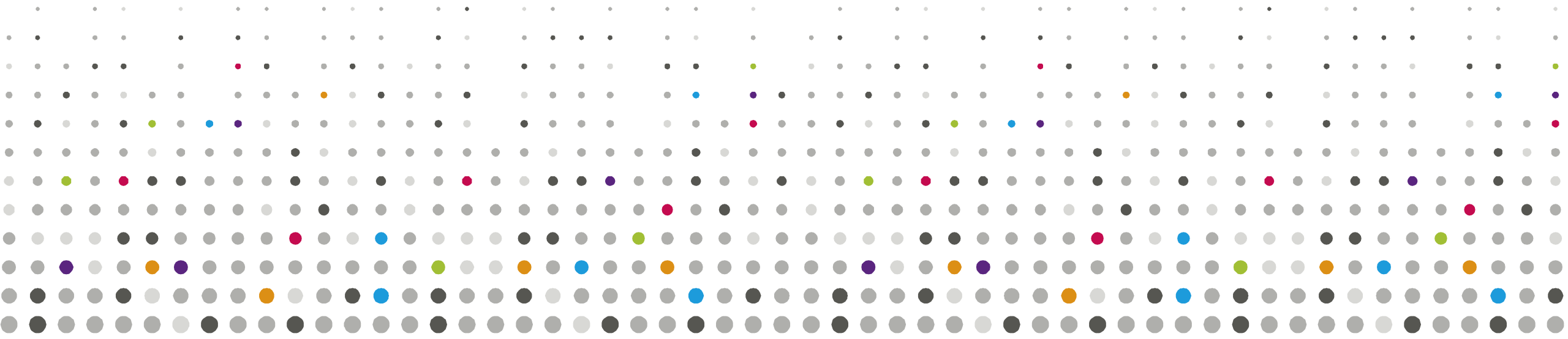


Mycronic Q2, 2017

Lena Olving, CEO

Torbjörn Wingårdh, CFO

14 July, 2017



Mycronic in short



40

years of experience in
innovation

900

employees
in ten countries

50

Mycronic is represented
in more than
50 countries

450

patents proves the power
of innovation.
26 patent added 2016

2,500

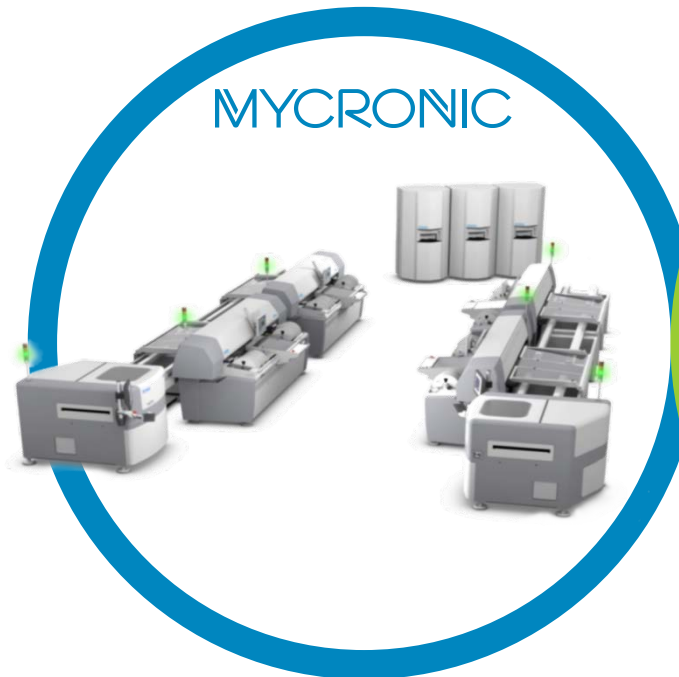
customers use production
equipment from
Mycronic

98%

of consolidated
net sales are
exports

Mycronic's Assembly Solutions

Broadened product offering through acquisitions



- Jet printing & dispensing
- Pick-and-place assembly equipment
- Component storage systems



- Broad range of dispensing and coating systems



- Camera module assembly equipment

Mycronic's Pattern Generator solutions

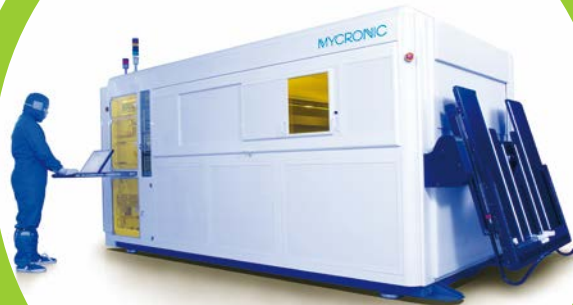
Indispensable for the display industry

Display



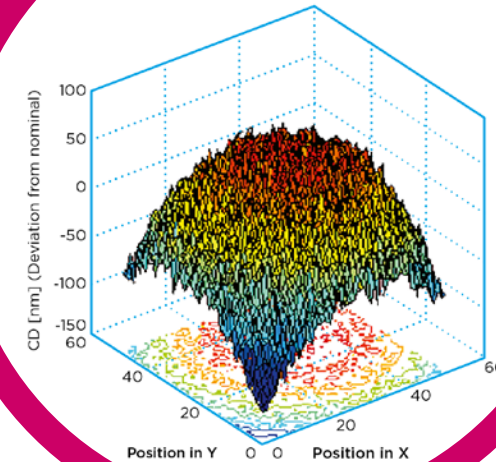
- Prexision mask writer & metrology series

Multi-purpose



- FPS series

Value Added Products



- Upgrades and modifications

Key events January-June 2017

- Marketplace

- SMT equipment market 5 percent growth in 2016 and 10 percent growth in Q1 2017
- Dispensing equipment market 600 MUSD in 2016
- Camera module market high growth estimated
- Photomask market declined 2016 due to transition towards AMOLED
 - rebuilt fabs estimated to go into production in 2017
 - G10 fabs under construction or in planning phase drive demand for large photomasks
- Mask writer utilization increasing
- Market update slides for reference available at the end of the presentation slide no. 19-25

- Products

- Launch of MY700 and MY300 – in the new MYPro product series
- Cross selling of Axxon products by participation at APEX in February & SMT Hybrid in May

Key events January-June 2017

- Growth in H1 – organic and through acquisitions
 - Order intake of 1,121 MSEK
 - Include one PG system replacing an older mask writer and upgrade of earlier ordered mask writer
 - Include two multiple orders for MY600
 - Sales growth 97% of which 27% from acquisitions
 - EBIT 473 MSEK, 30%
 - EBIT in underlying operations 534 MSEK, 34%
 - Order backlog of 877 MSEK

Key events after end of Q2 2017

- Order received for two mask writers replacing older system
 - The 8th order for a replacement mask writer on 5 July was a repeat order
 - On 13 July Mycronic received the 9th order for a replacement mask writer
- Both systems planned for delivery during 2018

The new MYPro series

the future of intelligent productivity



+40% more feeders

MY700
jet printer and jet dispenser

MY300
pick-and-place

-40% footprint

+50% faster jet printing



The new MYPro series



MY700
jet printer and jet dispenser

- MY700, offers higher productivity
 - Dual lanes
 - Dual heads
 - Dual media
 - Dual jobs
- Launch of MY700 at NEPCON in April
- Addresses more application areas and a larger market



MY300
pick-and-place

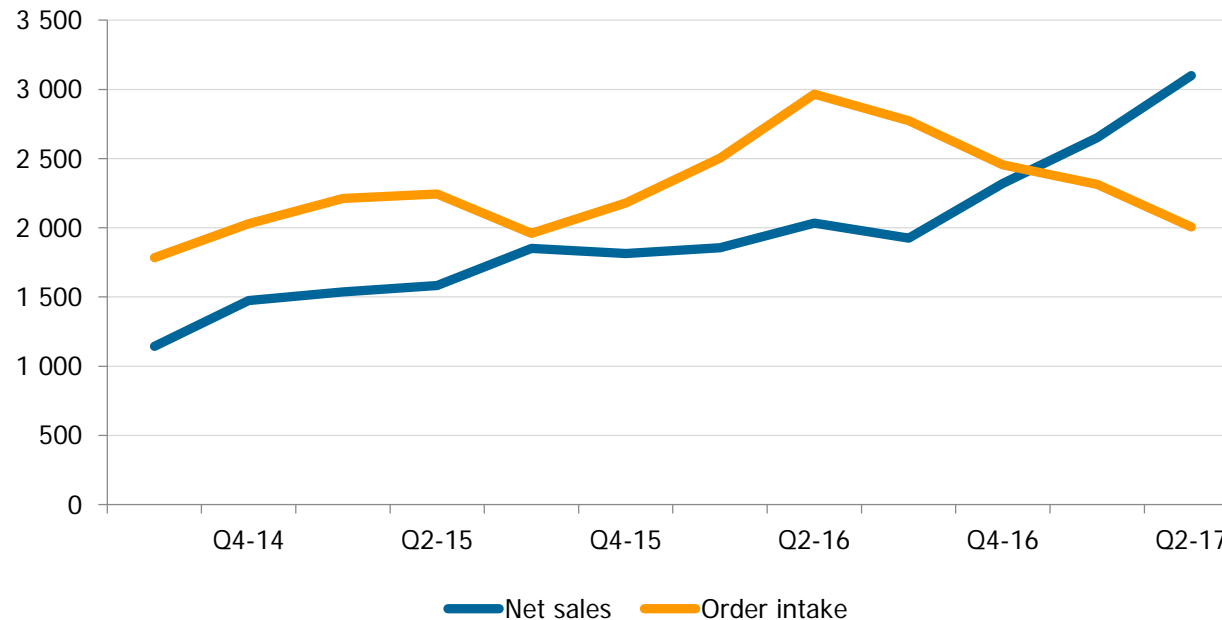
- MY300, offers high-mix productivity
 - Higher productivity
 - Compact footprint
 - More feeders
 - Robust design
- Launch of MY300 at SMT Hybrid Packaging in May
- Addresses more application areas and a larger market

Mycronic Outlook

The board's assessment remains that net sales 2017 will be at the level of SEK 2,800 million.

Order intake and net sales

MSEK, 4 quarters rolling



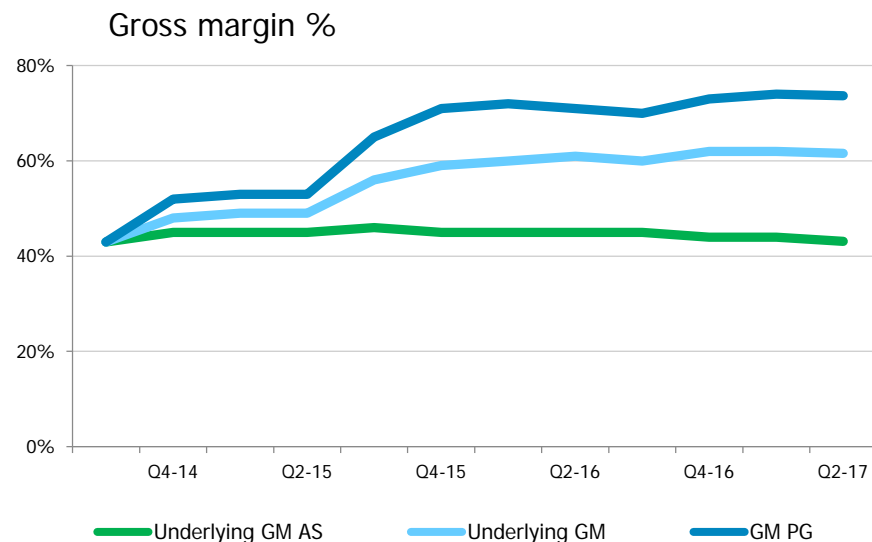
- H1 order intake 1,121 MSEK and net sales 1,586 MSEK including acquisitions
- PG order intake in H1 include one mask writer and one mask writer upgrade
- AS order intake in H1 include two multiple MY600 orders

- Order backlog at 877 (1,828) MSEK, include four PG systems, of which two are planned for delivery in 2017
- Two mask writer orders received in July not included in backlog

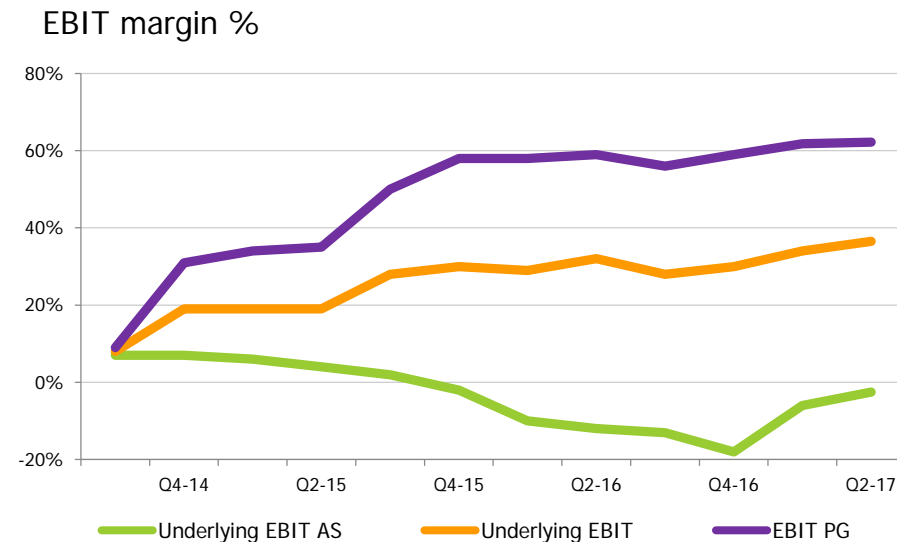
The fourth quarter and full-year 2016 include Axxon and AEi from the respective acquisition day.

Margins

4 quarters rolling



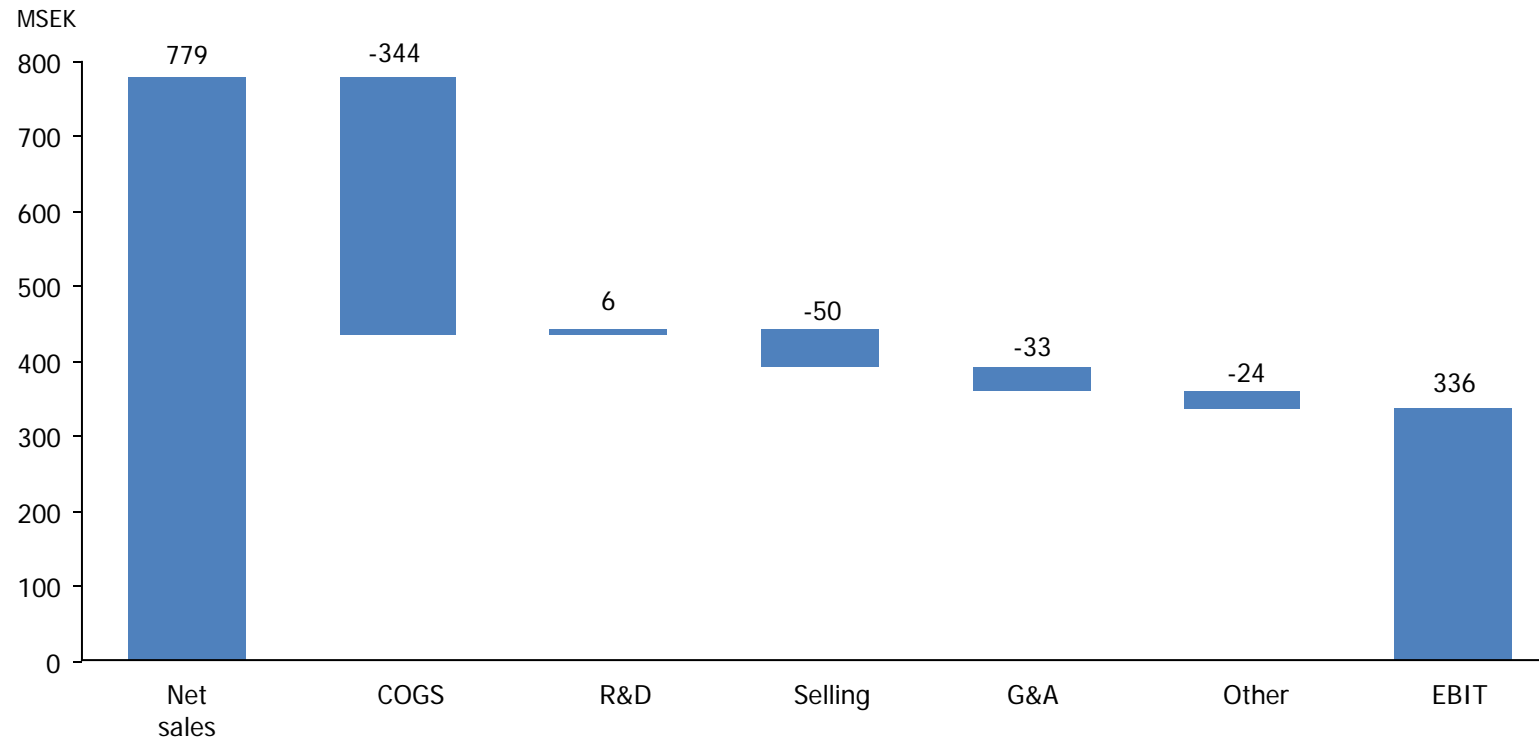
- Gross margin in H1 56% (56%)
- H1 gross margin affected negatively by costs related to acquisitions at 42 MSEK



- H1 EBIT margin 30% (17%)
- H1 underlying EBIT margin 34% (17%)
 - Costs related to acquisitions amount to 61 MSEK
 - All segments contribute to increase in EBIT

The fourth quarter and full-year 2016 include Axxon and AEi from the respective acquisition day.

The "bridge" H1 2017 vs H1 2016

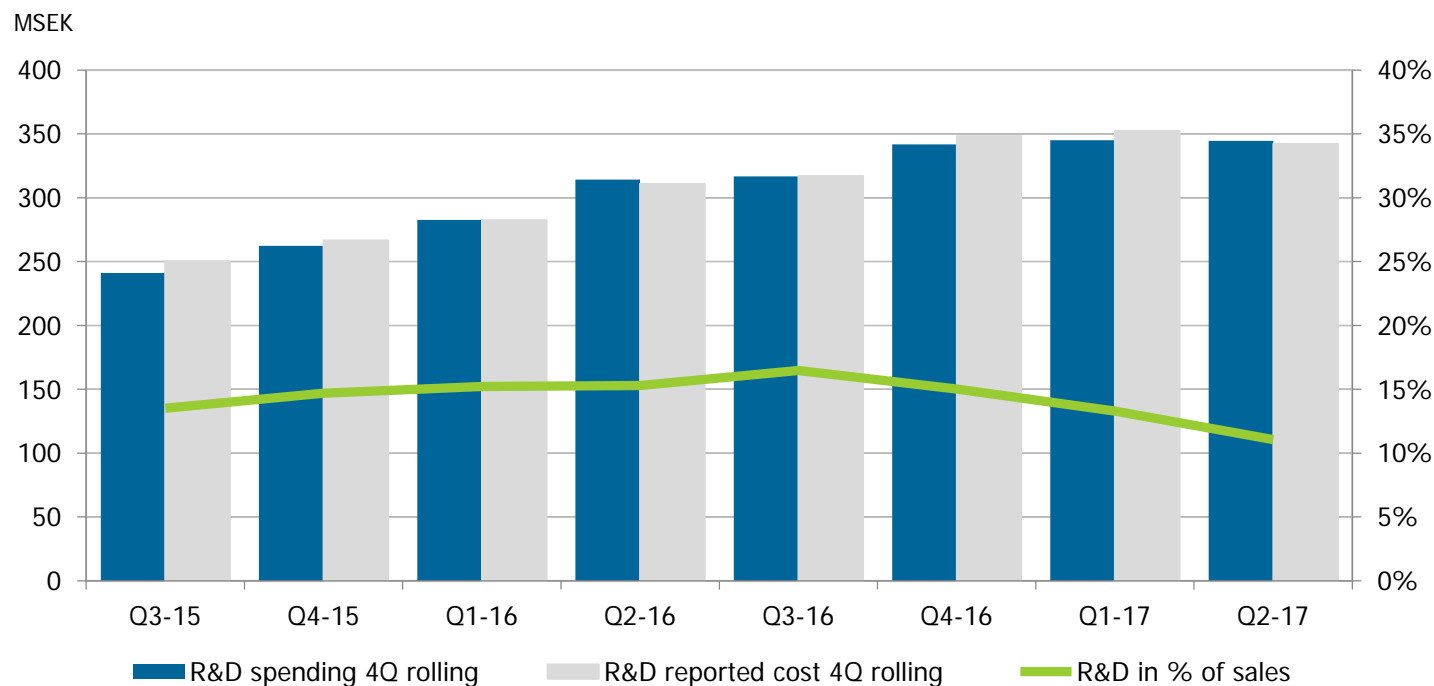


- Net sales from acquisitions contributed 221 MSEK
- R&D expenses refer mainly to Assembly Solutions – introduction of MYPro series with new machine platforms in Q2

H1, 2017 include Axxon and AEi

R&D costs

4 quarters rolling



- R&D activities continue for future growth in line with strategy
- Introduction of the MYPro series

The fourth quarter and full-year 2016 include Axxon and AEi from the respective acquisition day.

Summary by segment, Q2 2017

	Q2 2017	Q2 2016
Assembly Solutions	359	199
Pattern Generators	110	575
Order intake (MSEK)	469	775
Assembly Solutions	280	57
Pattern Generators	597	1,771
Order backlog (MSEK)	877	1,828
Assembly Solutions	354	194
Pattern Generators	555	269
Net sales (MSEK)	910	463
Assembly Solutions	42%	47%
Pattern Generators	68%	63%
Gross margin %	58%	57%
Assembly Solutions	1%	-11%
underlying EBIT margin AS	4%	-11%
Pattern Generators	56%	48%
EBIT margin %	35%	23%
underlying EBIT margin Group	36%	23%

H1, 2017 include Axxon and AEi

Summary by segment, Q2 2017

	YTD 2017	YTD 2016	Rolling 4Q	FY 2016
Assembly Solutions	698	351	1,307	960
Pattern Generators	423	1,218	700	1,495
Order intake (MSEK)	1,121	1,569	2,007	2,455
Assembly Solutions	280	57	280	266
Pattern Generators	597	1,771	597	1,076
Order backlog (MSEK)	877	1,828	877	1,342
Assembly Solutions	684	346	1,224	886
Pattern Generators	901	460	1,874	1,433
Net sales (MSEK)	1,586	807	3,099	2,319
Assembly Solutions	36%	44%	38%	42%
Pattern Generators	71%	64%	74%	73%
Gross margin %	56%	56%	60%	61%
Assembly Solutions	-8%	-21%	-11%	-18%
underlying EBIT margin AS	1%	-21%	-2%	-13%
Pattern Generators	58%	46%	62%	59%
EBIT margin %	30%	17%	33%	30%
underlying EBIT margin Group	34%	17%	36%	32%

H1, 2017 include Axxon and AEI

Cash flow

	YTD 2017	YTD 2016	Rolling Q4	FY 2016
Cash flow from operations	431	144	942	655
Change in working capital	-72	101	-366	-193
Cash flow from operations after changes in working capital	359	245	576	462
Investments in development	-21	-8	-22	-8
Other investments, net	-91	-49	-802	-760
Cash flow before financing activities	247	188	-248	-307
Financing	-193	-392	-194	-392
Cash flow	54	-203	-442	-699
Cash at end of period	258	701	258	209

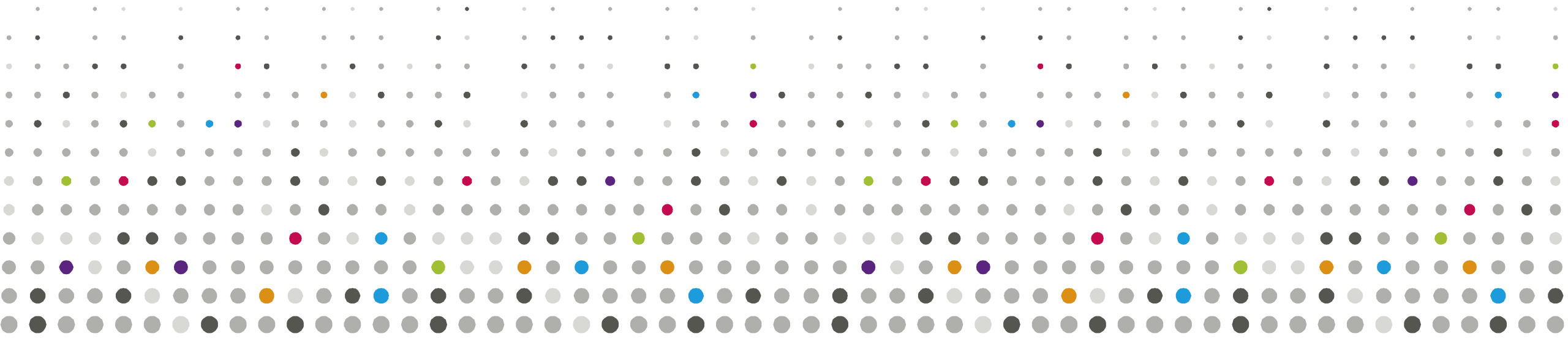
- Changes in working capital in H1 primarily due to decrease in advance payments from customers, partly offset by decrease in inventories and trade receivables

- Other investments related primarily to acquisitions and earn-outs as well as capitalization of product development

H1, 2017 include Axxon and AEI

When passion meets innovation ●

Additional slides – market update Q2



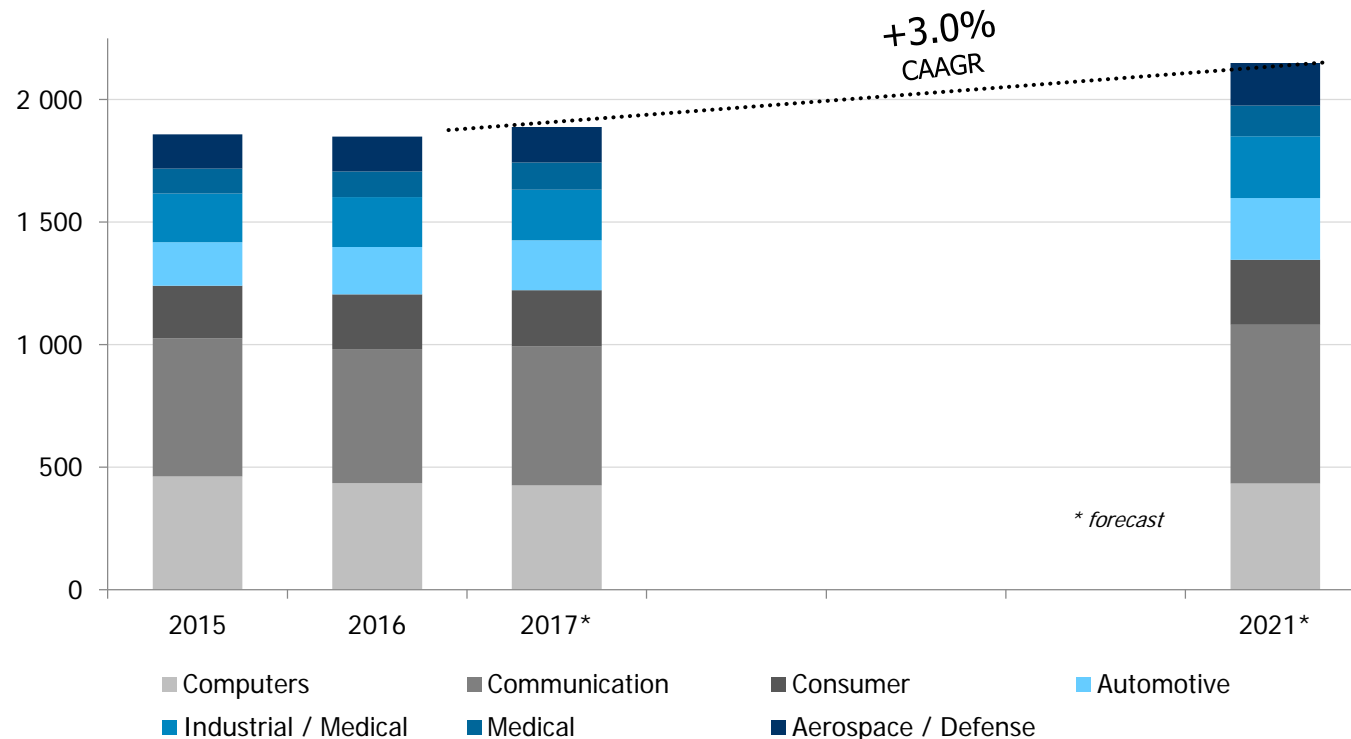
Market update – changes since last update

- The following changes have been made in external data since our last update in April 2017
 - Electronics industry
 - Actual 2016 is revised from -1.1 to -0.5 percent
 - Semiconductor market
 - Estimate for 2017 revised from +5.0 to +9.5 percent
 - Photomask industry - revenue
 - Actual 2016 is revised from -11 to -6 percent
 - Estimated growth 2017 is revised from +11 to +16 percent
 - Photomask industry – number of units
 - Actual 2016 is revised from 15,200 to 16,600 units
 - Estimated number of units 2017 is revised from 16,800 to 18,600

Electronics industry systems market

Yearly development

USD billion



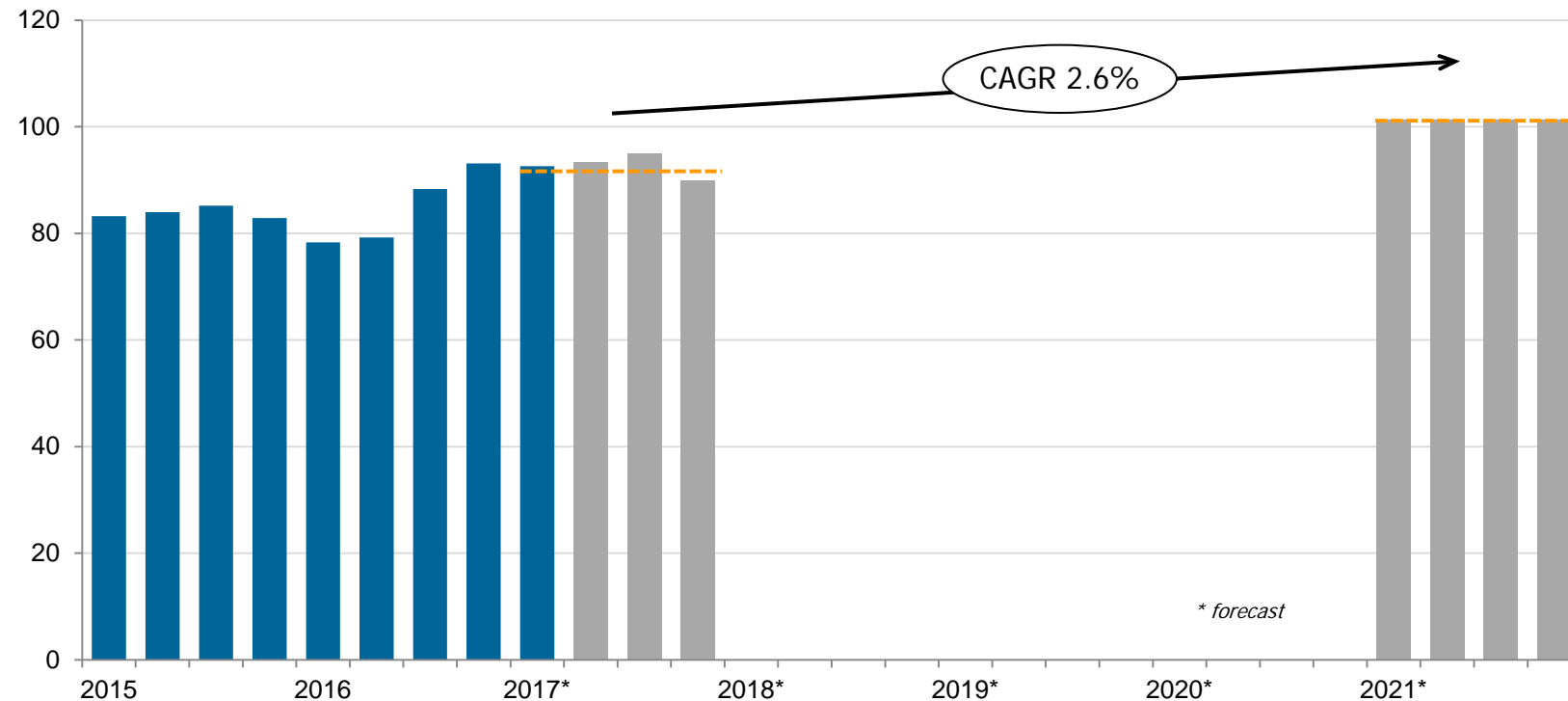
- Electronics systems market declined -0.5% in 2016 to 1,850 billion USD
- Industry segments growing in 2016
 - automotive $+9\%$
 - consumer $+4\%$
 - medical $+3\%$
 - industrial $+2\%$
- Electronics systems growth forecasted to 2.1% in 2017
- Long-term annual growth of 3.0% forecasted 2016-2021

Source: Prismark, June 2017

Semiconductor market

Quarterly development

USD billion



- Semiconductor market growth was 1.1% in 2016, with a strong H2
- Outlook for 2017 indicates a growth of 9.5%
- Annual long term growth at 2.6% 2018 to 2021

Source: Prismark, June 2017

Assembly Solutions– market update

SMT equipment *

- After a decline of -19% in 2015 the global SMT equipment market turned around second half of 2016 and grew +5% in 2016
- First quarter 2017 saw a positive development with a growth of 10% compared to first quarter 2016. Strongest growth in China.

Dispensing *

- 2016 market estimated at 600 MUSD
- Mycronic the fourth largest supplier of dispensing equipment addressing the major part of the total market

Assembly automation

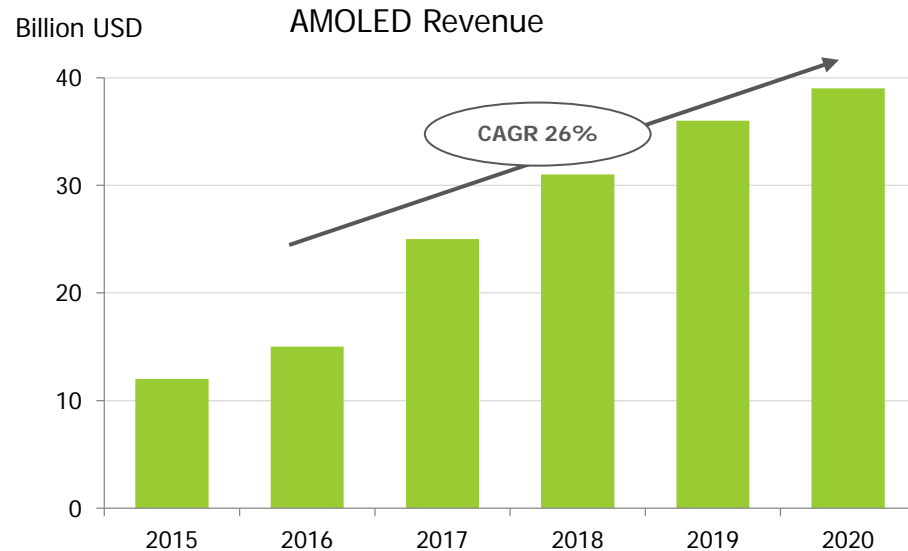
- Automotive fastest growing segment in the electronics industry
- Camera modules for ADAS growing fast
 - Estimated 40% growth of number of camera modules produced 2016
 - Estimated yearly growth of 23% 2017-2021 in number of camera modules

* No external forecast provided for 2017 and onwards

Source: PROTEC MDC April 2017, Prismark June 2017, Mycronic

Display industry trends

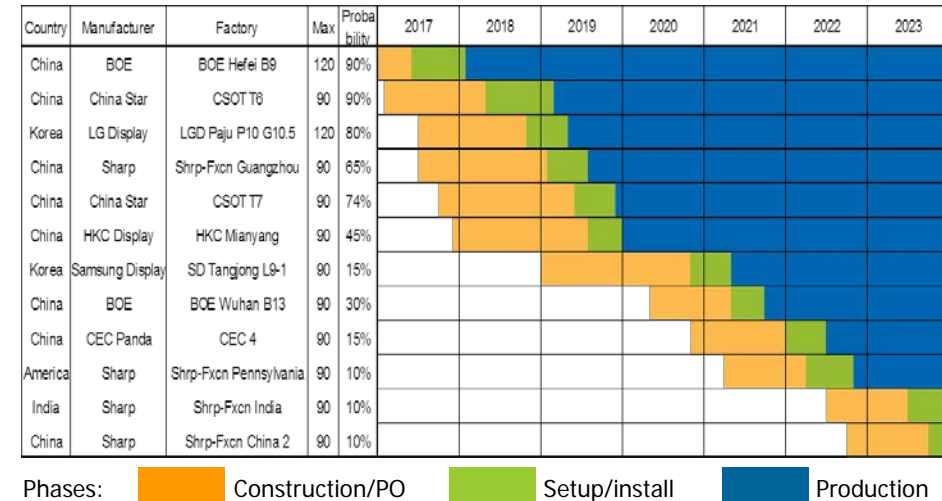
Technology transition LCD to AMOLED and ramp up of large TV production



- AMOLED market share estimated to grow from 15% 2016 to 29% in 2020. Revenue increase from 15 BUSD to 39 BUSD
 - Revenue and area expected to grow significantly more than previously predicted
 - The smartphone is the main application
 - Decrease in capacity during re-build, ramp up expected in 2017

Source: IHS, May, 2017

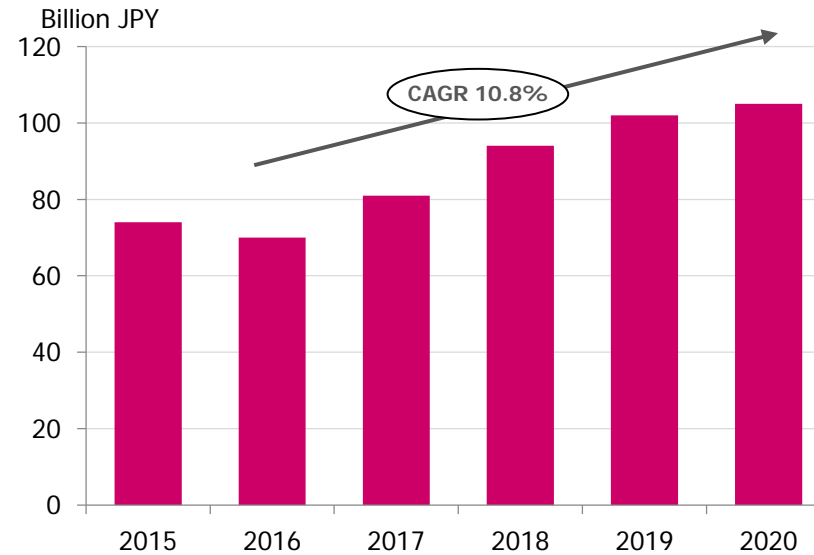
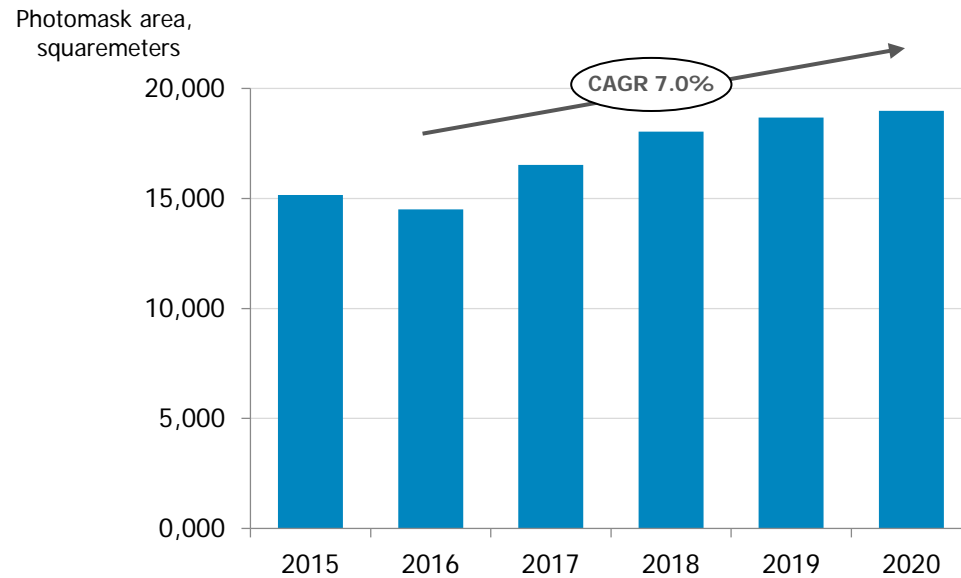
New G10 fab forecast



- Many new G10 fabs under construction or in planning phase
 - Different probability to materialize, but in the future there will be more G10 capacity
 - Large TV (>60-65") is the main driver

Display photomask market

Market rebound forecasted 2017



- In 2016 the display photomask market shrink for the first time since 2012
- Main reason for the decrease is the ongoing technology shift from LCD to AMOLED
 - Temporarily reduced capacity for photomasks during rebuild phase
- Positive market forecast going forward as new AMOLED and G10 fabs ramp up photomask consumption

Source: IHS May 2017