

Manz AG publishes 2019 Semiannual Report

- *Revenues at 133 million euros below previous year`s level due to order delays*
- *EBIT improved by 1.1 million euros compared to previous year, but still negative*
- *Adjusted revenues expectation slightly below previous year`s level*
- *Positive earnings forecast for 2019 confirmed*

Reutlingen, August 13, 2019 – Manz AG, a globally active high-tech equipment manufacturer, has released its half-year report 2019. Based on this report, the company was not able to continue its first-quarter momentum into the subsequent months because the issuance of orders in Energy Storage already expected in the second quarter were further delayed. As a result, the revenues contribution of the second quarter of 56.0 million euros was below the first quarter of 2019 (76.8 million euros) and 26.2% below the revenues of the second quarter of the previous year (75.9 million euros). Revenues in the first half of 2019 totaled 132.8 million euros (previous year: 144.4 million euros).

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to 5.7 million euros (previous year: -0.5 million euros). Due to the application of new accounting standards, depreciation and amortization increased compared to the previous year. Earnings before interest and taxes (EBIT) amounted to -3.4 million euros in the first half of 2019, an improvement on the previous year (-4.5 million euros).

Martin Drasch, Chairman of the Board of Manz AG, commented, “We started out very well in the first quarter 2019 and have witnessed that the actions we took to further develop the business model and product portfolio took hold. It is thus naturally disappointing that we were not able to continue this positive trend in the second quarter due to order delays. Nevertheless, we believe that we are further on the right track to becoming sustainably profitable again. In view of the shifts in order intake, however, we have decided to lower our revenues forecast slightly below the previous year's level. On the other hand, we are sticking to our earnings forecast of a positive EBIT margin in the low single-digit percentage range.”

Based on the CIGS project progress, the Solar segment showed declining revenues compared to the previous year. On the customer side, there were further delays in the start of installation due to another postponement of the completion dates for the buildings. Within this context, also the possible issuance of subsequent orders has been delayed further. Revenues in the Electronics segment were significantly above the previous year's level. In line with expectations, the segment results were also much better, although remained negative. The Energy Storage business development was impacted extensively by the aforementioned delay in the issuance of large orders. In Contract Manufacturing, revenues was at the level of the previous year, but the result was considerably better as compared to the prior year. Service revenues was stable and earnings were below the previous year due to a changed product mix.

2019 H1 revenue, EBITDA, and EBIT compared to the previous year

in millions of euros	H1 2019	H1 2018
Group revenue	132.8	144.4
Solar	22.1	69.3
Electronics	66.0	30.3
Energy Storage	14.6	13.8
Contract Manufacturing	20.5	20.5
Service	9.6	10.5
Group EBIT	-3.4	-4.5
Solar	2.2	6.5
Electronics	-4.7	-8.1
Energy Storage	-6.5	-6.2
Contract Manufacturing	4.2	0.9
Service	1.1	2.7
Group EBITDA	5.7	-0.5
Solar	4.3	7.1
Electronics	-0.4	-6.5
Energy Storage	-4.5	-4.8
Contract Manufacturing	4.6	1.1
Service	1.5	2.9

Company profile:

Manz AG – passion for efficiency

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

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 single machines and modules, which can be linked to create complete custom systems. Manz AG offers high-quality, needs-based solutions that can be integrated early into customer projects to contribute significantly to customer success.

The company, listed on the stock exchange in Germany since 2006, develops and produces its products in Germany, Slovakia, Hungary, Italy, China and Taiwan. It also has distribution and service branches in the USA and India. Manz AG currently employs roughly 1,600 workers worldwide, around half of whom work in the Asia region, which is key to the company's target industries. Manz Group revenues in the 2018 financial year totaled around 297 million euros.

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