

HALF-YEAR REPORT 2017



MEYER BURGER

MEYER BURGER GROUP IN H1 2017

Meyer Burger's systems and production equipment provide sustainable added value to our customers in the photovoltaic (solar), semiconductor and optoelectronic industries as well as other selected high-end markets based on semiconductor materials.

1303

Employees

308

Incoming orders
CHF 308.5 million

212

Net sales
CHF 212.3 million

7

EBITDA
CHF 6.9 million

43%

Equity ratio 43.4%

KEY FIGURES

Consolidated income statement

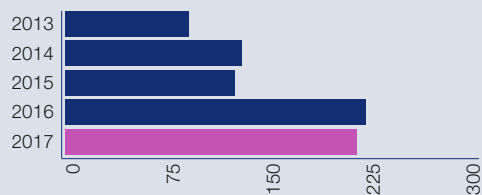
in TCHF	1.1.–30.6.2017	1.1.–30.6.2016
Net sales	212 294	217 759
Operating income after costs of products and services	98 239	107 226
in % of net sales	46.3%	49.2%
EBITDA	6 949	6 247
in % of net sales	3.3%	2.9%
EBIT	-8 801	-20 802
in % of net sales	-4.1%	-9.6%
Net result	-16 962	-25 559

Consolidated balance sheet

in TCHF	30.6.2017	31.12.2016
Total assets	493 910	629 889
Current assets	287 502	412 159
Non-current assets	206 409	217 729
Current liabilities	153 172	271 141
Non-current liabilities	126 298	124 323
Equity	214 440	234 424
Equity ratio	43.4%	37.2%

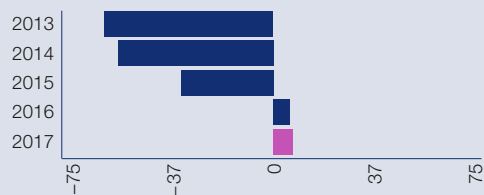
Net sales

1st Half-Year in CHF million



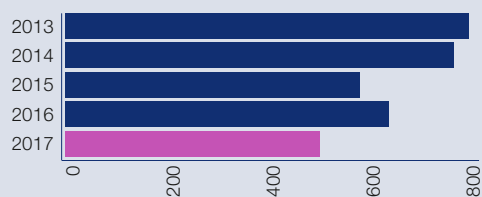
EBITDA

1st Half-Year in CHF million



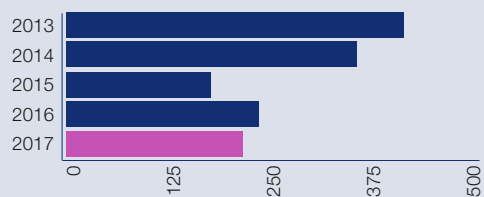
Total balance sheet

as of 31.12. resp. 30.6.2017 in CHF million



Equity

as of 31.12. resp. 30.6.2017 in CHF million



MANAGEMENT REPORT

1ST HALF-YEAR 2017

DEAR SHAREHOLDERS

The fundamental drivers of the PV industry continue to be positive and the latest forecasts regarding end-installed PV capacities confirm the long-term upside potential. Several technology trends seen in the market, such as the shift from slurry-based to diamond wire based cutting, the move to upgrade cell production with PERC applications to enhance cell efficiency, cell and module bifaciality and further increases in solar module efficiency show that the PV industry is in a technology-buy-cycle which we believe will continue for the time being.

Meyer Burger achieved strong incoming orders of over CHF 308 million during the first half of 2017. This provides us with a substantial order backlog of CHF 339 million for the second half of the year and for 2018. Furthermore, the cost reduction initiatives of the structural programme were completed with the full effect of these cost savings becoming visible during the second half of 2017. The CHF 130 million 5% straight bond was repaid at the maturity date on 24 May 2017, which had a positive impact on the balance sheet structure and will reduce financing expenses going forward.

Meyer Burger is on track to achieve its earlier communicated targets of net sales at previous year's level and a substantial improvement in its profitability.

Our results in detail

Incoming orders, order backlog

The volume in new orders increased by 15% to CHF 308.5 million (H1 2016 CHF 267.8 million), reflecting by far the highest volume in any half-year period since 2011. This further confirms the trend that wafer, cell and module manufacturers are making new investments to upgrade their existing technologies and to increase their production capacities which underscores Meyer Burger's strong market and technology position in the PV industry.

**INCOMING ORDERS OF
CHF 308.5 MILLION CONFIRM STRONG
POSITION IN THE PV INDUSTRY.**

The order backlog amounted to CHF 339.1 million as at 30 June 2017 (31.12.2016 CHF 244.5 million) and provides a strong backlog for the second half of 2017 and into fiscal year 2018. The book-to-bill ratio (incoming orders to net sales) stood at 1.45 for the first half of 2017 (H1 2016 ratio of 1.23).

**ORDER BACKLOG CHF 339.1 MILLION;
BOOK-TO-BILL RATIO 1.45**

Net sales

At CHF 212.3 million, net sales were 2.5% lower compared to the previous year period (H1 2016 CHF 217.8 million). Negative currency effects impacted net sales by about CHF 2.6 million or -1.2% in the first half of 2017. With the strong order backlog and substantial deliveries/customer acceptances scheduled by year-end 2017, the company expects a stronger second half year in net sales.

The distribution of sales remained relatively constant compared to the previous year: Asia accounted for 73% (H1 2016 70%), Europe reflected 22% (H1 2016 23%) and Americas was 5% (H1 2016 7%) of net sales in the first half of 2017.

Operating income after costs of products and services

Operating income after costs of products and services amounted to CHF 98.2 million (H1 2016 CHF 107.2 million), with a margin of 46.3% for the first half of 2017 (H1 2016 49.2%). The operating income was burdened by several items, such as exceptional warranty provisions for an update/exchange of solar modules produced in the years 2008–2009, value adjustments on inventory in connection with streamlining the product portfolio, and negative currency effects on trade receivables and customer prepayments, for a total amount of CHF –11.4 million. Without these adverse effects, the margin would have been 51.2%, whereas for the first half of 2016 the normalized margin was at 48.3%.

Operating expenses

Meyer Burger completed its cost reduction initiatives in conjunction with its structural programme by the end of June 2017. However, the company continues to optimise its cost structures through various ongoing measures. In total over 260 employment contracts were terminated within the scope of the structural programme and further measures taken in the first half of 2017 (such as discontinuation of wire production at DMT, closure of the Minhang manufacturing site), resulting in a reduction of 243 FTEs as of 30 June 2017 and 261 FTEs in total as per 30 September 2017.

Due to the strong order intake and the high order backlog, the number of temporary employees was increased during the first half of 2017 from 80 as of year-end 2016 to 213 as of the end of June 2017, in order to handle the higher production volumes. As of 30 June 2017, Meyer Burger employed 1,303 FTE and 213 temporary staff compared to 1,547 FTE and 189 temporary employees as of 30 June 2016.

Personnel expenses declined by CHF 5.5 million or 7% compared to the previous year and amounted to CHF 69.4 million (H1 2016 CHF 74.9 million), proving that Meyer Burger succeeded in flexibilising its organisation and significantly reducing its fixed cost base. The financial effects of all the cost measures initiated and executed so far will also positively impact the second half of 2017. Other operating expenses were CHF 21.9 million (H1 2016 CHF 26.1 million), representing a decline of 16% compared to the previous year period.

EBITDA and EBIT

EBITDA increased to CHF 6.9 million in the first half of 2017 (H1 2016 CHF 6.2 million). Without the adverse effects mentioned above, EBITDA on an adjusted basis amounts to CHF 18.4 million (EBITDA margin 8.6%). With higher net sales and a number of cost reduction measures becoming fully effective in the second part of the year, Meyer Burger expects a substantially higher EBITDA contribution with an estimated EBITDA margin of >11% for the second half of 2017.

Depreciation and amortisation came to a total of CHF 15.8 million (H1 2016 CHF 27.0 million) and declined in line with expectations. The division is as follows: CHF 6.1 million for scheduled depreciation of property, plant and equipment and CHF 9.7 million for scheduled amortisation of intangible assets, which resulted mainly from the M&A activities in 2011 and previous years. The result at EBIT level amounted to CHF –8.8 million (H1 2016 CHF –20.8 million).

Financial result

The financial result, net, amounted to CHF –7.4 million for the first half of 2017 (H1 2016 CHF –7.9 million). Financial expenses in 2017 include interest expenses of CHF 2.3 million for the 5% straight bond (repaid in May 2017) and of CHF 3.8 million for the 5.5% convertible bond, other interest expenses of CHF 0.9 million as well as other financial expenses of CHF 1.6 million. Financial income for the first half of 2017 included interest income of CHF 0.2 million and unrealised positive foreign currency translation effects of CHF 0.9 million.

Extraordinary result

The extraordinary result amounted to CHF –0.6 million and reflects costs in conjunction with the discontinuation of the diamond wire production at Diamond Materials Tech (DMT).

Taxes

Taxes for the first half of 2017 amounted to a tax expense of CHF 0.2 million (H1 2016 tax income of CHF 3.2 million). The tax expense in the first half of 2017 results from current income taxes and changes in deferred tax assets and liabilities.

Net result

Net result came to CHF –17.0 million (H1 2016 CHF –25.6 million). Net result per share amounted to CHF –0.03 for the first half year period (H1 2016 CHF –0.08). On an adjusted basis without the adverse effects mentioned, net result would have amounted to CHF –5.6 million in the first half of 2017.

CHF 130 million 5% straight bond redeemed

On the maturity date of 24 May 2017, Meyer Burger redeemed the CHF 130 million 5% straight bond at nominal value. Going forward, the repayment will reduce interest expenses on an annualized basis by CHF 6.5 million.

Balance sheet

The redemption of the straight bond also led to a contraction of the balance sheet total, thereby positively impacting the equity ratio. The balance sheet total was CHF 493.9 million as at 30 June 2017 (31.12.2016 CHF 629.9 million). Cash and cash equivalents declined with the repayment of the bond and stood at CHF 117.2 million. Inventories were CHF 103.4 million, property, plant and equipment CHF 97.4 million, intangible assets CHF 34.5 million and deferred tax assets CHF 73.0 million.

EQUITY RATIO OF 43.4% FOLLOWING REPAYMENT OF THE STRAIGHT BOND.

Total liabilities amounted to CHF 279.5 million, of which trade payables were CHF 32.0 million, customer prepayments CHF 70.4 million, provisions CHF 13.4 million and financial liabilities CHF 121.8 million. Equity amounted to CHF 214.4 million (31.12.2016 CHF 234.4 million). The equity ratio as of 30 June 2017 was 43.4% (31.12.2016 37.2%).

Cash flow

Cash flow from operating activities was again positive with CHF +3.5 million (H1 2016 CHF +15.4 million). The difference in the operating cash flow compared to the previous year period is mainly due to changes in net working capital.

Cash flow from investing activities was CHF +1.4 million (H1 2016 CHF –2.9 million) and included the sale of securities (CHF 3 million of straight bonds held at year-end 2016) and normal conservative investments in non-current assets.

Cash flow from financing activities amounted to CHF –134.2 million (H1 2016 CHF –0.5 million) mainly due to the repayment of the 5% straight bond in May 2017.

Organisational alignments within the Executive Board

Dr Gunter Erfurt, Chief Operating Officer (COO), has been appointed new Chief Technology Officer (CTO). Dr Dirk Habermann, Chief Innovation Officer, will step down from the Executive Board and will become General Manager of the Dutch entity for Specialised Technologies, and head special projects regarding new technologies within the Group. Daniel Lippuner (48), a Swiss citizen and former Group Chief Executive Officer at Saurer Group in Shanghai, China, and Wattwil, Switzerland, will take over the role as Chief Operating Officer. The changes will be effective as of 1 September 2017. As of that date, the Executive Board consists of Dr Hans Brändle (CEO), Michel Hirschi (CFO), Michael Escher (CCO), Dr Gunter Erfurt (CTO) and Daniel Lippuner (COO).

2017 Outlook

Based on the strong incoming orders, high order backlog and with substantial deliveries/customer acceptances scheduled for November and December 2017, Meyer Burger confirms its previous outlook for 2017 of a similar sales level compared to the previous year. Based on the planned customer acceptances, Meyer Burger expects net sales of about CHF 440–460 million and EBITDA of about CHF 30–45 million for fiscal year 2017.



Dr. Alexander Vogel
Chairman



Dr. Hans Brändle
Chief Executive Officer

CONSOLIDATED BALANCE SHEET

in TCHF	30.6.2017		31.12.2016	
Assets				
Current assets				
Cash and cash equivalents	117 205		246 427	
Securities	–		3 060	
Trade receivables	34 833		37 674	
Other receivables	20 716		22 681	
Net receivables from construction contracts	3 189		679	
Inventories	103 431		95 240	
Prepaid expenses and accrued income	8 128		6 399	
Total current assets	287 502	58.2%	412 159	65.4%
Non-current assets				
Other long-term receivables	1 493		1 727	
Property, plant and equipment	97 416		100 458	
Intangible assets	34 478		43 806	
Deferred tax assets	73 021		71 739	
Total non-current assets	206 409	41.8%	217 729	34.6%
Total assets	493 910	100.0%	629 889	100.0%
Liabilities and equity				
Liabilities				
Current liabilities				
Financial liabilities	1 433		131 484	
Trade payables	31 993		28 010	
Net liabilities from construction contracts	712		699	
Customer prepayments	70 352		58 270	
Other liabilities	3 910		6 281	
Provisions	11 734		9 614	
Accrued expenses and prepaid income	33 038		36 783	
Total current liabilities	153 172	31.0%	271 141	43.0%
Non-current liabilities				
Financial liabilities	120 323		118 695	
Other liabilities	2 538		2 129	
Provisions	1 683		1 752	
Deferred tax liabilities	1 754		1 747	
Total non-current liabilities	126 298	25.6%	124 323	19.7%
Total liabilities	279 471	56.6%	395 464	62.8%
Equity				
Share capital	27 411		27 411	
Capital reserves	904 963		904 194	
Treasury shares	–5 191		–2 947	
Reserve for share-based payments	1 383		2 651	
Accumulated losses	–714 328		–697 256	
Total equity excl. minority interests	214 238	43.4%	234 053	37.2%
Minority interests	202		372	
Total equity incl. minority interests	214 440	43.4%	234 424	37.2%
Total liabilities and equity	493 910	100.0%	629 889	100.0%

The Notes starting on page 13 are an integral part of the consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

in TCHF	1.1.–30.6.2017		1.1.–30.6.2016	
Net sales	212 294	100.0%	217 759	100.0%
Other income	-1 542		2 955	
Income	210 752		220 714	
Changes in inventories of finished products and work in process	5 925		20 439	
Costs of products and services	-119 768		-136 594	
Capitalised services	1 330		2 667	
Operating income after costs of products and services	98 239	46.3%	107 226	49.2%
Personnel expenses	-69 393		-74 862	
Operating expenses	-21 897		-26 117	
Earnings before interests, taxes, depreciation and amortisation (EBITDA)	6 949	3.3%	6 247	2.9%
Depreciation and impairment property, plant, equipment	-6 095		-9 010	
Amortisation and impairment intangible assets	-9 655		-18 039	
Earnings before interests and taxes (EBIT)	-8 801	-4.1%	-20 802	-9.6%
Financial result	-7 413		-7 915	
Operating result	-16 214	-7.6%	-28 717	-13.2%
Extraordinary result	-590		-	
Earnings before taxes	-16 804	-7.9%	-28 717	-13.2%
Income taxes	-158		3 158	
Result	-16 962	-8.0%	-25 559	-11.7%
Attributable to				
Shareholders of Meyer Burger Technology Ltd	-16 816		-25 371	
Minority interests	-146		-188	
Earnings per share in CHF				
Basic earnings per share	-0.03		-0.08	
Diluted earnings per share	-0.03		-0.08	

The Notes starting on page 13 are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in TCHF

Attributable to shareholders of Meyer Burger Technology Ltd

	Share capital	Capital reserves
Equity as at 1.1.2016	4 526	7 68 533
Result	-	-
Currency translation differences recognised in reporting period	-	-
Capital increases	43	1 628
Purchase Meyer Burger (Germany) AG shares	-	683
Sale/use of treasury shares	-	-
Share-based payments	-	-
Issuance of shares for employees	-	-
Transfer of shares for employees to the plan participants after vesting period	-	-
Reclassification	-	1 483
Equity as at 30.6.2016	4 569	7 72 327
Equity as at 1.1.2017	27 411	9 04 194
Result	-	-
Currency translation differences recognised in reporting period	-	-
Capital increases (follow-up costs capital increase December 2016)	-	- 199
Purchase Meyer Burger (Germany) AG shares	-	207
Purchase of treasury shares	-	-
Sale/use of treasury shares	-	- 73
Share-based payments	-	-
Issuance of shares for employees	-	-
Transfer of shares for employees to the plan participants after vesting period	-	-
Reclassification	-	833
Equity as at 30.6.2017	27 411	9 04 962

The Notes starting on page 13 are an integral part of the consolidated financial statements.

Attributable to shareholders of Meyer Burger Technology Ltd

Treasury shares	Reserve for share-based payments	Currency translation differences	Offset goodwill	Other retained earnings	Accumulated losses	Total equity excl. minority interests	Minority interests	Total equity incl. minority interests
-4494	3664	-27 606	-237 677	-332 761	-598 045	174 185	819	175 003
-	-	-	-	-25 371	-25 371	-25 371	-188	-25 559
-	-	-63	-	-	-63	-63	5	-58
-	-	-	-	-	-	1 671	-	1 671
-	-	-	-	-1 058	-1 058	-375	-111	-486
87	-	-	-	-	-	87	-	87
-	1 193	-	-	-	-	1 193	-	1 193
-1 753	-	-	-	-	-	-1 753	-	-1 753
1 462	-1 462	-	-	-	-	-	-	-
-9	-1 474	-	-	-	-	-	-	-
-4 705	1 919	-27 669	-237 677	-359 190	-624 535	149 575	525	150 100
-2 947	2 651	-28 911	-237 677	-430 668	-697 256	234 053	372	234 424
-	-	-	-	-16 816	-16 816	-16 816	-146	-16 962
-	-	28	-	-	28	28	4	32
-	-	-	-	-	-	-199	-	-199
-	-	-	-	-285	-285	-77	-27	-105
-3 822	-	-	-	-	-	-3 822	-	-3 822
130	-	-	-	-	-	57	-	57
-	1 014	-	-	-	-	1 014	-	1 014
-	-	-	-	-	-	-	-	-
1 052	-1 052	-	-	-	-	-	-	-
396	-1 229	-	-	-	-	-	-	-
-5 191	1 383	-28 883	-237 677	-447 769	-714 328	214 238	202	214 440

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

in TCHF	1.1.–30.6.2017	1.1.–30.6.2016
Result	-16 962	-25 559
Non-cash items	18 174	22 554
Decrease of net working capital	2 277	18 450
Cash flow from operating activities (operative cash flow)	3 489	15 445
Investments in securities	-15 065	-
Sale of securities	18 125	-
Investments in property, plant and equipment	-2 330	-2 711
Sale of property, plant and equipment	451	283
Investments in intangible assets	-70	-486
Sale of intangible assets	287	-
Cash flow from investing activities	1 398	-2 914
Capital increase (follow-up costs capital increase December 2016)	-199	43
Purchase of shares of Meyer Burger (Germany) AG	-105	-485
Purchase of treasury shares	-3 822	-
Repayment of (current) financial liabilities	-130 036	-36
Cash flow from financing activities	-134 162	-478
Change in cash and cash equivalents	-129 275	12 053
Cash and cash equivalents at beginning of period	246 427	101 457
Currency translation differences on cash and cash equivalents	53	4
Cash and cash equivalents at end of period	117 205	113 514

The Notes starting on page 13 are an integral part of the consolidated financial statements.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GENERAL INFORMATION

Meyer Burger Technology Ltd is a public limited company constituted in accordance with Swiss law. The address of the company's registered office is: Schorenstrasse 39, 3645 Gwatt/Thun, Switzerland. Meyer Burger Technology Ltd registered shares (ticker: MBTN) are listed on the SIX Swiss Exchange in Zurich. The fiscal year of Meyer Burger Technology Ltd runs from 1 January to 31 December.

These consolidated half-year financial statements of Meyer Burger Group were approved for publication by the Board of Directors on 14 August 2017. The auditors have conducted a review of the statements (for a report on the review see page 18).

The Group currency (reporting currency) is the Swiss Franc (CHF). The consolidated statements are shown in thousands of Swiss Francs.

Meyer Burger is a leading global technology company specialising in innovative systems and processes based on semiconductor technologies. The company's focus is on photovoltaics (solar industry) while its competencies and technologies also cover important areas of the semiconductor and the optoelectronic industries as well as other selected high-end markets based on semiconductor materials. Over the past ten years, Meyer Burger has risen to the forefront of the photovoltaic market and established itself as an international premium brand by offering superior precision products and innovative technologies. The company's offering in systems, production equipment and services along the photovoltaic value chain includes the manufacturing processes for wafers, solar cells, solar modules and solar systems. Meyer Burger provides substantial added value to its customers and clearly differentiates itself from its competitors by focusing on core technologies of the value chain. The company's comprehensive product portfolio is complemented by a worldwide service network with spare parts, consumables, process know-how, customer support, after-sales services, training and other services. Meyer Burger is represented in Europe, Asia and North America in the respective key markets and has subsidiaries and own service centers in China, Germany, India, Japan, Korea, Malaysia, the Netherlands, Switzerland, Singapore, Taiwan and the USA. The company is also working intensively to develop new PV markets such as South America, Africa and the Arab region.

SIGNIFICANT ACCOUNTING POLICIES

The significant accounting and valuation policies are described in detail in the Annual Report for the year ended 31 December 2016. The policies described have been applied consistently to the reporting periods presented.

1.1 Basis of accounting

The consolidated half-year financial statements have been prepared in accordance with the standards of Swiss GAAP FER 31 "Additional recommendations for listed companies", which allows some simplification of the reporting and disclosures compared to the preparation of annual financial statements. These standards give a true and fair view of the net assets, financial position and results of operations.

The new rules on revenue recognition (amendments to the Swiss GAAP FER framework, FER 3 and FER 6), which are binding for financial statements after 1 January 2016, have been implemented by Meyer Burger as of 1 January 2016.

No further changes to the Swiss GAAP FER standards have been announced or released.

1.2 Changes in scope of consolidation

The scope of consolidation has changed as follows compared to the Annual Report as at 31 December 2016:

- The participation in Meyer Burger (Germany) AG has increased from 98.29 % to 98.42 %.

1.3 Foreign currency translation

The following translation rates into Swiss Francs were used:

	Unit	Closing rate			Average rate		
		30.6.2017	31.12.2016	30.6.2016	1 st HY 2017	2016	1 st HY 2016
European Euro (EUR)	1	1.0931	1.0739	1.0866	1.0765	1.0900	1.0959
US Dollar (USD)	1	0.9580	1.0191	0.9804	0.9950	0.9851	0.9822
Chinese Yuan Renminbi (CNY)	100	14.1232	14.6700	14.7560	14.4694	14.8325	15.0280
Japanese Yen (JPY)	100	0.8528	0.8730	0.9559	0.8851	0.9075	0.8795
Indian Rupee (INR)	100	1.4841	1.5020	1.4500	1.5140	1.4665	1.4620
Korean Won (KRW)	100	0.0839	0.0847	0.0846	0.0871	0.0850	0.0830
Malaysian Ringgit (MYR)	100	22.3181	22.7370	24.3330	22.6632	23.7915	23.9625
Singapore Dollar (SGD)	1	0.6940	0.7048	0.7263	0.7082	0.7134	0.7112
Taiwan Dollar (TWD)	100	3.1511	3.1540	3.0340	3.2431	3.0550	2.9620

Assets and liabilities in balance sheets of foreign Group companies are translated into Swiss Francs at the closing rate, income statements at the average rate. Equity is translated at historical exchange rates. Any resulting foreign currency translation differences are offset against equity.

NOTES TO THE BALANCE SHEET

Total assets decreased by about 21.6% to CHF 493.9 million as at 30 June 2017 compared to CHF 629.9 million as at 31 December 2016. This reduction is the result of the repayment of the bond in the amount of CHF 130 million that matured on 24 May 2017.

NOTES TO THE INCOME STATEMENT

For details to the income statement please refer to the sections “Net sales”, “Operating income after costs of products and services”, “Operating expenses”, “Financial result”, “Extraordinary result” and “Taxes” in the management report on the first half-year 2017 on pages 4 to 6.

Earnings per share for half-year 2016 has been reduced from CHF –0.28 to CHF –0.08 compared to the disclosed half-year report 2016. This reduction is the result of the capital increase respectively the issued rights in December 2016. With this transaction the number of outstanding shares increased. The issued shares have been included retrospectively in the calculation of the average outstanding shares for half-year 2016.

OTHER INFORMATION

1.4 Segment reporting

The activities of Meyer Burger Group are divided into the reportable business segments “Photovoltaics” and “Specialised Technologies”. While in previous years Alternative Materials was part of the business segment “Photovoltaics & Alternative Materials” it has been shifted to the segment “Specialised Technologies”. The business includes technologies to be used for slicing crystalline and other hard and brittle materials for applications outside the solar industry. This change in business segment was a consequence of the economic similarity and interrelationships between the entities as well as of the management structure. The comparison period has been restated according to the new structure.

Net sales by segments 1.1.–30.6.2017

in TCHF	Photovoltaics	Specialised Technologies	Total	Consolidation	Total after consolidation
Net sales thirds	186 114	26 180	212 294	–	212 294
Net sales intercompany	449	10 321	10 771	– 10 771	–
Net sales	186 564	36 501	223 065	– 10 771	212 294

Net sales by segments 1.1.–30.6.2016

in TCHF	Photovoltaics	Specialised Technologies	Total	Consolidation	Total after consolidation
Net sales thirds	193 517	24 243	217 759	–	217 759
Net sales intercompany	275	7 866	8 141	– 8 141	–
Net sales	193 792	32 108	225 900	– 8 141	217 759

Photovoltaics: The Photovoltaics segment largely comprises the core business of photovoltaics and covers the processes of wafering, solar cells, solar modules and solar systems with its portfolio of systems, production equipment and services.

Meyer Burger pursues the strategically long-term technology approach of considering core technologies of the photovoltaic value chain and optimally harmonising the technologies along the different processes (wafers, cells, modules, solar systems). Significant efficiency improvements in wafers, cells and modules can be achieved by using the latest technologies, which will continue to substantially reduce our customers’ production costs (Total Cost of Ownership).

Specialised Technologies: With Specialised Technologies, Meyer Burger uses technologies that are successfully deployed in photovoltaics, particularly in the field of applying or removing layers on different substrates and materials as well as for slicing crystalline and other hard and brittle materials, in a wide range of other high-tech markets. Muegge's microwave and plasma technologies are used in biotechnology and environmental technology. PIXDRO inkjet print technology is used in the semiconductor industry as a pioneering technology. MicroSystems offers excellent solutions for surface treatment and sensor production with innovative plasma and ion-beam technologies. As a software development specialist, AIS manufactures control systems for factory automation, the automotive industry and other complex industrial processes. With this extensive portfolio, Meyer Burger is perfectly positioned and can efficiently take an active approach to new trends in other industries on the basis of its existing core technologies.

As outlined above, Meyer Burger currently manages its operations in different operating business units, which are grouped into the reporting business segments "Photovoltaics" and "Specialised Technologies". Disclosure of the segment results would lead to much higher transparency in terms of our cost and margin structure than that of our relevant competitors, and we would be the only company to present detailed information on segment profitability. Most of our relevant competitors are companies without publicly available financial information or are large companies with large reporting segments in which comparable information is diluted accordingly. The disclosure of segment results would therefore lead to a considerable competitive disadvantage for Meyer Burger compared to its competitors. In addition, such information may have negative impacts on the company's negotiating position with customers and suppliers. For this reason Meyer Burger Group does not disclose segment results.

1.5 Related party transactions

The related parties consist primarily of shareholders, members of the Board of Directors and of the Executive Board, and non-consolidated subsidiaries.

The company procures consultancy services from Meyerlustenberger Lachenal Attorneys at Law. Dr Alexander Vogel, a member of the Board of Directors, is a partner in this law firm. The scope of the services procured amounted to TCHF 305 in the first half of 2017 and TCHF 143 in the first half of 2016.

Of the compensation to related parties as described above, TCHF 189 had not yet been paid as at 30 June 2017 (30 June 2016: TCHF 81) and was recognised as a liability in the balance sheet.

All business relations with related parties are conducted at arm's length. No unusual transactions were effected with either the main shareholders or other related parties.

1.6 Contingent liabilities

No contingent liabilities existed as at 30 June 2017.

1.7 Close-down Diamond Materials Tech, Inc.

On 1 March 2017, Meyer Burger communicated the decision to discontinue the proprietary wire production for diamond wire at Diamond Materials Tech Inc. (DMT) in Colorado Springs, USA. In the meantime production for the PV (Photovoltaics) related business has been closed and a potential buyer for the non-PV related business of DMT has been sought. The incurred costs related to the gradual discontinuation of the production incurred so far as well as the expected costs related to the close-down of the company have been recognized in the extraordinary result. Income and costs incurred by running the ordinary business have been recognized in the ordinary result.

Considering the intention as well as the ongoing negotiations to sell DMT's business, Meyer Burger continued to record assets and liabilities of DMT at realizable values. As per 30 June 2017, these realizable values have been revalued. The resulting adjustments have been recognized in the extraordinary result. The total amount of income and costs recognized in the extraordinary result is TCHF –590.

In case of disposal of a company or of a part of the business, acquired goodwill which Meyer Burger offset with equity at the time of changing its financial reporting from IFRS to Swiss GAAP FER (in 2013) is to be considered to determine the profit or loss recognized in the income statement. For DMT, a goodwill of USD 22.5 million has been paid and offset with equity. The profit or loss from the disposal of DMT or part of the business would be recognized – analog to a close-down – in the extraordinary result. The effect of such a “goodwill recycling” on equity of the company will be neutral.

1.8 Events after the reporting date

No events have occurred between 30 June and 14 August 2017 which would have a material effect on the recognized carrying amounts of assets and liabilities of the Meyer Burger Group or would have to be disclosed at this point.



Report on the Review of Interim consolidated financial statements to the Board of Directors of Meyer Burger Technology AG

Thun

According to your request, we have reviewed the interim consolidated financial statements (balance sheet, income statement, cash flow statement, statement of changes in equity and notes / pages 8 to 17) of Meyer Burger Technology AG for the period from 1 January 2017 to 30 June 2017.

These interim consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to issue a report on these interim consolidated financial statements based on our review.

Our review was conducted in accordance with the Swiss Auditing Standard 910, which require that a review be planned and performed to obtain limited assurance about whether the interim consolidated financial statements are free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements have not been prepared, in all material respects, in accordance with the requirements of Swiss GAAP FER 31 relating to interim reporting.

PricewaterhouseCoopers AG

Rolf Johner

René Jenni

Bern, 14 August 2017

*PricewaterhouseCoopers AG, Bahnhofplatz 10, Postfach, CH-3001 Bern, Switzerland
Telefon: +41 58 792 75 00, Telefax: +41 58 792 75 10, www.pwc.ch*

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INFORMATION FOR INVESTORS AND THE MEDIA

REGISTERED SHARES MEYER BURGER TECHNOLOGY LTD

Swiss valor number	10850379
ISIN	CH0108503795
Listing	SIX Swiss Exchange
Ticker symbol	MBTN
Reuters	MBTN.S
Bloomberg	MBTN SW
Nominal value per registered share	CHF 0.05
Number of outstanding shares	548222 160 as of 30 June 2017
Share price high/low	
1 st Half-Year 2017	CHF 1.29/0.68
Closing price as of 30 June 2017	CHF 1.20

CONVERTIBLE BOND 2014–2020

Swiss valor number	25344513
ISIN	CH0253445131
Listing	SIX Swiss Exchange
Ticker symbol	MBT14
Reuters	MBTN
Bloomberg	MBTN SW
Coupon	5.50% per annum (retroactively as of 24.09.2016)
Issued amount	CHF 100 000 000
Conversion price	CHF 0.98
Maturity	24 September 2020
Bond price high/low	
1 st Half-Year 2017	136.25%/101.00%
Closing price as of 30 June 2017	128.55%

OTHER INFORMATION

Accounting Standard	Swiss GAAP FER
Auditors	PricewaterhouseCoopers AG
Share Register	Computershare Switzerland LTD

IMPORTANT DATES

22 March 2018	Publication Fiscal Year Results 2017, Analyst and Media Conference, Metropol, Zurich
2 May 2018	Ordinary Annual General Meeting, Kultur- und Kongresszentrum, Thun
16 August 2018	Publication Half-Year Results 2018, Conference call for analysts and investors

CONTACT ADDRESS

Meyer Burger Technology Ltd
Schorenstrasse 39
CH-3645 Gwatt (Thun)
Switzerland
Phone +41 33 221 28 00
Fax +41 33 221 28 08
Email mbtinfo@meyerburger.com
www.meyerburger.com

INVESTOR RELATIONS

Michel Hirschi
Chief Financial Officer
Phone +41 33 221 28 00
Fax +41 33 221 28 08
Email ir@meyerburger.com

MEDIA RELATIONS

Ingrid Carstensen
Corporate Communications
Phone +41 33 221 28 00
Fax +41 33 221 28 08
Email ingrid.carstensen@meyerburger.com

Declaration on forward-looking statements

This document contains statements that constitute "forward-looking" statements, relating to Meyer Burger. Because these forward-looking statements are subject to risks and uncertainties, the reader is cautioned that actual future results may differ from those expressed in or implied by the statements, which constitute projections of possible developments. All forward-looking statements are based only on data available to Meyer Burger at the time of preparing the Half-Year Report 2017. Meyer Burger does not undertake any obligation to update any forward-looking statements contained in these documents as a result of new information, future events or otherwise.

The Half-Year Report 2017 is available in electronic form, in German and English. The original German language version is binding.

The document is also available on the company website www.meyerburger.com

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MEYER BURGER

Meyer Burger Technology Ltd
Schorenstrasse 39
CH-3645 Gwatt (Thun)
Switzerland
mbtinfo@meyerburger.com
www.meyerburger.com