

Interim Report 2008

1 January – 30 June



+++ Key Figures Q2/2008



in € million	Q2/08	Q2/07	Change	6M/08	6M/07	Change
Sales and order position						
Order entry	42.6	37.5	13.6%	86.5	64.2	34.7%
Order backlog as of 03/31	–	–	–	92.2	64.8	42.3%
Total sales	34.4	37.0	-7.0%	69.7	76.4	-8.8%
Sales margin	-1.9%	8.9%	–	0.5%	7.2%	–
Gross profit	12.5	17.4	-28.2%	27.0	34.0	-20.6%
Gross margin	36.2%	47.0%	–	38.8%	44.5%	–
Cost of sales	21.9	19.6	11.7%	42.6	42.4	0.5%
EBITDA	0.0	3.6	-100.0%	2.7	8.9	-69.7%
EBITDA margin	0.0%	9.8%	–	3.8%	11.7%	–
EBIT	-1.1	2.2	-150.0%	0.5	6.1	-91.8%
EBIT margin	-3.3%	6.0%	–	0.7%	8.0%	–
Earnings after tax	-0.7	2.0	-135.0%	0.3	5.5	-94.5%
Basic earnings per share	-0.04	0.11	-136.4%	0.02	0.32	-93.8%
Balance sheet						
Equity	–	–	–	102.0	104.7	-2.6%
Equity ratio	–	–	–	63.8%	70.2%	–
Return on equity	-0.7%	1.9%	-136.8%	0.3%	5.3%	–
Balance sheet total	–	–	–	159.9	149.3	7.1%
Net cash	–	–	–	3.5	11.7	-70.1%
Free cash flow	-6.5	-4.6	41.3%	-3.9 ^{a)}	-4.1	-4.9%
Further key figures						
Investments	3.4	2.4	41.7%	6.4	4.1	56.1%
Investment ratio	10.0%	6.4%	–	9.2%	5.4%	–
Depreciation	1.1	1.4	-21.4%	2.2	2.8	-21.4%
Employees as of 03/31	–	–	–	732	780	-6.2%

^{a)} without consideration of purchased/disposed available-for-sale securities

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DR. STEFAN SCHNEIDEWIND
Chief Executive Officer

MICHAEL KNOPP
Chief Financial Officer

In addition, on June 19, 2008 the Ordinary Shareholders' Meeting of SUSS MicroTec AG took place in Munich. This represented a historical milestone for the Company as in the course of routine new elections to the Supervisory Board, Dr. Winfried Süß retired from his post as Chairman of the Supervisory Board after more than 50 years of service and commitment to SUSS MicroTec (formerly Karl Süß) as a result of old age, Dr. Franz Richter, Dr. Stefan Reineck, and Mr. Jan Teichert were newly elected.

We would like to take this opportunity to express our very heartfelt thanks to the former members of the Supervisory Board and particularly to Dr. Süß for their many years of consistently positive and constructive collaboration.

The second half of 2008 will most likely be marked by a lower order entry. However, as a result of the large order backlog we are optimistic that we will be able to achieve significant growth in sales in the third and fourth quarters, though particularly the latter. Therefore, we continue to maintain our previous prognosis for 2008. Excluding unforeseen events and extraordinary developments, we assume moderately positive growth contrary to the overall semiconductor trend with sales and a gross profit margin at the level of the previous year. Furthermore, we expect to generate sufficient cash flow from operations to be able to finance the organic growth of the underlying business.

Garching, August 2008

Dr. Stefan Schneidewind
Chief Executive Office (CEO)

Michael Knopp
Chief Financial Officer (CFO)

FOREWORD + + + + + + + +

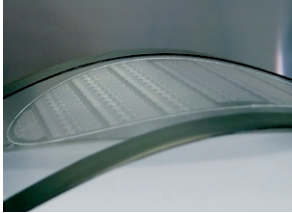
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INVESTOR RELATIONS + + + + + + + +

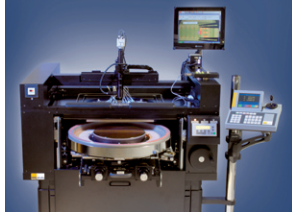
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PDMS Stemp used for SCIL mounted on glass backplate



World's first 300mm WLR Test System



The newest 200mm Bond Cluster made by SUSS.

SUSS MicroTec Installs World's First 300mm WLR Test System

On April 8, 2008, SUSS MicroTec installed the world's first 300mm wafer-level reliability (WLR) test system at a leading Japanese manufacturer of semiconductor devices. As the technology and design of semiconductor devices advance, the need to test their reliability and gauge their lifetime becomes more acute. With the PM300WLR test system, which was specially developed for reliability tests, the test procedure can be moved to the wafer level and therefore take place before the component's design phase. Thus, the new SUSS MicroTec test system, which is the most intelligent manual probe system now available, substantially contributes to shorter throughput and cost savings as a result of fewer defects at the component level.

MEMS Foundry Selects Newest Bond Cluster from SUSS MicroTec

u-ITC, a world-class supplier specializing in the production of MEMS sensors, will equip its facility in Korea with ABC200, the newest Bond Cluster from SUSS MicroTec. Due to its flexibility, the automatic 200mm Bond Cluster enables the rapid reconfiguration of process parameters from small runs to full production. The state-of-the-art Bonder System from SUSS MicroTec is particularly attractive to suppliers who must respond quickly to their customers' requirements and simultaneously deal with diverse process conditions.



+ + + Investor Relations

Shareholders' Meeting Supports Company's Course

On June 19, 2008, the Management Board and Supervisory Board of SUSS MicroTec AG were able to welcome approximately 100 shareholders, bank representatives, and guests to this year's Ordinary Shareholders' Meeting in the offices of the Haus der bayerischen Wirtschaft (House of the Bavarian Economy) in Munich, Germany. In his statement of accounts, Chief Executive Officer Dr. Stefan Schneidewind elaborated on the 2007 fiscal year and discussed the events during the year that impacted business activity. Particular emphasis was placed on the rationale for the adjusted sales and earnings prognosis in October 2007 for the full year as well as the successful market launch of new products.

The questions from shareholder representatives and shareholders in the discussions that followed focused above all on trends of the past fiscal year as well as the strategic direction and outlook of the Group against the backdrop of the new Supervisory Board elections. The Management Board as well as departing and proposed members of the Supervisory Board provided detailed answers to the questions posed.

For the first time in the corporate history of SUSS MicroTec as a listed company, shareholders introduced motions during the 2008 Shareholders' Meeting that sought to table agenda items 8 and 9 as well as to postpone a by-election for the Supervisory Board. All of these motions were defeated in early special votes of the Shareholders' Meeting.

In subsequent voting on the agenda items, a large majority of the shareholders expressed their confidence in the Management Board and the Supervisory Board and discharged both boards. The key resolutions of the Shareholders' Meeting included the reduction in the size of the Supervisory Board from previously six members to three members, as well as new elections for the members of the Supervisory Board. Regarding both points, the Shareholders' Meeting ratified the proposals of the management and elected with a clear majority the recommended candidates Dr. Franz Richter (Chairman), Dr. Stefan Reineck, and Jan Teichert to the Supervisory Board.

In doing so, the Munich-based Company came to another historical milestone: in the course of the new elections, Dr. Winfried Süß retired from his post as Chairman of the Supervisory Board after more than 50 years of service and commitment to SUSS MicroTec (formerly Karl Süß) as a result of old age. The Management Board expressed its recognition of his many years of service and his extraordinarily strong commitment to the Company and its gratitude for the support that he consistently provided in difficult times to the formerly family-owned Company, even after it went public.

Additional agenda items which required the approval of the Shareholders' Meeting, included – in addition to the profit and loss transfer agreement with SUSS MicroTec Reman GmbH and a resolution on the suspension and creation of new approved capital – the ratification of a new stock option plan (2008). The only agenda items that failed to obtain the required three-quarters majority were agenda items 8 and 9, which involved the creation of new contingent capital for the issuance of convertible and/or warrant-linked bonds along with other financial instruments.

New Composition of the Supervisory Board

Regarding pending routine elections to the Supervisory Board, two individuals who are very familiar with SUSS MicroTec were nominated as candidates: Dr. Franz Richter and Dr. Stefan Reineck. Dr. Franz Richter (Chairman of the Supervisory Board), who has worked for SUSS MicroTec since 1990, served first as R&D Manager before assuming the position of Chairman of the Management Board from 1998 until the end of 2004. Following a rather long break, he will now assist the Company with his technical expertise and many years of industry experience as an advisor.

Dr. Stefan Reineck (Deputy Chairman of the Supervisory Board) was a member of the Management Board of SUSS MicroTec AG from April 1, 2007 until September 30, 2007. Until Mr. Michael Knopp joined the firm as Chief Financial Officer, the holder of a doctorate in physics was interim responsible for finance, accounting, IT, legal, tax, insurance, and personnel departments and later, strategic planning. Dr. Reineck has belonged to the Supervisory Board of SUSS MicroTec AG since October 2007.

Mr. Jan Teichert ideally complements the Supervisory Board of SUSS MicroTec AG thanks to his extensive financial and capital markets expertise. The business graduate (Diplom-Kaufmann) began his career at a prestigious auditing firm in Munich before moving to the operational side in an international listed company in 1999. Since 2003, Mr. Teichert has been responsible for financial management at Hans Einhell AG, Landau, Germany.

The SUSS MicroTec Share

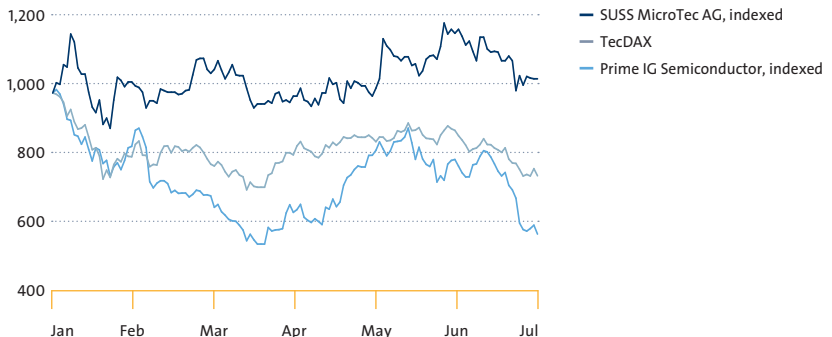
The SUSS MicroTec share began the 2008 fiscal year at a price of EUR 4.29 and performed well in a persistently difficult market environment. In the first six months of the year, the share outperformed TecDAX, an index of selected German technology stocks, as well as the Prime IG Semiconductor industry index.

Performance of the SUSS MicroTec Share in 2008

Price of the SUSS MicroTec share on January 1, 2008: € 4.29

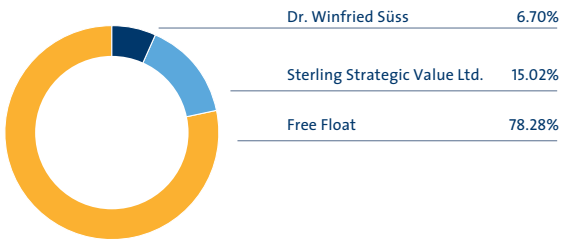
Price of the TecDAX on January 1, 2008: € 974.19

Price of the Prime IG Semiconductor on January 1, 2008: € 124.17



Shareholder Structure as of July 31, 2008

in %



Directors' Dealings as of June 30, 2008

Management Board	Shares	Options
Dr. Stefan Schneidewind	18,278	150,000
Michael Knopp	5,000	30,000

Supervisory Board	Shares	Options
Dr. Winfried Süs*	1,131,000	0
Gerhard Rauter*	0	0
Peter Heinz, MBA*	1,338	0
Prof. Dr. Anton Heuberger*	0	0
Heinz-Peter Verspay*	2,000	0
Dr. Stefan Reineck*/**	1,600	40,000
Dr. Franz Richter**	101,040	0
Jan Teichert**	0	0

* Supervisory Board member until June 19, 2008

** Supervisory Board since June 19, 2008

+++ Consolidated Interim Report

1. Overview of the Course of Business

Decidedly good growth in order entry continued in the second quarter of fiscal year 2008. As in the fourth quarter of 2007 and the first quarter of this year, SUSS MicroTec Group once again was able to achieve very good order entry of € 42.6 million (Q2 2007: € 37,5 million; + 13.6%). However, the trend in Group sales, which at € 34.4 million remained under the result for the corresponding period of last year (€ 37.0 million), was not entirely satisfactory. In this context, the order backlog as of June 30, 2008 rose by 42.3 percent to € 92.2 million (H1 2007: € 64.8 million).

The outlook for the first half-year shows a similarly mixed picture: while sales of € 69.7 million in the first six months of 2008 fell short of the amount generated in the same period of the previous year (H1 2007: € 76.4 million), our most important forward-looking indicator – order entry of € 86.5 million – exceeded the previous year's result (H1 2007: € 64.2 million) by 34.7%. Once again, the Lithography division accounted for a substantial share of order growth in the first half of the year as a result of intensified demand for the Lithography division's Mask Aligner and Coater product lines, in particular for advanced packaging and, in the second quarter, MEMS applications.

Gross profit in the first half of the year declined from € 34.0 million in 2007 to € 27.0 million in 2008, or by 20.6%. Reasons for this included lower sales, a less favorable product mix, and the weak US dollar, which together led to lower margins. Against this backdrop, earnings before interest and taxes (EBIT) declined from € 6.1 million in the first half of 2007 to € 0.5 million in the same period of 2008. Earnings after taxes (EAT) declined in six-month comparison from € 5.5 million to € 0.3 million.

Cash flow from operating activities rose in the first half of the year from € 0.0 million in 2007 to € 1.0 million in 2008. However, the cash flow from operating activities was not sufficient to cover investments in the first half of 2008. Investments in tangible and intangible assets totaled € 1.3 million (H1 2007: € 0.9 million) and € 5.1 million (H1 2007: € 3.2 million), respectively. The latter included not only expenditures in the previous year for the Group's development projects, but also additional investments in the new SAP ERP System. In addition to securities available for sale of € 7.5 million, SUSS MicroTec Group carries cash and cash equivalents of € 9.9 million (H1 2007: € 15.9 million).

Sales and Order Growth by Region

The distribution of sales by region in the first half of 2008 shows overall stable growth in the regions of Europe with € 25.6 million (H1 2007: € 24.7 million), Japan with € 7.7 million (H1 2007: € 7.5 million), and Rest of Asia with € 19.8 million (H1 2007: € 19.9 million), while North America with € 16.5 million registered a rather significant decrease in sales of approximately 32%. Within the Rest of Asia region, sales declines in China (from € 3.0 million to € 1.5 million) and the other Asia (from € 7.5 million to € 4.3 million) were nearly offset by sales growth in Taiwan (+49.0%).

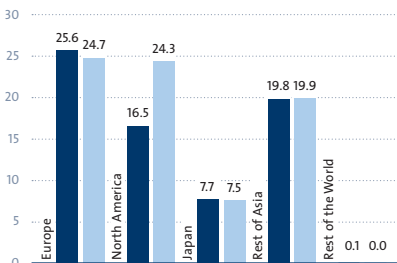
The distribution of order entry by region indicates significant growth in the regions of Europe (+27.7%) and Rest of Asia (+140.0%). However, Japan (-5.4%) and North America (-12.3%) showed a downturn in orders compared with the previous year.



Growth of Sales by Region

in € million

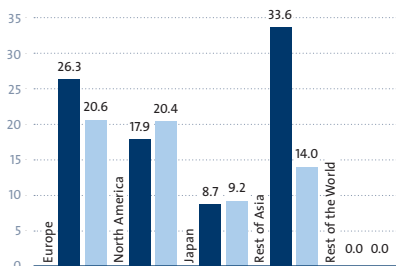
■ H1 2008
■ H1 2007



Growth of Order Entry by Region

in € million

■ H1 2008
■ H1 2007



Business Development in the Individual Divisions

Lithography Division

Lithography, the core business of SUSS MicroTec, generated sales of €42.8 million in the first six months of the fiscal year, slightly below the previous year's amount of €43.2 million.

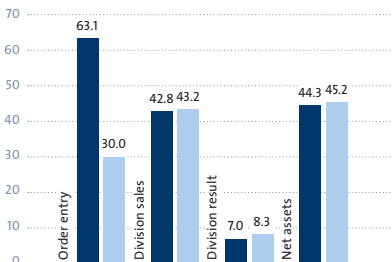
Order entry in the first half of the year totaled €63.1 million, exceeding the result of the previous year (H1 2007: €30.0 million) by approximately 210%. Compared to the first quarter of 2008, in the months from April to June there was intensified demand for Mask Aligner and Coater for MEMS applications along with advanced packaging solutions.

The division result fell in this period by approximately €1.3 million to €7.0 million (H1 2007: €8.3 million). As in the first quarter of 2008, the result was impaired by the higher share of the product mix attributable to the Coater product group, which tends to have lower margins. In the second half of the current fiscal year, the share of the mix comprised of Mask Aligner will increase again sharply, which will have a positive impact on margins.



Lithography Division Overview in € million

■ H1 2008
■ H1 2007



Substrate Bonder Division

The sales of the Substrate Bonder Division reached € 8.7 million in the first half of 2008, approximately 10% below the previous year's level (H1 2007: € 9.9 million). Order entry fell compared with the previous half-year by € 3.7 million to € 8.3 million. The division of the SUSS MicroTec Group received significant orders among others from the Korean subcontractor u-ITC and a German microsystems technology manufacturer from the pharmaceutical industry.

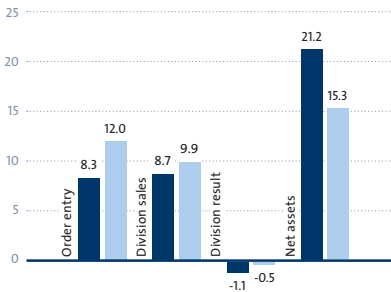
Test Systems Division

In the first six months of the 2008 fiscal year, the Test Systems division generated sales of € 12.7 million, slightly above the comparable amount for the same period of the previous year (H1 2007: € 12.4 million). However, order entry declined in half-year comparison by € 1.1 million to € 11.9 million (H1 2007: € 13.0 million). The division result of € -1.1 million was significantly worse than in the corresponding period of the previous year (H1 2007: € 0.0 million). The reasons for this were the weaker gross profit margin as a result of sustained margin pressure and the still weak US dollar. In addition, write-downs relating to raw materials, supplies, and consumables in the amount of € 0.2 million put a strain on the division result.

Substrate Bonder Division Overview

in € million

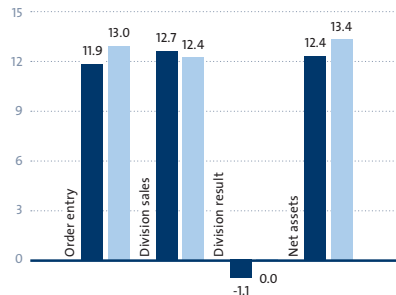
■ H1 2008
■ H1 2007



Test Systems Overview

in € million

■ H1 2008
■ H1 2007



Others Division

Along with the Photo Mask and Micro-optics business, the Others division encompasses the holding functions and the C4NP product line. Sales and order entry in this division declined in half-year comparison. Order entry sank by € 3.0 million to € 3.2 million (H1 2007: € 6.2 million). Sales in the first six months fell from € 7.4 million in 2007 to € 3.3 million in the current fiscal year. The Photo Mask business registered a decline in half-year comparison in both order entry and sales of € 3.9 million to € 2.0 million each. The picture was similar for the Micro-optics business: order entry declined to € 1.0 million (H1 2007: € 2.3 million) and sales of € 1.0 million were approximately 55% below the corresponding amount of the previous year (H1 2007: € 2.2 million).

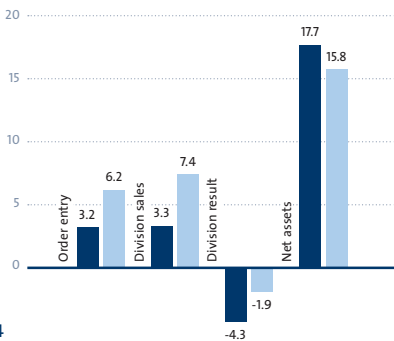
Device Bonder Division

After the sale of the Device Bonder division in July 2007, sales from the further processing of the remaining order backlog as of the closing date (July 16, 2007) amounted to € 2.2 million in the first half of 2008 (H1 2007: € 3.5 million). The division result includes write-downs relating to raw materials, supplies, and consumables of € 0.2 million.



Others Division Overview
in € million

- H1 2008
- H1 2007



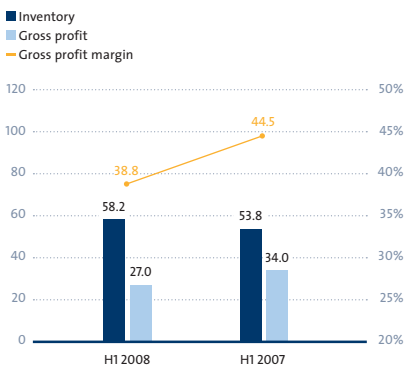
2. Earnings, Assets, and Financial Position

Earnings Position

In the first half of the year the Group generated sales of € 69.7 million after € 76.4 million in the corresponding period of the previous year. Of this decline in sales, € 4.2 million is attributable to the Mask and Micro-optics business, both of which belong to the Others division. The cause of this sales downturn is a sharply reduced order entry from the respective largest customers of these lines. However, sales in the core divisions of the Company have experienced robust growth, contrary to the current market trend. The Test Systems division was even able to achieve a slight sales increase of € 0.3 million to € 12.7 million.

Gross profit, which declined by € 7.0 million over last year for the same period, totaled € 27.0 million in the first half of the year. The gross profit margin was 38.8% (H1 2007: 44.5%) in the first half of the year. Along with overall margin pressure as a result of below-average industry activity, the further weakening of the US dollar and the Japanese yen as well as the product mix were the primary factors contributing to the decline in the gross profit margin. Furthermore, an additional cost adjustment was necessary for the C4NP production equipment to be supplied to IBM.

Development of Inventory and Gross Profit
in € million and gross profit margin as a % of sales



The balance of other operating income and expenses remained almost unchanged over the previous year and primarily contained recognized losses from operating activities and unrecognized losses from the valuation of open foreign exchange positions as of the closing date.

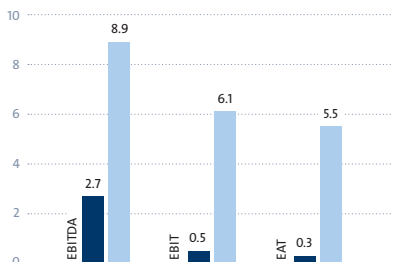
Tax expense rose over that of the previous year's period on a relative basis as no revaluations are expected during the current fiscal year on previously adjusted deferred tax assets, which have had a favorable effect on the income tax rate in prior years.

Despite the difficult market environment in the semiconductor equipment industry, in the end the Group was able to conclude the first half of the 2008 fiscal year with positive earnings after taxes of € 0.3 million, although this result fell substantially short of the € 5.5 million for the comparison period of the previous year.

Development of Significant Performance Figures

in € million

■ H1 2008
■ H1 2007



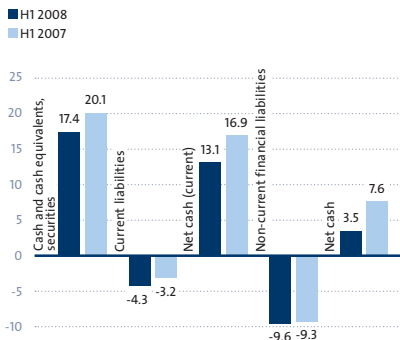
The greatest changes in the area of current assets occurred within working capital: while accounts receivable of € 25.6 million as of December 31, 2007 declined to € 20.2 million as of the half-year, inventory reserves of € 53.8 million rose to € 58.2 million. The majority of this increase related to raw materials, supplies, and commodities. The reduction in other financial assets from € 3.0 million to € 1.4 million resulted primarily from the influx of other purchase price proceeds from the sale of the Device Bonder division in the previous year.

In the area of current liabilities, the greatest change since December 31, 2007 involved accounts payable, which decreased from € 8.8 million to € 5.7 million. This decline was closely linked to the introduction of SAP at the first Group companies. Beforehand, as many outstanding vendor bills as possible were settled in order to reduce potential risks associated with a delayed introduction and to simplify balance transfers.

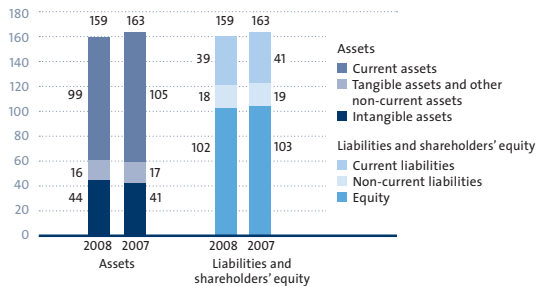
As a result of balance sheet shortening and only slightly lower equity as of the balance sheet date, the equity ratio rose from 62.9% as of December 31, 2007 to 63.8% as of the half-year balance sheet date.



Development of Cash in Banks and Debts in € million



Consolidated Balance Sheet Structure in € million



Investments

Reflecting the structure of the Company, investments in tangible assets are insignificant. Accordingly, investments in tangible assets in the first half of the year came to only € 1.3 million (H1 2007: € 0.9 million). However, investments in intangible assets climbed sharply compared to the same period of the previous year. Along with expenditures – also made in the previous year – for the Group’s development projects in the Substrate Bonder and C4NP segments, investments were also made in the new SAP ERP System. In addition, in the first half of the year SUSS MicroTec AG used excess liquidity as of December 31, 2007 to purchase corporate bonds worth € 10.5 million (H1 2007: € 0.0 million), of which € 3.0 million had already been sold by the balance sheet date.

Employees in the Group

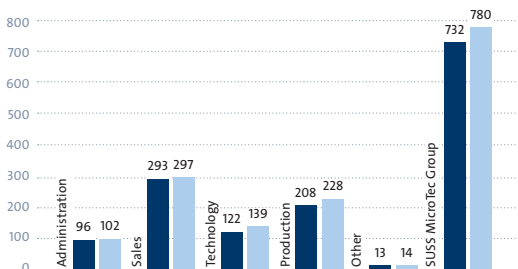
In the first half of the 2008 fiscal year, the Group’s individual companies had an average of 732 employees (H1 2007: 770 employees). This decline resulted from the sale of the Device Bonder division in July 2007. As of the half-year balance sheet date, the employees were distributed among various divisions as follows:



Development of Staff Numbers

by division

■ H1 2008
■ H1 2007



3. Report on risks and opportunities

Worldwide high-tech business activity gives rise to general and current risks for the Company. The Management Board has put appropriate measures into place to monitor risks in order to identify in good time trends that constitute a threat to the SUSS MicroTec Group's continued existence.

A distinction is made in risk monitoring between general economic risks and industry and operating risks.

General economic risks and industry risks

The Company has identified as general economic risks underlying political conditions, prices of energy and raw materials, cyclical market fluctuations and market development, market positioning and dependence on individual know-how holders. These risks were outlined in the risk report in the Company's Annual Report for 2007.

No fundamental changes in the risks and opportunities described in the latest Annual Report occurred in the first half of the current fiscal year.

Operating risks

The SUSS MicroTec Group sees operating risks as the repercussions on the assets and earnings position of any write-downs in the consolidated balance sheet made necessary by new technological developments by the competition. Other operating risks are price pressure and exchange rate developments, access to capital borrowing and interest-rate risks along with legal risks, especially liability. The last Annual Report included detailed statements on all of these points.

With one exception no fundamental changes to risks and opportunities in connection with operating risks occurred in the first half of 2008. As stated in the last Annual Report, new technological developments by the competition could make parts of the product portfolio and with them part of the Group's future earnings potential obsolete if new technologies were to offer faster, more efficient or less expensive solutions to the same problem. This risk could, especially in the valuation of capitalized development work, make unscheduled value adjustments necessary in

the course of future impairment tests. In the first half of 2008 the net book value of capitalized development costs increased by € 1.9 million (previous year: € 1.4 million). Thereof a portion of € 0.7 million is represented by the C4NP project.

Overall risk

In the first half of fiscal year 2008 no risks were identified in the Group that posed a threat to its continued existence as a going concern. It was at no time under threat in respect of either substance or liquidity.

Risk management system

The risk management system outlined in the Annual Report for 2007 was used unchanged in the first half of 2008.

4. Supplementary Report

There were no significant events subject to reporting requirements after the close of the interim reporting period.

5. Report on significant business with related parties

For material business with related parties please see the relevant section in the Selected Explanatory Notes to SUSS MicroTec AG's Interim Report as of June 30, 2008 (Note 12).

FOREWORD	+	+	+	+	+	+	+	+	+
HIGHLIGHTS	+	+	+	+	+	+	+	+	+
INVESTOR RELATIONS	+	+	+	+	+	+	+	+	+
INTERIM MANAGEMENT REPORT	+	+	+	+	+	+	+	+	+
INTERIM FINANCIAL STATEMENTS	+	+	+	+	+	+	+	+	+
SERVICE	+	+	+	+	+	+	+	+	+

6. Prognosis Report

Both exogenous and endogenous factors will influence SUSS MicroTec’s performance in the second half of 2008 and beyond. In this prognosis report, we will briefly explain the factors that we as well as leading industry observers see as vital to the success of our Company.

Trend in the Semiconductor Industry

At the beginning of 2008, the growth forecasts of five leading market research institutes for the chip industry averaged 8%. At the end of July 2008, the British market research company Future Horizon Ltd. confirmed average annual growth in 2008 of between 7 and 10%. While in 2007, strong growth in the supply of memory chip components was accompanied by a sharp decline in price, Future Horizon und IC Insights are already pointing to indications of a resumption of rising chip prices. The basis for this assumption is the sustained high capacity utilization rate at fabrication plants of more than 90% in the first half of 2008.

Trend in the Semiconductor Equipment Industry

In the opinion of the leading market research institutes, however, the fundamentally positive mood of the chip industry in 2008 will not affect the readiness to invest in equipment. On the occasion of the SEMICON West trade fair in San Francisco, USA, the SEMI industry association confirmed its estimate that the semiconductor equipment market would shrink by approximately 20% in 2008.

While a decline of approximately 20% is anticipated in wafer processing, the packaging and assembling segment relevant to us is expected to experience an approximately 14% decline in comparison with last year. Based on constantly rising wafer fab utilization since 2007, however, industry experts expect much higher investment readiness for equipment in 2009 and 2010 with average annual growth of 13 and 6%, respectively.

Expected Development in the Major Markets

As an innovative, specialized equipment manufacturer, SUSS MicroTec has focused primarily on the major markets of microsystems technology (MEMS), advanced packaging, and compound semiconductors.

Expected developments and forecasts in the major markets are discussed in detail on pages 66 to 68 of the 2007 Annual Report. As of mid-2008, no significant changes have been made to estimates regarding the expected development of the major markets. We therefore refer the reader to the discussions in the prognosis report contained in the 2007 Annual Report.

Endogenous Indicators

Along with the condition of the markets, the innovative potential of our product lines is critical to our success. In the first half of 2008, our new developments for 3D integration, wafer level redistribution, nanoimprinting, and other applications have already attracted the interest of chip manufacturers. We are therefore very confident that these new processes will be gradually integrated into manufacturing.

Statement on the Projected Development of the Group

Although industry associations and research institutes in the semiconductor industry are making negative forecasts for 2008 and do not foresee a market revival until 2009, SUSS MicroTec has been able to generate very good order entry for three quarters in a row. Therefore, we are maintaining our prognosis for 2008. Excluding unforeseen events and extraordinary developments, we assume moderately positive growth contrary to the overall semiconductor trend with sales and a gross profit margin at the level of the previous year. Furthermore, we expect to generate sufficient cash flow from operations to be able to finance the organic growth of the underlying business.

FOREWORD	+	+	+	+	+	+	+	+	+
HIGHLIGHTS	+	+	+	+	+	+	+	+	+
INVESTOR RELATIONS	+	+	+	+	+	+	+	+	+
INTERIM MANAGEMENT REPORT	+	+	+	+	+	+	+	+	+
INTERIM FINANCIAL STATEMENTS	+	+	+	+	+	+	+	+	+
SERVICE	+	+	+	+	+	+	+	+	+

Forward-looking Statements

This interim report contains information and prognoses that refer to the future development of the SUSS MicroTec Group and its companies. The prognoses represent estimations that we have made based on all of the information available to us at the present time. If the assumptions underlying these prognoses do not occur or if risks – as addressed in the risk report – do arise, the actual results may deviate from the results expected at present.

Garching, Germany, August 11, 2008

The Management Board



Dr. Stefan Schneidewind
Chief Executive Officer (CEO)



Michael Knopp
Chief Financial Officer (CFO)

+++ Interim Financial Statements

Consolidated Statement of Income (IFRS)

04/01 – 06/30/2008

in T€	Continuing operations	Discontinued operations
Sales	32,977	1,402
Cost of sales	-20,516	-1,412
Gross profit	12,461	-10
Selling costs	-6,891	5
Research and development costs	-1,659	1
Administration costs	-4,589	-41
Other operating income	855	0
Other operating expenses	-1,254	-7
Analysis of net income from operations (EBIT):		
EBITDA (Earnings before Interest and Taxes, Depreciation and Amortization)	66	-52
Depreciation and amortization of tangible assets, intangible assets and investments in subsidiaries	-1,143	0
Net income from operations (EBIT)	-1,077	-52
Financial income/expense	197	0
Income before taxes	-880	-52
Income taxes	265	0
Net profit or loss	-615	-52
Thereof minority interests	11	0
Thereof equity holders of SUSS MicroTec	-626	-52
Earnings per share		
Basic earnings per share in €	-0.04	0.00
Diluted earnings per share in €	-0.04	0.00

04/01 – 06/30/2007

Group	Continuing operations	Discontinued operations	Group
34,379	34,974	1,978	36,952
-21,928	-18,667	-902	-19,569
12,451	16,307	1,076	17,383
-6,886	-6,751	-583	-7,334
-1,658	-1,579	-103	-1,682
-4,630	-5,620	-164	-5,784
855	370	0	370
-1,261	-738	0	-738
14	3,355	267	3,622
-1,143	-1,366	-41	-1,407
-1,129	1,989	226	2,215
197	49	-18	31
-932	2,038	208	2,246
265	-162	-69	-231
-667	1,876	139	2,015
11	139	0	139
-678	1,737	139	1,876
-0.04	0.10	0.01	0.11
-0.04	0.10	0.01	0.11

Consolidated Statement of Income (IFRS)

		01/01 – 06/30/2008	
in T€	Continuing operations	Discontinued operations	
Sales	67,471	2,197	
Cost of sales	-40,479	-2,141	
Gross profit	26,992	56	
Selling costs	-13,121	-7	
Research and development costs	-3,592	0	
Administration costs	-9,418	-81	
Other operating income	1,627	0	
Other operating expenses	-1,951	2	
Analysis of net income from operations (EBIT):			
EBITDA (Earnings before Interest and Taxes, Depreciation and Amortization)	2,711	-30	
Depreciation and amortization of tangible assets, intangible assets and investments in subsidiaries	-2,174	0	
Net income from operations (EBIT)	537	-30	
Financial income/expense	-58	0	
Income before taxes	479	-30	
Income taxes	-116	0	
Net profit or loss	363	-30	
Thereof minority interests	-7	0	
Thereof equity holders of SUSS MicroTec	370	-30	
Earnings per share			
Basic earnings per share in €	0.02	0.00	
Diluted earnings per share in €	0.02	0.00	

FOREWORD	+	+	+	+	+	+	+	+	+
HIGHLIGHTS	+	+	+	+	+	+	+	+	+
INVESTOR RELATIONS	+	+	+	+	+	+	+	+	+
INTERIM MANAGEMENT REPORT	+	+	+	+	+	+	+	+	+
INTERIM FINANCIAL STATEMENTS	+	+	+	+	+	+	+	+	+
SERVICE	+	+	+	+	+	+	+	+	+

01/01 – 06/30/2007

Group	Continuing operations	Discontinued operations	Group
69,668	72,878	3,486	76,364
-42,620	-40,566	-1,812	-42,378
27,048	32,312	1,674	33,986
-13,128	-12,112	-1,000	-13,112
-3,592	-3,434	-141	-3,575
-9,499	-10,537	-318	-10,855
1,627	675	0	675
-1,949	-991	-9	-1,000
2,681	8,639	288	8,927
-2,174	-2,726	-82	-2,808
507	5,913	206	6,119
-58	107	-84	23
449	6,020	122	6,142
-116	-592	-40	-632
333	5,428	82	5,510
-7	148	0	148
340	5,280	82	5,362
0.02	0.32	0.00	0.32
0.02	0.31	0.00	0.31

Consolidated Balance Sheet (IFRS)

ASSETS in T€	06/30/2008	12/31/2007
Non-current assets	60,451	58,130
Intangible assets	22,765	19,483
Goodwill	21,515	21,961
Tangible assets	5,472	5,049
Other investments	5	5
Current tax assets	619	619
Other assets	585	519
Deferred tax assets	9,490	10,494
Current assets	99,467	105,000
Inventories	58,174	53,750
Accounts receivable	20,189	25,582
Other financial assets	1,363	3,023
Securities	7,529	2
Current tax assets	1,069	847
Cash and cash equivalents	9,918	20,092
Other assets	1,225	1,704
Total assets	159,918	163,130

LIABILITIES & SHAREHOLDERS' EQUITY in T€	06/30/2008	12/31/2007
Equity	102,021	102,568
Total equity attributable to shareholders of SUSS MicroTec AG	101,751	102,291
Subscribed capital	17,019	17,019
Reserves	88,013	87,383
Accumulated other comprehensive income	-3,281	-2,111
Minority interests	270	277
Non-current liabilities	18,181	19,309
Pension plans and similar commitments	2,722	2,738
Provisions	729	737
Financial debt	9,600	9,255
Other financial liabilities	49	51
Deferred tax liabilities	5,081	6,528
Current liabilities	39,716	41,253
Provisions	2,229	2,922
Tax liabilities	2,124	2,213
Financial debt	4,306	3,184
Other financial liabilities	4,219	4,089
Accounts payable	5,714	8,828
Other liabilities	21,124	20,017
Total liabilities & shareholders' equity	159,918	163,130

Consolidated Statement of Cash Flows (IFRS)

in T€	01/01 – 06/30/2008	01/01 – 06/30/2007
Net profit or loss (after taxes)	333	5,510
Amortization of intangible assets	1,410	1,753
Depreciation of tangible assets	764	1,055
Profit or loss on disposal of intangible and tangible assets	15	101
Change of reserves on inventories	-140	826
Change of reserves for bad debts	-24	15
Non-cash stock based compensation	290	247
Non-cash income from the reversal of provisions	-6	-63
Non-cash interest expenses from increase of convertible debt	8	10
Other non-cash effective income and expenses	1,010	-495
Change in inventories	-5,773	2,062
Change in accounts receivable	4,978	3,472
Change in other assets	353	-823
Change in pension provisions	-16	22
Change in accounts payable	-2,900	-1,902
Change in other liabilities and other provisions	1,099	-11,405
Change of deferred taxes	-443	-354
Cash flow from operating activities – continuing and discontinued operations	958	31
Cash flow from operating activities – continuing operations	702	661

in T€	01/01 – 06/30/2008	01/01 – 06/30/2007
Disbursements for tangible assets	-1,307	-896
Disbursements for intangible assets	-5,080	-3,224
Purchases of current available-for-sale securities	-10,524	0
Proceeds from sale of current available-for-sale securities	2,997	0
Proceeds from disposal of intangible and tangible assets	10	0
Proceeds from non-current assets held for sale	1,498	0
Cash flow from investing activities – continuing and discontinued operations	-12,406	-4,120
Cash flow from financing activities – continuing and discontinued operations	-13,904	-4,095
Increase of bank loans	0	0
Repayment of bank loans	-549	-912
Repayment of convertible bond	0	0
Change in current bank liabilities	2,040	681
Change in other financial debt	-24	-49
Proceeds from issuance of common stocks	0	13
Cash flow from financing activities – continuing and discontinued operations	1,467	-267
Cash flow from financing activities – continuing operations	1,467	-316
Adjustments to funds caused by exchange-rate fluctuations	-193	-209
Change in cash and cash equivalents	-10,174	-4,565
Funds at beginning of the year	20,092	20,459
Funds at end of the period	9,918	15,894
Cash flow from operating activities includes:		
Interest paid during the period	315	247
Interest received during period	320	280
Tax paid during the period	312	611
Tax refunds during the period	468	347

Earnings reserve	Retained earnings	Accumulated other comprehensive income	Total equity attributable to shareholders of SUSS MicroTec AG	Minority interests	Equity
433	-9,667	-354	98,992	163	99,155
			13		13
			247		247
	5,362		5,362	148	5,510
		-2	-2		-2
		-189	-189		-189
433	-4,305	-545	104,423	311	104,734
433	-5,262	-2,111	102,291	277	102,568
			290		290
	340		340	-7	333
		-1,170	-1,170		-1,170
433	-4,922	-3,281	101,751	270	102,021



Segment Reporting (IFRS)

Segment information by business segment

in T€	Lithography		Substrate Bonder		Test Systems	
	6M/2008	6M/2007	6M/2008	6M/2007	6M/2008	6M/2007
External sales	42,819	43,210	8,709	9,903	12,735	12,371
Internal sales	0	0	0	0	0	0
Total sales	42,819	43,210	8,709	9,903	12,735	12,371
Result per segment	6,964	8,279	-1,084	-541	-1,117	-4
Significant non-cash items	-891	-663	-175	-173	-546	-109
Segment assets	64,304	58,148	25,191	18,392	16,705	17,030
– thereof goodwill	13,599	13,599	0	0	3,911	4,259
Unallocated assets						
Total assets						
Segment liabilities	-20,052	-12,970	-3,960	-3,076	-4,294	-3,618
Unallocated liabilities						
Total liabilities						
Depreciation and amortisation	1,149	1,415	572	621	187	139
– thereof scheduled	1,149	1,415	572	621	187	139
– thereof impairment loss	0	0	0	0	0	0
Capital expenditure	1,432	866	1,849	1,566	261	198
Average workforce during the year	359	361	118	107	158	156

Segment information by region

in T€	Sales		Capital expenditure		Assets	
	6M/2008	6M/2007	6M/2008	6M/2007	6M/2008	6M/2007
Europe	25,624	24,664	4,230	1,934	85,551	75,949
North America	16,526	24,319	2,008	1,909	38,935	37,572
Japan	7,672	7,468	66	60	2,831	5,508
Rest of Asia	19,846	19,906	15	39	710	586
Rest of world	0	7	68	178	2,619	3,094
Consolidation effects	0	0	0	0	-2,531	-3,636
Total	69,668	76,364	6,387	4,120	128,115	119,073

Others		Continuing operations		Discontinued operations		Consolidation effects		Total	
6M/2008	6M/2007	6M/2008	6M/2007	6M/2008	6M/2007	6M/2008	6M/2007	6M/2008	6M/2007
3,208	7,394	67,471	72,878	2,197	3,486	-	-	69,668	76,364
2,660	3,080	2,660	3,080	0	0	-2,660	-3,080	0	0
5,868	10,474	70,131	75,958	2,197	3,486	-2,660	-3,080	69,668	76,364
-4,226	-1,773	537	5,961	-30	158	-	-	507	6,119
-247	209	-1,859	-736	-162	206	-	-	-2,021	-530
21,389	19,179	127,589	112,749	526	6,324	-	-	128,115	119,073
4,005	4,762	21,515	22,620	0	0	-	-	21,515	22,620
								31,803	30,180
								159,918	149,253
-3,723	-3,416	-32,029	-23,080	-616	-3,149	-	-	-32,645	-26,229
								-25,252	-18,290
								-57,897	-44,519
266	551	2,174	2,726	0	82	-	-	2,174	2,808
266	551	2,174	2,726	0	82	-	-	2,174	2,808
0	0	0	0	0	0	-	-	0	0
2,845	1,465	6,387	4,095	0	25	-	-	6,387	4,120
97	94	732	718	0	52	-	-	732	770

+ **+** **+** Selected Explanatory Notes to the Interim Report of SUSS MicroTec AG as of June 30, 2008

1. General accounting policies

The consolidated financial statements of SUSS MicroTec AG as of December 31, 2007 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 June 30, 2008, 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 2007 Group financial statements.

All interpretations of the International Financial Reporting Interpretations Committee (IFRIC), which are mandatory as of June 30, 2008 have also been applied.

For additional information on the individual accounting methods applied, please refer to the consolidated financial statements of SUSS MicroTec AG as of December 31, 2007.

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.

All amounts are indicated in thousands of euros (T€) unless otherwise noted.

2. Changes in the 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, 2007, there were no changes within the consolidated group.

3. Discontinued operations “Device Bonder”

By purchase contract dated 16 July 2007, SUSS MicroTec AG sold its business with Device Bonders. Under an asset deal, all material assets and liabilities of the Device Bonder business of Suss MicroTec S.A.S. were sold. Parties to the purchase contract agreed, that Suss MicroTec S.A.S. is entitled to realize the backlog of Device Bonders as existing at Closing. Out of this realisation the Group generated revenues of 0.8 Mio. € in the first quarter, that is shown under “Discontinued operations” in the Consolidated Income Statement.

SUSS MicroTec AG expects the complete realisation of the existing Device Bonder backlog latest until the end of the third quarter of 2008.

4. Reportable matters

In the first quarter, SUSS MicroTec AG purchased available for sale securities for about €7.5 million using its liquidity surplus as at 31 December 2007. The securities concerned are corporate bonds bearing variable interest linked to EURIBOR. The securities purchased are all from corporations with an investment grade rating. The securities have been measured at fair value. Any fluctuations in the market price are recorded under equity in accumulated other comprehensive income and therefore do not affect profit and loss.

As in the last quarter of the prior year, SUSS MicroTec AG converted further portions of its intragroup foreign currency loans to Suss MicroTec Inc. into loans with an indefinite term. In accordance with IAS 21, instead of presenting the effects from the measurement as at the balance sheet date in the income statement, the company now presents them in accumulated other comprehensive income. Furthermore, SUSS MicroTec AG has converted a portion of the existing indeterminate loan to Suss MicroTec Inc. into equity. The debt-/equity-ratio is such as to optimise the tax deductibility of the interest expense at this company.

By contract dated 8 May 2008, SUSS MicroTec AG contributed its 100% interest in Image Technology Inc. to SUSS MicroTec Inc., whose sole shareholder is also SUSS MicroTec AG. The background to this transaction is the further optimisation of Group's tax structure. The direct participation of SUSS MicroTec Inc. in Image Technology Inc. created the precondition for a tax-consolidated Group in the USA. As a result, the taxable income of Image Technology Inc. for purposes of Federal Tax, that represents the major part of the tax payable, is attributed to SUSS MicroTec Inc.

There were in the interim reporting period no other events or matters affecting assets, debts, equity, period result or cash flow that were unusual in terms of their nature, extent or frequency.

FOREWORD	+	+	+	+	+	+	+	+	+
HIGHLIGHTS	+	+	+	+	+	+	+	+	+
INVESTOR RELATIONS	+	+	+	+	+	+	+	+	+
INTERIM MANAGEMENT REPORT	+	+	+	+	+	+	+	+	+
INTERIM FINANCIAL STATEMENTS	+	+	+	+	+	+	+	+	+
SERVICE	+	+	+	+	+	+	+	+	+

7. Debenture bonds or equity securities

No issues, buybacks or repayments were effected during the reporting period, either for debenture bonds or for other equity securities.

8. Dividends paid

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

9. Significant events after the close of the interim reporting period

There were no significant events subject to reporting requirements after the close of the interim reporting period.

10. Contingent liabilities and contingent claims

There are no contingent claims. There were no significant changes in contingent liabilities with respect to the reporting time frame of December 31, 2007.

11. Earnings per share

The undiluted earnings per share are determined by dividing the net income for the period accruing to the shares (after minority interests) by the average number of shares.

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 in circulation, must be adjusted for the effects of all potentially diluting shares.

FOREWORD	+	+	+	+	+	+	+	+	+
HIGHLIGHTS	+	+	+	+	+	+	+	+	+
INVESTOR RELATIONS	+	+	+	+	+	+	+	+	+
INTERIM MANAGEMENT REPORT	+	+	+	+	+	+	+	+	+
INTERIM FINANCIAL STATEMENTS	+	+	+	+	+	+	+	+	+
SERVICE	+	+	+	+	+	+	+	+	+

Confirmation by the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Garching, Germany, 11 August 2008

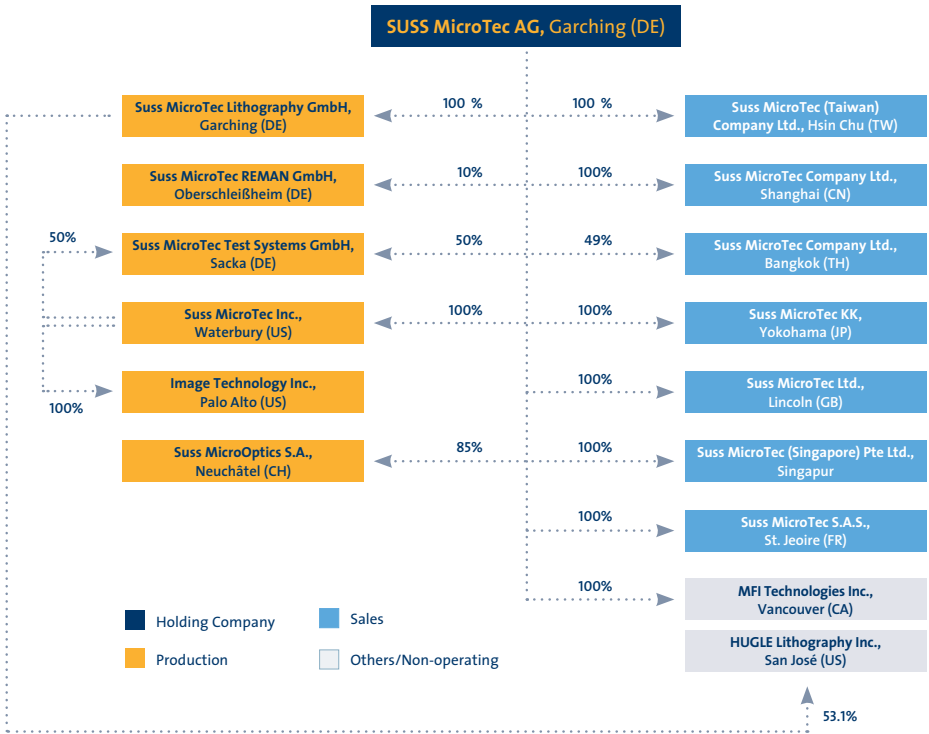


Dr. Stefan Schneidewind



Michael Knopp

+ + Legal Structure of the Group



+ Corporate Calendar 2008

August, 12	2008 Interim Report
September, 10	8th Munich Small and Mid-cap Conference, Munich
November, 5	2008 Nine-month Report
November, 10 – 12	German Equity Forum, Frankfurt am Main

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Forward-looking statements: These 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 should be understood as such. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. We caution readers that a number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement.



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