

PRESS RELEASE

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Micronic Laser Systems Group's Semi-annual report January 1 – June 30 1999

Higher order intake at Micronic Laser Systems

Micronic Laser Systems' order intake increased from MSEK 71 to MSEK 91 for the first half of the year. The closing order book at June 30 amounted to MSEK 88. Net sales declined to MSEK 124 from MSEK 141, largely due to economic turbulence in Asia. The profit after financial income and costs decreased by MSEK 30 to MSEK 7.

"We achieved a good result for the period, bearing in mind the prevailing conditions on our most important markets in Asia. The order intake improved during the period, rising by 28 per cent. A more favourable trend can be discerned, and there has already been a recovery in South Korea. It is important to emphasise that we have maintained our market shares and that we are continuing to invest in research and development," says Staffan Junel, Micronic's president.

The global market for flat panel **displays** is expanding, despite the turbulence in Asia, which is expected to result in sustained demand for laser writers for active LCD displays. Most of the manufacturers in this important market segment for Micronic are located in Japan. During the first half of the year, orders were booked for two systems.

The market for **semiconductors** is growing, and the process of miniaturisation is continuing at an accelerating pace. Miniaturisation is progressing in the technical stages where higher resolution is an important demand on mask writers. In the autumn, Micronic will launch a laser writer within the current technical stage. During the period, vigorous efforts were made within the company to ensure the success of the coming launch.

During the year, the Group has been strengthened by the recruitment of 18 new employees, mainly in the development and service business areas. The Micronic Group now has 160 employees.

The service organisation in Japan has been further strengthened. New and more suitable premises were inaugurated in Tokyo in April. As the number of service

contracts has increased in 1999, the service side of the business will represent a significant part of the business in 1999.

It is planned to have Micronic floating on the Stockholm stock exchange within the next twelve months. On June 30, the company had some 180 shareholders.

Abstract from semi-annual report

MSEK	1999 Jan-June	1998 Jan-June
Net sales	124	141
Operating profit	7	37
Profit after financial items	7	36
Profit margin, %	6	26
Equity	198	115
Equity ratio, %	66	57
Earnings per share after standard tax (SEK)	0.31	2.05

The complete semi-annual report may be ordered from:

Fax: +46 8 638 52 90

E-mail: info@micronic.se

It may also be downloaded from Micronic's website: www.micronic.se

Micronic Laser Systems in brief

Micronic Laser Systems is a Swedish high-tech company engaged in the development, manufacturing and marketing of a series of extremely accurate laser writers 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 manufacturing of television and computer displays, semiconductor circuits and semiconductor packaging components.

The company has 160 employees, 125 of which have joined the company since the beginning of 1996. Micronic is situated in Täby, north of Stockholm and has at present three service offices: Japan, Taiwan and the US.