros) were critically influenced by higher accruals as of the reference date and the increase in the value-added tax receivable. At the same time, liquid funds increased to 49.2 million euros upon the capital increase at the end of April 2015 (December 31, 2014: 23.2 million euros).

Liquidity Position

Taking cash flow in the strict sense (operating profit plus depreciation/amortization of fixed assets and increase/decrease in other non-current provisions and pension provisions and other non-cash income and expenses), a negative cash flow totaling –6.2 million euros resulted in the first six months of 2015 (previous year: 12.2 million euros). This negative cash flow is primarily the result of a negative EBIT of –12.9 million euros (previous year: 1.2 million euros) and lower depreciation and amortization of 6.2 million euros (previous year: 12.0 million euros). Cash flow from operating activities for the 2015 reporting period amounted to –41.0 million euros (previous year: –3.8 million euros). This development is largely due to an increase in inventories, trade receivables and other assets and a corresponding outflow of funds in the amount of –35.6 million euros (previous year: –45.4 million euros), while at the same time trade payables and other liabilities increased less strongly at 4.1 million euros than in the previous year (previous year: 31.5 million euros).

Following a cash flow from investing activities of –12.7 million euros in the same period in the previous year (2014), there was a cash outflow of –15.9 million euros for the 2015 reporting period. This is the result of investments in the amount of 4.9 million euros in connection with the acquisition of KLEO Halbleitertechnik GmbH and investments in intangible assets and property, plant and equipment, primarily development activities. In terms

of segments, the Solar segment accounted for investment of 4.3 million euros (previous year: 2.1 million euros); the Electronics segment, 3.2 million euros (previous year: 1.9 million euros); and the Energy Storage segment, 2.9 million euros (previous year: 1.6 million euros). A figure of 0.6 million euros (previous year: 0.4 million euros) was invested in the 2015 reporting period in the other segments.

Cash flow from financing activities in the 2015 reporting period amounted to 80.9 million euros, following a cash outflow of 17.5 million euros in the previous year of 2014. The reason for this is the receipts for capital contributions in connection with the capital increase in the amount of 41.9 million euros, an increase in current financial liabilities in the amount of 28.8 million euros and long-term borrowings in the amount of 13.2 million euros.

If exchange rate changes are taken into account, Manz AG therefore had liquid funds totaling 49.2 million euros as of June 30, 2015 (June 30, 2014: 31.2 million euros). As of June 30, 2015, there are unused credit lines with banks in the amount of 92.4 million euros (December 31, 2014: 90.6 million euros) and available guarantee lines in the amount of 10.7 million euros (December 31, 2014: 10.5 million euros). In addition, there are unused guarantee credit lines at credit insurance companies in the amount of 17.7 million euros (December 31, 2014: 17.7 million euros).

There is a collateral trust agreement with German house banks and a German credit insurance company with credit lines in the amount of 29.4 million euros and guarantee lines in the amount of 24.3 million euros. The agreement contains covenants concerning the gross debt ratio and the equity ratio, which as of June 30, 2015 are not met with respect to the gross debt ratio. The credit lines with banks were not drawn as of June 30, 2015 or December 31, 2014, and the guarantee lines used come to 1.5 million euros (December 31, 2014: 1.6 million euros). Bank accounts with the credit institutions involved come to 17.6 million euros as of June 30, 2015 (previous year: 6.3 million euros). The company assumes that the credit institutions will not exercise their extraordinary termination right. If, counter to expectations, a termination should occur, the unused credit lines with the banks of 92.4 million euros would drop to 63.0 million euros and the available guarantee lines with banks and credit insurance companies would drop from 28.4 million euros to 5.5 million euros. The company also assumes in relation to a termination right of the European Investment Bank (EIB) linked to this matter on a loan granted for 20.0 million euros that the EIB will waive its extraordinary right of termination; otherwise early repayment would take place using the available liquid funds in the amount of 49.2 million euros. Please also refer to the explanations in the annex under "Additional Information Concerning Financial Instruments" (page 63).

Overall Assertion

Group revenues in the 2015 reporting period came to 121.9 million euros and thus were well below the level of the previous year of 163.6 million euros. Against the background of the comparably weak revenue trend in the first quarter of 2015 as well as a cancellation of an order and delays in orders in the second quarter of 2015, the Managing Board considers the development of sales in the first six months of 2015 as being not satisfactory, even if there was an improvement in the order situation at the beginning of the third quarter. The weak sales base in comparison with the prior year in the opinion of the Managing Board is also crucial for the development of the profit situation, which overall is not satisfactory. In operating business, Manz achieved earnings before interest, taxes, depreciation and amortization (EBITDA) of –6.7 million euros (previous year: 13.2 million euros) and in so doing was able to largely bring the negative trend in the first quarter to a halt in the second quarter of 2015. Earnings before interest and taxes (EBIT) amounted to approximately –12.9 million euros (previous year: 1.2 million euros). Liquid funds came to 49.2 million euros with a net indebtedness of 23.0 million euros, while the equity ratio as of June 30, 2015 was 52.9%. The value of orders on hand as of July 31, 2015 was 101 million euros. Thus Manz AG has sufficient leeway in order to be able to systematically take advantage of growth opportunities for the company.

EVENTS AFTER THE BALANCE SHEET DATE

No events that would have had a significant impact on our financial position, financial performance and cash flows took place after the end of the reporting period.

REPORT ON OPPORTUNITIES AND RISKS

No significant changes have arisen compared with the opportunities and risks presented in the 2014 Annual Report.

FORECAST REPORT

OUTLOOK

In our forecast report, we address, insofar as possible, Manz AG's expected future growth and the company's business environment in the current fiscal year of 2015. On June 30, 2015, we revised our annual forecast of a revenue volume of 320 – 340 million euros and a clearly positive EBIT. The reason for this was an order cancellation in the Electronics division with a value of approx. 12 million euros. This resulted from the end customer's decision for an alternative technical solution in the final product, and was consequently not a result of Manz AG's responsibility. The related follow-up orders which were included in the annual forecast, with a high, double-digit million Euro range, could likewise not be realized as a result. The incoming orders delay in the Energy Storage segment also contributed to the forecast adjustment. The orders, which were actually anticipated for April and June, were not placed until July 2015. As a result, planned revenues shifted to a large degree to the fourth quarter of 2015 and to the next year.

In Asia, the crucial region for us, economic earning power is expected to grow in the current fiscal year at the prior-year level. In the region's largest national economy, the People's Republic of China, GDP growth of 6.6% is expected. At the same time, experts from the Kiel Institute for the World Economy also expect growth for the global economy of 3.4% in 2015. We see stable general conditions for our company to grow in the current fiscal year. It should be borne in mind that the current economic framework conditions increase uncertainty in respect of statements about future growth, as underlying premises can quickly lose their validity. The framework conditions give rise to opportunities and risks for the Manz Group's continued operating growth.

In addition to these macroeconomic framework conditions, developments in the electronics, photovoltaic and lithium-ion battery sub-markets are also crucial to Manz AG's further operating growth.

For the current 2015 fiscal year, we expect operating activities in our Electronics segment to continue to show a negative development. The reasons for this assumption in the face of positive general conditions are the order cancellation and the accompanying loss of sales in the form of expected follow-on orders. We continue to be fundamentally convinced of market potential: The increasing use of electronic devices in everyday life, the increased penetration rate of communication applications and the sustained high demand for end devices with touch panel displays such as smartphones and tablet computers give us grounds for this assumption. In our opinion, the continued high demand for smartphones and tablets as well as additional device functionalities will therefore lead to new and replacement investments by the consumer electronics industry in assembly and production equipment, from which Manz AG can benefit. In view of the market prospects in the current year 2015 described above, business with printed circuit boards is expected also to develop stably. The short ramp-up phases of our customers of around four to six months generally lead to short-notice incoming orders and require flexible order planning. Currently, however, in the Electronics segment we expect an overall weaker sales level for 2015 than in the prior year with a negative EBIT margin. The value of orders on hand in the Electronics business segment was at about 24 million euros as of July 31, 2015.

In view of the steadily growing end-customer demand for solar modules, we feel cautiously optimistic with regard to our Solar segment. This increasing demand makes new investments in modern equipment unavoidable in order to implement profitable manufacture. In the future, China will be the largest market by far for the production of crystalline solar cells. Thanks to our strong market position in Asia, we are in the comfortable situation of meeting the demands of the market for the supply of equipment from local production. We thus are also continuing to preserve the opportunity of being able to participate in investments in this segment. In the field of thin-film solar technology, we are more convinced than ever of the technological superiority of the Manz CIGS*fab*, our turnkey production line for the manufacture of CIGS thin-film solar modules. In the future, CIGS thin-film solar modules will not only be more powerful than multicrystalline solar cells but also will be significantly cheaper to produce. CIGS technology, in our opinion, will therefore assume an important role in the next photovoltaic investment cycle. The revenue potential of a CIGS-*fab* ranges from 50.0 million euros to 350.0 million euros, depending on the capacity of the line. The sale of fully integrated, turnkey production lines for CIGS solar modules therefore continues to be our primary goal. But at the same time we are taking the continuing investment restraint of the past four years into account by reducing our ongoing cost basis. Overall, the Solar segment thus especially offers upside potential for Manz AG at the moment. Overall, we expect to increase revenues in the Solar segment significantly compared with the previous year. Depending on the amount and the timing of the incoming order, the sale of a CIGS*fab* could still positively influence earnings in the current 2015 fiscal year. The value of orders on hand as of July 31, 2015 was of about 7 million euros.

We also expect to see very positive momentum in our third business segment, Energy Storage. With our globally unique technology portfolio for the manufacture of all current battery cell concepts – from wound button cells to stacked pouch cells – we play a decisive

role in the continued development of lithium-ion battery technology. With our production equipment for manufacturing lithium-ion batteries and capacitors for e-mobility, stationary power storage and premium consumer electronics, we have opened up further future markets that offer us significant revenue and earnings potential. We are seeing a strongly rising demand from customers in the Consumer Electronics segment. In this segment of the market, useful life and size of the batteries are becoming more and more important. The advanced production systems from Manz make possible a longer battery life and reduced size and weight. This has a positive effect on the properties of the end devices, thereby giving Manz AG clients calculable competitive advantages. But investments in production capacity for e-mobility also show dynamic development. For the full year of 2015, we are anticipating significant increases in revenues and earnings. The value of orders on hand as of July 31, 2015 was of about 63 million euros.

Overall, we are planning investments in the area of research and development in the current fiscal year at the level of the previous year of 20 million euros. With respect to our company's financial position for the current fiscal year 2015, based on the operating growth of our business, we expect to see a negative cash flow.

OVERALL ASSERTION ON THE COMPANY'S FUTURE DEVELOPMENT

We consider the industry outlook in all three strategic business segments to be thoroughly positive. As a result of the order cancellation in the Electronics segment as well as the order delays in the Energy Storage segment, we are expecting orders on hand of 101 million euros as of July 31, 2015 for the current fiscal year with moderately lower revenue compared with the prior year and a prospectively negative though improved EBIT.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements. These statements are based on the current assumptions and forecasts of Manz AG's Managing Board. Such statements are subject to both risks and uncertainties. These and other factors can cause our company's actual results, financial situation, growth, and performance to significantly deviate from the opinions stated in this report. Our company assumes no obligation to update these forward-looking statements or adapt them to future events or developments.

A large, white, stylized letter 'C' is centered on a teal background. The background features several concentric circles of varying shades of teal, creating a layered effect. The letter 'C' is the central focus, rendered in a clean, sans-serif font.

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*CONSOLIDATED INTERIM
FINANCIAL STATEMENT*

CONSOLIDATED INCOME STATEMENT

2nd Quarter (in EUR tsd.)

	April 1 to June 30, 2015	April 1 to June 30, 2014
Revenues	67,957	109,434
Inventory changes, finished and unfinished goods	121	-720
Work performed by the entity and capitalized	2,516	1,831
Total operating revenues	70,594	110,545
Other operating income	1,957	2,751
Cost of materials	-42,804	-69,261
Gross profit	29,747	44,035
Personnel expenses	-20,559	-20,234
Other operating expenses	-9,533	-10,850
EBITDA	-345	12,951
Amortization/depreciation	-3,125	-6,074
Operating earnings (EBIT)	-3,470	6,877
Finance income	26	103
Finance costs	-799	-537
Earnings before taxes (EBT)	-4,243	6,443
Income taxes	-507	385
Consolidated profit or loss	-4,750	6,828
of which attributable to minority interests	5	50
of which attributable to shareholders of Manz AG	-4,755	6,778
Weighted average number of shares	5,267,547	4,928,059
Earnings per share (diluted = undiluted) in EUR per share	-0.90	1.38

CONSOLIDATED INCOME STATEMENT

1st Half Year (in EUR tsd.)

	Jan. 1 to June 30, 2015	Jan. 1 to June 30, 2014
Revenues	121,928	163,614
Inventory changes, finished and unfinished goods	529	-5,463
Work performed by the entity and capitalized	7,779	3,419
Total operating revenues	130,236	161,570
Other operating income	3,097	4,032
Cost of materials	-77,166	-96,105
Gross profit	56,167	69,497
Personnel expenses	-41,278	-36,506
Other operating expenses	-21,585	-19,813
EBITDA	-6,696	13,178
Amortization/depreciation	-6,209	-12,001
Operating earnings (EBIT)	-12,905	1,177
Finance income	37	270
Finance costs	-1,225	-1,177
Earnings before taxes (EBT)	-14,093	270
Income taxes	-900	-79
Consolidated profit or loss	-14,993	191
of which attributable to minority interests	-6	16
of which attributable to shareholders of Manz AG	-14,987	175
Weighted average number of shares	5,097,803	4,928,059
Earnings per share (diluted = undiluted) in EUR per share	-2.94	0.04

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

2nd Quarter (in EUR tsd.)

	April 1 to June 30, 2015	April 1 to June 30, 2014
Consolidated profit or loss	-4,750	6,828
Difference resulting from currency translation	-2,660	4,850
Cash flow hedges	-2,004	-108
Tax effect resulting from components not recognized in profit/loss	463	25
Total of expenditures and income recorded directly in equity with future reclassification with tax effect	-4,201	4,767
Revaluation of defined benefit pension plans	-239	-522
Tax effect resulting from components not recognized in profit/loss	66	115
Total of expenditures and income recorded directly in equity without future reclassification with tax effect	-173	-407
Consolidated comprehensive income	-9,124	11,188
of which minority interests	3	105
of which shareholders of Manz AG	-9,127	11,083

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1st Half Year (in EUR tsd.)

	Jan. 1 to June 30, 2015	Jan. 1 to June 30, 2014
Consolidated profit or loss	-14,993	191
Difference resulting from currency translation	9,557	845
Cash flow hedges	-2,014	-68
Tax effect resulting from components not recognized in profit/loss	465	16
Total of expenditures and income recorded directly in equity with future reclassification with tax effect	8,008	793
Revaluation of defined benefit pension plans	-535	-510
Tax effect resulting from components not recognized in profit/loss	144	112
Total of expenditures and income recorded directly in equity without future reclassification with tax effect	-391	-398
Consolidated comprehensive income	-7,376	586
of which minority interests	-3	41
of which shareholders of Manz AG	-7,373	545

CONSOLIDATED BALANCE SHEET

ASSETS (in EUR tsd.)

	June 30, 2015	Dec. 31, 2014
Non-current assets		
Intangible assets	87,650	74,740
Property, plant, and equipment	44,393	40,266
Deferred taxes	2,951	1,746
Other non-current assets	768	674
	135,762	117,426
Current assets		
Inventories	49,393	48,321
Trade receivables	85,297	58,708
Income tax receivables	418	82
Derivative financial instruments	0	6
Other current receivables	8,396	5,886
Liquid funds	49,189	23,153
	192,693	136,156
Total assets	328,455	253,582

LIABILITIES AND SHAREHOLDERS' EQUITY
(in EUR tsd.)

	June 30, 2015	Dec. 31, 2014
Equity		
Issued capital	5,421	4,928
Retained earnings	144,311	103,817
Revenue reserves	2,174	19,101
Currency translation	21,682	12,128
Shareholders of Manz AG	173,588	139,974
Minority Interests	36	39
	173,624	140,013
Non-current liabilities		
Non-current financial liabilities	13,509	22,118
Non-current deferred investment grants	112	118
Financial liabilities from leases	20	24
Pension provisions	8,700	8,431
Other non-current provisions	3,804	3,552
Other non-current liabilities	2,700	0
Deferred taxes	2,660	2,109
	31,505	36,352
Current liabilities		
Current financial liabilities	58,620	10,179
Trade payables	39,062	42,314
Payments received	6,229	10,555
Income tax liabilities	1,018	2,150
Other current provisions	5,302	3,514
Derivative financial instruments	2,183	184
Other liabilities	10,896	8,297
Financial liabilities from leasing	16	24
	123,326	77,217
Total liabilities and shareholders' equity	328,455	253,582

CONSOLIDATED CASH FLOW STATEMENT

(in EUR tsd.)

	Jan. 1 to June 30, 2015	Jan. 1 to June 30, 2014
Cash flow from operating activities		
Operating earnings (EBIT)	-12,905	1,177
Depreciation / amortization of fixed assets	6,209	12,001
Increase (+) / decrease (-) in pension provisions and other non-current provisions	521	440
Other non-cash income (-) and expenses (+)	-24	-1,444
Cash flow	-6,199	12,174
Gains (+) / losses (-) from disposals of assets	0	-17
Increase (-) / decrease (+) in inventories, trade receivables and other assets	-35,603	-45,380
Increase (+) / decrease (-) in trade payables and other liabilities	4,148	31,496
Income tax received (+)/paid	-2,204	-1,260
Interest paid	-1,168	-1,062
Interest received	36	269
Cash flow from operating activities	-40,990	-3,780
Cash flow from investing activities		
Cash receipts from the sale of fixed assets	6	45
Cash payments for investments in intangible assets and property, plant and equipment	-11,035	-5,932
Cash payments for the acquisition of consolidated entities, less liquid funds received	-4,919	-6,822
Cash flow from investing activities	-15,948	-12,709
Cash flow from financing activities		
Cash proceeds from long-term borrowings	13,150	0
Cash payments for repayment of long-term borrowings	-1,550	-1,528
Change in current financial liabilities	28,774	-15,809
Purchase of treasury shares	-9	-177
Cash payments for the repayment of financial leases	-8	-15
Cash receipts from issue of capital	41,888	0
Costs of raising capital (before taxes)	-1,307	0
Cash flow from financing activities	80,938	-17,529
Cash and cash equivalents at the end of the period		
Net change in cash funds (subtotal 1 – 3)	24,000	-34,018
Effect of exchange rate movements on cash and cash equivalents	2,036	592
Cash and cash equivalents on January 1	23,153	64,666
Cash and cash equivalents on June 30	49,189	31,240
Composition of cash and cash equivalents		
Liquid funds	49,189	31,240
Cash and cash equivalents on June 30	49,189	31,240

CONSOLIDATED STATEMENT OF CHANGES TO EQUITY

(in EUR tsd.)

	Issued capital	Capital reserves	Treasury shares	Revenue reserves			Currency translation	Manz AG shareholders	Minority equity	Total share-holders' equity
				Cumulative profit/loss	Remeasurement of pensions	Cash flow hedges				
As of Jan. 1, 2014	4,928	103,822		58,311	-1,129	-2	7,050	172,980	2,058	175,038
Total comprehensive income				175	-398	-52	820	545	41	586
Purchase of treasury shares			-177					-177		-177
Use of treasury shares			177					177		177
Share-based compensation		56						56		56
As of June 30, 2014	4,928	103,878	0	58,486	-1,527	-54	7,870	173,581	2,099	175,680
As of Jan. 1, 2015	4,928	103,817	0	20,976	-1,840	-35	12,128	139,974	39	140,013
Total comprehensive income				-14,987	-391	-1,549	9,554	-7,373	-3	-7,376
Capital increase	493	41,396						41,889		41,889
Costs of raising capital after taxes		-926						-926		-926
Purchase of treasury shares			-9					-9		-9
Use of treasury shares			9					9		9
Share-based compensation		24						24		24
As of June 30, 2015	5,421	144,311	0	5,989	-2,231	-1,584	21,682	173,588	36	173,624

SEGMENT REPORTING FOR DIVISIONS

As of June 30, 2015

(in EUR tsd.)	Revenues with third parties	Revenues with other segments	EBITDA	EBIT	Segment assets	Segment liabilities	Net assets	Additions to assets	Amortization/ depreciation	Employees (annual average)
Solar										
Q1 + Q2 2014	6,318		-5,472	-12,773	102,671	26,987	75,684	2,057	7,066	287
Q1 + Q2 2015	10,546		-4,374	-7,017	70,631	24,653	45,978	4,294	2,482	280
Electronics										
Q1 + Q2 2014	118,495		15,195	12,216	128,678	51,220	77,458	1,880	2,198	951
Q1 + Q2 2015	42,320		-5,794	-8,158	85,662	49,903	35,759	3,236	1,778	1,013
Energy Storage										
Q1 + Q2 2014	6,380		823	27	28,928	8,601	20,327	1,560	737	72
Q1 + Q2 2015	49,704		2,486	1,729	68,892	10,474	58,418	2,936	683	128
Contract Manufacturing										
Q1 + Q2 2014	24,477		1,590	1,271	17,767	14,588	3,179	160	263	69
Q1 + Q2 2015	14,185		1,415	1,124	25,441	19,535	5,906	95	233	101
Others										
Q1 + Q2 2014	7,944	5,080	1,042	436	8,914	11,331	-2,417	77	521	104
Q1 + Q2 2015	5,173	6,256	-429	-583	7,453	4,601	2,852	17	92	108
Central functions										
Q1 + Q2 2014					50,660	49,211	1,449	198	1,216	317
Q1 + Q2 2015					70,376	45,665	24,711	457	941	332
Consolidation/Other										
Q1 + Q2 2014		-5,080								
Q1 + Q2 2015		-6,256								
Group										
Q1 + Q2 2014	163,614	0	13,178	1,177	337,618	161,938	175,680	5,932	12,001	1,800
Q1 + Q2 2015	121,928	0	-6,696	-12,905	328,455	154,831	173,624	11,035	6,209	1,962

SEGMENT REPORTING FOR REGIONS

As of June 30, 2015

(in EUR tsd.)	Third-party revenues by customer location	Non-current assets (without deferred taxes)
Germany		
Q1 + Q2 2014	13,991	72,829
Q1 + Q2 2015	21,194	54,922
Rest of Europe		
Q1 + Q2 2014	27,732	17,921
Q1 + Q2 2015	16,684	19,076
China		
Q1 + Q2 2014	109,461	14,448
Q1 + Q2 2015	62,405	19,439
Taiwan		
Q1 + Q2 2014	4,933	32,889
Q1 + Q2 2015	13,656	38,565
Rest of Asia		
Q1 + Q2 2014	4,819	2
Q1 + Q2 2015	4,604	10
USA		
Q1 + Q2 2014	1,286	58
Q1 + Q2 2015	2,455	72
Other Regions		
Q1 + Q2 2014	1,392	320
Q1 + Q2 2015	930	727
Group		
Q1 + Q2 2014	163,614	138,467
Q1 + Q2 2015	121,928	132,811

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NOTES

BASIC PRINCIPLES

Pursuant to Section 37w(3) of the German Securities Trading Act (WpHG), the consolidated interim financial statements as of June 30, 2015 have been prepared in condensed form according to the International Financial Reporting Standards (IFRS) – including IAS 34 – of the International Accounting Standards Board (IASB), London, which are endorsed by the European Union, and the Interpretations of the IFRS Interpretations Committee in effect on the balance sheet date. Standards and interpretations that have not yet taken effect have not been applied. A review was performed.

With the exception of the new provisions described below, the accounting policies applied to the consolidated interim financial statements as of June 30, 2015, as well as the calculation methods and input parameters used to measure fair value are the same as those of the consolidated financial statements as of December 31, 2014. A detailed description of these policies was published in the notes in the 2014 Annual Report.

In addition to the income statement, a statement of comprehensive income, a balance sheet, a cash flow statement and a statement of changes in equity are presented.

All significant intercompany balances and transactions have been eliminated. In the view of the management, the interim financial statements include all adjustments necessary for an appropriate presentation of the Group's financial position, financial performance and cash flows. The results presented in interim periods do not necessarily permit predictions about future business performance.

The consolidated interim financial statements were prepared in euros. Unless otherwise stated, all amounts are shown in thousands of euros.

EXCHANGE RATES OF THE MOST IMPORTANT CURRENCIES

(in EUR)		Closing rate		Average rate	
		June 30, 2015	Dec. 31, 2014	Jan. 1 to June 30, 2015	Jan. 1 to June 30, 2014
USA	USD	1.1097	1.2156	1.1174	1.3712
Taiwan	TWD	34.3835	38.6350	34.8978	41.4603
Hong-Kong	HKD	8.6027	9.4316	8.6653	10.6420
China	CNY	6.8008	7.4804	6.8588	8.4246
Hungary	HUF	314.9920	315.0810	307.7060	307.0157

BASIS OF CONSOLIDATION

Manz AG's consolidated financial statements include all the companies whose financial and operating policy Manz AG can either directly or indirectly determine ("controlling relationship"). In addition to Manz AG, the group of consolidated companies includes the following subsidiaries:

FULLY CONSOLIDATED COMPANIES

		Interest in %
Manz CIGS Technology GmbH	Schwäbisch Hall/Germany	100.0 %
KLEO Halbleitertechnik GmbH	Tettngang/Germany	100.0 %
Manz Italy s.r.l.	Sasso Marconi/Italy	100.0 %
Manz USA Inc.	North Kingstown/USA	100.0 %
Manz Hungary Kft.	Debrecen/Hungary	100.0 %
MVG Hungary Kft.	Debrecen/Hungary	100.0 %
Manz Slovakia s.r.o.	Nove Mesto nad Vahom/Slovakia	100.0 %
Manz Asia Ltd.	Hong-Kong/China	100.0 %
Manz China Shanghai Ltd. (Shanghai) ¹⁾	Shanghai/China	100.0 %
Manz (Shanghai) Trading Company Ltd. ¹⁾	Shanghai/China	100.0 %
Manz China WuZhong Co. Ltd. ¹⁾	Suzhou/China	100.0 %
Manz China Suzhou Ltd. ¹⁾	Suzhou/China	100.0 %
Manz India Private Ltd. ¹⁾	New Delhi/India	75.0 %
Manz Chungli Ltd. ¹⁾	Chungli/Taiwan	100.0 %
Manz Taiwan Ltd. ²⁾	Chungli/Taiwan	100.0 %
Manz (B.V.I.) Ltd. ³⁾	Road Town/British Virgin Islands	100.0 %
Intech Machines (B.V.I.) Co. Ltd. ³⁾	Road Town/British Virgin Islands	100.0 %

¹⁾ via Manz Asia Ltd. ²⁾ via Manz Chungli Ltd. ³⁾ via Manz Taiwan Ltd.

CHANGES TO THE BASIS OF CONSOLIDATION IN THE FIRST SIX MONTHS 2015

Effective June 1, 2015, Manz AG acquired 100.0% of the shares of KLEO Halbleitertechnik GmbH, domiciled in Tettngang, a subsidiary of the ZEISS Group. Through this acquisition, the technology portfolio of Manz AG was expanded by the addition of the Laser Direct Imaging (LDI) segment.

In addition to various assets and liabilities, 20 employees were also acquired in this process. The acquired assets are distributed across intangible assets, property, plant and

equipment, inventories and receivables. The fair value of the receivables acquired corresponds to the contractually agreed gross amounts of the receivables. Valuation allowances were not formed. Furthermore, Manz also assumed liabilities, which mainly consist of personnel provisions, advances received from customers and other liabilities. In addition, the agreement contains an earn-out component that is dependent on future sales of laser direct images. As of the time of acquisition, the fair value of the conditional consideration was estimated at 3.1 million euros. At June 30, 2015, this value was carried forward unchanged.

Transaction-related costs of 0.1 million euros were recognized directly as expenses (Other operating expenses).

The following overview renders the fair values of the assets and liabilities acquired through the acquisition as of June 1, 2015. Goodwill represents the assets that cannot be separated in terms of purchase price allocation. It mainly involves employee know-how and synergies from the integration of the acquired business. The goodwill is not tax-deductible. It is allocated to the Electronics segment.

(in EUR million)	Fair value (restated)
Intangible assets	2.6
Property, plant and equipment	0.7
Inventories	2.7
Receivables	0.2
Cash and cash equivalents	0.1
Other assets	0.1
	6.4
Non-current liabilities	0.5
Current liabilities	0.6
	1.1
Fair value of net assets	5.3
Consideration (including earn-out components)	8.2
Goodwill	2.9

The calculation of the fair values of the assets and liabilities has not yet been completed. Provisional values have therefore been recognized in accordance with IFRS 3.62. The level of the consideration may still fluctuate in the +/- 0.5 million euros range.

Since the time of acquisition, KLEO Halbleitertechnik GmbH has contributed 15 thousand euros to revenues and –82 thousand euros to Group EBIT. If the acquisition had been carried out at the beginning of the reporting year, Group revenues would have been higher by 796 thousand euros and Group EBIT would have been lower by –972 thousand euros as of June 30, 2015.

KEY EVENTS IN THE REPORTING PERIOD

In the first six months of 2015, the Manz Group recorded a significant decrease in revenues of 25.5% to 121.9 million euros compared with 163.6 million euros in the reference period in the previous year. Total operating revenues declined by 19.4% to 130.2 million euros.

Earnings before interest and taxes (EBIT) deteriorated from 1.2 million euros in the previous year to –12.9 million euros.

NOTES ON INDIVIDUAL ITEMS IN THE INCOME STATEMENT

OTHER OPERATING INCOME

(in EUR tsd.)	June 30, 2015	June 30, 2014
Exchange rate gains	267	10
Income from the reversal of provisions	41	164
Income from the reduction of provisions	363	1
Income from the sale of investments	0	17
Subsidies	1,560	1,133
Changes to earn-out liability	0	1,500
Changes to valuation allowances on receivables	0	94
Other	866	1,113
	3,097	4,032

COST OF MATERIALS

(in EUR tsd.)	June 30, 2015	June 30, 2014
Cost of raw materials, consumables and supplies and of purchased merchandise	72,094	92,177
Cost of purchased services	5,072	3,928
	77,166	96,105

OTHER OPERATING EXPENSES

(in EUR tsd.)	June 30, 2015	June 30, 2014
Rents and leasing	2,953	2,807
Other operating costs	1,527	1,170
Other personnel expenses	879	829
Advertising and travel expenses	5,186	3,879
Outgoing freight, packaging	1,075	1,193
Legal and consulting costs	1,261	1,662
Insurance policies	345	378
Licensing fees	489	878
Exchange rate losses	883	584
Losses on receivables	122	242
Changes to valuation allowances on receivables	7	21
Other	6,858	6,170
	21,585	19,813

INCOME TAXES

Income taxes include both actual and deferred income taxes arising from temporary differences and existing tax loss carryforwards.

Income taxes break down as follows:

(in EUR tsd.)	June 30, 2015	June 30, 2014
Current tax expense/income (–)	736	2,328
Deferred tax expense/income (–)	164	–2,249
	900	79

NOTES ON INDIVIDUAL ITEMS IN THE BALANCE SHEET

INTANGIBLE ASSETS

(in EUR tsd.)	June 30, 2015	Dec. 31, 2014
Licenses, software and similar rights, and assets	23,577	23,480
Capitalized development costs	21,657	14,764
Goodwill	42,361	36,495
Prepayments	55	1
	87,650	74,740

Of the increase in goodwill by 5,866 thousand euros to 42,361 thousand euros, 2,867 euros is attributable to the initial consolidation of KLEO Halbleitertechnik GmbH as of June 1, 2015. The remaining change is due to currency effects.

PROPERTY, PLANT AND EQUIPMENT

(in EUR tsd.)	June 30, 2015	Dec. 31, 2014
Land and buildings, including buildings on third-party land	28,691	26,943
Technical equipment and machinery	6,943	7,491
Other equipment, operating and office equipment	5,548	5,401
Prepayments	3,211	431
	44,393	40,266

INVENTORIES

(in EUR tsd.)	June 30, 2015	Dec. 31, 2014
Raw materials, consumables and supplies	22,556	21,284
Work in progress	24,544	24,066
Finished goods and merchandise	1,985	725
Prepayments	308	2,246
	49,393	48,321

TRADE RECEIVABLES

(in EUR tsd.)	June 30, 2015	Dec. 31, 2014
Future receivables from construction contracts	24,373	25,695
Trade receivables	60,924	33,013
	85,297	58,708

Future receivables from construction contracts, accounted for in accordance with their percentage of completion, are determined as follows:

(in EUR tsd.)	June 30, 2015	Dec. 31, 2014
Manufacturing costs, including outcome of the contract, of construction contracts	50,555	52,475
Minus advances received	-56,784	-63,030
	-6,229	-10,555

OTHER CURRENT RECEIVABLES

(in EUR tsd.)	June 30, 2015	Dec. 31, 2014
Tax receivables (not income taxes)	3,719	3,337
Personnel receivables	947	1,001
Other accruals (primarily insurance policies)	748	360
Other	2,982	1,188
	8,396	5,886

SHAREHOLDERS' EQUITY

Changes in individual items of the Group's equity are presented separately in the "Consolidated Statement of Changes in Equity".

ISSUED CAPITAL

As a result of the cash capital increase of April 28, 2015, which was decided, with Supervisory Board approval, by the Managing Board in partial exercise of the authorization given at the Annual General Meeting of July 9, 2014, pursuant to Article 3(3) of the Articles of Incorporation (Authorized Capital 2014), the issued capital of Manz AG was increased by 492,805.00 euros to 5,420,864.00 euros (previous year: 4,928,059.00 thousand euros) and is divided into 5,420,864.00 no-par value bearer shares, which are fully paid up. The nominal value of each share is thus 1.00 euro.

CAPITAL RESERVES

Capital reserves are comprised primarily of contributions from shareholders pursuant to Section 272(2), no. 1 of the German Commercial Code, minus financing costs after taxes. Furthermore, this also includes the value of share-based compensation granted to management (including the Managing Board) as a salary component in the form of equity instruments (Performance Share Plan).

Of the increase in the first six months of 2015 in the amount of 40,494 thousand euros, 40,470 thousand euros relates to the premium from the capital increase carried out on April 28, 2015 and 24 thousand euros relates to the allocation from share-based compensation (Manz Performance Share Plan).

TREASURY SHARES

In the first six months of 2015, the Manz Group purchased 101 treasury shares at an average price of 88.51 euros per share (market value of 8.94 thousand euros), which were transferred to employees in the context of jubilee benefits.

As of June 30, 2015, the company has no further treasury shares in its portfolio.

ADDITIONAL INFORMATION ABOUT FINANCIAL INSTRUMENTS

The following table shows the reconciliation of balance sheet items to the categories of financial instruments, divided according to the carrying amounts and fair values of the financial instruments.

Trade receivables, other current receivables, liquid funds, trade payables, and the lion's share of other liabilities as set out in IFRS 7 mostly have short remaining terms. The carrying amounts of these financial instruments are therefore assumed to equate approximately to their fair values.

(in EUR tsd.)	Carrying Amounts by Measurement Category				Carrying amount June 30, 2015
	Fair value	Loans and receivables	Designated hedging instruments (cash flow hedges)	Not within the scope of IFRS 7, IAS 39	
Assets as of June 30, 2015					
Other non-current assets	768	768	–	–	768
Trade receivables	85,297	60,924	–	24,373	85,297
Derivative financial instruments	0	–	0	–	0
Other current receivables	8,396	4,677	–	3,719	8,396
Liquid funds	49,189	49,189	–	–	49,189
	143,650	115,558	0	28,092	143,650

Carrying Amounts by Measurement Category

(in EUR tsd.)	Fair value	Measured at amortized cost	Carrying amount according to IAS 17	Designated hedging instruments (cash flow hedges)	Not within the scope of IFRS 7, IAS 39	Carrying amount June 30, 2015
Liabilities as of June 30, 2015						
Financial liabilities	72,004	72,129	–	–	–	72,129
Financial liabilities from leases	44	–	36	–	–	36
Trade payables	39,062	39,062	–	–	–	39,062
Derivative financial instruments	2,183	–	–	2,183	–	2,183
Other liabilities	13,596	6,477	–	–	7,118	13,596
	126,889	117,668	36	2,183	7,118	127,006

Carrying Amounts by Measurement Category

(in EUR tsd.)	Fair value	Loans and receivables	Designated hedging instruments (cash flow hedges)	Not within the scope of IFRS 7, IAS 39	Carrying amount Dec. 31, 2014
Assets as of Dec. 31, 2014					
Other non-current assets	674	674	–	–	674
Trade receivables	58,708	33,013	–	25,695	58,708
Derivative financial instruments	6	–	6	–	6
Other current receivables	5,886	2,549	–	3,337	5,886
Liquid funds	23,153	23,153	–	–	23,153
	88,427	59,389	6	29,032	88,427

Carrying Amounts by Measurement Category

(in EUR tsd.)	Fair value	Measured at amortized cost	Carrying amount according to IAS 17	Designated hedging instruments (cash flow hedges)	Not within the scope of IFRS 7, IAS 39	Carrying amount Dec. 31, 2014
Liabilities as of Dec. 31, 2014						
Financial liabilities	32,157	32,297	–	–	–	32,297
Financial liabilities from leases	52	–	48	–	–	48
Trade payables	42,314	42,314	–	–	–	42,314
Derivative financial instruments	184	–	–	184	–	184
Other liabilities	8,297	4,251	–	–	4,046	8,297
	83,004	78,882	48	184	4,046	83,140

Some of the financial liabilities are subject to covenant agreements. For the parent company Manz AG, the collateral trust agreement with the German house banks and a credit insurer provides for the gross debt level being at a maximum of 2.5% and the equity ratio being at least 40%. The covenant agreement on gross debt was not complied with for June 30, 2015 and the immediately preceding twelve months (July 1, 2014 through June 30, 2015). Fundamentally noncompliance with the covenant agreement provides an extraordinary termination right for the financial institutes. At the time of preparation of the interim financial statements, Manz AG filed a request for the granting of a waiver for the reference date of June 30, 2015 and on the basis of expected noncompliance in Q3 2015 and Q4 2015 for these periods. The company assumes that the lending banks will waive their extraordinary termination right. As of the balance sheet date of June 30, 2015 as well as December 31, 2014, no financial liabilities of these lending banks have been drawn. As of the reference date, Manz AG has cash in banks in the amount of 17.6 million euros. The rolling financial planning for the coming 15 months through September 2016 likewise does not provide any borrowing on these credit lines. For more information regarding the effects on the liquidity position, please see our explanations under „Liquidity Position“) (page 31).

At Manz Slovakia, financial liabilities in the amount of 11,670 thousand euros (December 31, 2014: 2,065 thousand euros) were in like manner subject to covenant agreements with various financial reference values. The covenants are reviewed by the banks only once a year using the annual financial statements. As of June 30, 2015, all covenants were fulfilled.

MEASUREMENT CLASSES ACCORDING TO IFRS 7.27

The Group uses the following hierarchy to determine and present the fair values of financial instruments for each measurement method:

Level 1: (unadjusted) prices for identical assets or liabilities quoted on active markets.

Level 2: input data that is observable either directly (i.e. as prices) or indirectly (i.e. derived from prices) for the asset or liability and that does not represent any quoted price as described in Level 1.

Level 3: input data that is not based on observable market data for the measurement of the asset or liability (unobservable input data).

As of June 30, 2015, derivative financial instruments disclosed in current assets with a value of 0 thousand euros (previous year: 6 thousand euros), as well as derivative financial instruments disclosed in current liabilities with a value of 2,183 thousand euros (previous year: 184 thousand euros) fall within Level 2 of the fair value hierarchy within the scope of IFRS 7.27.

NOTES ON SEGMENT REPORTING

Due to the dynamic business environment and strategic considerations, Manz AG, in part, reorganized and renamed the strategic business segments as of fiscal year 2015. Activities in connection with production solutions for wet chemical processes in the manufacture of LCD and OLED flat screens and touch sensors, for the manufacture of printed circuit boards and chip carriers and for the manufacture of smartphones, tablet computers, laptops and other consumer electronics are now contained in the business segment Electronics. In fiscal year 2014, the printed circuit board segment was reported in the segment "PCB/OEM. Because of the change, the 6/30/2014, comparative figures were reclassified accordingly.

Business in equipment for the production of lithium-ion batteries (formerly the Battery business segment) is now reported in the Energy Storage business segment.

The Solar business segment continues without change to contain the activities in the area of individual equipment for the manufacture of crystalline solar cells and thin-film solar modules as well as CIGS thin-film technology.

Alongside the three strategic business segments are the two reporting segments 'Contract Manufacturing' (equipment and parts manufacture as well as assembly work for customers of various industries) and 'Others'. This segment was assigned to the segment PCB/OEM in fiscal year 2014. Now the subsegment of printed circuit boards is assigned to the new Electronics segment. The 6/30/2014, comparative figures were adjusted accordingly. In the 'Others' reporting segment, Manz works with new pioneering technologies such as lightweight design and fuel cells and reports on machine and plant construction for the manufacture of cardboard and film packaging products.

CONTINGENCIES AND OTHER FINANCIAL COMMITMENTS

There were no major changes to other financial commitments and contingencies compared with December 31, 2014.

RELATED PARTIES

Compared with December 31, 2014, the group of related parties has remained unchanged.

In the period from January 1 to June 30, 2015, Manz AG purchased laser systems with a value of 3,848 thousand euros from the TRUMPF Group, of which Supervisory Board member Dr. Peter Leibinger is managing partner. As of June 30, 2015, liabilities to the TRUMPF Group amount to 365 thousand euros.

Manz AG purchased goods with a total value of 51 thousand euros from Hüttinger Elektronik GmbH & Co. KG, of whose Advisory Board Peter Leibinger is a member. As of June 30, 2015, Manz AG holds liabilities of 0 thousand euros to Hüttinger Elektronik GmbH & Co. KG.

In the period January 1 to June 30, 2015, 943 thousand euros was paid by the Center for Solar Energy and Hydrogen Research at Baden-Württemberg (ZSW), of which Prof. Powalla is a member of the Board of Directors, for services and license fees of Manz AG. As of June 30, 2015, liabilities to the ZSW amount to 88 thousand euros.

KEY EVENTS OF PARTICULAR IMPORTANCE OCCURRING AFTER THE END OF THE REPORTING PERIOD

In July 2015, Manz AG received several follow-on orders in the Energy Storage segment with a total volume of around EUR 50 million.

No significant circumstances that could have an impact on the company's financial position, financial performance and cash flow otherwise occurred after the balance sheet date.

FURTHER DISCLOSURES

EMPLOYEES

As of June 30, 2015, the Manz Group had an average of 1,962 employees (June 30, 2014: 1,800 employees).

MANAGING BOARD

Dieter Manz, Dipl. Ing. (FH), CEO

Martin Hipp, Dipl.-Kaufmann, CFO

Martin Drasch, Dipl.-Ing. (FH), Chief Operations Officer (since August 1, 2015)

SUPERVISORY BOARD

Prof. Dr. Heiko Aurenz, Dipl. oec., Partner at Ebner Stolz Management Consultants GmbH, Stuttgart, Chairman of Supervisory Board

Dr.-Ing. E.h. Dipl.-Ing. Peter Leibinger, Managing Director of TRUMPF Laser GmbH, Ditzingen, Vice Chairman of Supervisory Board

Prof. Dr. Michael Powalla, Head of the Solar Division and Member of the Board of the Baden-Württemberg Center for Solar Energy and Hydrogen Research (ZSW) and professor of thin-film photovoltaics at the Karlsruher Institute of Technology (KIT), Light Technology Institute, Faculty of Electrical Engineering and Information Technology, Supervisory Board Member

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the condensed consolidated interim financial statements give a true and fair view of the Manz Group's financial position, financial performance and cash flows, and the Manz Group's interim management report includes a true and fair view 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 development in the remaining fiscal year.

Reutlingen, August 11, 2015

The Managing Board of Manz AG



Dieter Manz



Martin Hipp

REVIEW REPORT

To the Supervisory Board of Manz AG, Reutlingen:

We have reviewed the condensed consolidated interim financial statements – comprising the income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and selected explanatory notes – and the interim group management report of Manz AG, Reutlingen, for the period from January 1 to June 30, 2015 which are part of the six month financial report pursuant to Section 37w of the German Securities Trading Act. The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the legal representatives of the Company. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can exclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Reutlingen, August 11, 2015

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