



ROFIN-SINAR TECHNOLOGIES

## - PRESS RELEASE -

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### ROFIN-SINAR REPORTS RESULTS FOR THE FIRST QUARTER ENDED DECEMBER 31, 2000. REVENUES INCREASED BY 62%, NET INCOME BY 86%.

**Hamburg, Germany/Plymouth MI, February 6, 2001** -- Rofin-Sinar Technologies, Inc. (NASDAQ: RSTI), one of the world's leading developers and manufacturers of high performance laser beam sources and laser-based solutions, today announced results for its first fiscal quarter ended December 31, 2000.

#### FINANCIAL HIGHLIGHTS

(in thousands, except per share data)

|                    | Three months ended |              | % Change |
|--------------------|--------------------|--------------|----------|
|                    | 12 / 31 / 00       | 12 / 31 / 99 |          |
| Net Sales          | \$53,821           | \$33,155     | +62%     |
| Net Income         | \$3,034            | \$1,632      | +86%     |
| Earnings Per Share |                    |              |          |
| Diluted Basis      | \$0.26             | \$0.14       |          |

*The diluted earnings per share calculation is based on the weighted-average shares outstanding and the potential dilution from common stock equivalents (stock options) for each period presented, which was 11.6 million and 11.5 million for the fiscal quarters ending December 31, 2000 and 1999.*

Dr. Peter Wirth, Chairman and CEO, commented, "we are very pleased with the results of our last quarter. In spite of low shipments to the automotive industry, we were able to achieve solid sales and profits. The integration of the Baasel Lasertech group is progressing as planned, and our efforts to develop new markets for laser applications are moving forward. We are continuing to focus on improving and strengthening our US activities where we have experienced some reluctance in the industry to invest in new production equipment during the past few months."

## FINANCIAL REVIEW

Net sales totaled \$53.8 million for the first quarter ended December 31, 2000, 62% over the comparable quarter of fiscal 2000. The original Rofin-Sinar group contributed \$35.2 million and the Baasel Lasertech group \$18.6 million. The value of the US dollar strengthened over 17% in relation to the Euro over the course of the comparable quarters, which had a negative impact of \$4.7 million, or 8.8%, on net sales. Gross profit totaled \$21.0 million, or 39% of net sales, compared to \$11.1 million, or 33.4% of net sales in the comparable period of fiscal year 2000. The increase in gross profit margin was caused by the product mix shift towards lasers for marking and micro applications. Net income amounted to \$3.0 million, or 5.6% of net sales, compared to \$1.6 million, or 4.9% of net sales in the same period last fiscal year. Diluted earnings per share equaled \$0.26 for the quarter based upon 11.6 million common shares outstanding.

The increase in both SG&A and R&D spending reflects the addition of the Baasel Lasertech group. As a percentage of net sales, SG&A expenses increased from 16.9% to 17.6%, and R&D expenses decreased from 7.8% to 6.9%. Goodwill amortization amounted to \$0.9 million in the quarter ended December 31, 2000.

Sales of lasers for marking and micro applications increased by 122% to \$28.4 million, which now represents 53% of total revenues. Sales of laser products for cutting and welding increased by 25% to \$25.4 million, which accounted for the remaining 47% of total sales.

Net sales in North America amounted to \$9.6 million, an increase of 5%. In Europe/Asia, net sales increased by 84% to \$44.2 million, driven by continuing strong demand for lasers for marking and micro applications and Rofin's successful sales of CO<sub>2</sub> lasers into the machine tool market.

Order entry in the quarter was \$52.1 million and resulted in an order backlog of \$63.8 million on December 31, 2000. The slight decrease of \$1.7 million from the previous quarter was caused by the strengthening of the US dollar, which had a negative effect of \$3.8 million on backlog.

## OUTLOOK

"Based on our backlog, we expect our second quarter results to be in line with those of our first quarter," commented Dr. Peter Wirth. "As already announced, we are planning for a listing in Germany to better address the German investment community and to be prepared for further external growth," added Günther Braun, Chief Financial Officer of Rofin-Sinar Technologies.

With operational headquarters in Plymouth, Michigan, and Hamburg, Germany, Rofin-Sinar Technologies, Inc. designs, develops, engineers and manufactures laser sources and laser-based system solutions for a wide range of applications. With production facilities in the US, Germany, UK, Singapore and Japan, Rofin-Sinar is one of the world's leading designers and manufacturers of industrial lasers and currently has more than 13,000 laser units installed worldwide and serves more than 2,500 customers. Rofin-Sinar's shares trade on the NASDAQ National Market System under the symbol RSTI. Additional information is available on Rofin-Sinar's home page: <http://www.rofin.com>.

A conference call is scheduled for 11:00 AM EST, today, Tuesday, February 6, 2001. This call is also being broadcast live over the internet in listen-only mode. For live webcasting, go to <http://www.rofin.com> at least 10 minutes prior to the call in order to download and install any necessary software.

(For more information, please contact Richard Mullaney of Taylor Rafferty at 212-889-4350.)

**ROFIN-SINAR TECHNOLOGIES, INC.**  
**CONSOLIDATED STATEMENTS OF EARNINGS**

(in thousands, except per share data)

|  | Three months<br>ended<br>(unaudited) | Year ended<br>(audited) |                |
|--|--------------------------------------|-------------------------|----------------|
|  | <b>12/31/00</b>                      | <b>12/31/99</b>         | <b>9/30/00</b> |
| - <i>Cutting/Welding</i>                       | \$25,394                             | \$20,333                | \$95,915       |
| - <i>Marking</i>                               | 28,427                               | 12,822                  | 75,992         |
| <b>Net Sales</b>                               | <b>53,821</b>                        | <b>33,155</b>           | <b>171,187</b> |
| Costs of goods sold                            | <u>32,816</u>                        | <u>22,068</u>           | <u>106,890</u> |
| Gross profit                                   | 21,005                               | 11,087                  | 64,297         |
| Selling, general and administrative expenses   | 9,478                                | 5,612                   | 29,593         |
| Goodwill amortization                          | 890                                  | 85                      | 1,701          |
| Special charge                                 | 0                                    | 0                       | 2,812          |
| Research and development expenses              | <u>3,719</u>                         | <u>2,583</u>            | <u>12,953</u>  |
| Income from operations                         | 6,918                                | 2,807                   | 17,238         |
| Net interest expense (income)                  | 645                                  | (269)                   | 637            |
| Other expenses (income)                        | <u>(82)</u>                          | <u>(63)</u>             | <u>522</u>     |
| Income before income taxes                     | 6,355                                | 3,139                   | 16,079         |
| Income tax expense                             | <u>3,321</u>                         | <u>1,507</u>            | <u>8,202</u>   |
| Net income                                     | <u>3,034</u>                         | <u>1,632</u>            | <u>7,877</u>   |
| Net income per common share<br>"diluted" basis | \$0.26                               | \$0.14                  | \$0.68         |

*The diluted earnings per share is based on the weighted-average shares outstanding and the potential dilution from common stock equivalents (stock options) for each period presented, which were 11.6 and 11.5 million for the quarters ended December 31, 2000 and 1999, and 11.6 million for the fiscal year ended September 30, 2000.*

**ROFIN-SINAR TECHNOLOGIES, INC.**  
**CONSOLIDATED BALANCE SHEETS**

(in thousands)

|  | (unaudited)<br>At<br><u>12/31/00</u> | (audited)<br>At<br><u>9/30/00</u> |
|--|--------------------------------------|-----------------------------------|
| <b>ASSETS</b>                                  |                                      |                                   |
| Cash and cash equivalents                      | \$30,370                             | \$28,973                          |
| Trade accounts receivable, net                 | 52,505                               | 51,302                            |
| Inventories net                                | 62,306                               | 56,584                            |
| Other current assets                           | <u>9,442</u>                         | <u>8,279</u>                      |
| Total current assets                           | <u>154,623</u>                       | <u>145,138</u>                    |
| Net Property and equipment                     | 21,864                               | 20,580                            |
| Other non-current assets                       | <u>54,650</u>                        | <u>52,696</u>                     |
| Total non-current assets                       | <u>76,514</u>                        | <u>73,276</u>                     |
| <br>Total assets                               | <br><u>\$231,137</u>                 | <br><u>\$218,414</u>              |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>    |                                      |                                   |
| Short-term debt                                | 37,019                               | 34,749                            |
| Accounts payable, trade                        | 18,818                               | 16,297                            |
| Other current liabilities                      | <u>33,491</u>                        | <u>31,444</u>                     |
| Total current liabilities                      | <u>89,328</u>                        | <u>82,490</u>                     |
| Long-term debt                                 | 39,544                               | 40,172                            |
| Other non-current liabilities                  | <u>5,740</u>                         | <u>5,033</u>                      |
| Total liabilities                              | <u>134,612</u>                       | <u>127,695</u>                    |
| Net stockholders' equity                       | <u>96,525</u>                        | <u>90,719</u>                     |
| <br>Total liabilities and stockholders' equity | <br><u>\$231,137</u>                 | <br><u>\$218,414</u>              |

Certain information included in this press release is forward-looking and is subject to important risks and uncertainties that could cause actual results to differ. Actual results could differ materially based on numerous factors, including currency risk, competition, risk relating to sales growth in CO<sub>2</sub>, diode, and Nd:YAG lasers, cyclicalities, conflicting patents and other intellectual property rights of third parties, potential infringement claims and future capital requirements. These forward looking statements represent the Company's best judgment as of the date of this release based in part on preliminary information and certain assumptions which management believes to be reasonable. The Company disclaims any obligation to update these forward-looking statements.

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