

# 2014

NINE MONTH REPORT

**SÜSS** MicroTec<sup>+</sup>



**JANUARY 1 – SEPTEMBER 30**

## KEY FIGURES

in € million	Q3/2014	Q3/2013	Change	9M/2014	9M/2013	Change
<b>Business Development</b>						
Order entry	29.1	34.3	-15.2%	90.3	105.9	-14.7%
Order backlog as of 09/30	-	-	-	82.2	97.6	-15.8%
Total sales	25.6	38.9	-34.2%	95.0	94.0	1.1%
Sales margin	-11.3%	3.1%	-14.4%-points	-0.9%	-11.2%	10.3%-points
Gross profit	7.9	12.5	-36.8%	30.2	19.3	56.5%
Gross margin	30.9%	32.1%	-1.2%-points	31.8%	20.5%	11.3%-points
Cost of sales	17.8	26.4	-32.6%	64.8	74.6	-13.1%
R&D costs	2.5	2.5	0.0%	7.4	7.8	-5.1%
EBITDA	-2.1	2.8	-	3.3	-8.3	-
EBITDA margin	-8.2%	7.2%	-15.4%-points	3.5%	-8.8%	12.3%-points
EBIT	-3.3	1.8	-	0.1	-13.2	-
EBIT margin	-12.9%	4.6%	-17.5%-points	0.1%	-14.0%	14.1%-points
Earnings after tax	-2.9	1.2	-	-0.9	-10.5	-
Earnings per share (in €)	-0.16	0.06	-	-0.05	-0.55	-
<b>Balance sheet and cash flow</b>						
Equity	-	-	-	110.5	115.5	-4.3%
Equity ratio	-	-	-	64.2%	64.7%	-0.5%-points
Return on equity	-2.6%	1.0%	-3.6%-points	-0.8%	-9.1%	8.3%-points
Balance sheet total	-	-	-	172.1	178.1	-3.4%
Net Cash	-	-	-	31.8	21.9	45.2%
Free cash flow <sup>1</sup>	-1.7	2.5	-	-4.1	-9.9	-
<b>Further key figures</b>						
Investments	1.0	9.6	-89.6%	2.2	11.4	-80.7%
Investment ratio	3.9%	24.7%	-20.8%-points	2.3%	12.1%	-9.8%-points
Depreciation	1.1	1.1	0.0%	3.1	5.0	-38.0%
Employees as of 09/30	-	-	-	658	673	-2.2%

<sup>1</sup> before consideration of purchase or sale of available-for-sale securities

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# 04 FOREWORD OF THE MANAGEMENT BOARD

## Dear Shareholders,

We look back today on an eventful third quarter. On August 25, we reported that the Supervisory Board of SUSS MicroTec AG had canceled the appointment of Mr. Frank Averdung as Chief Executive Officer of SUSS MicroTec AG as of August 24, 2014 because of differing opinions about the strategic orientation of the Company. Pending the decision about a successor, we – Michael Knopp (CFO) and Walter Braun (COO) – will temporarily assume Mr. Averdung's duties. Dear shareholders, be assured that the Management Board and Supervisory Board of your Company are making a concerted effort to successfully push forward our corporate strategy and we will implement the goals we have set for ourselves as quickly as possible.

In the third quarter, the stock market was characterized by a gloomier economic outlook and a tense geopolitical situation. In addition, we observed the stock price performance of the SUSS MicroTec share in September and October with some concern. Despite the announcement of a profitable fiscal year in 2014, a solid statement of financial position, and sufficient net liquidity, our shareholders appeared to be very concerned about the future development and even continued viability of the Company. These concerns have manifested themselves in sharp price declines. In the interim, the SUSS MicroTec share has fallen below €4, reaching an annual low of €3.75. Only after publication of preliminary corporate figures was the Company able to regain trust, enabling the share price to stabilize in a weak market environment. Another important sign for the capital markets were the directors' dealings following publication of the preliminary quarterly figures for 2014. Following notification of the share purchases by both Members of the Management Board, the share price initially continued to stabilize and was even able to rise slightly in a weak market environment.

On the product side, we were able to strengthen our Substrate Bonder division significantly in the past quarter with a new technology. With the ELD300, the Company launched a powerful excimer laser debonder for the stress-free debonding of 200 and 300 mm 3D-IC wafers. The laser debonder can be used as a stand-alone semi-automated system or as an integrated process module in SUSS MicroTec's XBC300 Gen2 platform. In the debonding method using an excimer laser, the tape between the glass carrier and a mounted thinned wafer is separated using a 308 nm excimer laser. The ultraviolet light of the pulsed excimer laser is absorbed in the thermoplastic adhesive itself or in an optional absorption layer within a few hundred nanometers. The absorbed energy breaks the chemical bonds without generating thermal stress so that the glass carrier can then be easily lifted off the thinned wafer. The ELD300 module primarily addresses applications in the areas of 2.5D and 3D-IC, but also in the field of 3D MEMS, CMOS image sensors, and power devices.

### THE FIRST NINE MONTHS IN FIGURES

In the quarterly comparison, order entry amounted to €29.1 million after €34.3 million in the previous year's quarter, representing a decrease of 15.2%. Due to low order entry volume in the months from January to March 2014, sales were €25.6 million in the months from July to September, or 34,2% below the level in the previous year's quarter (Q3 2013: €38.9 million). EBIT of €-3.3 million in the third quarter was below the EBIT of €1.6 million in the previous year's quarter. EBIT of the third quarter 2014 includes a provision for severance payments of €1.0 million. The corresponding expense is disclosed under administrative costs.

Sales in the first nine months reached €95.0 million, about 1.1% above the level of €94.0 million in the previous year. Order entry of €90.3 million was less than €105.9 million in the previous year. This resulted in order backlog of €82.2 million (previous year: €97.6 million) as of the reporting date of September 30, 2014.

fltr

**Michael Knopp**  
Chief Financial Officer

**Walter Braun**  
Chief Operating Officer



Lithography, the Company's largest division, was able to report sales of € 60.0 million in the first nine months (previous year: € 64.9 million). The Photomask Equipment division recorded sales of € 14.6 million (previous year: € 15.7 million). The Substrate Bonder division produced a higher contribution to sales of € 16.4 million (previous year: € 9.8 million).

Earnings before interest and taxes (EBIT) of € 0.1 million were above the € -13.2 million of the previous year's quarter. EBIT for the first three quarters of 2013 included an extraordinary effect of € -6.0 million from refocusing the Permanent Bonding product line. The extraordinary effect primarily included value adjustments for demonstration equipment and inventories and capitalized development costs from the years prior to 2008. Earnings in the third quarter of 2014 included a provision for severance payments of € 1.0 million. The corresponding expense is disclosed under administrative costs.

Earnings after taxes (EAT) amounted to € -0.9 million, compared with € -10.5 million in the previous year. The basic earnings per share (EPS) totaled € -0.05 (previous year: € -0.55).

Garching, Germany, November 2014

The Management Board

**Michael Knopp**  
Chief Financial Officer

**Walter Braun**  
Chief Operating Officer

Net liquidity came in at € 31.8 million as of the reporting date (September 30, 2013: € 21.9 million). Free cash flow before the inclusion of securities sales/purchases and extraordinary effects from M&A activities came to € -4.1 million in the first nine months of the year (previous year: € -9.9 million; this incorporated € 8.9 million, including ancillary purchase costs for the acquisition of property at the Garching site).

#### OUTLOOK

The management board of SUSS MicroTec reiterates the guidance for the fiscal year 2014 and expects sales to be in the bandwidth of 135 – 145 € million. The EBIT expectation for the full year has improved slightly and we now expect an EBIT in the range of 2 and 4 € million.

For the fourth quarter 2014, the Company expects a robust order intake in the range of € 30 to € 40 million.

## INVESTOR RELATIONS

### GEOPOLITICAL SITUATION AND SUBDUED ECONOMIC OUTLOOK UNSETTLE THE STOCK EXCHANGES

The ongoing crisis in Ukraine and the increasingly unstable situation in the Near East, particularly through the advance of the IS militia in Syria and Iraq, but also the ongoing tensions between Israel and Palestine in the Gaza Strip, characterize the current geopolitical situation and are leaving their mark on the economic outlook for Europe and on the stock exchanges. The ifo Institute is assuming only slight growth of 0.2 percent for the third and fourth quarters of 2014, respectively, since the economic actors are adversely affected by geopolitical uncertainties. In Germany, the ifo Business Climate Index for industry and trade declined again in September, reaching a low point since April 2013. Expectations for the coming six months have even fallen to the lowest level since December 2012. Accordingly, there is a tangible uncertainty in the stock market on the part of market participants and a concomitant increase in the volatility of share prices.

### THE SUSS MICROTEC SHARE

Until mid-2014, the SUSS MicroTec share was on a steady upward trajectory, which was impaired only by isolated daily fluctuations. Many shares were able to benefit from the sustained low interest rate policy of the European Central Bank, which made an investment in shares much more attractive. In addition, technology shares, including the SUSS MicroTec share, benefited from improved sentiment in the semiconductor sector. After beginning the stock market year on January 2 at a closing price of € 6.38, the SUSS MicroTec share again moved well above the € 8 threshold and ended the first half of the year on June 30, 2014 at a XETRA closing price of € 8.75.

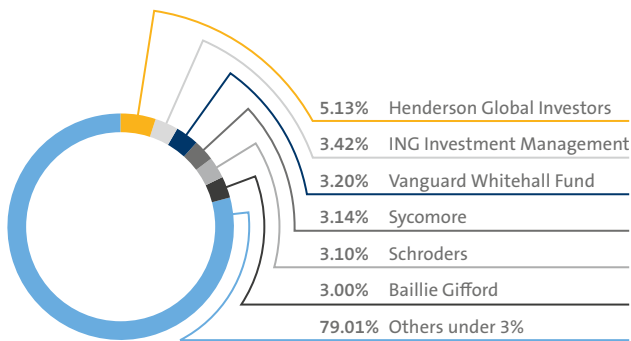
In July and early August 2014, the share price essentially moved within a range of € 8 – 9. With the publication of mid-year figures on August 7, 2014, SUSS MicroTec slightly raised its outlook for annual earnings in 2014, which was positively received in the market. At the same time, the Company published a forecast for order entry in the second half of 2014, hereby implying a sales level for 2015, which fell short of general market expectations.

In the days following the report, the share price fell sharply and, by the end of the third quarter, recorded a decline of approximately 46 percent to a closing price of € 4.76 on September 30, 2014. In addition, as described at the outset, the geopolitical situation became more tense over the course of the third quarter and the stock markets responded with significantly higher volatility and, at times, sharp price declines. The German leading index, DAX, fell below the level of 9,000 points for a time after achieving a record of 10,000 points as recently as July 2014. An improvement of the situation from the geopolitical perspective is hardly to be expected for the fourth quarter. Consequently, stock market movements will probably remain volatile in an unsettled environment.

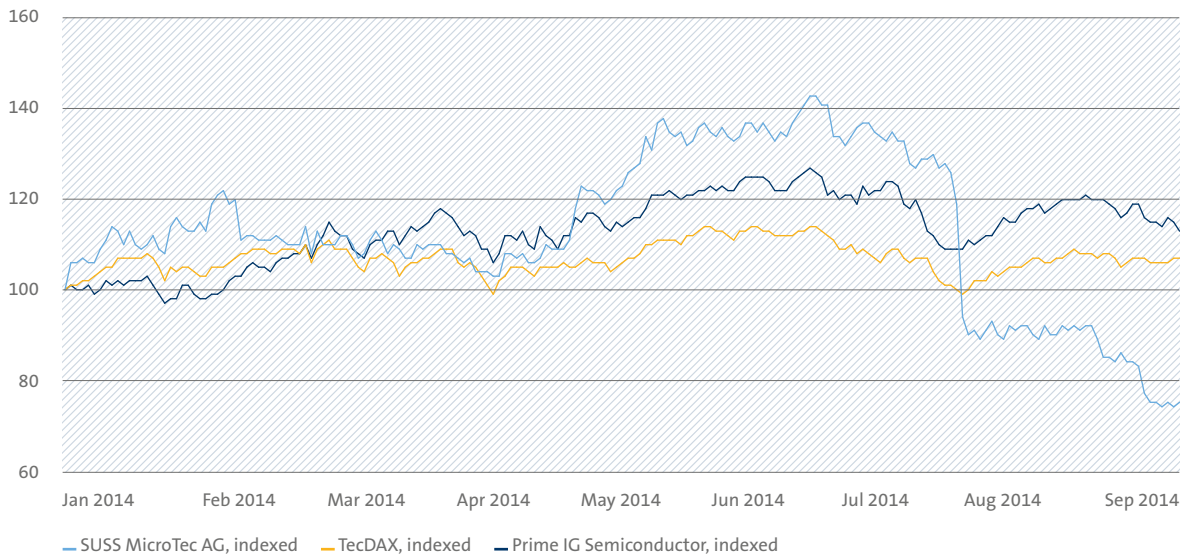
The average daily trading volume of SUSS MicroTec shares on all German stock exchanges in the first nine months of 2014 amounted to approximately 104,000 shares (9M 2013: average daily trading volume of approximately 97,000 shares).

SUSS MICROTEC SHARE PERFORMANCE IN 2014

OWNERSHIP INFORMATION AS OF SEPTEMBER 30, 2014



SUSS MICROTEC SHARE PRICE ON JANUARY 2, 2014: € 6.38





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# CONSOLIDATED INTERIM MANAGEMENT REPORT

## BUSINESS DEVELOPMENT

### OVERVIEW

Performance in the third quarter of 2014 was in line with expectations and key figures were within the range of corporate guidance. In the quarterly comparison, order entry amounted to €29.1 million after €34.3 million in the previous year's quarter, representing a decrease of 15.2%. Due to low order entry volume in the months from January to March 2014, sales were €25.6 million in the months from July to September, or 34.2% below the level in the previous year's quarter. EBIT of €-3.3 million in the third quarter was below the EBIT of €1.6 million in the previous year's quarter. Earnings in the third quarter of 2014 included a provision for severance payments of €1.0 million. The corresponding expense is disclosed under administrative costs.

Sales in the first nine months reached €95.0 million, about 1.1% above the level of €94.0 million in the previous year. Order entry of €90.3 million was less than €105.9 million in the previous year. This resulted in order backlog of €82.2 million as of the reporting date of September 30, 2014.

Earnings before interest and taxes (EBIT) of €0.1 million were above the €-13.2 million of the previous year's quarter. EBIT for the first three quarters of 2013 included an extraordinary effect of €-6.0 million from refocusing the Permanent Bonding product line. The extraordinary effect primarily included value adjustments for demonstration equipment and inventories and capitalized development costs from the years prior to 2008.

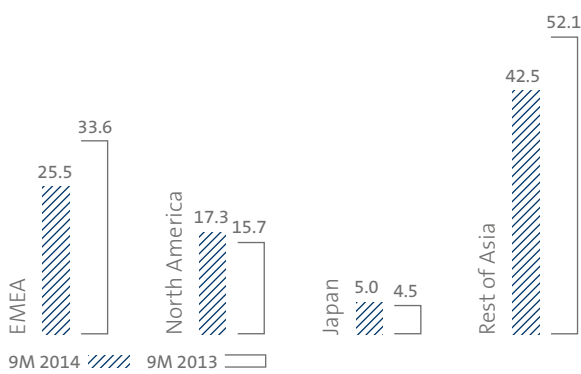
Net liquidity was €31.8 million as of the reporting date. Free cash flow before the inclusion of securities sales/purchases and extraordinary effects from M&A activities came to €-4.1 million in the first nine months of the year.

### ORDERS POSITION AND SALES BY REGION

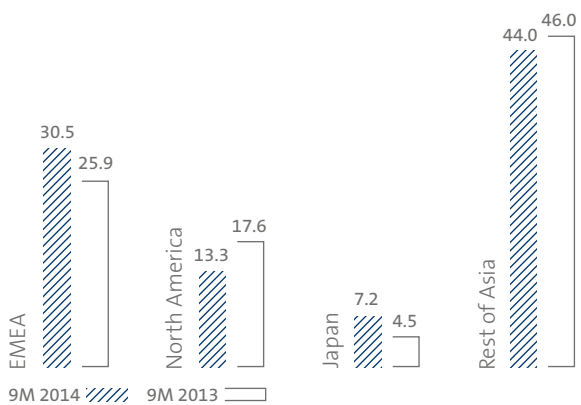
In the first nine months of 2014, the regions of North America and Japan both reported double-digit increases in order entry. The number of orders received increased in North America by 10.2% and in Japan by 11.1%. In the first three quarters, the two high-sales regions of Europe and Rest of Asia reported declines in order entry of 24.1% and 18.4%, respectively.

Regional sales displayed uneven development in the first nine months of 2014. While sales in Europe and Japan rose significantly, North America and Rest of Asia recorded a decline in sales volume related to the reporting date.

ORDER ENTRY BY REGION in € million



SALES BY REGION in € million



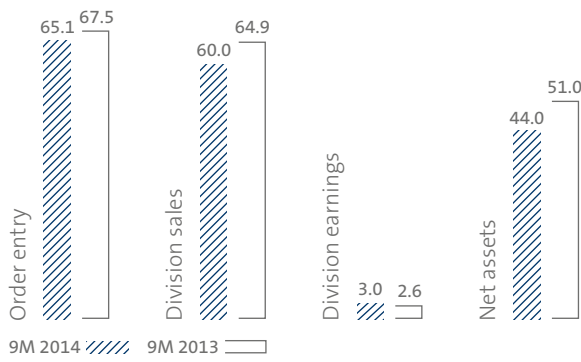
**BUSINESS DEVELOPMENT IN THE INDIVIDUAL DIVISIONS**

**Lithography**

The Lithography division comprises the development, manufacture, and sale of the Mask Aligner, Developer, and Coater product lines, as well as laser technology and UV projection lithography. These product lines are developed and produced in Germany at the locations in Garching and Sternenfels and in the USA in Corona, California.

The Lithography division recorded a slight decline in order entry in the first nine months of the 2014 fiscal year. Order entry of € 65.1 million was 3.6% below its total of € 67.5 million in the previous year. Division sales in the first three quarters of 2014 amounted to € 60.0 million after € 64.9 million in the previous year. Division earnings increased from € 2.6 million to € 3.0 million.

**LITHOGRAPHY DIVISION OVERVIEW in € million**

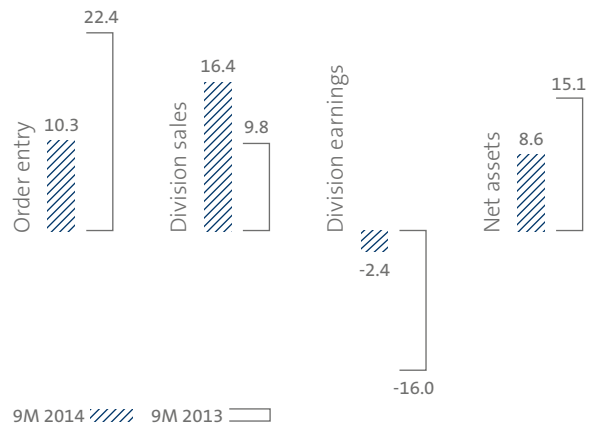


**Substrate Bonder**

The Substrate Bonder division comprises the development, production, and sale of the Substrate (Wafer) Bonder product line and is located at our site in Sternenfels (Germany).

In the first three quarters of 2014, the Substrate Bonder division recorded a decline in order entry from the previous year's period, reaching an amount of € 10.3 million after € 22.4 million in the previous period. In the first nine months, sales rose from € 9.8 million in the same period of the previous year to € 16.4 million. Division earnings improved to € -2.4 million (9M 2013: € -16.0 million). However, earnings in the first half of 2013 included an extraordinary effect of € -6.0 million from refocusing the Permanent Bonding product line.

**SUBSTRATE BONDER DIVISION OVERVIEW in € million**

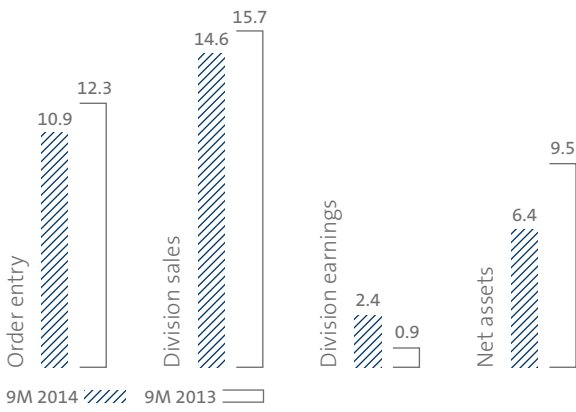


**Photomask Equipment**

The Photomask Equipment division comprises the development, manufacture, and sale of the HMx, ASx, MaskTrack, and MaskTrack Pro product lines. The development and production of specialized systems for the cleaning and processing of photomasks for the semiconductor industry are also conducted at the Sternenfels site in Germany.

In the first nine months of 2014, the Photomask Equipment division recorded order entry of €10.9 million (9M 2013: €12.3 million) and lower division sales of €14.6 million (9M 2013: €15.7 million). Division earnings improved to €2.4 million in the first nine months (9M 2013: €0.9 million).

*PHOTOMASK EQUIPMENT DIVISION OVERVIEW in € million*

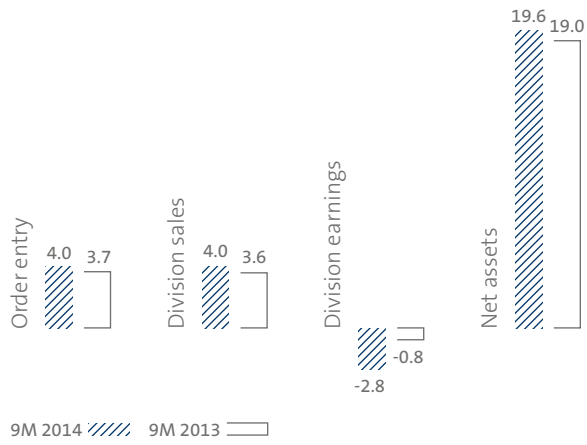


**Others**

The Others division comprises Micro-optics activities at the Hauterive, Switzerland, location, the C4NP business, and costs for central Group functions that generally cannot be attributed to the main divisions.

In the first three quarters of 2014, division sales increased from the previous year to €4.0 million, while order entry rose to €4.0 (previous year: €3.7 million). Division earnings of €-2.8 million were below €-0.8 million in the previous year. Earnings in the third quarter of 2014 included a provision for severance payments of €1.0 million. The corresponding expense is disclosed under administrative costs. In addition, a one-time amount of €1.0 million from the reversal of value adjustments for receivables was disclosed under other operating income in the third quarter.

*OTHERS DIVISION OVERVIEW in € million*



# FINANCIAL REPORT

of SUSS MicroTec AG

## CONSOLIDATED STATEMENT OF INCOME (IFRS)

in € thousand	07/01/2014– 09/30/2014	07/01/2013– 09/30/2013	01/01/2014– 09/30/2014	01/01/2013– 09/30/2013
Sales	25,611	38,927	95,038	93,950
Cost of sales	-17,751	-26,411	-64,816	-74,622
<b>Gross profit</b>	<b>7,860</b>	<b>12,516</b>	<b>30,222</b>	<b>19,328</b>
Selling costs	-3,986	-4,262	-12,385	-12,991
Research and development costs	-2,523	-2,465	-7,375	-7,792
Administration costs	-4,321	-3,742	-10,856	-11,242
Other operating income	1,384	829	3,267	2,486
Other operating expenses	-1,674	-1,122	-2,743	-3,022
<b>Analysis of net income from operations (EBIT)</b>				
EBITDA (Earnings before Interest and Taxes, Depreciation and Amortization)	-2,144	2,783	3,277	-8,272
Depreciation and amortization of tangible assets, intangible assets and investments in subsidiaries	-1,116	-1,029	-3,147	-4,961
<b>Net income from operations (EBIT)</b>	<b>-3,260</b>	<b>1,754</b>	<b>130</b>	<b>-13,233</b>
Financial income	68	75	253	425
Financial expenses	-133	-142	-412	-324
<b>Financial result</b>	<b>-65</b>	<b>-67</b>	<b>-159</b>	<b>101</b>
<b>Profit or loss before taxes</b>	<b>-3,325</b>	<b>1,687</b>	<b>-29</b>	<b>-13,132</b>
Income taxes	417	-506	-870	2,666
<b>Net profit or loss</b>	<b>-2,908</b>	<b>1,181</b>	<b>-899</b>	<b>-10,466</b>
Thereof equity holders of SUSS MicroTec AG	-2,908	1,181	-899	-10,466
Thereof non-controlling interests	0	0	0	0
<b>Earnings per share (basic)</b>				
Earnings per share in €	-0.16	0.06	-0.05	-0.55
<b>Earnings per share (diluted)</b>				
Earnings per share in €	-0.16	0.06	-0.05	-0.55

## STATEMENT OF COMPREHENSIVE INCOME (IFRS )

in € thousand	01/01/2014–09/30/2014	01/01/2013–09/30/2013
<b>Net profit or loss</b>	<b>-899</b>	<b>-10,466</b>
<b>Items that will not be reclassified to profit and loss</b>		
Remeasurements on defined benefit pension plans	0	3
Deferred taxes	0	0
<b>Other comprehensive income after tax for items that will not be reclassified to profit and loss</b>	<b>0</b>	<b>3</b>
<b>Items that will be reclassified subsequently to profit and loss</b>		
Fair value fluctuations of available for sale securities	-6	-190
Foreign currency adjustment	2,068	-1,217
Cash flow hedges	-145	147
Deferred taxes	49	12
<b>Other comprehensive income after tax for items that will be reclassified to profit and loss</b>	<b>1,966</b>	<b>-1,248</b>
<b>Total income and expenses recognized in equity</b>	<b>1,966</b>	<b>-1,245</b>
<b>Total income and expenses reported in the reporting period</b>	<b>1,067</b>	<b>-11,711</b>
Thereof equity holders of SUSS MicroTec AG	1,067	-11,711
Thereof non-controlling interests	0	0

## CONSOLIDATED BALANCE SHEET (IFRS )

ASSETS in € thousand	09/30/2014	12/31/2013
<b>Non-current assets</b>	<b>46,609</b>	<b>46,995</b>
Intangible assets	4,370	4,517
Goodwill	15,478	15,318
Tangible assets	20,409	20,906
Tax refund claims	47	65
Other assets	559	522
Deferred tax assets	5,746	5,667
<b>Current assets</b>	<b>125,516</b>	<b>132,872</b>
Inventories	68,646	71,133
Trade receivables	11,469	11,073
Other financial assets	211	320
Securities	25,952	2,072
Tax refund claims	593	721
Cash and cash equivalents	16,383	45,059
Other assets	2,262	2,494
<b>» Total assets</b>	<b>172,125</b>	<b>179,867</b>

<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b> in € thousand	<b>09/30/2014</b>	<b>12/31/2013</b>
<b>Equity</b>	<b>110,499</b>	<b>109,432</b>
Total equity attributable to shareholders of SUSS MicroTec AG	110,499	109,432
Subscribed capital	19,116	19,116
Reserves	93,072	93,971
Accumulated other comprehensive income	-1,689	-3,655
<b>Non-current liabilities</b>	<b>13,491</b>	<b>14,613</b>
Pension plans and similar commitments	3,809	3,760
Provisions	36	62
Financial debt	9,350	10,280
Other financial liabilities	263	496
Deferred tax liabilities	33	15
<b>Current liabilities</b>	<b>48,135</b>	<b>55,822</b>
Provisions	4,606	5,939
Tax liabilities	761	651
Financial debt	1,188	1,191
Other financial liabilities	6,182	6,366
Trade payables	4,338	5,563
Other liabilities	31,060	36,112
<b>» Total liabilities &amp; shareholders' equity</b>	<b>172,125</b>	<b>179,867</b>



# 16 CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

in € thousand	01/01/2014–09/30/2014	01/01/2013–09/30/2013
Net profit or loss (after taxes)	-899	-10,466
Amortization of intangible assets	1,133	3,097
Depreciation of tangible assets	2,014	1,864
Profit or loss on disposal of intangible and tangible assets	59	-2
Profit or loss on disposal of available-for-sale securities	0	4
Change of reserves on inventories	1,443	3,531
Change of reserves for bad debts	-855	1,342
Non-cash income from the reversal of provisions	-506	-9
Other non-cash effective income and expenses	369	334
Change in inventories	2,307	-8,490
Change in trade receivables	1,448	4,554
Change in other assets	304	-1,043
Change in pension provisions	49	-262
Change in trade payables	-1,288	-710
Change in down payments received	-4,648	14,184
Change in other liabilities and other provisions	-2,763	-3,204
Change of tax refund claims and tax liabilities	-98	-3,233
<b>» Cash flow from operating activities</b>	<b>-1,931</b>	<b>1,491</b>

in € thousand	01/01/2014–09/30/2014	01/01/2013–09/30/2013
Disbursements for the purchase of the real estate in Garching (land and buildings)	0	-8,939 <sup>1</sup>
Disbursements for tangible assets	-1,374	-2,041
Disbursements for intangible assets	-789	-399
Purchases of current available-for-sale securities	-24,914	-11,963
Proceeds from redemption of available-for-sale securities	1,028	7,097
<b>Cash flow from investing activities</b>	<b>-26,049</b>	<b>-16,245</b>
Repayment of bank loans	-930	-180
Change in current bank liabilities	0	-97
Change in other financial debt	-3	-8
<b>Cash flow from financing activities</b>	<b>-933</b>	<b>-285</b>
Adjustments to funds caused by exchange-rate fluctuations	237	-335
<b>Change in cash and cash equivalents</b>	<b>-28,676</b>	<b>-15,374</b>
<b>Funds at beginning of the year</b>	<b>45,059</b>	<b>25,192</b>
<b>Funds at end of the period</b>	<b>16,383</b>	<b>9,818</b>
Cash flow from operating activities includes		
Interest paid during the period	319	99
Interest received during period	285	518
Tax paid during the period	1,083	1,202
Tax refunds during the period	88	0

<sup>1</sup> This number includes the real estate purchase price of 8,600 thousand € as well as ancillary costs of 339 thousand €.

## CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY (IFRS)

in € thousand	Subscribed capital	Additional paid-in capital	Earnings reserve	Retained earnings
<b>As of 01/01/2013</b>	19,116	97,614	433	11,896
Net income / loss				-10,466
Total income and expenses recognized in equity				
Total comprehensive income / loss				-10,466
<b>As of 09/30/2013</b>	19,116	97,614	433	1,430
<b>As of 01/01/2014</b>	19,116	97,614	433	-4,076
Net income / loss				-899
Total income and expenses recognized in equity				-899
Total comprehensive income / loss				
<b>As of 09/30/2014</b>	19,116	97,614	433	-4,975

Accumulated other comprehensive income							Total equity attributable to shareholders of SUSS MicroTec AG	Non-controlling interests	Equity
Items that will not be reclassified to profit and loss		Items that will be reclassified to profit and loss in later periods							
Remeasurements on defined benefit pension plans	Deferred taxes	Foreign currency adjustment	Cash flow hedges	Fair value fluctuations of available-for-sale securities	Deferred taxes				
-1,242	327	-768	-505	248	73	127,192	0	127,192	
						-10,466	0	-10,466	
3	0	-1,217	147	-190	12	-1,245	0	-1,245	
3	0	-1,217	147	-190	12	-11,711	0	-11,711	
-1,239	327	-1,985	-358	58	85	115,481	0	115,481	
-1,331	333	-2,425	-342	30	80	109,432	0	109,432	
						-899		-899	
0	0	2,068	-145	-6	49	1,966		1,966	
0	0	2,068	-145	-6	49	1,067	0	1,067	
-1,331	333	-357	-487	24	129	110,499	0	110,499	

## SEGMENT REPORTING (IFRS)

### SEGMENT INFORMATION BY BUSINESS SEGMENT

in € thousand	Lithography		Substrate Bonder		Photomask Equipment	
	9M/2014	9M/2013	9M/2014	9M/2013	9M/2014	9M/2013
External Sales	59,971	64,926	16,404	9,791	14,619	15,655
Internal Sales	0	0	0	0	0	0
<b>Total Sales</b>	<b>59,971</b>	<b>64,926</b>	<b>16,404</b>	<b>9,791</b>	<b>14,619</b>	<b>15,655</b>
Result per segment (EBIT)	2,992	2,593	-2,448	-15,994	2,388	924
Income before taxes	2,947	2,496	-2,451	-15,994	2,384	919
Significant non-cash items	-825	467	162	-6,759	594	-1,087
<b>Segment assets</b>	<b>73,978</b>	<b>77,624</b>	<b>12,487</b>	<b>32,492</b>	<b>12,684</b>	<b>12,012</b>
thereof Goodwill	15,478	15,352	0	0	0	0
Unallocated assets						
<b>Total assets</b>						
<b>Segment liabilities</b>	<b>-29,998</b>	<b>-26,577</b>	<b>-3,859</b>	<b>-17,378</b>	<b>-6,277</b>	<b>-2,536</b>
Unallocated liabilities						
<b>Total liabilities</b>						
Depreciation and amortisation	1,457	1,598	257	2,007	126	249
thereof scheduled	1,457	1,598	257	851	126	249
thereof impairment loss	0	0	0	1,156	0	0
Capital expenditure	713	343	155	66	267	131
Workforce at 09/30	406	410	99	108	100	103

### SEGMENT INFORMATION BY REGION

in € thousand	Sales		Capital expenditure		Assets (without Goodwill)	
	9M/2014	9M/2013	9M/2014	9M/2013	9M/2014	9M/2013
EMEA	30,539	25,910	1,996	11,251	69,233	104,635
North-America	13,282	17,621	80	49	16,573	18,258
Japan	7,201	4,513	61	4	908	1,710
Rest of Asia	44,016	45,906	26	75	2,977	2,162
Consolidation effects	0	0	0	0	15,203	526
<b>» Total</b>	<b>95,038</b>	<b>93,950</b>	<b>2,163</b>	<b>11,379</b>	<b>104,894</b>	<b>127,291</b>

Other		Consolidation effects		Total	
9M/2014	9M/2013	9M/2014	9M/2013	9M/2014	9M/2013
4,044	3,578	-	-	95,038	93,950
3,554	4,196	-3,554	-4,196	0	0
<b>7,598</b>	<b>7,774</b>	<b>-3,554</b>	<b>-4,196</b>	<b>95,038</b>	<b>93,950</b>
-2,802	-756	-	-	130	-13,233
-2,909	-553	-	-	-29	-13,132
-1,051	-81	-	-	-1,120	-7,460
<b>21,223</b>	<b>20,515</b>	-	-	<b>120,372</b>	<b>142,643</b>
0	0	-	-	15,478	15,352
				51,753	35,503
				172,125	178,146
-1,593	-1,563	-	-	-41,727	-48,054
				-19,899	-14,611
				-61,626	-62,665
1,307	1,107	-	-	3,147	4,961
1,307	1,107	-	-	3,147	3,805
0	0	-	-	0	1,156
1,028	10,839	-	-	2,163	11,379
53	52	-	-	658	673

# SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM REPORT

of SUSS MicroTec AG as of September 30, 2014

## 1. GENERAL ACCOUNTING POLICIES

The consolidated financial statements of SUSS MicroTec AG as of December 31, 2013, have been 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 September 30, 2014, 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 AG as of December 31, 2013. In the interim financial statements as of September 30, 2014, the same accounting methods were applied as in the consolidated financial statements for the 2013 fiscal year.

All of the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) in effect as of September 30, 2014 have been applied.

For additional information about specific accounting and measurement methods, please see the consolidated financial statements of SUSS MicroTec AG as of December 31, 2013.

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 AG 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, 2013, there were no changes to the scope of consolidation.

## 3. MANDATORY DISCLOSURES

The securities held as available for sale recognized in the statement of financial position include – as in the previous year – corporate and government bonds as well as commercial papers with a term of up to three months. The securities have been measured at market prices. Any fluctuations in the market price are recognized in accumulated other comprehensive income and therefore do not affect profit and loss.

In the third quarter of 2014, provisions of €1.0 million were made for severance payments. The corresponding expense is disclosed under administrative costs.

In July 2014, a part of the earn-out liability that resulted from the acquisition of Tamarack/USA in the 2012 fiscal year was paid to the sellers. Due to the current earnings situation and planned sales of SUSS MicroTec Photonic Systems Inc. (previously: Tamarack Scientific Inc.) for the coming months, SUSS MicroTec assumes that no further earn-out payments are due to the sellers. The remaining earn-out provision was reversed as of September 30, 2014. This resulted in other operating income of €0.3 million.



In addition, other operating income included €1.0 million in income from the reversal of value adjustments for trade receivables. Of the impaired receivables as of December 31, 2013 (€ 490 thousand as of December 31, 2013 from receivables related to the restructuring of the Permanent Bond Cluster area and € 645 thousand from a trade receivable of SUSS MicroTec Photomask Equipment), by September 30, 2014 approximately €1.0 million was paid by the customers. In exchange, the lump-sum value adjustment on receivables as of September 30, 2014 had to be increased by €0.4 million. This addition to the value adjustment was disclosed under other operating expenses.

Financial expense includes €28 thousand in interest cost from the compounding of noncurrent financial liabilities, which resulted from the acquisitions of Tamarack / USA (100% acquisition) and SUSS MicroOptics / Switzerland (15% acquisition) in the 2012 fiscal year.

Other 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.

#### **4. CHANGE IN PRESENTATION**

No changes in presentation have been made; the presentation of the consolidated financial statements of SUSS MicroTec AG as of September 30, 2014, is analogous to the presentation as of December 31, 2013.

#### **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 which is expected for the entire fiscal year.

SUSS MicroTec AG currently assumes that the annual income tax rate will deviate from the expected tax rate of approximately 28%. The primary reason for this is that the losses accrued by foreign subsidiaries cannot be capitalized.

Otherwise there are no changes requiring disclosure which 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. There were no substantial changes in contingent liabilities since the previous reporting date of December 31, 2013.

## 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:

in € thousand	9M/2014	9M/2013
Profit/loss which accrue to shareholders of SUSS MicroTec AG	-899	-10,466
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 € from continuing operations – basic –	-0.05	-0.55
Earnings per share in € from continuing operations – diluted –	-0.05	-0.55

## 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, November 5, 2014

The Management Board



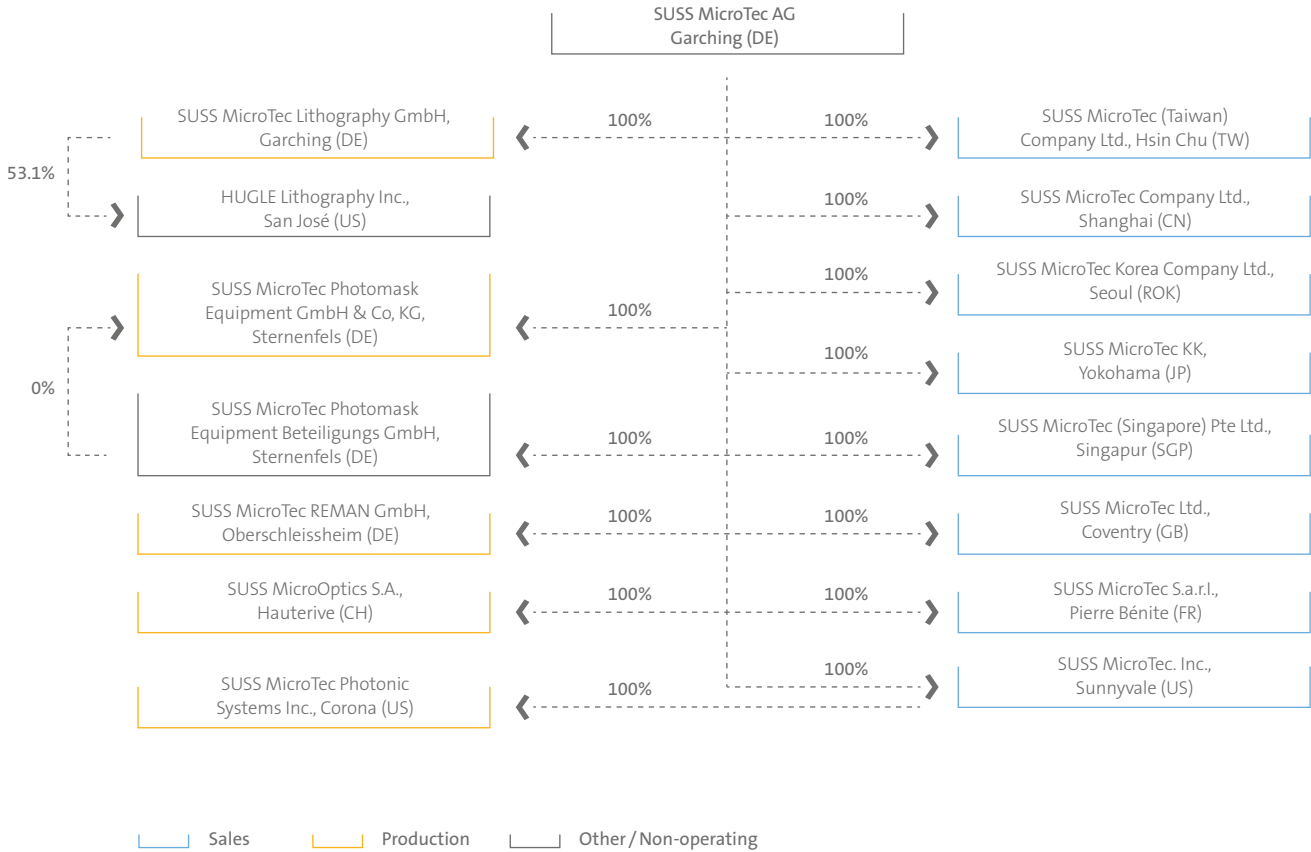
**Michael Knopp**  
Chief Financial Officer,  
Spokesperson for the Management Board



**Walter Braun**  
Chief Operating Officer

# LEGAL STRUCTURE

of SUSS MicroTec Group



## FINANCIAL CALENDAR 2015

Annual Report 2014	March 30
Quarterly Report 2015	May 7
Shareholders' Meeting, Haus der Bayerischen Wirtschaft, Munich	June 2
Interim Report 2015	August 6
Nine-month Report 2015	November 5

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