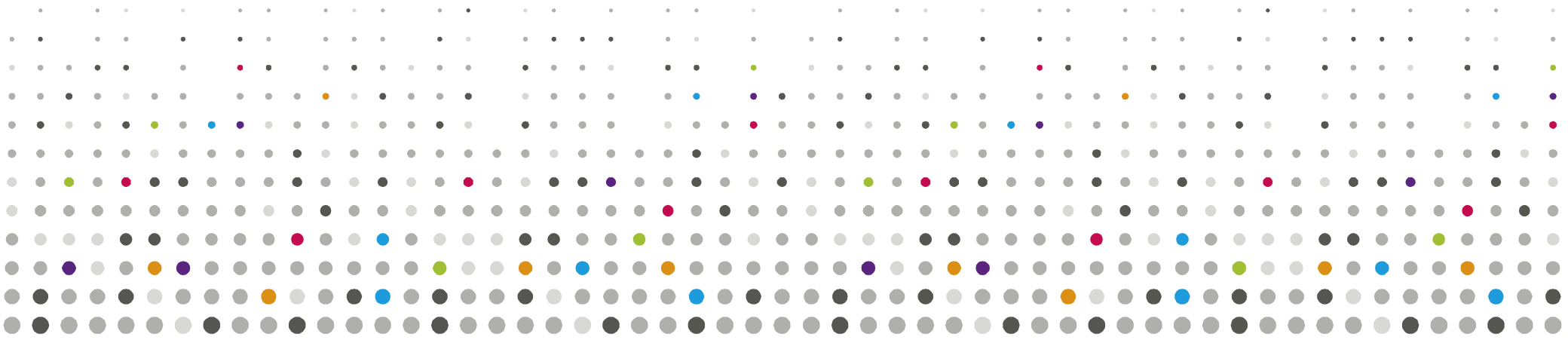


Mycronic, Q4 and Full year 2014

Lena Olving, President and CEO

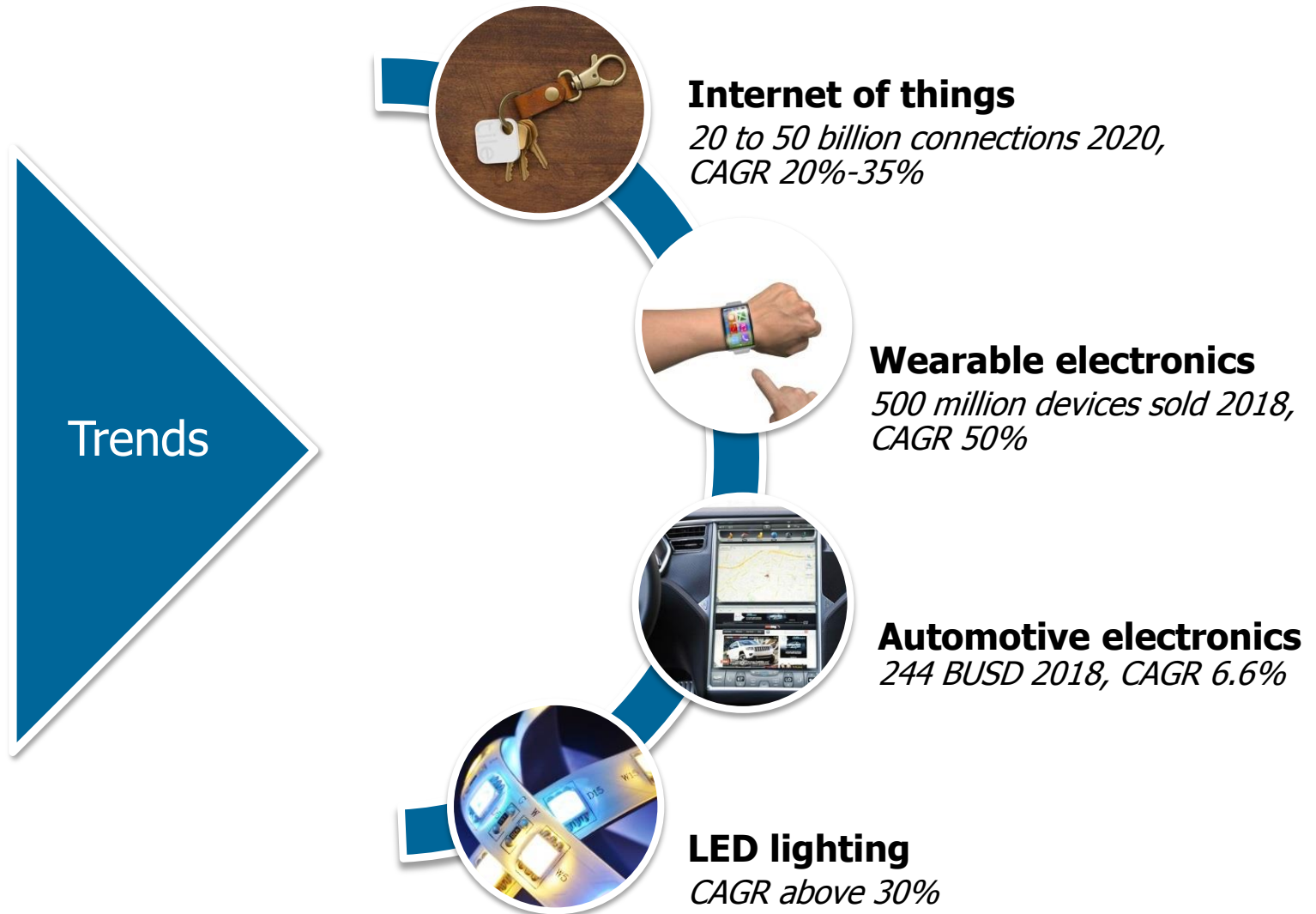
Per Ekstedt, CFO





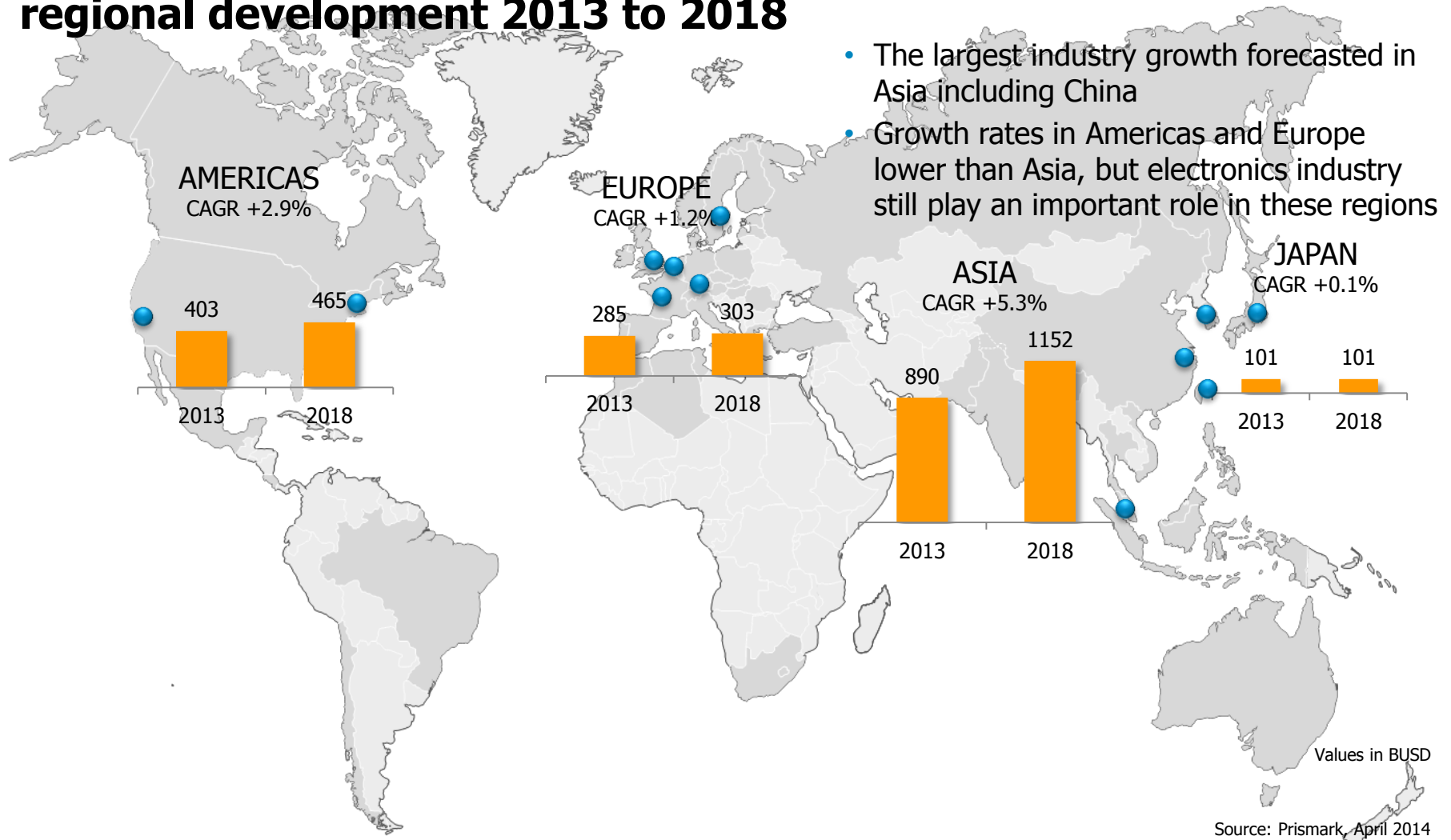
Electronics industry development

Technology trends – driving market



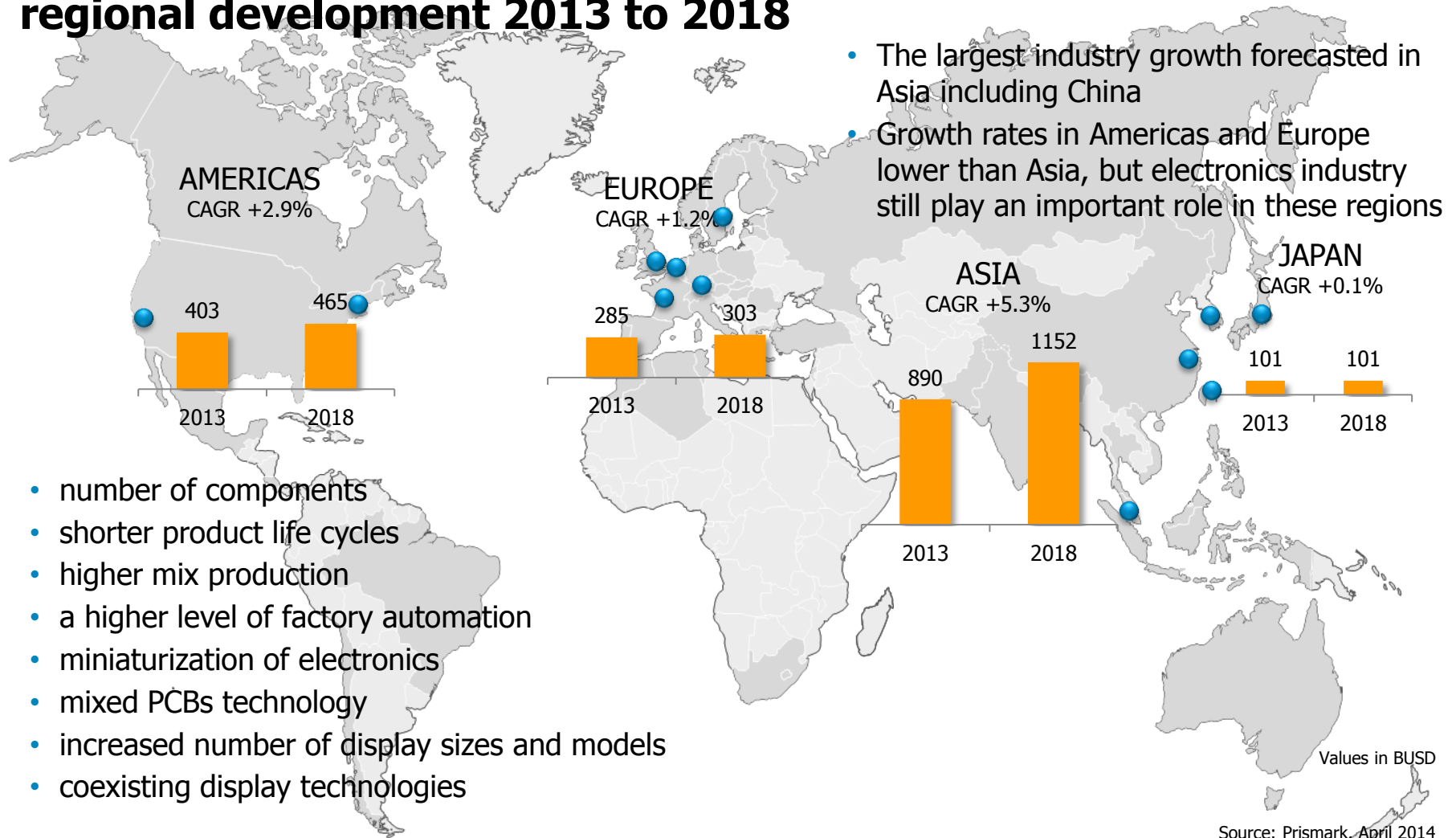
Electronics industry

regional development 2013 to 2018



Electronics industry

regional development 2013 to 2018



Mycronic in the electronics industry

40 years

of high-tech innovation
experience

450 patents

strong IP portfolio

>2,200 customers

supported by solutions from
two business areas SMT and PG.

- SMT for mounting components on PCBs
- PG for the production of photomasks

511 employees

whereof one third in product
development

50 countries

market coverage through
subsidiaries and distributors

98 %

of total revenues
from exports

Profitable growth

Net sales will reach SEK 2 billion at the end of the business plan period.

Over time EBIT will exceed 10 percent of net sales over a business cycle.



Technological development, operational excellence, go-to-market model and solid aftermarket are drivers to reach the goals

Key events Full year 2014

- A fantastic year with order intake +93%, sales +48%, EBIT 19% and order backlog MSEK 702
- Marketplace
 - SMT market recovered in 2014 - market growth of 22%
 - High utilization of mask writers and capability build-up leading to investment in new equipment
 - Successful product launches
 - introduction of MY200 completed
 - launch of MY600 for contact-free application of solder paste for challenging PCB solutions
 - launch of mask writer Prexision-80 for display applications
 - Customer evaluation of the LDI technology has ended, as communicated in Q2
- Order intake/sales
 - Record order intake, whereof 72% during H2
 - Growing aftermarket business
 - Order received for eight mask writers in five different segments of the photomask market

Key events Full year 2014

- Earnings

- Record EBIT FY as well as Q4 since merger
- Sixth consecutive quarter with positive EBIT
- Six mask writers delivered
- Improved gross margin level
- Strong positive cash flow and cash position

- Corporate

- Brand
 - Global change of name to Mycronic finalized
 - Corporate brand project continues
- Operational excellence function added into Corporate management team
- New R&D Sr VP appointed, Johan Franzén, will join in March, 2015

Mycronic outlook

The board's assessment is that sales 2015 will be in the span of SEK 1,650-1,750 million.

Dividend proposal according to policy

According to policy the board proposes to the AGM a dividend of SEK 0.80 per share, a total of 78.3 MSEK, representing approximately 30 percent of net profit.

Dividend policy

The objective of the company is to provide both solid returns and value growth.

Between 30 and 50 percent of net profit will be distributed to the shareholders, provided the company has a net debt less than 3 times EBITDA after stipulated dividend.

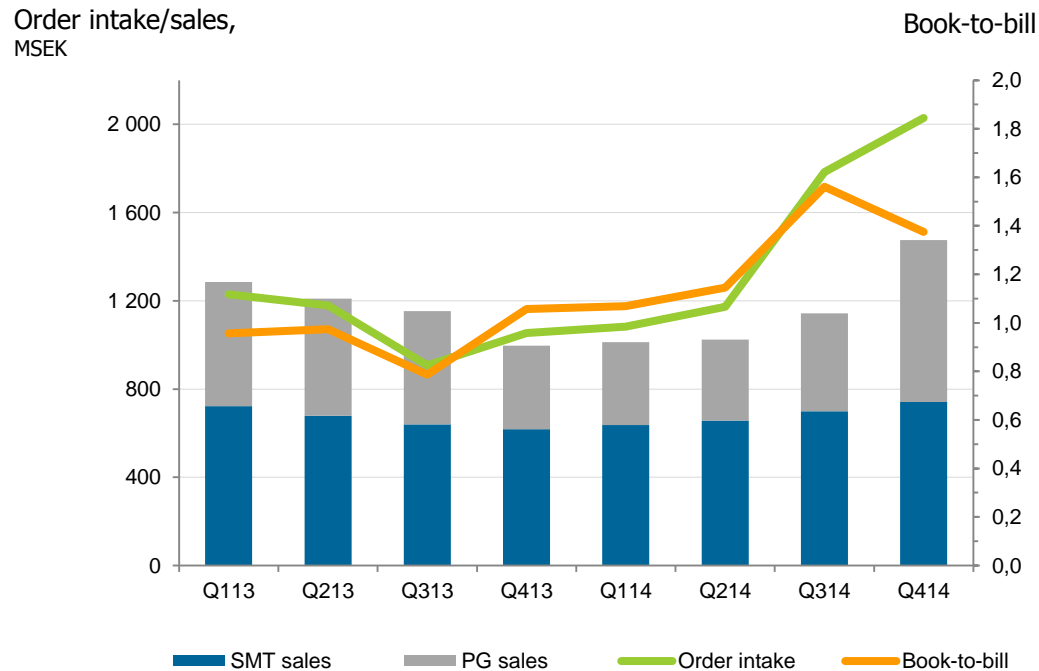
On each occasion the financial position, profitability trend, growth potential and future investment requirements of the company shall be taken into account

Proposal for an extraordinary dividend

With reference to the strong financial position and cash flow by the end of 2014, the board proposes to the AGM an extraordinary dividend of SEK 3.20 per share, a total of 313.3 MSEK.

This is a step towards a more optimal capital structure taking our long-term financial goals and future M&A into consideration

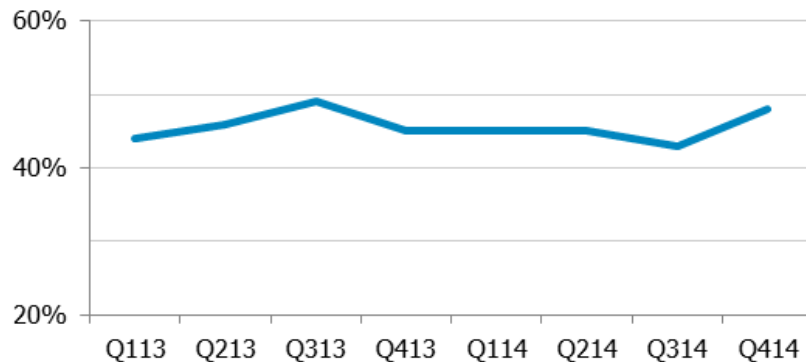
Order intake/net sales, 12 months rolling



- Order intake at 2,028 MSEK (1,053)
- SMT order intake increase by 27% in 2014
- PG order intake include eight mask writers, whereof three advanced display writers, in five different segments
- Book-to-bill ratio over 1 since more than 1 year
- Order backlog 702 (149) MSEK including two advanced mask writers for display applications
- Sales increase 48%, positively affected by currency effects in an amount of MSEK 72

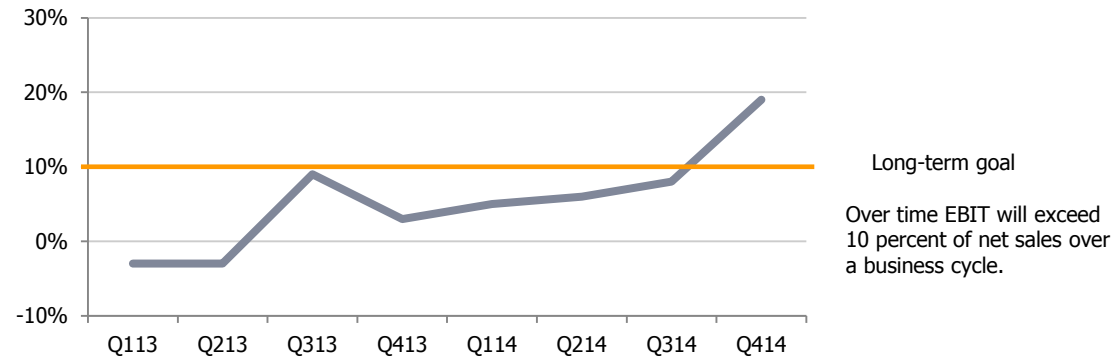
Margins, 12 months rolling

Gross margin



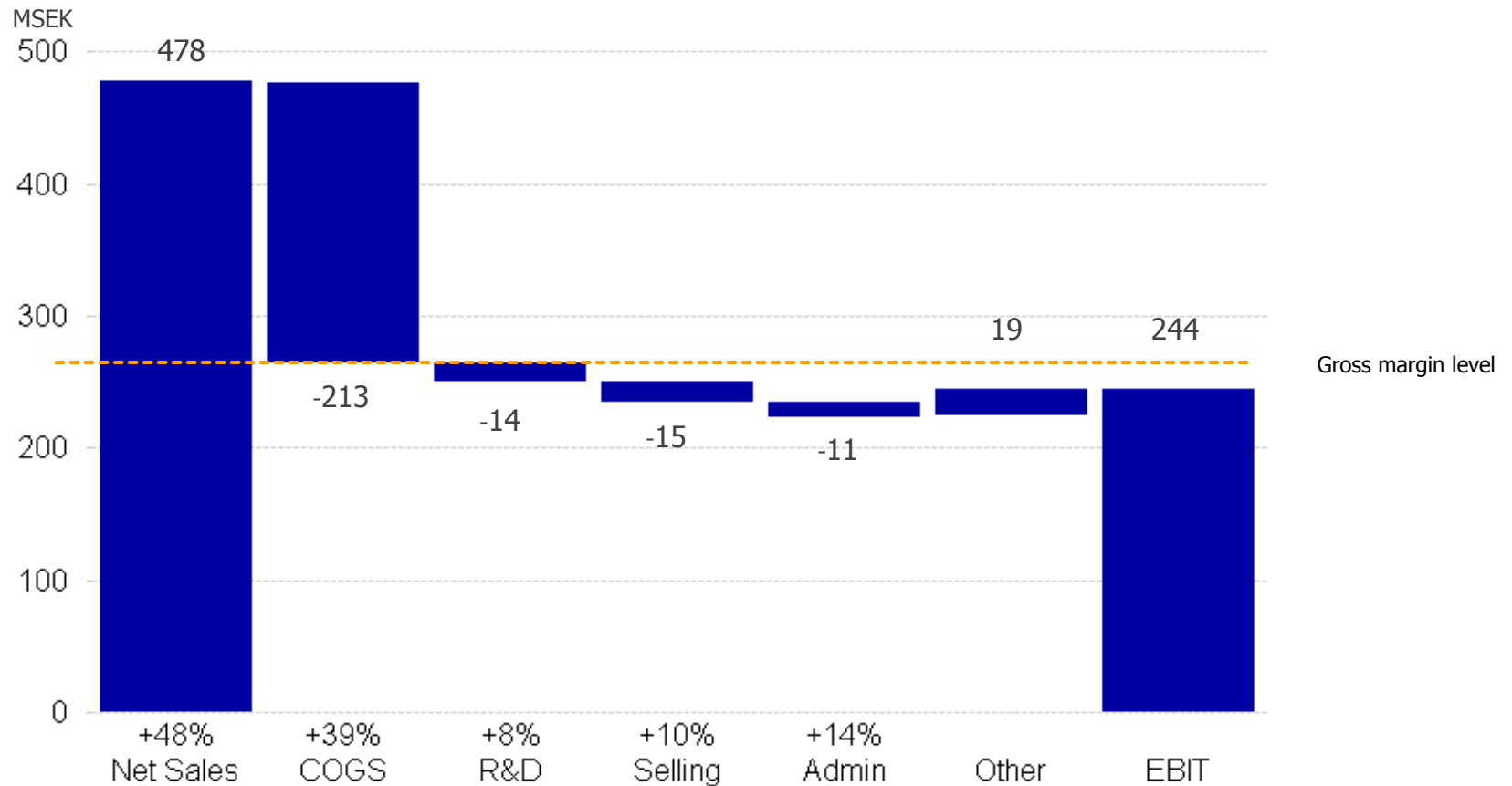
- FY Gross margin 48% (45%)
- Increased gross margin due to favorable product mix, high production utilization and positive currency effects
- Gross margin negatively affected in Q4 by write-down of LDI-assets

EBIT margin

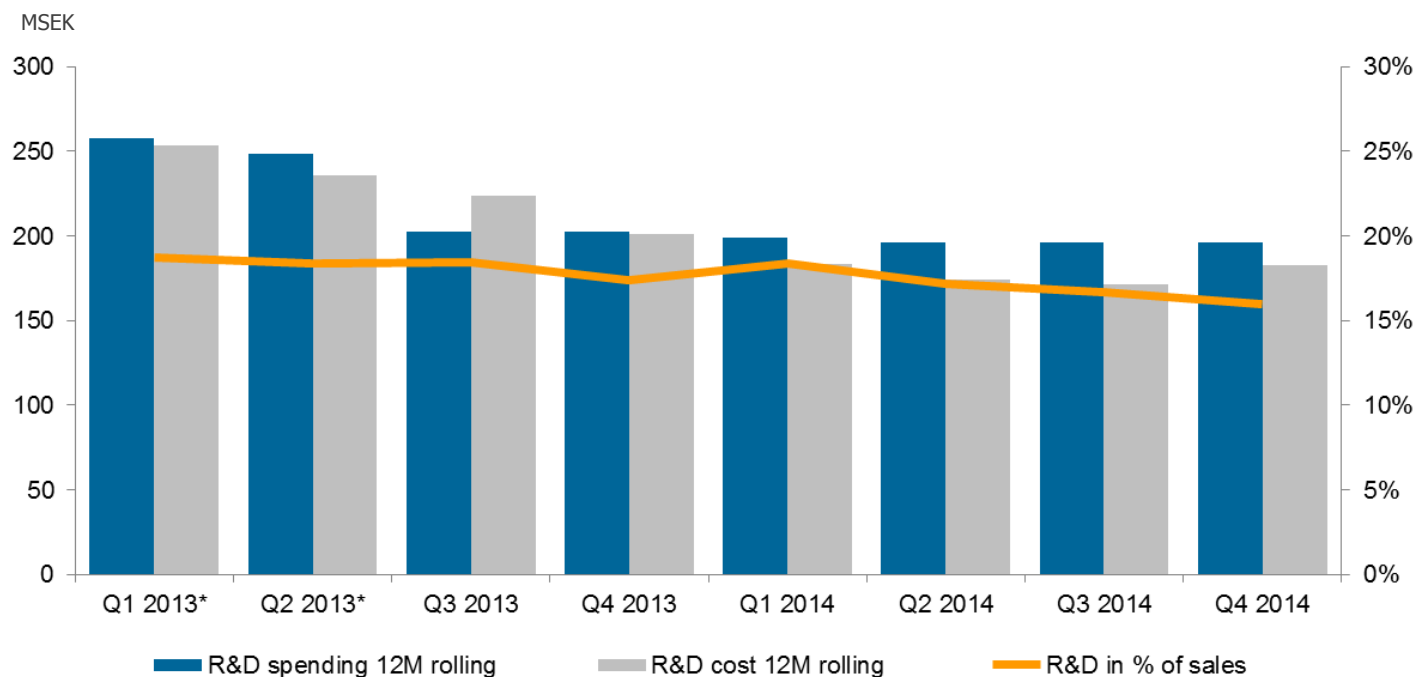


- FY EBIT 19% (3%)
- Positive EBIT for six consecutive quarters
- EBIT improved as a result of higher sales, favorable product mix, high production utilization, positive currency effects and stable cost level

The "bridge" 2014 vs 2013



R&D expenses, 12 months rolling



- R&D costs 13% (18%) of net sales
- Net capitalized costs 1 (24) MSEK in SMT YTD 2014
- Several successful launches during 2014

* Adjusted for non-recurring items of 36 MSEK

Profit and loss by segment, 2014, MSEK

	Q4 2014	Q4 2013	FY 2014	FY 2013
Net Sales				
SMT	230	187	742	618
PG	427	137	733	379
Group net sales	656	323	1,475	997
Gross margin				
SMT	47%	43%	45%	41%
PG	61%	52%	52%	50%
Group gross margin	56%	47%	48%	45%
EBIT				
SMT	19 (8%)	17 (9%)	54 (7%)	18 (3%)
PG	212 (50%)	27 (19%)	226 (31%)	21 (6%)
Amortization excess value	0	-2	-4	-6
Group EBIT	231 (35%)	42 (13%)	277 (19%)	32 (3%)

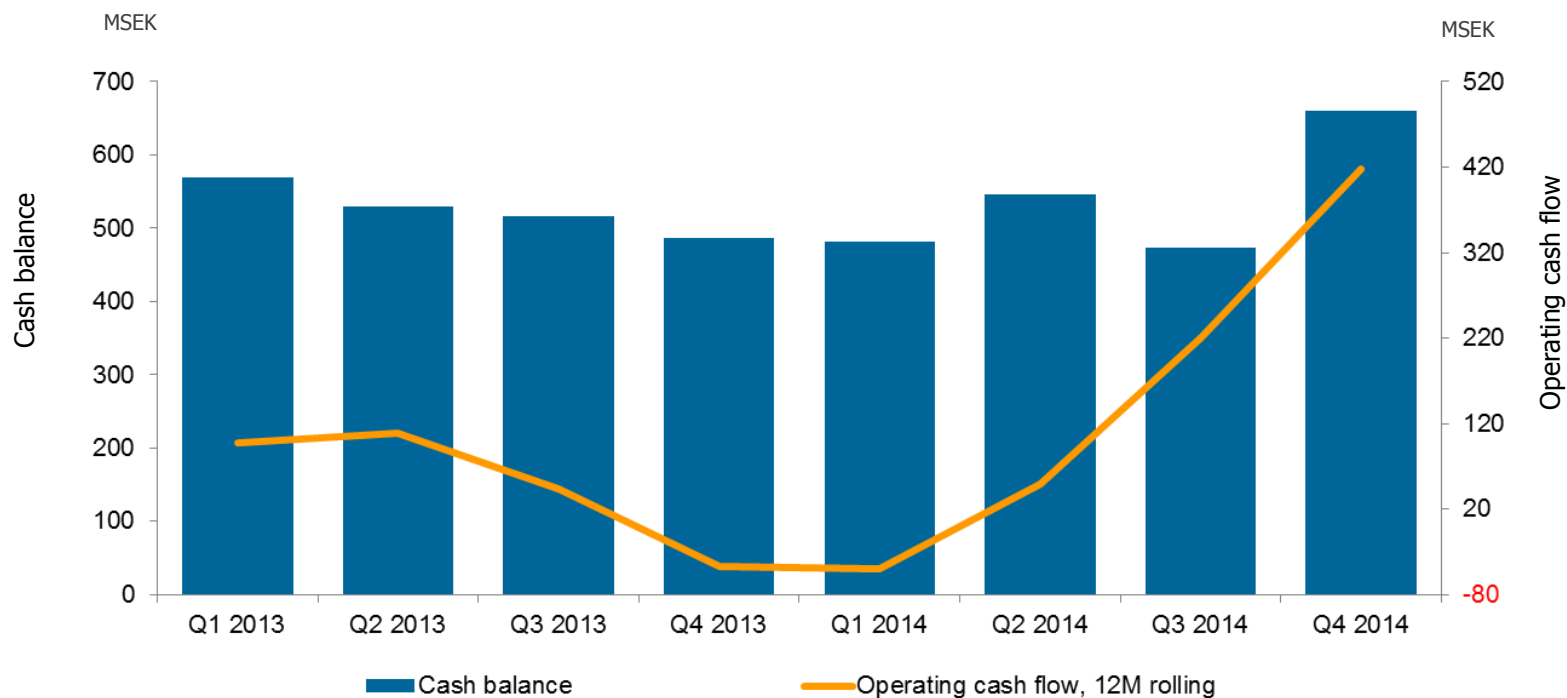
Cash flow statements, MSEK

	YTD 2014	YTD 2013
Cash flow from operations	336	-43
Change in working capital	82	-90
Cash flow from operations after changes in working capital	418	-47
Investments in development	-11	-31
Other investments, net	-7	-5
Cash flow before financing activities	399	-83
Financing	-245	-2
Cash flow	154	-85
Cash at end of period*	661	487

*Including effects of exchange rate variances in cash

- Positive trend mainly due to advance payments from customers, a result of increased sales
- Dividend of 245 MSEK paid out in Q3

Operating cash flow, 12 months rolling



- Extra dividend of MSEK 245 paid out in August
- Cash balance of MSEK 661 (487) at year end 2014

Financial summary January-December 2014

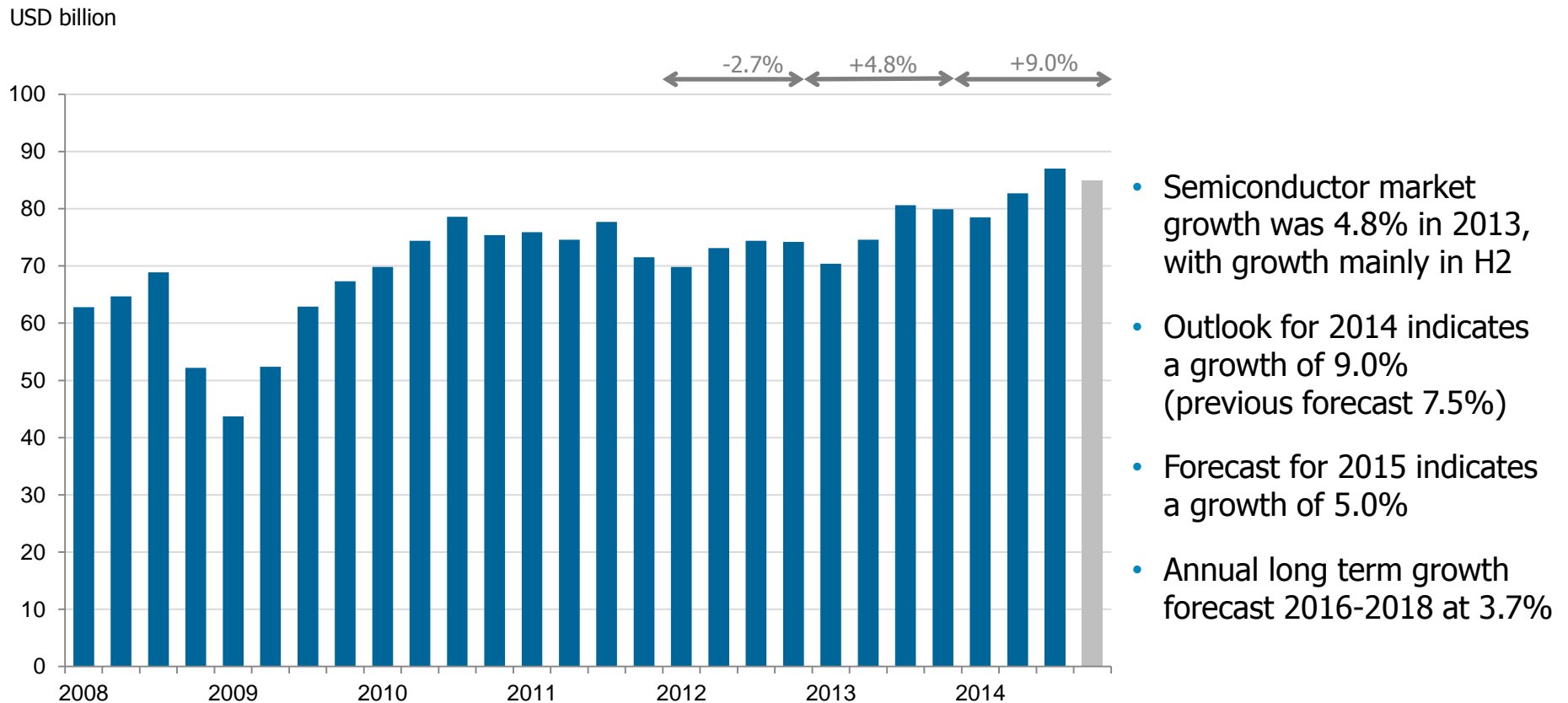
Strong order intake, sales and cash development

- Improved gross margin positively affected by
 - Increased sales volumes
 - Advanced mask writer deliveries
 - Positive currency effects
- Order backlog of 702 MSEK with major part for delivery in 2015
- Profitable at EBIT level six quarters in a row
- Product launches essential for sales growth
 - Launch of MY200 completed
 - MY600
 - Prexision-80



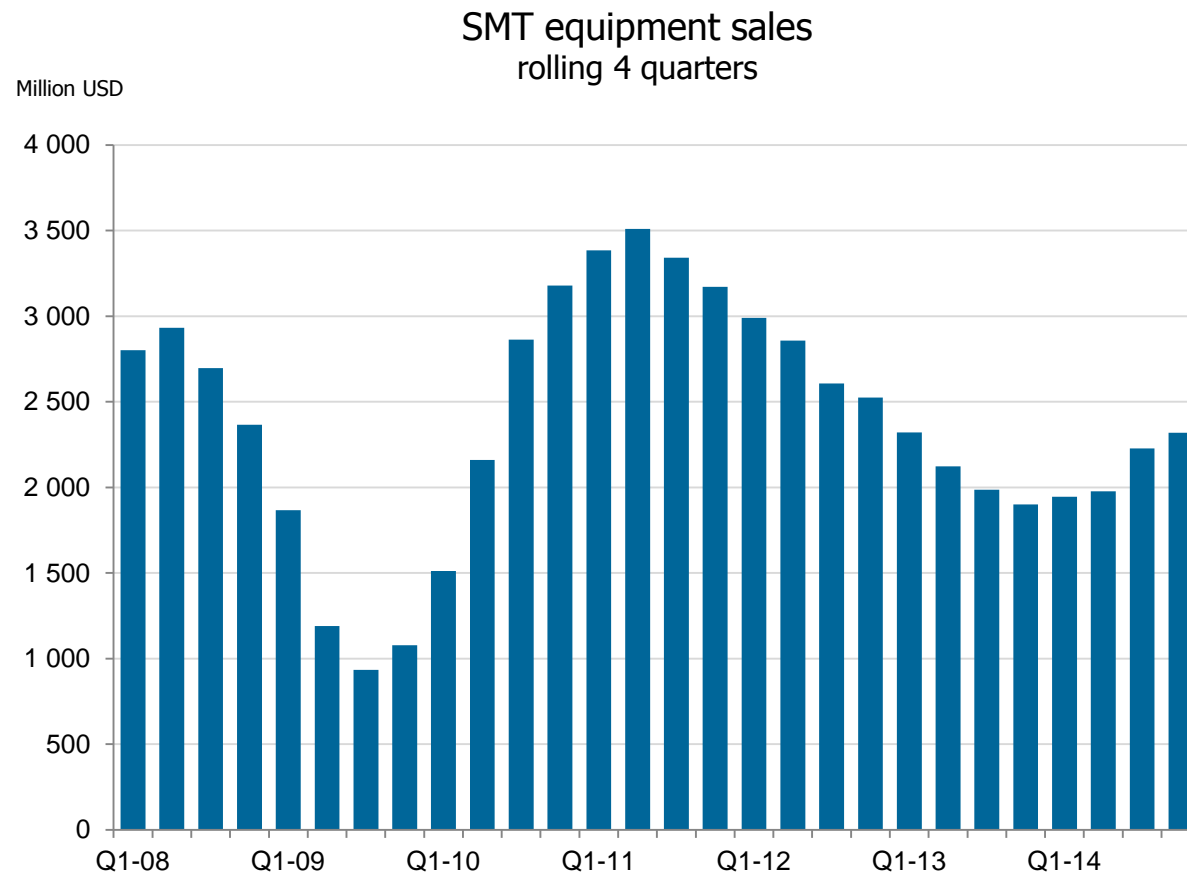
SMT Equipment

Semiconductor market development



Source: Prismark, December 2014

SMT equipment market development



- Global SMT equipment market sales grew 22% in 2014
- Mycronic SMT order intake increased 27% in 2014
- The SMT equipment market normally follows the semiconductor market with a delay of 2-3 quarters

Source: Based on PROTEC MDC, January, 2015

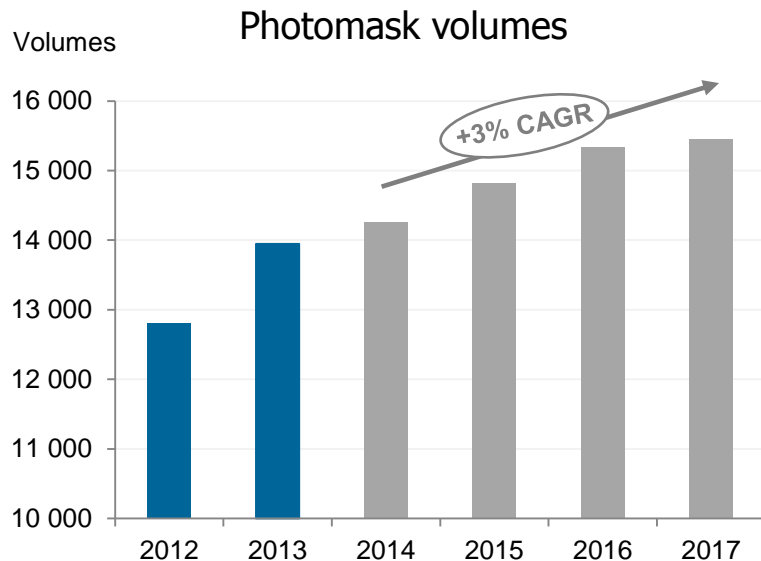
Acquisitions within SMT industry

- ASM Pacific Technology's acquisition of DEK, stencil printer manufacturer, was completed July, 2014
- Yamaha Motor Co. signed an agreement in September, 2014 to acquire SMT related assets of Hitachi High-Tech Group
- Hanwha Group signed an agreement in November, 2014 to acquire four Samsung divisions including Samsung Techwin during first half of 2015
- Kulicke & Soffa, a manufacturer of semiconductor and LED assembly equipment, acquired Assembléon in January, 2015.



Pattern Generators

Photomask volumes continue to increase as photomask market continues to improve



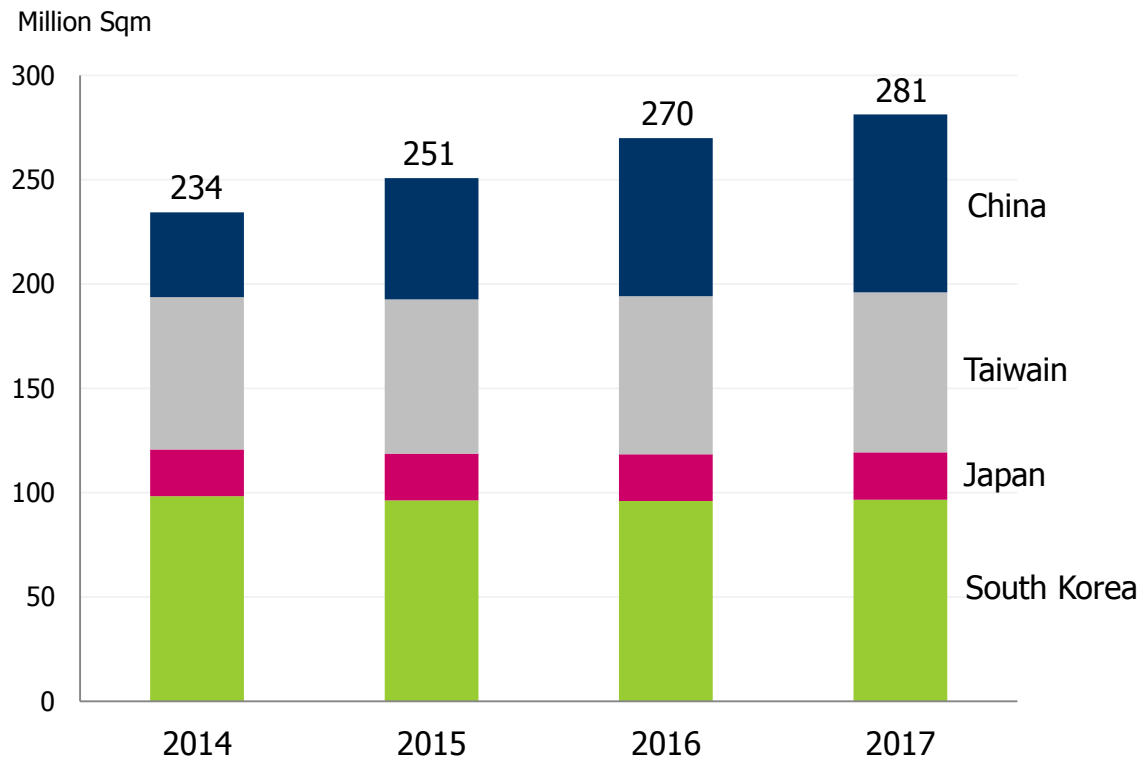
- Growing volumes continue to improve the photomask market:
 - High utilization
 - Photomask prices stabilizing
 - Photomask makers profitable
- Photomask volumes expected to grow by 3% yearly in 2014-2017
 - Photomask volumes are primarily driven by
 - The number of unique display models
 - R&D activities
 - Number of display production lines
 - High resolution displays and AMOLED are the main drivers of photomask complexity

Source: DisplaySearch, Jan, 2014, updated yearly (new figures expected Q1, 2015)

Display manufacturing capacity forecast

Majority of expansion in China

Forecast of total display manufacturing capacity



- Growth in capacity dominated by investments in China
 - Investments subsidized by Chinese government
 - Growing domestic market protected by import taxes
- Investments done by both Chinese and global companies

Source: DisplaySearch, October, 2014

When passion meets innovation ●