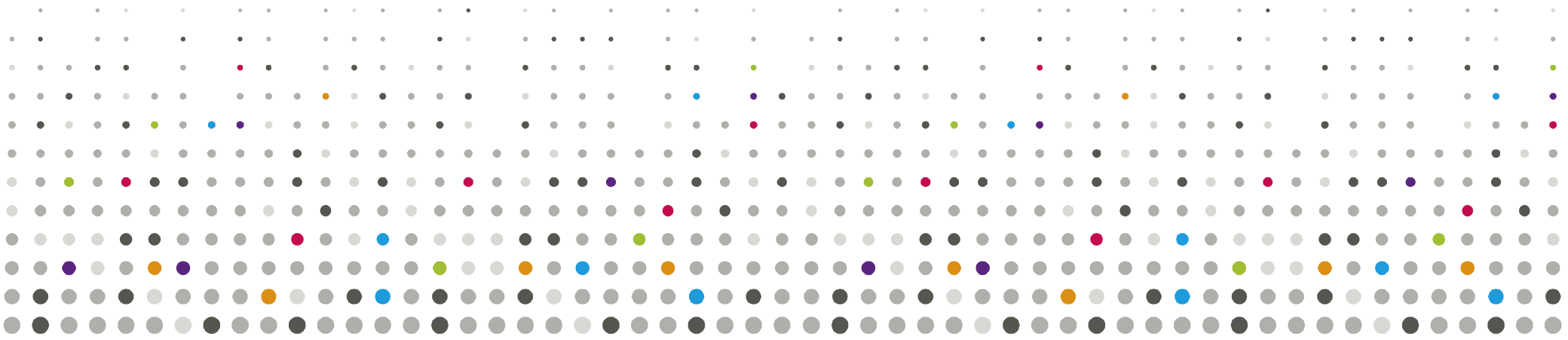


Mycronic, Q3 2014

Lena Olving, President and CEO

Per Ekstedt, CFO

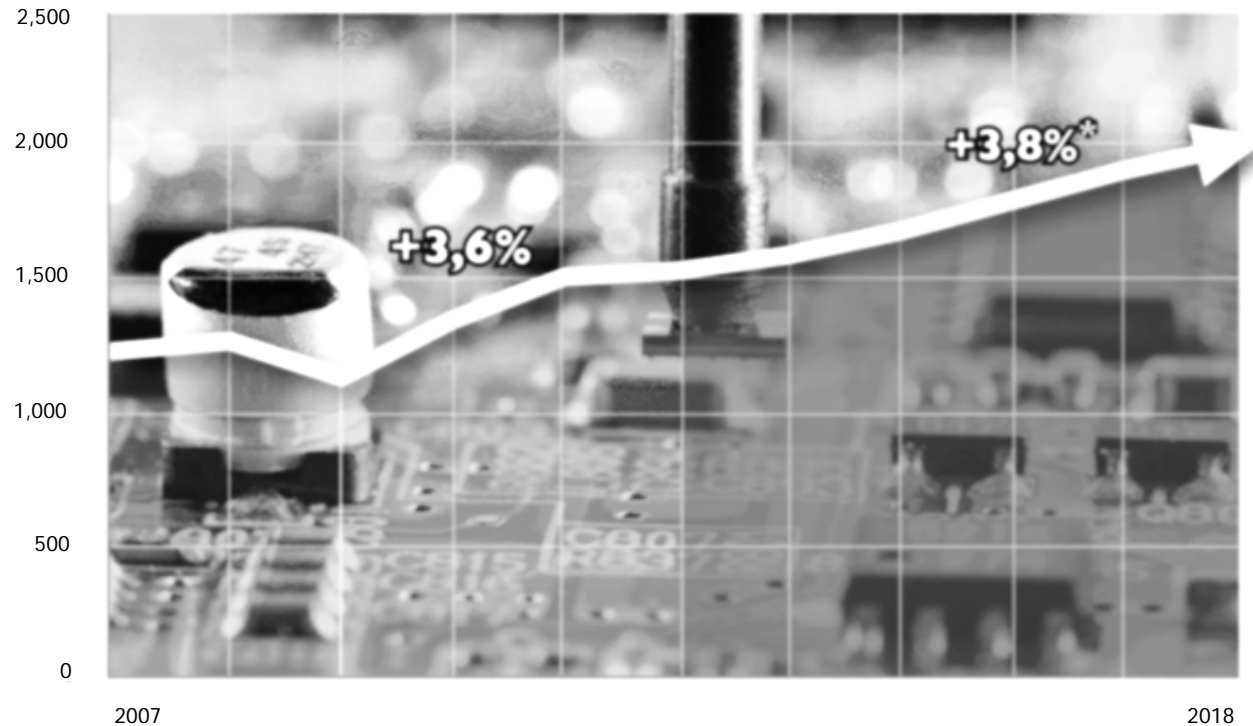


Production solutions to the electronics industry

- 
- Two business areas:
 - Pattern Generators (PG)
 - Surface Mount Technology (SMT)
 - Strong presence close to customers
 - Market coverage in more than 50 countries
 - Strong patent portfolio with over 420 granted patents
 - Listed on NASDAQ Stockholm, market cap 30 September, 2014: SEK 1,714 million
 - Revenues 2013: SEK 997 million
 - 520 employees at end of September

Mycronic operates in a growing market

Billion USD



* Expected growth

- Electronics industry growth forecasted at 3% 2014
- Long-term annual growth of 4% 2014-2018 expected
 - automotive +7%
 - industrial/medical +6%
 - consumer +4%
 - communications+3%

Source: Prismark, 2014

Key events January-September 2014

- Marketplace

- SMT market showing a stronger 2014 compared to same period 2013
- Continued high utilization of mask writers leading to investment in new equipment
- Product launches
 - successful 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

- High order intake, including an unusually strong Q3
- Stable aftermarket business
- Order received for seven mask writers in five different segments of the photomask market

Key events January-September 2014

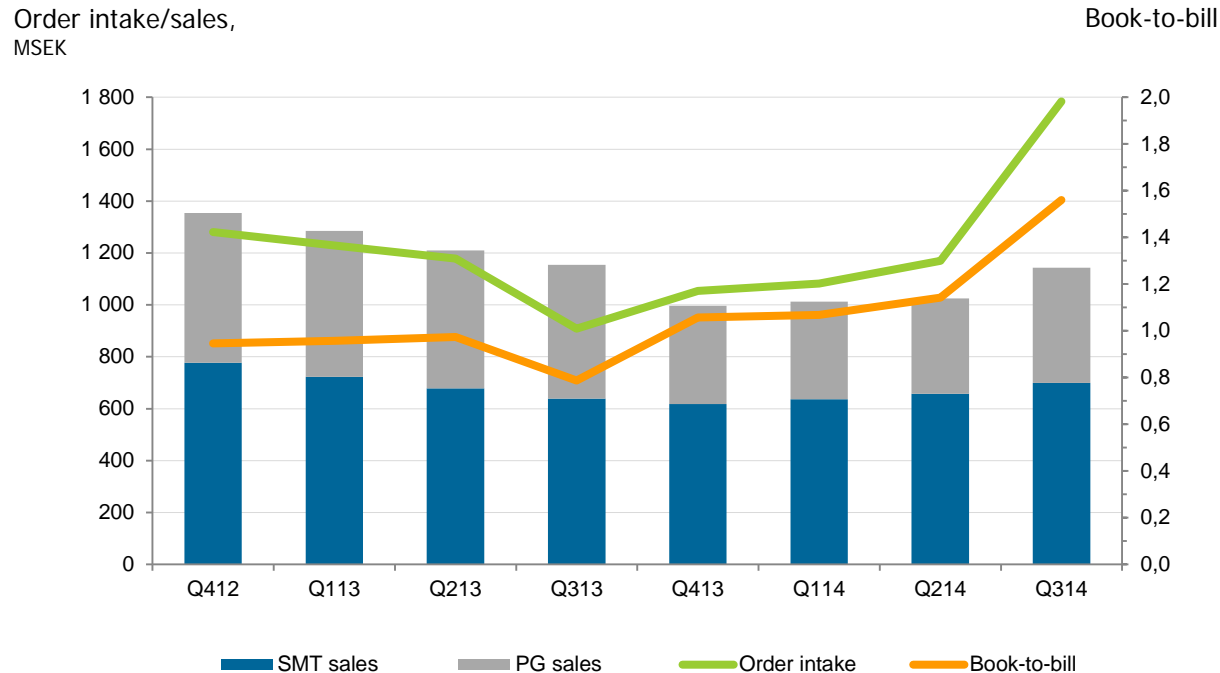
- Earnings

- Fifth consecutive quarter with positive EBIT
- Two mask writers delivered in highly competitive markets, resulting in lower gross margin
- Improved gross margin level in SMT

- Corporate

- Brand
 - Global change of name to Mycronic done
 - Corporate brand project continues
- Operational excellence function added into Corporate management team
- AGM held in the Täby office

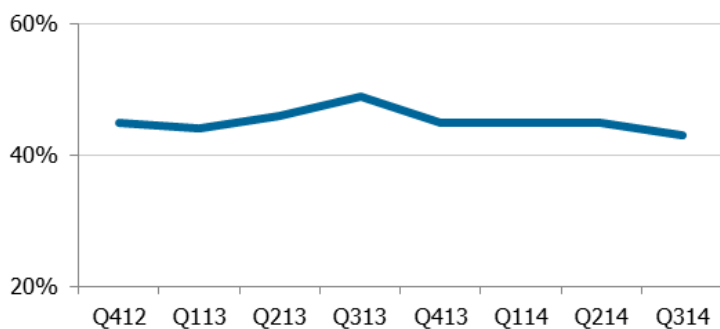
Order intake/net sales, 12 months rolling



- Order intake rolling 12 months at 1,784 MSEK
- Book-to-bill ratio over 1 since more than 1 year
- Order backlog 740 (97) MSEK including two advanced mask writers for display applications
- PG order intake include seven mask writers in five different segments of the photomask market
- SMT order intake increase by 29% in 2014

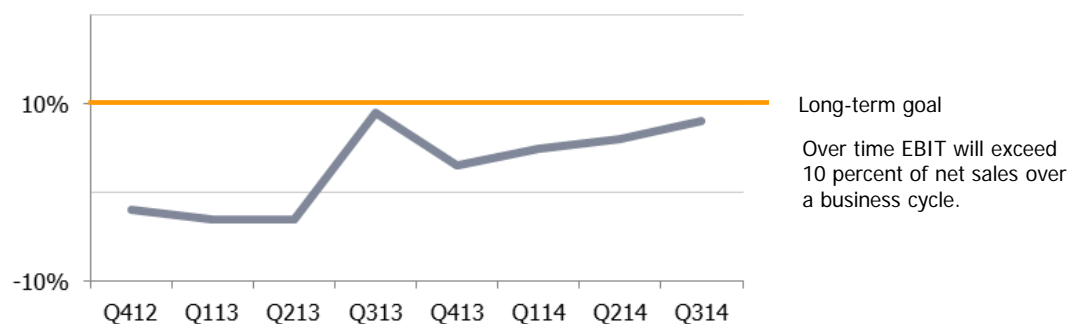
Margins, 12 months rolling

Gross margin



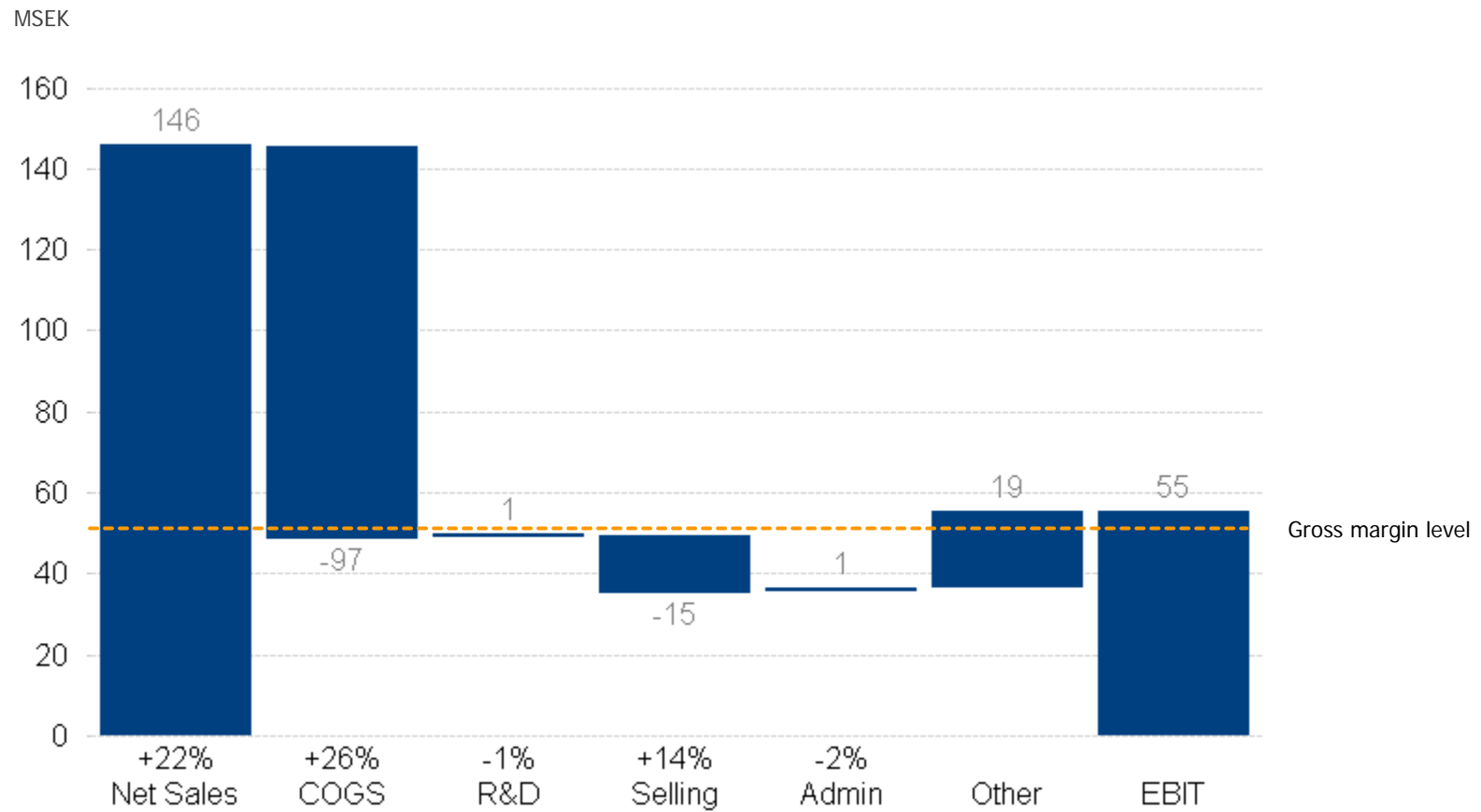
- Gross margin somewhat lower due to product mix in PG

EBIT margin

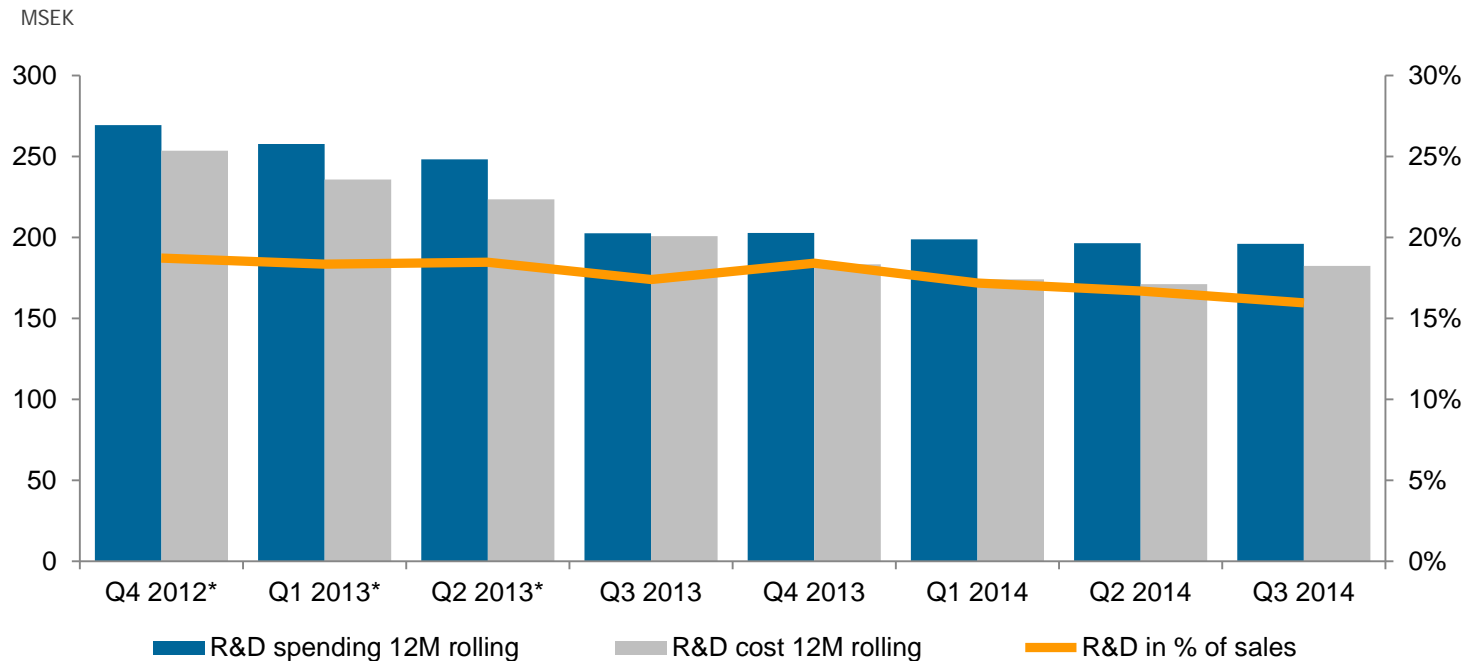


- Positive EBIT for five consecutive quarters
- EBIT improved as a result of higher sales, positive currency effects and stable cost level

The "bridge" YTD 2014 vs YTD 2013



R&D expenses, 12 months rolling



- R&D costs 16% (17%) of net sales
- Net capitalized costs 4 (10) MSEK in SMT YTD 2014
- Several successful launches during 2014

* Adjusted for non-recurring items of 36 MSEK

Profit and loss by segment Q3, 2014, MSEK

	Q3 2014	Q3 2013	Rolling 12M	FY 2013
Net Sales				
SMT	180	138	699	618
PG	158	82	444	379
Group net sales	338	220	1,143	997
Gross margin				
SMT	43%	43%	43%	41%
PG	34%	50%	43%	50%
Group gross margin	39%	46%	43%	45%
EBIT				
SMT	14	9	52	17
PG	23	1	41	21
Amortization excess value	-0	-2	-5	-6
Group EBIT	37	9	88	32

Profit and loss by segment YTD 2014, MSEK

	YTD 2014	YTD 2013	Rolling 12M	FY 2013
Net Sales				
SMT	512	430	699	618
PG	306	242	444	379
Group net sales	819	672	1,143	997
Gross margin				
SMT	43%	41%	43%	41%
PG	40%	49%	43%	50%
Group gross margin	42%	44%	43%	45%
EBIT				
SMT	35	0	52	17
PG	14	-5	41	21
Amortization excess value	-4	-5	-5	-6
Group EBIT	45	-10	88	32

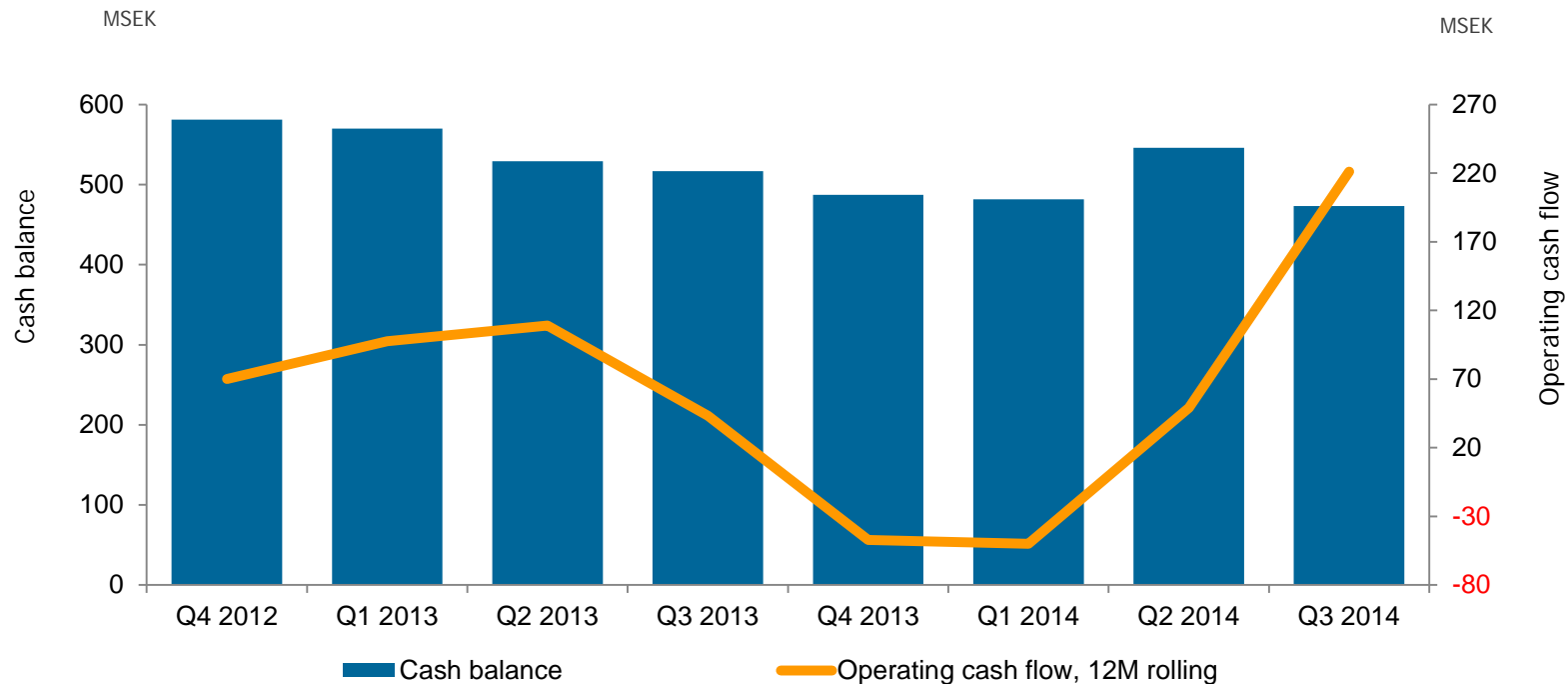
Cash flow statements, MSEK

	YTD 2014	YTD 2013
Cash flow from operations	44	-6
Change in working capital	192	-26
Cash flow from operations after changes in working capital	236	-32
Investments in development	-11	-17
Other investments, net	-8	-3
Cash flow before financing activities	218	-52
Financing	-245	-2
Cash flow	-27	-54
Cash at end of period*	473	517

*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



- Dividend of MSEK 245 paid out 6 August
- Solid cash balance of MSEK 473 at end of Q3 2014

Financial summary January-September 2014

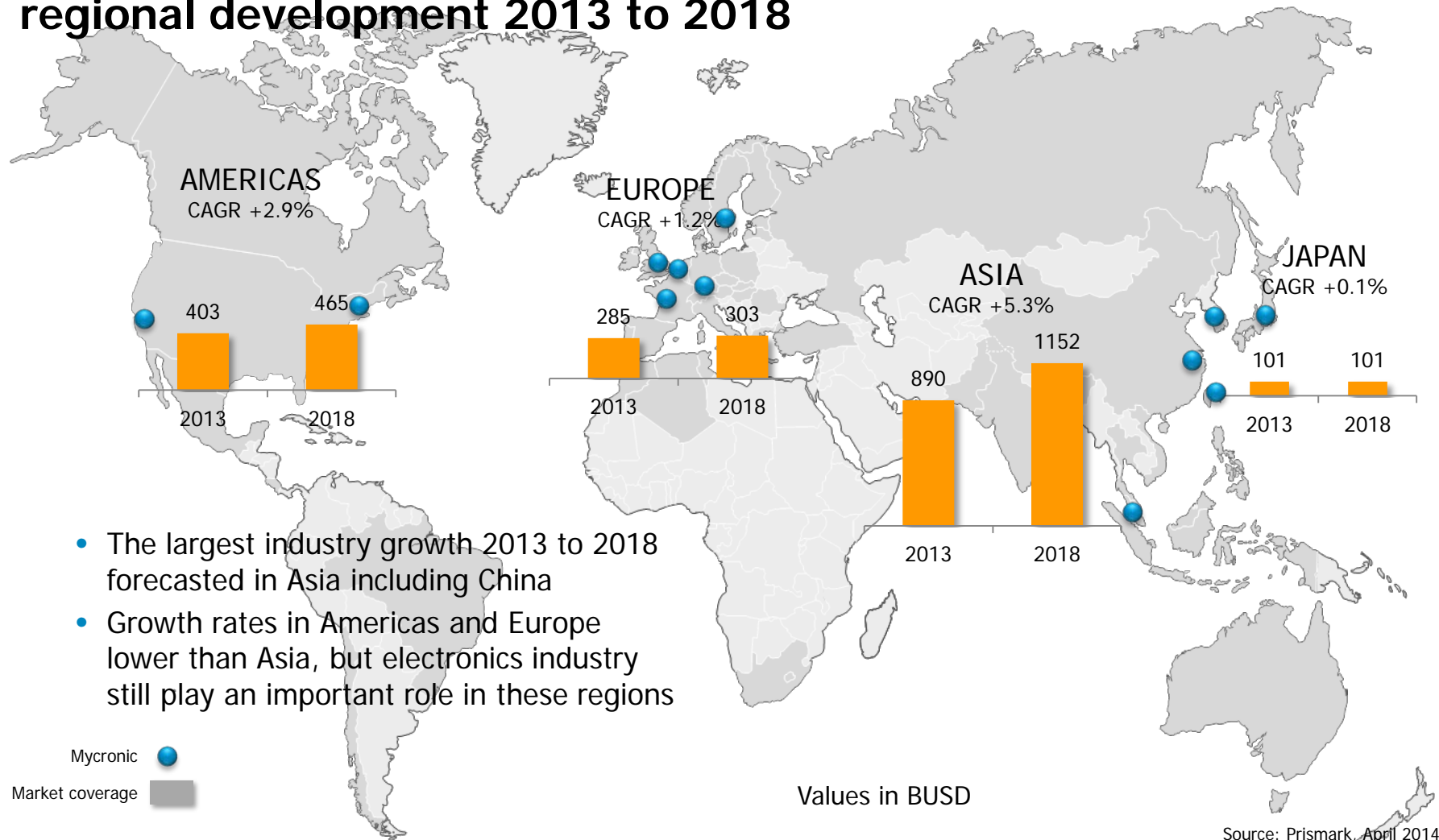
- Continued positive SMT sales development
- Consolidated gross margin level affected by
 - Two mask writers delivered in highly competitive markets, resulting in lower gross margin
 - Increased sales volumes
 - Positive currency effects
- Strong order intake and order backlog of MSEK 740
 - Including seven mask writers in five different segments of the photomask market
- Profitable at EBIT level five quarters in a row
- Product launches
 - Launch of MY200 completed
 - MY600
 - Prexision-80



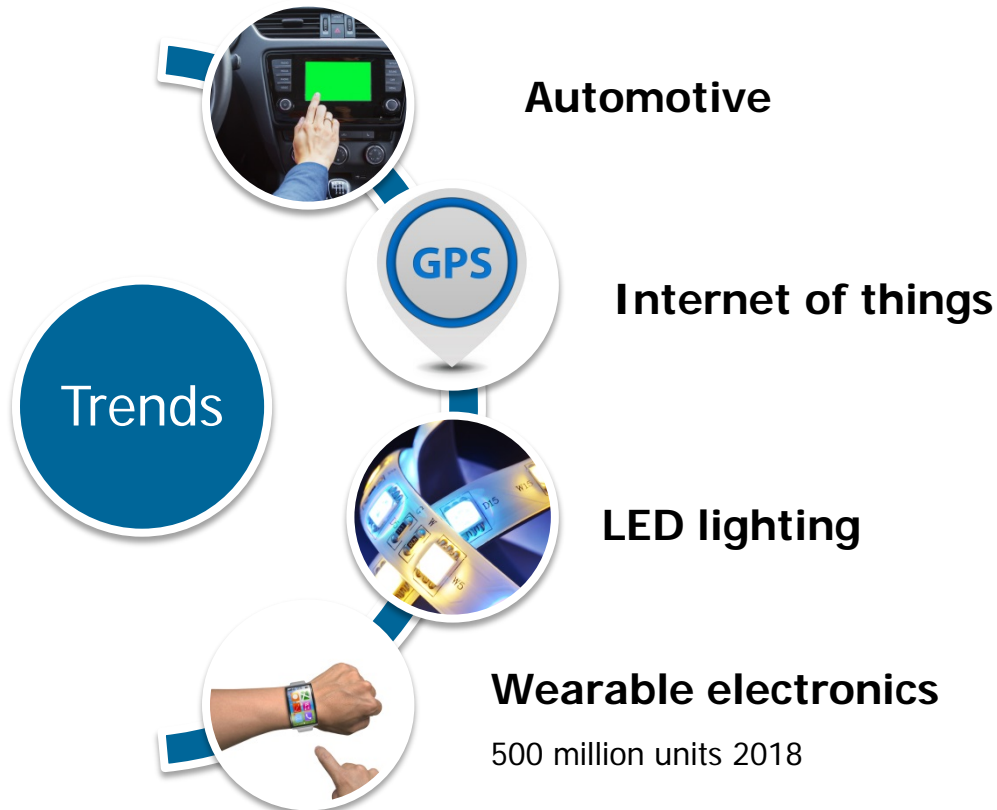
Electronics industry development

Electronics industry

regional development 2013 to 2018



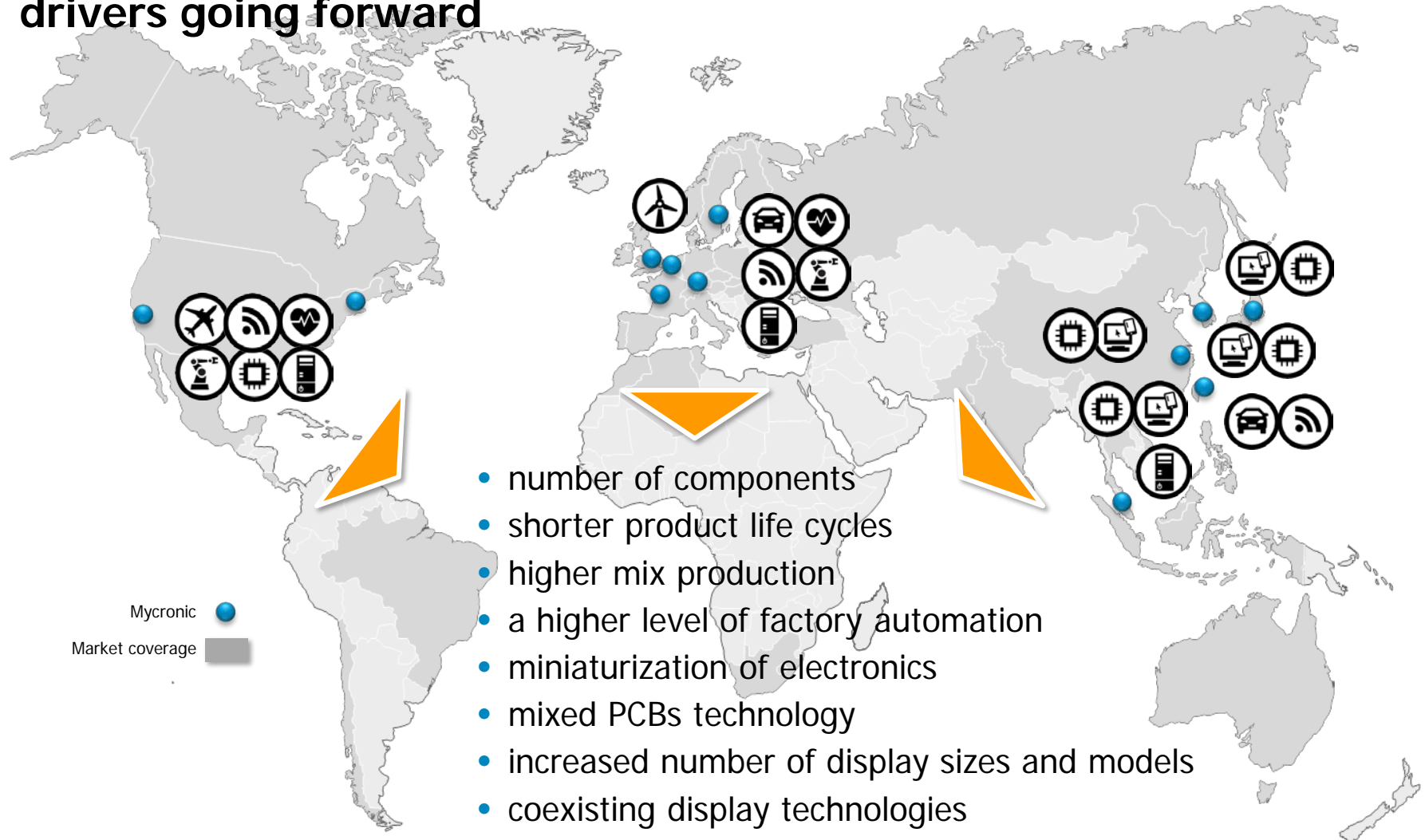
Electronics industry development— what to expect?



- The number of electronic components will double in the next five years, from 4.5 to 9 trillion components, at a much lower cost per component and placement

Electronics industry

drivers going forward

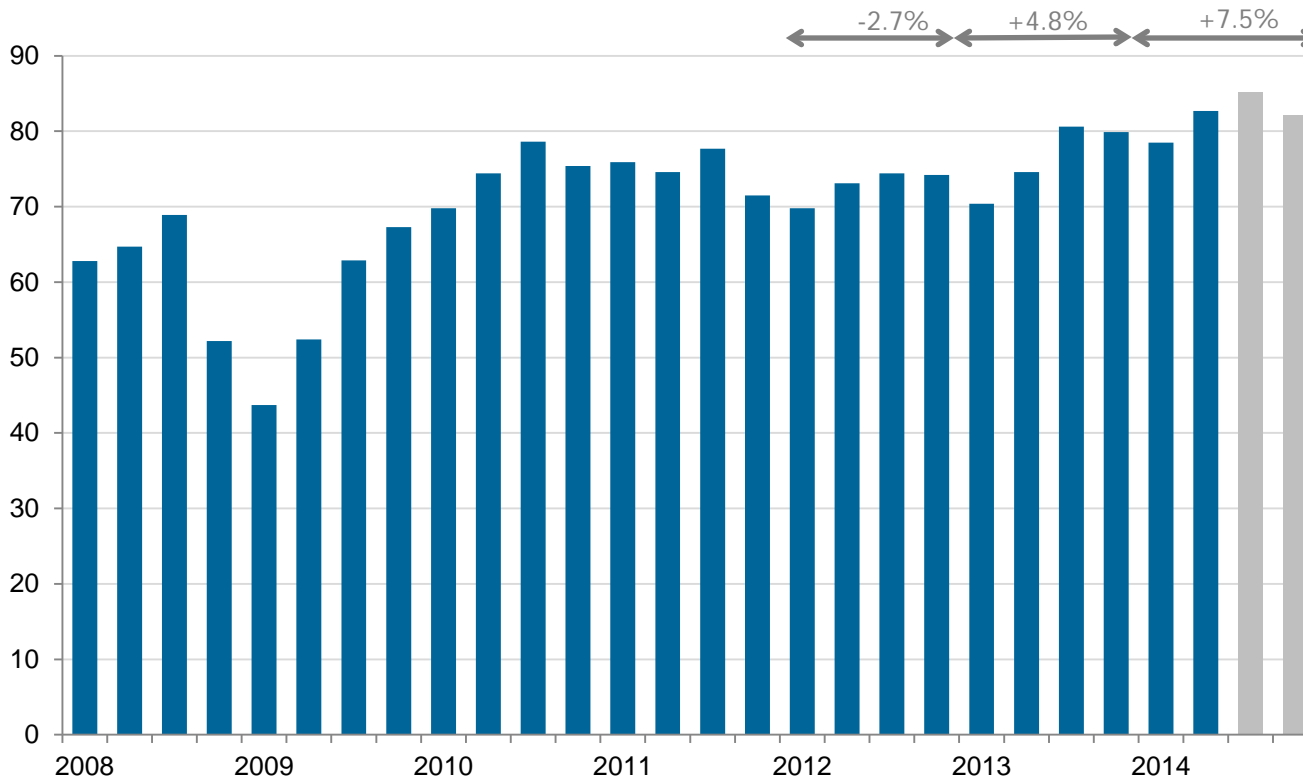




SMT Equipment

Semiconductor market development

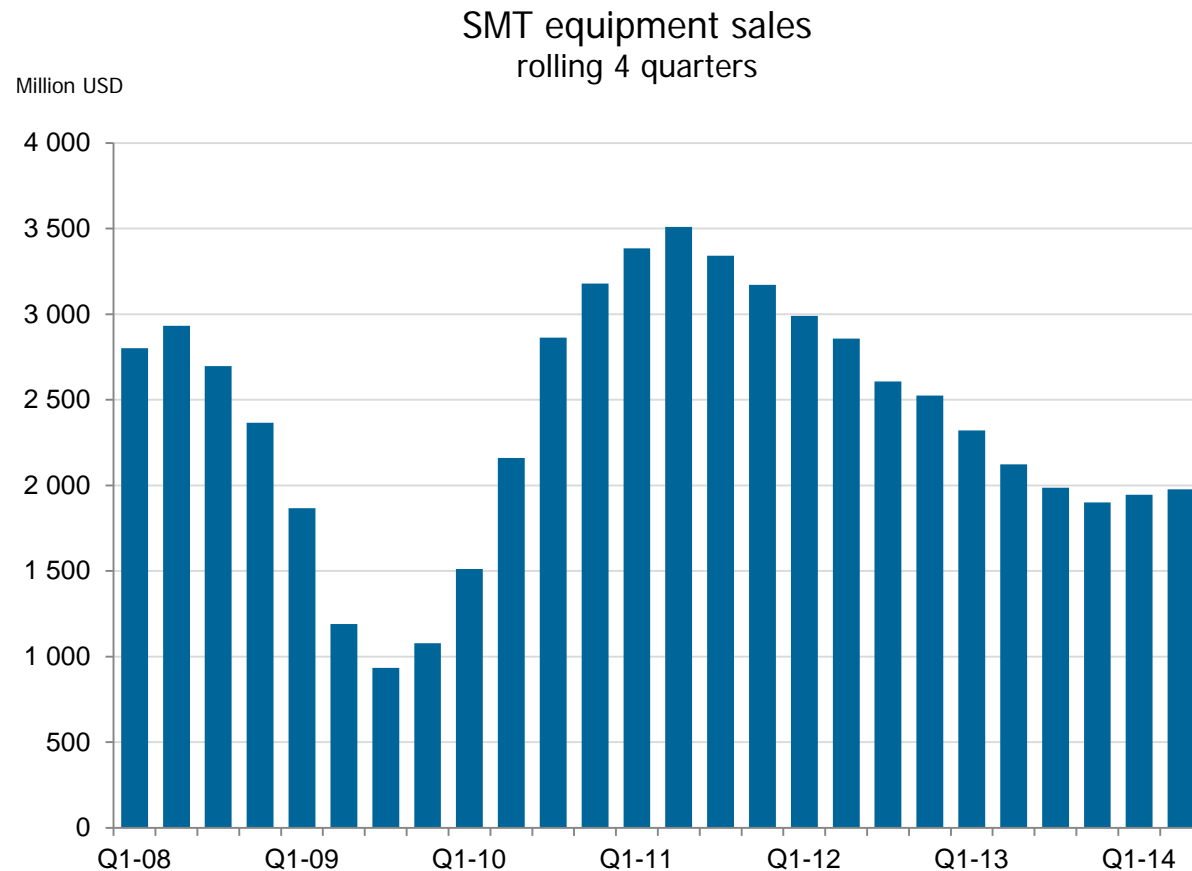
USD billion



- Semiconductor market growth was 4.8% in 2013, with growth mainly in H2
- Outlook for 2014 indicates a growth of 7.5%
 - H1, 2014 a growth of 11% compared to H1, 2013
- Annual long term growth at 4.4% until 2018

Source: Prismark, September 2014

SMT equipment market development



- Global SMT demand declined 25% in 2013
- Global SMT sales H1, 2014 was up 8% compared to H1, 2013
- Mycronic SMT sales YTD 2014 increased 19% compared to YTD 2013
- Mycronic SMT order intake increase of 29% YTD 2014
- The SMT equipment market normally follows the semiconductor market with a delay of 2-3 quarters

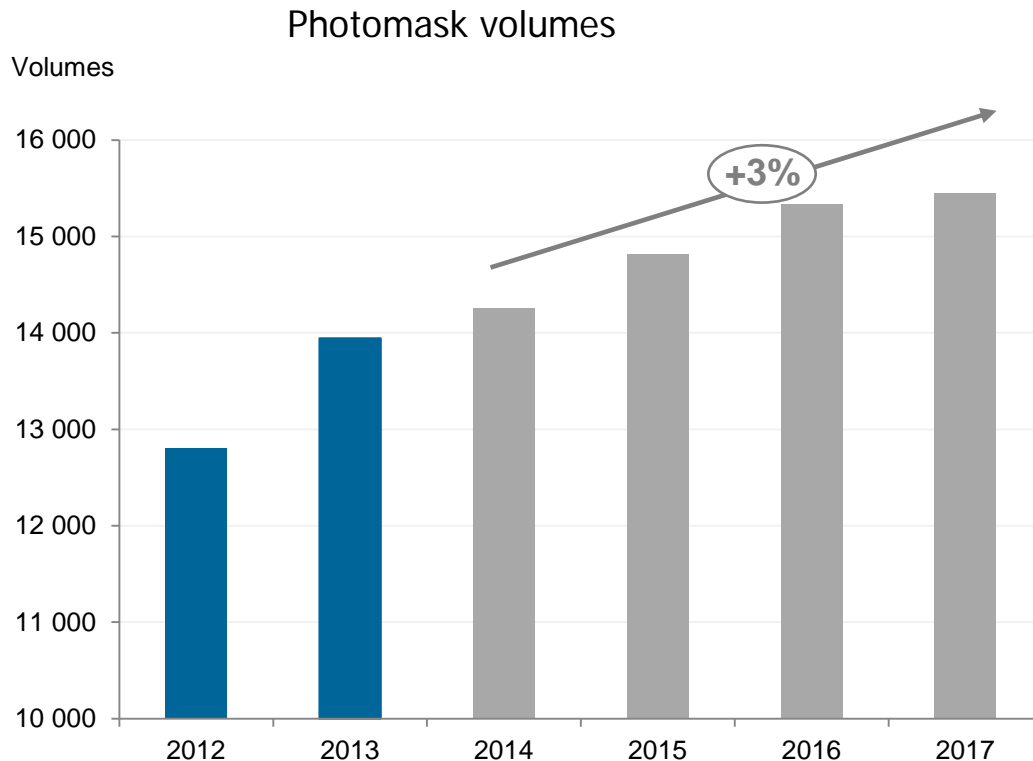
Source: PROTEC MDC, July, 2014



Pattern Generators

Photomask volumes continue to increase

Photomask market continues to improve

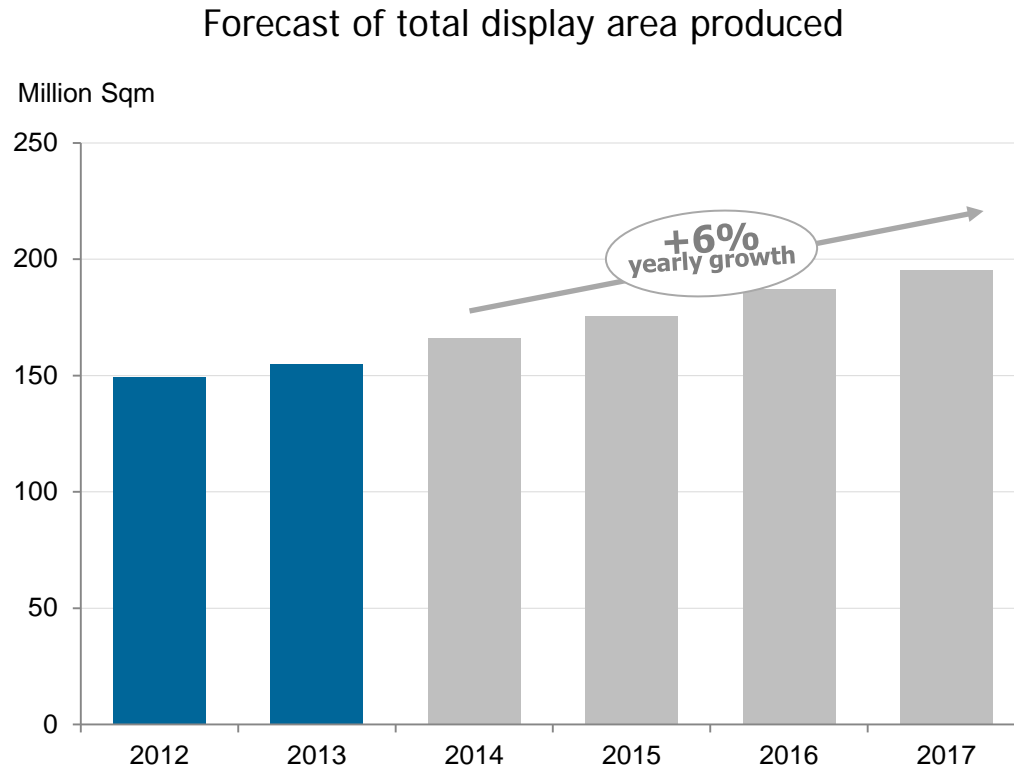


- Growing volumes continue to improve the photomask market:
 - High utilization
 - Photomask prices stabilizing
 - Photomask makers profitable
- Photomask volumes expected to grow by 3% yearly in 2014-2017
 - High resolution displays and AMOLED are the main drivers of photomask complexity
 - Photomask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

Source: DisplaySearch, Jan, 2014, updated yearly

Display market expected to grow

Forecast of total display area produced



- Display market expected to grow over the coming years
 - Trend towards higher resolution displays
 - AMOLED will be one of the major drivers for future growth
 - Flexible displays continue to emerge during 2014, in TV and mobile applications

Source: DisplaySearch, October, 2014

Electronics industry needs affecting photomask demand

- Needs in display segment driven by
 - Trend towards more complex photomasks
 - High demand for photomasks in commodity segment
 - Led to orders for two advanced Prexision mask writers
- Needs in semiconductor segment driven by
 - Capacity need in a highly competitive low to mid end segment
 - Led to orders for two mask writers for semiconductor applications taken in competition
- Needs in multi-purpose segment driven by
 - Advanced electronic packaging
 - Touch screen devices
 - 3D applications
 - Led to orders for three mask writers for multi-purpose applications taken in competition

Favorable market conditions in several market segments

Mycronic outlook unchanged

The assessment is that sales 2014 will be in the span of 1,150 - 1,250 MSEK. The assessment is unchanged from the previous quarter.

When passion meets innovation ●