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Contact: USA Derek Heins
 Rofin-Sinar
 734-455-5400
 - or -
 Europe Thorsten Frauenpreiss
 Rofin-Sinar
 +49-40-73363-256

ROFIN-SINAR REPORTS RESULTS FOR FOURTH QUARTER AND FISCAL YEAR END 1998

Plymouth, MI / Hamburg, Germany, November 10, 1998 -- ROFIN-SINAR Technologies, Inc. (NASDAQ: RSTI), one of the world's leading developers and manufacturers of high performance laser sources, today announced the results for its fourth fiscal quarter and twelve months ended September 30, 1998.

FINANCIAL HIGHLIGHTS

(in thousands, except per share data)

	Three months ended		% Change	Twelve months ended		% Change
	<u>09/30/98</u>	<u>09/30/97</u>		<u>09/30/98</u>	<u>09/30/97</u>	
Net sales	\$30,508	\$30,716	- 0.7%	\$117,583	\$129,393	- 9.1%
Net income	\$1,460	\$2,277	- 35.9%	\$6,681	\$8,954	- 25.4%
Earnings per share "Diluted basis"	\$0.13	\$0.20		\$0.58	\$0.77	
Weighted average shares outstanding	11.6 mill.	11.6 mill.		11.6 mill.	11.6 mill.	

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 for the fiscal quarters and for the twelve months periods ended September 30, 1998 and 1997, respectively.

Dr. Peter Wirth, Chairman and CEO commented, " We clearly missed our sales target in the US, but were able to hold our position in Europe/Asia. Compared to 12 months ago our backlog increased by 23.4% to \$35.9 million as order intake in Europe was strong in the fourth quarter."

FINANCIAL REVIEW

- Fourth Quarter -

Net sales totaled \$30.5 million for the fourth quarter ending September 30, 1998, a decrease of 0.7% over the comparable period in 1997. Gross profit totaled \$11.1 million or 36.5% of sales compared to \$10.1 million or 33.0% of sales in 1997, mainly caused by a larger content of laser diode products in total sales. Net income was \$1.46 million and represented 4.8% of net sales. Diluted earnings per share equaled \$0.13 based upon 11.6 million common shares outstanding.

Sales of laser marking products declined 3.7% to \$9.7 million, whereas sales of laser products for cutting and welding applications increased by 0.8% to \$20.8 million. North American sales decreased 5.0% in the comparable periods, whereas the European/Asian sales increased by 1.2%.

The diffusion-cooled Slab laser continues to dominate our CO₂-laser shipments, accounting for over 80% of all CO₂-lasers shipped this quarter.

R&D net spending in the fourth quarter was \$2.7 million, or 8.8% of net sales compared to \$2.8 million, or 9.1% of net sales, in the fourth quarter of fiscal 1997. Governmental R&D grants accounted of \$0.1 million in the current quarter.

- Twelve Months -

For the twelve months ended September 30, 1998, net sales totaled \$117.6 million, a decrease of 9.1% over the comparable period in 1997. Of the \$11.8 million decrease, \$5.7 million was caused by the strengthening of the U.S. dollar against European and Asian currencies. Gross profit for the period was down to \$43.1 million from \$46.4 million in 1997, a 7.1% decrease. Twelve months net income in 1998 decreased by 25.4% to \$6.7 million. Net sales of cutting and welding laser products decreased by 16.0% to \$78.5 million, while net sales of lasers for marking increased by 8.8% to \$39.1 million.

On a geographical basis, Rofin-Sinar's net sales in North America in the first twelve months totaled \$36.2 million (1997: \$44.9 million). In Europe/Asia, net sales decreased by 3.7% to \$81.4 million (1997: \$84.5 million) and would have been \$87.1 on a comparable exchange rate basis.

Order entry for the fourth quarter was \$36.1 million. This resulted in an order backlog on September 30, 1998 of \$35.9 million, which is 23.4% higher on a year-to-year basis.

The business environment continues to be challenging. Sales will be influenced by the slow-down in Asia and by the soft semiconductor and electronics market. In this business environment, the company believes that it is essential to continue its focus on new technology, such as laser diodes and diode pumped solid state lasers, and exploit new markets with the low-power CO₂-lasers manufactured in its new facility in the UK.

Headquartered in Plymouth, Michigan, and Hamburg, Germany, Rofin-Sinar Technologies, Inc. designs, develops, engineers and manufactures industrial laser products for cutting, welding and marking a wide range of materials. With production facilities in the US, Germany, UK and Japan, Rofin-Sinar is one of the world's leading designers and manufacturers of industrial lasers and currently has more than 5,000 laser units installed worldwide and serves more than 1,500 customers. Rofin-Sinar's common 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>.

(Tables to follow)

ROFIN-SINAR TECHNOLOGIES, INC.
CONSOLIDATED STATEMENTS OF EARNINGS

(in thousands, except per share data)

	Three months ended (audited)		Twelve months ended (audited)	
	<u>9/30/98</u>	<u>9/30/97</u>	<u>9/30/98</u>	<u>9/30/97</u>
- Cutting/Welding	\$20,779	\$20,609	78,472	\$93,452
- Marking	9,729	10,107	39,111	35,941
Net Sales	30,508	30,716	117,583	129,393
Costs of goods sold	<u>19,371</u>	<u>20,587</u>	<u>74,476</u>	<u>82,982</u>
Gross profit	11,137	10,129	43,107	46,411
Selling, general and administrative expenses	6,016	4,465	22,656	22,101
Special charge	0	0	0	1,350
Research and development expenses	<u>2,680</u>	<u>2,769</u>	<u>9,960</u>	<u>9,727</u>
Income from operations	2,441	2,895	10,491	13,233
Net interest expense (income)	(152)	(192)	(759)	(854)
Other expenses (income)	<u>(1)</u>	<u>(35)</u>	<u>(549)</u>	<u>(625)</u>
Income before income taxes	2,594	3,122	11,799	14,712
Income tax expense	1,134	845	5,118	5,758
Net income	<u>1,460</u>	<u>2,277</u>	<u>6,681</u>	<u>8,954</u>
Net income per common share "diluted" basis	\$0.13	\$0.20	\$0.58	\$0.77

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 for the fiscal quarters and for the twelve months periods ended September 30, 1998 and 1997, respectively.

ROFIN-SINAR TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEETS

(in thousands)

	(AUDITED)	(AUDITED)
	<u>At</u> <u>09/30/98</u>	<u>At</u> <u>9/30/97</u>
ASSETS		
Cash and cash equivalents	\$34,874	\$40,743
Trade accounts receivable, net	34,008	27,148
Inventories, net	38,371	28,731
Other current assets	<u>4,559</u>	<u>5,345</u>
Total current assets	<u>111,812</u>	<u>101,967</u>
Net Property and equipment	23,999	22,118
Other non-current assets	<u>7,931</u>	<u>8,104</u>
Total non-current assets	<u>31,930</u>	<u>30,222</u>
 Total assets	 <u>\$143,742</u>	 <u>\$132,189</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Short-term debt	19,429	18,569
Accounts payable, trade	5,951	5,837
Other current liabilities	<u>19,315</u>	<u>22,554</u>
Total current liabilities	<u>44,695</u>	<u>46,960</u>
Long-term debt	3,580	0
Other non-current liabilities	<u>4,702</u>	<u>3,304</u>
Total liabilities	<u>52,977</u>	<u>50,264</u>
 Net stockholders' equity	 <u>90,765</u>	 <u>81,925</u>
 Total liabilities and stockholders' equity	 <u>\$143,742</u>	 <u>\$132,189</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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