

## - PRESS RELEASE -

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### ROFIN-SINAR REPORTS RESULTS FOR THIRD QUARTER FISCAL YEAR 2010

**Third quarter order entry, sales and net income  
 increased by 68%, 44% and 297%, respectively, year-over-year**

**Plymouth, MI / Hamburg, Germany, August 5, 2010** – 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 third fiscal quarter and nine months ended June 30, 2010.

#### FINANCIAL HIGHLIGHTS

(dollars in thousands, except per share data)

|  | Three months ended |                 |          | Nine months ended |                 |          |
|--|--------------------|-----------------|----------|-------------------|-----------------|----------|
|  | <u>06/30/10</u>    | <u>06/30/09</u> | % Change | <u>06/30/10</u>   | <u>06/30/09</u> | % Change |
| Net sales                              | \$110,308          | \$76,565        | + 44 %   | \$299,216         | \$259,120       | + 15 %   |
| RSTI net income (loss)                 | \$9,668            | \$(4,900)       | + 297 %  | \$17,909          | \$3,912         | + 358 %  |
| Earnings per share<br>"Diluted" basis* | \$0.33             | \$(0.17)        |          | \$0.61            | \$0.14          |          |

\*The diluted 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 29.3 million and 28.9 million for each of the fiscal quarters and 29.4 million and 28.9 million for the nine month periods ended June 30, 2010 and 2009, respectively.

“Our third quarter results demonstrate a considerable improvement in order entry and sales, as well as net income, primarily driven by increased sales to the machine tool, semiconductor, electronics and photovoltaic industries. We nearly doubled our operating margin, which improved to 11% of net sales. These results reflect an improved macro economic climate, especially throughout the Asian markets, and the excellent execution of our strategy by the ROFIN team,” commented Günther Braun, CEO and President of RSTI. “With continued improvement in market sentiment and our solid order backlog, broad technological expertise and geographic footprint, we are confident about our future prospects.”

## **FINANCIAL REVIEW**

### **- Third Quarter -**

Net sales totaled \$110.3 million for the third quarter ended June 30, 2010, a 44%, or \$33.7 million, increase from the comparable quarter of fiscal 2009. The strengthening of the US dollar, mainly against the Euro, resulted in a decrease in net sales of \$4.0 million in the third quarter. Gross profit totaled \$42.9 million, or 39% of net sales, compared to \$26.6 million, or 35% of net sales, in the same period last fiscal year. RSTI net income amounted to \$9.7 million, or 9% of net sales, compared to a net loss of \$4.9 million, or 6% of net sales, in the third quarter of fiscal year 2009. The diluted income per share calculation equaled \$0.33 for the quarter based upon 29.3 million weighted-average common shares outstanding, compared to a diluted loss per share of \$0.17 based upon 28.9 million weighted-average common shares outstanding for the same period last fiscal year.

Comparing the third fiscal quarters 2010 and 2009, SG&A increased by \$0.8 million in 2010 to \$22.7 million, representing 21% of net sales, and third quarter R&D expenses decreased by \$1.1 million in 2010 to \$7.6 million, representing 7% of net sales.

Sales of laser products used for macro applications increased by 38% to \$42.8 million, accounting for 39% of total sales. Sales of lasers for marking and micro applications increased by 58% to \$55.6 million and represented 50% of total sales. Sales of components increased by 14% to \$11.9 million and represented 11% of total sales.

### **- Nine Months -**

For the nine months ended June 30, 2010, net sales totaled \$299.2 million, an increase of \$40.1 million, or 15%, over the comparable period in 2009. The weakening of the US dollar, mainly against the Euro, resulted in an increase in net sales of \$5.7 million for the nine month period. Gross profit for the period was \$115.9 million, \$18.7 million higher than the same period in 2009. RSTI net income for the nine month period ended June 30, 2010, totaled \$17.9 million. The diluted per share calculation equaled \$0.61 for the nine month period based upon 29.4 million weighted-average common shares outstanding.

Net sales of lasers for macro applications increased by \$21.8 million, or 21%, to \$124.4 million and net sales of lasers for marking and micro applications increased by \$18.3 million, or 15%, to \$143.1 million. Sales of components stayed flat compared to fiscal year 2009 and amounted to \$31.7 million.

On a geographical basis, net sales in North America in the first nine months decreased by 1% and totaled \$54.1 million (2009: \$54.4 million). In Europe, net sales decreased by 3% to \$146.1 million (2009: \$150.6 million) and in Asia, net sales increased by 83% to \$99.0 million (2009: \$54.1 million).

Order entry for the quarter increased by 68% to \$128.0 million compared to the third quarter last fiscal year and resulted in a backlog of \$124.4 million at June 30, 2010, mainly for laser products. As of June 30, 2010, ROFIN-SINAR had a book-to-bill ratio of 1.16.

### **Other Developments - Share Buyback**

As of June 30, 2010, the Company has purchased approximately 0.85 million shares of common stock under the buyback program it announced in May 2010 for a total amount of \$19.5 million.

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, Sweden, Finland, Singapore and China, ROFIN-SINAR is one of the world's leading designers and manufacturers of industrial lasers and currently has more than 33,000 laser units installed worldwide and serves more than 3,000 customers. ROFIN-SINAR's shares trade on the NASDAQ Global Select Market under the symbol RSTI and are listed in Germany in the "Prime Standard" segment of the Frankfurt Stock Exchange under ISIN US7750431022. Additional information is available on ROFIN-SINAR's home page: <http://www.rofin.com>.

A conference call is scheduled for 11:00 AM Eastern, today, Thursday, August 5, 2010. This call is also being broadcast live over the internet in listen-only mode. The record will be available on the Company's home page for approximately 90 days. For a live webcast, please 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 Delia Cannan at Taylor Rafferty in New York at +1-212-889-4350 or Emilia Whitbread at Taylor Rafferty in London at +44(0) 207 614 2900).

(Tables to follow)

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

(in thousands, except per share data)

|   | Three months<br>Ended<br>(unaudited) |                 | Nine months<br>Ended<br>(unaudited) |                 |
|---|--------------------------------------|-----------------|-------------------------------------|-----------------|
|   | <u>06/30/10</u>                      | <u>06/30/09</u> | <u>06/30/10</u>                     | <u>06/30/09</u> |
| - <i>Macro</i>  | \$42,838                             | \$30,988        | \$124,365                           | \$102,628       |
| - <i>Marking/Micro</i>                                      | 55,558                               | 35,225          | 143,103                             | 124,829         |
| - <i>Components</i>   | 11,912                               | 10,352          | 31,748                              | 31,663          |
| <b>Net Sales</b>  | <b>110,308</b>                       | <b>76,565</b>   | <b>299,216</b>                      | <b>259,120</b>  |
| Costs of goods sold   | <u>67,446</u>                        | <u>50,004</u>   | <u>183,274</u>                      | <u>161,879</u>  |
| Gross profit  | 42,862                               | 26,561          | 115,942                             | 97,241          |
| Selling, general and administrative expenses                | 22,703                               | 21,913          | 67,679                              | 67,503          |
| Intangibles amortization                                    | 530                                  | 973             | 1,708                               | 2,672           |
| Research and development expenses                           | <u>7,616</u>                         | <u>8,763</u>    | <u>23,160</u>                       | <u>24,751</u>   |
| Income (Loss) from operations                               | 12,013                               | (5,088)         | 23,395                              | 2,315           |
| Other income (Loss)   | <u>2,681</u>                         | <u>(558)</u>    | <u>4,105</u>                        | <u>4,662</u>    |
| Income (Loss) before income tax                             | 14,694                               | (5,646)         | 27,500                              | 6,977           |
| Income tax expense (benefit)                                | <u>4,907</u>                         | <u>(798)</u>    | <u>9,263</u>                        | <u>2,840</u>    |
| Income (Loss)   | 9,787                                | (4,848)         | 18,237                              | 4,137           |
| Net income attributable to non-controlling interest         | <u>119</u>                           | <u>52</u>       | <u>328</u>                          | <u>225</u>      |
| Net income (loss) attributable to RSTI                      | <u>9,668</u>                         | <u>(4,900)</u>  | <u>17,909</u>                       | <u>3,912</u>    |
| Net income (loss) attributable to RSTI<br>**"diluted" basis | \$0.33                               | \$(0.17)        | \$0.61                              | \$0.14          |
| ***"basic" basis  | \$0.34                               | \$(0.17)        | \$0.62                              | \$0.14          |

\* The diluted 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 29.3 million and 28.9 million for each of the fiscal quarters and 29.4 million and 28.9 million for the nine month periods ending June 30, 2010 and 2009, respectively.

\*\*The basic per share calculation is based on the weighted-average shares outstanding for each period presented, which was 28.8 million and 28.9 million for the fiscal quarters and 29.0 million and 28.9 million for the nine month periods ending June 30, 2010 and 2009, respectively.

**ROFIN-SINAR TECHNOLOGIES INC.**  
**CONSOLIDATED BALANCE SHEETS**  
*(dollars in thousands)*

|   | <u>06/30/10</u>      | <u>09/30/09</u>      |
|---|----------------------|----------------------|
| <b>ASSETS</b>                                     |                      |                      |
| Cash, cash equivalents and short-term investments | \$120,683            | \$118,984            |
| Trade accounts receivable, net                    | 78,498               | 79,357               |
| Inventories, net                                  | 132,575              | 136,448              |
| Other current assets                              | <u>22,090</u>        | <u>20,126</u>        |
| Total current assets                              | <u>353,846</u>       | <u>354,915</u>       |
| Net property and equipment                        | 48,259               | 55,735               |
| Other non-current assets                          | <u>111,128</u>       | <u>128,857</u>       |
| Total non-current assets                          | <u>159,387</u>       | <u>184,592</u>       |
| <br>Total assets                                  | <br><u>\$513,233</u> | <br><u>\$539,507</u> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>       |                      |                      |
| Short-term debt                                   | 16,426               | 18,983               |
| Accounts payable, trade                           | 21,457               | 13,146               |
| Other current liabilities                         | <u>61,512</u>        | <u>48,507</u>        |
| Total current liabilities                         | 99,395               | 80,636               |
| Long-term debt                                    | 15,047               | 12,426               |
| Other non-current liabilities                     | <u>22,592</u>        | <u>24,751</u>        |
| Total liabilities                                 | <u>137,034</u>       | <u>117,813</u>       |
| <br>Net stockholders' equity                      | <br><u>376,199</u>   | <br><u>421,694</u>   |
| <br>Total liabilities and stockholders' equity    | <br><u>\$513,233</u> | <br><u>\$539,507</u> |

The Company's conference call will include discussions relative to the current quarter results and some comments regarding forward-looking guidance on future operating performance.

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act.

Certain information in this press release that relates to future plans, events or performance, including statements such as "with continued improvement in market sentiment and our solid order backlog, broad technological expertise and geographic footprint, we are confident about our future prospects" 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 solid-state lasers, cyclicalities, conflicting patents and other intellectual property rights of Fourth parties, potential infringement claims and future capital requirements, as well as other factors set forth in our annual report on form 10-K. 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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