

Micronic Mydata Q1, 2013

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- Brief company presentation
- Financial update Q1, 2013
- Market update
- Outlook





Production solutions to the electronics industry



- Two business areas:
 - Pattern Generators (PG)
 - Surface Mount Technology (SMT)
- Strong presence close to customers

- Listed on NASDAQ OMX Stockholm, market cap as of 31 March: SEK 1,395 million
- Revenues 2012: SEK 1,354 million
- 525 employees at end of March



Enabling consumer and industrial electronics









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Micronic Mydata's place in the electronics industry's manufacturing chain





Key events Q1



- Weak system sales but continued strong aftermarket business
 - Order received for an LDI 5s with expected delivery in Q1, 2014
 - PG aftermarket stable
 - Negative impact on sales and margins from exchange differences
- Organization adapted
 - As earlier communicated cost savings of 60 MSEK annually secured with full effect 2013
- R&D reduced and shifted from LDI to SMT
- Lena Olving appointed new CEO



Order intake/net sales, 12 months rolling



- SMT order intake and sales affected by weak macro economy
- Order received for one LDI-system to be delivered in Q1, 2014
- Aftermarket sales continue to be strong, especially within PG

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Margins, 12 months rolling



- Margins affected by low capacity utilization in manufacturing
- FX-effects affected gross margin negatively
- Low utilization in manufacturing partly offset by cost savings



The "bridge" between 2013 vs 2012 Q1



- Lower sales and gross profit due to weak market and FX-effects
- Cost savings with full effect in R&D, selling and administration accomplished



R&D expenses, 12 months rolling



- 12 months rolling R&D costs down to 18% (19%) of net sales
- Q1 R&D costs down by SEK 18 million
- Increased activities within SMT product development
- LDI R&D expenses reduced significantly



Profit and loss by segment, MSEK

	Q1 2013	Q1 2012	Rolling 12M [*]	FY 2012 [*]
Net Sales				
Pattern generators	78	93	562	576
SMT equipment	148	202	723	778
Group net sales	226	295	1,285	1,354
Gross margin				
Pattern generators	49%	59%	51%	53%
SMT equipment	38%	43%	43%	43%
Group gross margin	42%	48%	46%	47%
EBIT				
Pattern generators	-6	-26	25	5
SMT equipment	-4	29	75	108
Amortization excess value in intangible assets	-2	-2	-6	-6
Group EBIT	-11	2	94	107

* Adjusted for non-recurring costs in FY2012

Operating cash flow, 12 months rolling



- Strong financial position with a net cash of SEK 568 (499) million
- Decreased working capital, mainly customer receivables, in Q1 2013 due to lower sales
- Q1 operating cash flow SEK 8 (-20) million

Financial summary Q1



- SMT sales declined 27% Y/Y due to lower demand for SMT equipment
 - System sales for jet printing (MY500) stable
 - Aftermarket sales of service and spare parts in line with Q1, 2012
- PG sales declined 15% Y/Y
 - No system sales
- FX-effects affected sales
- Gross profit down to 42% from 48% Y/Y
 - Low capacity utilization in manufacturing and negative FX-effects
- Cash flow from operations improved by SEK 28 million
- Cost saving program of 60 MSEK H2 2012 accomplished, full effect 2013
- R&D activities reduced and shifted towards SMT

SMT Equipment Pick-and-place and Jet printing solutions



WBBL 379833

Our technology allows many of the world's **3 million hearts**

using pacemakers to beat with certainty every day.

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Electronics industry development



- Electronics systems growth forecasted at 3% in 2013 to USD 1,671 billion
- Industry segment forecasted growth in 2013
 - communications (incl. mobile) 6%
 - automotive 6%
 - industrial / medical 4%
 - consumer 3%
 - computers 1%
 - aerospace / defense -1%
- Long term annual growth of 4.6%, 2012 to 2017



Semiconductor market development





SMT equipment market development



- 2012 slower than 2011 on all markets, 20% decline
- Forecasted semiconductor growth in 2013 could have a positive effect on equipment demand skewed towards H2

SMT summary



Market summary

- Electronics industry expected to grow 3% 2013
- Semiconductor market forecasted to grow 5% 2013, skewed towards H2
- SMT assembly equipment declined 20% 2012, expected turn-around scenario H2 2013
- Market demand for 'high-mix' equipment is increasing



Effects on Micronic Mydata

- Weak demand Q1 2013 compared to Q1 2012
- Market demand 2013 expected to be weaker in H1 and stronger in H2

SMT market and companies





Micronic Mydata position and direction

Examples of companies in the market

The modern SMT assembly shop floor

material and information are the bottlenecks



Modern equipment and advanced software

a requirement for efficient production

Production environment

- job changeovers 1 000's
- replenishments 10 000's
- feeder loads 100 000's
- stock movements 100 000's (per line and year)



Production solution

- Flexible SMT equipment
- Efficient material handling
- Efficient information handling
- Efficient line operation
- Efficient machine programming



advanced software tools

Efficient material flow



eliminating unnecessary material movement



3. Fast loading feeders with a small form factor reduces workload.

Jet Printing – a different value proposition



Jet Printing technology

- Stencil-free technology
- No operator intervention
- Volume control per pad
- Software driven
- Ultra fast preparation
- On-the-spot revisions



sensor chip

Competing and complementing technologies

Screen printing

- Applying solder paste through stencils
- Complex boards are challenging
- Stencil costs
- Fast cycle time

Dispensing

- Jetting of underfill and adhesives
- Needle dispensing of solder paste ____underfill
- Flexible
- Slow cycle time



Jet printing solves industry challenges

There is an increased interest for the MY500 solder jet printer as the combination of accuracy, speed and paste volume control can solve many of the process challenges facing today's electronics industry

Challenging applications include

- mixing of technologies
- flexible boards
- cavities
- pin-in-paste
- package-on-package
- shielding

These applications can be found in a wide range of products such as smartphones, cars, airplanes, etc



Pattern Generators Mask writers and Direct writers

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tablets a year in 2015, we will enable smaller and lighter electronics.

ED M

Increasing number of mobile products continue to drive photomask volumes

Q1, 2013 photomask industry in brief

- Photomask volumes keep increasing:
 - Mobile product types are increasing leading to an increase of display types
 - AMOLED and LCD technologies coexist
- Continued increase in complexity AMOLED most challenging
- Increasing volumes and complexity has led to gradually stabilizing mask prices
 - Photomask makers profitability level remains challenged
- High utilization drives sales of service contracts and other after market products

Mobile displays by size and averages size trend





Mask writer summary



Market summary

- Display and photomask industry stable but profitability challenged
- Mobile applications and AMOLED drive photomask volumes and system utilization
- Semiconductor market flattening out
- Photomask complexity increases – demand for mature photomasks remain



Effects on Micronic Mydata

- Trend towards more advanced display photomasks creates high-end capacity needs
- High utilization secures stable aftermarket sales
- Some demand for additional laser based mask writers remain
- Stable aftermarket sales

Micronic Mydata outlook

The company's assessment is that sales in 2013 will reach approximately the same level as 2012