

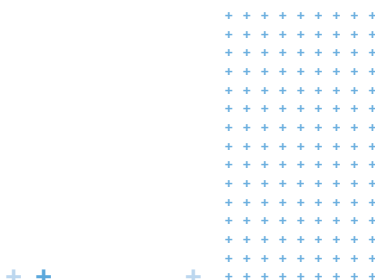
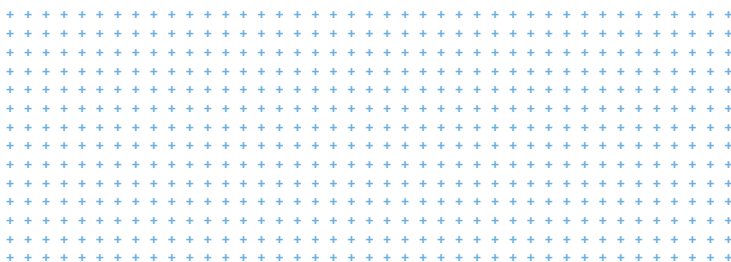
Quarterly Report

01 January – 31 March 2006



KEY FIGURES Q1/2006

in Euro million	Q1/06	Q1/05	Change in %
Order entry	40.6	24.0	69.2 %
Order backlog as of 31.03.	85.5	69.9	22.3 %
Total sales	39.1	19.7	98.4 %
Sales margin in %	9.4 %	-25.6 %	-
Gross profit	17.6	7.0	151.7 %
Gross margin	45.0 %	35.4 %	-
Costs of sales	21.5	12.7	69.2 %
R&D costs	2.1	1.5	45.1 %
EBITDA	6.6	-2.8	336.2 %
EBITDA margin	17.0 %	-14.3 %	-
EBIT	4.8	-4.9	198.8 %
EBIT margin	12.3 %	-24.7 %	-
Earnings after tax	3.7	-5.3	168.9 %
Earnings per share, diluted	0.20	-0.35	157.1 %
Shareholders' equity	87.7	84.2	4.1 %
Equity ratio	55.4 %	53.5 %	-
Return on equity	4.2 %	-6.3 %	-
Balance sheet total	158.1	157.3	0.5 %
Net cash	14.1	7.5	87.4 %
Free cash flow	6.7	3.7	78.6 %
Investments	1.7	1.4	21.8 %
Investment ratio	4.4 %	7.1 %	-
Depreciation and amortization	1.8	2.1	-11.1 %
Employees as of 31.03.	689	715	-3.6 %



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Imprint/ Contact



+ Dr. Stefan Schneidewind, Chief Executive Officer +

FOREWORD BY THE MANAGEMENT BOARD

DEAR SHAREHOLDERS, EMPLOYEES AND BUSINESS PARTNERS OF SUSS MICROTEC AG,

Following an extremely successful fourth quarter in 2005, the first quarter of this year also went remarkably well. Order entry and sales were very strong and, for the first time since 2001, we were able to close out the first three months of a fiscal year with positive results after taxes.

Order entry amounted to EUR 40.6 million compared to EUR 24.0 million in the first quarter of 2005 (plus 69.2 percent). During the reporting period, sales reached EUR 39.1 million as opposed to EUR 19.7 million in Q1/2005. This represents an increase of 98.4 percent. Gross profit reached EUR 17.6 million (Q1/2005: EUR 7.0 million, a plus of 151.7 percent). The gross profit margin was at 45.0% (Q1/2005: 35.4%). The EBIT amounted to EUR 4.8 million – during the same reporting period the previous year, a minus of EUR 4.9 million was still being reported. We ended the quarter with a net income after taxes of EUR 3.7 million (Q1/2005: minus EUR 5.3 million).

These figures prove that the restructuring measures implemented over the last two years together with our product and sales strategy have enabled us to achieve our goals.

The Lithography segment, which represents more than half of our entire business, experienced outstanding development. A large portion of the restructuring measures mentioned above concerned this segment. Implementation of the overall concept required a significant contribution on the part of all divisions and at all levels. Today we can see how these efforts have paid off: the high demand for lithography products (Mask Aligner, Coater, and Developer) was undiminished in the first quarter of 2006. To our delight, orders for Mask Aligner intensified again. This development shows that capacities are being expanded in our main markets of microsys-



✦ *Stephan Schulak, Chief Financial Officer*

tems technology and advanced packaging. The need for sensors for airbags, inkjet print heads, GPS systems and high-performance chips, etc., continues to increase, which leads us to assume that this positive trend will continue.

Sales could also be increased in our second largest segment, Test Systems, which represents about a quarter of the business volume of the SUSS MicroTec Group, even though order entry remained considerably behind the very good comparison value of the previous year. Quoting activity is also at a very high level in this segment, however, and the mood is positive, which means we are not anticipating any change in trend.

In France, where the Device Bonder segment is located, order entry development was satisfactory. The low sales can be attributed to the fact that there were no final acceptances in the first quarter. Corresponding sales contributions are expected in the second quarter. As already experienced in the fourth quarter of last year, the demand for Device Bonder is currently based mainly on the need for infrared sensor technology applications.

In the Substrate Bonder segment, we continued to report the very positive development of the fourth quarter of 2005. After the complete portfolio had been replaced by newly developed tools over the last two years, penetration of the market continued to have the highest priority. Sales and order entry also delivered a very clear message here: the chosen path is the correct one. This was further underscored by the successes described on page 5 et seq.

As far as regional distribution of sales and order entry are concerned, it was both surprising and pleasing at the same time that in the first quarter of this fiscal year the very weak values of the same period last year had rebounded with respect to Asia. All of the other regions demonstrated good growth. Detailed information on the segments and on the split of sales and order entry by region can be found on pages 7 et seq.



As for C4NP, development of the “High Volume Production Tool” is proceeding according to plan. In June we will start on the installation of the first such system at IBM in East Fishkill, USA. Interest in this new technology continues to be very high and we are planning to “bump” the first wafers on this device starting in August. We are still optimistic that we can achieve further successes with the introduction of C4NP as early as this year.

The positive development of the core business confirms our break-even-model. The earnings situation at SUSS MicroTec is quite dependent on sales development: increases in sales leads to considerably better gross profit because the cost of administration, sales and even research and development remain relatively constant. The higher gross profit then has a direct impact on the EBITDA – as can be seen in this quarter. Two leading American research institutes recently ranked their 2006 growth predictions for the semiconductor supplier industry on this: VLSI from 6 percent to 13 percent and Gartner Dataquest from 9 to 14 percent. In this respect, the conditions are set for this favorable business development to continue for SUSS MicroTec.

Garching, May 2006

Dr. Stefan Schneidewind
Chief Executive Officer

Stephan Schulak
Chief Financial Officer



▶ LITHOGRAPHY SEGMENT SUCCESSFUL	
▶ SUBSTRATE BONDER SEGMENT RECEIVES AWARD	
INVITATION TO THE SHAREHOLDERS' MEETING 2006	
SALES AND SEGMENT FIGURES	
DIRECTORS' DEALINGS	

SALES AND EARNINGS

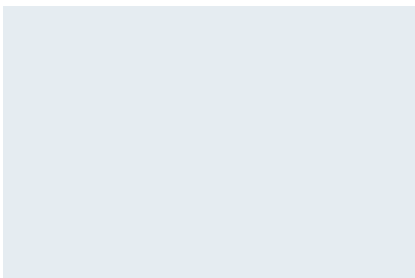
LITHOGRAPHY SEGMENT SUCCESSFUL

Our latest generation of products for lithography applications is enjoying brisk demand. We have noted that our customers are increasingly ordering the Mask Aligner Compact series, the Coating Clusters and the Spray Coater range of products, in particular. The common factors for success in these areas are utmost precision and reliability – which ultimately results in greater output with a high yield in production. This is required in all of our markets. Whether MEMS, advanced packaging or compound semiconductors: what's needed in production are economic, reliable equipment solutions that enable sensors and modern chip connections to be produced with a favorable cost of ownership. This segment developed positively during the last fiscal year and this trend is continuing.

SUBSTRATE BONDER SEGMENT RECEIVES AWARD

In March 2005 SUSS MicroTec received an award from Analog Devices, a worldwide leading MEMS manufacturer, for its contributions to a special project. The Analog Devices' 2005 Supplier Excellence Award distinguished the Substrate Bonder division of SUSS MicroTec, Waterbury, USA, for its outstanding achievements. Additional awards were received by Applied Materials, LAM Research and TSMC, among others.

The people at Innovative MicroTechnology (IMT) are also convinced of the advantages of the SUSS MicroTec Substrate Bonder. IMT is a leading MEMS foundry, which produces and delivers over a million microsystems each week. This type of high-volume production alone signifies the importance of high yield and thus of precision and reliability. After IMT had experienced the quality and flexibility of the SUSS MicroTec-Substrate Bonder, a follow-up order was placed. This second system was already installed in March in Santa Barbara, California.



INVITATION TO THE SHAREHOLDERS' MEETING 2006

Our annual general shareholders' meeting will take place on June 20th in Munich this year. Of course we are hoping that the largest number of shareholders possible will attend. To make voting as easy as possible for you, we are again providing a voting rights representative, who will vote on the agenda items according to your instructions. We are also providing our shareholders with the option again this year to commission this voting rights representative online, via the Internet. More details on this option are available in our invitation to the Shareholders' Meeting, which you can also find on our website at www.suss.com. We hope that we have hereby made it somewhat easier for you, our honored shareholders, to have your interests represented and we look forward to your attendance and/or the exercising of your voting rights at this year's Shareholders' Meeting of SUSS MicroTec AG.

LITHOGRAPHY SEGMENT
SUCCESSFUL

SUBSTRATE BONDER SEGMENT
RECEIVES AWARD

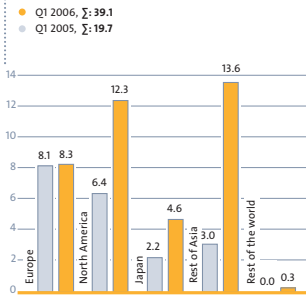
► INVITATION TO THE
SHAREHOLDERS' MEETING 2006

► SALES AND SEGMENT FIGURES

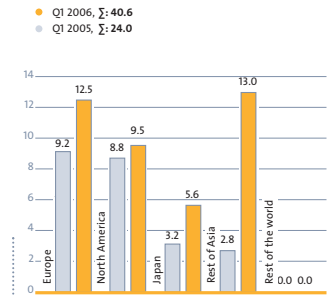
DIRECTORS' DEALINGS

SALES AND SEGMENT FIGURES

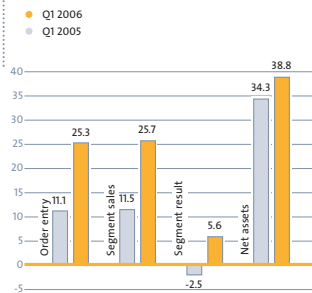
Sales by Region
in EUR millions



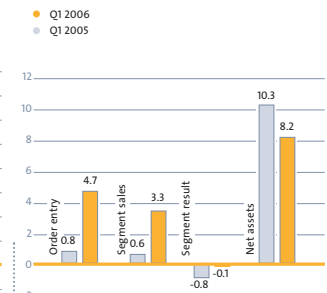
Order Entries by Region
in EUR millions



Segment Overview – Lithography
(in EUR millions)

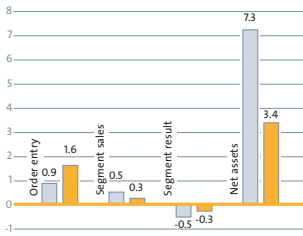


Segment Overview – Substrate Bonder
(in EUR millions)



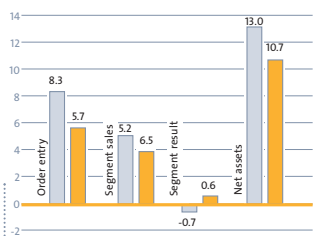
Segment Overview – Device Bonder (in EUR millions)

- Q1 2006
- Q1 2005



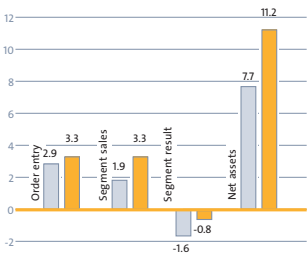
Segment Overview – Test Systems (in EUR millions)

- Q1 2006
- Q1 2005



Segment Overview of Others Segment (in EUR millions)

- Q1 2006
- Q1 2005



LITHOGRAPHY SEGMENT
SUCCESSFUL

SUBSTRATE BONDING SEGMENT
RECEIVES AWARD

INVITATION TO THE
SHAREHOLDERS' MEETING 2006

► SALES AND SEGMENT FIGURES

► DIRECTORS' DEALINGS

DIRECTORS' DEALINGS AS OF 03/31/2006

Management Board:	Shares	Options
Dr. Stefan Schneidewind	6,571	69,648
Stephan Schulak	13,000	80,286

Supervisory Board:	Shares
Dr. Winfried Süß	1,131,000
closing associated persons as defined by § 15a WpHG (Securities Trade Act)	147,443
Thomas Schlytter-Henrichsen	6,909
Dr. e. h. Horst Görtz	3,894
Peter Heinz	1,338
Prof. Dr. Anton Heuberger	–
Dr. Christoph Schücking	500





FINANCIAL REPORT

IFRS – CONSOLIDATED STATEMENT OF INCOME AND COMPREHENSIVE INCOME

TEUR

Sales

Cost of sales

Gross profit

Selling costs

Research and development costs

Administration costs

Other operating income

Other operating expenses

Result from at-equity investments

Analysis of net income from operations (EBIT):

EBITDA (Earnings before Interest and Taxes, Depreciation and Amortization)

Depreciation and amortization of tangible assets, intangible assets and investments in subsidiaries

Net income from operations (EBIT)

Interest expenses

Interest income

Income before taxes

Income taxes

Net profit or loss

Thereof minority interests

Thereof equity holders of SUSS MicroTec

Earnings per share

Basic earnings per share in EUR

Diluted earnings per share in EUR

▶ STATEMENT OF INCOME AND COMPREHENSIVE INCOME
BALANCE SHEET
STATEMENT OF CASH FLOWS
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	01/01/06 – 03/31/06	01/01/05 – 03/31/05
	39,061	19,685
	-21,501	-12,709
	17,560	6,976
	-5,700	-5,301
	-2,125	-1,465
	-5,042	-5,982
	739	1,429
	-629	-495
	0	-22
	6,629	-2,807
	-1,826	-2,053
	4,803	-4,860
	-380	-529
	91	116
	4,514	-5,273
	-849	-48
	3,665	-5,321
	19	0
	3,646	-5,321
	0.22	-0.35
	0.20	-0.35

IFRS – CONSOLIDATED BALANCE SHEET

TEUR ASSETS	03/31/06	12/31/05
Non-current assets	49,471	50,401
Intangible assets	13,074	13,668
Goodwill	23,384	23,560
Tangible assets	5,665	5,384
Associates measured at equity	0	0
Other investments	33	33
Other assets	432	364
Deferred tax assets	6,883	7,392
Current assets	108,647	106,920
Inventories	58,484	53,837
Accounts receivable	16,964	23,681
Securities	43	58
Tax assets	953	1,120
Cash and cash equivalents	28,753	26,325
Other assets	3,450	1,899
Total assets	158,118	157,321

STATEMENT OF INCOME AND COMPREHENSIVE INCOME
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TEUR		
LIABILITIES & SHAREHOLDERS' EQUITY	03/31/06	12/31/05
Shareholders' equity	87,654	84,165
Common stock	16,793	16,793
Reserves	70,362	66,640
Accumulated other comprehensive income	431	683
Minority interests	68	49
Non-current liabilities	12,929	13,800
Pension provisions	2,557	2,581
Other provisions	365	455
Financial debt	5,465	5,957
Other liabilities	241	245
Deferred tax liabilities	4,301	4,562
Current liabilities	57,535	59,356
Other provisions	3,741	3,968
Tax liabilities	778	394
Financial debt	9,167	12,832
Accounts payable	7,806	6,061
Other liabilities	36,043	36,101
Total liabilities & shareholders' equity	158,118	157,321

IFRS – CONSOLIDATED STATEMENT OF CASH FLOWS

TEUR	01/01/06 – 03/31/06	01/01/05 – 03/31/05
Net profit or loss	3,665	-5,321
Amortization of intangible assets	1,227	915
Depreciation of tangible assets	599	1,116
Change of at-equity measured associates	0	22
Profit or loss on disposal of intangible and tangible assets	0	43
Change of reserves on inventories	1,822	-868
Change of reserves for bad debts	-107	305
Non-cash stock based compensation	76	94
Non-cash income from the reversal of provisions	-286	-57
Non-cash interest expenses from increase of convertible debt	111	170
Other non-cash effective income and expenses	396	-802
Change in inventories	-6,924	-2,184
Change in accounts receivable	6,537	10,529
Change in other assets	-1,452	230
Change in pension provisions	-24	-15
Change in accounts payable	1,812	261
Change in other liabilities and other provisions	655	813
Change of deferred taxes	248	-126
Cash Flow from operating activities	8,355	5,125

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TEUR	01/01/06 – 03/31/06	01/01/05 – 03/31/05
Payments in tangible assets	-969	-409
Payments in intangible assets	-741	-995
Cash Flow from investing activities	-1,710	-1,404
Repayment of bank loans	-2,430	-904
Change of current bank liabilities	-1,738	685
Change in other financial debt	-79	-36
Cash Flow from financing activities	-4,247	-255
Adjustments to funds caused by exchange-rate fluctuations	30	175
Change in cash and cash equivalents	2,428	3,641
Funds at beginning of the year	26,325	22,534
Funds at end of the period	28,753	26,175
Cash Flow from operating activities includes:		
Interest paid during the period	233	303
Interest received during period	91	116
Tax paid during the period	220	45
Tax refunds during the period	0	199



IFRS – CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

TEUR	Number of shares (in thousands)	Subscribed capital	Additional paid-in capital
As of 01 January 2005	15,157	15,157	84,917
Issuance of subscription rights			94
Net profit loss or loss			
Unrealized loss from securities net of tax			
Foreign currency adjustment			
As of 31 March 2005	15,157	15,157	85,011
As of 01 January 2006	16,793	16,793	90,673
Issuance of subscription rights			76
Net profit loss or loss			
Unrealized loss from securities net of tax			
Foreign currency adjustment			
As of 31 March 2006	16,793	16,793	90,749



STATEMENT OF INCOME AND COMPREHENSIVE INCOME
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Earnings reserve	Retained Earnings	Accumulated other comprehensive income	Minority interests	Total
433	-16,233	-902	44	83,416
				94
	-5,321		0	-5,321
		-10		-10
		462		462
433	-21,554	-450	44	78,641
433	-24,466	683	49	84,165
				76
	3,646		19	3,665
		-9		-9
		-243		-243
433	-20,820	431	68	87,654

STATEMENT OF INCOME AND COMPREHENSIVE INCOME
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Device Bonder		Test Systems		Other		Total	
Q1/2006	Q1/2005	Q1/2006	Q1/2005	Q1/2006	Q1/2005	Q1/2006	Q1/2005
327	500	6,478	5,146	3,257	1,936	39,061	19,685
-252	-464	645	-719	-787	-1,551	5,119	-6,000
0	0	0	0	0	0	0	-22
-849	188	185	-635	3	-90	-1,505	526
6,057	10,412	16,876	18,472	14,945	10,615	117,571	121,090
0	1,839	4,538	4,359	5,247	4,891	23,384	24,688
-2,648	-3,104	-6,184	-5,472	-3,739	-2,960	-45,262	-48,510
48	51	77	129	458	445	1,826	2,031
48	51	77	129	458	445	1,666	1,561
0	0	0	0	0	0	160	470
13	9	37	55	1,296	728	1,710	1,404
38	62	127	130	158	166	682	724

Assets

Q1/2006	Q1/2005
76,479	83,290
38,593	36,031
3,644	4,460
639	396
3,532	2,943
-5,316	-6,030
117,571	121,090





SELECTED EXPLANATORY NOTES TO THE INTERIM REPORT OF SUSS MICROTEC AG AS OF MARCH 31, 2006

1. GENERAL ACCOUNTING POLICIES

The consolidated financial statements of SUSS MicroTec AG as of December 31, 2005 were prepared in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and valid as of the balance sheet date. The interim Group financial statements as of March 31, 2006, which have been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting”, have been drawn up using the same accounting methods as in the 2005 Group financial statements.

All interpretations of the International Financial Reporting Interpretations Committee (IFRIC), which are mandatory as of March 31, 2006 have also been applied.

The interim financial statements were neither audited by the group’s auditors, KPMG Deutsche Treuhand-Gesellschaft, Aktiengesellschaft, Wirtschaftsprüfungsgesellschaft, nor did they undergo an auditing review.

The following new or revised standards and interpretations of the IASB and the IFRIC went into effect as of January 1, 2006.

- Amendment to IAS 39 and IFRS 4 “Financial Guarantee Contracts”
- Amendment to IFRS 4 “Revised Guidance on Implementing IFRS 4”

However, either of the two revised standards did not have a significant impact on the assets, financial and earnings position or they were not relevant with respect to the interim financial statements.

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For additional information on the individual accounting methods applied, please refer to the consolidated financial statements of SUSS MicroTec AG as of December 31, 2005.

All amounts are indicated in thousand Euro (TEUR) unless otherwise noted.

2. CHANGES IN GROUP STRUCTURE

The financial statements of SUSS MicroTec AG and all of the major companies for which there is a group control option according to the control principle, irrespective of the level of participating interest, are included in the consolidated financial statements. With respect to the consolidated financial statements as of December 31, 2005, there were no changes within the consolidated Group.

3. SIGNIFICANT EVENTS

Based on the orders received from customers, the reversal of a write-down on value-adjusted inventories amounting to TEUR 240 was performed in the Device Bonder segment.

In addition to the above, there were no events and transactions during the interim reporting period affecting assets, liabilities, equity, net income or cash flows, that were unusual because of their nature, size or incidence.



4. CHANGES IN ESTIMATES

If estimates were made within the scope of the interim reporting, they shall remain essentially unchanged in methodology within the fiscal year and in the fiscal year comparison.

In contrast to the method of approach at year-end, the income tax expense in each interim reporting period is recorded on the basis of the best estimate of the weighted average annual income tax rate expected for the entire fiscal year.

As a result of valuation allowances made to capitalized loss carry-forwards in the past, SUSS MicroTec AG is presently assuming an annual income tax rate in 2006 that will be considerably lower than the expected income tax rate of 37%.

Furthermore, there were no changes that have a material impact on the current interim reporting period.

5. DEBT AND EQUITY SECURITIES

No issuances, repurchases, and repayments of debt and equity securities were effected during the reporting period.

As of April 30, 2006 the amount of TEUR 3,622 was due for repayment from the issued convertible bonds.

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6. DIVIDENDS PAID

No dividends were paid out or proposed for disbursement during the reporting period.

7. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the interim reporting period.

8. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

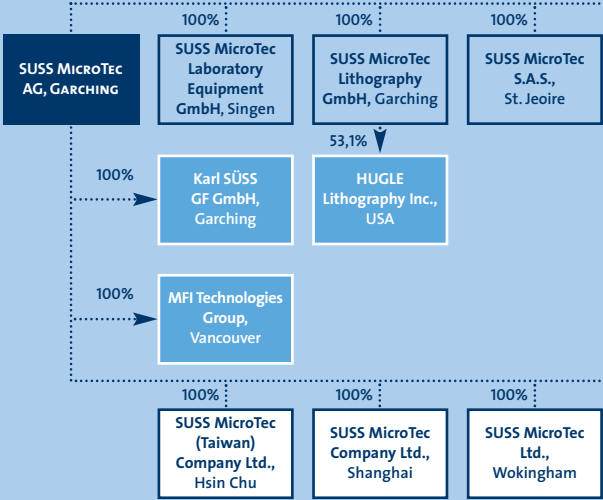
There are no contingent assets. There were no material changes in contingent liabilities since the last annual balance sheet date.

9. EARNINGS PER SHARE

The basic earnings per share are determined by dividing the net income for the period attributable to ordinary equity holders (after minority interests) by the weighted average number of shares, outstanding during the period.

To determine the diluted earnings per share, the profit for the period to be attributed to the shareholders (after minority interests), as well as the weighted average of the shares outstanding, must be adjusted for the effects of all potentially diluting shares.

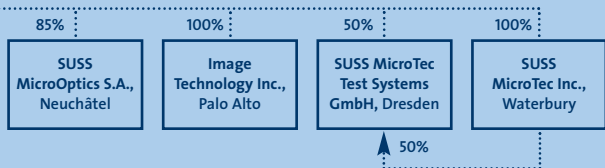
Structure of the Group



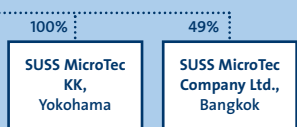
CORPORATE CALENDAR

Analysts' Conference	May 4	Frankfurt, Germany
SEMICON Singapore	May 9 – 11	Singapore
MTT-S Symposium	June 14 – 16	San Fransisco, CA
OPTO Taiwan	June 14 – 17	Taipei, Taiwan
Annual General Meeting	June 20	Munich, Germany
SEMICON West	July 11 – 13	San Fransisco, CA
Semiannual Report	August 2	
COMS 2005	August 27 – 31	St. Petersburg, FL
SEMICON Taiwan	September 11 – 13	Taipei, Taiwan
Ninemonth Report	November 7	
Micromachine 2006	November 7 – 9	Tokyo, Japan
SEMICON Japan	December 6 – 8	Chiba, Japan

Forward-looking statements: The reports contain forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and you should not place too much reliance on them. Forward-looking statements speak only as of the date they are



Further Investments: ZTS Glaubitz (10%)
 Electron Mec. S.r.L., Milano (10%)
 Holtronic Techn. S.A. Marin, Helvetia (10%)



- Holding Company
- Production Company
- Inactive / Strategic Investment
- Sales Company



IMPRINT

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