



Press release

For immediate release

A new standard in Optical Disc substrate moulding
Sprue-Less Moulding developed by M2-Toyo

[Stockholm, Sweden, May 23, 2006] **M2 and Toyo introduce a new proprietary Sprue-Less Moulding (SLM) technology for industrial production of DVD and HD-DVD discs.**

The new SLM mould type, based on the Toyo-Techno TS DVD-mould, allows production of DVD and HD-DVD substrates with excellent quality, while eliminating the waste in producing an injection sprue for every substrate. The technology offers manufacturers substantial material savings and potentially higher yields. The mould has demonstrated excellent results, moulding high quality DVD-9 substrates in cycle times ranging between sub-2 to 3 seconds.

"With today's polycarbonate prices, this groundbreaking technology will offer substantial and solid material savings in the range of 4-9% to our customers, while thus far showing no negative effects," says Carl G. Langenskiöld, President and CEO of M2. Adding that "sprue recycling systems has proved themselves to require high maintenance besides showing a negative effect on the overall yield as the recycled polycarbonate is not as suitable for making optical disc as the virgin material, making SLM an clearly preferable alternative".

"I expect cycle time for the SLM mould to be faster than traditional moulds as no sprue needs to be involved, which normally negatively affects all stages of the moulding cycle. I also expect long term improvement of overall yield as there will be no sprue-related rejects and production interruptions. Another great advantage is that there will be no "stringing"-related rejects and other related problems in this design," according to Jarmo Nappi, the inventor of the SLM technology and a long-time moulding technology pioneer, working at M2 in Stockholm, Sweden.

Mr. Koji Hirota, General Manager Optical Systems, Toyo Machinery and Metal Co. Ltd of Kobe, Japan, adds: "We have been looking for technologies to give our Toyo-Techno moulds a leading edge over competition for some time, and unlike many other sprue-less moulds presented earlier, this new revolutionary design really works! We expect this new technology we developed in cooperation with M2 to firmly position our Toyo moulding machines and our Toyo-Techno moulds as market leaders in the optical disc industry."

The M2-Toyo Sprue-Less Moulding technology was originally invented and patented by M2 Engineering AB of Stockholm, Sweden. The SLM concept was refined and further perfected into a fully operational moulding system by Toyo-Techno, a subsidiary of Toyo Machinery and Metal Co. Ltd. of Kobe, Japan.

The SLM mould is currently going through long term testing and process optimization at M2 and Toyo's facilities. The SLM mould will be demonstrated for the first time at the M2-Toyo booth H73 at the Media-Tech Expo, Messe Frankfurt 30/5-1/6 2006.

The SLM mould is expected to be ready for customer deliveries within 6 months.

For additional information and photos please contact:

Carl G Langenskiöld, President and CEO, M2
Phone: +46 8 506 560 00 or +46 705 351266
Email: carl.langenskiold@m2e.se

Martin Brown, Vice President Sales & marketing, M2
Phone: +31 6 2277 9706
Email: martin.brown@m2e.nl

Koji Hirota
General Manager, Toyo Machinery & Metal Co Ltd.
Phone: +81 78 942 2658 or +81 80 3039 3787
Email: k-hirota@toyo-mm.co.jp
URL <http://www.toyo-mm.co.jp>

About M2:

M2 is one of the world's leading manufacturers of optical disc manufacturing systems and equipment for CD, CD-ROM, CDR, DVD and DVDR. M2's equipment includes the SQ1 for CD, the SQ2 and SQ20 for DVD, the SQ3 for recordable formats, including both DVDR and CDR production, and the SQM for mastering. The SQ20 is M2's high capacity DVD finishing line with an output of more than 33,000 discs per day. The SQM is a CD and DVD glass mastering system. By adding its own SQI-S/H injection-moulding machine, M2 is a total solution provider.

The SQ2, SQ20 and the SQ3 systems feature M2's unique CenterBond™ technology, which allows for bonding all the way to the center of the disc. The SpinCure™ technology creates uniform bonding layers.

M2 has its global corporate headquarters in Stockholm, Sweden, with subsidiaries in the United States, Japan, Thailand, Singapore, Taiwan and The Nederland's, with sales agents in numerous other important markets.

See www.m2.se for more details.