

# **Ad Hoc Announcement**

## **RSTI: Order Entry and Sales on Record Level**

**Plymouth, MI / Hamburg, Germany, May 4, 2006** – 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 second fiscal quarter and six months ended March 31, 2006.

Net sales totaled \$99.7 million for the second quarter ended March 31, 2006, a 5%, or \$4.3 million increase over the comparable quarter of fiscal 2005. The strengthening of the US-dollar, mainly against the Euro, had the effect to decrease net sales by \$5.8 million in the second quarter. Gross profit totaled \$43.5 million, compared to \$37.6 million in the same period of fiscal year 2005, gross profit margin increased by 4% to 44% of net sales. Net income amounted to \$11.7 million, or 12% of net sales, compared to \$8.7 million, or 9% of net sales, in the same period last year. Diluted earnings per share equaled \$0.75 for the quarter based upon 15.6 million weighted-average common shares outstanding, compared to diluted earnings per share of \$0.56 based upon 15.6 million weighted-average common shares outstanding for the same period last fiscal year. The second quarter was impacted by the first-time implementation of SFAS 123R, which resulted in \$0.6 million net of income tax stock-based compensation expense.

SG&A increased by \$2.2 million to \$19.0 million, representing 19% of net sales. In addition, the amortization expense in the second quarter of fiscal year 2006 decreased by \$0.4 million over the comparable period last year to \$0.9 million (1% of net sales) because a portion of the intangibles acquired with PRC and Lee Laser became fully amortized. Net R&D expenses increased by \$0.1 million to \$5.8 million, representing 6% of net sales.

Compared to the second quarter ended March 31, 2005, net sales of laser products for macro applications slightly decreased by 1% to \$49.3 million, while net sales of lasers for marking and micro applications increased by 11% to \$50.4 million.

On a geographical basis, net sales in North America in the first six months showed an increase of 12% and totaled \$62.1 million (2005: \$55.5 million). In Europe/Asia, net sales increased by 2% to \$133.1 million (2005: \$131.2 million).

Order entry for the second quarter was \$115.5 million, a new record high. This resulted in an order backlog on March 31, 2006, of \$88.8 million for laser products.

The full text press release and further information including comprehensive financial data is available online at [www.rofin.com](http://www.rofin.com) – Investor Relations – Press Releases.