

PRESS RELEASE

78E

Company contact:

Thomas Warringer

CFO

Tel: +46 8 638 52 00

thomas.warringer@micronic.se**Agency contact:**

Dylan McGrath

The Loomis Group, Inc.

Tel: +1 408 363-0797

dylan@loomisgroup.com

Micronic Announces Second Quarter Results.

Micronic Group, Second Quarter Report, April 1 – June 30, 2001.

Täby, Sweden, July 19, 2001 - Micronic Laser Systems AB (Stockholm Exchange's "Attract 40 list": MICR) is at the forefront in semiconductor and display laser pattern generators for the production of photomasks to the worldwide electronics industry.

Micronic today announces its second quarter results.

(Figures in brackets relate to the period April 1 – June 30, 2000, if not otherwise stated).

- Net sales increased by 18% to MSEK 158 (134).
- Result after financial items was a loss of MSEK 16 (profit 5).
- Order intake amounted to MSEK 173 (205).
- Closing order book of MSEK 355 (388), all of which is expected to be delivered and invoiced during 2001.
- The total number of employees was 330 (229) at the end of the quarter, the main part of the increase within R&D.

"The semiconductor industry is currently experiencing a cyclical downturn", said Sven Löfqvist, president and CEO of Micronic Laser System. "Micronic is effected by this downturn from the delay in order intake, that will mean a weak third quarter. However we will equal last year's sales and expect to report in black figures for the year 2001. More important is that we with our unique technology, our powerful investments in R&D and strong alliances with our customers and partners this year will form the foundation to meet the demands of the industry for improved and extended product range when the market turns up."

"During the quarter, we entered into an alliance with ASML* to jointly develop new lithography tools. Micronic will through this agreement get unique possibilities together with a world leading company, to take full advantage of spatial light modulator (SLM) technology, including direct write applications."

Key events in second quarter

- Micronic Laser Systems AB and ASML Holding NV have reached agreement in principle to enter into a strategic alliance to enhance the companies' positions as leading suppliers of advanced lithography equipment to the display and semiconductor industries. In the framework of this alliance, the companies will enter a joint development program to develop new tools in the area of lithography applications. Also part of this agreement is an interest free convertible loan in the amount of MSEK 320, from ASML to Micronic.

Q2 Report, 2001, page 1 of 6

- The loan has a term of three years and can be converted into 1 million shares of Micronic upon the first request of ASML.
- Micronic received significant orders from separate Asian companies. The value of the orders exceeds MSEK 150 in total.
- The new 2200 m² production facility, including a well-equipped process lab, was taken into operation in June.
- Micronic Laser Systems, Inc. and Micronic Laser Systems AB, together with Etec Systems, Inc. have settled the litigation between the companies in the United States District Court for the Northern District of California. Terms of the settlement are confidential.

Markets and Micronic products

Semiconductors

Semiconductor manufacturers are pushing aggressive die shrinks. Pilot production of chips with 130 nm feature sizes has begun. Micronic's two most advanced products for semiconductor photomask applications, the Sigma 7100 and the Omega 6600, each provide the technology needed to write the advanced photomasks for these chips. The Omega 6600 can produce masks for 130 nm semiconductors, while the Sigma 7100 is capable of producing 100 nm semiconductor photomask resolution. Used together, the two tools form Micronic's Mix and Match pattern generation solution, which uses both tools to write masks as efficiently and cost-effectively as possible.

Micronic received one order for an Omega 6500 during the period. The system will be delivered during the third quarter 2001.

Displays

Display manufacturers are aggressively seeking improved productivity and accuracy. They are currently investing in advanced production tools capable of writing larger and more accurate photomasks. Micronic's LRS 11000 is capable of meeting the most aggressive TFT-LCD requirements.

Micronic received a repeat order during the period for an advanced TFT-LCD pattern generator, LRS11000 to be delivered during fourth quarter 2001.

Multi Purpose

Multi purpose pattern generation systems are primarily used for electronic packaging applications. Electronic packaging companies are moving rapidly to wafer scale integration. This convergence is driving demand for Micronic's MP80+ tool.

Order intake, invoiced sales and order backlog

The order intake within the second quarter amounted to MSEK 173 (205), which consists of two new systems and service. Net sales for the second quarter amounted to MSEK 158 (134). Service accounted for MSEK 21 (15) during the period. Four systems were delivered.

The closing order book amounted to MSEK 355 (388), all of which expects to be delivered and invoiced during 2001.

Operating costs

Operating costs for the quarter, including change of work in progress amounted to MSEK 186 (131). These costs include cost of sales MSEK 73, R&D MSEK 64, G&A MSEK 48 and a positive exchangedifference item of MSEK 11.

The investments and research activities are mainly concentrated on the development of the first generation of Sigma7000 products and the continued development of the Omega 6600 product to meet customer's needs for advanced photomask pattern generators.

Property

The expansion of facilities in Täby continues according to plan and will be completed by September 2001. The new production facility was taken into operation on June 5.

Micronic is currently evaluating to sell and leaseback the completed property in Täby.

Profitability

The quarterly result after financial items was a loss of MSEK 16 (profit 5).

Earnings per share

The total number of shares in issue is 19,100,583. After full dilution, including warrants net after withdrawals, the company will have 20,793,733 shares in issue. Each share has a par value of SEK 1. Earnings per share, after tax and full dilution, were a loss of SEK 0,47 (0,23). The average number of outstanding shares is 20,413,953

Personnel

The number of employees increased during the quarter from 323 to 330. A new stock option program for employees was launched during the period.

The service organization continues to expand to meet the demands of the increased installed base. The number of employees outside of Sweden rose from 45 to 49 during the quarter.

Capital expenditure

The net capital expenditure during the period, MSEK 36 (6), relates mainly to investments in the parent company's property, MSEK 26, and in machinery, MSEK 8.

Cash-flow

During the interim period, liquid funds decreased by MSEK 152 (increase by 311) to MSEK 167 (394). Operations have consumed MSEK -65 (-132). Funds tied up in working capital (liquid funds excluded) have decreased by MSEK 7 (-111). Capital expenditure in fixed assets amounts to MSEK 86 (21). External funds supplied amount to MSEK -1 (464).

Liquid funds and financial position

The Group has a good financial position at the end of the quarter. The closing balance of funds amounted to MSEK 167 (394), excluding an unutilized overdraft facility.

The closing equity ratio was 71 (72) %.

Legal situation

Micronic Laser Systems, Inc. and Micronic Laser Systems AB ("Micronic"), together with Etec Systems, Inc. settled the litigation between the companies in the United States District Court for the Northern District of California. Terms of the settlement are confidential.

Future outlook

The severity of the downturn in the semiconductor industry has now also impacted the need for advanced photomasks at 130 nm design node. Thus, the increasing demand for leading edge pattern generators has come to a stop and the focus has shifted onto 100 nm R&D. This slowdown has resulted in a reduced order intake during the second quarter for semiconductor pattern generators.

The multipurpose segment for advanced packaging is tracking the semiconductor business development.

The demand for advanced TFT-LCD photomasks continues, with the focus on high-end performance.

The board's earlier estimate for 2001 of strong sales growth and an operating margin in line with the long-term target of 15% for the year 2001 has been adjusted. Based on the severity of this downturn, the board of

Q2 Report, 2001, page 3 of 6

directors estimates that the third quarter will be weak but that sales for 2001 will be in line with last year and that Micronic will report a positive net margin for the full year.

The combination of Micronic's technology, strong partners and financial strength provides the company with a good platform from which to ride out this current market downturn. It also leaves Micronic well positioned to satisfy the future upturn in the market.

Events of significant importance after second quarter

An Extra ordinary General Meeting of shareholders was hold July 13. The EGM resolved in favor of the Board's proposal to issue convertible subordinate debentures of MSEK 320 to ASML Holding N.V. The convertible subordinate debentures – an interest free debenture can be converted to one million shares in Micronic Lasers Systems AB at conversion price of 320 SEK per share during a period up to July 31, 2004 – relates to the strategic alliance between ASML and Micronic Laser Systems AB. After full conversion of the convertible subordinate debentures ASML Holding N.V will hold shareholder position and voting power of 4.9%.

ASML has subscribed for the convertible subordinate debenture.

Miscellaneous

Accounting rules and calculation methods are the same as in the Annual Report 2000. The calculation method for Q1 and Q2 year 2000 has been updated according to note in reported Financial statements. This interim report has not been subject to examination by the company's auditors.

Future reports

July – September 30th 2001

October 23

Täby, July 19, 2001

Micronic Laser Systems AB (publ.)

Sven Löfquist, President and CEO.

For further information, please contact:

Thomas Warringer, CFO

Tel: +46-8-638 52 00

e-mail: thomas.warringer@micronic.se

Micronic Laser Systems AB is a Swedish high-tech company engaged in the development, manufacture and marketing of a series of extremely accurate laser pattern generators for the production of photomasks. The technology involved is known as microlithography. Micronic's systems are used by the world's leading electronics companies in the manufacture of television and computer displays, semiconductor circuits and semiconductor packaging components. Micronic is located in Täby, north of Stockholm and at present has subsidiaries in the United States and Japan and a service office in Taiwan. Micronic's net sales for 2000 amounted to MSEK 704 (MSEK 213 in 1999) and the company has 330 employees as per June 30. Micronic maintains a web site at: <http://www.micronic.se>

*** About ASML Holding NV:**

ASML, founded in 1984, is leading company in advanced lithography tools, photoresist processing tracks and thermal systems that are essential in the fabrication of integrated circuits. The company is publicly traded on both the Euronext Amsterdam N.V. and on the Nasdaq Stock Market® under the symbol "ASML." The turnover for 2000 was approximately MEUR 2 200. The number of employees were approximately 4 400. Visit the company's web site at www.asml.com for more information.

PROFIT AND LOSS

SEK million	GROUP		PARENT COMPANY		GROUP		PARENT COMPANY	
	Jan-Jun 01	Jan-Jun 00	Jan-Jun 01	Jan-Jun 00	Apr-Jun 01	Apr-Jun 00	Apr-Jun 01	Apr-Jun 00
Net sales	274,4	183,3	242,6	161,4	157,8	134,3	138,0	122,6
Change in work in progress	63,0	49,9	63,0	49,9	37,0	8,3	37,0	8,3
Other operating income	17,0	0,0	17,0	0,0	11,0	0,0	11,0	0,0
Operating costs incl. depreciation	-404,4	-260,6	-388,9	-245,4	-222,8	-139,5	-214,1	-130,2
Operating profit/loss	-50,0	-27,5	-66,3	-34,1	-17,0	2,9	-28,1	0,5
Result from financial investments	-0,5	3,3	-0,1	4,4	0,4	2,5	0,7	2,6
Profit/loss after financial items	-50,5	-24,2	-66,4	-29,8	-16,6	5,4	-27,4	3,0
Tax on profit of the year	17,4	8,3	18,6	8,3	6,8	-0,9	7,7	-0,9
Net profit/loss for the year	-33,1	-15,9	-47,8	-21,4	-9,8	4,5	-19,7	2,1
Earnings/share before dilution	-1,73	-0,93	-2,5	-1,26	-0,51	0,24	-1,03	0,12
Earnings/share after dilution	-1,63	-0,88	-2,35	-1,18	-0,47	0,23	-0,95	0,11
No of shares before dilution, thousands	19 101	17 045	19 101	17 045	19 101	18 507	19 101	18 507
No of shares after dilution, thousands	20 304	18 138	20 304	18 138	20 414	19 600	20 414	19 600

BALANCE SHEET

SEK million	Group		Parent company	
	30 Jun. -01	31 Dec. -00	30 Jun. -01	31 Dec. -00
ASSETS				
Fixed assets	188,5	112,3	188,1	112,5
Current assets				
Inventories	273,2	163,9	264,5	159,3
Current receivables	282,0	350,2	275,2	342,7
Cash and bank	166,8	318,7	154,1	310,1
Total current assets	722,1	832,7	693,8	812,1
Total assets	910,5	945,1	881,9	924,6
EQUITY AND LIABILITIES				
Equity				
Restricted equity	577,2	579,9	558,6	558,6
Non-restricted equity	66,8	99,7	51,7	99,4
Total equity	644,0	679,5	610,3	658,0
Untaxed reserves	0,0	0,0	33,6	33,6
Liabilities				
Provisions	10,3	10,1	0,0	0,0
Long-term interest-bearing liabilities	53,9	54,8	49,6	50,2
Other liabilities	202,3	200,6	188,5	182,7
Total liabilities	266,5	255,4	238,0	232,9
Total equity and liabilities	910,5	945,1	881,9	924,6

KEY FIGURES

	Jan-Jun. -01	Jan-Jun. -00	Jan-Jun. -01	Jan-Jun. -00
Profit margin	-17%	-13%	-26%	-19%
Return on shareholders equity	-5,0%	-4,3%	-7,3%	-5,9%
Equity/total assets	71%	72%	72%	74%
Equity/share before dilution SEK	33,7	34,7	33,2	34,4
Average no. of employees	309	217	266	179
Capital expenditure, gross				
Buildings	54,2	9,0	54,2	9,0
Machinery and equipment	28,1	8,4	27,3	6,7
Intangible fixed assets	2,4	-	2,4	-

Q INCOME STATEMENT Group

SEK million	Apr-Jun 01	Apr-Jun 00	Jan-Mar 01	Jan-Mar 00
Net sales	157,8	134,3	116,6	49,0
Q on Q	35%	174%	-68%	18%
Y on Y	18%	65%	138%	15%
Cost of Sales	-73,2	-63,6	-64,2	-28,1
% of Net sales	-46%	-47%	-55%	-57%
Gross Profit	84,6	70,6	52,4	20,9
% of Net sales	54%	53%	45%	43%
R&D	-64,4	-40,0	-62,2	-32,6
% of Net sales	-41%	-30%	-53%	-67%
Sales, G&A	-48,1	-25,5	-29,3	-17,7
% of Net sales	-30%	-19%	-25%	-36%
Other Costs	11,0	-2,2	6,0	-1,0
% of Net sales	7%	-2%	5%	-2%
EBIT	-16,9	2,9	-33,1	-30,4
% of Net sales	-11%	2%	-28%	-62%
Interest	0,4	2,5	-0,9	0,9
% of Net sales	0%	2%	-1%	2%
Pretax Profit	-16,5	5,4	-34,0	-29,5
% of Net sales	-10%	4%	-29%	-60%
Tax	6,8	-0,9	10,6	9,1
% of Pretax Profit	-41%	-16%	-31%	-31%
Extraordinary IT	0,0	0,0	0,0	0,0
% of Net sales	0%	0%	0%	0%
Rep Net Profit	-9,7	4,5	-23,4	-20,4
% of Net sales	-6%	3%	-20%	-42%

Values for Q1 and Q2 2000 updated: Depreciation previously included in Other costs, now distributed to Cost of sales, R&D and Sales, G&A.

Key figures related to balance items calculated on the situation per June 30, 2000

CASH FLOW

SEK million	GROUP		PARENT COMPANY	
	Jan-Jun 01	Jan-Jun 00	Jan-Jun 01	Jan-Jun 00
Cash flow from operations before change in working capital	-53,2	-20,9	-66,2	-24,7
Change in working capital	-11,7	-110,8	-5,3	-107,7
Cash flow from operations	-64,9	-131,6	-71,5	-132,4
Cash flow from capital expenditure	-86,3	-21,3	-83,9	-22,4
Cash flow from financing	-0,7	464,3	-0,6	462,3
Increase/Decrease in liquid funds	-151,9	311,3	-156,0	307,5
Opening liquid funds	318,7	83,1	310,1	79,3
Closing liquid funds	166,8	394,4	154,1	386,8

EQUITY

SEK million	GROUP					
	Jan-Jun 01	Non Restricted Equity	Total	Jan-Jun 00	Non Restricted Equity	Total
Opening balance	579,9	99,7	679,5	113,1	28,2	141,3
New share issue net of issuance costs				468,2		468,2
Currency differences	-2,7	0,2	-2,5	1,2	-3,6	-2,4
Net profit for the year		-33,1	-33,1		-15,9	-15,9
Closing balance	577,2	66,8	644,0	582,5	8,7	591,3

	PARENT COMPANY					
	Jan-Jun 01	Non Restricted Equity	Total	Jan-Jun 00	Non Restricted Equity	Total
Opening balance	558,6	99,5	658,0	90,4	24,2	114,6
New share issue net of issuance costs				468,2		468,2
Net profit for the year		-47,8	-47,8		-21,4	-21,4
Closing balance	558,6	51,7	610,3	558,6	2,8	561,3

The same accounting principles have been applied in the quarterly closing as in the last annual reporting.