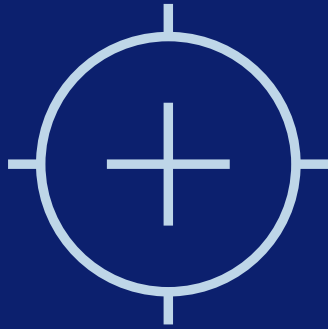




SUSS MicroTec AG

SEMIANNUAL REPORT

January 1 – June 30, 2004



KEY FIGURES Q2/2004

Million Euro	Q1/04	Q2/04	HY1/03	HY1/04
Net order entry	24.4	36.1	50.3	60.5
Net backlog	38.8	--	40.7	48.7
Net sales	19.2	26.6	39.2	45.8
Equity	100.0	--	108.2	97.4
Equity ratio	64.6%	--	69.5%	63.0%
Net cash	22.5	--	18.5	20.9
Free cash flow	0.1	-1.0	7.1	-1.0
Gross profit	6.2	9.9	14.2	16.1
Gross margin	32.3%	37.4%	36.3%	35.3%
EBITDA	-4.3	-1.1	-10.2	-5.4
EBIT	-5.6	-2.5	-13.5	-8.1
EAT (Earnings after tax)	-5.0	-2.7	-8.8	-7.6
EPS (Earnings per share in Euro)	-0.33	-0.18	-0.59	-0.50
Number of employees	720	--	727	734



Editorial	4
Shareholders' Meeting	8
Positive Vote for SUSS MicroTec	8
New Orders	10
Strong Position on Advanced Packaging Market	10
New Products	12
Best Reliability Tests faster than ever before	12
Most Extreme Tests for 200mm and 300mm Segments	14
Sales and Order Entry	16
Sales by Product Line and Region	16
Order Entry by Product Line and Region	17
Financial Data	18
Consolidated Income Statement	18
Consolidated Balance Sheet	20
Consolidated Statement of Cash Flow	22
Consolidated Statement of Shareholders' Equity	24
Accounting Principles / Segment Reporting	24
Shares and Options of the Executive Bodies	26
Corporate Calendar 2004	26

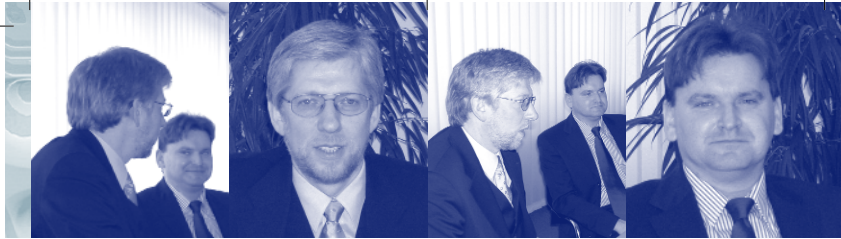
EDITORIAL

Dear shareholders, employees and business associates of SUSS MicroTec AG,

The positive outlook of the semiconductor suppliers in 2004 has now been firmly established. Our company also benefited from the expected recovery in order entries in the second quarter. At EUR 36.1 million, order entry was 48% higher than in the first quarter of 2004 and 44% higher than in the same quarter last year. This positive trend also confirms our sales forecast of EUR 115 million to EUR 120 million for fiscal 2004, which corresponds to a year-on-year growth rate of 25% to 30%.

We also increased our sales in the second quarter: compared to the same quarter last year, they improved by 23% to EUR 26.6 million. However, this figure is still below the break-even threshold. The gross profit margin in the second quarter amounted to 37.4%, putting it below the previous year's level (43.8%). One of the main factors in this was a substantial increase in outstanding final acceptances by customers due to increased deliveries at the quarter's end.

EBITDA, as in the first quarter of 2004, again showed a significant year-on-year increase. SUSS MicroTec improved its EBITDA from EUR -2.7 million to EUR -1.1 million. Due to the low tax ratio in 2004, quarterly after-tax earnings increased only slightly compared to the previous year, from EUR -3.0 million to EUR -2.7 million. In this regard, we would again like to point out that no deferred taxes are currently being capitalized on losses incurred in 2004 for significant subsidiaries.



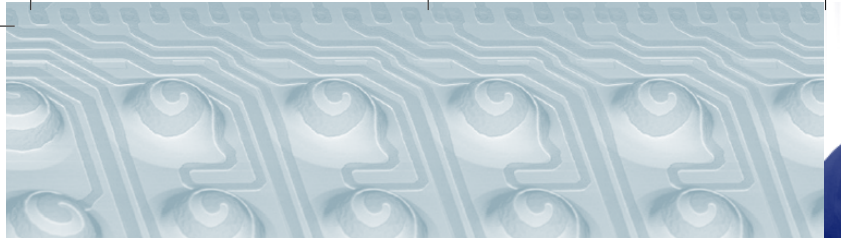
Free cash flow in HY1 amounted to EUR -1.0 million – a trend that was basically in line with our expectations. Inventories, however, developed contrary to our plans. They increased by another EUR 1.6 million over the first quarter, mainly as a result of two factors:

- another order-related increase in the inventory of the new Bond Clusters;
- an increase in demo equipment, a consequence of several strategically important customers receiving production equipment for evaluation purposes at short notice.

In this context, it is important to assess the inventories in comparison with the order books: taking into consideration the order backlog of EUR 48.7 million as per June 30, 2004, the ratio improved significantly. Based on our forecast, sales of between EUR 69 million and EUR 74 million are planned for the second half of the year; this is the period with the greatest potential for reducing our inventories in 2004.

For the further business trend in 2004, it is now crucial that the positive trend in order entry posted in the second quarter solidifies over the subsequent quarters. A glance at the order entry by region shows that in contrast to the sound levels of order entry from Asia and the US, Europe remains highly cautious. Investment decisions continue to be plagued by great uncertainty in Europe – to which the varied signals for economic prospects there are surely contributing.

The biggest sources of demand are currently the microsystems technology segment in the US and the advanced packaging



market in Asia (see also page 10). This trend is also confirmed by the customers' interest that was evident at SEMICON West, the world's most important trade fair for semiconductor suppliers, which was held in California in mid-July. The fair produced extremely positive results for us – our equipment generated a great deal of interest, particularly in the fields of microsystems technology and optoelectronics technology.

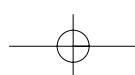
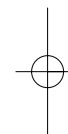
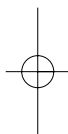
The SEMI organization also announced its current estimates at SEMICON West: the semiconductor supplier industry is expected to grow by more than 60% in fiscal year 2004; for 2005 the SEMI federation is assuming further growth of more than 20%. Although this growth forecast for 2005 may initially appear low, it is substantial as compared to the 2004 figure.

Since SUSS MicroTec targets a return to substantial profitability by 2005 at the latest, developments over the coming year will be of particular significance for the company. The new SEMI outlook provides impressive evidence of the sustained nature of the recovery in the semiconductor industry. Our job now is to keep on taking advantage of these opportunities for our company and to ensure that they lead to consistent performance – in terms of both the further development of our business and the trend in our stock price.

Garching, August 2004

Dr. Franz Richter
Chief Executive Officer

Stephan Schulak
Chief Financial Officer

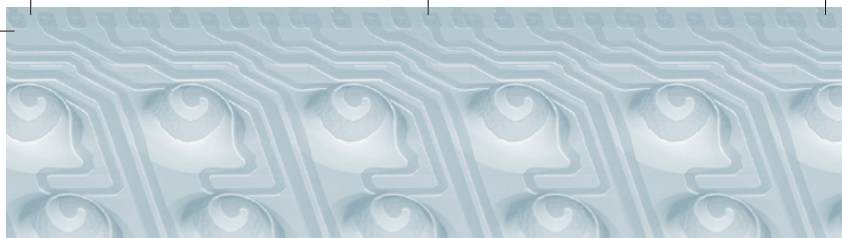


SHAREHOLDERS' MEETING 2004

Positive Vote for SUSS MicroTec

The shareholders who attended this year's Shareholders' Meeting, which was held in the Haus der Bayerischen Wirtschaft in Munich on June 16, 2004, represented 5,347,829 no par value shares – and thus 35.28% of the company's capital stock. In addition to the Executive Board's presentation and detailed explanation of the annual and consolidated financial statements as per the balance sheet date December 31, 2003, there was a vote on the following six agenda items:

- Formal approval of the members of the Executive Board:
approved by 99.97%
- Formal approval of the members of the Supervisory Board:
approved by 99.99%
- Appointment of KPMG Deutsche Treuhand-Gesellschaft AG as the new auditor and group auditor:
approved by 99.99%
- Annulment of the resolution of the Shareholders' Meeting of June 6, 2003, which approved the conclusion of a profit transfer and control agreement:
approved by 99.99%
- Annulment of the authorized capital and the creation of a new authorized capital amounting to EUR 7,478,442.00 with authorization for a partial exclusion of subscription rights and corresponding amendment to the articles of incorporation:
approved by 94.20%



- Authorization to issue convertible and/or warrant-linked bonds, adjustment of contingent capital 2002 and creation of a new contingent capital 2004 and amendment to articles of incorporation:
approved by 94.21%

As always, the Executive Board welcomed and responded to detailed questions from the internationally diverse audience. The agenda, the Executive Board's speech, the presentation and other information on the Shareholders' Meeting 2004 are available at www.suss.com/InvestorRelations/ShareholdersMeeting.

NEW ORDERS

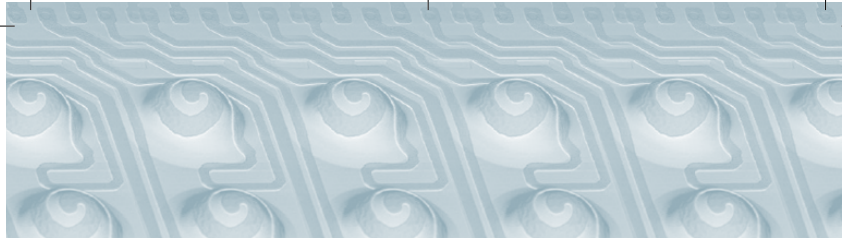
Strong Position on Advanced Packaging Market

In the second quarter, a number of important companies ordered SUSS MicroTec equipment for Advanced Packaging – the advanced bonding technology for the semiconductor industry.

Taiwan-based ASE, the world's largest service provider (foundry) for wafer packaging, ordered several fully automatic Mask Aligners with the new "SupraYield" technology as well as Coater/Developer systems. With these orders, which apply to both 200mm and 300mm wafer formats, ASE is further strengthening its leading position in the foundry segment with regard to installed bumping capacity. ASE will implement its wafer bumping – one of the main production stages in the advanced packaging process – almost exclusively with SUSS MicroTec machinery.

In addition to that, SPIL, another Taiwan-based firm and the world's third-largest packaging foundry, chose 300mm systems from SUSS MicroTec (Mask Aligners with "SupraYield" technology and Coater/Developer system). Since SPIL had most recently been using equipment for wafer bumping from a competitor, this can be regarded as a strategic success.

In the second quarter, SUSS MicroTec gained a major chip manufacturer from Japan as a new customer for its 300mm equipment. This customer uses the three fully automatic systems ordered – again including the Mask Aligner with "SupraYield" – for processing 200mm and 300mm wafers. In addition to Taiwan as its most important Asian market for



advanced packaging, SUSS MicroTec is now, thanks to this order, opening up the Japanese 300mm market as well.

Complementing the above orders, the company managed to post another strategically important 200mm order (Mask Aligners and Coaters/Developers) from Taiwan: SUSS MicroTec received its very first order from XinTec, a fast-growing packaging service provider that specializes in so-called Chip Scale Packaging (CSP).

With CSP, the entire packaging process takes place directly on the wafer – additional process stages, such as rewiring with Wafer Level Packaging, are not necessary. XinTec uses its extremely efficient and low-cost CSP technology mainly for the production of optical sensors, for example those that are used in digital cameras or handsets.

The following criteria were decisive in all of these companies' equipment decisions: quality, precision, reliability, low acquisition costs and high productivity – in other words, the "cost of ownership" that distinguishes SUSS MicroTec products from those of its competitors. On-site service is another influential factor: the SUSS MicroTec branches in Hsin Chu, Taiwan, and Yokohama, Japan, guarantee fast and comprehensive customer support in Asia. The fact that SUSS MicroTec also has a sales and service branch in Shanghai, China, means that the company is well-positioned on the market of the future.

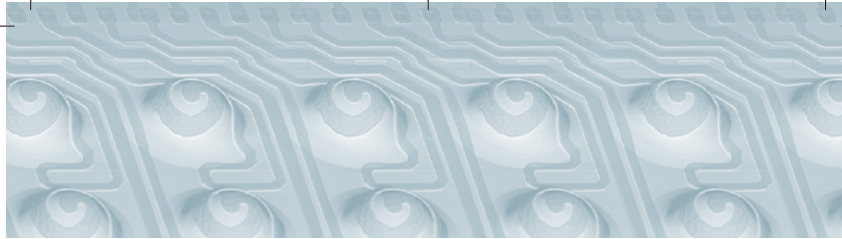
NEW PRODUCTS

Best Reliability Tests faster than ever before

Thanks to the new manual SUSS MicroTec Prober "PM8WLR"*, chip reliability can now be tested more quickly, more economically and at the same time more precisely than ever before.

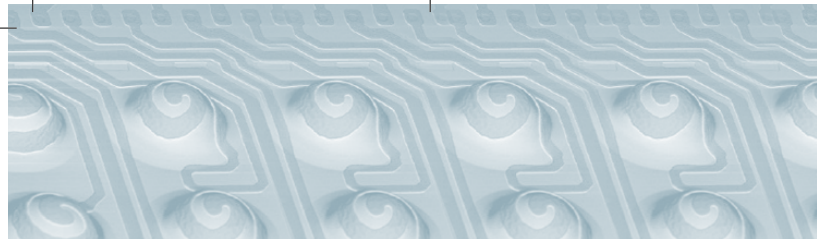
Chip testing of this kind is becoming more and more significant. This becomes particularly clear when you take a look inside a PC: today, around 50 million transistors "work" inside computer processors, ensuring that the huge performance capacity of our current PC generation is maintained 24 hours a day. At the beginning of the 1990s, there were still less than four million of these transistors. Leading chip manufacturers forecast that the processors of the future will consist of 400 million or more transistors that will be even faster, smaller and more efficient than they are now. But for all this new complexity, the "old" demand remains the same: faultless PC functionality must be guaranteed for the user at all times. That is why intensive reliability tests are essential.

This used to be highly time-consuming and therefore cost-intensive, since the tests either had to be carried out one after another on the many individual test structures (there are several hundred of them in the trenches**) or were not even possible until the components had been dismembered and encapsulated. As a result, the tests for each wafer took a week, or even several weeks, to complete. Depending on the course of the test, these processes meant that the manufacturers were at times late in launching new chips on the market and were exposed to an increased financial risk during production. This



was caused by lengthy delays ensuing before deviations from the target parameters could be recognized.

The "PM8WLR", on the other hand, analyzes every one of the individual 200 to 300 test structures simultaneously at wafer level. It works something like this: each of the tiny test structures in the trench on the wafer is contacted continuously over a certain period at the temperatures required for the reliability tests (-65° Celsius to 300° Celsius). The electrical long-term (period of several minutes) measurement data that is gathered in this way is fed into a mathematical model that calculates the reliability and probable lifespan of the circuits using the multiplicity of data. By using a so-called testing card, the Prober "PM8WLR" can "process" all of the transistors parallel to one another. The testing time per wafer is reduced from weeks to hours. For our customers, this means considerably faster test cycles and far lower production costs.



Most Extreme Tests for 200mm and 300mm Segments

With its technological innovation "Cryogenic Prober PAC 200/300," SUSS MicroTec has made a convincing impression on its first customer, a US-based semiconductor manufacturer that is among the global leaders in the industry. This strategically important customer uses the highly specialized analytical device in the field of 300mm research and development. More specifically, it carries out tests for new materials that are used in the production of the upcoming "intelligent" computers (or "supercomputers"). At the moment, most of the costly and time-consuming research work and tests in this area are still being done in the 200mm segment. Increasingly, however, manufacturers want to have the additional option of conducting the individual tests in the 300mm segment.

The semi-automatic Cryogenic Prober, from the Vacuum Probers product line, can also be used for a multitude of other analyses – such as the testing of extremely sensitive "small parts" in microsystems technology, e.g. infrared sensors. At SUSS MicroTec, however, the Cryogenic Prober stands not only for tests at low temperatures, as its name would suggest, but also for tests close to the absolute temperature limit of -273° Celsius: by testing at -269° Celsius, the PAC 200/300 creates the most extreme testing conditions in its field. This is a breakthrough in the 300mm segment.

| SUSS MicroTec AG

NOTES

Sales	16
Order Entry	17
Consolidated Income Statement	18
Consolidated Balance Sheet	20
Consolidated Statement of Cash-Flows	22
Consolidated of Shareholders' Equity	24
Accounting Principles	24
Segment Reporting	24
Shares and Options of the Executive Bodies	26
Corporate Calendar	26

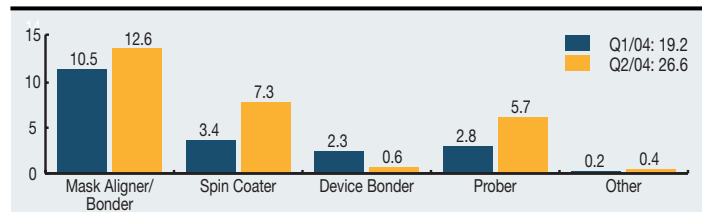
SUSS MicroTec AG

SALES

The total sales of EUR 26.6 million in Q2/2004 or respectively of EUR 36.1 million in HY1/2004 is differentiated by product lines and regions as follows:

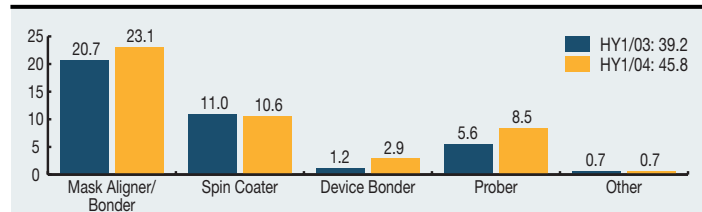
Sales by product lines (Quarter)

Details in comparison in Mio. of Euro



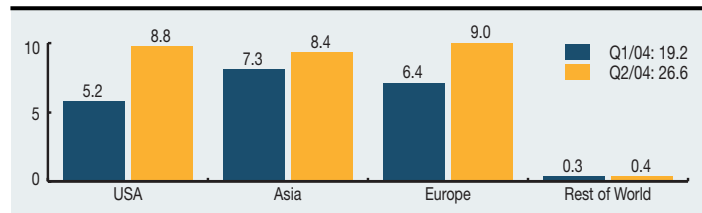
Sales by product lines (Half Year)

Details in comparison in Mio. of Euro



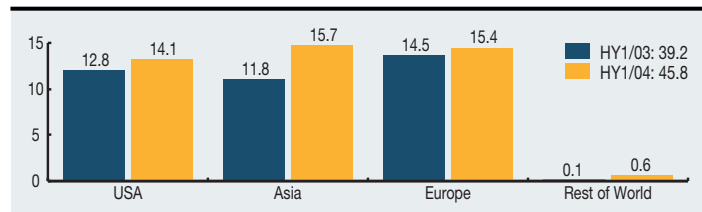
Sales by region (Quarter)

Details in comparison in Mio. of Euro



Sales by region (Half Year)

Details in comparison in Mio. of Euro



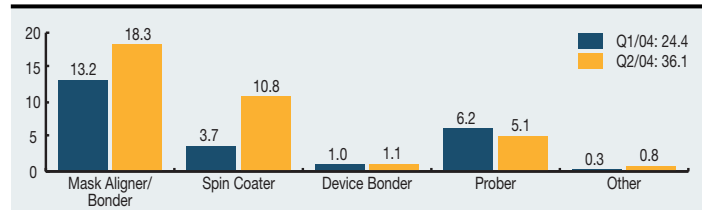
SUSS MicroTec AG

ORDER ENTRY

The order entry of EUR 36.1 million in Q2/2004 or respectively of EUR 60.5 million in HY1/2004 is differentiated by product lines and regions as follows:

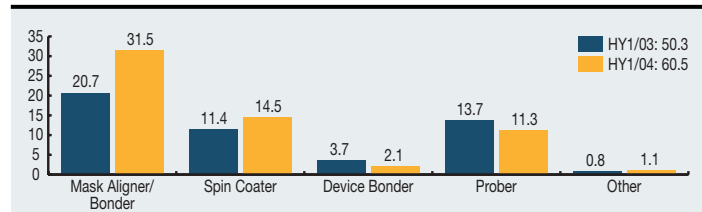
Order entry by product lines (Quarter)

Details in comparison in Mio. of Euro



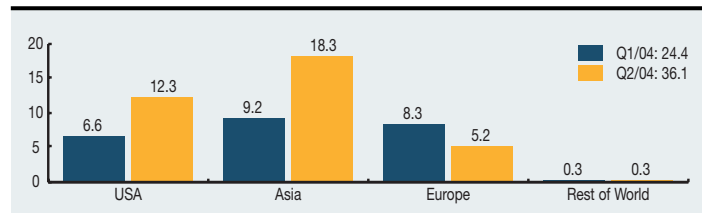
Order entry by product lines (Half Year)

Details in comparison in Mio. of Euro



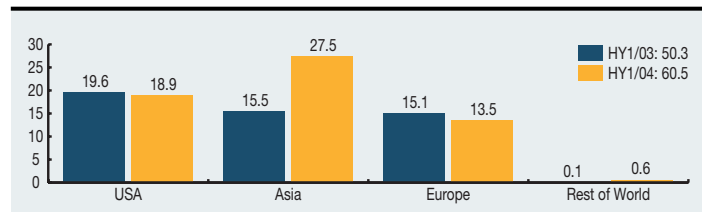
Order entry by region (Quarter)

Details in comparison in Mio. of Euro



Order entry by region (Half Year)

Details in comparison in Mio. of Euro





SUSS MicroTec AG
CONSOLIDATED INCOME STATEMENT

TEUR

Sales

Freight and Commissions

Net sales

Cost of goods sold

Gross profit

Administration and selling costs

Research and development costs

Amortization of goodwill

Other operating expenses and income

Foreign currency exchange gains and losses

Net income from operations

Interest expenses

Interest income

Minority Interest

Income before taxes

Income taxes

Net loss / Income

Earnings before Interest and Taxes (EBIT)*

Earnings before Interest and Taxes, Depreciation and

Amortization (EBITDA)*

Per share

Basic earnings per share in EUR

Diluted earnings per share in EUR

Transition to Comprehensive Income

Net loss / Income

Other comprehensive income net of tax

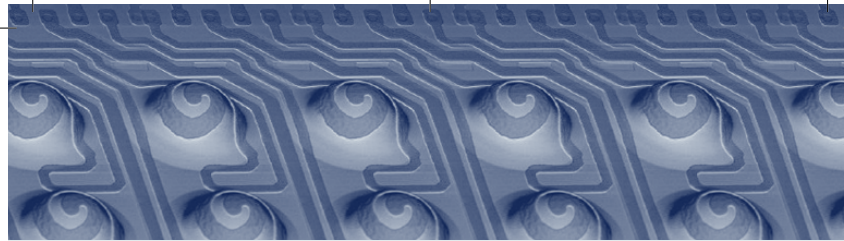
Differences in foreign currency translation

Additional minimum liability

Unrealized gain on securities

Comprehensive Income

* unaudited



04/01/2003- 06/30/2003*	01/01/2003- 06/30/2003*	01/01/2003- 12/31/2003	04/01/2004- 06/30/2004*	01/01/2004- 06/30/2004*
22,184	40,465	95,500	27,179	47,195
-589	-1,291	-2,885	-614	-1,390
21,595	39,174	92,615	26,565	45,805
-12,137	-24,969	-56,168	-16,635	-29,658
9,458	14,205	36,447	9,930	16,147
-10,808	-21,322	-40,985	-10,668	-20,117
-2,482	-4,918	-10,496	-2,272	-5,118
0	0	0	0	0
650	624	859	418	570
-1,053	-2,029	-2,916	118	387
-4,235	-13,440	-17,091	-2,474	-8,131
-412	-625	-1,245	-386	-769
118	179	358	90	187
-30	-22	24	-2	12
-4,559	-13,908	-17,954	-2,772	-8,701
1,563	5,103	3,401	101	1,076
-2,996	-8,805	-14,553	-2,671	-7,625
-4,265	-13,462	-17,067	-2,476	-8,119
-2,655	-10,170	-10,996	-1,105	-5,407
-0.20	-0.59	-0.97	-0.18	-0.50
-0.20	-0.59	-0.97	-0.18	-0.50
-2,996	-8,805	-14,553	-2,671	-7,625
-728	-1,840	-2,255	-15	432
0	0	-14	0	0
0	0	47	0	0
-3,724	-10,645	-16,775	-2,686	-7,193

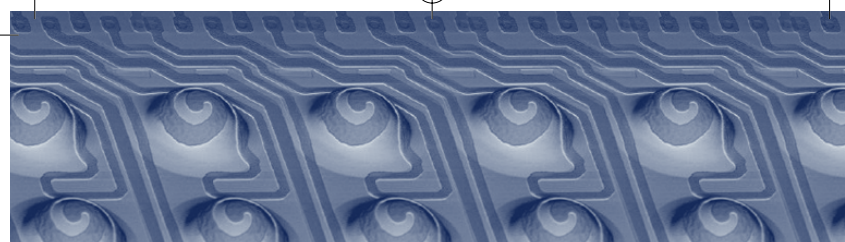


SUSS MicroTec AG

CONSOLIDATED BALANCE SHEET

TEUR	06/30/2003*	12/31/2003	06/30/2004*
ASSETS			
Cash and cash equivalents	21,548	26,785	24,095
Accounts receivable, net	17,433	23,606	17,788
Other receivables and assets	6,114	6,603	6,260
Inventories, net	46,433	41,900	47,585
Prepaid expenses	674	1,094	1,045
Deferred tax assets current	3,827	2,091	3,315
Total current assets	96,029	102,079	100,088
Tangible assets	14,323	11,935	10,542
Intangible assets	8,423	7,305	6,427
Goodwill	28,009	28,009	28,009
Investments in subsidiaries	148	144	144
Deferred tax assets long-term	6,809	7,480	7,521
Other long-term assets	2,021	1,901	1,923
Total long-term assets	59,733	56,774	54,566
Total assets	155,762	158,853	154,654

* unaudited



TEUR	06/30/2003*	12/31/2003	06/30/2004*
LIABILITIES & SHAREHOLDERS' EQUITY			
Current bank liabilities	3,098	3,154	3,152
Current lease obligations	150	158	139
Accounts payable	3,979	5,972	8,413
Current portion of pension liabilities	223	214	212
Current portion of long-term debt	3,440	2,991	2,476
Other current liabilities	19,034	16,929	19,240
Total current liabilities	29,924	29,418	33,632
Long-term debt	12,801	22,423	19,165
Leasing obligations	549	473	423
Pension liabilities	3,622	3,581	3,558
Other long-term liabilities	615	517	487
Minority interest on consolidated subsidiaries	52	32	19
Total long-term liabilities	17,639	27,026	23,652
Common stock EUR 1.00 par value 22,635 thousand shares authorized Jun 30, 2004 and common stock EUR 1.00 par value 22,423 thousand shares authorized Mar 31, 2004, respectively; 15,157 thousands shares issued and outstanding Jun 30, 2004 and 14,957 thousands shares issued and outstanding Mar 31, 2004, respectively	14,957	14,957	15,157
Additional paid-in capital	81,221	81,561	83,515
Appropriated retained earnings	433	433	433
Retained earnings (current year and brought forward)	16,832	11,084	3,459
Cumulative other comprehensive income	-5,244	-5,626	-5,194
Total shareholders' equity	108,199	102,409	97,370
Total liabilities & shareholders' equity	155,762	158,853	154,654

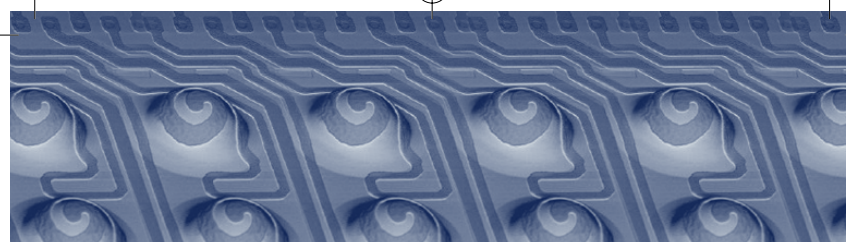
* unaudited

SUSS MicroTec AG

CONOLIDATED STATEMENT OF CASH-FLOW

TEUR	01/01/2003- 06/30/2003*	01/01/2003- 12/31/2003	01/01/2004- 06/30/2004*
Cash Flow from operating activities			
Net loss	-8,805	-14,553	-7,625
Adjustments to net assets caused by exchange- rate fluctuations	-984	134	62
Adjustments to reconcile net income to net cash provided by operating activities			
Non-cash stock based compensation	310	650	194
Amortization of intangible assets	956	1,965	919
Amortization of goodwill	0	0	0
Depreciation of tangible assets	2,126	3,784	1,712
Amortization of leased assets	210	322	81
Change of deferred tax assets	-2,336	-1,271	-1,265
Loss / Gain on disposal of assets	32	551	0
Earnings on investments	0	4	0
Change of reserves for bad debts	34	333	-393
Change of reserves on inventory	1,266	337	176
Changes in assets and liabilities			
Change in accounts receivable	16,638	10,166	6,211
Change in inventories	363	5,825	-5,861
Change in prepaid expenses	284	366	49
Change in other assets	3,054	2,685	321
Change in accounts payable	45	2,038	2,441
Change in other liabilities, provisions and deferred income	-5,398	-7,503	2,311
Change in pension liabilities	42	-8	-25
Change in other long-term liabilities	-120	-238	-43
Cash Flow from operating activities	7,717	5,587	-735

* unaudited



TEUR	01/01/2003- 06/30/2003*	01/01/2003- 12/31/2003	01/01/2004- 06/30/2004*
Cash Flow from investing activities			
Payments in tangible assets	-613	-1,010	-215
Payments in intangible assets	-42	-10	-3
Proceeds from disposal of tangible and financial assets	0	3	0
Cash Flow from investing activities	-655	-1,017	-218
Cash Flow from financing activities			
Proceeds from issuance of a convertible bond	0	11,642	0
Debt issue costs	0	-502	0
Repayment of bank loans	-1,806	-4,275	-1,813
Change in current bank liabilities	-433	-377	-2
Finance-lease payments	-189	-257	-69
Cash Flow from financing activities	-2,428	6,231	-1,884
Net increase / decrease in cash	4,634	10,801	-2,837
Adjustments to funds caused by exchange-rate fluctuations	-659	-930	147
Funds at beginning of the year	17,573	16,914	26,785
Funds at end of the period	21,548	26,785	24,095
Supplemental cash flow information:			
Interest paid during the period	577	773	689
Income taxes refund/paid during the period including prepayments	1,917	3,767	95
Disclosure of other non cash activities			
Increase of tangible assets under capital lease	31	0	0

* unaudited



SUSS MicroTec AG

CONSOLIDATED STATEMENT OF SHAREHOLDERS EQUITY

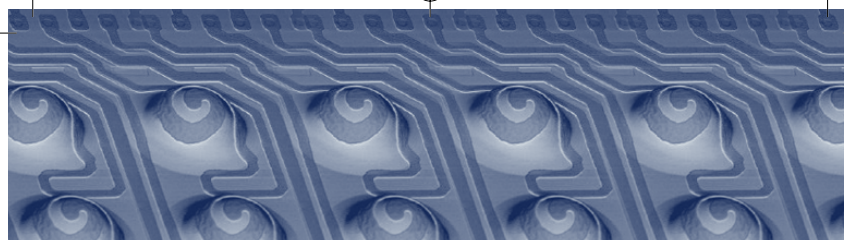
TEUR	Number of shares in thousands	Common stock
As of 01/01/2003	14,957	14,957
Issuance of subscription rights		
Annual net loss		
Foreign currency adjustment net of tax		
As of 06/30/2003	14,957	14,957
As of 01/01/2004	14,957	14,957
Conversion of convertible debt into Common stock	200	200
Proceeds from conversion of convertible debt		
Issuance of subscription rights		
Annual net loss		
Foreign currency adjustment net of tax		
As of 06/30/2004	15,157	15,157

Accounting principles

The consolidated financial statements of SUSS MicroTec AG have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The interim financial statements as per June 30, 2004 were prepared in accordance with the same accounting and measurement principles as those applied in the consolidated financial statements as per December 31, 2003, outlined in detail in the notes to those statements.

Segment reporting

SUSS MicroTec AG and the consolidated affiliates operate solely in one business segment. Therefore, the description of the results of separate segments is not applicable.



Additional paid-in capital	Earnings reserve	Retained earnings	Accumulated other compre- hensive income	Total
80,911	433	25,637	-3,404	118,534
310				310
		-8,805		-8,805
			-1,840	-1,840
81,221	433	16,832	-5,244	108,199
81,561	433	11,084	-5,626	102,409
				200
1,760				1,760
194				194
		-7,625		-7,625
			432	432
83,515	433	3,459	-5,194	97,370

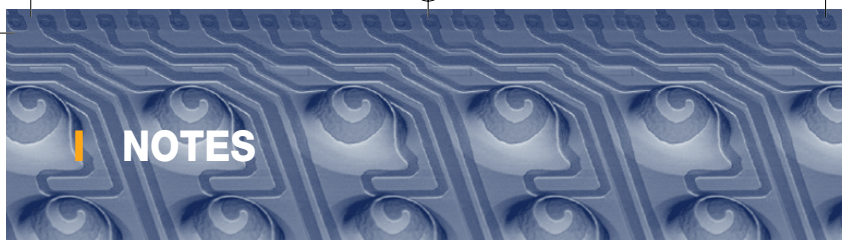


SUSS MicroTec AG
SHARES AND OPTIONS OF THE EXECUTIVE BODIES
CORPORATE CALENDAR

Shares and options of the executive bodies	Shares 12/31/2003	Options 12/31/2003	Shares 06/30/2004	Options 06/30/2004
Executive Board				
Dr. Richter	400.000	105.000	400.000	105.000
S. Schulak	0	40.286	0	40.286
Supervisory Board				
Dr. Süß (Chairman)	1.025.000	0	1.025.000	0
T. Schlytter-Henrichsen (Dep. Chairman)	6.909	0	6.909	0
Dr. h.c. Görtz	3.894	0	3.894	0
Prof. Dr. Heuberger	0	0	0	0
Dr. Schücking	500	0	500	0
Dr. Sesselmann	0	0	0	0

Corporate Calendar 2004

11/09 Ninemonth report



A large rectangular area with a light blue background, containing horizontal lines for writing notes. The lines are evenly spaced and extend across the width of the page.

I SUSS MicroTec AG

Schleissheimer Strasse 90
D-85748 Garching

Phone: (+49)-(0) 89/3 20 07-314
Fax: (+49)-(0) 89/3 20 07-450

E-Mail: ir@suss.de

www.suss.com



Layout
strittmatter&jacobs GmbH & Co. KG, Cologne

Printing
Schotte GmbH & Co. KG, Ürdingen

