



Impulses

REPORT FOR THE
FIRST THREE MONTHS OF 2017

MANZ AG AT A GLANCE

Overview of Consolidated Results

(in million euros)	January 1 to March 31, 2017	January 1 to March 31, 2016
Revenues	47.6	64.5
Total operating revenues	51.4	66.4
EBITDA	23.2	0.9
EBITDA margin (in %)	45.1	1.3
EBIT	20.0	-2.5
EBIT margin (in %)	39.0	n/a
EBT	19.5	-3.2
Consolidated profit or loss	18.8	-3.2
Earnings per share (in euros)	2.43	-0.6
Cash flow from operating activities	1.0	1.2
Cash flow from investing activities	-3.6	-2.9
Cash flow from financing activities	-0.6	-6.0

2017 Financial Calendar

July 4, 2017

August 10, 2017

November 14, 2017

2017 Annual General Meeting

Publication of 2017 6-Month Report

Publication of the Report for the first 9 Months of 2017

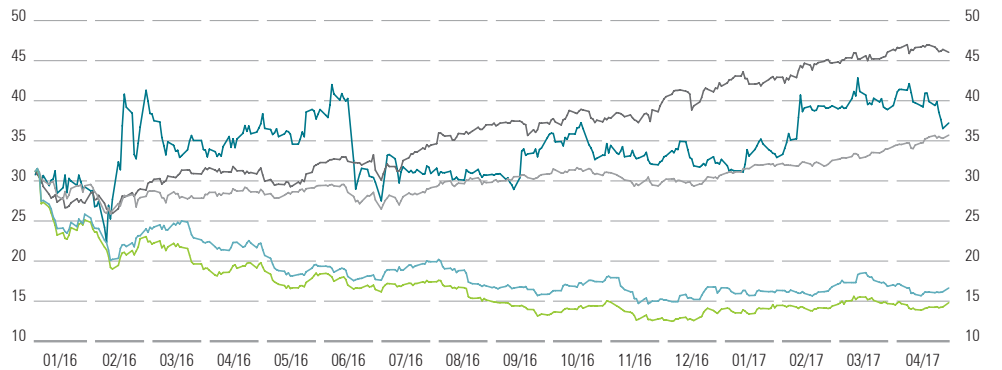
MANZ AG STOCK

Stock Key Data and Performance Indicators January 1 to March 31, 2017

Ticker/ISIN	M5Z/DE000A0JQ5U3
Capital stock	7,744,088
Closing price (March 31, 2017)*	39.245 euros
Annual high/Annual low*	42.93 euros/33.00 euros
Market performance – absolute	+17.15 %
Market performance – TecDAX	+10.82 %
Market capitalization (March 31, 2017)	303.92 million euros

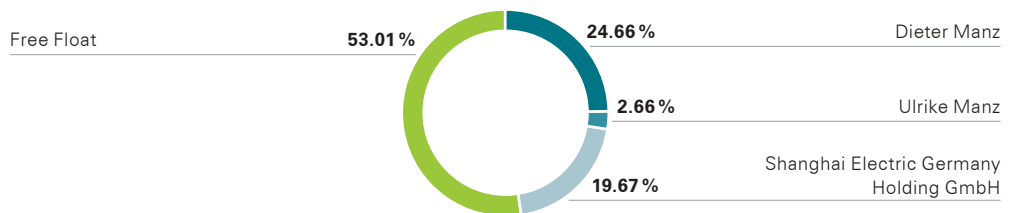
* Closing prices on Deutsche Börse AG's XETRA trading system

Chart Showing Manz AG Stock (XETRA, in EUR)



Manz Sox (n) TecDax (n) PV Global 30 (n) SOLEX (n)

Shareholder Structure



FOREWORD OF THE MANAGING BOARD

Dear Shareholders,

The first three months of the 2017 fiscal year were dominated by the January contract closing for the strategic cooperation with the Shanghai Electric Group and the Shenhua Group in the area of the CIGS technology. In this context, Manz AG received two large orders, one for a CIGS production line with a capacity of 306 MW, and one for a CIGS research line with a capacity of 44 MW. With a total order volume of 263 million euros, these are the largest orders in the company's history.

This important step for our company was finalized once all of the official approvals were granted. Manz AG expects to receive the agreed downpayment of 79 million euros for the CIGS orders as well as the start of the project in May.

In addition to the strategic cooperation in the solar segment, we have also identified good growth perspectives in the other business units Electronics, Energy Storage and Contract Manufacturing, which form the basis for positive business developments in the year 2017. Revenues declined by 26.2% to 47.6 million euros due to the expected weak performance in the first quarter of 2017 (previous year: 64.5 million euros). However, the significant difference from the previous year is mainly due to the exceptionally high contribution to revenues by the Energy Storage business segment due to the processing of a large order in the first quarter of 2016. Looking at our forecast of a significant increase in revenues to at least 350 million euros and positive earnings before interest and taxes, we strongly believe that the Manz Group continues to be on target.

The strategic cooperation with the Shanghai Electric Group and the Shenhua Group in the solar segment has created the foundation for sustained and profitable development of our business, which provides the company with immense growth and revenue potential for the future. In this way, Manz AG is leaving the difficult 2015 and 2016 fiscal years behind, and has opened up a new chapter in the company's history. Against this background, Dieter Manz intends to be elected to the Supervisory Board at the regular Annual General Meeting on July 4, 2017, and to resign from the company's Managing Board. Management of Manz AG will be transferred into the hands of an experienced management team. In this context, Eckhard Hörner-Marass, the current Chief Technology Officer, will assume the duties of the Chief Executive Officer.

The Managing Board



Dieter Manz



Eckhard Hörner-Marass



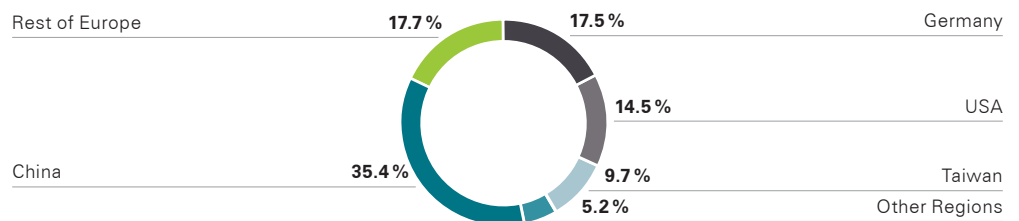
Martin Drasch

BUSINESS PERFORMANCE

Following the signing of the agreement regarding the long-term strategic collaboration for the further development and marketing of the CIGS thin film solar technology between Manz AG, the Shenhua Group and the Shanghai Electric Group in November 2016, Manz acquired the largest orders in the company's history at the end of January 2017 following the final closing of the contracts. The two large orders are comprised of a CIGS production line with a capacity of 306 MW (CIGS*fab*) and a CIGS research line with a capacity of 44 MW (CIGS*lab*). The CIGS*fab*, which will be built in Chongqing, will be the largest CIGS production line in China and the second-largest worldwide. The total order volume is 263 million euros, and will impact revenues and earnings as of the 2017 fiscal year. Due to the corresponding downpayment agreements, these orders are realized as cash-flow-positive. After the approval of the Chinese authorities all of the conditions for executing the contracts have been fulfilled; Manz AG expects to receive the agreed downpayment of 79 million euros for the CIGS orders in May.

With the strategic collaboration, the partners are also laying the foundation for the unique and newly established research company NICE PV Research Ltd., which is the world's leading research institution in the area of the CIGS thin film technology. NICE PV Research Ltd. aims to leverage the potential of the CIGS technology for further increases in efficiency and reducing manufacturing costs. As a result of the official approvals that have been issued, Manz CIGS Technology GmbH, the current Manz AG CIGS research company, is transferred to NICE PV Research Ltd., which has started its research operations as planned. The sale and transfer of Manz CIGS Technology GmbH to NICE PV Research Ltd. for 50 million euros resulted in a one-time accounting effect of 34.4 million euros.

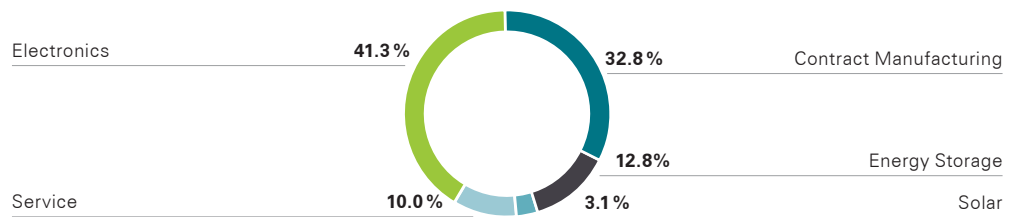
Revenue Distribution by Region January 1 to March 31, 2017



The granting of the official approvals also led to the start of operations at the second newly established company – Suzhou Manz New Energy Equipment Co. Ltd. This company was established by Manz AG, the Shanghai Electric Group and the Shenhua Group in order to promote the immense revenue potential through additional CIGS orders in China. Manz New Energy Equipment Co. Ltd. exclusively undertakes sales activities in China, and will be providing engineering services and support for the start-up phase in future projects. The company exhibited for the first time at this year's photovoltaics trade fair "SNEC PV Power Expo" in Shanghai. Whereas both of the existing major orders were placed directly with Manz AG, potential follow-up orders from China will be placed with Suzhou Manz New Energy Equipment. The company's majority shareholder is Manz AG with a 56 %

holding. Future earnings and expenditure will be consolidated in the Manz Group's financial statements. In all other regions apart from China, CIGSfab will continue to be marketed exclusively by Manz AG.

Revenues by Business Segment January 1 to March 31, 2017



In addition to the trend-setting developments in the solar segment, in the reporting period the company successfully pushed ahead with business activities in the strategic Electronics business segment and the Contract Manufacturing reporting segment in particular. In the Electronics business segment, the continued market upturn in the display business, particularly in China, resulted in revenue growth of almost 30%. Moreover, the joint venture Talus Manufacturing Ltd. in Taiwan also made a significant contribution to revenue growth in the Contract Manufacturing segment.

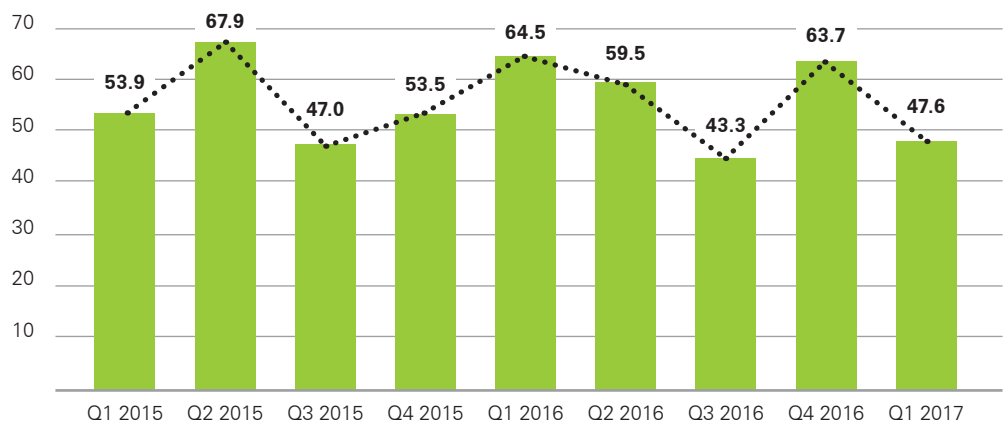
During the reporting period, the company also focused on the development of needs-appropriate standard equipment and the global expansion of sales activities. Both measures target the significant expansion of the customer base in order to stabilize the business model of our company for the long term.

The value of orders on hand as of March 31, 2017 amounted to 319.8 million euros (March 31, 2016: 96.3 million euros).

BUSINESS REPORT

Revenue trend

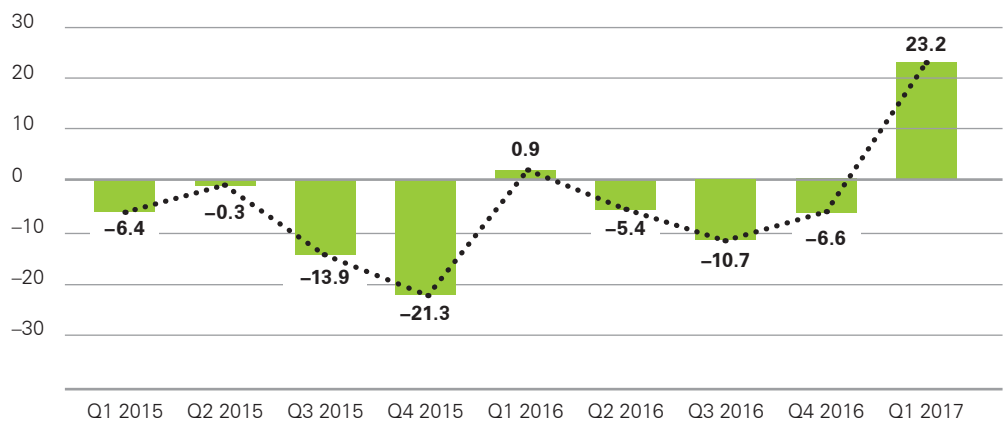
in million euros



- Three-months revenues 2017 below previous year's level due to the exceptionally high contribution to revenues by the Energy Storage business segment in the previous year's period due to the processing of a large order
- Revenue trend Q1 2017 does not include any contributions to revenues from the large CIGS orders

Earnings before interest, taxes, depreciation, and amortization

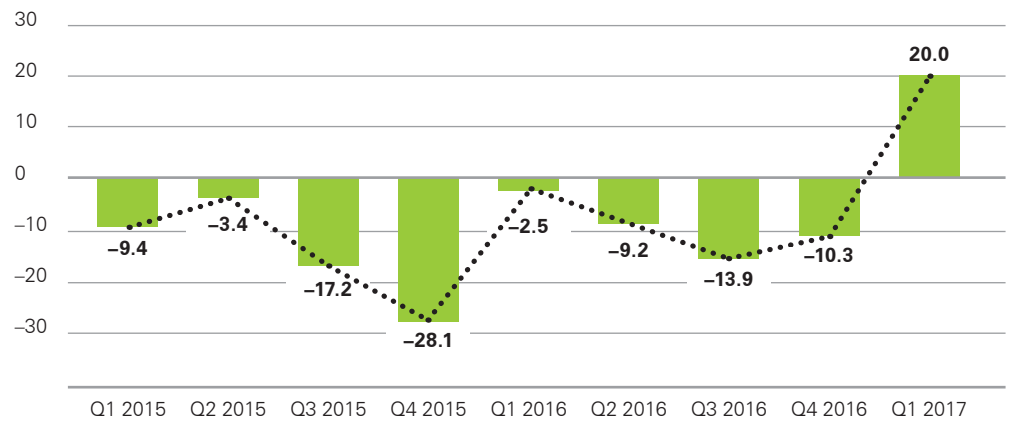
in million euros



- At 23.2 million euros, Q1 EBITDA 2017 is significantly higher than the previous year's value
- EBITDA is positively influenced by the sale of Manz CIGS Technology GmbH and the resulting one-time accounting effect
- Personnel and material cost ratio are affected by lower revenues in the reporting period

Earnings before interest and taxes

in million euros



- Q1 EBIT 2017 also positively influenced by the one-time accounting effect from the sale of Manz CIGS Technology GmbH
- Operating income in Solar and Contract Manufacturing business segments confirm positive outlook from the strategic cooperation for the CIGS technology and the Talus joint venture

EVENTS AFTER THE BALANCE SHEET DATE

On April 19, 2017, Manz AG announced that all official approvals in connection with the strategic cooperation with the Shanghai Electric Group and the Shenhua Group in the area of the CIGS thin film technology and the resulting large orders have been issued. This means that all the preconditions for the orders with a total value of 263 million euros are fulfilled.

On April 25, 2017, Manz AG announced that the company's Chief Executive Officer, founder and main shareholder Dieter Manz intends to be elected to the Supervisory Board at the regular Annual General Meeting held on July 4, 2017, and also intends to resign from the company's Managing Board. There is agreement with the Supervisory Board on both of these items. Changes are planned in the allocation of responsibilities among the company's Managing Board members following the move. Accordingly, in the future Mr Manz's duties as CEO will be undertaken by Eckhard Hörner-Marass, who is currently the Chief Technology Officer. In addition, he is also responsible for the strategic business units Energy Storage and Electronics, as well as the key areas Research & Development and Business Development. In future, the responsibilities of Chief Operations Officer Martin Drasch will encompass not only the Production and Purchasing fields as well as the Contract Manufacturing and Service reporting segments, but also the strategic business unit Solar which has until now been the responsibility of Mr Manz. Also, as already reported on March 13, 2017, Gunnar Voss von Dahlen will take up the post of Chief Financial Officer as from June 2017, and he will be responsible for the Finance and Controlling, Personal, IT, and Organization and Administration divisions.

On May 9, 2017, Manz AG provided information about the completed sale of Manz CIGS Technology GmbH to NICE PV Research Ltd. for 50 million euros. Manz CIGS Technology GmbH operated as an independent research company in the area of the CIGS thin film solar technology within Manz AG until April of this year. As part of a strategic cooperation, Manz and its Chinese partners Shanghai Electric Group and the Shenhua Group also decided to establish a joint research company in November of last year. It was agreed that the Manz research company would be transferred to the new company.

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

FORECAST REPORT

The Managing Board considers the long-term industry outlook in the three strategic business units Electronics, Solar and Energy Storage to be thoroughly positive. For the current fiscal year, the Managing Board expects positive business developments based on this assessment as well as the strategic collaboration in the CIGS segment including the placement of the large CIGS orders and a value of orders on hand of approximately 319.8 million euros as of March 31, 2017. Therefore the Managing Board of Manz AG expects that following the fulfillment of the conditions for executing the contracts for the CIGS orders, revenues will rise significantly during the current fiscal year to at least 350 million euros, with markedly improved and positive earnings before interest and taxes (EBIT).

CONSOLIDATED INCOME STATEMENT

(in EUR tsd.)

	Jan. 1 to March 31, 2017	Jan. 1 to March 31, 2016
Revenues	47,618	64,492
Inventory changes, finished and unfinished goods	908	-386
Work performed by the entity and capitalized	2,884	2,274
Total operating revenues	51,410	66,380
Other operating income	35,628	1,952
Cost of materials	-33,696	-34,093
Gross profit	53,342	34,239
Personnel expenses	-19,750	-21,101
Other operating expenses	-10,425	-12,231
EBITDA	23,167	907
Amortization/depreciation	-3,141	-3,377
Operating earnings (EBIT)	20,026	-2,470
Finance income	25	7
Finance costs	-587	-727
Earnings before taxes (EBT)	19,463	-3,190
Income taxes	-662	33
Consolidated profit or loss	18,801	-3,157
of which attributable to minority interests	-10	-32
of which attributable to shareholders of Manz AG	18,811	-3,125
Weighted average number of shares	7,744,088	5,420,864
Earnings per share (diluted = undiluted) in EUR per share	2.43	-0.58

CONSOLIDATED BALANCE SHEET

ASSETS (in EUR tsd.)

	March 31, 2017	Dec. 31, 2016
Non-current assets		
Intangible assets	57,781	77,796
Property, plant, and equipment	38,870	39,395
Deferred taxes	2,800	3,500
Other non-current assets	740	723
	100,191	121,414
Current assets		
Inventories	55,192	48,950
Trade receivables	62,302	77,726
Income tax receivables	589	651
Other current receivables	58,638	7,651
Liquid funds	53,318	55,722
	230,039	190,700
Total assets	330,230	312,114

CONSOLIDATED BALANCE SHEET

LIABILITIES AND SHAREHOLDERS' EQUITY
 (in EUR tsd.)

	March 31, 2017	Dec. 31, 2016
Equity		
Issued capital	7,744	7,744
Capital reserve	143,724	143,681
Revenue reserves	7,972	-10,839
Cumulative other equity	24,158	19,933
Shareholders of Manz AG	183,598	160,519
Minority Interests	4,795	4,587
	188,393	165,106
Non-current liabilities		
Non-current financial liabilities	1,806	2,036
Pension provisions	7,505	7,704
Other non-current provisions	2,895	2,868
Other non-current liabilities	338	335
Deferred taxes	2,004	2,127
	14,548	15,070
Current liabilities		
Current financial liabilities	52,049	52,379
Trade payables	52,445	47,228
Payments received	4,396	9,827
Income tax liabilities	411	686
Other current provisions	6,177	7,294
Derivative financial instruments	13	158
Other current liabilities	11,787	14,355
Financial liabilities from leasing	11	11
	127,289	131,938
Total liabilities and shareholders' equity	330,230	312,114

CONSOLIDATED CASH FLOW STATEMENT

(in EUR tsd.)

	Jan. 1 to March 31, 2017	Jan. 1 to March 31, 2016
Operating earnings (EBIT)	20,026	-2,470
Depreciation / amortization of fixed assets	3,141	3,377
Increase (+) / decrease (-) in pension provisions and other non-current provisions	-172	221
Other non-cash income (-) and expenses (+)	0	60
Gains (-) / losses (+) from disposals of assets	3	1
Increase (-) / decrease (+) in inventories, trade receivables and other assets	-20,815	6,560
Increase (+) / decrease (-) in trade payables and other liabilities	-833	-6,013
Income tax received (+)/paid (-)	214	94
Interest paid	-587	-647
Interest received	25	6
Cash flow from operating activities	1,002	1,189
Cash receipts from the sale of fixed assets	9	9
Cash payments for investments in intangible assets and property, plant and equipment	-3,580	-2,952
Cash flow from investing activities	-3,571	-2,943
Cash payments for repayment of non-current financial liabilities	-230	-150
Change in current financial liabilities	-330	-5,852
Purchase of treasury shares	0	-4
Cash payments for the repayment of financial leases	0	-6
Cash flow from financing activities	-560	-6,012
Cash and cash equivalents at the end of the period		
Net change in cash and cash equivalents (subtotal 1 – 3)	-3,129	-7,766
Effect of exchange rate movements on cash and cash equivalents	725	-369
Cash and cash equivalents on January 1	55,722	34,372
Cash and cash equivalents on March 31	53,318	26,237
Composition of cash and cash equivalents		
Liquid funds	53,318	26,237
Cash and cash equivalents on March 31	53,318	26,237

SEGMENT REPORTING FOR DIVISIONS

As of March 31, 2017

(in EUR tsd.)

	Solar	Electronics	Energy Storage	Contract Manufacturing	Service	Consolidation	Group
Revenues with third parties							
Q1 2016	6,240	15,255	27,830	9,380	5,787		64,492
Q1 2017	1,493	19,653	6,093	15,626	4,753		47,618
EBITDA							
Q1 2016	-1,108	-3,246	3,250	272	1,739		907
Q1 2017	26,422	-2,834	-2,800	844	1,535		23,167
EBIT							
Q1 2016	-2,416	-4,313	2,536	56	1,667		-2,470
Q1 2017	25,169	-3,944	-3,273	575	1,499		20,026

SEGMENT REPORTING FOR REGIONS

As of March 31, 2017

(in EUR tsd.)	Third-party revenues by destination of delivery
Germany	
Q1 2016	5,753
Q1 2017	8,316
Rest of Europe	
Q1 2016	9,398
Q1 2017	8,427
China	
Q1 2016	32,441
Q1 2017	16,898
Taiwan	
Q1 2016	8,887
Q1 2017	4,614
Rest of Asia	
Q1 2016	1,066
Q1 2017	2,146
USA	
Q1 2016	6,922
Q1 2017	6,886
Other Regions	
Q1 2016	25
Q1 2017	331
Group	
Q1 2016	64,492
Q1 2017	47,618

IMPRINT

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The quarterly report for the first quarter is also available in English. In the case of discrepancies, the German version shall prevail.

Digital versions of the Manz AG annual report and the quarterly reports are also available on the Internet under "Investor Relations" in the "Publications" section.



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