



Press release

For immediate release

M2 Launches SQM: a New CD and DVD Glass Mastering System

[Stockholm, Sweden, November 8, 2004.] M2 announces the launch of its new CD and DVD glass mastering system, the SQM. The market introduction of SQM marks a significant step in the development of M2 as a total solutions provider of optical disc production systems and equipment for the global market.

The official launch of the SQM mastering system was made by M2's CEO Stefan Stockhaus at the Replication Expo 2004 in Guangzhou, China on November 8. With the SQM added to M2's already extensive product portfolio, the Swedish-based company can now supply complete manufacturing solutions for the production of current and future generations of optical media. The SQM is expected to be shipped to the first customers in the first quarter next year.

The SQM is a 'new generation' of photo-resist glass mastering systems. The SQM system combines the level of precision and sophistication of a high-end mastering system with the robustness and reliability of a high output replication line.

"With the SQM, M2 can offer systems for the entire production process of CD and DVD discs. It is very important to be able to offer our customers a complete solution. Also, being in control of the entire process puts M2 in a better position to develop equipment for new and more complex formats in the future", said Stefan Stockhaus, CEO, M2.

"The mastering market has for too long been dominated by one large producer and we believe that many customers are looking for an alternative supplier."

The SQM system has been designed specifically for the volume production of high quality CD and DVD masters. The system features many new innovations to make the mastering process more productive, tolerant and stable in comparison to traditional systems.

One example is the SQM's in-line quality measurement and feed forward process control, which ensures maintenance of the process window and makes the mastering quality more dependent upon the system performance and less dependent on external factors.

Another is the completely new laser beam recorder concept, which provides the level of precision required for consistent high quality mastering of the current CD and DVD formats and the next generation of high density optical media.

For additional information and photos please contact:

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For more information on M2 please go to: www.m2.se.

About M2:

M2 is one of the world's leading manufacturers of optical disc production systems and equipment for CD, CD-ROM, CDR, DVD and DVDR. With its headquarters in Stockholm, Sweden, M2 has a global sales and service organization with subsidiaries in Japan, the USA, Thailand, Singapore, Taiwan and Germany, and sales agents in numerous other important markets.

M2's product line includes the SQ1 for CD production, the SQ2 for CD and all DVD formats, the SQ1R for CDR and the SQ3 for both CDR and DVDR, the SQ200 which is a high capacity system for the production of DVDs, and the SQM for mastering. M2 was founded in 1995.

Both the SQ200, the SQ2 and the SQ3 feature M2's unique CenterBond™ technology, which allows for bonding all the way to the center of the disc. The complementary SpinCure™ technology creates uniform bonding layers.