



Press release

For immediate release

M2 Joins Groups for New Formats – Continues Research for Both HD DVD and Blu-Ray Disc

[Stockholm, Sweden, May 6, 2005.] M2 has joined both the HD DVD promotion group and the Blu-Ray Disc Association for the development of new optical disc formats. M2 started research for the blue formats already in 2003. M2 is one of the world's leading manufacturers of optical disc production systems and equipment.

The blue-laser discs will increase the DVD capacity by 5 to 10 times. This is thanks to, among other reasons, the usage of a blue laser instead of a red and improved lens specifications, allowing for a much smaller focus laser beam which enables the recording of much smaller and higher density pits on the disc.

The HD DVD Promotion Group aims to exchange views and thoughts to help promote the HD DVD format based contents and products into the marketplace and share its promotional activity among members to encourage the broad acceptance of HD DVD on a world wide basis among members of the group, related industries and the public.

The Blu-ray Disc Association is an organization supported by various companies with the united aim of promoting the Blu-ray Disc format.

"We have chosen to continue our work on both formats, in order to help our customers capitalize on the premium pricing, which we expect to be present during the first years of any new formats," said Stefan Stockhaus, CEO, M2.

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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 DVD-R. With its headquarters in Stockholm, Sweden, M2 has a global sales and service organization with subsidiaries in Japan, the USA, Thailand, Singapore, Taiwan, Germany and Holland, 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, the SQ3 for both CD-R and DVD-R and the SQ200 which is a high capacity system for the production of DVDs. By adding the mastering, the SQM, and the molding technology to the portfolio, M2 is a total solution provider. M2 was founded in 1995.

The SQ200, the SQ2 and the SQ3, all 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.