



Impulses

3-MONTH REPORT 2015

Manz AG at a glance

2015 Financial Calendar

July 7, 2015	2015 Annual Meeting of Shareholders
August 11, 2015	Publication of 2015 Q2 financial report
November 9, 2015	Publication of 2015 Q3 financial report
November 23–25, 2015	2015 German Equity Forum

Overview of Group Results

(in EUR million)	Jan. 1 to March 31, 2015	Jan. 1 to March 31, 2014	Change in %
Revenues	53.97	54.18	-0.39
Total operating revenues	59.64	51.03	+16.87
EBITDA	-6.35	0.23	n/a
EBITDA margin (in %)	n/a	0.45	n/a
EBIT	-9.44	-5.70	n/a
EBIT margin (in %)	n/a	n/a	n/a
EBT	-9.85	-6.17	n/a
Consolidated net profit (loss)	-10.24	-6.64	n/a
Earnings per share (in euros)	-2.08	-1.34	n/a
Operating cash flow	-8.18	-7.33	n/a
Cash flow from investing activities	-6.70	-2.13	n/a
Cash flow from investing activities	11.95	-16.00	n/a

	March 31, 2015	Dec. 31, 2014	Change in %
Total assets	273.83	253.58	+7.99
Equity	141.78	140.01	+1.26
Equity ratio (in %)	51.78	54.84	-3.06pp
Financial liabilities	43.72	32.30	+35.36
Liquid assets	21.29	23.15	-8.03
Net debt	22.48	9.19	+144.61

THE YEAR 2014

Manz AG impressively demonstrates its positioning as an established industry partner in the manufacture of smartphones and tablet PCs



March 28

Successful opening up of the market segment lithium-ion batteries for consumer electronics: largest single order in the Battery segment

With the acquisition of the mechanical engineering division of Kemet (formerly Arcotronics) Manz AG gears itself up in the Battery segment for the future



April 3

Manz AG returns to the TecDAX

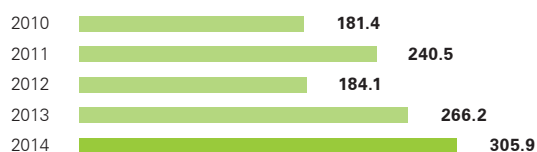


March 6

Federal Education Minister Wanke inaugurates the ZSW research platform for the industrial production of lithium-ion batteries – cell production technology will come from Manz

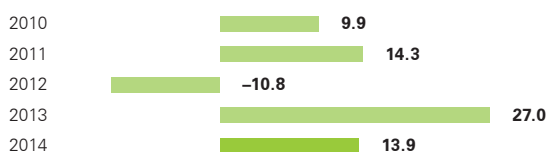
Revenues

(in EUR million)



EBITDA

(in EUR million)



EBIT

(in EUR million)



EBIT by Business Segments 2014

(in EUR million)



Strongest quarterly revenue in the company's history provides impressive confirmation of successful diversification

→  **August 14**

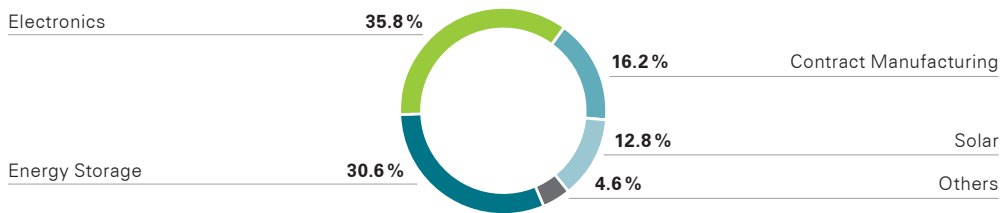
→  **June 10**

Manz AG benefits from trend toward automation in Asia with an order worth millions

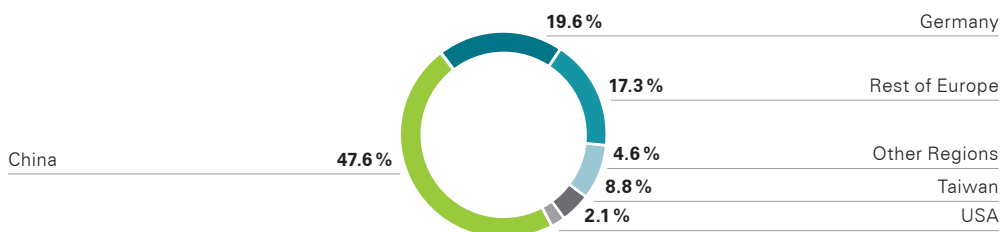
→  **August 19**

→  **September 29**

Revenues by Business Units January 1 to March 31, 2015



Revenues by Region January 1 to March 31, 2015



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, measurement technology, wet chemistry, and roll-to-roll, there are application opportunities for our solutions in numerous industries. Currently we are concentrating on research and development 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

Higher-performance displays, printed circuit boards and other core components for smartphones, laptops and tablet computers, more efficient lithium-ion batteries for stationary energy storage, e-mobility and consumer electronics, solar modules with the utmost efficiency: With our solutions, we set the pace for quickly establishing new technologies and products and producing them cost-effectively.

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 to create competitive advantages for our customers.



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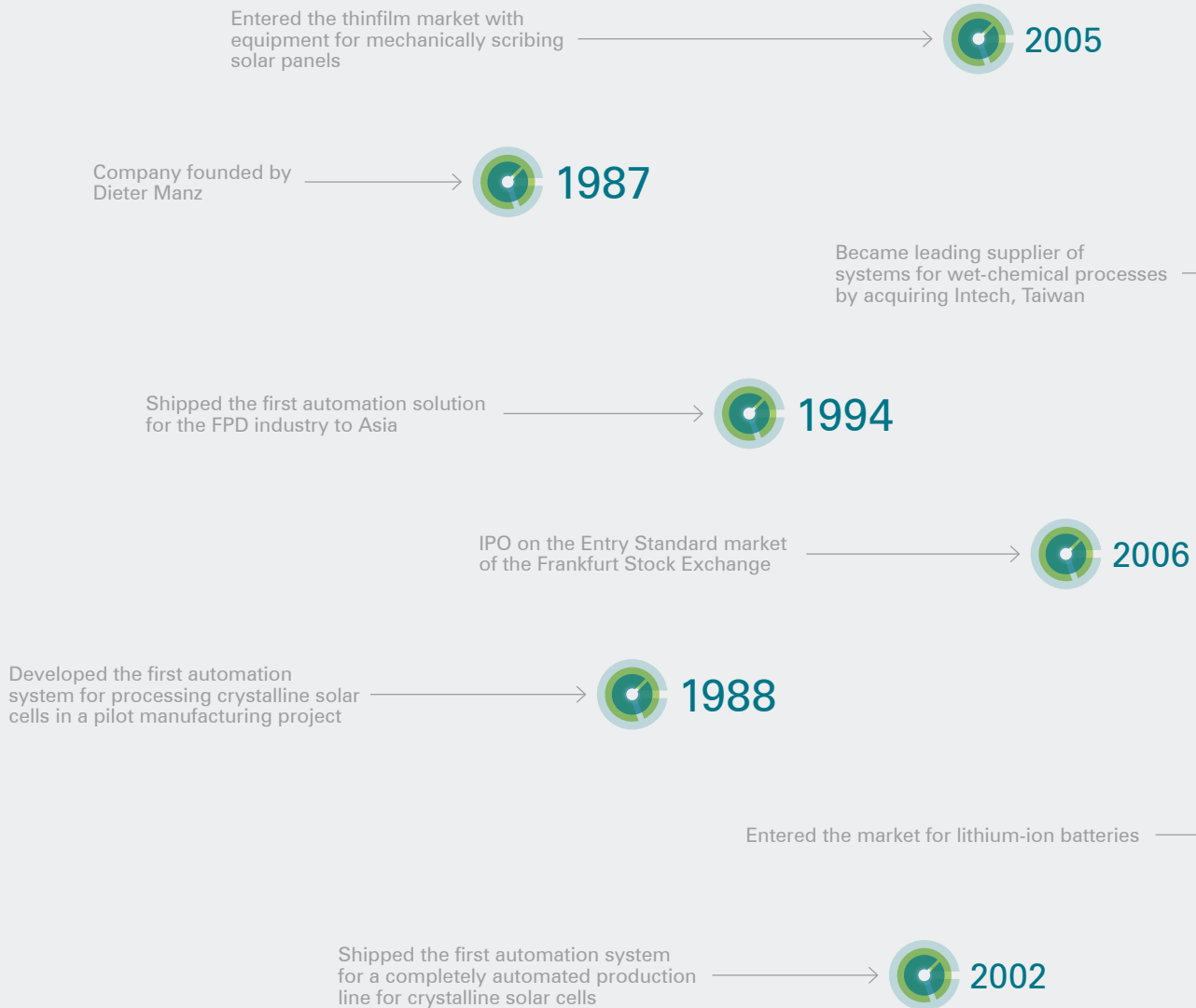
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THE HISTORY OF MANZ AG



1987

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

→  2014

→  2008

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

→
2014

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,

As we expected, our start to 2015 was strongly influenced by the volatility and the cyclical character of the growth markets in which we are active. The traditionally low order intake in the final quarter of 2014 therefore had a corresponding effect on our revenues and earnings in the first quarter of the current fiscal year.

Thus while revenues in the first quarter of 2015 at 54.0 million euros were at about the level of the previous year (previous year: 54.2 million euros), they did not completely meet our expectations. This is due among other things to the postponement of several major orders, which as a result will not have a positive impact on the key financial figures until subsequent quarters. With a reduction in inventories, total operating revenues rose as a result of an increase in capitalized R&D to 59.6 million euros (previous year: 51.0 million euros).

We took numerous measures already in the past year for further promoting sound corporate growth. In this context, intensified sales activities as well as the successful integration of Manz Italy led to higher personnel expenses. This development was intensified in part by unfavorable currency translation effects in conjunction with the Asian subsidiaries. As a result, earnings before interest, taxes, depreciation, and amortization (EBITDA) was –6.4 million euros in the first quarter of 2015 (previous year: 0.2 million euros). Earnings before interest and taxes (EBIT) amounted to –9.4 million euros, following –5.7 million euros in the first quarter of 2014.

To secure the medium-term and long-term success of our company, we will also continue in the future to be rigorous in our pursuit of cross-industry technology transfer, the diversification of our business model and the internationalization of our company. Our technology portfolio as well as the markets served are continually developing. We are taking this dynamic process into account with a partial reclassification and redesignation of our strategic business segments. In the business segment Electronics, we now bring together production solutions for the manufacture of LCD and OLED flatscreens and touch sensors as well as for the manufacture of Smartphones, tablet computers and notebooks and for printed circuit boards and chip carriers. We now report our business in equipment for the production of lithium-ion batteries (formerly the Battery business segment) in the new Energy Storage business segment, which also contains the business of Manz Italy, which was acquired in the past year, in equipment for the manufacture of capacitors. The Solar business segment continues without change to contain the activities in the area of single equipment for the manufacture of crystalline solar cells and thin-film solar modules as well as the CIGS thin-film technology.

Although we are still reporting negative operating earnings in the first quarter of 2015, we feel confident about the current 2015 fiscal year. The positive signals in all three business segments as well as the solid orders on hand, currently amounting to approximately 92 mil-



lion euros, provide an excellent basis for a very successful 2015 as a whole. Our optimism is not based solely on the dynamic development of incoming orders in our Energy Storage business segment in the first three months of the year. We also see great potential in the near term for further growth in our strategic target industries Electronics and Solar.

In the currently rapidly growing Energy Storage business segment, we are benefiting from the very successful integration of Manz Italy. With our technology portfolio unmatched the world over, we offer our customers production equipment for the manufacture of all current cell concepts. In the near term we see the strongest growth momentum coming from the market for consumer electronics; at the same time, e-mobility and the market for stationary energy storage are also noticeably gaining momentum. In the Electronics business segment, we are positioned as an established development partner of the industry. Our customers include leading manufacturers of Smartphones and tablet computers as well as their suppliers. At the same time we are expecting a recovery of the classic display market for flat screens beginning in the second half of 2015. And there are also signs of growth in the Solar segment. After years in which production capacities for solar cells and modules significantly exceeded demand, we are now seeing an increasing equilibrium in the market. Investment conditions thus are more promising than they have been for a long time, and we are convinced that we are on the verge of the next investment cycle. Therefore we are also expecting a significant increase in solar revenues in the current year of 2015.

In view of the positive outlook in our relevant target markets, we see good opportunities for growth in all three strategic divisions. Following the successful capital increase at the end of April 2015 and with liquid funds in the amount of around 62 million euros, we have sufficient financial leeway to be able to systematically take advantage of growth opportunities. We thus affirm the forecast for fiscal year 2015 with revenues between 320 million euros and 340 million euros with a very positive EBIT.

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 technology, thereby laying the foundation for our continued growth.

Reutlingen, in May 2015

The Managing Board



Dieter Manz



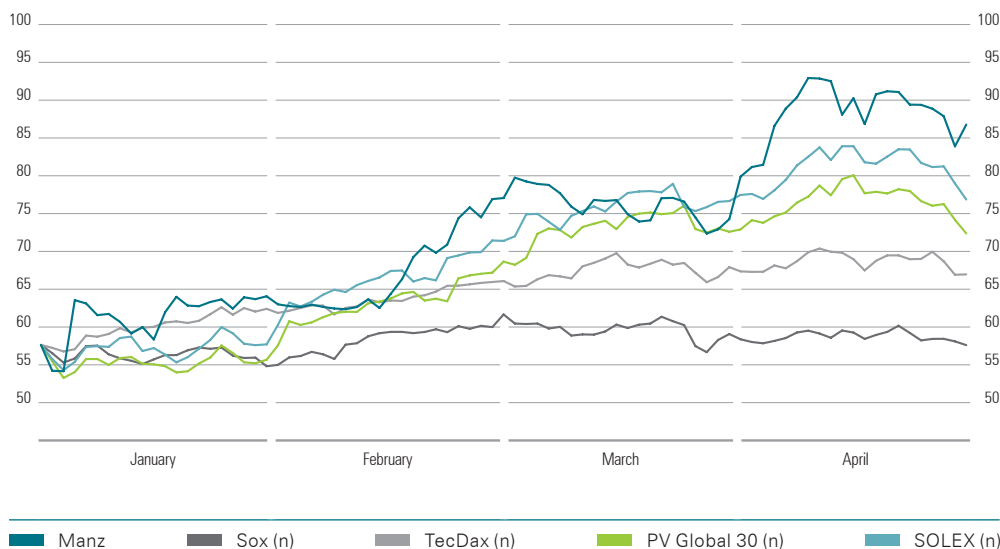
Martin Hipp

MANZ AG STOCK

PRICE PERFORMANCE (JANUARY 2, 2015 – APRIL 30, 2015)

The Manz stock began the 2015 fiscal year on January 2, 2015, with a closing price of 57.66 euros. Following a brief period of falling price at the beginning of the year, the stock 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 stock was able to rise strongly, and on March 3, 2015 was quoted at 79.84 euros. Following a consolidation phase, the stock cleared the next hurdle, and on April 10, 2015 achieved the high for the period under review of 93.06 euros. Then the stock again pulled back slightly, closing at 86.88 euros on April 30, 2015.

Chart Showing Manz AG Stock January 2 to April 30, 2015 (XETRA, in EUR)



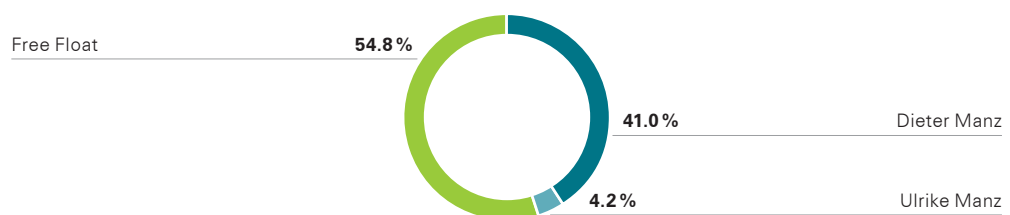
In the period under review, the Manz stock significantly outperformed the reference indices with a gain of 50.7%. While the solar industry indices World Solar Energy TR Index (SOLEX) of Société Générale and Photovoltaik Global 30 Index (PV Global 30) of Deutsche Börse AG had robust gains over the entire period of 33.4% and 25.6%, respectively, they were not able to keep pace with the performance of the Manz stock. The TecDAX, which gained around 16.2% in the first four months, was also significantly outperformed. The Semiconductor Sector Index (SOX) of the Philadelphia Stock Exchange closed at about the level of the beginning of the period.

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	4,928,059 EUR
IPO	September 22, 2006
Opening Price	19.00 EUR
Stock Price at the Beginning of the Reporting Period*	57.66 EUR
Stock Price as to April 30, 2015*	86.88 EUR
Change (in percent)	+50,68 %
Annual High	93.06 EUR
Annual Low	54.17 EUR

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

Currently at 54.8%, Manz AG has a large number of shares in free float and has a wide shareholder base. As of March 31, 2015, company founder and chairman of the Managing Board, Dieter Manz, holds a total of 41.0% of Manz's stock. In addition, Ulrike Manz holds 4.2% of the company's shares.

Shareholder Structure**2015 Financial Calendar**

July 7, 2015	2015 Annual Meeting of Shareholders
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November 23–25, 2015	2015 German Equity Forum

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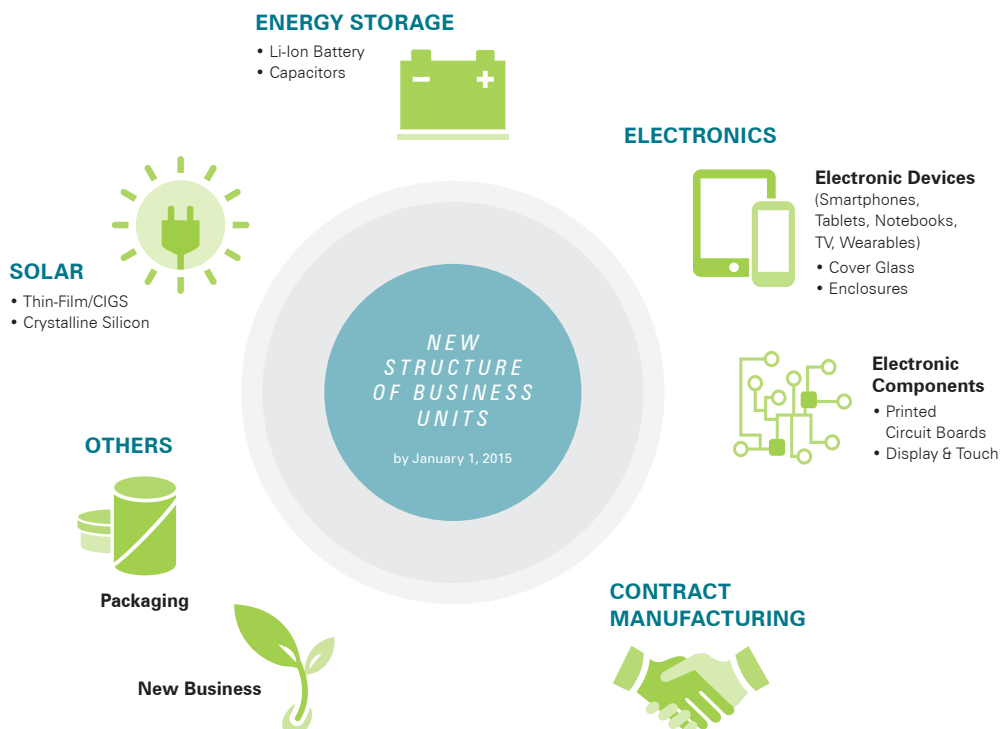
*GROUP INTERIM
MANAGEMENT REPORT*

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, measurement technology, 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.

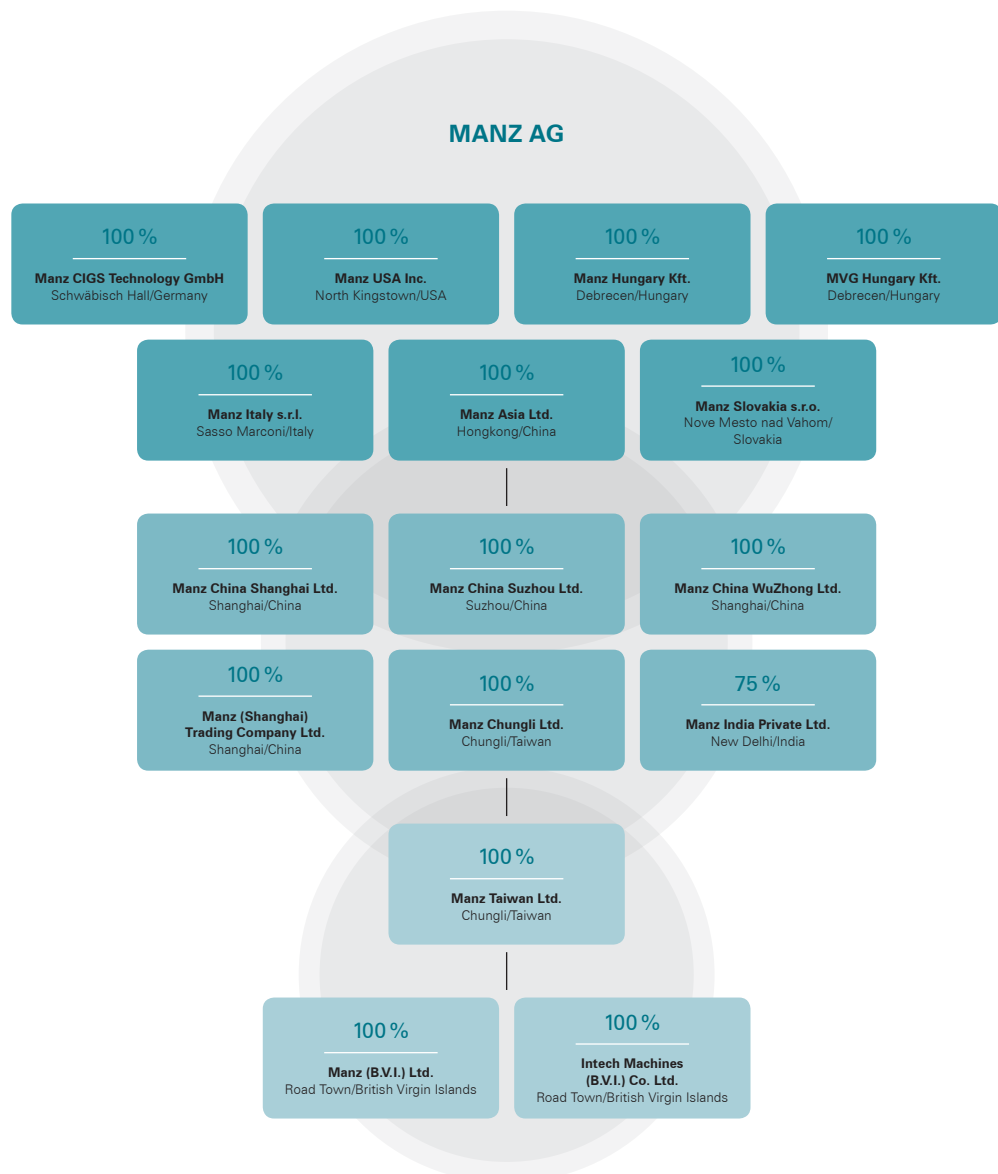
The technology portfolio as well as the target markets are continuously developing. For fiscal year 2015, Manz AG took into account this dynamic process with a partial reclassification and redesignation of the strategic business segments. Now contained in the business segment Electronics are activities in connection with the 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. Business in equipment for the production of lithium-ion batteries (formerly the Battery business segment) is now reported in the new Energy Storage business segment. Added to this is the business of Manz Italy, which was acquired in the past year, with equipment for the manufacture of condensers. 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 the 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. In the Others reporting segment, Manz works with new pioneering technologies such as lightweight design or fuel cells and reports on machine and plant construction for the manufacture of cardboard and film packaging products.

GROUP STRUCTURE AND HOLDINGS

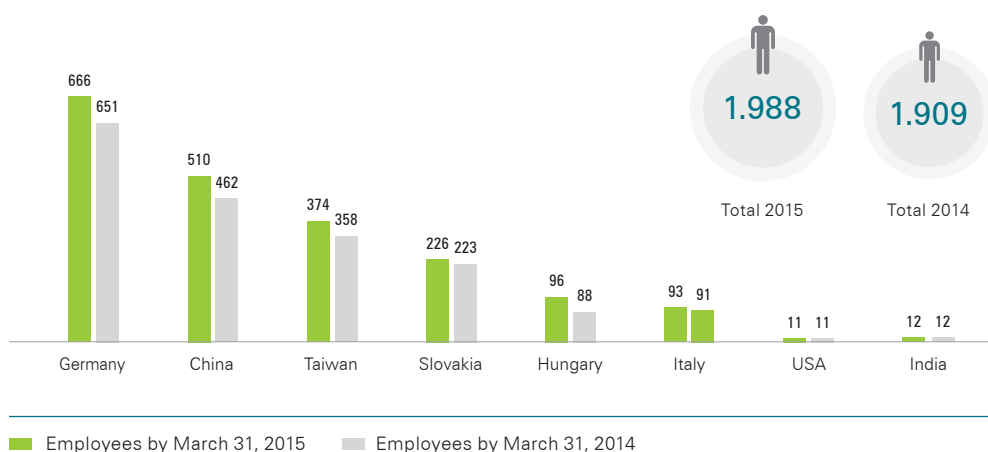
Altogether, 17 companies are included in Manz AG's consolidated financial statements as of March 31, 2015, and are therefore fully consolidated. On the reporting date, Manz AG, as the Group's parent company, held a 100% interest in six international subsidiaries and one domestic subsidiary located in Schwäbisch Hall. 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 March 31, 2015, the company employed a total workforce of 1,988 employees (previous year: 1,909) both in Germany and abroad, of which 666 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 510 employees, followed by Manz Taiwan Ltd. in Taiwan, with 374 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



Locations and Employees



LOCATIONS

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

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).

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 will also 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 15.2% in the reporting period (previous year: 7.5%). If we consider only capitalized development costs, the ratio of research costs to sales totals 9.8% (previous year: 2.9%). 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

In the opinion of the Kiel Institute for the World Economy (IfW), vibrancy in the global economy will strengthen in this and the following year. The rise in global production (GDP) will increase from 3.5% in the previous year to 3.7% and 4.0% in the years 2015 and 2016, respectively. Higher growth rates are to be expected above all for the advanced economies. Monetary policy continues to be very expansive, and the fallen oil price, according to the IfW, has a stimulating effect. In addition, the deleveraging processes in the private sector in the meantime are very far advanced in key countries. For the European Union, the economists of the IfW expect an increase in GDP of 1.7% for the year 2015; the 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 slightly lower growth of 7.0% 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 3.0% 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 9.0% in 2014 to 168.9 million square meters. For the current year of 2015, a growth in demand of 5.0% is forecast for these FPD applications. For the coming years as well, industry experts forecast continued growth: Up to the year 2020, the FPD demand is expected to increase to 223.6 square meters, with an average compound annual growth rate (CAGR) of 5.0%.

In terms of technologies, NPD DisplaySearch expects AMOLED technology to increase its market share in the medium term. In the near future, the costs of AMOLED displays will thus fall below those of LCD displays, due to improvements in production processes, and

make a corresponding contribution to the spread of this 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 the sales figures by around 11% to 259 million units. The experts from Gartner expect significant growth for the smartphone market in the coming years. According to a forecast of the marketing institute CSS Insight, in the coming years the smartphone market will continue to grow, but at a slower rate. 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 83.0% of the total cell phone market.

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. The ZVEI puts the 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 (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.

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 the leading technology. But the CIGS thin-film solar technology will also have increasing significance.

With its products, Manz AG offers the industry both efficiency gains and significant cost savings. With its unique know-how provided by the largest team of experts in the world, Manz AG focuses on CIGS thin-film technology. With the innovation line, which is unique throughout the industry, 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 intensively driving research and development in the area of CIGS. The goal is to carry the world record technology from the laboratory into mass production through exclusive access to the research results of the development partner ZSW: With 21.7% effectiveness, the ZSW holds the current world record for effectiveness over all thin-film solar technologies.

With the Manz CIGS*fab*, the company offers its customers a turnkey, fully integrated production line for the manufacture of CIGS thin-film solar modules. Already today the production costs of CIGS thin-film technology in a Manz CIGS*fab* are, depending on the location and size of the factory, significantly below the costs of today's still prevalent crystalline silicon solar technology. With CIGS*fab*, Manz thus offers the currently most profitable and efficient solar technology. The current efficiency of 14.6% in mass production (15.9% aperture efficiency) and a reliable technology roadmap for future increases of efficiency guarantee maximum investment security. Accordingly, 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 86.0% 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. 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, measurement technology, 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.

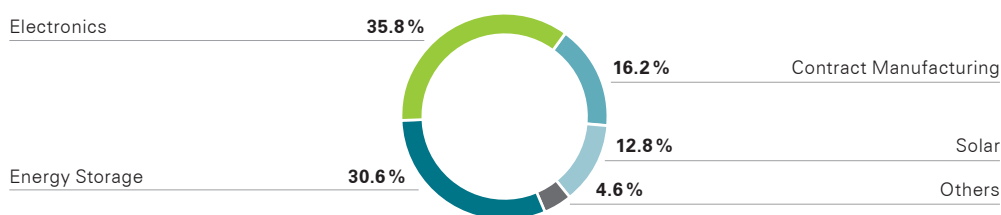
ANALYSIS OF FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CASH FLOWS

Financial Performance

Manz AG's financial performance in the first three 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. This reflects the seasonality of the Consumer Electronics market, which is important for Manz and develops cyclically depending on the respective launch dates of the end devices. Revenues in the reporting period amounted to 54.0 million euros, following 54.2 million euros in the same quarter in the previous year.

The Electronics segment accounted for the largest share of revenues in the reporting period, at 19.3 million euros or 35.8% (previous year: 29.6 million euros or 54.7%). The Solar segment generated around 6.9 million euros or 12.8% of Manz AG's total revenues in the first quarter of 2015 (previous year: 2.4 million euros or 4.5%). Energy Storage, the third segment, contributed 16.5 million euros or 30.6% to Group revenues in the form of equipment for producing lithium-ion batteries and capacitors (previous year: 1.2 million euros or 2.3%). The Contract Manufacturing reporting segment was responsible for revenue contribution of 8.7 million euros or 16.2% (previous year: 14.8 million euros or 27.3%). Revenues in the Others reporting segment totaled 2.5 million euros in first quarter of 2015, following 6.1 million euros in the prior-year period; that corresponds to a revenue share of 4.6% (previous year: 11.2%).

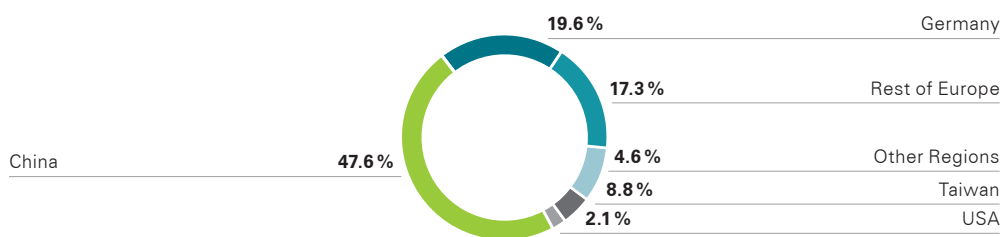
Revenues by Business Units January 1 to March 31, 2015



Manz AG revenues by region had the following distribution in the first three months of 2015: Taiwan and China accounted for the largest share of Manz AG's revenues, at 30.4 million euros or 56.4% (previous year: 30.1 million euros or 55.6%). In Germany, the company generated 10.6 million euros or 19.6% of total revenues (previous year: 5.2 million euros or 9.7%). Manz AG generated around 9.3 million euros or 17.3% of its revenues in the rest of Europe in the reporting period, following 15.0 million euros or 27.7% in the prior-year period. This includes revenues of 3.9 million euros from the battery segment of the Italian Kemet, which was acquired in April 2014 and has been consolidated as Manz Italy in the

Group since April 30, 2014. In the USA, the company achieved revenues of 1.1 million euros; this corresponds to a 2.1 % share of total revenues (previous year: 1.1 million euros or 2.0 %). Revenues in other regions worldwide amounted to 2.5 million euros or 4.6 % (previous year: 2.7 million euros or 4.9 %).

Revenues by Region January 1 to March 31, 2015



Based on revenues of 54.0 million euros, there was an overall enhancement of 0.4 million euros in inventories of finished goods and work in progress due to the reduction in storage capacities (previous year: -4.7 million euros). Own work capitalized, at 5.3 million euros, was above the prior-year level (previous year: 1.6 million euros). This increase is due to the positive market development and correspondingly more intensive development activities in the Battery segment as well as for the further development of CIGS thin-film solar technology. The Managing Board does not expect this trend of the first quarter to continue for the 2015 fiscal year, but rather that it will adjust on the average to the level of the previous year. This will result in gross revenue of 59.6 million euros (previous year: 51.0 million euros). Other operating income came to 1.1 million euros (previous year: 1.3 million euros) and primarily comprises subsidies for the development of technology. Material costs amounted to 34.4 million euros (previous year: 26.8 million euros) with the material cost ratio, at 57.6 %, being above the level of the previous year of 52.6 %. The reason for the increase in the ratio is a changed mix of products. Gross profit increased to 26.4 million euros, compared with 25.5 million euros in the previous year. Personnel expenses in the first quarter of 2015, at 20.7 million euros, were above the reference period in 2014 (previous year: 16.3 million euros), which was due to a slight expansion in personnel in the German and Asian locations as well as additional employees resulting from the acquisition of Manz Italy. 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 34.7 %, was above that of the previous year, when it stood at 31.9 %.

Other operating expenses increased to 12.1 million euros (previous year: 9.0 million euros) as a result of several factors. This increase is attributable in large part to the inclusion of Manz Italy, which was not contained in the comparable period. 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 -6.4 million euros (previous year: 0.2 million euros). Depre-

ciation and amortization in the 2015 reporting period, at 3.1 million euros, was significantly below the previous-year level (previous year: 5.9 million euros). This is due to the extraordinary depreciation taken on development costs, especially in the Solar segment, at the end of the year 2014. Overall, this results in operating earnings (EBIT) of –9.4 million euros (previous year: –5.7 million euros).

An analysis of the individual business segments shows that EBIT in the Electronics division was –5.1 million euros (previous year: +2.2 million euros). The Solar segment, however, posted negative EBIT of –3.8 million euros, following –8.4 million euros in the previous year. Operating earnings in the Energy Storage segment amounted to –0.3 million euros, following –1.2 million euros in the reference period of the previous year. The Contract Manufacturing reporting segment recorded an operating profit of +0.1 million euros (previous year: +1.1 million euros) and the Others segment recorded an operating profit of around –0.3 million euros after +0.5 million euros in the previous year.

After deduction of taxes on income, Manz AG's consolidated net loss for the first quarter of 2015 was –9.4 million euros (previous year: –5.7 million euros). Given a weighted average of 4,928,059 shares, that translates into earnings per share of –2.08 euros (previous year: –1.34 euros).

Financial Position

Total assets as of March 31, 2015 increased in comparison with the end of the 2014 year to 273.8 million euros (Dec. 31, 2014: 253.6 million euros). On the liabilities side, the company's equity came to 141.8 million euros. This increase compared with the December 31, 2014, reference date (December 31, 2014: 140.0 million euros) results from a decrease in retained earnings resulting from the net loss for the 2015 period and at the same time a significant increase in the amount resulting from currency translation at the foreign subsidiaries of 11.4 million euros to 24.3 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 51.8%, following 55.2% as of December 31, 2014.

Non-current liabilities increased from 36.4 million euros as of December 31, 2014 to 38.2 million euros as of the balance sheet date of March 31, 2015. This development was due to a rise in non-current financial liabilities to 23.7 million euros (December 31, 2014: 22.1 million euros) as a result of the reclassification of a loan obtained by Manz Slovakia. In the annual financial statements, this loan was still reflected in the current financial liabilities and in the new year is reflected under non-current financial liabilities. Pension provisions increased essentially as a result of the exchange-rate-related change in pension provisions at Manz Taiwan to 8.6 million euros (December 31, 2014: 8.4 million euros).

In addition, current liabilities increased significantly in comparison with the end of the 2014 fiscal year, to 94.0 million euros (December 31, 2014: 77.2 million euros). This is due among

other things to the full utilization of bank overdraft facilities by the Asian subsidiaries and thus is related to exchange rate effects; the current financial liabilities were 20.1 million euros as of March 31, 2015 (December 31, 2014: 10.2 million euros). Trade payables as of the end of the 2015 reporting period, at 42.9 million euros, were at the level of the end of the year 2014 (December 31, 2014: 42.3 million euros). Prepayments received increased significantly to 17.5 million euros (December 31, 2014: 10.6 million euros). As of March 31, 2015, other current provisions came to 4.2 million euros following 3.5 million euros as of the 2014 balance sheet date. Other liabilities of 7.2 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.

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 128.1 million euros as of March 31, 2015 is due to an increase in intangible assets. As of the end of the reporting period in 2015, intangible assets stood at 82.3 million euros (December 31, 2014: 74.7 million euros). This strong rise is due first to capitalized development costs and second to positive exchange rate effects in connection with the goodwill contained herein for Asian subsidiaries. At the same time, property, plant and equipment was up slightly: As of March 31, 2015, property, plant and equipment totaled 43.3 million euros, compared with 40.3 million euros at the end of the fiscal year 2014. This increase as well is attributable to positive exchange rate effects in the valuation of property, plant and equipment of the Asian subsidiaries.

As of March 31, 2015, current assets at 145.8 million euros were above the value at the 2014 balance sheet date of 136.2 million euros; inventories increased due to the positive growth in orders to 57.6 million euros (December 31, 2014: 48.3 million euros). At the same time, trade receivables at 58.8 million euros were at the level of the end of the year 2014 (December 31, 2014: 58.7 million euros). Other current receivables in the amount of 8.0 million euros as of March 31, 2015 (December 31, 2014: 5.9 million euros) were critically influenced by the increase in the value-added tax receivable. At the same time, liquid funds declined to 21.3 million euros (December 31, 2014: 23.2 million euros); this was due to an increase in working capital in connection with the improved order situation.

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), a negative cash flow totaling –5.9 million euros resulted in the first quarter of 2015 (previous year: 0.6 million euros). With negative operating earnings (EBIT) of 9.4 million euros, adding back the depreciation, amortization and write-offs on fixed assets in the amount of 3.1 million euros (previous year: 5.9 million euros) and an increase in pension provisions and other non-current provisions in the amount of 0.4 million euros (previous year: 0.3 million euros) results in a negative cash flow. Cash flow from operating activities for the 2015 reporting period amounted to –8.2 million euros (previous year: –7.3 million euros). This development was mainly attributable to the increase in inventory items, trade receivables and other as-

sets, and a corresponding cash inflow of –19.6 million euros (previous year: –5.2 million euros). The increase in trade payables and other liabilities, with cash inflows of 18.1 million euros (previous year: –2.3 million euros), also had an impact here.

Following a cash flow from investing activities of –2.2 million in the same period in the previous year (2014), there was a cash outflow of –6.7 million for the 2015 reporting period. This is attributable to investments in intangible assets and property, plant and equipment, primarily in development activities. In terms of segments, the Solar division accounted for investment of 2.5 million euros (previous year: –1.0 million euros), the Electronics division of 1.0 million euros (previous year: 0.4 million euros) and the Energy Storage division of 2.2 million euros (previous year: 0.6 million euros). A figure of 0.9 million euros (previous year: 0.1 million euros) was invested in the other segments in the 2015 reporting period.

Cash flow from financing activities in the 2015 reporting period amounted to 11.9 million euros, following a cash inflow of –16.0 million in the previous year of 2014. The reason for this is the use of overdraft facilities by the Asian subsidiaries in the amount of 12.7 million euros in the reporting period. At the same time, Manz AG recorded an outflow of funds amounting to 0.8 million euros as a result of repayment of non-current loans.

If exchange rate changes are taken into account, Manz AG therefore had liquid funds totaling 21.3 million euros as of March 31, 2015 (March 31, 2014: 38.6 million euros). Unused credit lines with banks as of the balance sheet date of March 31, 2015, come to 122.6 million euros (previous year: 88.1 million euros).

Overall Assertion

Group revenues in the 2015 reporting period came to 54.0 million euros and thus were at about the level of the previous year of 54.2 million euros. The Managing Board considers the revenue trend in the first quarter of 2015 in comparison with the prior year to be not satisfactory and is attributable to the overall unsatisfactory development of cash flows. In operating business, Manz achieved earnings before interest, taxes, depreciation and amortization (EBITDA) of –6.4 million euros (previous year: 0.2 million euros) and earnings before interest and taxes (EBIT) of –9.4 million euros (previous year: –5.7 million euros). Liquid funds came to 21.3 million euros with a net indebtedness of 22.5 million euros, while the equity ratio as of March 31, 2015 was 51.8%. The value of orders on hand as of the end of the reporting period was 91.7 million euros. Following the successful capital increase on April 29, 2015 (also see Events after the Balance Sheet Date), Manz AG, with liquid funds in the amount of around 62 million euros, has sufficient financial leeway to be able to systematically take advantage of growth opportunities for the company.

EVENTS AFTER THE BALANCE SHEET DATE

On April 29, 2015, Manz AG successfully concluded the capital increase resolved on April 28, 2015. The issue price was set at 85.00 euros per new share. A total of 492,805 new shares were placed with qualified investors by way of an accelerated placement process. Capital stock of Manz AG thus was raised by 492,805 euros from 4,928,059 euros to 5,420,864 euros against cash contributions with exclusion of shareholders' subscription rights. The company realized gross issue proceeds in the amount of around 41.9 million euros from the capital increase. The proceeds will be used to finance additional internal and external growth of the company. Currently, Manz AG is examining possible options for further strengthening its technology portfolio through acquisitions. The new shares will participate in profits beginning January 1, 2014, and were included on May 4, 2015, in the existing listing in the Prime Standard of the Frankfurt Stock Exchange.

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

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.

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 7.0% is expected. At the same time, experts from the Kiel Institute for the World Economy also expect the global economy to perform positively, at 3.7%, in 2015. Given the anticipated economic market forecasts, we see good framework 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.

Like the technology portfolio of Manz AG, our target markets are also developing steadily. Manz AG is taking this dynamic process into account and has in part reorganized and renamed the strategic business segments. As a result of the partial reorganization of the former business segments, the forecasts for the individual segments Electronics, Solar and Energy Storage can deviate from the values at the segment level communicated in the past. This effect at the segment level, however, does not affect the overall forecast of the company.

For the current 2015 fiscal year, we expect operating activities in our Electronics segment to continue to show stable development. The increasing use of electronic devices in everyday life, the increased penetration rate of communication applications and the sustained 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 lead to new and replacement investments by the consumer electronics industry in assembly and produc-

tion 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. Although 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, for 2015 we expect total revenues in the Electronics business segment at the level of the previous year, with the EBIT margin remaining constant. The value of orders on hand in the Electronics business segment was at 45.8 million euros as of March 31, 2015 (previous year: 48.5 million euros).

In view of the steadily growing end-customer demand for solar modules, we feel cautiously positive with respect 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. The sale of a CIGS*fab* would once again significantly accelerate revenue growth and depending on the amount and the timing of the order would lead to positive operating earnings in the current 2015 fiscal year. The value of orders on hand as of March 31, 2015 was 2.3 million euros (previous year: 9.2 million euros).

We also expect to see very positive momentum in our third business segment, Energy Storage. With our production systems 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 in particular from customers in the Consumer Electronics segment but investments in production capacities for e-mobility are also demonstrating a 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 March 31, 2015 was 36.9 million euros (previous year: 5.0 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, we expect to see a further improved, positive cash flow from operating activities in the current 2015 fiscal year.

OVERALL ASSERTION ON THE COMPANY'S FUTURE DEVELOPMENT

Owing to the positive prospects in the Electronics and Energy Storage segments and orders on hand of around 91.7 million euros as of March 31, 2015, we expect a positive performance for the current fiscal year. We consider the industry outlook in all three strategic business segments to be thoroughly positive. Therefore, Manz is expecting revenues between 320 million euros and 340 million euros for the current 2015 fiscal year with a very positive EBIT. The sale of a CIGS*fab*, depending on the amount and the timing of the order, would additionally have a significant positive effect on revenues and earnings.

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.

» Constant technological innovation, especially with smartphones, tablet computers or touch-capable laptops, is driving the Consumer Electronics market forward. Of course, as a high-tech equipment manufacturer, this plays into our hands.«

Dieter Manz, CEO



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*CONSOLIDATED INTERIM
FINANCIAL STATEMENT*

CONSOLIDATED INCOME STATEMENT

(in EUR tsd.)

	Jan. 1 to March 31, 2015	Jan. 1 to March 31, 2014
Revenues	53,971	54,180
Inventory changes, finished and unfinished goods	408	-4,743
Work performed by the entity and capitalized	5,263	1,588
Total operating revenues	59,642	51,025
Other operating income	1,140	1,281
Cost of materials	-34,362	-26,844
Gross profit	26,420	25,462
Personnel expenses	-20,719	-16,272
Other operating expenses	-12,052	-8,963
EBITDA	-6,351	227
Amortization/depreciation	-3,084	-5,927
Operating earnings (EBIT)	-9,435	-5,700
Finance income	11	167
Finance costs	-426	-640
Earnings before taxes (EBT)	-9,850	-6,173
Income taxes	-393	-464
Consolidated profit or loss	-10,243	-6,637
of which attributable to minority interests	-11	-34
of which attributable to shareholders of Manz AG	-10,232	-6,603
Weighted average number of shares	4,928,059	4,928,059
Earnings per share (diluted = undiluted) in EUR per share	-2,08	-1,34

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in EUR tsd.)

	Jan. 1 to March 31, 2015	Jan. 1 to March 31, 2014
Consolidated profit or loss	-10,243	-6,637
Difference resulting from currency translation	12,217	-4,005
Cash flow hedges	-10	40
Tax effect resulting from components not recognized in profit/loss	2	-9
Total of expenditures and income recorded directly in equity with future reclassification with tax effect	12,209	-3,974
Revaluation of defined benefit pension plans	-296	12
Tax effect resulting from components not recognized in profit/loss	78	-3
Total of expenditures and income recorded directly in equity without future reclassification with tax effect	-218	9
Consolidated comprehensive income	1,748	-10,602
of which minority interests	-6	-64
of which shareholders of Manz AG	1,754	-10,538

CONSOLIDATED BALANCE SHEET

ASSETS (in EUR tsd.)

	March 31, 2015	Dec. 31, 2014
Non-current assets		
Intangible assets	82,257	74,740
Property, plant, and equipment	43,325	40,266
Deferred taxes	1,739	1,746
Other non-current assets	756	674
	128,077	117,426
Current assets		
Inventories	57,580	48,321
Trade receivables	58,838	58,708
Income tax receivables	114	82
Derivative financial instruments	12	6
Other current receivables	7,921	5,886
Liquid funds	21,286	23,153
	145,751	136,156
Total assets	273,828	253,582

LIABILITIES AND SHAREHOLDERS' EQUITY
(in EUR tsd.)

	March 31, 2015	Dec. 31, 2014
Equity		
Issued capital	4,928	4,928
Retained earnings	103,833	103,817
Revenue reserves	8,643	19,101
Currency translation	24,340	12,128
Shareholders of Manz AG	141,744	139,974
Minority Interests	33	39
	141,777	140,013
Non-current liabilities		
Non-current financial liabilities	23,673	22,118
Non-current deferred investment grants	114	118
Financial liabilities from leases	22	24
Pension provisions	8,635	8,431
Other non-current provisions	3,755	3,552
Other non-current liabilities	0	0
Deferred taxes	1,959	2,109
	38,158	36,352
Current liabilities		
Current financial liabilities	20,046	10,179
Trade payables	42,885	42,314
Payments received	17,520	10,555
Income tax liabilities	1,911	2,150
Other current provisions	4,247	3,514
Derivative financial instruments	51	184
Other liabilities	7,213	8,297
Financial liabilities from leasing	20	24
	93,893	77,217
Total liabilities and shareholders' equity	273,828	253,582

CONSOLIDATED CASH FLOW STATEMENT

(in EUR tsd.)

	Jan. 1 to March 31, 2015	Jan. 1 to March 31, 2014
Cash flow from operating activities		
Operating earnings (EBIT)	-9,435	-5,700
Depreciation / amortization of fixed assets	3,084	5,927
Increase (+) / decrease (-) in pension provisions and other non-current provisions	407	348
Other non-cash income (-) and expenses (+)	16	0
Cash flow	-5,928	575
Gains (+) / losses (-) from disposals of assets	0	-4
Increase (-) / decrease (+) in inventories, trade receivables and other assets	-19,554	-5,203
Increase (+) / decrease (-) in trade payables and other liabilities	18,065	-2,286
Income tax received (+)/paid	-404	0
Interest paid	-369	-583
Interest received	10	167
Cash flow from operating activities	-8,180	-7,334
Cash flow from investing activities		
Cash receipts from the sale of fixed assets	6	44
Cash payments for investments in intangible assets and property, plant and equipment	-6,706	-2,178
Cash flow from investing activities	-6,700	-2,134
Cash flow from financing activities		
Cash payments for repayment of long-term borrowings	-761	-763
Change in bank overdrafts	12,716	-15,236
Purchase of treasury shares	0	-2
Cash payments for the repayment of financial leases	-8	-2
Cash flow from financing activities	11,947	-16,003
Cash and cash equivalents at the end of the period		
Net change in cash funds (subtotal 1 – 3)	-2,933	-25,471
Effect of exchange rate movements on cash and cash equivalents	1,066	-607
Cash and cash equivalents on January 1	23,153	64,666
Cash and cash equivalents on March 31	21,286	38,588
Composition of cash and cash equivalents		
Liquid funds	21,286	38,588
Cash and cash equivalents on March 31	21,286	38,588

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	0	58,311	-1,129	-2	7,050	172,980	2,058	175,038
Total comprehensive income				-6,603	9	31	-3,975	-10,538	-64	-10,602
Purchase of treasury shares			-2					-2		-2
Use of treasury shares			2					2		2
Share-based compensation		28		0				28		28
As of March 31, 2014	4,928	103,850	0	51,708	-1,120	29	3,075	162,470	1,994	164,464
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				-10,232	-218	-8	12,212	1,754	-6	1,748
Purchase of treasury shares			0					0		0
Use of treasury shares			0					0		0
Share-based compensation		16		0				16		16
As of March 31, 2015	4,928	103,833	0	10,744	-2,058	-43	24,340	141,744	33	141,777

SEGMENT REPORTING FOR DIVISIONS

As of March 31, 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 2014	2,432		-4,640	-8,362	104,259	18,367	85,892	1,006	3,603	287
Q2 2015	6,938		-2,448	-3,806	64,719	17,560	47,159	2,491	1,276	280
Electronics										
Q1 2014	29,626		3,102	2,234	92,677	37,372	55,305	389	1,020	891
Q2 2015	19,308		-4,144	-5,114	91,647	50,556	41,091	950	674	996
Energy Storage										
Q1 2014	1,231		-836	-1,164	12,389	3,033	9,356	637	307	52
Q2 2015	16,490		52	-301	44,969	13,653	31,316	2,171	315	127
Contract Manufacturing										
Q1 2014	14,816		1,626	1,080	19,985	17,175	2,810	27	134	105
Q2 2015	8,731		242	111	17,984	13,112	4,872	35	102	98
Others										
Q1 2014	6,075	1,826	823	512	12,305	10,726	1,579	47	259	126
Q2 2015	2,504	1,036	-53	-325	7,697	6,128	1,569	864	240	108
Central functions										
Q1 2014	0		0	0	53,504	43,982	9,522	72	604	312
Q2 2015	0	0			46,812	31,192	15,620	195	477	328
Consolidation/Other										
Q1 2014	0	-1,826	0	0	0	0	0	0	0	0
Q2 2015		-1,036								
Group										
Q1 2014	54,180	0	75	-5,700	295,119	130,655	164,464	2,178	5,927	1,773
Q2 2015	53,971	0	-6,351	-9,435	273,828	132,201	141,627	6,706	3,084	1,937

SEGMENT REPORTING FOR REGIONS

As of March 31, 2015

(in EUR tsd.)	Third-party revenues by customer location	Non-current assets (without deferred taxes)
Germany		
Q1 2014	5.241	75.244
Q2 2015	10.574	48.129
Rest of Europe		
Q1 2014	15.023	10.724
Q2 2015	9.329	18.966
China		
Q1 2014	28.612	13.981
Q2 2015	25.699	19.450
Taiwan		
Q1 2014	1.543	32.472
Q2 2015	4.734	38.954
Rest of Asia		
Q1 2014	1.871	3
Q2 2015	2.076	13
USA		
Q1 2014	1.106	61
Q2 2015	1.130	64
Other Regions		
Q1 2014	784	318
Q2 2015	429	762
Group		
Q1 2014	54.180	132.803
Q2 2015	53.971	126.338

d

NOTES

BASIC PRINCIPLES

The consolidated interim financial statements as of March 31, 2015 have been prepared according to the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London, which are endorsed by the European Union, and in line with 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.

The accounting policies applied to the consolidated interim financial statements as of March 31, 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.

EXCHANGE RATES OF THE MOST IMPORTANT CURRENCIES

(in EUR)		Closing rates		Average rate	
		March 31, 2015	March 31, 2014	Jan. 1 to March 31, 2015	Jan. 1 to March 31, 2014
USA	USD	1.0852	1.2156	1.1287	1.3705
Taiwan	TWD	33.8957	38.6350	35.6648	41.5787
Hong-Kong	HKD	8.4154	9.4316	8.7577	10.6439
China	CNY	6.6544	7.4804	6.9447	8.3873
Hungary	HUF	300.0680	315.0810	309.3080	307.8739

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 %
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 China WuZhong Co. Ltd. ¹⁾	Suzhou/China	100.0 %
Manz China Suzhou Ltd. ¹⁾	Suzhou/China	100.0 %
Manz (Shanghai) Trading Company Ltd. ¹⁾	Shanghai/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.

KEY EVENTS IN THE REPORTING PERIOD

With respect to revenues, the Manz Group in the first quarter of 2015 at 54.0 million euros is almost at the level of the previous year of 54.2 million euros. Total operating revenues increased by 16.9% to 59.6 million euros.

Earnings before interest and taxes (EBIT) declined from –5.7 million euros to –9.4 million euros compared with the same period in the previous year.

NOTES ON INDIVIDUAL ITEMS IN THE INCOME STATEMENT

OTHER OPERATING INCOME

(in EUR tsd.)	March 31, 2015	March 31, 2014
Exchange rate gains	449	117
Income from the reversal of provisions	10	23
Income from the reduction of provisions	0	288
Income from the sale of investments	0	4
Subsidies	174	184
Changes to valuation allowances on receivables	75	1
Other	432	664
	1,140	1,281

COST OF MATERIALS

(in EUR tsd.)	March 31, 2015	March 31, 2014
Cost of raw materials, consumables and supplies and of purchased merchandise	31,194	25,095
Cost of purchased services	3,168	1,749
	34,362	26,844

OTHER OPERATING EXPENSES

(in EUR tsd.)	March 31, 2015	March 31, 2014
Rents and leasing	1,447	1,372
Other operating costs	810	810
Commissions	192	248
Other personnel expenses	397	277
IT costs	481	389
Advertising and travel expenses	2,214	1,719
Outgoing freight, packaging	602	673
Legal and consulting costs	534	572
Insurance policies	258	225
Licensing fees	243	223
Exchange rate losses	992	505
Losses on receivables	52	471
Changes to valuation allowances on receivables	0	27
Other	3,830	1,452
	12,052	8,963

INCOME TAXES

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

Income taxes consist of the following items:

(in EUR tsd.)	March 31, 2015	March 31, 2014
Current tax expense/income (–)	137	426
Deferred tax expense/income (–)	256	38
	393	464

NOTES ON INDIVIDUAL ITEMS IN THE BALANCE SHEET

INTANGIBLE ASSETS

(in EUR tsd.)	March 31, 2015	Dec. 31, 2014
Licenses, software and similar rights, and assets	22,206	23,480
Capitalized development costs	20,130	14,764
Goodwill	39,873	36,495
Prepayments	48	1
	82,257	74,740

The increase in goodwill is entirely due to currency effects.

PROPERTY, PLANT AND EQUIPMENT

(in EUR tsd.)	March 31, 2015	Dec. 31, 2014
Land and buildings, including buildings on third-party land	29,458	26,943
Technical equipment and machinery	7,037	7,491
Other equipment, operating and office equipment	5,531	5,401
Prepayments	1,299	431
	43,325	40,266

INVENTORIES

(in EUR tsd.)	March 31, 2015	Dec. 31, 2014
Raw materials, consumables and supplies	24,712	21,284
Work in progress	24,537	24,066
Finished goods and merchandise	1,083	725
Prepayments	7,248	2,246
	57,580	48,321

TRADE RECEIVABLES

(in EUR tsd.)	March 31, 2015	Dec. 31, 2014
Future receivables from construction contracts	30,573	25,695
Trade receivables	28,265	33,013
	58,838	58,708

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

(in EUR tsd.)	March 31, 2015	Dec. 31, 2014
Manufacturing costs, including outcome of the contract, of construction contracts	85,187	76,252
Minus advances received	-54,614	-50,557
	30,573	25,695

OTHER CURRENT RECEIVABLES

(in EUR tsd,)	March 31, 2015	March 31, 2014
Tax receivables (not income taxes)	3,500	3,337
Personnel receivables	1,216	1,001
Other accruals (primarily insurance policies)	489	360
Other	2,716	1,188
	7,921	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

Manz AG's issued capital is valued at 4.928.059 euros (December 31, 2014: 4.928.059 euros) and is divided into 4.928.059 registered, no-par value bearer shares. The nominal value of each share is thus 1,00 euro.

There were no changes to issued capital in the first three months of 2015.

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).

The increase of 16 thousand euros in the first three months of 2015 relates to the allocation from share-based compensation (Manz Performance Share Plan).

TREASURY SHARES

In the first three months, the Manz Group purchased 1 treasury share at a price of 79.92 euros per share, which was transferred to an employee in the context of jubilee benefits and profit participation schemes.

As of March 31, 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.

Carrying Amounts by Measurement Category 2015

(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 March 31, 2015
Assets as of March 31, 2015					
Other non-current assets	756	756	–	–	756
Trade receivables	58,838	28,265	–	30,573	58,838
Derivative financial instruments	12	–	12	–	12
Other current receivables	7,921	4,421	–	3,500	7,921
Liquid funds	21,286	21,286	–	–	21,286
	88,813	54,728	12	34,073	88,813

Carrying Amounts by Measurement Category 2015

(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 March 31, 2015
Liabilities as of March 31, 2015						
Financial liabilities	43,554	43,554	–	–	–	43,719
Financial liabilities from leases	46	–	42	–	–	42
Trade payables	42,885	42,885	–	–	–	42,885
Derivative financial instruments	51	–	–	51	–	51
Other liabilities	7213	3469	–	–	3,744	7213
	93,749	89,908	42	51	3,744	93,910

Carrying Amounts by Measurement Category 2014

(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 2014

(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

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 March 31, 2015, derivative financial instruments disclosed in current assets with a value of 12 thousand euros (previous year: 6 thousand euros), as well as derivative financial instruments disclosed in current liabilities with a value of 51 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 March 31, 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 March 31, 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 12/31/2014.

RELATED PARTIES

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

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

Successful execution of a capital increase on April 29, 2015. The placement price was set at 85.00 euros per new share. A total of 492,805 new shares were placed. Capital stock of Manz AG thus increased by 492,805 euros from 4,928,059 euros to 5,420,864 euros in exchange for cash contributions and with exclusion of shareholders' subscription rights. In addition, 100,000 shares from the holdings of principal shareholder and Chairman of the Managing Board Dieter Manz were placed.

The company realized gross issue proceeds from the capital increase in the amount of around 41.9 million euros. The proceeds will be used to finance additional internal and external growth of the company.

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 March 31, 2015, the Manz Group had an average of 1.937 employees (March 31, 2014: 1.773 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 Management Consultants GmbH, Stuttgart, Chairman

Dr.-Ing. E.h. Dipl.-Ing. Peter Leibinger, Managing Director of TRUMPF Laser GmbH, Ditzingen, Vice 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 Karlsruher Institute of Technology (KIT), Light Technology Institute, Faculty of Electrical Engineering and Information Technology

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, May 12, 2015

The Managing Board of Manz AG



Dieter Manz



Martin Hipp

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