

Manz AG publishes preliminary figures for 2018: Revenue and results prognosis achieved

- *Positive EBIT before one-off effects of 1.7 million euros*
- *Revenue about 12 % over previous year*
- *Additional growth in sales and improvement in results planned for 2019*

Reutlingen, March 12, 2019 – Manz AG, a globally active high-tech equipment manufacturer, has released its preliminary financial figures for 2018. According to these, the company achieved significant advancements to sustainably increase competitiveness and profitability. Thanks to consistent organizational, process, and procedure improvements, as well as an optimized product portfolio, Manz AG achieved a significant 11.6 % increase in revenue to 296.9 million euros in 2018 (previous year¹: 266.1 million euros) and thus a marginally positive result before interest and taxes (EBIT) before non-operating one-off effects of 1.7 million euros. Compared to the previous year this represents an EBIT increase before one-off effects of more than 35 million euros. Including the one-time negative effect of 5.1 million euros as a result of a cable fire at the site in Taiwan, the EBIT was -3.4 million euros. Thus overall, Manz AG achieved the published revenue and results prognosis for the Group for 2018.

Martin Drasch, chairman of the Managing Board of Manz AG: "We started the fiscal year 2018 with the clear challenge of sustainably increasing the competitiveness and return on investment of Manz AG, and thus continuing the turnaround strategy of the previous year. We very successfully achieved this with the clear increase in revenue and return to the operative profit zone."

In the Solar segment, the implementation of the CIGS major orders with the Chinese partners Shanghai Electric Group and China Energy Investment Corporation (formerly the Shenhua Group) dominated 2018. The revenue generated amounted to 105.0 million euros (previous year: 104.3 million euros); the segment EBIT amounted to 14.4 million euros, compared to 31.0 million euros in the previous year. In 2017, however, the EBIT still included a positive one-time effect of 34.4 million euros from the sale of NICE Solar Energy GmbH (formerly Manz CIGS Technology GmbH). Manz falls within the projected schedule in all significant areas in the fulfillment of milestones agreed with the customer. However, there were delays on the part of the customer in the overall project, because the buildings for the turnkey facility CIGSfab and the research line CIGSlab were not completed in a timely manner. The Managing Board projects follow-up orders from the end of 2019 based on the overall positive progression of the project in recent years.

The measures to increase competitiveness were showing their effects in the Energy Storage and Electronics segments. Revenue and the results were significantly improved in both

¹ With Talus Manufacturing Ltd., Manz retroactively deconsolidated a previously fully consolidated company within the framework of an adjustment and has now included this company in its financial statements as an associated company.

segments. Thanks to the high customer demand for innovative solutions from Manz AG, the ambitious revenue expectations were fulfilled both in Energy Storage and Electronics, with 35.4 million euros (previous year: 23.8 million euros) and 93.9 million euros (previous year: 88.5 million euros), respectively. Even though significantly improved, both segments still generated a negative result contribution in the past fiscal year, as expected. Strategically, Manz AG took an important step in the Electronics business segment in 2018 with a major contract from a Tier 1 automotive supplier. An additional significant area in connection with the electric powertrain for electric vehicles was opened up with machines for automated assembly of cell contact systems for battery cells. Previously, Manz AG had concentrated on production systems for battery cells, modules, and packs for the area of electromobility. With this step, Manz significantly expanded the added value chain in the future E-Mobility market.

The revenue in the Contract Manufacturing segment was expanded to 43.1 million euros in 2018 (previous year: 32.0 million euros). Through the one-time negative effect of 4.7 million euros as a result of the cable fire at the site in Taiwan attributable to the Contract Manufacturing segment, the segment EBIT was 1.2 million euros. Without the one-time effect, the EBIT was 5.9 million euros (previous year: 4.0 million euros). The Service business developed within the framework of expectations. The revenue for 2018 was 19.5 million euros (previous year: 17.3 million euros); the EBIT for the segment was 3.9 million euros (previous year: 5.6 million euros). Margin development was significantly characterized by changes in the project mix.

CFO Manfred Hochleitner is confident about the future: "Our group-wide measures for sustainably increasing competitiveness and profitability are taking effect. This is shown by our positive corporate development in 2018, with which we believe we are on the right path. Naturally, in 2019, we want to increase our revenue further and continue to improve results." In order to further improve the attractiveness of the offerings for customers, Manz AG is continually developing its technological platform. In this, the equipment manufacturer increasingly uses standardized process modules that can be flexibly combined for the most varied systems according to individual requirements. This shortens lead times for customer projects and reduces development costs, both for the customer as well as for Manz AG. At the same time, the Managing Board at Manz, as an internationally active Group, also still sees significant potential for structural and organizational optimization.

Manz AG will publish its final figures for financial year 2018 along with a detailed prognosis for the current financial year on March 28, 2019 in the company's complete 2018 Annual Report.

Preliminary figures for 2018 compared to previous year

in millions of euros	2018	2017 ¹
Group revenue	296.9	266.1
Solar	105.0	104.3
Electronics	93.9	88.5
Energy Storage	35.4	23.8
Contract Manufacturing	43.1	32.0
Service	19.5	17.3
Group EBIT	-3.4	0.6
Solar	14.4	31.0
Electronics	-12.0	-17.0
Energy Storage	-9.9	-22.7
Contract Manufacturing	1.2	4.0
Service	3.9	5.6
Group EBITDA	9.5	10.1
Solar	18.1	33.8
Electronics	-6.6	-13.4
Energy Storage	-6.9	-20.4
Contract Manufacturing	1.8	4.6
Service	4.1	5.8

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Company profile:

Manz AG – passion for efficiency

Founded in 1987, Manz AG is a global high-tech equipment manufacturing company. Its business activities focus on the Solar, Electronics, Energy Storage, Contract Manufacturing, and Service segments.

With many years of expertise in automation, laser processing, vision and metrology, wet chemistry, and roll-to-roll processes, the company offers manufacturers and their suppliers innovative production solutions in the areas of photovoltaics, electronics and lithium-ion battery technology. The company's product portfolio includes both customer-specific developments and standardized machines and modules that can be linked together to form individual system solutions. Manz AG is involved in customer projects from a very early stage, and is thus contributing significantly to the success of its customers with high quality, needs-oriented solutions.

The company, listed on the stock exchange in Germany since 2006, currently develops and manufactures in Germany, Slovakia, Hungary, Italy, China and Taiwan. It also has sales and service branches in the USA and India. Worldwide, Manz AG currently employs around 1,600 people, about half of them in Asia. This region is critical for the company's target industries. Manz Group revenue in the 2018 financial year totaled around 297 million euros.

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