

Interim Report 2016

January 1 – June 30



Key Figures

in € million	Q2 / 2016	Q2 / 2015	Change	6M / 2016	6M / 2015	Change
Business development						
Order entry	39.2	41.2	-4.9%	69.3	69.7	-0.6%
Order backlog as of June 30	–	–	–	117.7	91.4	28.8%
Total sales	41.4	28.1	47.3%	69.0	55.1	25.2%
Sales margin	-1.4%	-7.4%	6.0%-points	-4.5%	-8.3%	3.8%-points
Gross profit	12.7	9.4	35.1%	21.6	18.2	18.7%
Gross margin	30.7%	33.5%	-2.8%-points	31.3%	33.0%	-1.7%-points
Cost of sales	28.7	18.8	52.7%	47.4	36.9	28.5%
R & D costs	3.5	3.2	9.4%	6.8	6.4	6.2%
EBITDA	1.9	-0.8	–	1.0	-1.9	–
EBITDA margin	4.6%	-2.8%	7.4%-points	1.4%	-3.4%	4.9%-points
EBIT	0.9	-1.7	–	-1.0	-3.9	-74.4%
EBIT margin	2.2%	-6.0%	8.2%-points	-1.4%	-7.1%	5.6%-points
Earnings after tax	-0.6	-2.1	-71.4%	-3.1	-4.6	-32.6%
Earnings per share (in €)	-0.03	-0.11	-72.7%	-0.16	-0.24	-33.3%
Balance sheet and cash flow						
Equity	–	–	–	115.1	114.3	0.7%
Equity ratio	–	–	–	63.5%	66.9%	-3.4%-points
Return on equity	-0.5%	-1.8%	1.3%-points	-2.7%	-4.0%	1.3%-points
Balance sheet total	–	–	–	181.4	170.9	6.1%
Net Cash	–	–	–	28.1	25.6	9.8%
Free cash flow ¹	0.9	-7.7	–	-12.0	-13.2	-9.1%
Further key figures						
Investments	0.8	0.6	33.3%	1.3	1.4	-7.1%
Investment ratio	1.9%	2.1%	-0.2%-points	1.9%	2.5%	-0.7%-points
Depreciation	1.0	1.1	-9.1%	2.0	2.1	-4.8%
Employees as of June 30	–	–	–	717	683	5.0%

¹ before consideration of purchase or sale of available-for-sale securities



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Introduction by the Management Board

Dear Shareholders,

We look back today on the first half of the 2016 fiscal year. As expected, we succeeded in generating significantly higher sales. While the sales level in the first half of 2015 was still EUR 55.1 million, it was possible to achieve EUR 69.0 million in the first six months of the 2016 fiscal year alone, representing an increase of more than 25 percent. In the first two quarters, order entry was approximately at the level of the previous year, which enables us to report a high order backlog of EUR 117.7 million as of the quarterly reporting date.

Besides striving for economic success, SUSS MicroTec has attempted to align economic thought and action with sustainability issues since its founding as a company. With the development and implementation of the environmentally friendly UV-LED lamp house concept for mask aligners, we succeeded in the second quarter in taking an important step toward the preservation of resources and the protection of the environment. The innovative UV-LED light source has a much longer service life than the previously used mercury vapor lamp. Moreover, the time and energy-intensive warm-up and cool-down phases are no longer needed in the production process – the LED light source is only switched on during the actual exposure process. Both factors contribute substantially to lower energy consumption.

In the second quarter, we enlarged our technology portfolio further. With the LI series, we introduced a new surface laser imager to the market. This technology is not only important for photo resist patterning, but also for lithography mask production, micro-ablation, and high-resolution metrology. This highly flexible technology is outstandingly suited for the various requirements of academic and industrial research and development.

In conclusion, we would like to mention here the market launch of the MA/BA Gen4 series. This new generation of semi-automated mask and bond aligner features improved capabilities in alignment accuracy, ergonomic design, and lower cost of ownership. With the launch of the fourth generation, SUSS MicroTec is counting on an innovative platform system. The main application areas for SUSS MicroTec's MA/BA Gen4 series are full-field lithography for the MEMS as well as the compound semiconductor and academic markets.

The First Half of the Year in Figures

Order entry was EUR 69.3 million in the first half of 2016, compared to EUR 69.7 million in the previous year. Corporate sales of EUR 69.0 million in the first half of the year were significantly above the previous year's level of EUR 55.1 million. Accordingly, the order backlog as of June 30, 2016 amounted to EUR 117.7 million (June 30, 2015: EUR 91.4 million).

In the first half of the year, the Company's largest division, Lithography, recorded substantial growth in sales of more than 50 percent to EUR 56.1 million (previous year: EUR 36.6 million). The Bonder division showed a lower contribution to sales of EUR 4.0 million (previous year: EUR 5.1 million). This corresponds to a decrease of approximately 22 percent. The Photomask Equipment division reported lower sales of EUR 4.6 million (previous year: EUR 9.7 million) in the first half of 2016 due to the reporting date. Sales of EUR 4.3 million in the Others division rose from the previous year (previous year: EUR 3.6 million).

Despite the substantial increase in sales from the previous year, it was not possible to generate a positive EBIT in the first half of 2016. EBIT in the second quarter of 2016 was burdened by a negative contribution to margin and earnings resulting from the sales recognition of the first projection scanners from the large order in 2015. Earnings before interest and taxes (EBIT) of EUR -1.0 million were higher than the EUR -3.9 million of the previous year. The gross profit margin for the SUSS MicroTec Group declined slightly in the first half of the year to 31.3 percent (H1 2015: 33.0 percent).

Earnings after taxes (EAT) amounted to EUR -3.1 million, compared with EUR -4.6 million in the previous year. The basic earnings per share (EPS) totaled EUR -0.16 (previous year: EUR -0.24).

Free cash flow totaled EUR -12.0 million in the first half of the year (previous year: EUR -13.2 million). As of June 30, 2016, the SUSS MicroTec Group therefore had a net liquidity of EUR 28.1 million (June 30, 2015: EUR 25.6 million).



From left to right: Michael Knopp, Chief Financial Officer; Dr. Per-Ove Hansson, Chief Executive Officer; Walter Braun, Chief Operating Officer

Outlook

After a modest start into the 2016 financial year, the Management Board expects an order entry in the second half of 2016 in the bandwidth of EUR 80 to 90 million. Previously the Management Board had assumed a more pronounced recovery in the order situation over the first half of 2016. The reason for the reduced expectations is the generally difficult market situation. Moreover, the Company did not receive any orders from new customers for the UV-projection scanners from SUSS MicroTec Photonic Systems so far.

Due to the expected order intake situation in the second half of 2016 and the expected order backlog at year-end 2016, the Management Board expects sales in fiscal 2017, to be in the range of EUR 160 million.

For the current year, the Company reiterates the guides for sales to come in between EUR 170 and 180 million (previous year: EUR 148.5 million). The operating result (EBIT) is expected to be in the bandwidth of EUR 9 to 13 million (previous year: EUR 5.0 million).

Garching, Germany, August 2016

Dr. Per-Ove Hansson
Chief Executive Officer

Michael Knopp
Chief Financial Officer

Walter Braun
Chief Operating Officer

Investor Relations

After a successful year for stocks in 2015, the SUSS MicroTec share performed very well in the first quarter of 2016 and was able to increase from a closing price of EUR 7.79 at the beginning of the year by 14.8 percent to EUR 8.94 as of March 31, 2016. Clearly the announcement of the Deutsche Boerse from March 3, 2016, that the shares of SUSS MicroTec AG are listed again in the TecDAX, the technology index of the German stock exchange, had a positive effect on the share price performance. In the second quarter, the stock price's performance was initially very positive. Fluctuating around EUR 9.50 in April, it remained significantly higher than at the beginning of the year. However, a reversal of the trend began upon publication of the figures for the first quarter of 2016. Despite the positive outlook for the second quarter and the full year of 2016, the share could not escape a downward trend that has continued until today. At the end of the second quarter, the stock price was EUR 6.77, which is 13.1 percent below the value at the beginning of the year. During the same period, the TecDAX benchmark index also fell by 193 points (approximately 13 percent) from the beginning of 2016.

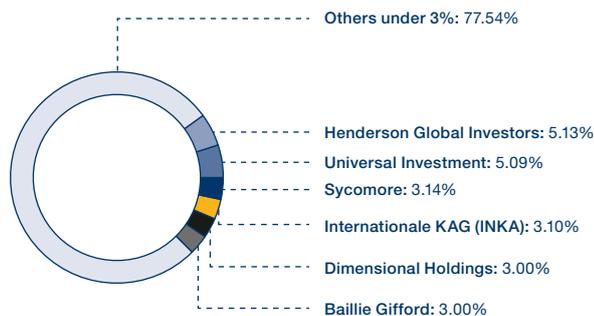
The average daily trading volume of SUSS MicroTec shares on the German Xetra and Frankfurt stock exchanges in the first half of 2016 amounted to approximately 190 thousand (H1 2015: average daily trading volume of approximately 168 thousand shares).

2016 Shareholders' Meeting

On June 15, 2016, the ordinary Shareholders' Meeting was held at the Haus der Bayerischen Wirtschaft (House of the Bavarian Economy) in Munich. In total, approximately 70 shareholders, shareholder and bank representatives, and guests joined the Company at the meeting in Munich. Thus 29.3 percent of the Company's equity capital was present. Besides the resolution on the discharge of liability for the members of the Management and Supervisory Board as well as the appointment of the auditor and Group auditor, a resolution on the approval of the remuneration system of the Management Board was made. The shareholders of the Company approved all of the resolution proposals presented by the Management Board and the Supervisory Board at this year's ordinary Shareholders' Meeting.

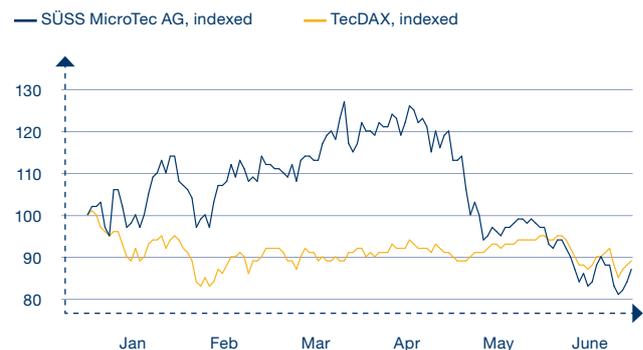
In his report, Chief Executive Officer Dr. Per-Ove Hansson discussed the key developments and results of the past fiscal year and the first quarter of 2016 and confirmed the outlook for the entire 2016 fiscal year.

Ownership information as of June 30, 2016



SUSS MicroTec share performance in 2016

SUSS MicroTec share price on January 4, 2016: € 7.79



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Group Interim Management Report

of SUSS MicroTec AG

Overview Of The Business Development

In the first half of 2016, the Company generated order entry of € 69.3 million, a slight decrease of 0.6% from the previous year (previous year: € 69.7 million). Sales of € 69.0 million in the first half of 2016 were 25.2% above the previous year's level (H1 2015: € 55.1 million). The order backlog as of June 30, 2016 thus amounted to € 117.7 million (June 30, 2015: € 91.4 million). Earnings before interest and taxes (EBIT) of € -1.0 million were higher than the € -3.9 million of the previous year. Despite the substantial increase in sales from the previous year, it was not possible to generate a positive EBIT in the first half of 2016. EBIT in the second quarter of 2016 was burdened by a negative contribution to margin and earnings resulting from the sales recognition of the first projection scanners from the large order in 2015.

In the first half of 2016, it was possible to record a substantial contribution to sales from the projection scanner product line for the first time since the acquisition of the technologies of SUSS MicroTec Photonic Systems in 2012. Contrary to initial expectations, SUSS MicroTec received the final customer acceptance of several DSC300 Gen2 projection scanners from the large order of an international semiconductor manufacturer already in June 2016, and so was able to recognize the sales ahead of expectations in the second quarter of 2016. However, the first projection scanners that were delivered had a negative margin,

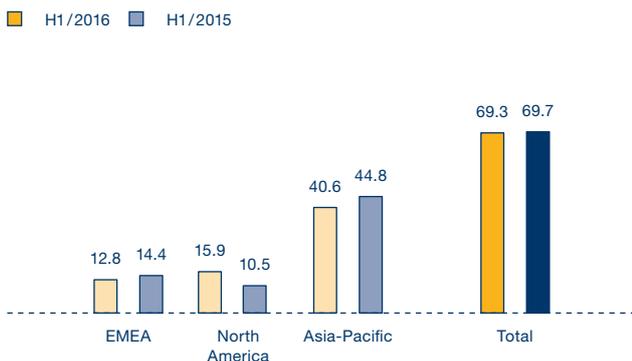
which weighed on both earnings and margin in the Lithography division as well as the Group EBIT. The remaining projection scanners will be recognized in sales over the course of the second half of the year.

Orders Position and Sales by Region

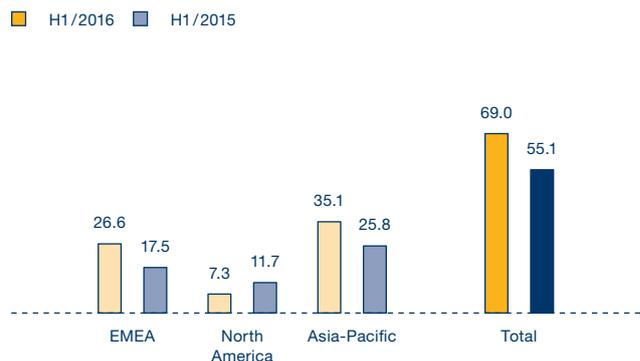
In the first half of 2016, only the region of North America recorded an increase in order entry. This resulted in a significant increase of 51.4% from the previous year. The EMEA region recorded a decline of approximately 11.1%, while the Asia-Pacific region registered a decline of 9.4%.

However, regional sales mostly displayed increases in the first half of the year. While only the region of North America recorded a decrease of approximately 37.7%, EMEA and Asia-Pacific booked increases of 51.9% and 36.0%, respectively.

Order Entry by Region in € million



Sales by Region in € million



Business Development in the Individual Divisions

LITHOGRAPHY

The Lithography division includes the development, manufacture, and sale of the mask aligner, UV projection scanner, 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).

The Lithography division recorded a decrease in order entry in the first six months of the 2016 fiscal year. Order entry of € 47.8 million was 11.3% below its good total of € 53.9 million in the previous year. Division sales in the first half of 2016 amounted to € 56.1 million after € 36.6 million in the first half of the previous year. The gross profit margin declined from 32.2% to 31.2%. The reason for this was the negative gross profit margin of several projection scanners, for which the final acceptance by the customer was recognized in sales in June 2016. However, division earnings increased from € -1.5 million to € 3.6 million due to the significantly higher level of sales.

Lithography Division Overview

in € million	H1 / 2016	H1 / 2015
Order entry	47.8	53.9
Division sales	56.1	36.6
Division earnings	3.6	-1.5
Net assets	56.3	54.9

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 integration.

In the first half of 2016, the Bonder division recorded an increase in order entry from the previous year's period, reaching € 4.2 million after € 3.4 million a year earlier. In the first six months, sales fell from € 5.1 million in the previous year to € 4.0 million. The gross profit margin declined from 26.0% to 18.3%. Division earnings were € -2.1 million (H1 2015: € -1.7 million).

Bonder Division Overview

in € million	H1 / 2016	H1 / 2015
Order entry	4.2	3.4
Division sales	4.0	5.1
Division earnings	-2.1	-1.7
Net assets	4.8	8.4

PHOTOMASK EQUIPMENT

The Photomask Equipment division, which is located at the Sternenfels site near Stuttgart, 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 2016, the Photomask Equipment division recorded positive order entry of € 11.8 million (H1 2015: € 9.2 million). However, segment sales fell from € 9.7 million to € 4.6 million. The gross profit margin in this division declined from 35.6% to 31.8%. Division earnings declined accordingly to a negative amount of € -0.8 million in the first half of the year (H1 2015: € 1.0 million).

Photomask Equipment Division Overview

in € million	H1 / 2016	H1 / 2015
Order entry	11.8	9.2
Division sales	4.6	9.7
Division earnings	-0.8	1.0
Net assets	7.8	5.2

OTHERS

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

In the first two quarters of 2016, division sales increased from the previous year to € 4.3 million, while order entry also rose to € 5.5 million (previous year: € 3.2 million). Division earnings of € -1.7 million were at the level of the previous year.

Others Division Overview

in € million	H1 / 2016	H1 / 2015
Order entry	5.5	3.2
Division sales	4.3	3.6
Division earnings	-1.7	-1.7
Net assets	20.6	20.7

Cost of Sales and Gross Profit

In the first half of 2016, the entire gross profit of all product lines amounted to € 21.6 million after € 18.2 million in the first half of the previous fiscal year. The average gross profit margin decreased from 33.0% in the same period of the previous year to 31.3%. The reduced average gross profit margin was primarily attributable to a negative contribution to the margin by the projection scanner product line of SÜSS MicroTec Photonic Systems. In the first half of 2016, SÜSS MicroTec Photonic Systems obtained final acceptances for several projection scanners of the type DSC300 Gen2. As a result, corresponding sales could be recognized for part of the underlying large order. Due to the one-time expenses that arose as well as increased production costs, which arose at SÜSS MicroTec Photonic Systems in connection with the short-term expansion of production capacities, sales for the first part of the large order had a negative margin. Overall, the large order of an internationally leading semiconductor manufacturer, which encompasses several projection scanners of the type DSC300 Gen2 with a sales volume in the double-digit million euro range, will achieve a negative margin. Revenue recognition for the remaining part of the large order will occur in the second half of 2016.

Other Expenses and Income

Administration costs of the Company increased slightly in the first half of 2016, totaling € 6.8 million (first half of 2015: € 6.5 million). The growth of selling costs was disproportionately low relative to sales, totaling € 9.3 million (first half of 2015: € 8.2 million).

Research and development costs increased further to € 6.8 million after € 6.4 million in the comparable period of the previous year. Additional new hires were made in the first half of 2016; in addition, the area of research and development increasingly resorted to external service providers and partners. Increased personnel capacity for research and development gives SÜSS MicroTec the opportunity to expand its activities in this area further.

Other operating income totaled € 1.7 million after € 2.0 million in the first half of 2015. Of that amount, € 0.8 million related to foreign currency gains (first half of 2015: € 1.5 million).

Other operating expenses of € 1.5 million included foreign currency losses of € 0.9 million and additions to value adjustments for receivables of € 0.4 million. In the first half of the previous year, other operating expenses amounted to € 3.0 million. Of this amount, € 2.0 million was attributed to foreign currency losses and € 0.3 million to additions to value adjustments for receivables. In addition, in the previous year provisions of € 0.5 million were formed for the relocation of SÜSS MicroTec, Inc. from the former site in Sunnyvale, USA to Corona, USA.

Financial Result and Taxes

The financial result in the first half of 2016 amounted to € -0.6 million, reflecting interest income and expenses. In the second quarter of 2016, a bank loan of € 3.6 million, which served to finance the company property in Sternenfels, was repaid early. The interest rate swap with a matching term and amount, which was concluded in connection with this loan, was closed out. Previously, hedge accounting was used to account for this interest rate swap: Instead of recognizing changes in the market value of the interest rate swap in the statement of income, they were disclosed in accumulated other comprehensive income. As of December 31, 2015, the interest rate swap had a negative fair value of € 0.4 million. With the closing out of the swap, the negative fair value, which was previously disclosed in accumulated other comprehensive income, was recognized as interest expense. As a result, the financial result of the first half of 2016 was burdened with one-time expenses of € 0.4 million. Extensive commentary on the early redemption of the loan and the closing out of the swap is found under point 3 of the explanatory notes. In the previous year, the financial result totaled € -0.1 million.

In the first half of 2016, a tax expense of € 1.6 million was recognized. This resulted in a consolidated tax rate that significantly deviated from the average consolidated tax rate of approximately 28%. 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 Japan and the USA. In the previous year, a tax expense of € 0.6 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 € 11.9 million when compared with December 31, 2015 to € 28.1 million.

Before consideration of securities purchases and sales, free cash flow of € -12.0 million was negative in the first half of the year. One reason for this was negative cash flow from operating activities of € -10.7 million. Another was that investments led to a negative cash flow from investing activities, which amounted to € -1.3 million in the first half of 2016. In the first half of 2015, free cash flow was also negative at € -13.2 million.

In the first half of 2016, cash flow from operating activities totaled € -10.7 million. It was affected in part by negative current earnings of € -3.1 million. Furthermore, the strong build-up of inventory led to cash outflows of approximately € 21.7 million. As of June 30, 2016, the Group shows a larger inventory of tools, which have already been delivered to end customers but for which final acceptance and therefore revenue recognition are still outstanding. Additional cash outflows resulted from payments made to suppliers, payouts of employee bonuses, and advance tax payments. However, the significant increase in customer down payments led to cash inflows of € 19.0 million.

Cash flow from investing activities totaled € -1.3 million. The largest investments in the first half of 2016 involved expansions of production capacity at SUSS MicroTec Photonic Systems Inc. (Corona, USA) as well as new acquisitions of hardware and operating and office equipment at the sites in Garching, Sternenfels, and Hauterive (SMO).

Cash flow from financing activities amounted to € -4.1 million and indicates the scheduled repayment of the bank loan that served to finance the property in Garching as well as the early, complete settlement of the loan that was intended to finance the property in Sternenfels.

As of December 31, 2015, the loan for financing the property in Garching had a loan status of € 5.5 million. In the first half of 2016, € 0.5 million was repaid on schedule.

As of December 31, 2015, the loan for financing the property in Sternenfels had a loan status of € 3.6 million. The loan agreement concluded on May 25–28, 2010 between SUSS MicroTec AG and Volksbank Bruchsal-Bretten eG set a term until June 30, 2020. Due to the performance of market interest rates and the high amount of cash and cash equivalents in the SUSS MicroTec Group, SUSS MicroTec AG decided to redeem the loan early. As of June 30, 2016, the entire outstanding loan amount of € 3.6 million was repaid. Detailed information on the early redemption of the loan and the related impact on earnings is found under point 3 of the explanatory notes.

The Group's cash and cash equivalents denominated in foreign currencies are primarily held by foreign Group companies. Their net value increased by approximately € 0.1 million as a result of being exchanged into euros on June 30, 2016. The effect of the valuation was recognized without effect on profit and loss in other comprehensive income.

Besides cash and cash equivalents of € 33.1 million (December 31, 2015: € 49.1 million), the Group had credit and guarantee lines of € 7.8 million as of the half-year reporting date, which were predominantly secured in line with banking practice and were not bound to financial covenants. The utilization of these credit lines amounted to € 0.5 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. Thus, the Group has sufficient funds at its disposal to finance the operational business.

Assets Position

Noncurrent assets totaled € 42.3 million as of the half-year reporting date and were thus approximately € 1.1 million lower than on December 31, 2015.

Current assets of the Group rose by € 5.3 million from € 133.8 million (December 31, 2015) to € 139.1 million as of the half-year reporting date.

As of June 30, 2016, the disclosed amount of inventories increased significantly. As of the half-year reporting date, the gross amount of inventories totaled € 109.2 million, approximately € 21.3 million higher than as of December 31, 2015. The sharp increase is primarily attributable to the high inventory of tools, which had already been delivered to end customers as of June 30, 2016 but for which final acceptance (and therefore revenue recognition) was still outstanding. In addition, the inventories of materials and supplies, and unfinished goods increased when compared with December 31, 2015, while the inventories of demonstration equipment decreased. The value adjustments made for inventory have decreased from the end of the previous year, totaling approximately € 18.5 million as of June 30, 2016 (after € 19.2 million as of December 31, 2015). Of this amount, approximately € 11.3 million (December 31, 2015: € 11.0 million) was attributable to write-downs for demonstration equipment.

Trade receivables decreased by € 1.2 million from December 31, 2015 due to the reporting date and amounted to € 11.9 million as of mid-year.

The negative cash flow generated in the first half of the year led to a sharp decline in the level of cash and cash equivalents, which still amounted to € 33.1 million as of June 30, 2016 (after € 49.1 million as of December 31, 2015). As of June 30, 2016 – as on December 31, 2015 – the portfolio did not include any securities. However, in the first six months of the current fiscal year, securities were periodically acquired for approximately € 37.0 million with available cash and cash equivalents and then redeemed. The securities that were acquired and then redeemed involved commercial papers with a remaining term of up to three months.

The shareholders' equity of the SÜSS MicroTec Group has decreased since December 31, 2015 by € 3.6 million to € 115.1 million. The equity ratio declined from 67.0% to 63.5%.

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

Noncurrent liabilities decreased from € 13.1 million to € 9.4 million. The decline primarily resulted from the scheduled repayment of the loan that served to finance the property in Garching as well as the early, complete settlement of the loan that was intended to finance the property in Sternenfels. The repayment amount of the "Garching" loan amounted to € 0.5 million in the first half of 2016. The complete, early repayment of the "Sternenfels" loan came to € 3.6 million, of which € 3.4 million was disclosed as noncurrent financial debt as of December 31, 2015. Detailed information on the early redemption of this loan is found under point 3 of the explanatory notes.

In the first half of 2016, current liabilities grew significantly by € 11.5 million to € 56.9 million. The development of received customer down payments, which rose from € 18.2 million as of the end of 2015 to € 37.2 million, accounted for the majority of the increase. Trade payables decreased due to the reporting date from € 8.5 million as of December 31, 2015 to € 4.5 million. However, tax liabilities, which still amounted to € 3.3 million as of the end of 2015, declined to € 1.8 million due to tax payments. In addition, other financial liabilities of € 4.7 million were much lower than on December 31, 2015, when € 6.5 million were still recognized. The major factors here were lower obligations for premiums and commissions. In addition, due to the closing out of the interest rate swap, which related to the Sternenfels loan that was repaid early, it was no longer necessary to disclose any negative fair value. As of December 31, 2015, the negative fair value of the interest rate swap still amounted to € 0.4 million.

Group Employees

As of June 30, 2016, the Group had 717 employees within the individual companies (June 30, 2015: 683 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 2015 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 and our assessment.

On June 23, 2016, the majority of citizens of the United Kingdom voted to leave the European Union. This will have no tangible impact on SUSS MicroTec. In 2015, customers in the UK accounted for less than 1% of SUSS MicroTec's sales.

OPERATIONAL OPPORTUNITIES AND RISKS

In the 2015 Annual Report, we cited as operational opportunities the strong market position of our mask aligner and coater/developer product lines, with which we achieve stable sales and high margins. Furthermore, we discussed opportunities for the restructured Bonder division. 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 2016, there were no substantial changes to these outlined opportunities and our assessment.

In the 2015 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 both for permanent and temporary bonding. In the first half of 2016, nothing changed in the fundamental risk structure and our assessment of these specified risks.

For the UV projection lithography and laser processing product lines, we discussed in the 2015 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. In this context, we discussed the success of SUSS MicroTec Photonic Systems in winning a large order for several projection scanners of type DSC300 Gen2. In the meantime, the tools have been delivered to the customer and are intended for serial production in the fan-out wafer-level packaging growth segment. Sales have already been realized for a portion of the tools in the second quarter of 2016. Final acceptance and therefore revenue recognition for the remaining tools is expected to occur in the second half of 2016. Compared to conventional projection steppers, the DSC300 Gen2 offers comparable capabilities with respect to resolution

and overlay, combined with higher throughput and thus lower costs. After the successful product and technology qualification at a leading manufacturer in the semiconductor industry, we had hoped for additional orders with substantial order volumes. The Company did not receive any orders from new customers for the UV-projection scanners from SUSS MicroTec Photonic Systems so far.

Since the acquisition in March 2012, the 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. Again in 2016, we anticipate a large negative contribution to earnings from the UV projection scanner product line despite much higher sales with several DSC300 Gen2 units. The product line Laser processing will also display negative earnings in 2016. A positive contribution to earnings can be achieved only if it is possible to win substantial order volumes and realize significantly higher sales. However, since the beginning of 2016, both product lines were not able to generate any relevant order entry.

DEVELOPMENT-SPECIFIC OPPORTUNITIES AND RISKS

In the 2015 Annual Report, we expressed our intention to expand development activities above all for the mask aligner and coater/developer product lines as well as for the Photo-mask Equipment division. Accordingly, once again in the first half of 2016, we hired additional employees for our development departments but also increasingly resorted to external service providers and partners. As a result, development expenses continued to increase in the first two quarters of 2016 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 2016.

OTHER OPPORTUNITIES AND RISKS

In the 2015 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 2016.

RISK MANAGEMENT SYSTEM

The risk management system described in the 2015 Annual Report continued to be used in the first half of 2016.

Subsequent Events

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

REPORT ON MATERIAL TRANSACTIONS WITH RELATED PARTIES

In the first half of 2016 and the 2015 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 internal and external factors that both the Company and leading market and industry observers regard as essential for the development of the Company.

OVERALL MACROECONOMIC CONDITIONS

In June 2016, the Organization for Economic Cooperation and Development (OECD) lowered its growth forecast for the world economy by 0.3 percentage points for both 2016 and 2017 – to 3.0 percent for this year and 3.3 percent for next year. In addition, the OECD assumes that this year the economy will grow by 1.6 percent in the eurozone, by 1.8 percent in the USA, and by 6.5 percent in China.

According to the three research institutes ifo, INSEE, and ISTAT, the Brexit referendum has only slightly dimmed the growth outlook for the euro currency zone (July 2016). The research institutes expect 0.4 percent growth for the third quarter and 0.3 percent growth for the fourth quarter. Although the short-term negative impact should be limited, the medium-term impact depends very heavily on new agreements between the UK and the EU.

As recently as June 2016, the ifo Institute increased its growth forecast for the current fiscal year in Germany to 1.8 percent. In the spring forecast together with other institutes it had expected only 1.6 percent. Overall, the first half of the year went better than expected. In the run-up to the Brexit referendum, the mood in the German economy had once again improved significantly. The ifo Business Climate Index rose from 107.8 points in May to 108.7 points in June.

INDUSTRY-SPECIFIC CONDITIONS

Semiconductor Industry

In the 2015 fiscal year, the market volume for the entire semiconductor market was US\$ 334.8 billion, compared with US\$ 342.6 billion in the previous year (Source: Gartner, April 2016). The primary reasons for the decline were lower sales for smartphones, tablets, and PCs. For the 2016 fiscal year, Gartner was still optimistic in October 2015, anticipating growth of the overall market to US\$ 344.1 billion. According to the current estimates as of April 2016, Gartner now expects another slight decline in market volume to approximately US\$ 333 billion in 2016. The justification remains ever weakening growth expectations in the area of smartphones and tablet computers. Offsetting stimulus comes from the areas of wearables and the Internet of Things. These application areas are still in the emerging stage and so far cannot compensate for the decline in high-volume applications.

As has been shown in recent years, the precision of the forecast is very limited due to the special features and pronounced cyclical nature of the semiconductor sector. In this respect, the resulting discussions represent estimates made on the basis of information available at the current time, but they do not guarantee that the forecasts will actually materialize.

Semiconductor Equipment Industry

The entire semiconductor equipment market demonstrated extreme volatility in the period from 2010 to 2015. Positive growth rates of approximately 9 percent in 2011 were followed by significant declines of 15 percent and 14 percent in 2012 and 2013, respectively, followed by renewed growth of approximately 18 percent in 2014. The outlook for 2016 is rather subdued. Accordingly, growth of 1.1 percent is anticipated in the semiconductor equipment sector. As a result, in 2016 the semiconductor equipment market could grow to approximately US\$ 36.9 billion from US\$ 36.5 billion in 2015 (Source: SEMI industry association, July 2016).

EXPECTED DEVELOPMENT IN THE MAJOR MARKETS

Microelectromechanical Systems

The market for microelectromechanical systems (MEMS) has demonstrated a rapid development pace so far. According to estimates by the Yole Développement market research institute, the entire MEMS market had a total volume of approximately US\$ 5 billion in 2000. In 2014, it had already grown to US\$ 11.1 billion and Yole expects a market volume of more than US\$ 24 billion by 2020 (Source: Yole 2016). The unit volume growth of individual MEMS components is much higher, but due to pricing pressure and new designs the market volume is growing more slowly than unit volume. In particular, applications for pressure and gas sensors for smartphones, the automotive sector, and wearables are expected to gain in significance.

It also has to be taken into consideration that in the equipment sector the growth in machinery will be significantly less than the unit volume growth due to efficiency gains, increases in throughput and yield, and the trend to greater wafer diameters.

Advanced Packaging and 3D Integration

Today the concept of advanced packaging encompasses a variety of technologies, such as wafer level packaging (WLP), where the respective touchdowns already occur while the individual chips are still located on the wafer. In addition, there are the subforms fan-in and fan-out WLP, flip chip bonding, wafer-level chip-scale packaging, and both 2.5D and 3D integration. SUSS MicroTec is particularly active in this field with its lithographic and temporary bonding solutions.

In the area of packaging and assembly, a decline in investment in equipment of 5.0 percent from the previous year is expected in 2016. Only in the 2017 fiscal year is positive growth of 4.0 percent expected again in this area (Source: SEMI, July 2016).

Compound Semiconductors (LED)

The market for compound semiconductors (LED) currently plays a subordinate role for SUSS MicroTec.

ENDOGENOUS INDICATORS

Cooperative agreements with respected universities, research institutes, and technology-driven companies are an important part of our corporate strategy. As in the past, cooperation with research facilities accounted for an important part of our business success in the first half of 2016.

STATEMENT ON THE PROJECTED DEVELOPMENT OF THE GROUP

After a modest start into the 2016 financial year, the Management Board expects an order entry in the second half of 2016 in the bandwidth of EUR 80 to 90 million. Previously the Management Board had assumed a more pronounced recovery in the order situation over the first half of 2016. The reason for the reduced expectations is the generally difficult market situation. Moreover, the Company did not receive any orders from new customers for the UV-projection scanners from SÜSS MicroTec Photonic Systems so far.

Due to the expected order intake situation in the second half of 2016 and the expected order backlog at year-end 2016, the Management Board expects sales in fiscal 2017, to be in the range of EUR 160 million.

For the current 2016 fiscal year, the Company continues to anticipate Group sales in the range of € 170–180 million (previous year: € 148.5 million) and EBIT of € 9–13 million (previous year: € 5.0 million).

FORWARD-LOOKING STATEMENTS

This Interim Report contains information and forecasts that refer to the future developments of the SÜSS 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 2016

The Management Board



Dr. Per-Ove Hansson
Chief Executive Officer



Michael Knopp
Chief Financial Officer



Walter Braun
Chief Operating Officer

Financial Report

of SUSS MicroTec AG

Consolidated Statement of Income (IFRS)

in € thousand	04/01/2016– 06/30/2016	04/01/2015– 06/30/2015	04/01/2016– 06/30/2016	04/01/2015– 06/30/2015
Sales	41,378	28,105	68,990	55,052
Cost of sales	-28,671	-18,742	-47,414	-36,890
Gross profit	12,707	9,363	21,576	18,162
Selling costs	-4,785	-4,223	-9,262	-8,244
Research and development costs	-3,482	-3,182	-6,780	-6,355
Administration costs	-3,316	-3,154	-6,758	-6,548
Other operating income	544	485	1,671	2,041
Other operating expenses	-723	-1,042	-1,462	-2,980
Analysis of net income from operations (EBIT):				
EBITDA (Earnings before interest and taxes, depreciation and amortization)	1,933	-727	958	-1,869
Depreciation and amortization of tangible assets, intangible assets and financial assets	-988	-1,026	-1,973	-2,055
Net income from operations (EBIT)	945	-1,753	-1,015	-3,924
Financial income	17	53	51	170
Financial expenses	-75	-108	-603	-283
Financial result	-58	-55	-552	-113
Profit / loss before taxes	887	-1,808	-1,567	-4,037
Income taxes	-1,524	-291	-1,576	-569
Net profit / loss	-637	-2,099	-3,143	-4,606
thereof equity holders of SUSS MicroTec AG	-637	-2,099	-3,143	-4,606
thereof non-controlling interests	0	0	0	0
Earnings per share (basic)				
Earnings per share in €	-0.03	-0.11	-0.16	-0.24
Earnings per share (diluted)				
Earnings per share in €	-0.03	-0.11	-0.16	-0.24

Statement of Comprehensive Income (IFRS)

in € thousand	01/01/2016–06/30/2016	01/01/2015–06/30/2015
Net profit / loss	-3,143	-4,606
Items that will not be reclassified to profit and loss		
Remeasurements on defined benefit pension plans	0	0
Deferred taxes	0	0
Other comprehensive income after tax for items that will not be reclassified to profit and loss	0	0
Items that will be reclassified to profit and loss in later periods		
Fair value fluctuations of available-for-sale securities	0	-12
Foreign currency adjustment	-743	2,776
Cash flow hedges	410	70
Deferred taxes	-115	-16
Other comprehensive income after tax for items that will be reclassified to profit and loss in later periods	-448	2,818
Total income and expenses recognized in equity	-448	2,818
Total income and expenses reported in the reporting period	-3,591	-1,788
thereof equity holders of SÜSS MicroTec AG	-3,591	-1,788
thereof non-controlling interests	0	0

Consolidated Balance Sheet (IFRS)

Assets in € thousand	06 / 30 / 2016	12 / 31 / 2015
Noncurrent assets	42,271	43,402
Intangible assets	3,792	4,266
Goodwill	15,722	15,772
Tangible assets	20,017	20,263
Tax refund claims	34	37
Other assets	616	611
Deferred tax assets	2,090	2,453
Current assets	139,120	133,804
Inventories	90,686	68,719
Trade receivables	11,883	13,093
Other financial assets	103	221
Securities	0	0
Tax refund claims	774	414
Cash and cash equivalents	33,080	49,085
Other assets	2,594	2,272
Total assets	181,391	177,206

<i>Liabilities & Shareholders' Equity</i> in € thousand	06 / 30 / 2016	12 / 31 / 2015
Equity	115,149	118,740
Total equity attributable to shareholders of SUSS MicroTec AG	115,149	118,740
Subscribed capital	19,116	19,116
Reserves	95,666	98,809
Accumulated other comprehensive income	367	815
Noncurrent liabilities	9,365	13,108
Pension plans and similar commitments	5,362	5,144
Provisions	3	11
Financial debt	4,000	7,920
Other financial liabilities	0	33
Current liabilities	56,877	45,358
Provisions	2,216	2,362
Tax liabilities	1,830	3,327
Financial debt	1,006	1,186
Other financial liabilities	4,748	6,545
Trade payables	4,549	8,472
Other liabilities	42,528	23,466
Total liabilities and shareholders' equity	181,391	177,206

Consolidated Statement of Cash Flows (IFRS)

in € thousand	01 / 01 / 2016 – 06 / 30 / 2016	01 / 01 / 2015 – 06 / 30 / 2015
Net profit/loss (after taxes)	-3,143	-4,606
Amortization of intangible assets	630	656
Depreciation of tangible assets	1,343	1,399
Profit / loss on disposal of intangible and tangible assets	0	30
Change of reserves on inventories	-663	1,913
Change of reserves for bad debts	373	184
Other non-cash effective income and expenses	-156	220
Change in inventories	-21,740	-15,467
Change in trade receivables	981	843
Change in other assets	-209	-1,872
Change in pension provisions	218	255
Change in trade payables	-3,890	874
Change in down payments received	19,029	6,256
Change in other liabilities and other provisions	-1,938	-2,714
Change of tax refund claims and tax liabilities	-1,491	298
Cash flow from operating activities	-10,656	-11,731

in € thousand	01/01/2016–06/30/2016	01/01/2015–06/30/2015
Disbursements for tangible assets	-1,144	-819
Disbursements for intangible assets	-194	-614
Purchases of current securities	0	-15,973
Proceeds from redemption of available-for-sale securities	0	1,000
Cash flow from investing activities	-1,338	-16,406
Repayment of bank loans	-4,100	-680
Change in current bank liabilities	0	6
Cash flow from financing activities	-4,100	-674
Adjustments to funds caused by exchange rate fluctuations	89	696
Change in cash and cash equivalents	-16,005	-28,115
Funds at the beginning of the year	49,085	47,309
Funds at the end of the period	33,080	19,194
Cash flow from operating activities includes:		
Interest paid during the period	578	194
Interest received during the period	56	182
Tax paid during the period	3,135	442
Tax refunds during the period	1	180

Consolidated Statement of Shareholders' Equity (IFRS)

in € thousand	<i>Subscribed capital</i>	<i>Additional paid-in capital</i>	<i>Earnings reserve</i>	<i>Retained earnings</i>
<hr/>				
<hr/>				
<hr/>				
As of January 1, 2015	19,116	97,614	433	537
Net income/loss				-4,606
Total income and expenses recognized in equity				
Total comprehensive income/loss				-4,606
As of June 30, 2015	19,116	97,614	433	-4,069
As of January 1, 2016	19,116	97,614	433	762
Net income/loss				-3,143
Total income and expenses recognized in equity				
Total comprehensive income/loss				-3,143
As of June 30, 2016	19,116	97,614	433	-2,381

<i>Accumulated other comprehensive income</i>						<i>Total equity attributable to shareholders of SÜSS MicroTec AG</i>	<i>Non-controlling interests</i>	<i>Equity</i>
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			
-2,313	532	493	-486	11	133	116,070	0	116,070
						-4,606		-4,606
0	0	2,776	70	-12	-16	2,818		2,818
0	0	2,776	70	-12	-16	-1,788	0	-1,788
-2,313	532	3,269	-416	-1	117	114,282	0	114,282
-2,845	697	3,258	-410	0	115	118,740	0	118,740
						-3,143		-3,143
0	0	-743	410	0	-115	-448		-448
0	0	-743	410	0	-115	-3,591	0	-3,591
-2,845	697	2,515	0	0	0	115,149	0	115,149

Segment Reporting (IFRS)

The Segment Reporting is part of the notes to the consolidated financial statements.

Segment Information by Business Segment

in € thousand	Lithography		Bonder	
	6M / 2016	6M / 2015	6M / 2016	6M / 2015
External Sales	56,113	36,629	4,028	5,122
Internal Sales	0	0	0	0
Total sales	56,113	36,629	4,028	5,122
Result per segment (EBIT)	3,604	-1,490	-2,118	-1,697
Income before taxes	3,583	-1,498	-2,118	-1,698
Significant non-cash items	520	-1,470	-403	-646
Segment assets	97,309	82,005	9,811	10,555
thereof goodwill	15,722	15,716	0	0
Unallocated assets				
Total assets				
Segment liabilities	-41,040	-27,112	-4,975	-2,109
Unallocated liabilities				
Total liabilities				
Depreciation and amortization	807	889	128	139
thereof scheduled	807	889	128	139
thereof impairment loss	0	0	0	0
Capital expenditure	669	487	73	65
Workforce on June 30	459	429	88	98

Segment Information by Region

in € thousand	Sales		Capital expenditure		Assets (without goodwill)	
	6M / 2016	6M / 2015	6M / 2016	6M / 2015	6M / 2016	6M / 2015
EMEA	26,573	17,497	978	1,311	96,775	86,586
North America	7,312	11,734	331	106	25,540	18,519
Asia and Pacific	35,105	25,821	29	16	4,384	7,209
Consolidation effects	0	0	0	0	-321	-724
Total	68,990	55,052	1,338	1,433	126,378	111,590

<i>Photomask Equipment</i>		<i>Others</i>		<i>Consolidation effects</i>		<i>Total</i>	
<i>6M / 2016</i>	<i>6M / 2015</i>	<i>6M / 2016</i>	<i>6M / 2015</i>	<i>6M / 2016</i>	<i>6M / 2015</i>	<i>6M / 2016</i>	<i>6M / 2015</i>
4,596	9,686	4,253	3,615	-	-	68,990	55,052
0	0	3,414	2,819	-3,414	-2,819	0	0
4,596	9,686	7,667	6,434	-3,414	-2,819	68,990	55,052
-794	963	-1,707	-1,700	-	-	-1,015	-3,924
-795	960	-2,237	-1,801	-	-	-1,567	-4,037
381	-86	-208	-371	-	-	290	-2,573
12,967	12,569	22,013	22,177	-	-	142,100	127,306
0	0	0	0	-	-	15,722	15,716
						39,291	43,598
						181,391	170,904
-5,123	-7,362	-1,447	-1,515	-	-	-52,585	-38,098
						-13,657	-18,524
						-66,242	-56,622
72	90	966	937	-	-	1,973	2,055
72	90	966	937	-	-	1,973	2,055
0	0	0	0	-	-	0	0
25	63	571	818	-	-	1,338	1,433
103	101	67	55	-	-	717	683

Selected Explanatory Notes to the Interim Report

of SUSS MicroTec AG as of June 30, 2016

(1) General Accounting Policies

The consolidated financial statements of SUSS MicroTec AG as of December 31, 2015, 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 June 30, 2016, 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, 2015. In the interim financial statements as of June 30, 2016, the same accounting methods were applied as in the consolidated financial statements for the 2015 fiscal year.

All of the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) in effect as of June 30, 2016 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, 2015.

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, 2015, there were no changes to the scope of consolidation.

(3) Mandatory Disclosures

As of December 31, 2015, SUSS MicroTec AG had loan payable of € 3.6 million, which served to finance the company property in Sternenfels. The loan agreement was concluded on May 25–28, 2010, between SUSS MicroTec AG and Volksbank Bruchsal-Bretten eG and had a term until June 30, 2020. Upon conclusion of the agreement, the loan amounted to € 4.5 million and carried a variable interest rate. In order to hedge the interest rate risk, SUSS MicroTec AG simultaneously concluded an interest rate swap with a matching term and amount in 2010, which converted the variable interest rate of the loan into a fixed interest rate. As a result of the interest rate swap, the loan's annual fixed interest rate amounted to 3.98%.

Hedge accounting was used to account for this interest rate swap: Instead of recognizing changes in the market value of the interest rate swap in the statement of income, they were disclosed in accumulated other comprehensive income. As of December 31, 2015, the interest rate swap had a negative fair value of € 0.4 million.

Due to the performance of market interest rates and the high amount of cash and cash equivalents in the SUSS MicroTec Group, SUSS MicroTec AG decided to redeem the loan early. As of June 30, 2016, the entire outstanding loan amount of € 3.6 million was repaid. The swap was closed out in April 2016. As a result, the financial result of the second quarter of 2016 was burdened by expenses of approximately € 0.4 million, which were previously recognized in accumulated other comprehensive income and would have been included in the financial result over a period until June 30, 2020 if the loan and swap had been maintained. With the early redemption of the loan, total savings in interest and taxes of approximately € 0.1 million will be achieved.

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

SUSS MicroTec will no longer report the region of Japan separately due to its diminishing significance relative to other regions. This begins with the first quarter of 2016. Sales generated in Japan, capital expenditure invested there, and consolidated assets in Japan will, from now on, be summarized under the Asia-Pacific region.

No further changes in presentation have been made; the presentation of the consolidated financial statements of SUSS MicroTec AG as of June 30, 2016, is analogous to the presentation as of December 31, 2015.

(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 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 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. There were no substantial changes in contingent liabilities since the previous reporting date of December 31, 2015.

(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	6M / 2016	6M / 2015
Profit/loss which accrue to shareholders of SUSS MicroTec AG	-3,143	-4,606
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 –	-0.16	-0.24
Earnings per share in € – diluted –	-0.16	-0.24

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 4, 2016

The Management Board



Dr. Per-Ove Hansson
Chief Executive Officer



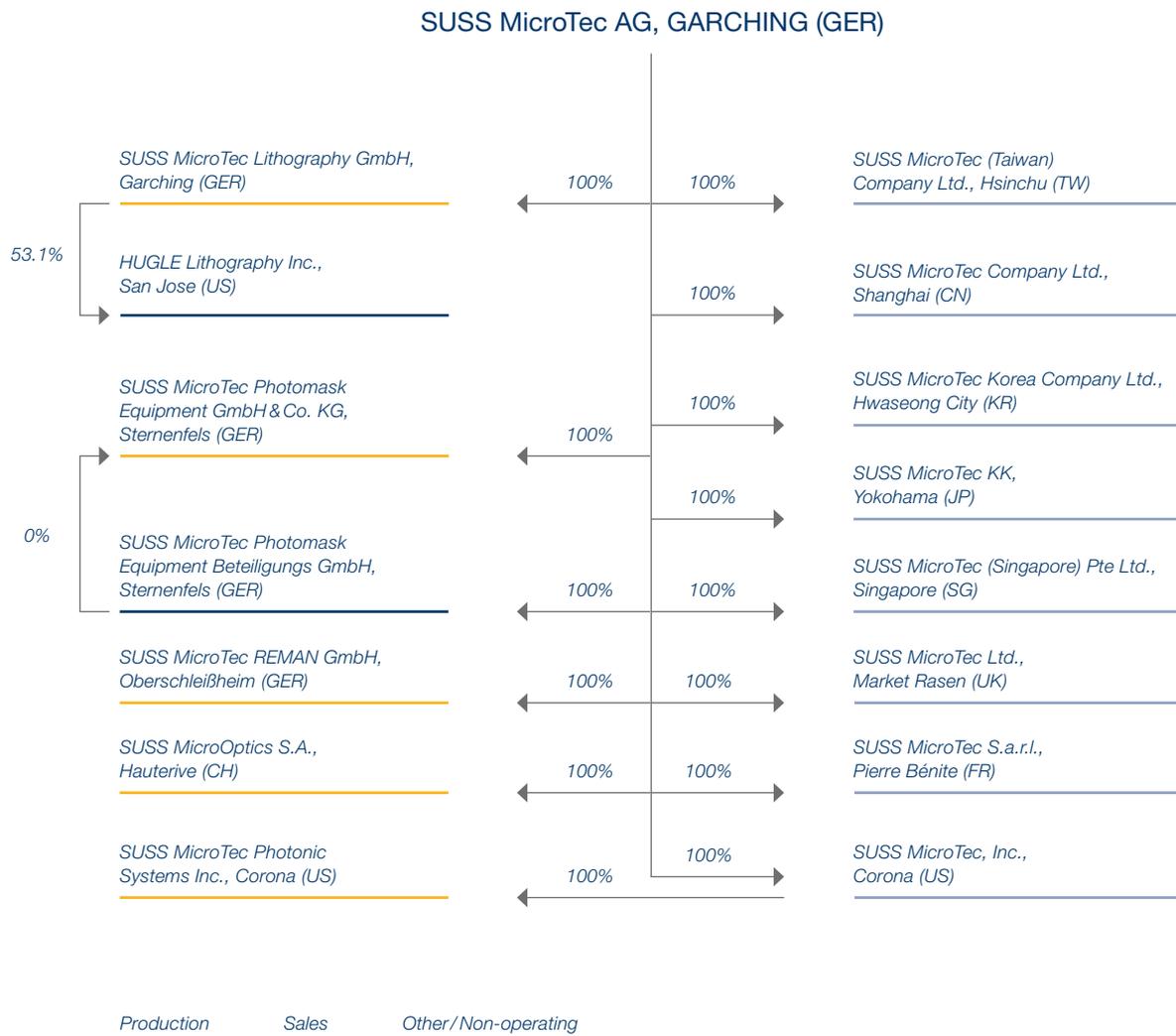
Michael Knopp
Chief Financial Officer



Walter Braun
Chief Operating Officer

Legal Structure

of SUSS MicroTec Group



Financial Calendar 2016

Interim Report 2016	August 5
Nine-Month Report 2016	November 9

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