manz
passion for efficiency

PASSION FOR EFFICIENCY

2013

9-MONTH REPORT

2013 FINANCIAL CALENDAR

Date	
November 11, 2013	Publication of 2013 Q3 Financial Report
November 12, 2013	2013 German Equity Forum

OVERVIEW OF GROUP RESULTS

(in EUR million)	Jan. 1 to Sept. 30, 2013	Jan. 1 to Sept. 30, 2012	Change in %
Revenues	213.03	147.71	44.2
Total operating revenues	218.30	156.99	39.1
EBIT	5.21	–3.50	n.a.
EBIT margin (in %)	2.40	–	n.a.
EBT	2.93	–4.57	n.a.
Net income for the period	0.38	–7.34	n.a.
Earnings per share	0.02	–1.65	n.a.
Operating cash flow	19.05	0.56	3,301.8
	Sept. 30, 2013	**Dec. 31, 2012**	**Change in %**
Total assets at end of period	323.20	299.91	7.8
Equity	148.34	156.16	–5.0
Equity ratio (in %)	45.90	52.10	–11.9
Net debt	26.81	35.00	–23.4

MANZ AG MISSION STATEMENT

As a high-tech engineering company, our goal is to develop equipment and systems for fast-growing sunrise industries, especially for companies active in the fields of green technology and mobile communication. With our slogan "Passion for Efficiency," we promise to continue to develop existing products with a high rate of innovation, to create new solutions, and to consistently offer our customers in important sunrise industries more efficient production equipment. Extensive technological expertise is the foundation of our business, and it enables us to continually optimize our range of products. It makes the Manz Group an important innovation leader – for breakthroughs in key technologies, such as sustainable energy generation, displays for global communication needs, and e-mobility. Thanks to our expertise in the technological fields of automation, laser processes, vacuum coating, screen printing, metrology, and wet-chemical processes, our technologies can find application in numerous industries. Manz currently focuses its research and development activities on production equipment for the display industry, photovoltaics, and lithium-ion batteries. This spirit of invention spurs us on each and every day – it is what makes our company's dynamic growth possible.

EVEN GREAT EFFECTS START OFF SMALL

A half of a percent more, a couple micrometers more precise, a fraction of a second faster – the most important thing is making advancements in the right place so that production processes are more efficient and the quality of the final products is constantly improved. Discovering and systematically tapping these areas of potential are what drives us each and every day – in automation and metrology, wet chemistry and laser processing technology, vacuum technology, and printing processes. Transferring our technological expertise across industries and the synergies gained from doing so make our company extremely flexible as well as less dependent on the trends in individual markets.

CONTENT

LETTER FROM THE MANAGING BOARD

Dear Shareholders,

The first nine months of 2013 were extremely successful for Manz AG. We succeeded in continuing the positive trends and record revenues seen in the first half of the year throughout the third quarter. With a significant increase in revenues compared to the same period last year as well as positive earnings, we clearly achieved our goals. The key to this success is our diversification strategy, the strengths of which are really coming to bear in the current fiscal year. Through the continuous transfer of technologies across our key strategic industries display, solar, and battery, we are giving our business model additional stability and opening up new growth opportunities. As a result, we were more than able to compensate for the situation in the Solar division, which continues to suffer from a low number of orders – although we have recently seen a slight recovery in this market. In the first nine months of 2013, our company's excellent performance was driven by our fast-growing Display division. But we also once again increased revenues generated in our Battery division, while at the same time expanding our OEM business through the efficient use of available capacities. As such, our consolidated revenues increased significantly from EUR 147.7 million in the same period last year to EUR 213.0 million this year – an increase of 44.2 %. In addition, the measures we implemented back in the summer of 2012 to cut costs and improve efficiency had an increasingly considerable effect during the reporting period. Compared to the previous year, this allowed us to significantly increase our earnings before interest and taxes (EBIT) in the first nine months of 2013 by approximately EUR 8.7 million – from a loss of EUR 3.5 million last year to earnings of EUR 5.2 million this year. When viewed particularly in light of the high value of investments made in the Solar division with a value of EUR 15.0 million, this result underscores Manz AG's operative strength. At the end of the first nine months of 2013, the group posted a consolidated result of EUR 0.4 million, after generating a loss of EUR 7.3 million in the same period last year. As such, these figures reflect Manz AG's successful development into one of the world's leading high-tech engineering firms with a diversified portfolio of technologies in promising growth industries. As a result of this thoroughly positive performance during the first nine months of 2013, we are now increasing our revenue forecast for the entire year to between EUR 260 and 270 million, with EBIT remaining positive.

By pushing ahead with our internal drive to optimize both costs and organizational structures, we will create the conditions necessary for our company to record sustainable, profitable growth. In addition, the trends in our strategic target industries give us cause to be optimistic. Since the beginning of 2013, we have acquired new orders worth approximately EUR 145 million in the Display and Battery divisions alone. In this context,

in the Display division we provide equipment to manufacture touch-panel displays and additional components for mobile devices to established Asian electronics industry suppliers as well as one of the world's leading smartphone and tablet manufacturers, among other companies. Furthermore, we also succeeded in acquiring the first major contract awarded in the Chinese OLED industry, which is an important strategic achievement for our company in this rapidly growing market segment. As the world's market leader for wet-chemical processing systems – one of the most important steps in the display and touch-panel manufacturing process – this means we enjoy an outstanding position from which to benefit from the expected dynamic growth of the market for OLED displays.

After we succeeded in adding the renowned company Saft, one of the most experienced manufacturers of lithium-ion batteries, to our list of customers in the Battery division back in the second quarter, in the third quarter we received a strategically important order for key parts for the production systems required for a research production line at the Baden-Württemberg Center for Solar Energy and Hydrogen Research (ZSW). The orders, with a total value of approximately EUR 10 million, underscore our strong position as Germany's leading engineering firm for lithium-ion batteries, and offer outstanding opportunities to gain additional market share in this field of business. In order to more rapidly strengthen our Battery division, we are not ruling out the possibility of an acquisition in this field. Through our successful diversification in the Display and Battery divisions, we have decoupled our business model from the volatile developments in the solar industry. This can be seen this division's low share of total revenues and total orders on the books, standing at 3.5 % and 1.2 %, respectively. At the same time, compared to last year, we have observed a slight recovery in the solar industry since the beginning of 2013. We plan to make systematic use of the opportunities that present themselves in this sector, particularly with regard to CIGS thin-film technology. Nevertheless, our strategic focus is clearly on expanding operations in our Display and Battery divisions.

With forecast revenues of between EUR 260 and 270 million and positive earnings, we are going to generate the highest revenues in the history of our company in fiscal year 2013. Furthermore, in light of our extremely strong position in the three promising industries display, solar, and battery, as well as the market's excellent prospects, we see outstanding opportunities for our company to record further profitable growth in the coming years.

We would like to take this opportunity to particularly thank our employees, whose dedication, flexibility, and imagination play a critical role in making further advancements to our technologies and, as a result, lay the foundation for Manz AG's further growth.

The Managing Board

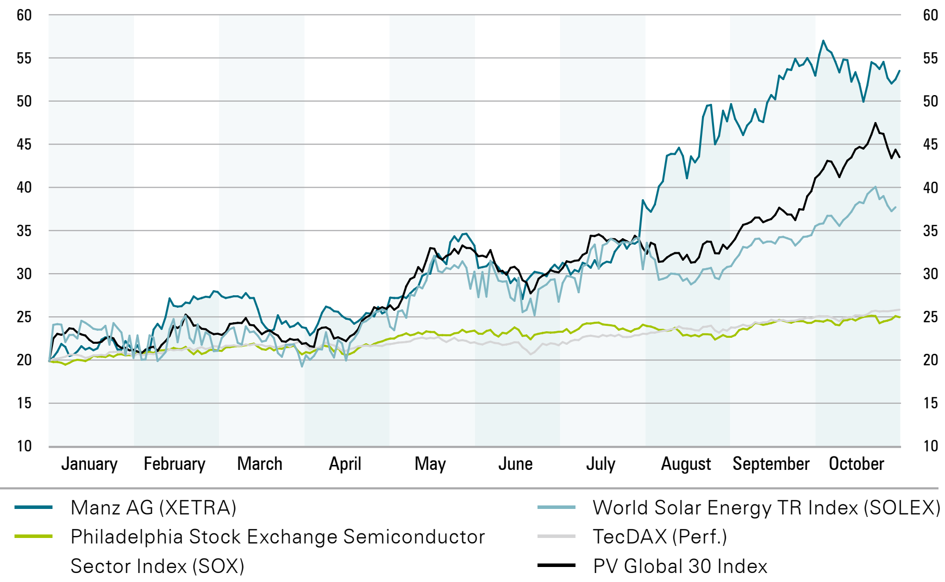
Dieter Manz

Martin Hipp

MANZ AG STOCK

OVERVIEW

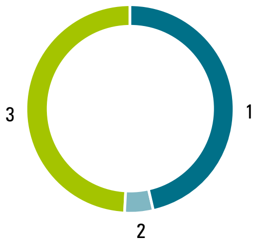
CHART SHOWING MANZ AG STOCK 2013 (XETRA, in EUR)



On January 2, Manz's stock began the 2013 fiscal year at a closing price of EUR 19.65. Over the course of January 2013, the stock initially traded sideways yet was able to gain ground starting in early February. On February 28, 2013, the stock traded at EUR 27.80, its highest value in the first quarter of 2013. After continuing to trade sideways, the share price dropped in the following period to EUR 22.65 on April 5, 2013, but then climbed once again in the following weeks. On May 31, 2013, the value of Manz's stock reached a new high of EUR 34.49. In the following weeks, the share price temporarily fell below the 30-euro mark, then climbed continuously in early August, closing on Thursday, October 3, 2013, at an annual high of EUR 56.97. On October 30, 2013, the stock closed at a price of EUR 53.47.

In the reporting period, Manz's stock price clearly outpaced Société Générale's World Solar Energy Index (SOLEX) and the Deutsche Börse AG's Photovoltaik Global 30 Index (PV Global 30), both solar industry indices, as well as the TecDAX and the Philadelphia Stock Exchange's Semiconductor Sector Index (SOX). In this same period, the TecDAX and SOX index were both relatively stable and recorded slight gains. Beginning in the second quarter, Manz's stock significantly outpaced both indices. Although both also recorded gains beginning in the second quarter, they could not keep pace with the performance of Manz AG's stock, and closed at the end of the reporting period below the Manz AG's stock price.

SHAREHOLDER STRUCTURE



1	**45.9 %**	Dieter Manz
2	**4.5 %**	Ulrike Manz
3	**49.6 %**	Free Float

Currently at 49.6 %, Manz AG has a large number of shares in free float and has a wide shareholder base. At the end of the quarter on September 30, 2013, company founder and Chairman of the Managing Board Dieter Manz held 45.9 % of Manz's stock. In addition, Ulrike Manz holds an additional 4.5 % of the company's stock.

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Our added value for every coating: maximum homogeneity with minimal material input

In the field of vacuum coating, our customers benefit from extremely low operating costs thanks to state-of-the-art system design and process control. We offer solutions for physical vapor deposition (PVD), plasma-enhanced chemical vapor deposition (PECVD), and evaporation. In our fully equipped technical center, we develop standardized system platforms for vertical and horizontal substrate processing. In this context, we pay close attention to a particularly efficient use of high-priced coating materials while at the same time achieving maximum homogeneity of the coating.

VACUUM COATING

OUR ACHIEVEMENT: INCREASED EFFICIENCY

GROUP INTERIM REPORT

GROUP INTERIM REPORT

BUSINESS REPORT

Market and Competitive Environment

Economic Environment

According to information from the Kiel Institute for the World Economy (IfW), the global economy rebounded slightly in the first three months of 2013 compared to the end of 2012. This trend continued over the course of the year, with economic activity slowly regaining momentum. Global gross domestic product (GDP) growth for the first nine months of 2013 totaled 3.0 %, after totaling 2.3 % on average in 2012. This generally positive development can ultimately be traced back to a positive economic trend in the advanced economies, even though the newly industrialized countries seem to be growing at a pace slower than in years past.

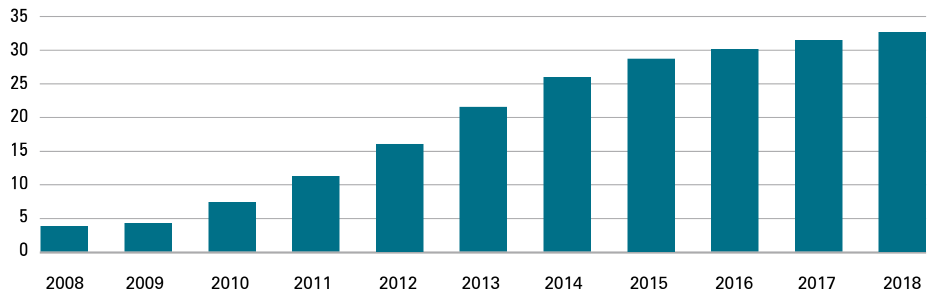
The IfW expects total growth of 3.1 % for the entire global economy in 2013, slightly revising its last forecast downward. The institute is forecasting growth of 3.8 % for 2014. In this context, these expectations are largely dependent on the further growth trends in several newly industrialized countries and their impact on demand and the financial markets. As the largest economy in Asia, China's economic output will increase by 7.7 % for the current year (according to information from the government in Peking), after increasing by 7.8 % in 2012. And the euro zone also seems to be slowly recovering from the recession. As such, GDP in 2013 is expected to decline by only 0.4 %, which is 0.2 percentage points less than previously expected. The economists from the IfW are only expecting the European economy to grow again in 2014, by 1.1 %. In Germany, the economy recovered significantly over the course of the year. In its current fall forecast, the economists expect GDP growth in Germany of 0.5 % for the entire year (2012: 0.7 %). According to the IfW, the country will once again see stronger growth of 1.8 % next year in 2014.

Display division

In its Display division, Manz AG focuses on innovative production solutions for manufacturing flat panel displays (FPD) and touch-sensitive displays. As the interface between people and electronic devices, FPDs and touch-panel displays are now indispensable. As computer or laptop monitors, televisions, operating displays used in an industrial setting, or as touch-screen panels for mobile devices such as smartphones, tablet computers, or navigation devices, they are now ubiquitous in today's society.

The experts from the market research firm NPD DisplaySearch forecast significant growth potential for this field, particularly for the touch-panel display segment. Total global sales of touch-screen modules reached nearly USD 16 billion in 2012 and are predicted to almost double to USD 31.9 billion by 2018. In this context, growth is being driven by high demand for devices with touch screens, particularly smartphones, tablet computers, and also hybrid devices such as notebooks with touch-panel displays. After a temporary and only slight decline in the market for tablet computers, the market recovered in July, supported by many brands cutting prices. During the current year, tablet computer sales are expected to grow to 256.5 million units, equal to year-over-year growth of 67.0 %. NPD DisplaySearch believes that, as a result, tablet computers will overtake notebooks for the first time as the dominant mobile computing device. Between now and 2017, annual sales of tablet computers are expected to double to 579.4 million units. But touch-panel displays are also seeing growth in the classic notebook segment. NPD DisplaySearch expects to see a significant increase in the share of devices with touch screens. The experts from the market research institute are forecasting an increase from below 3.0 % in 2012 to more than 12.0 % in 2013. Absolute sales figures should then increase by around 50 % by 2014.

TOUCH-SCREEN MODULE REVENUE FORECAST (in billion USD)



Source: DisplaySearch 2012 Touch Panel Market Analysis

In the current year, investments in production equipment are estimated to total approximately USD 8.3 billion, a significant increase of 118.0 % compared to last year. And as a result of new areas of application and additional revenue potential from technological innovations in mobile devices and televisions, market researchers are forecasting further revenue growth in the coming years. For example, the consumer market in most newly industrialized countries is currently seeing rapidly increasing demand for smart TVs, which is being driven particularly by the 2014 FIFA World Cup in Brazil and the 2016 Olympic Games. In addition, thanks to declining production costs, high-resolution TFT LCD displays are increasingly being used in computer monitors and tablet computers. In addition, the experts from NPD DisplaySearch are also seeing significant growth potential in the OLED display segment. They expect OLED displays' share of the total market for small and medium-sized displays (9" and smaller) to increase continuously – from 8.4 % in 2012 to around 16 % in 2016. According to the experts, smartphones are the driving force behind the growth in the OLED display segment, which in 2012 already accounted for 69.21 % of the market, with approximately 190 million units. Their share is expected to increase further in the coming years as the size of the total market also increases. As such, the market research institute is expecting smartphones with OLED displays to account for 78.7 % of the market in 2013, with 280 million units, which will increase to 82.9 % in 2014, with 370 million units.

Solar Division

In the Solar division, Manz AG produces system and production solutions for manufacturing crystalline solar cells as well as thin-film solar panels. Through the development of innovative production processes, Manz AG constantly spurs on further cuts to production costs and increases in efficiency. As a result, Manz makes it possible for solar manufacturers to produce economically despite being faced with declining panel prices and the resulting cost pressure.

The positive trend in demand for solar cells and panels in the consumer market that began in the first half of 2013 continued through the third quarter. According to information from the market research firm NPD Solarbuzz, newly installed photovoltaic capacity in the first six months of the year totaled approximately 15 GW (9.0 % year over year) and reached a new record of 9 GW of newly installed capacity in the third quarter (22.0 % year over year).

In the fourth quarter of 2013, NPD Solarbuzz is forecasting a further increase in newly installed capacity of 10–12 GW, which is equal to a year-over-year increase of approximately 22 %. In this context, the market research institute is seeing a transition from a market dominated primarily by Europe to a global market for photovoltaics (PV). The market research institute sees the reason for this growth in China and Japan's offensive development plans. Compared to the first half of 2013, demand is expected to double in both countries to 9 GW in the second half of the year. The cumulative newly installed capacity for the entire year will most likely reach 35 GW, which would be a new record.

But Solarbuzz is also expecting to see increasing growth over the current year in other markets as well – such as in India, with newly installed capacity estimated to total 4 GW (2012: 1.3 GW), and the United States, with 4.5 GW (2012: 3.5 GW). In this context, the United States is particularly expected to see dynamic growth. By the end of 2014, cumulative capacity is expected to increase from 10 GW currently to over 17 GW. And beginning next year, the experts from Solarbuzz also expect the Middle East, Africa, South America, and Southeast Asia to become an increasingly important part of the global PV market. According to the latest estimates, strong demand, particularly in the Asian region, will result in another record level of newly installed capacity worldwide in 2014 of between 45 and 55 GW.

In addition, panel prices have stabilized considerably in the third quarter and only declined by 1 % compared to the previous quarter, after declining by 12 % over the same period last year. The industry experts from the market research institute IHS also expect price levels to remain stable over the rest of the year. This trend, in conjunction with the number of new installations reaching record levels, will result in a deep-seated revenue recovery in the industry and, according to the experts, could mark a positive turning point in the solar industry as well as for manufacturers of production equipment.

Battery division

In its Battery division, Manz AG focuses its decades of expertise as a high-tech engineering company on production technologies for optimizing lithium-ion battery manufacturing processes. In this context, in addition to the automotive industry, stationary energy storage systems for renewable energy are also becoming increasingly important. Manz also sees an additional growth market in the Premium Consumer Products (PCP) segment.

The market research firm Pike Research is forecasting growth in the total market for lithium-ion batteries for passenger and light commercial vehicles from USD 1.6 billion in 2012 to approximately USD 22 billion in 2020. Experts expect the Asia-Pacific region to continue to lead the world in the production and use of lithium-ion batteries as a result of government subsidies. China is expected to overtake Japan as the world's leading producer of lithium-ion batteries for the automotive industry in 2015. The US Department of Energy is also supporting the domestic advancement of this future industry in the United States. As such, the US government is striving to significantly increase the American share of the global lithium-ion market by 2015 by providing the industry considerable financial support.

The industry experts from Roland Berger also see additional potential in the use of stationary power-storage systems. According to these experts, further increases in the amount of power from renewable energy sources being fed into the grid and the resulting volatility will correspond with an increase in demand for load-balancing technologies such as battery-storage systems. Potential buyers of stationary power-storage systems include private operators of PV systems as well as companies operating large plants. Roland Berger assumes that the demand for batteries for storing renewable energy will increase by 2015 to 2.8 GWh (2011: 1.9 GWh). Demand is expected to jump to 5.7 GWh by 2020.

Printed Circuit Board / OEM Reporting Segment

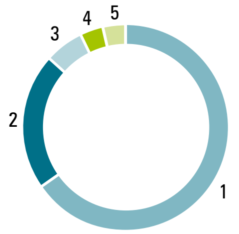
In the Printed Circuit Board/OEM reporting segment, Manz AG offers its customers – the lion's share of which are active in the field of semiconductors – the turnkey processing of production contracts. The scope of services offered range from project planning to the installation and final inspection of production systems to the subsequent service and maintenance. This gives the company the opportunity to effectively utilize excess capacities in other divisions and, as a result, simultaneously increase the company's utilization of production capacity. According to a current forecast by the German Electrical and Electronic Manufacturers' Association (Zentralverband Elektrotechnik- und Elektronikindustrie e. V., or ZVEI for short), the experts expect the value of the global market to grow in 2013 by 1.8 % to USD 60.1 billion. Key players in this regard include China, the Southeast Asia region, and Japan, as well as the European and US markets.

ANALYSIS OF THE FINANCIAL SITUATION

Earnings Situation

Building on the positive trend seen in the first half of year, Manz's earnings situation also improved in the third quarter of 2013. In the 2013 reporting period, Manz AG generated revenues of EUR 213.0 million after generating EUR 147.7 million in the same period last year, which is equal to an increase of 44.2 %.

REVENUES BY BUSINESS UNIT JANUARY 1 TO SEPTEMBER 30, 2013

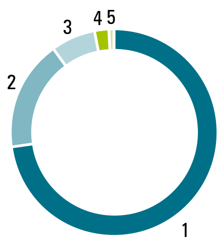


1	**65.4 %**	Display
2	**21.4 %**	PCB / OEM
3	**6.2 %**	Others
4	**3.5 %**	Battery
5	**3.5 %**	Solar

The Display division was responsible for the largest share of revenues in the reporting period, generating EUR 139.3 million, or 65.4 % of total revenues in the reporting period (through Q3 2012: EUR 94.0 million, equal to 63.6 %). This is primarily the result of the continued high demand for touch-screen displays for mobile devices such as smartphones and tablet computers. In the first nine months of 2013, the Solar division generated approximately EUR 7.5 million, equal to 3.5 % of Manz AG's total revenues (through Q3 2012: EUR 14.9 million, or 10.1 %). Solar manufacturers' continued reluctance to make new investments was primarily responsible for this year-over-year decline. With its systems for the production of lithium-ion batteries, the company's third division, Battery, contributed EUR 7.4 million to the total revenues in the reporting period (through Q3 2012: EUR 6.2 million). As such, this division generated 3.5 % of Manz's total revenues in the period (through Q3 2012: 4.2 %). The PCB/OEM subsegment was also responsible for a relevant share of revenues, generating EUR 45.5 million, equal to 21.4 % (through Q2 2012: EUR 19.4 million, equal to 13.1 % of total revenues). In the first nine months of 2013, the revenues generated in the Others division totaled EUR 13.4 million, after totaling EUR 13.2 million in the same period last year. This is equal to a 6.2 % share of total revenues in 2013 reporting period (through Q3 2012: 9.0 %).

Revenues generated by Manz AG in the first nine months of 2013 were distributed regionally as follows: with EUR 155.7 million, equal to 73.1 %, Manz generated the lion's share of its revenues in Asia (through Q3 2012: EUR 111.0 million, equal to 75.2 %). In Germany, the company generated EUR 14.9 million, equal to 7.0 % of total revenues (through Q3 2012: EUR 12.9 million, equal to 8.7 %). Approximately EUR 36.8 million was generated in the remainder of Europe, equal to 17.2 % of total revenues in the reporting period. The company generated EUR 16.1 million, or 10.8 % of total revenues, here in the same period last year. In the United States, Manz generated revenues of EUR 4.6 million in the reporting period; this is equal to a 2.2 % share of total revenues (through Q3 2012: EUR 6.4 million, or 4.4 %). In all other regions of the world, Manz generated revenues of EUR 1.1 million, equal to 0.5 % (through Q3 2012: EUR 1.3 million, equal to 0.9 %).

REVENUES BY REGION JANUARY 1 TO SEPTEMBER 30, 2013



1	**73.1 %**	Asia
2	**17.2 %**	Rest of Europe
3	**7.0 %**	Germany
4	**2.2 %**	USA
5	**0.5 %**	Other Regions

As a result of the company's excellent order situation, the value of finished and unfinished goods in stock increased by EUR 0.9 million in the reporting period (through Q3 2012: EUR –4.5 million). Scaled-back R&D activities due to optimizing the company's cost structure resulted in a significant decline in the value of internally produced and capitalized assets. In the first nine months of the year, their value totaled EUR 4.3 million, after totaling EUR 13.8 million after the first nine months of 2012. This resulted in a 39.1 % increase in total operating revenues in the first three quarters of 2013 to EUR 218.3 million (through Q3 2012: EUR 157.0 million). Other operating income totaled EUR 10.3 million (through Q2 2012: EUR 9.4 million) and, in addition to grants received for technological development, also resulted from payments that Manz AG received within the scope of the takeover agreement with Würth Solar for the facility in Schwäbisch Hall. Cost of materials in the reporting period totaled EUR 130.3 million (through Q3 2012: EUR 75.3 million); the cost of materials ratio increased to 59.7 % (through Q3 2012: 48.0 %). This increase is the result of products with higher material costs being responsible for a growing share of total revenues, which are primarily generated by Asian and Slovakian subsidiaries. The German term Rohergebnis, which is similar to gross profit or loss, is a figure which includes total revenues, changes in inventory of finished and unfinished goods, cost of materials, and other operating income. This figure increased correspondingly during the reporting period to EUR 98.4 million (through Q3 2012: EUR 91.0 million).

Cost of labor in the first nine months of 2013 declined year over year by EUR 4.6 million to EUR 49.1 million (through Q3 2012: EUR 53.7 million); as a result, the ratio of labor costs to total operating revenues improved significantly to 22.5 % (through Q2 2012: 34.2 %). Write-downs increased from EUR 12.1 million in the same period last year to EUR 18.1 million in the reporting period. In addition to scheduled depreciation of property, plant, and equipment including systems and capitalized development costs, this increase was the result of scheduled depreciation of development expenses as well as the scheduled depreciation of buildings at the production facility in Suzhou, China, which opened in the summer of 2012. Other operating expenses declined in the reporting period to EUR 26.0 million (through Q3 2012: EUR 28.7 million) as a result of the successfully implemented measures to optimize the cost structure. Overall, as a result of the positive trends, Manz AG succeeded in significantly improving its EBIT from a loss of EUR 3.5 million in the same period last year to earnings of EUR 5.2 million in the 2013 reporting period. As a percentage of total operating revenues, this corresponds to an EBIT margin of 2.4 %.

Looking at the individual divisions, EBIT in the Display division totaled EUR 15.1 million (through Q3 2012: EUR 12.2 million). Although the Solar division still recorded a loss in the reporting period, it improved to a loss of EUR 15.5 million from a loss of EUR 17.7 million in the same period last year. Earnings before interest and taxes in the Battery division totaled EUR 817,000 after totaling EUR 914,000 in the same period in 2012. The Printed Circuit Board/OEM reporting segment recorded earnings of EUR 3.2 million (through Q3 2012: loss of EUR 310,000), and EBIT also increased in the Others division from EUR 1.4 million in the same period last year to EUR 1.5 million in the current reporting period.

The negative financial result of EUR –2.3 million in the first nine months of 2013 was the result of increased business activity and the corresponding use of higher lines of credit compared to the same period last year (EUR –1.1 million). This resulted in earnings before taxes (EBT) of EUR 2.9 million (through Q3 2012: EUR –4.6 million). After deducting taxes on income and earnings, Manz AG posted a consolidated total result of EUR 0.4 million in the first nine months of 2013 (through Q3 2012: EUR –7.3 million). With a weighted average of 4,480,054 shares outstanding, this resulted in earnings per share of EUR 0.02 (through Q3 2012: EUR –1.65).

Asset Position

The value of total assets on September 30, 2013, grew as a result of increased business activity from their value on December 31, 2012, by EUR 23.3 million to EUR 323.2 million. On the liabilities side, Manz AG's equity totaled EUR 148.3 million (December 31, 2012: EUR 156.2 million). The change compared to the value at the end of the 2012 fiscal year is simply the result of calculated currency fluctuations when reporting the value of Asian subsidiaries in euros. This resulted in an equity ratio at the end of the reporting period of 45.9 %, after totaling 52.1 % on December 31, 2012.

Noncurrent liabilities decreased slightly from EUR 37.5 million at the end of fiscal year 2012 to EUR 34.8 million at the end of the current 2013 reporting period. In this context, noncurrent financial liabilities decreased to EUR 19.3 million (December 31, 2012: EUR 22.3 million). This was caused by scheduled repayments on existing loans from the KfW Development Bank for projects related to the development of innovative production technologies. Furthermore, pension provisions increased slightly to EUR 5.8 million as a result of changes to the accounting standards set forth in IFRS 19 (December 31, 2012: EUR 5.7 million). At the same time, other noncurrent provisions and other noncurrent liabilities both remained nearly unchanged at EUR 2.2 million (December 31, 2012: EUR 2.4 million), and EUR 6.7 million (December 31, 2012: EUR 6.5 million), respectively.

Manz's current liabilities increased significantly at the end of the first three quarters of 2013 to EUR 140.1 million (December 31, 2012: EUR 106.3 million). This figure contains an increase in current financial liabilities at the end of the reporting period on Monday, September 30, 2013, totaling EUR 60.2 million (December 31, 2012: EUR 43.4 million). In this context, the company drew on lines of credit extended by banks to prefinance the significantly improved order situation and take advantage of discounts for timely payment offered by suppliers. Accounts payable also increased significantly by EUR 9.6 million to EUR 48.3 million (December 31, 2012: EUR 38.7 million). At the end of the current 2013 reporting period, advance payments received totaled EUR 15.7 million (December 31, 2012: EUR 7.7 million). This resulted from the extremely large number of orders on the books in the first nine months of 2013. Other current provisions totaled EUR 6.1 million on September 30, 2013, after totaling EUR 5.7 million at the end of the 2012 fiscal year. Manz's remaining liabilities decreased slightly from EUR 8.8 million on December 21, 2012, to EUR 8.0 million at the end of the current reporting period, and primarily comprise sales tax and social security liabilities.

On the assets side, the decrease in noncurrent assets from EUR 155.4 million to EUR 141.0 million was due to the scheduled depreciation of intangible assets as well as property, plant, and equipment. At the end of the reporting period on Monday, September 30, 2013, the company held intangible assets with a value of EUR 92.3 million (December 31, 2012: EUR 100.8 million); the value of property, plant, and equipment totaled EUR 46.5 million at the end of the period after totaling EUR 51.3 million at the end of the previous fiscal year.

In contrast, current assets increased at the end of the reporting period on September 30, 2013, to EUR 182.2 million (December 31, 2012: EUR 144.5 million). As a result of the increasing number of orders received throughout the reporting period, the value of inventory increased by EUR 3.1 million to EUR 57.6 million (December 31, 2012: EUR 54.5 million). At the same time, the value of accounts receivable increased by EUR 12.0 million to EUR 66.4 million (December 31, 2012: EUR 54.4 million). Other current receivables, which primarily encompass income tax receivables, remained nearly unchanged, totaling EUR 5.2 million at the end of the reporting period after totaling EUR 4.9 million on December 31, 2012. Furthermore, liquid assets increased significantly to EUR 52.7 million (December 31, 2012: EUR 30.7 million). This increase is, among other reasons, the result of the company's positive performance during the reporting period.

Liquidity Position

Our company's cash flow in the narrower sense (net profit in the period plus write-downs on fixed assets as well as an increase/decrease in long-term pension provisions) in the first three quarters of 2013 totaled EUR 23.6 million (through Q3 2012: EUR 9.3 million). With a consolidated operating profit of EUR 5.2 million, this cash inflow resulted primarily from the scheduled depreciation of property, plant, and equipment by EUR 18.1 million. In contrast to the same period last year, operating cash flow for the first nine months of 2013 was clearly positive, totaling EUR 19.0 million (through Q3 2012: EUR 0.6 million). This was primarily due to the company's positive cash flow and the changes to last year's value of inventory, accounts payable, and accounts receivable. Inventory, accounts receivable, and other assets increased in the 2013 reporting period and resulted in a cash outflow of EUR 12.6 million (through Q3 2012: EUR 5.9 million); the value of accounts payable and other liabilities grew in the reporting period, and were responsible for a cash inflow of EUR 12.3 million (previous year: EUR –12.5 million).

After posting a cash flow from investment activities of EUR –28.7 million in the same period in 2012, the cash outflow in the first nine months of 2013 totaled EUR –6.3 million. This resulted from investments in intangible assets – namely in development activities.

In contrast, cash flow from financing activities decreased significantly to EUR 10.1 million, after totaling EUR 18.4 million in the same period last year. The reason for this decline is that in the reporting period, Manz AG did not take out any additional noncurrent loans (through Q3 2012: EUR 21.0 million) and instead repaid noncurrent loans with a value of EUR 4.1 million. At the same time, the company drew on current lines of credit of approximately EUR 14.2 million (through Q3 2012: EUR –2.5 million). Taking changes in exchanges rates into account, Manz AG held liquid assets on September 30, 2013, with a value of EUR 52.7 million (September 30, 2012: EUR 24.3 million).

EMPLOYEES

Qualified and motivated employees form the foundation of Manz AG's long-term success. On September 30, 2013, a total of 1,823 employees (previous year: 1,997) worked for the company both in Germany and abroad, 387 of which were employed at our company's headquarters in Reutlingen.

Based on the number of employees, the Group's largest subsidiary is Manz China Suzhou Ltd. in China, with 481 employees, followed by Manz Taiwan Ltd. in Taiwan with 413 workers, and Manz Slovakia s.r.o. with 216 employees.

RESEARCH AND DEVELOPMENT

Research and development represents a key component of successfully expanding Manz AG's cross-industry technology and product portfolio. As such, in order to further strengthen Manz's position as a company driving innovation in growth industries, in 2013 research and development will once again play an important role. In this context, Manz AG – with over 500 engineers, technicians, and scientists at its development facilities – will concentrate primarily on technologies in its Display, Solar, and Battery divisions and on dovetailing these core competencies across different industries in order to achieve synergies and economies of scale.

In the 2013 reporting period, the ratio of research costs to sales totaled 6.1 %, after totaling 18.0 % in the first nine months of 2012. If only considering capitalized development costs, the ratio of research costs to sales totaled 2.0 % (through Q3 2012: 9.3 %).

EVENTS AFTER THE BALANCE SHEET DATE

No events that could have had a significant impact on our financial situation took place after the reporting date.

REPORT ON OPPORTUNITIES AND RISKS

There have been no significant changes to the opportunities and risks presented on pages 72 through 79 of the 2012 Annual Report.

FORECAST REPORT

OUTLOOK

In our Forecast Report, we provide as much information as possible about Manz AG's expected future growth and the company's business environment during the current and upcoming fiscal year.

It must be noted, however, that current economic conditions increase the uncertainty when making statements about future trends, since the assumptions these forecasts are based on could quickly become invalid. The conditions of the current business environment mean both opportunities and risks when it comes to the Manz Group's operative performance. Around the world, economic earning power is expected to increase year over year and particularly in the region of greatest importance to Manz – Asia – with the People's Republic of China. According to information from the Kiel Institute for the World Economy (IfW), global gross domestic product (GDP) is expected to grow by 3.2 %, and in China by 7.5 %. In this context, the expected economic forecasts for these markets offer excellent conditions for the company to grow in the current fiscal year. In addition to these general economic conditions, developments in the display, photovoltaic, and lithium-ion battery submarkets also play a decisive role in Manz AG's further operative performance.

After seeing the positive trends which began in the first half of 2013 continue in the third quarter, we expect business in the Display division to have grown consistently over the entire 2013 fiscal year. We base this belief on the extremely high demand for devices with touch-screen displays, such as smartphones and tablet computers, which continues growing unabated. In addition, we expect to see additional positive growth in the future spurred on by the increased integration of touch screens into a growing number of product groups. We also see potential in the fast-growing market for OLED displays. Thanks to the order we received in early August 2013 from one of the leading Chinese manufacturers of OLED displays, we have positioned ourselves superbly as a high-tech engineering company in the emerging OLED industry in China. Taken together, we believe these positive developments will lead to investments in both new and replacement production systems, which Manz AG can benefit from strongly.

Due to the first positive signs in the field of crystalline photovoltaics compared to the end of last year, our outlook for the Solar division remains cautiously optimistic that, overall, the market will recover slightly during the current and upcoming fiscal year, and that this will have a corresponding effect on our revenues and earnings situation. Despite market participants' ongoing reluctance to make new investments as well as the resulting risks in the field of thin-film technology, we particularly see significant opportunities for our business operations in the sale of a CIGSfab since this technology offers the highest potential to further increase efficiency and cut production costs and, as a result, also offers the lowest costs per watt for panel manufacturers. This was demonstrated most impressively at the end of October by our research partner, the Baden-Württemberg Center for Solar Energy and Hydrogen Research (ZSW), which achieved a new record in panel efficiency. The exclusive right to this world-record technology offers Manz further promising opportunities to significantly cut production costs. As a result, Manz has succeeded in making CIGSfab even more attractive for potential investors. Depending on the capacity of the production line, the sale of a CIGSfab has the potential to generate revenues between EUR 50 and 350 million. As such, the sale of the first turnkey, fully integrated CIGS production line remains one of our main goals.

In our third division, Battery, we expect to record excellent performance despite a challenging market environment. With our production systems for lithium-ion battery manufacturing for the automotive industry and stationary power storage, we have tapped an additional market that will also offer us significant upside potential in the future. New orders received in the second and third quarter valued at approx. EUR 10 million in total from one of the most renowned and most experienced manufacturers of lithium-ion batteries as well as for a research production line for the ZSW underscore this fact. We also see additional revenue potential in the field of Premium Consumer Electronics. This encompasses, among other devices, products such as smartphones and tablet computers that are almost exclusively powered by lithium-ion batteries. As such, we are also expecting to record revenues and earnings growth in this area of business for the current year.

Due to the increasing use of electronic devices in daily life, communication applications' increased level of penetration, and the sustained demand for mobile devices such as smartphones and tablet computers, the PCB/OEM reporting segment will most likely continue to see stable growth in the future, whereby the business conducted in this segment, which generally sees Manz in the role of an OEM, particularly serves to improve the utilization of production capacities.

Overall, thanks to the extremely positive trends seen in our Display and Battery divisions as well as the excellent prospects for the fourth quarter of 2013, we expect to record total annual revenues for the year of between EUR 260 and 270 million, with positive earnings. This positive assumption is particularly based on the company's performance in the first three quarters of 2013, in addition to other factors.

As a result of our excellent position in the fast-growing future markets for displays and lithium-ion batteries, the increasing willingness to make investments in the solar industry, and the project we started to optimize structures and costs throughout the entire Group, we are confident that we have considerable opportunities to markedly increase our sales and earnings power in 2014 as well.

FORWARD-LOOKING STATEMENTS

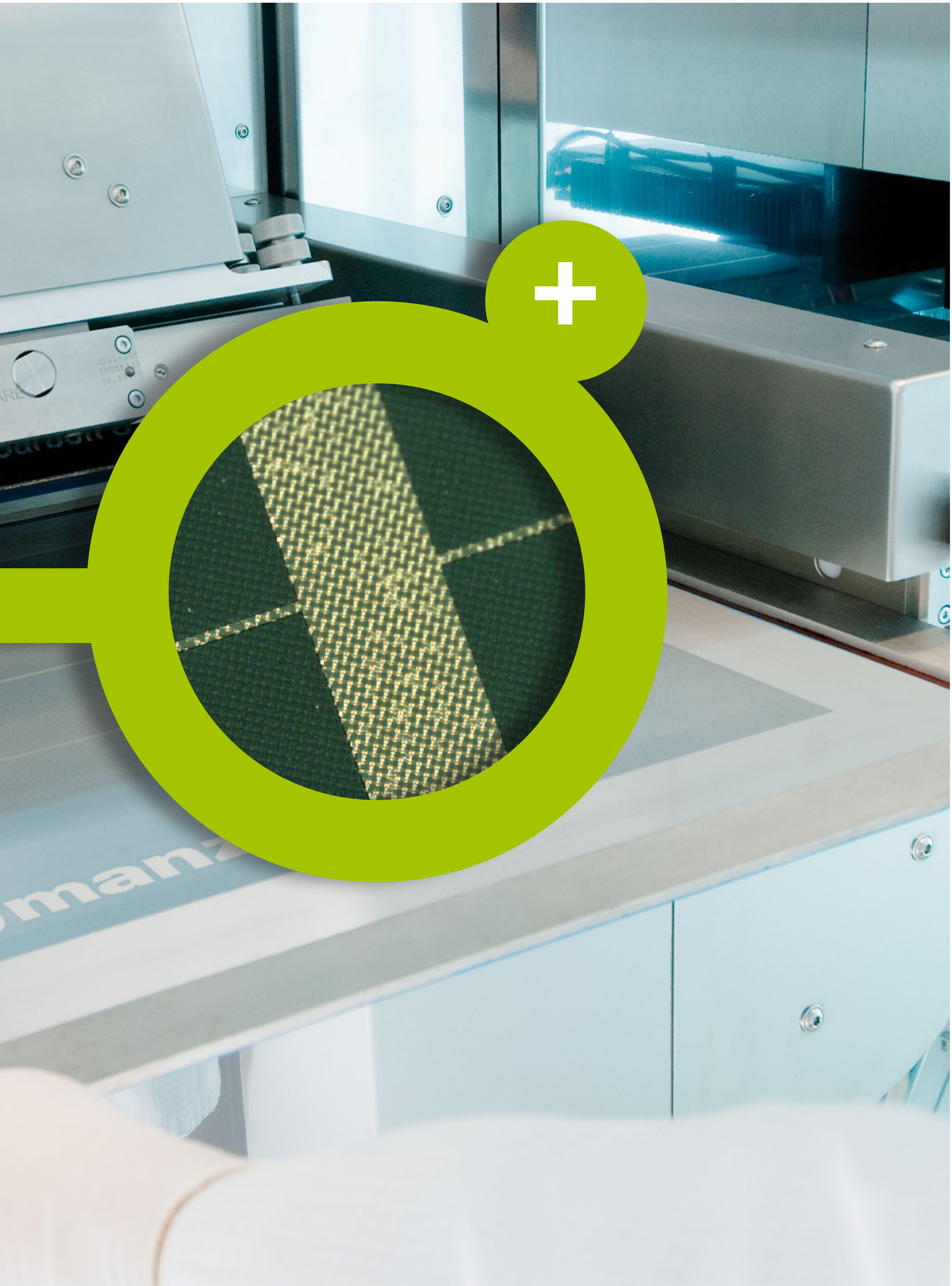
This report contains forward-looking statements. These statements are based on the current assumptions and forecasts of Manz AG's Managing Board. Such statements are subject to both risks and uncertainties. These and other factors can cause the company's actual results, financial situation, growth, and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

METALLIZATION/PRINTING

OUR ADVANTAGE: LOWER MANUFACTURING COSTS

Our added value for every print: best-possible quality thanks to maximum precision

Using standardized printing platforms from Manz, small substrates can be printed particularly fast. By aligning the substrates optically, we set standards when it comes to precision and printing quality. Integrated automation systems are responsible for rapid loading and unloading and, in addition to high throughput rates, make a particularly cost-efficient production process possible. The optical inspection also integrated into the process as well as the process control software developed in-house ensure that the quality of printing process remains high.



CONSOLIDATED INTERIM FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF INCOME

(in EUR tsd.)	Jan. 1 to Sept. 30, 2013	Jan. 1 to Sept. 30, 2012
Revenues	213,034	147,705
Changes in inventory	935	–4,498
Internally produced and capitalized assets	4,328	13,778
Total operating revenues	**218,297**	**156,985**
Other operating income	10,345	9,369
Material expenditures	–130,254	–75,342
Gross margin	**93,388**	**91,012**
Personnel expenses	–49,062	–53,649
Write-downs	–18,108	–12,120
Other operating expenses	–26,012	–28,741
Earnings before interest and taxes (EBIT)	**5,206**	**–3,498**
Financial income	210	122
Financial expenses	–2,491	–1,196
Earnings before taxes (EBT)	**2,925**	**–4,572**
Taxes on income	–2,542	–2,770
Comprehensive income	**383**	**–7,342**
Income allocated to minority interests	315	41
Income allocated to Manz AG shareholders	68	–7,383
Weighted average number of shares	4,480,054	4,480,054
Earnings per share (diluted = undiluted) in euros	0.02	–1.65

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in EUR tsd.)	Jan. 1 to Sept. 30, 2013	Jan. 1 to Sept. 30, 2012 *
Comprehensive income	**383**	**–7,342**
Expenses and earnings reflected in profit/loss that were subsequently reclassified on the income stateme		
Consolidated comprehensive income	–8,144	2,316
Changes to the fair value of cash flow hedges	–13	161
Consolidated comprehensive income	3	–48
Items not reflected in profit/loss with reclassification	**–8,154**	**2,429**
Expenses and earnings not reflected in profit/loss that were subsequently reclassified on the income statemen		
Actuarial gains and loss from performance-based pension plans	–70	–48
Tax effects from items not reflected in profit/loss	18	11
Items not reflected in profit/loss without reclassification	**–52**	**–37**
Consolidated comprehensive income	**–7,823**	**–4,950**
Income allocated to minority interests	241	109
Income allocated to Manz AG shareholders	–8,064	–5,059

Presentation was adjusted in accordance with changes to IAS 1
* Figures were adjusted in accordance with changes to IAS 19

CONSOLIDATED BALANCE SHEET

ASSETS (in EUR tsd.)	**Sept. 30, 2013**	**Dec. 31, 2012** *
Non-current assets		
Intangible assets	92,302	100,755
Property, plant, and equipment	46,521	51,331
Deferred taxes	1,608	2,499
Other non-current assets	555	808
	140,986	**155,393**
Current assets		
Inventories	57,595	54,452
Accounts receivable	66,379	54,351
Income tax receivables	334	45
Derivative financial instruments	7	43
Other current receivables	5,173	4,919
Liquid assets	52,727	30,708
	182,215	**144,518**
Total assets	**323,201**	**299,911**

* Information pertaining to the adjustments made to the previous year's figures can be found in the Notes (under Accounting Principles).

LIABILITIES AND SHAREHOLDERS' EQUITY (in EUR tsd.)	**Sept. 30, 2013**	**Dec. 31, 2012***
Equity		
Capital stock	4,480	4,480
Capital reserves	143,986	143,986
Revenue reserves	–5,905	–5,911
Currency translation	3,707	11,777
Manz AG shareholders	146,268	154,332
Minority interests	2,072	1,831
	148,340	**156,163**
Non-current liabilities		
Non-current financial liabilites	19,249	22,303
Non-current deferred subsidies	225	262
Financial liabilities from leases	32	36
Pension provisions	5,779	5,669
Other non-current provisions	2,244	2,387
Other long-term liabilities	6,686	6,500
Deferred taxes	561	302
	34,776	**37,459**
Current liabilities		
Current financial liabilities	60,240	43,374
Accounts payable and payments	48,325	38,705
Advance payments received	15,733	7,654
Income tax liabilities	1,565	1,910
Other current provisions	6,099	5,728
Derivative financial instruments	97	128
Other liabilities	8,015	8,756
Financial liabilities from leases	11	34
	140,085	**106,289**
Total shareholders' equity and liabilities	**323,201**	**299,911**

* Information pertaining to the adjustments made to the previous year's figures can be found in the Notes (under Accounting Principles).

CONSOLIDATED CASH FLOW STATEMENT

(in EUR tsd.)	Jan 1 to Sept. 30, 2013	Jan 1 to Sept. 30, 2012*
Cash flow from operations		
Operating profit	5,206	–3,498
Amortization/depreciation of non-current assets	18,108	12,120
Increase (+)/decrease (–) in pension provisions and other non-current provisions	–33	623
Other non-cash income (–) and expenses (+), particularly deferred taxes	293	51
Cash flow	**23,574**	**9,296**
Gains (–)/losses (+) from disposal of assets	9	3
Increase (–)/decrease (+) in inventories, account receivable, and other assets	–12,611	5,850
Increase (+)/decrease (–) in trade payables and other liabilities	12,326	–12,473
Income taxes paid	–2,177	–1,246
interest paid	–2,284	–988
Interest received	208	122
Cash flow from operations	**19,045**	**564**
Cash flow from investments		
Incoming payments from the sale of non-current assets	15	156
Payments for investments in intangible assets and property, plant, and equipment	–6,276	–29,183
Payments for the acquisition of consolidated companies, minus liquid assets received	0	286
Cash flow from investments	**–6,261**	**–28,741**
Cash flow from financing activities		
Purchase of own shares	–2	–42
Payments toward the repayment of finance leases agreements	–9	–5
Deposits from drawing on non-current loans	0	21,017
Payments toward the repayment of non-current loans	–4,056	–92
Change in overdraft loans	14,171	–2,493
Cash flow from financing activities	**10,104**	**18,385**
Cash and cash equivalents at the end of the period		
Change in cash and cash equivalents (subtotal 1–3)	22,888	–9,792
Net change in cash and cash equivalents due to currency translation	–869	772
Cash and cash equivalents on Jan. 1	30,708	33,288
Cash and cash equivalents on Sept. 30	**52,727**	**24,268**
Composition of cash and cash equivalents		
Liquid assets	52,727	24,268
Cash and cash equivalents on Sept. 30	**52,727**	**24,268**

* Adjustment of several figures from last year as a result of changes to IAS 19 (see Notes) as well as adjustment to the presentation of the current year.

CONSOLIDATED STATEMENT OF CHANGES TO EQUITY

as of September 30, 2013

(in EUR tsd.)	Capital stock	Capital reserves	Treasury shares	Revenue reserves			Currency translation	Manz AG shareholders	Minority shares	Total equity
				Accummulated earnings	Revalued Pensions *)	Cashflow Hedges				
As of Dec. 31, 2011	**4,480**	**144,006**	**0**	**29,050**	**0**	**–215**	**10,243**	**187,564**	**1,754**	**189,318**
Effects due to applying IAS 19 for the first time					–259			–259	–10	–269
As of Jan. 1, 2012	**4,480**	**144,006**	**0**	**29,050**	**–259**	**–215**	**10,243**	**187,305**	**1,744**	**189,049**
Net profit (loss) for the period				–7,383	–37	113	2,248	–5,059	109	–4,950
Purchase of own sharesn			–42					–42		–42
Use of treasury shares			42					42		42
Share-based compensation		51		0				51		51
Changes in minority interests as a result of increased interests				4				4	–37	–33
As of Sept. 30, 2012	**4,480**	**144,057**	**0**	**21,671**	**–296**	**–102**	**12,491**	**182,301**	**1,816**	**184,117**
As of Dec. 31, 2012	**4,480**	**143,986**	**0**	**–4,589**	**0**	**–60**	**11,777**	**155,594**	**1,853**	**157,447**
Effects due to applying IAS 19 for the first time					–1,262			–1,262	–22	–1,284
As of January 1, 2013	**4,480**	**143,986**	**0**	**–4,589**	**–1,262**	**–60**	**11,777**	**154,332**	**1,831**	**156,163**
Net profit (loss) for the period				68	–52	–10	–8,070	–8,064	241	–7,823
Purchase of own shares			–2					–2		–2
Use of treasury shares			2					2		2
As of Sept. 30, 2013	**4,480**	**143,986**	**0**	**–4,521**	**–1,314**	**–70**	**3,707**	**146,268**	**2,072**	**148,340**

* Information pertaining to the adjustments made to the previous year's figures can be found in the Notes.

SEGMENT REPORTING FOR DIVISIONS

as of September 30, 2013

(in EUR tsd.)	Revenues with third parties	Revenues with other segments	EBIT	Segment assets	Segment liabilities	**Net assets**	Additions to assets	Amortization/depreciation	Employees (annual average)
Solar									
Q1–Q3 2012	14,906		–17,697	137,319	19,618	**117,701**	20,415	6,734	387
Q1–Q3 2013	7,490		–15,490	110,728	12,452	**98,276**	1,454	11,185	325
Display									
Q1–Q3 2012	93,993		12,191	86,049	15,505	**70,544**	5,182	1,453	598
Q1–Q3 2013	139,277		15,143	92,908	51,740	**41,168**	1,365	2,114	553
Battery									
Q1–Q3 2012	6,204		914	10,467	2,350	**8,117**	726	462	49
Q1–Q3 2013	7,361		817	10,527	2,112	**8,415**	2,618	699	55
PCB / OEM									
Q1–Q3 2012	19,377		–310	28,277	3,406	**24,871**	1,077	1,158	432
Q1–Q3 2013	45,498		3,197	30,034	17,462	**12,572**	523	1,230	393
Others									
Q1–Q3 2012	13,225	7,225	1,404	12,128	9,954	**2,174**	504	502	107
Q1–Q3 2013	13,408	3,383	1,539	9,496	11,177	**–1,681**	177	864	158
Central functions/other									
Q1–Q3 2012	0			44,300	83,284	**–38,984**	1,279	1,811	350
Q1–Q3 2013	0			69,508	79,918	**–10,410**	139	2,016	317
Consolidation									
Q1–Q3 2012		–7,225							
Q1–Q3 2013		–3,383							
Group									
Q1–Q3 2012	147,705	0	–3,498	318,540	134,117	**184,423**	29,183	12,120	1,923
Q1–Q3 2013	213,034	0	5,206	323,201	174,861	**148,340**	6,276	18,108	1,801

SEGMENT REPORTING FOR REGIONS

as of September 30, 2013

(in EUR tsd.)	Third-party revenues by customer location	Non-current assets (without deferred taxes)
Germany		
Q1–Q3 2012	12,916	82,560
Q1–Q3 2013	14,901	80,212
Rest of Europe		
Q1–Q3 2012	16,077	11,729
Q1–Q3 2013	36,750	11,006
Asia		
Q1–Q3 2012	111,018	49,433
Q1–Q3 2013	155,656	47,778
USA		
Q1–Q3 2012	6,426	84
Q1–Q3 2013	4,619	60
Other Regions		
Q1–Q3 2012	1,268	1,809
Q1–Q3 2013	1,108	322
Group		
Q1–Q3 2012	147,705	145,615
Q1–Q3 2013	213,034	139,378

NOTES

BASIC ACCOUNTING PRINCIPLES

The current consolidated interim financial statements for the period ending September 30, 2013, have been prepared in accordance with the International Financial Reporting Standards (IFRS) mandatory in the EU on the reporting date. In addition, the interpretations (IFRIC/SIC) to this effect were also observed. Standards and interpretations which have not yet become effective were not applied.

The accounting and valuation methods as well as evaluation methods and input parameters used to determine fair value that were used in the consolidated interim financial statements for the period ending September 30, 2013, correspond to the same methods used for the consolidated financial statements for the 2012 fiscal year, with the exception of the new regulations described below. A detailed description of these methods was published in the Notes to the 2012 Annual Report.

APPLICATION OF NEW ACCOUNTING REGULATIONS

IAS 1 "Presentation of Items of Other Comprehensive Income" in the Statement of Comprehensive Income

The amended IAS 1 calls for a change to the way items presented in other comprehensive income are grouped together. Separate subtotals are required for items that, in the future, may be reclassified to profit or loss (known as "recycling") and those items remain in equity. The amendment is applicable to annual reporting periods beginning on or after July 1, 2012. The new regulations have led to a corresponding change in the way the Manz Group presents items of other comprehensive income.

IAS 19 (as amended in 2011) "Employee Benefits"

The revised version of IAS 19 (as amended in 2011) must be applied in coordination with IAS 8 retroactively for all financial reports for annual periods beginning on or after January 1, 2013. As a result, Manz adjusted the reported values from last year to reflect the effects of the changes to IAS 19. The changes to IAS 19 range from fundamental changes that affect the determination of expected income from plan assets and the elimination of the "corridor" approach, which served to distribute and/or smooth the volatility over time resulting from pension obligations, to simple clarifications and rewordings. By eliminating the corridor method, actuarial gains and losses are now immediately reflected in profit and loss, which leads to a decrease in equity adjusted to reflect deferred taxes. On Monday, September 30, 2013, this resulted in an adjustment to the value of pension provisions of EUR 0.1 million (June 30, 2012: EUR 0.3 million) and on December 31, 2012, of EUR 1.6 million. Taking deferred taxes into consideration, equity decreased on September 30, 2013, by EUR 1.3 million (September 30, 2012: EUR 0.2 million) and on December 31, 2012, by EUR 1.3 million.

The changed definition of employment termination benefits and the resulting changes to the method in which part-time preretirement employment agreements are accounted for did not have a significant effect on the value of provisions for part-time employment prior to retirement.

IFRS 13 “Fair Value Measurement”

This new standard is applicable to annual reporting periods beginning on or after January 1, 2013. The purpose of this standard is to provide a single IFRS framework for measuring fair value. The application of this standard for the first time within the Manz Group did not have any noticeable effect on the Group’s financial situation.

All other IFRS amendments and revisions that were applicable to annual reporting periods beginning on or after January 1, 2013, did not have any noticeable effect on Manz’s reporting practices.

Compared to the scope of the annual report for the period ending December 31, 2012, Manz AG has chosen to publish a condensed version of its interim consolidated financial statements for the period ending September 30, 2013, as permitted by IAS 34.

In addition to an income statement, these financial statements also include a statement of comprehensive income, a statement of financial position, a consolidated statement of cash flows, and a consolidated statement of changes in equity.

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

EXCHANGE RATES OF MOST IMPORTANT CURRENCIES IN EUR

		Exchange rate at the End of the Period:		Average Rate During:	
(in EUR)		**Sept. 30, 2013**	**December 31, 2012**	**Jan 1 to Sept. 30, 2013**	**Jan 1 to Sept. 30, 2012**
USA	USD	1.3525	1.3218	1.3172	1.2824
Taiwan	TWD	40.0500	38.4908	39.2668	38.2205
Hong-Kong	HKD	10.5428	10.2538	10.2254	9.9554
China	CNY	8.3196	8.3487	8.1947	8.1458
Hungary	HUF	298.9900	291.1230	296.9897	291.8884

BASIS OF CONSOLIDATION

Manz AG's consolidated financial statements include all the companies for which Manz AG can either directly or indirectly determine said company's financial and operative policy ("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 %**
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.	Nové Mesto nad Váhom, Slovakia	**100.0 %**
Manz Asia Ltd.	Hong Kong, China	**100.0 %**
Manz Chungli Ltd. 1)	Zhongli City, Taiwan	**100.0 %**
Manz China Shanghai 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 Taiwan Ltd. 1)	Zhongli City, Taiwan	**97.2 %**
Manz (B.V.I.) Ltd. 2)	Road Town, British Virgin Islands	**97.2 %**
Intech Machines (B.V.I.) Co. Ltd 2)	Road Town, British Virgin Islands	**97.2 %**
Intech Machines (Shenzhen) Co. Ltd 3)	Shenzhen, China	**97.2 %**

1) via Manz Asia Ltd.
2) via Manz Taiwan Ltd.
3) via Intech Machines (B.V.I.) Co. Ltd.

CHANGES TO THE BASIS OF CONSOLIDATION ON SEPTEMBER 30, 2013

Merger with the Group's subsidiaries Manz Tübingen GmbH, headquartered in Tübingen, and Manz Coating GmbH, headquartered in Reutlingen

Upon notarization of the merger agreement dated March 27, 2013, the two subsidiaries Manz Tübingen GmbH, headquartered in Tübingen, and Manz Coating GmbH, headquartered in Reutlingen, were merged with Manz AG, headquartered in Reutlingen. The merger officially became effective on January 1, 2013.

Final Consolidation of Manz Israel (T.A.) Ltd., Petach-Tikva/Israel

The shares of Manz Israel were sold in accordance with the sale agreement on July 9, 2013. Within the scope of the final consolidation of Manz Israel, the divestiture resulted in a loss of EUR 293,000, which is disclosed in other operating expenses. Furthermore, unscheduled depreciation of the company's goodwill was carried out with a value of EUR 194,000.

The financial statements of the subsidiary companies will be prepared on the reporting date of the consolidated financial statements, which corresponds to the reporting date of Manz AG.

KEY EVENTS IN THE PERIOD UNDER REVIEW

In the third quarter of the 2013 fiscal year, the Manz Group recorded a 44.2 % increase in revenues compared to the same period last year (EUR 213 million through Q3 2013 compared to EUR 147.7 million through Q3 2012). Total operating revenues increased by 39.1 % to EUR 218.3 million.

Earnings before interest and taxes (EBIT) improved from EUR –3.5 million in the same period last year to EUR 5.2 million this year.

NOTES TO INDIVIDUAL ITEMS ON THE INCOME STATEMENT

OTHER OPERATING INCOME

(in EUR tsd.)	**Sept. 30, 2013**	**Sept. 30, 2012**
Capital gains	350	763
Income from the release of provisions	311	561
Income from the reduction of reserves	684	
Income from the sale of investments	7	19
Subsidies	2,220	2,272
Expense grants	4,500	4,500
Changes to write-downs on accounts receivable	639	16
Other	1,635	1,238
	10,345	**9,369**

MATERIAL EXPENDITURE

(in EUR tsd.)	**Sept. 30, 2013**	**Sept. 30, 2012**
Cost of raw materials, and supplies, and for purchased goods	121,433	69,435
Expenditure on third-party services	8,821	5,907
	130,254	**75,342**

OTHER OPERATING EXPENSES

(in EUR tsd.)	**Sept. 30, 2013**	**Sept. 30, 2012**
Rent and leasing	4,444	4,627
Other operating costs	1,905	2,342
Other personnel expenses	774	1,351
Advertising and travel expenses	4,397	6,130
Outgoing freight, packaging	1,359	1,810
Legal and consulting costs	2,030	1,373
Insurance	598	663
Loss on exchange	705	584
Changes to write-downs on accounts receivable	43	102
Other	9,757	9,760
	26,012	**28,741**

TAXES ON INCOME

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

Income taxes consist of the following items:

(in EUR tsd.)	**Sept. 30, 2013**	**Sept. 30, 2012**
Deferred tax liabilities/income (–)	1,527	1,604
Deferred tax liabilities/income (–)	1,015	1,167
	2,542	**2,770**

NOTES TO INDIVIDUAL ITEMS IN THE BALANCE SHEET

INTANGIBLE ASSETS

(in EUR tsd.)	Sept. 30, 2013	Sept. 30, 2012
Licenses, software and similar rights, and assets	26,008	29,917
Capitalized development costs	34,953	38,415
Goodwill	31,340	32,267
Advance payments	1	156
	92,302	**100,755**

TANGIBLE ASSETS

(in EUR tsd.)	Sept. 30, 2013	Sept. 30, 2012
Property and buildings including buildings on third-party properties	26,038	26,741
Technical equipment and machinery	15,488	19,418
Other equipment, furniture, and office equipment	4,505	5,100
Advance payments	490	72
	46,521	**51,331**

INVENTORIES

(in EUR tsd.)	Sept. 30, 2013	Sept. 30, 2012
Raw materials and supplies	26,949	25,877
Goods in process, work in progress	26,738	25,804
Finished goods, products	3,165	2,740
Advance payments	743	31
	57,595	**54,452**

ACCOUNTS RECEIVABLE

(in EUR tsd.)	Sept. 30, 2013	Sept. 30, 2012
Future receivables from non-current construction contracts	37,431	19,066
Accounts receivable	28,948	35,285
	66,379	**54,351**

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

(in EUR tsd.)	Sept. 30, 2013	Sept. 30, 2012
Manufacturing costs including outcome of the contract for noncurrent construction contracts	91,458	36,941
Minus advance payments received	–54,027	–17,875
	37,431	**19,066**

OTHER CURRENT RECEIVABLES

(in EUR tsd.)	Sept. 30, 2013	Sept. 30, 2012
Tax receivables (not income taxes)	2,751	2,942
Receivables, personnel	643	369
Other accruals and deferrals (primarily from insurance)	107	220
Other	1,671	1,388
	5,173	**4,919**

EQUITY

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

TREASURY SHARES

In the first nine months of 2013, the Manz Group purchased 70 of its own shares at an average price of EUR 24.38 per share (with a total value of EUR 2,000). These shares were transferred to long-term employees in recognition of their many years of service.

The company does not hold any treasury shares as at September 30, 2013.

CAPITAL STOCK

Capital stock totals EUR 4,480,054 (December 31, 2012: EUR 4,480,054) and comprises 4,480,054 registered, common, no-par shares. The face value of a no-par share is EUR 1.00.

There were no changes to the company's capital stock during the first nine months of 2013.

CAPITAL RESERVES

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

CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Other financial obligations and contingent liabilities have not undergone any significant changes compared to December 31, 2012.

RELATED PARTIES

Compared to December 31, 2012, the group of related companies and people has remained unchanged.

Between January 1 and September 30, 2013, Manz AG purchased laser systems with a value of EUR 4.892 million from the Trumpf Group. The managing director of the TRUMPF Group, Dr. Peter Leibinger, is also a member of Manz AG's Supervisory Board. As at September 30, 2013, Manz does not have any liabilities to the TRUMPF Group.

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

No further events occurred after the reporting date which could have an impact on our company's financial position and results of operations.

FURTHER INFORMATION

EMPLOYEES

On September 30, 2013, the Manz Group had an average of 1,801 employees (September 30, 2012: 1,923 employees).

MANAGING BOARD

Dieter Manz, Dipl.-Ing. (FH), CEO
Martin Hipp, Dipl.-Kaufmann, CFO

SUPERVISORY BOARD

Prof. Dr. Heiko Aurenz, Dipl. oec., Partner at Ebner Stolz Mönning Bachem Unternehmensberatung GmbH, Stuttgart (Chairman)

Dr.-Ing. E.h. Dipl.-Ing. Peter Leibinger, Managing Director of TRUMPF GmbH + Co. KG, Ditzingen (Deputy Chairman)
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 Karlsruhe Institute of Technology (KIT), Light Technology Institute, Faculty of Electrical Engineering and Information Technology

Reutlingen, November 8, 2013

The Managing Board of Manz AG

Dieter Manz
Chief Executive Officer

Martin Hipp

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the condensed interim consolidated financial statements give a true and fair view of the Manz Group's assets, liabilities, financial position, and profit or loss, and the Manz Group's interim management report includes a fair review of the trends and performance of the business and the position of the Group, as well as a description of the principal opportunities and risks associated with the Group's expected performance.

Reutlingen, November 8, 2013

The Managing Board of Manz AG

Dieter Manz
Chief Executive Officer

Martin Hipp

Our added value for every production line: maximum flexibility thanks to complete integration

Everything from one source, perfectly integrated and coordinated – Manz's measurement and testing technology guarantees maximum performance parameters and short development times, even with complex requirements. Our portfolio encompasses systems for optical control and electrical measurement, solutions for image recognition, integrated analysis instruments, and much more. Valuable services, such as studies conducted in a fully equipped laboratory, round out our complete offering in this field.

MEASUREMENT AND TESTING
OUR TRUMP: MAXIMUM PRECISION

IMPRINT

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