



**- PRESS RELEASE -**

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**ROFIN-SINAR REPORTS RESULTS FOR THIRD QUARTER FISCAL 2000;  
RECORD SALES OF \$45.5 MILLION & ORDERS OF \$51.4 MILLION REACH ALL  
TIME HIGHS**

Plymouth, MI / Hamburg, Germany -- August 8, 2000 -- 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 third fiscal quarter and nine months ended June 30, 2000.

The Company acquired Carl Baasel Lasertechnik GmbH (Baasel Lasertech) on May 10, 2000 and has followed the purchase method in accounting for the acquisition. Accordingly the accompanying results of operations of RSTI include the results of Baasel Lasertech for only the 7 week period subsequent to the date of acquisition. In connection with the acquisition the companies have consolidated certain product lines, and as a result RSTI has recorded a special charge to write-off certain of its inventories which will be discontinued.

**FINANCIAL HIGHLIGHTS**

(in thousands, except per share data)

	Three months ended			Nine months ended		
	<u>06/30/00</u>	<u>06/30/99</u>	% Change	<u>06/30/00</u>	<u>06/30/99</u>	% Change
<b>Net sales</b>	<b>\$45,482</b>	<b>\$28,473</b>	<b>+60%</b>	<b>\$113,250</b>	<b>\$88,147</b>	<b>+ 28%</b>
Net Income	\$537	\$670	-20%	\$4,023	\$1,916	+110%
Earnings per share "Diluted" Basis	\$0.05	\$0.06		\$0.35	\$0.17	
<b>Results excluding special charge:</b>						
<b>Net Income</b>	<b>\$2,294</b>	<b>\$670</b>	<b>+242%</b>	<b>\$5,780</b>	<b>\$1,916</b>	<b>+202%</b>
<b>Earnings per share "Diluted" Basis</b>	<b>\$0.20</b>	<b>\$0.06</b>		<b>\$0.50</b>	<b>\$0.17</b>	

*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 11.7 million and 11.5 million for the fiscal quarters ending June 30, 2000 and 1999, and 11.6 million and 11.5 million for the nine month periods, respectively.*

"We had another strong quarter in all aspects of our business. We achieved record high orders and sales for our traditional RSTI business driven by the high demand for diode-pumped solid state lasers from various industries and applications," commented Dr. Peter Wirth, Chairman and CEO. "Sales and orders increased again to higher levels as a consequence of the successfully completed Baasel Lasertech acquisition. The addition of the Baasel Lasertech group with its strong focus on marking and micromachining applications is an important step to secure our future growth. It increases our sales coverage worldwide and enables us to enter into new markets."

## **FINANCIAL REVIEW**

### **- Third Quarter -**

Net sales totaled \$45.5 million for the third quarter ending June 30, 2000, a new record high with a 60% increase over the comparable period in 1999. The Baasel Lasertech acquisition accounted for 32% and RSTI for 28% of the increase. Gross profit totaled \$17.7 million, or 38.8% of sales due to the favorable product mix, compared to \$9.5 million, or 33.3% of quarterly sales, in 1999. Taking \$2.8 million of special charge into account, net income was \$0.5 million and represented 1.2% of net sales. Earnings per share on a diluted basis equaled \$0.05 based upon 11.7 million shares outstanding. Net income and diluted earnings per share excluding the special charge were \$2.3 million and \$0.20 respectively in the quarter.

Sales for laser products for cutting and welding applications increased by \$3.7 million, or 18%, to \$24.1 million. Sales of lasers for marking and microapplications increased by \$13.3 million, or 164%, to \$21.4 million, with the Baasel Lasertech acquisition accounting for \$1.3 and \$7.7 million of the increase respectively. 24% of total sales were achieved in North America, 76% in Europe/Asia.

R&D net spending in the third quarter was \$3.5 million, or 7.6% of net sales, compared to \$2.5 million, or 8.7% of net sales, in the third quarter of fiscal 1999. Governmental R&D grants amounted to \$0.2 million in the current quarter.

### **- Nine Months -**

For the nine months ended June 30, 2000, net sales totaled \$113.3 million, an increase of 28% over the comparable period in 1999. The strengthening of the US-dollar in relation to the European currencies had a negative impact of \$8.6 million on net sales. Gross profit for the period was \$41.8 million, or 36.9% of sales, and was \$12.7 million higher than in 1999. Net income for the nine months period including special charge still increased by 110% to \$4.0 million.

Net sales of cutting and welding laser products increased by 5.8% to \$67.9 million, while net sales of lasers for marking and microapplications increased by 89.2% to \$45.4 million. On a geographical basis, Rofin-Sinar's net sales in North America in the first nine months totaled \$28.2 million (1999: \$23.9 million), an increase of 18%. In Europe/Asia, net sales increased by 32% to \$85.1 million (1999: \$64.3 million).

Order entry for the third quarter was \$51.4 million. Order backlog thereby increased by \$24.8 million, or 62% above the second quarter fiscal 2000, to \$64.8 million. \$20.9 million, or 84%, of the increase was due to the Baasel Lasertech acquisition.

Headquartered 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>.

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(Tables to follow)

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

(in thousands, except per share data)

	Three months ended (unaudited)		Nine months ended (unaudited)	
	<u>6/30/00</u>	<u>6/30/99</u>	<u>6/30/00</u>	<u>6/30/99</u>
- Cutting/Welding	\$24,052	\$20,419	\$67,828	\$64,150
- Marking	21,430	8,054	45,422	23,997
<b>Net Sales</b>	<b>45,482</b>	<b>28,473</b>	<b>113,250</b>	<b>88,147</b>
Costs of goods sold	<u>27,815</u>	<u>19,011</u>	<u>71,473</u>	<u>59,021</u>
Gross profit	17,667	9,462	41,777	29,126
Selling, general and administrative expenses	9,643	5,920	21,754	17,788
Research and development expenses	3,457	2,464	9,159	8,653
Special charge	<u>2,812</u>	<u>0</u>	<u>2,812</u>	<u>0</u>
Income from operations	1,755	1,078	8,052	2,685
Net interest expense (income)	286	(178)	(244)	(559)
Other expenses (income)	<u>(134)</u>	<u>(98)</u>	<u>(128)</u>	<u>(396)</u>
Income before income taxes	1,603	1,354	8,424	3,640
Income tax expense	1,066	684	4,401	1,724
Net income	<u>537</u>	<u>670</u>	<u>4,023</u>	<u>1,916</u>
Net income per common share "diluted" basis	0.05	0.06	0.35	0.17
<b>Net income per common share, "diluted" basis excluding special charge</b>	<b>\$0.20</b>	<b>\$0.06</b>	<b>\$0.50</b>	<b>\$0.17</b>

*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 11.7 million and 11.5 million for the fiscal quarters ending June 30, 2000 and 1999, and 11.6 million and 11.5 million for the nine month periods, respectively.*

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

(in thousands)

	(UNAUDITED)	(AUDITED)
	<b>At</b>	<b>At</b>
	<b><u>06/30/00</u></b>	<b><u>9/30/99</u></b>
<b>ASSETS</b>		
Cash and cash equivalents	\$30,520	\$36,805
Trade accounts receivable, net	54,363	36,089
Inventories net	56,559	40,314
Other current assets	<u>9,505</u>	<u>4,997</u>
Total current assets	<u>150,947</u>	<u>118,205</u>
Net property and equipment	21,449	21,912
Other non-current assets	<u>54,174</u>	<u>7,703</u>
Total non-current assets	<u>75,623</u>	<u>29,615</u>
 Total assets	 <u>\$226,570</u>	 <u>\$147,820</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Short-term debt	79,323	19,984
Accounts payable, trade	16,920	6,917
Other current liabilities	<u>27,165</u>	<u>17,570</u>
Total current liabilities	<u>123,408</u>	<u>44,471</u>
Long-term debt	6,565	7,287
Other non-current liabilities	<u>5,730</u>	<u>5,386</u>
Total liabilities	<u>135,703</u>	<u>57,144</u>
 Net stockholders' equity	 <u>90,867</u>	 <u>90,676</u>
 Total liabilities and stockholders' equity	 <u>\$226,570</u>	 <u>\$147,820</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>-, 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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