



Interim report

January 1 – June 30, 2019

KEY FIGURES

| <i>in € million</i> | Q2 / 2019 | Q2 / 2018 | Change | 6 Months / 2019 | 6 Months / 2018 | Change |
|------------------------------------|-----------|-----------|---------------|-----------------|-----------------|--------------|
| Business Development | | | | | | |
| Order entry | 45,0 | 39,6 | 13,6% | 91,7 | 78,2 | 17,3% |
| Order backlog as of June 30 | | | | 85,4 | 83,9 | 1,8% |
| Total sales | 47,0 | 49,0 | -4,1% | 94,1 | 94,2 | -0,1% |
| Gross profit | 12,0 | 20,7 | -42,0% | 28,2 | 35,1 | -19,7% |
| Gross margin | 25,5% | 42,2% | -16,7%-Points | 30,0% | 37,3% | -7,3%-Points |
| Cost of sales | 35,1 | 28,3 | 24,0% | 65,9 | 59,1 | 11,5% |
| Research and Development costs | 5,2 | 4,5 | 15,6% | 9,5 | 8,8 | 8,0% |
| EBITDA | -1,5 | 8,0 | -118,8% | 2,0 | 10,7 | -81,3% |
| EBITDA margin | -3,2% | 16,3% | -19,5%-Points | 2,1% | 11,4% | -9,2%-Points |
| EBIT | -2,9 | 6,9 | -142,0% | -0,8 | 8,4 | -109,5% |
| EBIT margin | -6,2% | 14,1% | -20,3%-Points | -0,9% | 8,9% | -9,8%-Points |
| Earnings after tax | -2,3 | 4,2 | -- | -1,9 | 4,7 | -- |
| Earnings per share, basic (in €) | -0,12 | 0,22 | -- | -0,10 | 0,25 | -- |
| Balance sheet and cash flow | | | | | | |
| Equity | | | | 138,8 | 140,1 | -0,9% |
| Equity ratio | | | | 72,0% | 74,6% | -2,6%-Points |
| Return on equity | -1,7% | 3,0% | -4,7%-Points | -1,4% | 3,4% | -4,7%-Points |
| Balance sheet total | | | | 192,8 | 187,7 | 2,7% |
| Net cash** | | | | 6,9 | 17,1 | -59,6% |
| Free cash flow* | -2,5 | -2,2 | -- | -18,9 | -15,9 | -- |
| Further key figures | | | | | | |
| Investments | 1,5 | 1,8 | -16,7% | 3,8 | 3,5 | 8,6% |
| Investment ratio | 3,2% | 3,7% | -0,5%-Points | 4,0% | 3,7% | 0,3%-Points |
| Depreciation | 1,4 | 1,2 | 16,7% | 2,8 | 2,3 | 21,7% |
| Employees as of June 30 | | | | 910 | 850 | 7,1% |

* before consideration of purchases and sales of securities (2018)

** Net cash as of June 30th., 2019 includes liabilities from leasing with an amount of € 2,0 million (adoption of IFRS 16)

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FOREWORD OF THE MANAGEMENT BOARD

Dear Shareholders,

After a good start to the 2019 fiscal year, performance in relation to order entry and sales in the second quarter of 2019 was slightly more subdued than in the first three months. The uncertainties and reduced growth forecasts for the semiconductor equipment market are noticeable in isolated cases.

Steadily progressing megatrends, such as increasing digitalization and automation, the Internet of Things, the conversion to the 5G cellular communication standard, and autonomous driving, are generating intensified demand for our products. With increasing networking, ever more data is being generated that is analyzed, stored and transmitted wirelessly. We are therefore looking optimistically toward the future.

The order entry of € 45.0 million in the second quarter nearly matched the good order entry of € 46.7 million from the first quarter. This means that order backlog as of the end of the first half of 2019 has reached € 91.7 million.

Also, with sales of € 45.3 (47.0) million in the second quarter, we were almost able to reach the € 47.1 million of the first quarter of 2019. Total semiannual sales came to € 92.4 (94.1) million. In our experience, sales and order entry are higher in the second half of the year than in the first six months.

These values make us confident that we will reach our sales and earnings targets for the entire year of 2019.

Our industrial environment continues to be shaped by the solid demand for modern semiconductor technology for the automobile industry, memory applications, and sensors and frequency filters in general, as well as by an overall positive outlook. Short-term weaknesses in demand that might arise in an individual end market could currently be well compensated by diverse overall demand. On the whole, our business will nevertheless remain cyclical and volatile in individual segments to a certain extent in the future and thereby be subject to short-term fluctuations in order entry and sales.

In the first half of the year, good order entry and sales were booked in the Photomask Equipment division in particular. This was down to the current high demand for cleaning tools for photomasks, which are also used in extreme ultraviolet (EUV) lithography. SUSS MicroTec is the main supplier with the technology and skill to clean extreme ultraviolet photomasks. In the second half of the year, we expect a revival in our customers' ordering behavior in the Lithography and Bonder divisions.

Our rapidly growing Microoptics division is experiencing very encouraging development. This division, which is being disclosed separately for the first time, shows the activities of our SUSS MicroOptics subsidiary in Switzerland. Microlenses and highly specialized optics are produced there for a variety of industrial applications.

Our ordinary Shareholders' Meeting, at which 52.60 percent of the equity capital was represented, was held on June 6, 2019. All of the management's proposed resolutions were adopted. Dr. Dietmar Meister (56) was elected as the fifth member of the Supervisory Board with 94.26 percent of the vote.

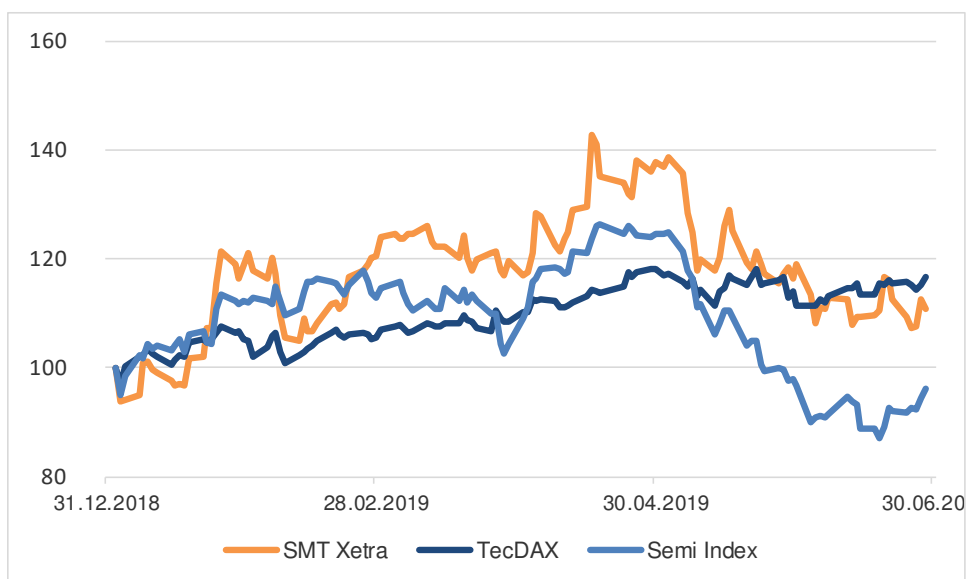
THE SUSS MICROTEC SHARE

After a weak year for stocks in 2018, the SUSS MicroTec share performed relatively well in the first half of 2019 and was able to increase from a closing XETRA price of € 8.48 at the beginning of 2019 by approximately 43 percent to € 12.10 as of April 16, 2019. The further development of the first half of the year was shaped by a generally difficult market environment. As a result, the SUSS MicroTec share performed less positively, ending with a closing price of € 9.39 on June 28, 2019. In the first six months of the year, the SUSS MicroTec share rose by 10.7 percent from its price at the beginning of 2019. During the same period, the DAX and TecDAX grew by 17.2 percent and 16.7 percent, respectively.

The Germany Prime IG/Semiconductor Index, which represents the largest listed companies in the semiconductor industry, including SUSS MicroTec, performed significantly worse in the first half of the year, displaying a loss of 3.9 percent on June 28, 2019, compared to the beginning of the year.

The average daily trading volume of SUSS MicroTec shares on the German XETRA and Frankfurt stock exchanges in the first half of 2019 amounted to approximately 30 thousand shares (H1 previous year: average daily trading volume of approximately 92 thousand shares).

SUSS MicroTec share performance in the first half year 2019



OUTLOOK

Given the order backlog at the end of June 2019 and the sales and order entry level achieved in the first half of 2019, we continue to forecast sales for the current fiscal year in the range of € 200 million to € 215 million as well as an EBIT margin (earnings before interest and taxes) between 6.5 percent and 8.0 percent. For the third and fourth quarters of 2019 we expect order entry of more than € 95 million.

Garching, Germany, August 2019



Dr. Franz Richter
Chief Executive Officer



Robert Leurs
Chief Financial Officer



GROUP INTERIM MANAGEMENT REPORT

of SUSS MicroTec SE

OVERVIEW OF BUSINESS DEVELOPMENT

In the first half of 2019, the Company generated good order entry of € 91.7 million, representing strong growth of 17.3 percent from the previous year (previous year: € 78.2 million). The results are primarily attributable to strong demand for highly-specialized equipment for the processing and cleaning of photomasks as well as the strategic expansion of the application range for micro-optics. With its success in these business areas, the Company succeeded in compensating for the economic downturn in the global semiconductor industry. At the same time, the Company was able to continue to impress customers with its innovative solutions in the traditional lithography business and with bonding systems.

Taking only the second quarter of 2019 into account, it was possible to achieve order entry of € 45.0 million (previous year: € 39.6 million). Sales reached € 47.0 million after € 49.0 million in the previous year's quarter. EBIT was negative in the second quarter of 2019, amounting to € -2.9 million. In the previous year's quarter it was possible to achieve EBIT of € 6.9 million, which corresponded to an EBIT margin of 12.5 percent. The weak result in 2019 resulted from the segments Lithography and Bonder while the segments Photomask Equipment and Microoptics increased their results compared to the previous year. This results in earnings per share of € -0.08 in the second quarter of 2019 (previous year's quarter: € 0.22).

Sales remained constant in the first half of 2019 at € 94.1 million, € 0.1 million below the previous year's level (H1 2018: € 94.2 million). The order backlog as of June 30, 2019 amounted to € 85.4 million (June 30, 2018: € 83.9 million). Consequently, earnings before interest and taxes (EBIT) of € -0.8 million were significantly lower than the € 8.4 million of the previous year. Earnings after taxes (EAT) decreased from the previous year to € -1.9 million (previous year: € 4.7 million). The basic earnings per share (EPS) at mid-year amount to € -0.10 (previous year: € 0.25).

Before taking securities transactions into account, free cash flow at the end of the first half of 2019 amounted to € -18.9 million after € -15.9 million in the previous year. Net liquidity totaled € 6.9 million as of June 30, 2019 (previous year: € 17.1 million). The sharp decline in net liquidity is partially attributable to the significantly lower earnings after taxes compared to the previous year, when they were negative at € -1.9 million in the first half of 2019. Furthermore, there was an additional build-up in inventory reserves, particularly in order to keep pace with the good orders position in the Photomask Equipment and Microoptics divisions. In the Lithography and Bonder divisions, preproduction is also taking place for the most popular tools and components so that we can continue to offer our customers the shortest possible delivery times. For this purpose, it is necessary to order in advance and accordingly prefinance certain components.

In the first half of 2019, it was possible to record growth in order entry in all regions. In the North America region, which displayed low order entry of only € 5.9 million in the previous year, it was almost possible to double order entry to € 11.7 million. The EMEA region recorded growth of € 22.1 million to € 24.4 million, a gain of approximately 10 percent, while

the Asia-Pacific region booked an increase in order entry of approximately 11 percent to € 55.5 million (previous year: € 50.2 million).

Regional sales developed differently in the first half of the year. While sales in the Asia-Pacific region recorded a slight increase of approximately 2 percent, the EMEA region reported a significant increase of 11 percent. Sales in North America declined due to weak order entry in the previous year, recording a drop of 35 percent.

BUSINESS DEVELOPMENT IN THE INDIVIDUAL DIVISIONS

Lithography

The Lithography division includes the development, manufacture, and sale of the mask aligner, UV projection scanners, and laser processing tool product lines as well as coaters and developers. The mask aligner, coater, and developer product lines are manufactured in Germany at the locations in Garching near Munich and Sternenfels. UV projection scanners and laser processing tools are manufactured in a site in Corona, California (USA).

In the first six months of 2019, order entry totaled € 41.9 million after € 50.3 million in the previous year. This is a decrease of approximately 16.7 percent. Division sales in the first half of 2019 amounted to € 51.8 million after € 62.3 million in the previous year, a decline of approximately 16.9 percent. The gross profit margin fell from 33 percent to 23 percent. Division earnings worsened from € 6.7 million to € -3.8 million.

| <i>in € million</i> | H1 2019 | H1 2018 |
|---------------------|----------------|----------------|
| Order entry | 41,9 | 50,3 |
| Sales | 51,8 | 62,3 |
| Earnings | -3,8 | 6,7 |
| Net assets | 72,6 | 67,5 |

Bonder

The Bonder division comprises the development, production, and sale of the substrate (wafer) bonder product line. Manufacturing is located at our largest site in Sternenfels. Markets addressed by the bonder systems include microelectromechanical systems (MEMS), compound semiconductors, and 3D TSV integration.

Order entry in the Bonder division amounted to € 13.5 million in the first half of 2019, thereby increasing by about 75 percent compared to the previous year. However, sales declined sharply, reaching € 12.9 million in the first half of 2019 after € 22.7 million in the previous year. The gross profit margin amounted to approximately 41 percent. Due to low sales, EBIT was only € 0.6 million after € 5.9 million in the previous year.

| Bonder | | |
|---------------------|----------------|----------------|
| <i>in € million</i> | H1 2019 | H1 2018 |
| Order entry | 13,5 | 7,7 |
| Sales | 12,9 | 22,7 |
| Earnings | 0,6 | 5,9 |
| Net assets | 18,4 | 19,4 |

Photomask Equipment

The Photomask Equipment division, which is located at the Sternenfels site, comprises the development, manufacture, and sale of specialized tools for the cleaning and processing of photomasks for the semiconductor industry. Among the markets targeted by the Photomask Equipment division is the semiconductor industry, where SUSS MicroTec is active on the front end.

In the first half of 2019, the Photomask Equipment division recorded order entry of € 25.4 million (previous year: € 14.5 million). Division sales were € 19.0 million, compared to € 3.2 million a year earlier. The gross profit margin amounted to approximately 33 percent. Division earnings improved significantly from € -2.3 million to € 3.3 million.

Since order entry and sales in this division are usually comprised of a few large individual orders, significant fluctuations in order entry, sales, and therefore earnings are possible over the course of the year.

| Photomask Equipment | | |
|----------------------------|----------------|----------------|
| <i>in € million</i> | H1 2019 | H1 2018 |
| Order entry | 25,4 | 14,5 |
| Sales | 19,0 | 3,2 |
| Earnings | 3,3 | -2,3 |
| Net assets | 12,7 | 12,8 |

Microoptics

The Microoptics division provides insight into the activities of the SUSS MicroTec subsidiary SUSS MicroOptics at the Hauterive location in Switzerland. The production and sales of microlenses and highly-specialized optics for a variety of industrial applications are housed here.

Order entry in this division increased strongly and amounted to € 10.9 million (previous year: € 5.7 million) in the first two quarters of 2019. Sales also increased significantly from the previous year to € 10.1 million (previous year: € 5.7 million). The gross profit margin amounted to approximately 40 percent. Division earnings amounted to € 1.7 million after € 0.2 million in the previous year.

| <i>in € million</i> | H1 2019 | H1 2018 |
|---------------------|----------------|----------------|
| Order entry | 10,9 | 5,7 |
| Sales | 10,1 | 5,7 |
| Earnings | 1,7 | 0,2 |
| Net assets | 14,4 | 11,7 |

Others

The Others division comprises costs for central Group functions that generally cannot be attributed to the main divisions. The central Group functions made a negative contribution to earnings of € -2.6 million (previous year: € -2.2 million).

GROSS PROFIT

In the first half of 2019, the entire gross profit of all product lines amounted to € 28.2 million after € 35.1 million in the first half of the previous fiscal year. The average gross profit margin declined from 37.3 percent in the same period of the previous year to 30.0 percent. The very favorable gross profit margin in the first half of 2018 resulted primarily from sales for multiple highly priced, high-margin tools from the Bonder division. Also in the first half of 2019, the Bonder division continued to be able to generate good margins; however, the high level of the first half of 2018 could not be matched. Due to an unfavorable sales mix, which led to the achievement of some low-margin sales, the Lithography division produced a gross profit margin of only 23 percent in the first half of 2019 after 33 percent in the previous year. The Photomask Equipment division generated a gross profit margin of approximately 33 percent, while the Microoptics division reported a high gross profit margin of approximately 40 percent (after approximately 35 percent in the previous year).

OTHER EXPENSES AND INCOME

Administration costs of the Company increased in the first half of 2019, totaling € 8.8 million (first half of 2018: € 7.5 million). The increase is partially attributable to IT expenses, which include higher expenses for licenses and SAP projects. In addition, the “General Management” area was strengthened to keep pace with sales growth and to align the processes of the Company accordingly. The selling costs increased slightly to € 10.3 million (first half of 2018: € 10.0 million).

Research and development costs increased further to € 9.5 million after € 8.8 million in the comparable period of the previous year. In the first half of 2019, we further expanded our development activities in the area of permanent bonding. In addition, we intensified our focus on the development of new platforms for mask aligners, coaters, and developers.

Other operating income totaled € 0.6 million after € 1.3 million in the first half of 2018. Of that amount, € 0.4 million related to foreign currency gains (first half of 2018: € 1.1 million).

Other operating expenses of € 1.1 million included foreign currency losses of € 0.8 million. In the first half of the previous year, other operating expenses amounted to € 1.7 million.

FINANCIAL RESULT AND TAXES

The financial result in the first half of 2019 amounted to € -0.1 million (previous year: € -0.1 million), reflecting interest income and expenses. Interest expense of € 10 thousand was incurred for a newly assumed KfW loan at IKB amounting to € 5 million.

A tax expense of € 1.0 million was recorded in the first half of 2019, although the Group achieved an overall pre-tax loss. This development is essentially due to the fact that it was not possible to recognize deferred tax assets for the losses incurred by foreign subsidiaries in the USA. However, the German companies as well as the company in Switzerland continued to make positive contributions to earnings, for which tax provisions are to be formed. In the previous year, a tax expense of € 3.6 million was recognized.

FINANCIAL POSITION

The SUSS MicroTec Group's net cash position – the balance from cash and cash equivalents, interest-bearing securities, and financial liabilities – fell by approximately € 21.3 million when compared with December 31, 2018, to € 6.9 million.

Before consideration of securities purchases and sales, free cash flow was negative in the first half of the year at € -18.9 million. One reason for this was the negative cash flow from operating activities of € -15.1 million. Another was that investments led to a negative cash flow from investing activities, which amounted to € -3.8 million in the first half of 2019. In the first half of 2018, free cash flow was also negative at € -15.9 million.

In the first half of 2019, cash flow from operating activities totaled € -15.1 million. The build-up of inventory reserves led to cash outflows of approximately € 8.9 million. Further cash outflows resulted from a slight decrease in received customer down payments and debts to suppliers and advance tax payments. In addition, the loss (after taxes) of € -1.9 million achieved in the first half of 2019 had a negative effect on cash flow from operating activities. A slightly positive effect resulted from a decrease in claims against customers due to the reporting date.

Cash flow from investing activities totaled € -3.8 million. The largest investments in the first half of 2019 involved renovations to our largest location in Sternenfels as well as investments by SUSS MicroOptics (Switzerland) for the rapidly growing Microoptics division (tools and cleanroom).

Cash flow from financing activities amounted to € 4.1 million, reflecting in part the scheduled repayment of the bank loan that served to finance the property in Garching. As of December 31, 2018, this loan had a loan status of € 2.5 million. In addition, SUSS MicroTec SE assumed a KfW loan via IKB for € 5 million, which has a term of 10 years and was disbursed in April 2019.

Besides cash and cash equivalents of € 15.9 million (December 31, 2018: € 30.7 million), the Group had credit and guarantee lines of € 21.25 million as of the half-year reporting date, which were not secured and not bound to financial covenants. The utilization of these credit lines amounted to € 10.5 million as of the half-year reporting date and primarily related to

down payment guarantees for customer down payments and tender guarantees for public tenders.

ASSETS POSITION

Noncurrent assets totaled € 48.5 million as of the half-year reporting date and were thus approximately € 3.5 million higher than on December 31, 2018.

Current assets of the Group declined by € 10.3 million from € 154.6 million (December 31, 2018) to € 144.3 million as of the half-year reporting date.

As of June 30, 2019, the disclosed amount of inventories increased significantly. As of the half-year reporting date, the gross amount of inventories totaled € 127.3 million, approximately € 9.0 million higher than as of December 31, 2018. The significant increase was attributable to higher inventories of materials and auxiliary supplies as of the half-year reporting date. In addition, inventories of demonstration equipment increased significantly. The value adjustments made for inventory also increased significantly compared to the end of the previous year. As of June 30, 2019, they amounted to approximately € 27.9 million (after € 24.9 million as of December 31, 2018). Of this amount, approximately € 16.9 million (December 31, 2018 € 15.0 million) was attributable to write-downs for demonstration equipment.

Trade receivables decreased by € 9.2 million from December 31, 2018, due to the reporting date, and amounted to € 12.9 million as of mid-year. On the other hand, contractual assets increased by € 7.8 million, amounting to € 10.8 million as of mid-year.

The negative cash flow generated in the first half of the year led to a decline in the level of cash and cash equivalents, which amounted to € 15.9 million as of June 30, 2019 (after € 30.7 million as of December 31, 2018).

The shareholders' equity of the SUSS MicroTec Group has decreased since December 31, 2018, by € 1.6 million to € 138.8 million. The equity ratio rose from 70.4 to 72.0 percent.

Additional details about the development of consolidated equity are presented in the consolidated statement of shareholders' equity.

Noncurrent liabilities increased from € 8.3 million to € 12.4 million. The increase resulted primarily from the bank loan for € 5.0 million assumed in April 2019, which has a term of 10 years. The scheduled repayment of the loan that served to finance the property in Garching had an offsetting impact of € 0.5 million. Pension provisions increased by € 0.1 million; deferred tax liabilities declined by € 1.6 million due to the reporting date.

In the first half of 2019, current liabilities declined by € 9.3 million to € 41.6 million. Provisions declined by approximately € 2.3 million to € 2.9 million. The payment of a severance payment of € 0.7 million for a former member of the Management Board had an impact here. Tax provisions, other financial liabilities, and trade payables also declined as a result of the payment. Payments for this in the first half of 2019 totaled approximately € 5.5 million and included payments for premiums and commissions along with tax payments and payments to suppliers. Contractual liabilities (received customer down payments) also declined due to the reporting date by € 2.3 million to € 15.9 million currently.

GROUP EMPLOYEES

As of June 30, 2019, the Group had 910 employees within the individual companies (June 30, 2018: 850 employees).

POTENTIAL

OPPORTUNITIES AND RISKS FOR THE FUTURE DEVELOPMENT OF THE SUSS MICROTEC GROUP

The goal of our opportunity and risk management is to maintain and increase the enterprise value of the SUSS MicroTec Group. Our corporate goals include the early and successful detection of opportunities, the identification and suitable assessment of the related risks, and an appropriate response. The diverse opportunities for our Group result from technology leadership in our businesses, our broad spectrum of products and solutions for the semiconductor equipment industry, collaborations with international customers and research institutes, and our global positioning.

We define opportunities and risks as follows:

- Opportunities are possible future developments or events that can lead to a deviation from forecasts or targets that is positive for the Group.
- Under risks, we understand possible future developments or events that can lead to a deviation from forecasts or targets that is negative for the Group.

The analysis and assessment of opportunities and risks for the Group is the subject of continuous deliberations by the Management Board and the management of the Group. On the basis of an opportunity-oriented, but simultaneously risk-conscious management, however, the Company's fundamental goal is not to avoid all potential risks. Instead, it constantly aims to achieve an optimum level of risk avoidance, risk reduction, and the controlled acceptance of risk. An awareness of risks should not interfere with the ability to identify opportunities and to use them for the benefit of the Company and its shareholders.

The risk management system has long been a component of corporate management for the purpose of recognizing and controlling risks, and for meeting legal requirements. For a detailed discussion of the functioning of the risk management system, the related risk assessment, and resulting risk management, we refer to the 2018 Annual Report.

Macroeconomic, Strategic Corporate, and Sector and Market-Specific Opportunities and Risks

In the last Annual Report, we described in detail in the Risk Report the opportunities and risks that we see for our Group in the macroeconomic environment, in the context of strategic corporate decisions, and in our sector and market environment. In the first half of the current fiscal year, there were no substantial changes to the outlined risks and opportunities or our assessment.

Operational Opportunities and Risks

In the 2018 Annual Report, we cited as operational opportunities the strong market position of our mask aligner and coater/developer product lines, with which we achieve constant sales, stable margins, and positive cash flows. Furthermore, we discussed opportunities for the Bonder division, which was able to achieve a clearly positive annual result again in 2018. In the Photomask Equipment division, we presented our solidified market position and the high sales and margins that can be achieved with few individual orders. In the first half of 2019, there were no substantial changes to these outlined opportunities or our assessment.

In the 2018 Annual Report, we discussed in detail our position on the operational risks that could have a negative impact on the business performance of the SUSS MicroTec Group. The material risks that we identified involved the conceivable loss of market share for coaters as well as our market position in the Bonder division for permanent bonding. In the first half of 2019, nothing changed in the fundamental risk structure or our assessment of these specified risks.

For the UV projection lithography and laser processing product lines, we discussed in the 2018 Annual Report both the opportunity to win substantial, high-margin orders in the future as well as the risk that both of these product lines could generate long-term losses as a result of low sales volumes. Since the acquisition in March 2012, these product lines of SUSS MicroTec Photonic Systems have produced a significant loss every year, which has weighed on the earnings of the Lithography division and the Group. For 2019, we also anticipate a negative contribution to earnings for both the UV projection scanner and laser processing product lines. However, with a new production generation for the DSC300 we consider ourselves well-positioned to be represented in the market with a competitive product. We are convinced that we will be successful beginning in roughly 2021 in achieving substantial sales and positive margins with our UV projection scanners. In the first half of 2019, nothing changed in the fundamental risk structure or our assessment of the opportunities and risks that we see in connection with the product lines of SUSS MicroTec Photonic Systems.

Development-Specific Opportunities and Risks

In the 2018 Annual Report, we discussed our intention to further expand development activities for our product lines and to focus on the development of new and innovative platforms for our mask aligner and coater / developer product lines, among other things. In the first half of 2019, we systematically implemented these plans. As a result, development expenses continued to increase in the first two quarters of 2019 compared with the corresponding period of the previous year.

In last year's Annual Report, we described development-specific risks involving our product policy and customer satisfaction. Material risks could result if our ability to innovate turns out to be inadequate or if our development projects fall short of their goals. In addition, a possible loss of market leadership in individual areas could present a material risk for our sales development. These risks remain unchanged in 2019.

Financial Opportunities and Risks

In the second quarter of 2019, SUSS MicroTec SE took out a promotional loan for € 5 million with IKB. The loan has a term of 10 years and was disbursed in April 2019. In addition, a loan at IKB that serves to finance the business property in Garching remains in place. As of June 30, 2019, this loan has a carrying amount of € 2.0 million. In addition, SUSS MicroTec has credit and guarantee lines totaling € 21.25 million, of which € 10.5 million are utilized in the form of guarantees as of June 30, 2019. In order to secure the Group's financing, SUSS MicroTec is in the midst of conversations with several banks to negotiate additional long-term credit and guarantee lines of a sufficient scope.

Other Opportunities and Risks

In the 2018 Annual Report, we discussed in detail employee-specific and financial opportunities and risks as well as information technology risks. There were no significant changes in our assessment of these opportunities and risks in the first half of 2019.

Risk Management System

The risk management system described in the 2018 Annual Report continued to be used in the first half of 2019.

INVESTOR RELATIONS

Directors' Dealings

In the first half of 2019, the following transactions were reported:

| Name, position | date | transaction | Euro in total |
|--------------------------------------|------------|---|---------------|
| Dr. Franz Richter Member of Board | 05/28/2019 | Purchase of 1,060 shares at € 9.92 each under an obligation relating to variable Management Board remuneration | € 10,546 |
| Dr. Franz Richter Member of Board | 05/29/2019 | Purchase of 2,700 shares at € 10.04 each under an obligation relating to variable Management Board remuneration | € 27,096 |
| Dr. Franz Richter Member of Board | 05/29/2019 | Purchase of 30,000 shares at € 10.28 each | € 308,343 |
| Robert Leurs Member of Board | 05/29/2019 | Purchase of 3,400 shares at € 10.00 each under an obligation relating to variable Management Board remuneration | € 33,993 |

Analyst Coverage

On May 16, 2019, the Dutch NIBC Bank N.V. initiated coverage of the SUSS MicroTec share with a buy recommendation. NIBC is thereby the eighth investment company that analyzes SUSS MicroTec SE and publishes corresponding research.

Ownership Information

On June 12, 2019, Henderson Global Investors Limited, St. Helier, Jersey, notified us that it now holds more than 5 percent of the total shares of SUSS MicroTec SE.

SUBSEQUENT EVENTS

No material events requiring disclosure occurred after the end of the interim reporting period.

As a result of assuming management of the holdings of Internationale Kapitalanlagegesellschaft mit beschränkter Haftung, Düsseldorf, Universal-Investment-Gesellschaft mit beschränkter Haftung, Frankfurt am Main, notified us on July 4, 2019, that it now holds more than 15 percent of the total shares of SUSS MicroTec SE.

Report on Material Transactions with Related Parties

In the first half of 2019 as well as in the entire 2018 fiscal year, there were no material transactions with related parties subject to the disclosure requirements of IAS 24.

FORECAST REPORT

The business environment in which SUSS MicroTec operates is influenced by regional and global economic conditions as well as industry developments. The following forecast report provides an explanation of factors that both the Company and leading market and industry observers regard as essential for the development of the Company.

TRENDS IN VARIOUS ECONOMIC REGIONS

Global economic growth continues to weaken, according to the IMF, which therefore revised its current forecast for the year downward to 3.2 percent. The industrialized countries, particularly the USA, but also the eurozone, fell short of expectations for the first quarter. Ongoing trade disputes as well as geopolitical tensions are dimming the economic outlook.

Despite all the uncertainties, GDP in the eurozone rose by 0.4 percent in Q1 2019, according to the ifo Institute, compared to 0.2 percent in Q4 2018. Subsequent quarters could produce an increase in GDP of 0.4 percent, representing a slight acceleration. The downward risks for economic development in the eurozone remain high in view of the UK's exit from the EU planned for the fall of 2019.

For the German economy, the ifo Institute has seen a significant slowdown in growth since early 2018. The export-oriented manufacturing sector is stuck in a recession, which is influenced by uncertainty regarding economic policy on the regional and global level. For the current year, an increase in gross domestic product of 0.6% is expected. According to the IMF, Germany's economy could again grow by 1.4 percent in 2020.

INDUSTRY-SPECIFIC DEVELOPMENT

After a sustained boom in both previous years, the global semiconductor sector will have to cut back significantly again this year, according to Gartner, and is looking at its weakest growth since 2009. Global sales in the semiconductor industry is estimated at US\$ 428 billion for 2019, which means a decline of 9.6 percent from 2018. Accordingly, the forecast for the

previous quarter had to be revised downward by -3.4 percent. Catalysts for this are considered to be trade disputes between the USA and China as well as a weaker initial situation for strong pricing for memory chips and other types of chips. Growth in several applications, such as PCs, servers, and smartphones also declined, according to Gartner.

The SEMI industry association is also indicating similar trends for the Semiconductor Equipment sector. For 2019, SEMI is forecasting a significant decline in worldwide investment from almost US\$ 62,000 million in 2018 to US\$ 53,000 million in 2019, having been forced to revise its forecast from -8 to -14.5 percent. This movement is being affected substantially by weakness in the market for memory chips and logic.

As in previous year, the SEMI industry association views the Asian region as the strongest purchaser of semiconductor equipment. In this context, Taiwan ascended to first place as the country with the greatest demand for semiconductor equipment in the first quarter of 2019. South Korea and China continue to be among the countries with the highest investment volumes; however, SEMI predicts that they will significantly reduce their expenditure in the equipment area in 2019.

Overall, SEMI indicates confidence regarding the development of the semiconductor market. The current slowdown in growth is attributed to market weakness in individual industry sectors. SEMI expects a significant recovery as early as 2020, driven by movements in the memory chip market and investment activities in China. For the coming year the industry association anticipates an investment volume of US\$ 67,000 million for semiconductor equipment.

EXPECTED DEVELOPMENT IN THE MAJOR MARKETS

The market for microelectromechanical systems (MEMS), one of our most dynamic target markets, will also perform very well in the future, according to the Yole Developpement market research institute. Beyond 2019, an annual growth rate in the MEMS market of 8.3 percent is expected. The drivers of this growth include issues such as autonomous driving, augmented reality, artificial intelligence, mobile data connections, and medical technology. Sensors will play an ever more important role in obtaining data and linking information in intelligent systems.

According to SEMI, the specialty area of wafer-level packaging and assembly, which is relevant for SUSS MicroTec, grew by 25.8 percent to US\$ 3.8 billion in the 2018 fiscal year. For the 2019 fiscal year, Gartner expects a 7.3 percent decline in market volume. By contrast, growth of 8 percent is expected for equipment in the area of assembly and packing.

The introduction of EUV lithography in patterns in the 7nm range as well as the increasing complexity of production processes at the front end of the semiconductor industry could present future growth opportunities for our photomask equipment market niche. For the EUV lithography market, the analysis institute Research and Markets forecasts a growth rate of 28 percent until 2023 combined with a market volume of US\$ 10.3 billion. The development of defect-free photomasks is among the biggest technology drivers of the EUV lithography market.

STATEMENT ON THE PROJECTED DEVELOPMENT OF THE GROUP

Based on the order backlog as of June 30, 2019, and the order entry achieved in the first half of 2019, the Company continues to forecast sales for the current fiscal year in the range between € 200 million and € 215 million and an earnings margin (EBIT) between 6.5 percent and 8.0 percent.

For the third and fourth quarters of 2019, the Company expects order entry of more than € 95 million.

FORWARD-LOOKING STATEMENTS

This Interim Report contains information and forecasts that refer to the future developments of the SUSS MicroTec Group and its companies. The forecasts are assessments that the Company has made based on all of the information available to it at the present time. Should the assumptions on which these forecasts are based not occur or the risks – as addressed in the risk report – arise, the actual results may deviate from those currently expected.

Garching, Germany, August 7, 2019



Dr. Franz Richter
Chief Executive Officer



Robert Leurs
Chief Financial Officer

CONSOLIDATED STATEMENT OF INCOME (IFRS)

| <i>in € thousand</i> | 01.04.2019 - 30.06.2019 | 01.04.2018 - 30.06.2018 | 01.01.2019 - 30.06.2019 | 01.01.2018 - 30.06.2018 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| Sales | 46.980 | 48.950 | 94.070 | 94.173 |
| Cost of sales | -35.030 | -28.267 | -65.876 | -59.061 |
| Gross profit | 11.950 | 20.683 | 28.194 | 35.112 |
| Selling costs | -5.274 | -5.172 | -10.278 | -10.024 |
| Research and development costs | -5.198 | -4.528 | -9.458 | -8.807 |
| Administration costs | -4.505 | -3.707 | -8.773 | -7.491 |
| Other operating income | 326 | 246 | 608 | 1.339 |
| Other operating expenses | -204 | -657 | -1.067 | -1.734 |
| Analysis of net income from operations (EBIT): | | | | |
| EBITDA (Earnings before Interest and Taxes, Depreciation and Amortization) | -1.493 | 8.026 | 2.041 | 10.693 |
| Depreciation and amortization of tangible assets, intangible assets and investments in subsidiaries | -1.412 | -1.161 | -2.815 | -2.298 |
| Net income from operations (EBIT) | -2.905 | 6.865 | -774 | 8.395 |
| Financial income | 3 | 10 | 9 | 17 |
| Financial expense | -62 | -42 | -110 | -84 |
| Financial result | -59 | -32 | -101 | -67 |
| Profit / loss from continuing operations before taxes | -2.964 | 6.833 | -875 | 8.328 |
| Income taxes | 651 | -2.672 | -1.003 | -3.599 |
| Profit / loss from continuing operations | -2.313 | 4.161 | -1.878 | 4.729 |
| Thereof equity holders of SUSS MicroTec | -2.313 | 4.161 | -1.878 | 4.729 |
| Thereof non-controlling interests | 0 | 0 | 0 | 0 |
| Earnings per share (basic) | | | | |
| Earnings per share in € | -0,12 | 0,22 | -0,10 | 0,25 |
| Earnings per share (diluted) | | | | |
| Earnings per share in € | -0,12 | 0,22 | -0,10 | 0,25 |

STATEMENT OF COMPREHENSIVE INCOME (IFRS)

| <i>in € thousand</i> | 01.01.2019 - 30.06.2019 | 01.01.2018 - 30.06.2018 |
|---|------------------------------------|------------------------------------|
| Net profit / loss | -1.878 | 4.729 |
| Items that are not reclassified to profit and loss | | |
| Remeasurements on defined benefit pension plans | 0 | 0 |
| Deferred taxes | 0 | 0 |
| Other income after tax for items that are not reclassified as an expense or income | 0 | 0 |
| Items that will be reclassified to profit and loss in later periods | | |
| Foreign currency adjustment | 248 | 609 |
| Cash flow hedges | 0 | 0 |
| Deferred taxes | 0 | 0 |
| Other income after tax for items that will be reclassified to profit and loss in later periods | 248 | 609 |
| Total income and expenses recognized in equity | 248 | 609 |
| Total income and expenses reported in the reporting period | -1.630 | 5.338 |
| Thereof equity holders of SUSS MicroTec SE | -1.630 | 5.338 |
| Thereof non-controlling interests | 0 | 0 |

CONSOLIDATED BALANCE SHEET (IFRS)

| <i>in € thousand</i> | 30.06.2019 | 31.12.2018 |
|---------------------------|-------------------|-------------------|
| Assets | | |
| NON-CURRENT ASSETS | 48.489 | 44.975 |
| Intangible assets | 1.828 | 2.034 |
| Goodwill | 15.678 | 15.666 |
| Tangible assets | 29.762 | 26.189 |
| Other assets | 542 | 534 |
| Deferred tax assets | 679 | 552 |
| CURRENT ASSETS | 144.268 | 154.582 |
| Inventories | 99.370 | 93.459 |
| Trade receivables | 12.935 | 22.071 |
| Contract assets | 10.827 | 3.026 |
| Other financial assets | 116 | 272 |
| Securities | 0 | 0 |
| Current tax assets | 0 | 242 |
| Cash and cash equivalents | 15.900 | 30.672 |
| Other assets | 5.120 | 4.840 |
| TOTAL ASSETS | 192.757 | 199.557 |

| <i>in € thousand</i> | 30.06.2019 | 31.12.2018 |
|--|-------------------|-------------------|
| Liabilities & shareholders' equity | | |
| Equity | 138.772 | 140.435 |
| Total equity attributable to shareholders of SUSS MicroTec SE | 138.772 | 140.435 |
| Subscribed capital | 19.116 | 19.116 |
| Reserves | 120.956 | 122.867 |
| Accumulated other comprehensive income | -1.300 | -1.548 |
| NON-CURRENT LIABILITIES | 12.404 | 8.266 |
| Pension plans and similar commitments | 5.159 | 5.075 |
| Financial debt | 7.164 | 1.500 |
| Deferred tax liabilities | 81 | 1.691 |
| CURRENT LIABILITIES | 41.581 | 50.856 |
| Provisions | 2.875 | 5.212 |
| Tax liabilities | 1.241 | 2.609 |
| Financial debt | 1.873 | 1.006 |
| Other financial liabilities | 5.314 | 7.858 |
| Trade payables | 7.390 | 9.016 |
| Contract liabilities | 15.915 | 18.225 |
| Other liabilities | 6.973 | 6.930 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 192.757 | 199.557 |

CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

| <i>in € thousand</i> | 01.01.2019 - 30.06.2019 | 01.01.2018 - 30.06.2018 |
|--|------------------------------------|------------------------------------|
| Net profit / loss (after taxes) | -1.878 | 4.729 |
| Amortization of intangible assets | 557 | 611 |
| Depreciation of tangible assets | 2.258 | 1.688 |
| Profit or loss on disposal of intangible and tangible assets | 61 | 0 |
| Change of reserves on inventories | 3.087 | 719 |
| Change of reserves for bad debts | 58 | 395 |
| Non-cash income from the reversal of pension accruals | 0 | 0 |
| Other non-cash effective income and expenses | 41 | 136 |
| Change in inventories | -8.851 | -15.436 |
| Change in contract assets | -7.801 | -6.597 |
| Change in trade receivables | 9.133 | 644 |
| Change in other assets | -132 | 15 |
| Change in pension provisions | 30 | 41 |
| Change in trade payables | -1.644 | -212 |
| Change in contract liabilities | -2.312 | 4.204 |
| Change in other liabilities and other provisions | -4.838 | -1.246 |
| Change of tax assets and tax liabilities | -2.863 | -2.101 |
| Cash flow from operating activities | -15.094 | -12.410 |

CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

| <i>in € thousand</i> | 01.01.2019 - 30.06.2019 | 01.01.2018 - 30.06.2018 |
|---|------------------------------------|------------------------------------|
| Disbursements for other tangible assets | -3.431 | -3.226 |
| Disbursements for intangible assets | -348 | -296 |
| Purchases of current available-for-sale securities | 0 | -6.996 |
| Cash flow from investing activities | -3.779 | -10.518 |
| Repayment of bank loans | -500 | -500 |
| Increase of bank loans | 5.000 | 0 |
| Repayment of leasing liabilities | -406 | 0 |
| Change in other financial debt | 0 | 0 |
| Cash flow from financing activities | 4.094 | -500 |
| Adjustments to funds caused by exchange-rate fluctuations | 7 | 92 |
| Change in cash and cash equivalents | -14.772 | -23.336 |
| Funds at beginning of the year | 30.672 | 36.464 |
| Funds at end of the period | 15.900 | 13.128 |
| Cash flow from operating activities includes: | | |
| Interest paid during the period | 55 | 62 |
| Interest received during period | 8 | 15 |
| Tax paid during the period | 3.308 | 4.819 |
| Tax refunds during the period | 0 | 124 |

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)

| <i>in € thousand</i> | Subscribed capital | Additional paid-in capital | Earnings reserve | Retained earnings | Accumulated other comprehensive income | | | | Total equity attributable to shareholders of SÜSS MicroTec SE | | | |
|---|--------------------|----------------------------|------------------|-------------------|---|----------------|--|----------------|---|---|----------------|-------|
| | | | | | Items that will not be reclassified to profit or loss | | Items that will be reclassified to profit or loss in later periods | | | | | |
| | | | | | Remeasurements on defined benefit pension plans | Deferred taxes | Foreign currency adjustment | Deferred taxes | | | | |
| As of January 01, 2018 | 19.116 | 71.547 | 202 | 38.537 | - | 2.984 | 736 | - | 167 | - | 126.987 | |
| Adjustment of retained earnings due to implementation of IFRS 15 (revenues) | | | | 7.797 | | | | | | | | |
| As of January 01, 2018 (adjusted) | 19.116 | 71.547 | 202 | 46.334 | - | 2.984 | 736 | - | 167 | - | 134.784 | |
| Net income / loss | | | | 4.729 | | | | | | | 4.729 | |
| Total income and expenses recognized in equity | | | | | - | - | | 609 | - | | 609 | |
| Total comprehensive income / loss | | | | 4.729 | - | - | | 609 | - | | 5.338 | |
| As of June 30, 2018 | 19.116 | 71.547 | 202 | 51.063 | - | 2.984 | 736 | | 442 | - | 140.122 | |
| As of January 01, 2019 | 19.116 | 71.547 | 202 | 51.118 | - | 3.290 | 751 | | 991 | - | 140.435 | |
| Adjustment of retained earnings due to implementation of IFRS 16 (leasing) | | | | - | 33 | | | | | | | |
| As of January 01, 2019 (adjusted) | 19.116 | 71.547 | 202 | 51.085 | - | 3.290 | 751 | | 991 | - | 140.402 | |
| Net income / loss | | | | - | 1.878 | | | | | | - | 1.878 |
| Total income and expenses recognized in equity | | | | | | - | - | | 248 | - | | 248 |
| Total comprehensive income / loss | | | | - | 1.878 | - | - | | 248 | - | - | 1.630 |
| As of June 30, 2019 | 19.116 | 71.547 | 202 | 49.207 | - | 3.290 | 751 | | 1.239 | - | 138.772 | |

SEGMENT REPORTING (IFRS)

| <i>in € thousand</i> | Lithography | | Substrate Bonder | | Photomask Equipment | | MicroOptics | | Other | | Consolidation effects | | Total | |
|--------------------------------------|----------------|---------------|------------------|---------------|---------------------|----------------|---------------|--------------|----------------|----------------|-----------------------|--------------|-----------------|-----------------|
| | 6M / 2019 | 6M / 2018 | 6M / 2019 | 6M / 2018 | 6M / 2019 | 6M / 2018 | 6M / 2019 | 6M / 2018 | 6M / 2019 | 6M / 2018 | 6M / 2019 | 6M / 2018 | 6M / 2019 | 6M / 2018 |
| External Sales | 51.761 | 62.263 | 12.892 | 22.701 | 19.044 | 3.196 | 10.126 | 5.692 | 247 | 321 | - | - | 94.070 | 94.173 |
| Internal Sales | - | - | - | - | - | - | - | - | 4.387 | 3.936 | - | 4.387 | - | 3.936 |
| Total Sales | 51.761 | 62.263 | 12.892 | 22.701 | 19.044 | 3.196 | 10.126 | 5.692 | 4.634 | 4.257 | - | 4.387 | - | 3.936 |
| Result per segment (EBIT) | - 3.794 | 6.748 | 624 | 5.859 | 3.276 | - 2.261 | 1.739 | 219 | - 2.619 | - 2.170 | - | - | - 774 | 8.395 |
| Income before taxes | - 3.812 | 6.747 | 609 | 5.859 | 3.275 | - 2.261 | 1.737 | 219 | - 2.684 | - 2.236 | - | - | - 875 | 8.328 |
| Significant non-cash items | - 2.753 | - 1.087 | - 331 | - 48 | - 52 | - 25 | 47 | 425 | - | - | - | - | - 3.089 | - 735 |
| Segment assets | 91.683 | 91.694 | 24.024 | 24.888 | 19.731 | 16.904 | 16.804 | 12.353 | 18.158 | 15.347 | - | - | 170.400 | 161.186 |
| thereof goodwill | 15.678 | 15.632 | - | - | - | - | - | - | - | - | - | - | 15.678 | 15.632 |
| Unallocated assets | | | | | | | | | | | | | 22.357 | 26.488 |
| Total assets | | | | | | | | | | | | | 192.757 | 187.674 |
| Segment liabilities | - 19.053 | - 24.154 | - 5.615 | - 5.498 | - 7.077 | - 4.110 | - 2.436 | - 670 | - 1.956 | - 1.095 | - | - | - 36.137 | - 35.527 |
| Unallocated liabilities | | | | | | | | | | | | | - 17.848 | - 12.025 |
| Total liabilities | | | | | | | | | | | | | - 53.985 | - 47.552 |
| Depreciation and amortization | 1.222 | 1.017 | 170 | 196 | 40 | 85 | 698 | 519 | 685 | 481 | - | - | 2.815 | 2.298 |
| thereof scheduled | 1.222 | 1.017 | 170 | 196 | 40 | 85 | 698 | 519 | 685 | 481 | - | - | 2.815 | 2.298 |
| thereof impairment loss | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital expenditure | 1.285 | 1.189 | 216 | 182 | 64 | 81 | 1.002 | 923 | 1.212 | 1.147 | - | - | 3.779 | 3.522 |
| Workforce at June 30 | 557 | 533 | 100 | 96 | 137 | 125 | 84 | 70 | 32 | 26 | - | - | 910 | 850 |

Segment information by region

| <i>in € thousand</i> | Sales | | Capital expenditure | | Assets (without Goodwill) | |
|-----------------------|---------------|---------------|---------------------|--------------|------------------------------|----------------|
| | 6M / 2019 | 6M / 2018 | 6M / 2019 | 6M / 2018 | 6M / 2019 | 6M / 2018 |
| EMEA | 24.406 | 21.973 | 3.351 | 3.039 | 132.311 | 130.867 |
| North-America | 6.762 | 10.501 | 406 | 444 | 17.468 | 11.715 |
| Asia and Pacific | 62.902 | 61.699 | 22 | 39 | 5.368 | 3.997 |
| Consolidation effects | - | - | - | - | - 425 | - 1.025 |
| Total | 94.070 | 94.173 | 3.779 | 3.522 | 154.722 | 145.554 |

SELECTED EXPLANATORY NOTES TO THE INTERIM REPORT AS OF JUNE 30, 2019

(1) GENERAL ACCOUNTING POLICIES

The consolidated financial statements of SUSS MicroTec SE as of December 31, 2018, were prepared in accordance with the International Financial Reporting Standards (IFRS) applied by the International Accounting Standards Board (IASB) as of the closing date. The consolidated interim financial statements as of June 30, 2019, which were prepared on the basis of International Accounting Standards (IAS) 34 “Interim Financial Reporting,” do not contain all of the necessary information as required for the preparation of the Annual Report and should be read in conjunction with the consolidated financial statements of SUSS MicroTec SE as of December 31, 2018.

Since January 1, 2018, SUSS MicroTec SE has been applying the new standards IFRS 9 “Financial Instruments” and IFRS 15 “Revenue from Contracts with Customers.” The new standard on financial instruments, IFRS 9, includes fundamental changes for the classification and measurement of financial assets as well as new rules for hedge accounting. The first use of this standard resulted in no adjustments at SUSS MicroTec.

IFRS 15 was implemented in the SUSS MicroTec Group as of January 1, 2018, using the modified retrospective method. According to this method, changeover effects are reported in Group shareholders’ equity. The adjustment effect in Group shareholders’ equity as of January 1, 2018 amounted to € 7,797 thousand (see the 2018 Annual Report, notes on the IFRS consolidated financial statements, point [2] B). The actual effects from the conversion of accounting were finally determined as of the end of 2018, recognized on December 31, 2018, and discussed in detail for the first time in the 2018 Annual Report. The Interim Report for the period from January 1 to June 30, 2018, which was published on August 3, 2018, did not include this presentation of the conversion effects. In this 2019 Interim Report, the previous year’s figures for 2018 have been adjusted in order to depict the conversion effect accordingly and in order to create comparability between the mid-year figures for 2019 and the mid-year figures for 2018. Therefore, the sales, cost of sales, and income taxes for the previous year of 2018 specified in this report deviate from the figures that were specified in the published 2018 Interim Report.

Since January 1, 2019, SUSS MicroTec SE has applied the new IFRS 16 Standard “Leases.” Under application of IFRS 16, a lessee recognizes a right of use (right-of-use asset), which represents his right to the use of the underlying assets, as well as a liability arising from the lease, which represents his obligation to make lease payments. There are simplification rules for short-term leases and leases of negligible value.

IFRS 16 was implemented in the SUSS MicroTec Group as of January 01, 2019, using the modified retrospective method. According to this method, changeover effects are reported in Group shareholders’ equity, and the presentation of the comparison period remains unchanged. This did not result in significant effects.

As of January 1, 2019, SUSS MicroTec has recognized new assets and liabilities for all rented premises and areas as well as for leased Company vehicles, among other items. As of June 30, 2019, rights of use totaling € 2,006 thousand and lease obligations totaling

€ 2,036 thousand are recognized in fixed assets. Expenses for the first half of 2019 includes write-downs, amortization, and depreciation for rights of use and interest expenses for liabilities arising from leases. The adjusted presentation of leases in accordance with IFRS 16 resulted in only minimal impact on earnings in the first half of 2019. Total assets increased by approximately € 2 million.

Otherwise, the same accounting methods were applied in the interim financial statements as of June 30, 2019, as were applied in the consolidated financial statements for the 2018 fiscal year. All of the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) in effect as of June 30, 2019, have been applied. For additional information about specific accounting and measurement methods, please see the consolidated financial statements of SUSS MicroTec SE as of December 31, 2018.

The Group auditor has neither audited nor reviewed the interim financial statements.

(2) CHANGES IN THE SCOPE OF CONSOLIDATION

The consolidated financial statements include the financial statements of SUSS MicroTec SE and of all material companies over which, independent of the level of its participatory investment, the proprietary company can exercise control (i.e., the control principle). Compared with the consolidated financial statements as of December 31, 2018, there were no additional changes to the scope of consolidation.

(3) MANDATORY DISCLOSURES

Issues influencing assets, liabilities, shareholders' equity, the result for the period, or cash flows and unusual in terms of their nature, magnitude, or frequency did not arise during the interim reporting period.

SUSS MicroTec SE has an overdraft facilities in the amount of € 7.5 million. In addition, the SUSS MicroTec Group has credit and guarantee lines totaling € 13.75 million. As of June 30, 2019, these lines have been utilized in the amount of € 10.5 million; this utilization occurred exclusively in the form of guarantees.

(4) CHANGES IN PRESENTATION

Changes in presentation have resulted from the initial application of IFRS 16 to a minimal extent in fixed assets (recognition of rights of use) and in financial liabilities (recognition of lease obligations). Otherwise, the presentation of the consolidated financial statements of SUSS MicroTec SE as of June 30, 2019, is analogous to the presentation as of December 31, 2018.

(5) CHANGES IN ESTIMATES

To the extent that estimates were made in the interim reports, the methodology underlying the estimates remained fundamentally the same during the fiscal year and in comparison to the previous fiscal year. In a departure from the approach used at the end of the fiscal year, 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 that is expected for the entire fiscal year. SUSS MicroTec SE currently assumes that the annual income tax rate will deviate from

the expected tax rate of approximately 28 percent. The primary reason for this is that deferred taxes on losses accrued by foreign subsidiaries cannot be capitalized.

Otherwise there are no changes requiring disclosure that would have a material impact on the current interim reporting period.

(6) BONDS AND EQUITY SECURITIES

During the reporting period, no issuances, repurchases, or repayments occurred involving either bonds or other equity securities.

(7) DIVIDENDS PAID

During the reporting period, no dividend was distributed nor was such a distribution proposed.

(8) SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

No material events occurred after the end of the interim reporting period.

(9) CONTINGENT LIABILITIES AND RECEIVABLES

There are no contingent receivables. The contingent liabilities that were specified in the Annual Report as of December 31, 2018 include lease obligations for leased premises and vehicle leases. From January 1, 2019, these lease obligations are disclosed as financial liabilities. Contingent liabilities not recognized in the statement of financial position as of June 30, 2019 have been reduced accordingly compared to December 31, 2018.

(10) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period (net of minority interests) by the average number of shares. In order to calculate diluted earnings per share, the profit or loss for the period attributable to shareholders (net of minority interests) and the weighted average of outstanding shares are adjusted for the impact of all potential dilutive shares.

The following table shows the calculation of the basic and diluted earnings per share:

| <i>in € thousand</i> | 6 months / 2019 | 6 months / 2018 |
|---|----------------------------|----------------------------|
| Profit/loss which accrues to shareholder of SÜSS MicroTec SE | -2,313 | 4,161 |
| Weighted average number of outstanding shares | 19,115,538 | 19,115,538 |
| Effect of the (potential) exercise of stock options (number of options) | 0 | 0 |
| Adjusted weighted average number of outstanding shares | 19,115,538 | 19,115,538 |
| Earnings per share in € - basic | -0.12 | 0.22 |
| Earnings per share in € - diluted | -0.12 | 0.22 |

RESPONSIBILITY STATEMENT BY THE LEGAL REPRESENTATIVES

To the best of our knowledge, we assure that in accordance with applicable accounting principles for interim reporting, the consolidated interim financial statements convey an accurate view of the net assets, financial position, and results of operations of the Group and that the Interim Management Report conveys an accurate view of the business performance, including the earnings and condition of the Company, and describes the essential opportunities and risks for the Group's future development in the remainder of the fiscal year.

Garching, Germany, August 7, 2019

SUSS MicroTec SE
The Management Board

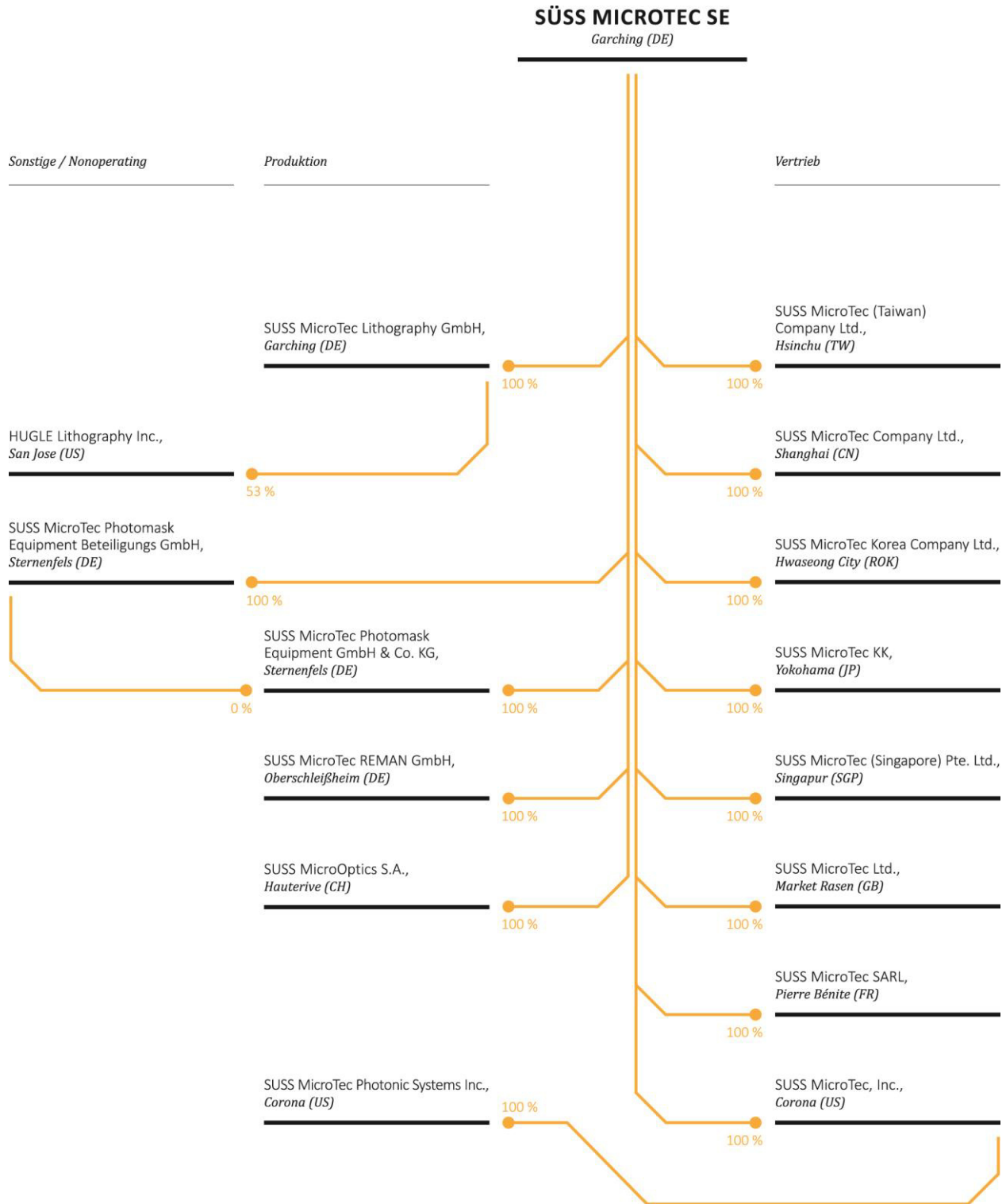


Dr. Franz Richter
Chief Executive Officer



Robert Leurs
Chief Financial Officer

LEGAL STRUCTURE



FINANCIAL CALENDAR 2019

2019 (Q3) quarterly report

November 6

CONTACT

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Forward-looking statements: Interim reports include forward-looking statements. Forward-looking statements are statements that do not present historical facts, including statements about expectations and the views of the management of SUSS MicroTec SE. These statements are based on current plans, estimates, and forecasts of the Company's management. Investors should not unreservedly rely on these statements. Forward-looking statements are to be understood in the context of the time at which they were made. The Company does not assume any obligation to update the forward-looking statements included in this report given new information or future events. This does not affect the Company's obligation to comply with its statutory responsibilities regarding information and reporting. Forward-looking statements also include risks and uncertainties. A large number of factors that are described in this report could cause actual events to deviate substantially from the forward-looking statements included in this report.

[WWW.SUSS.COM](http://www.suss.com)