



ROFIN-SINAR TECHNOLOGIES

- PRESS RELEASE -

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ROFIN-SINAR REPORTS RESULTS FOR FOURTH QUARTER AND FISCAL YEAR 2001

Plymouth, MI / Hamburg, Germany – November 6, 2001 - ROFIN-SINAR Technologies Inc. (NASDAQ: RSTI), one of the world's leading developers and manufacturers of laser sources and laser-based solutions, today announced results for its fourth fiscal quarter and twelve months ended September 30, 2001.

FINANCIAL HIGHLIGHTS

(in thousands, except per share data)

	Three months ended			Twelve months ended		
	<u>09/30/01</u>	<u>09/30/00</u>	% Change	<u>09/30/01</u>	<u>09/30/00</u>	% Change
Net sales	\$54,357	\$57,937	- 6%	\$220,557	\$171,187	+ 29%
Net income (loss)	(\$1,341)	\$3,854	- 135%	\$7,215	\$7,877	- 8%
Net income (loss) per common share "diluted" basis	(\$0.12)	\$0.33		\$0.62	\$0.68	

The diluted net income (loss) per common 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 11.7 for the fiscal quarters ending September 30, 2001 and 2000, and 11.6 million for each of the 12 month periods, respectively.

"Despite the adverse market conditions, we still achieved respectable sales in the fourth quarter, yet the losses in our US marking operation and an adverse tax structure led to a net loss in the quarter," Dr. Peter Wirth, Chairman of the Board and CEO, commented. "In order to drive future sales we increased in the quarter our demonstration lasers with potential customers, which caused higher amortization. Additionally, we increased our warranty reserve for expected costs related to a recently introduced new product line."

FINANCIAL REVIEW

- Fourth Quarter -

Net sales totaled \$54.4 million for the fourth quarter ended September 30, 2001, a slight decrease of 6.2% over the comparable period in 2000. Gross profit totaled \$17.1 million or 31.5% of sales compared to \$22.5 million or 38.9% of sales in 2000. The decrease in profit margin is a result of changes in product mix because of reduced sales of laser marking equipment to the semiconductor/electronics industry, higher warranty reserves and higher amortization for more demonstration units in the field. Income before tax amounted to \$1.7 million versus \$7.7 million in the fourth quarter fiscal 2000. Net loss amounted to \$1.3 million, due to the tax expense of \$3.0 million booked in the fourth quarter. Diluted loss per share equaled \$0.12 based upon 11.6 million common shares outstanding.

Sales of lasers for cutting and welding applications increased 2.7% to \$28.1 million compared to \$27.3 million in the fourth quarter of the last fiscal year, and sales of laser products for marking and micro applications decreased by 14.1% to \$26.3 million compared to \$30.6 million.

European/Asian sales in comparison to the fourth quarter last fiscal year dropped by only 2.9%, in spite of the strengthening of the US currency, while North American sales decreased by 16.0%.

R&D net spending in the fourth quarter was \$3.6 million compared to \$3.8 million in the fourth quarter of fiscal 2000, representing 6.6% of net sales for each period. Governmental R&D grants accounted for \$0.1 million.

- Twelve Months -

For the first time, the results of fiscal 2001 include Baasel Lasertech for the full year, whereas in fiscal 2000 Baasel Lasertech was only included for 20 weeks.

For the twelve months ended September 30, 2001, net sales totaled \$220.6 million, an increase of 28.8% over fiscal 2000. Gross profit for the period amounted to 37.3% of net sales and was up 27.8% to \$82.1 million from \$64.3 million in 2000. The twelve months net income in 2001 decreased by 8.4% to \$7.2 million.

Net sales of cutting and welding laser products increased by 12.0% to \$106.6 million, while net sales of lasers for marking and micro applications increased by 49.9% to \$114.0 million.

On a geographical basis, Rofin-Sinar's net sales in North America in the twelve months totaled \$45.7 million compared to \$42.6 million in fiscal 2000. In Europe/Asia, net sales increased by 36.0% to \$174.9 million from \$128.6 million a year ago.

Order entry for the fourth quarter fell to \$41.9 million, which caused a drop in backlog to \$53.0 million on September 30, 2001.

OUTLOOK

Dr. Wirth continued "While we achieved record results during the first three quarters of the fiscal year, the fourth quarter was more challenging due to the difficult market conditions. Based on our backlog and anticipated new bookings, combined with the uncertainty in the worldwide economic situation, we believe next quarters' sales will be lower. Furthermore, the semiconductor and electronics industries are still soft, which is reflected by a drop in our order intake and backlog. In spite of the current situation we believe in the long term growth of the laser industry and will continue our efforts in product development."

"We are taking the necessary actions to prepare ourselves for the more demanding times to come," added Günther Braun, CFO of Rofin-Sinar Technologies, Inc. "In our marking divisions we already decided to reduce our weekly working hours by at least 20% and we extended our shutdown over Christmas for several plants by one week. We believe these and other measures better structure the Company in the current market environment."

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 14,000 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 and are listed on the German "Neuer Markt" under the German Securities Number 902757. 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, November 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: Dan Durkin, Taylor Rafferty, Phone 212-889-4350)

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(Tables to follow)

ROFIN-SINAR TECHNOLOGIES INC.
CONSOLIDATED STATEMENTS OF EARNINGS

(in thousands, except per share data)

	Three months ended		Twelve months Ended	
	<u>9/30/01</u>	<u>9/30/00</u>	<u>9/30/01</u>	<u>9/30/00</u>
- Cutting/Welding	\$28,092	\$27,353	\$106,615	\$95,195
- Marking/Micro	26,265	30,584	113,942	75,992
Net Sales	54,357	57,937	220,557	171,187
Costs of goods sold	<u>37,226</u>	<u>35,417</u>	<u>138,408</u>	<u>106,890</u>
Gross profit	17,131	22,520	82,149	64,297
Selling, general and Administrative expenses	11,377	8,535	41,841	29,593
Goodwill amortization	953	1,005	3,653	1,701
Special charge	0	0	700	2,812
Research and development expenses	<u>3,583</u>	<u>3,795</u>	<u>14,798</u>	<u>12,953</u>
Income from operations	1,218	9,185	21,157	17,238
Other expenses (income)	<u>(456)</u>	<u>1,530</u>	<u>2,980</u>	<u>1,159</u>
Income before income taxes	1,674	7,655	18,177	16,079
Income tax expense	3,015	3,801	10,962	8,202
Net income (loss)	<u>(1,341)</u>	<u>3,854</u>	<u>7,215</u>	<u>7,877</u>
Net income (loss) per common share "diluted" basis	(\$0.12)	\$0.33	\$0.62	\$0.68

The diluted net income (loss) per common 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 11.7 for the fiscal quarters ending September 30, 2001 and 2000, and 11.6 million for each of the 12 month periods, respectively.

ROFIN-SINAR TECHNOLOGIES INC.
CONSOLIDATED BALANCE SHEETS

(in thousands)

	<u>At</u> <u>09/30/01</u>	<u>At</u> <u>9/30/00</u>
ASSETS		
Cash and cash equivalents	\$13,487	\$28,973
Trade accounts receivable, net	55,412	51,302
Inventories net	70,328	56,584
Other current assets	<u>9,230</u>	<u>8,279</u>
Total current assets	<u>148,457</u>	<u>145,138</u>
Net property and equipment	22,845	20,580
Other non-current assets	<u>53,807</u>	<u>52,696</u>
Total non-current assets	<u>76,652</u>	<u>73,276</u>
 Total assets	 <u>\$225,109</u>	 <u>\$218,414</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Short-term debt	29,777	34,749
Accounts payable, trade	11,765	10,760
Other current liabilities	<u>43,755</u>	<u>36,981</u>
Total current liabilities	<u>85,297</u>	<u>82,490</u>
Long-term debt	34,534	40,172
Other non-current liabilities	<u>6,227</u>	<u>5,033</u>
Total liabilities	<u>126,058</u>	<u>127,695</u>
 Net stockholders' equity	 <u>99,051</u>	 <u>90,719</u>
 Total liabilities and stockholders' equity	 <u>\$225,109</u>	 <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 CO₂-, Nd:YAG lasers and Diode 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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