SÜSS MicroTec

Interim Report 2017

January 1 – June 30

Key Figures

in € million	Q2 / 2017	Q2 / 2016	Change	6 Months / 2017	6 Months / 2016	Change
Business Development						
Order entry	48.4	39.2	23.5 %	94.4	69.3	36.2 %
Order backlog as of June 30				128.8	117.7	9.4 %
Total sales	43.3	41.4	4.6 %	66.3	69.0	-3.9 %
Sales margin	9.0 %	-1.4 %	10.4 % points	-1.1 %	-4.5 %	3.4 % points
Gross profit	18.1	12.7	42.5 %	24.7	21.6	14.4 %
Gross margin	41.8 %	30.7 %	11.1 % points	37.2 %	31.3 %	5.9 % points
Cost of sales	25.2	28.7	-12.2 %	41.6	47.4	-12.2 %
Research and Development costs	4.0	3.5	14.3 %	7.5	6.8	10.3 %
EBITDA	7.4	1.9	> 100.0 %	3.7	1.0	> 100.0 %
EBITDA margin	17.1 %	4.6 %	12.5 % points	5.6 %	1.4 %	4.1 % points
EBIT	6.4	0.9	> 100.0 %	1.6	-1.0	
EBIT margin	14.8 %	2.2 %	12.6 % points	2.4 %	-1.4 %	3.9 % points
Earnings after tax	3.9	-0.6		-0.7	-3.1	-77.4 %
Earnings per share, basic (in €)	0.20	-0.03		-0.04	-0.16	-75.0 %
Balance sheet and cash flow						
Equity				121.7	115.1	5.7 %
Equity ratio				64.3 %	63.5 %	0.8 % points
Return on equity	3.2 %	-0.5 %	3.7 % points	-0.6 %	-2.7 %	2.1 % points
Balance sheet total				189.3	181.4	4.4 %
Net cash				25.0	28.1	-11.0 %
Free cash flow [1]	-1.7	0.9		-5.6	-12.0	-53.3 %
Further key figures						
Investments	0.7	0.8	-12.5 %	1.7	1.3	30.8 %
Investment ratio	1.6 %	1.9 %	-0.3 % points	2.6 %	1.9 %	0.7 % points
Depreciation	1.0	1.0	0.0 %	2.1	2.0	5.0 %
Employees as of June 30				734	717	2.4 %

[1] Before consideration of purchase or sale of available-for-sale securities

Content

Foreword of the Management Board

Dear Shareholders,

The second quarter of 2017 was again characterized by a positive industrial environment and well-filled order books. On July 3, 2017 – shortly after the end of the quarter – we were able to report that order entry in the second quarter had significantly exceeded previous expectations. In the months from April to June 2017, new orders of € 48.4 million were recorded. All three divisions contributed to the positive earnings. All three segments contributed to the good result, especially the bonder and lithography division. Sales in the second quarter of 2017 amounted to € 43.3 million, compared with € 41.4 million in the same quarter of the previous year. EBIT reached a value of € 6.4 million, which corresponds to an EBIT margin of 14.8 percent. All segments of the company contributed to this good result. We would particularly like to take this opportunity to highlight the Bonder segment, which for the first time generated a very good overall contribution in the second quarter with sales of € 4.7 million and an EBIT of € 1.2 million. This resulted in earnings per share for the second quarter of 2017 of € 0.20 (previous year: € -0.03).

Revenues for the first half-year of 2017 were 3.9% below the previous year's level (H1 2016: € 69.0 million) due to the weak first quarter of € 66.3 million. As a result, the order backlog amounted to € 128.8 million as of June 30, 2017 (June 30, 2016: € 117.7 million). Earnings before interest and taxes (EBIT) amounted to € 1.6 million, which is well above the prior-year figure of € -0.1 million. The EBIT margin for the first half of 2017 is 2.4% (previous year: -1.4%). Despite the good second quarter, the EBIT of the half-year 2017 still suffers from the weak result of the first quarter, but shows a clearly positive trend. Earnings after taxes (EAT) rose year-on-year to minus € 0.7 million (previous year: € -3.1 million). Basic earnings per share (EPS) are still slightly negative at half-year and amount to minus € 0.04 (previous year: € -0.16).

In the first half of 2017, two orders from the lithography and bonder segments can be highlighted. In the lithography segment, we were able to obtain a folow-up order for two UV projection scanners DSC300 Gen2. The customer, a leading foundry in Asia, is already using several UV projection scanners for its high-volume production. With the acquisition of two additional tools, which have been in use at the customer’s site as transitional tools since 2016, the customer is securing additional production capacity for this extraordinarily cost-efficient exposure solution. Other customers in the semiconductor industry have already signaled their interest in the next generation of DSC300. The new product generation will be clearly superior to the predecessor model, particularly with respect to throughput and positioning precision.

The market launch of the new generation of DSC300 is expected to take place in the second quarter of 2018. As early as the fourth quarter of 2017, we plan to offer an upgrade version that includes improvements for existing tools. This will enable customers to equip the tools they already use in production.

In addition, we sense movement in the market for temporary bonding systems. Three system orders have already been placed in the 2017 fiscal year. These temporary bonding systems were ordered by an internationally leading integrated device manufacturer (IDM), which is already employing several of the systems in its production. With the current order, the customer is significantly expanding its existing production capacity. The tools are configured for the temporary bonding of 300mm wafers for 3D TSV integration processes in logic and memory applications. SUSS MicroTec currently presumes that there will be a further revival in the area of 3D TSV integration.

The political environment in which we operate remains very fragile. Nevertheless, despite Brexit, protectionist tendencies in the USA and massive riots at the G20 summit, the election results in the Netherlands and France reassure us that the advocates of a unified Europe will remain in the majority. In this economic environment, forecasts remain very positive. This is also reflected in the latest business climate index of the ifo Institute. In June, the ifo business climate index rose from 114.6 to 115.1 points. This once again surpassed the record value from the previous month. The recovery continues to be driven by good domestic business conditions, particularly in construction and private consumption. Additional impetus comes increasingly from industry. For 2017, the ifo Institute expects 1.8 percent growth instead of the 1.5 percent that was forecast previously. In the following year, it should even reach 2.0 percent, whereas the experts previously expected 1.7 percent. The OECD Economic Outlook of June 2017 anticipates growth of 3.5 percent in the current year for the world economy. Last year it was 3.0 percent. Growth in the eurozone is expected to amount to 1.8 percent, while 1.7 percent growth was expected in the previous year.

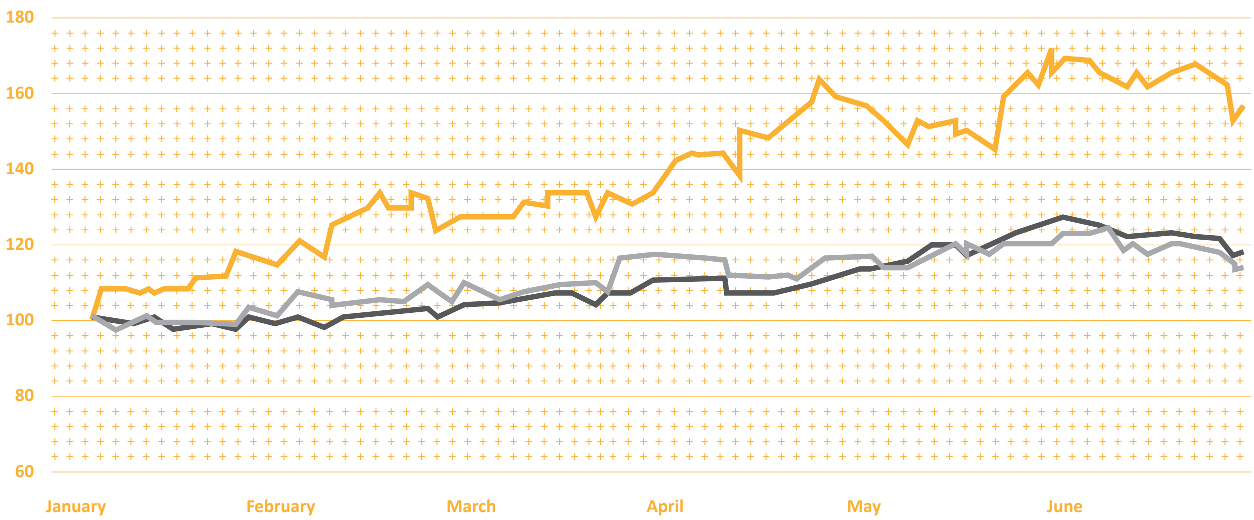
At this point we would like to reaffirm the statement from the first quarter of 2017: After experiencing a varied level of performance for several years, we continue to look forward to the future with confidence and optimism. Nevertheless, we would like to reiterate that even though the foundations have been laid for growth and profitability, our business will remain subject to not insignificant volatility and cyclicity in the future, possibly resulting in noteworthy fluctuations in order entry and sales.

THE SUSS MICROTEC SHARE

The SUSS MicroTec share performed very well in the first quarter of 2017 and was able to increase from a closing XETRA price of € 6.54 at the beginning of 2017 by 33.0 percent to € 8.70 as of March 31, 2017. The positive share performance has continued with unabated speed in the second quarter. Our share broke through the € 10 threshold in April and it was able to rise to just over € 12 by July. The closing price on June 30, 2017 was € 10.29, a gain of approximately 57 percent from the beginning of the year.

The TecDAX and the Prime IG Semiconductor increased in the same period by approximately 19 percent and 14 percent respectively. The average daily trading volume of SUSS MicroTec shares on the German XETRA and Frankfurt stock exchanges in the first half of 2017 amounted to approximately 126 thousand shares (H1 2016: average daily trading volume of approximately 190 thousand shares).

SUSS MICROTEC SHARE PERFORMANCE IN 2017



XETRA closing price of the SUSS MicroTec share on January 2, 2017: € 6.54

SUSS MicroTec AG, indexed
TecDAX, indexed
Prime IG Semiconductor

From left to right:
Dr. Franz Richter, *Chief Executive Officer*
Walter Braun, *Chief Operating Officer*

OUTLOOK

Given the order backlog and the sales generated in the first half of 2017, the required production times for individual tools and the existing production capacities of the Company, we continue to expect sales for the entire 2017 fiscal year in the range from € 170 million to € 180 million. Accordingly, earnings before interest and taxes (EBIT) continue to be projected in the range from € 13 million to € 17 million.

For the third quarter of 2017, we again expect good order entry in the range from € 35 million to € 45 million.

Garching, Germany, August 2017

F. Richter | Braun

Dr. Franz Richter
Chief Executive Officer

Walter Braun
Chief Operating Officer

Group Interim Management Report

of SUSS MicroTec AG

OVERVIEW OF BUSINESS DEVELOPMENT

In the first half of 2017, the Company generated robust order entry of € 94.4 million, an increase of 36.2 percent from the previous year (previous year: € 69.3 million). The high demand for SUSS MicroTec products was attributable in part to generally good market conditions in the semiconductor industry. In addition, the Company was able to score points with important international customers with its innovative solutions, particularly with temporary bonding systems as well as with UV projection scanners. The core area of Lithography with its mask aligners and coaters/developers also recorded full order books in the first half of the year. Demand stems from the end markets of consumer electronics and communications, among other areas.

Taking only the second quarter of 2017 into account, it was possible to record order entry of € 48.4 million (previous year: € 39.2 million). Sales reached € 43.3 million after € 41.4 million in the previous year's quarter. EBIT reached an encouraging € 6.4 million, corresponding to an EBIT margin of 14.8 percent. All of the Company's divisions contributed to these positive earnings. This results in earnings per share of € 0.20 in the second quarter of 2017 (previous year: € -0.03).

Sales of € 66.3 million in the first half of 2017 were 3.9 percent below the previous year's level due to the weak first quarter (H1 2016: € 69.0 million). The order backlog as of June 30, 2017, thus amounted to € 128.8 million (June 30, 2016: € 117.7 million). Consequently, earnings before interest and taxes (EBIT) of € 1.6 million were significantly higher than the € -1.0 million of the previous year. This resulted in an EBIT margin for the first half of 2017 of 2.4 percent (previous year: -1.4 percent). Earnings after taxes (EAT) increased from the previous year to € -0.7 million (previous year: € -3.1 million). Basic earnings per share (EPS) for the first half of the year were still slightly negative at € -0.04 (previous year: € -0.16).

Before taking securities transactions into account, free cash flow at the end of the first half of 2017 amounted to € -5.6 million after € -12.0 million in the previous year. Net liquidity totaled € 25.0 million at the end of the quarter (previous year: € 28.1 million).

ORDERS POSITION AND SALES BY REGION

In the first half of 2017, all important regions except for the North America region recorded a significant increase in order entry. The EMEA region recorded growth of € 12.8 million to € 16.9 million, a gain of approximately 32 percent, while the Asia-Pacific region booked a gain of approximately 66 percent. Order entry increased from € 40.6 million to € 67.4 million. The primary reason for this was higher order entry in the Bonder and Lithography divisions. Order entry in North America decreased from € 15.9 million to € 10.1 million, corresponding to a decline of 36.5 percent.

Regional sales mostly displayed declines in the first half of the year. While only the Asia-Pacific region was higher by approximately 29.9 percent, EMEA and North America booked declines of 47.6 percent and 7.0 percent, respectively.

ORDER ENTRY BY REGION

in € million	**H1 2017**	**H1 2016**
EMEA	16.9	12.8
North America	10.1	15.9
Asia-Pacific	67.4	40.6
Total	**94.4**	**69.3**

SALES BY REGION

in € million	**H1 2017**	**H1 2016**
EMEA	13.9	26.6
North America	6.8	7.3
Asia-Pacific	45.6	35.1
Total	**66.3**	**69.0**

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 strong first half of 2017 in terms of order entry. All product lines contributed to a significant increase in order entry. Of particular note here is a follow-up order for two DSC300 Gen2 UV projection scanners. The customer is already using several UV projection scanners for its high-volume production. In addition, the core mask aligner and coater/developer areas developed very positively, making a significant contribution to the success of the division.

In the first six months of 2017, order entry totaled € 64.7 million after € 47.8 million in the previous year. This was a gain of approximately 35 percent. Given the good market conditions, the coaters/developers and mask aligners in particular recorded significant growth. Division sales in the first half of 2017 amounted to € 43.7 million after € 56.1 million in the previous year, a decline of approximately 22 percent. The figures for the first half of 2016 included significant sales for UV projection scanners, which did not make such a big contribution to sales in the first half of 2017. The gross profit margin remained almost unchanged, declining slightly from 31.2 percent to 31.0 percent. Division earnings decreased from € 3.6 million to € 0.1 million due to lower sales.

LITHOGRAPHY DIVISION OVERVIEW

in € million	H1 2017	H1 2016
Order entry	64.7	47.8
Division sales	43.7	56.1
Division earnings	0.1	3.6
Net assets	60.8	56.3

Bonder

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

The Bonder division had seen declining sales and had made a negative contribution to earnings in recent years, but a reversal in trend manifested itself in the 2016 fiscal year. The new and innovative products have resonated very well with customers, leading to higher order entry and sales. This applies to product lines for both permanent and temporary bonding. In the first half of the year, three temporary bonding systems were ordered by an internationally leading integrated device manufacturer (IDM). With the current order the customer is significantly expanding its existing production capacity. In addition, the permanent bonding area has established a strong footing particularly with the SB6/8 and XB8 and encountered increasing interest in the market.

In the first half of 2017, the Bonder division recorded renewed strong growth in order entry from the previous year's period, reaching € 15.6 million after € 4.2 million a year earlier. The reason for this is the previously discussed revival in the area of temporary bonding. At the same time, sales increased from € 4.0 million in the previous year to € 7.3 million. The gross profit margin improved considerably from 18.3 percent to 52.7 percent. The reason for this high gross profit margin are single orders with an above-average margin from the permanent bonding area. Division earnings reached positive territory, amounting to € 0.5 million at mid-year (previous year: € -2.1 million). This corresponds to an EBIT margin of 7.4 percent (previous year: -52.6 percent).

BONDER DIVISION OVERVIEW

in € million	H1 2017	H1 2016
Order entry	15.6	4.2
Division sales	7.3	4.0
Division earnings	0.5	-2.1
Net assets	9.2	4.8

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 front-end of the semiconductor industry.

The division continues to deliver stable and positive contributions to sales and earnings. In the first half of 2017, the Photomask Equipment division recorded order entry of € 8.1 million (previous year: € 11.8 million). Division sales were € 9.8 million, compared to € 4.6 million a year earlier. The gross profit margin in this division improved from 31.8 percent to 41.2 percent. Division earnings increased from € -0.8 million to € 1.8 million due to significantly higher sales.

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

PHOTOMASK EQUIPMENT DIVISION OVERVIEW

in € million	H1 2017	H1 2016
Order entry	8.1	11.8
Division sales	9.8	4.6
Division earnings	1.8	-0.8
Net assets	7.4	7.8

Others

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

The Others division has developed very dynamically once again and was able to expand its share of sales and earnings compared to the previous year through its innovative products. In the first two quarters of 2017, division sales increased from the previous year to € 5.5 million, while order entry also rose, reaching € 6.0 million (previous year: € 5.5 million). Division earnings of € -0.9 million were above the level of the previous year (previous year: € -1.7 million).

OTHERS DIVISION OVERVIEW

in € million	H1 2017	H1 2016
Order entry	6.0	5.5
Division sales	5.5	4.3
Division earnings	-0.9	-1.7
Net assets	21.3	20.6

COST OF SALES AND GROSS PROFIT

In the first half of 2017, the entire gross profit of all product lines amounted to € 24.7 million after € 21.6 million in the first half of the previous fiscal year. The average gross profit margin increased from 31.3% in the same period of the previous year to 37.2 %. In the first half of 2017, sales were realized for several high-margin tools from the Bonder and Photomask Equipment divisions. However, the gross profit margin in the first half of 2016 was burdened by a negative contribution to the margin by the projection scanner product line, which is assigned to the Lithography division. In addition, the tools in the Bonder and Photomask Equipment divisions exhibited significantly lower average margins in the previous year’s period.

OTHER EXPENSES AND INCOME

Administration costs of the Company increased slightly in the first half of 2017, totaling € 6.9 million (first half of 2016: € 6.8 million). The selling costs declined significantly to € 8.7 million (first half of 2016: € 9.3 million). The decline in selling costs in 2017 resulted primarily from the restructuring of sales in Japan.

Research and development costs increased further to € 7.5 million after € 6.8 million in the comparable period of the previous year. Additional new hires were made in the first half of 2017; in addition, the area of research and development increasingly resorted to external service providers and partners. Increased personnel capacity for research and development gives SUSS MicroTec the opportunity to expand its activities in this area further.

Other operating income totaled € 2.2 million after € 1.7 million in the first half of 2016. Of that amount, € 1.6 million related to foreign currency gains (first half of 2016: € 0.8 million).

Other operating expenses of € 2.3 million included foreign currency losses of € 1.6 million and additions to value adjustments for receivables of € 0.5 million. In the first half of the previous year, other operating expenses amounted to € 1.5 million. Of this amount, € 0.9 million was attributed to foreign currency losses and € 0.4 million to additions to value adjustments for receivables.

FINANCIAL RESULT AND TAXES

The financial result in the first half of 2017 amounted to € -0.1 million, reflecting interest income and expenses. In the first half of 2016, the financial result came to € -0.6 million, similarly reflecting interest income and expenses, whereas the figure for the previous year's period included expenses of € 0.4 million, which resulted from the closing out of an interest rate swap with a negative fair value. 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 and the negative fair value of € -0.4 million was recorded in the financial result.

In the first half of 2017, a tax expense of € 2.2 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 the USA. In the previous year, a tax expense of € 1.6 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 € 6.1 million when compared with December 31, 2016, to € 25.0 million.

Before consideration of securities purchases and sales, free cash flow was negative in the first half of the year at € -5.6 million. One reason for this was negative cash flow from operating activities of € -4.0 million. Another was that investments led to a negative cash flow from investing activities, which amounted to € -1.7 million in the first half of 2017. In the first half of 2016, free cash flow was also negative at € -12.0 million.

In the first half of 2017, cash flow from operating activities totaled € -4.0 million. It was affected in part by negative current earnings of € -0.7 million. In addition, the strong build-up of inventory reserves accounted for cash outflows of approximately € 23.9 million, taking into account the good orders position in the first half of 2017. Additional cash outflows resulted from payouts of employee bonuses and advance tax payments. However, the significant increase in customer down payments led to cash inflows of € 14.4 million. Furthermore, inflows from customer payments for trade receivables of € 4.7 million were recognized.

Cash flow from investing activities totaled € -1.7 million. The largest investments in the first half of 2017 involved investments in the buildings in Garching and Sternenfels, new acquisitions of technical equipment for production at SMO in Hauterive (Switzerland), as well as expenditures for hardware and operating and office equipment at the sites in Garching, Sternenfels, and Corona (USA).

Cash flow from financing activities amounted to € -0.5 million and indicates the scheduled repayment of the bank loan that served to finance the property in Garching. As of June 30, 2017, this loan had a loan status of € 4.0 million.

The Group's cash and cash equivalents denominated in foreign currencies are primarily held by foreign Group companies. Their net value decreased by approximately € 0.5 million as a result of being exchanged into euros on June 30, 2017. The effect of the valuation was recognized without effect on profit and loss in other comprehensive income.

Besides cash and cash equivalents of € 21.0 million (December 31, 2016: € 35.6 million), as well as securities worth € 8.0 million (as of December 31, 2016: no securities), the Group had credit and guarantee lines of € 7.3 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 € 4.3 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 € 41.1 million as of the half-year reporting date and were thus approximately € 1.7 million lower than on December 31, 2016.

Current assets of the Group rose by € 11.4 million from € 136.8 million (December 31, 2016) to € 148.2 million as of the half-year reporting date.

As of June 30, 2017, the disclosed amount of inventories increased significantly. As of the half-year reporting date, the gross amount of inventories totaled € 116.9 million, approximately € 22.4 million higher than as of December 31, 2016. The significant increase was attributable to higher inventories of both materials and auxiliary supplies as well as unfinished goods. In addition, the Group had a significantly higher inventory of tools, which had already been delivered to end customers as of June 30, 2017, but for which final acceptance (and therefore revenue recognition) was still outstanding. However, inventories of demonstration equipment declined slightly. The value adjustments made for inventory decreased slightly compared to the end of the previous year. As of June 30, 2017, they amounted to approximately € 20.2 million (after € 20.8 million as of December 31, 2016). Of this amount, approximately € 12.3 million (December 31, 2016: € 12.8 million) was attributable to write-downs for demonstration equipment.

Trade receivables decreased by € 5.8 million from December 31, 2016, due to the reporting date and amounted to € 18.3 million as of mid-year.

The negative cash flow generated in the first half of the year led to a decline in the level of cash and cash equivalents, which amounted to € 21.0 million as of June 30, 2017 (after € 35.6 million as of December 31, 2016). In addition, as of June 30, 2017, the portfolio included securities of € 8.0 million, whereas the portfolio did not include any securities as of December 31, 2016. The securities involve commercial papers with a remaining term of up to three months.

The shareholders' equity of the SUSS MicroTec Group has decreased since December 31, 2016, by € 2.7 million to € 121.7 million. The equity ratio declined from 69.2% to 64.3%.

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

Noncurrent liabilities decreased from € 8.3 million to € 7.6 million. The decline resulted primarily from the scheduled repayment of the loan that served to finance the property in Garching In addition, pension provisions decreased by € 0.2 million.

In the first half of 2017, current liabilities grew significantly by € 13.1 million to € 60.0 million. The development of received customer down payments, which rose from € 22.6 million as of the end of 2016 to € 36.7 million, accounted for the majority of the increase. Trade payables increased due to the reporting date from € 3.4 million as of December 31, 2016, to € 7.2 million. However, tax liabilities, which still amounted to € 3.8 million as of the end of 2016, declined to € 2.1 million due to tax payments. In addition, other financial liabilities of € 3.7 million were much lower than on December 31, 2016, when € 5.4 million were still recognized. The major factors here were lower obligations for premiums and commissions as well as taxes.

GROUP EMPLOYEES

As of June 30, 2017, the Group had 734 employees within the individual companies (June 30, 2016: 717 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 2016 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, – with one excemption – there were no substantial changes to the outlined risks and opportunities or our assessment.

The chances and risks arising from the product line UV-projection scanners have been re-evaluated. The details of the re-evaluation can be found on the following pages.

Operational Opportunities and Risks

In the 2016 Annual Report, we cited as operational opportunities the strong market position of our mask aligner and coater/developer product lines, with which we achieve constant sales and stable 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 2017, there were no substantial changes to these outlined opportunities or our assessment.

In the 2016 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 2017, nothing changed in the fundamental risk structure or our assessment of these specified risks.

For the UV projection lithography and laser processing product lines, we discussed in the 2016 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 successful revenue recognition for a large order at SUSS MicroTec Photonics Systems for several DSC300 Gen2 projection scanners. 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. In the second quarter of 2017, SUSS MicroTec was able to win a follow-up order for two additional scanners. The customer has already been using both DSC300 Gen2 scanners as transitional or rental equipment since 2016. Revenue for both machines was recognized in the second quarter of 2017.

In order to further increase the competitiveness of UV projection lithography systems, SUSS MicroTec launched a development project at the end of 2016 that should further improve the technical capabilities of the DSC300 Gen2. The key elements of the overhaul are an improved overlay, particularly for fan-out-wafer-level-packaging applications, as well as significantly higher throughput. We discussed this plan in the 2016 Annual Report.

In the first half of 2017, this development project displayed initial success. The test results achieved so far in the refinement of the DSC300 projection scanner have been very compelling. In addition, we obtained extremely positive feedback from potential customers. Therefore, SUSS MicroTec has decided to continue to promote and intensify the further development of the DSC300 projection scanner. The market launch of the next product generation is targeted for the start of the second quarter of 2018. The first update version for existing systems that contains some of the improvements will be available in the field starting in the fourth quarter of 2017. Noteworthy sales as well as a significantly improved earnings situation are expected for the UV projection lithography product line in the 2018 and 2019 fiscal years.

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. For 2017 we also anticipate a high negative contribution to earnings for both the UV projection scanner and laser processing product lines. However, with a new production generation for the DSC300 we consider ourselves well-positioned to impress additional customers with our systems in the future and to be represented in the market with a competitive product. We are firmly convinced that we will be successful in the future in achieving substantial sales and positive margins with our UV projection scanners. We now assess the risk of generating losses over the long term with the product lines of SUSS MicroTec Photonic Systems as significantly lower.

Development-Specific Opportunities and Risks

In the 2016 Annual Report we discussed our intention to further expand development activities for our product lines and to focus on the development of new technologies, and the improvement of existing technologies, among other things. Accordingly, once again in the first half of 2017, 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 2017 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 2017.

Other Opportunities and Risks

In the 2016 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 2017.

Risk Management System

The risk management system described in the 2016 Annual Report continued to be used in the first half of 2017.

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 2017 and the 2016 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

The economic forecasts of various experts are currently overwhelmingly positive. The OECD World Economic Outlook of June 2017 anticipates growth of 3.5 percent for the world economy in 2017. In the previous year it was 3.0 percent. The Asia region continues to be a significant growth driver. In particular, China and India are reporting high growth rates of 6.6 percent and 7.3 percent, respectively. In the U.S. growth is expected to amount to 2.1 percent in 2017.

Growth in the eurozone is expected to be 1.8 percent, after 1.7 percent in the previous year. The political environment in which we operate remains very fragile. Nevertheless, despite Brexit and protectionist tendencies in the USA, the recent election results in Europe reassure us that the advocates of a unified Europe will remain in the majority. For 2017 the ifo Institute expects growth of approximately 1.8 percent in Germany. Next year it should even be 2.0 percent.

INDUSTRY-SPECIFIC CONDITIONS

Semiconductor Industry

In 2016, the market volume of the entire semiconductor market was approximately US$ 343.5 billion after US$ 334.9 billion in the previous year (source: Gartner; May 2017). The principal reason for the significant growth was an overall increase in production figures in various electronic equipment industry sectors. In its estimates of April 2017, Gartner expects repeated very good performance by the semiconductor industry in 2017. The total market should grow by 12.3 percent to a volume of approximately US$ 386 billion. The market has been highly dynamic since the second half of 2016. This trend is not showing any signs of letting up and is expected to continue throughout 2017. Storage (DRAM and NAND) is expected to remain an important driving force in both the current year and in 2018, though a reversal in trend could take hold in this area in 2019 (Gartner, April 2017).

As has been shown again in recent years, the precision of the forecast is very limited due to the characteristics and pronounced cyclical nature of the semiconductor sector. In this respect, the estimates have been 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 outlook for the semiconductor equipment market is consistent with the entire sector and is correspondingly positive. In 2017, analysts from the SEMI industry association expect 19.8 percent growth in the sale of machinery to a total volume of US$ 49.4 billion. If this amount is reached it would exceed the previous record from 2000. It is currently assumed that additional growth will lead to a market volume of US$ 53.2 billion in 2018. In particular, Korea, Taiwan and Europe are set to perform well in 2017, according to SEMI.

EXPECTED DEVELOPMENT IN THE MAJOR MARKETS

Microelectromechanical Systems

The market for microelectromechanical systems (MEMS) continues to develop very dynamically. In their estimates of June 2017, the experts from Yole expect that the MEMS market will grow from US$ 38 billion in 2016 to US$ 66 billion in 2021, representing average annual growth of 12 percent. Particularly worth highlighting, according to Yole, are SAW and BAW filters, which are expected to exhibit very strong unit volume growth.

Nevertheless, 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 toward 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 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, significant 12.8 percent growth is expected in 2017 compared to the previous year (SEMI, July 2017). As a result, this segment of the semiconductor equipment market could reach a total volume of approximately US$ 3.4 billion. In January 2017, Gartner announced similarly positive expectations. At the time, a gain from the previous year of 10.7 percent was being assumed. In general, the smartphone market performed better than originally anticipated, thus contributing to an improvement in the market situation. In their estimates of June 2017, analysts from Yole are assuming average annual growth of approximately 7 percent for the years from 2016 to 2022. Growth drivers are the Internet of Things, the automotive industry, new mobile communication standards (5G), and artificial intelligence.

In the first half of 2017, SUSS MicroTec recorded good order numbers for 3D-TSV integration. In general, this market continues to perform at a low level compared to the entire semiconductor industry, but signs point to growth and customer interest is increasing noticeably.

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 2017.

STATEMENT ON THE PROJECTED DEVELOPMENT OF THE GROUP

Given the order backlog and the sales generated in the first half of 2017, the required production times for individual tools, and the existing production capacities of the Company, we continue to expect sales for the entire 2017 fiscal year in the range from € 170 million to € 180 million. Accordingly, earnings before interest and taxes (EBIT) continue to be projected in the range from € 13 million to € 17 million.

For the third quarter of 2017 we again expect good order entry ranging from € 35 million to € 45 million.

FORWARD-LOOKING STATEMENTS

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

Garching, Germany, August 9, 2017

Dr. Franz Richter	**Walter Braun**
Chief Executive Officer	Chief Operating Officer

Consolidated Statement of Income (IFRS)

in € thousand	04/01/2017–06/30/2017	04/01/2016–06/30/2016	01/01/2017–06/30/2017	01/01/2016–06/30/2016
Sales	43,293	41,378	66,313	68,990
Cost of sales	-25,224	-28,671	-41,625	-47,414
Gross profit	**18,069**	**12,707**	**24,688**	**21,576**
Selling costs	-4,314	-4,785	-8,653	-9,262
Research and development costs	-4,013	-3,482	-7,474	-6,780
Administration costs	-3,304	-3,316	-6,881	-6,758
Other operating income	1,524	544	2,214	1,671
Other operating expenses	-1,597	-723	-2,343	-1,462
Analysis of net income from operations (EBIT)				
EBITDA (Earnings before interest and taxes, depreciation and amortization)	7,417	1,933	3,674	958
Depreciation and amortization of tangible assets, intangible assets and financial assets	-1,052	-988	-2,123	-1,973
Net income from operations (EBIT)	**6,365**	**945**	**1,551**	**-1,015**
Financial income	11	17	28	51
Financial expenses	-56	-75	-110	-603
Financial result	**-45**	**-58**	**-82**	**-552**
Profit before taxes	**6,320**	**887**	**1,469**	**-1,567**
Income taxes	-2,389	-1,524	-2,160	-1,576
Net profit	**3,931**	**-637**	**-691**	**-3,143**
thereof equity holders of SUSS MicroTecAG	3,931	-637	-691	-3,143
thereof non-controlling interests	0	0	0	0
Earnings per share (basic)				
Earnings per share in €	0.20	-0.03	-0.04	-0.16
Earnings per share (diluted)				
Earnings per share in €	0.20	-0.03	-0.04	-0.16

Statement of Comprehensive Income (IFRS)

in € thousand	01/01/2017 – 06/30/2017	01/01/2016 – 06/30/2016
Net profit	**-691**	**-3,143**
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		
Foreign currency adjustment	-2,004	-743
Cash flow hedges	0	410
Deferred taxes	0	-115
Other comprehensive income after tax for items that will be reclassified to profit and loss	**-2,004**	**-448**
Total income and expenses recognized in equity	**-2,004**	**-448**
Total income and expenses reported in the reporting period	**-2,695**	**-3,591**
thereof equity holders of SUSS MicroTec AG	-2,695	-3,591
thereof non-controlling interests	0	0

Consolidated Balance Sheet (IFRS)

in € thousand	06/30/2017	12/31/2016
Assets		
Noncurrent assets	**41,107**	**42,782**
Intangible assets	3,008	3,522
Goodwill	15,674	15,840
Tangible assets	20,367	20,563
Other assets	515	652
Deferred tax assets	1,543	2,205
Current assets	**148,163**	**136,844**
Inventories	96,714	73,804
Trade receivables	18,337	24,111
Other financial assets	411	159
Securities	7,993	0
Current tax assets	447	375
Cash and cash equivalents	21,000	35,621
Other assets	3,261	2,774
Total assets	**189,270**	**179,626**

in € thousand	06/30/2017	12/31/2016
Liabilities & Shareholders' Equity		
Equity	**121,658**	**124,353**
Total equity attributable to shareholders of SUSS MicroTec AG	**121,658**	**124,353**
Subscribed capital	19,116	19,116
Reserves	102,889	103,811
Accumulated other comprehensive income	-347	1,426
Noncurrent liabilities	**7,593**	**8,337**
Pension plans and similar commitments	4,593	4,837
Financial debt	3,000	3,500
Current liabilities	**60,019**	**46,936**
Provisions	3,038	5,161
Tax liabilities	2,110	3,821
Financial debt	1,010	1,007
Other financial liabilities	3,684	5,359
Trade payables	7,195	3,362
Other liabilities	42,982	28,226
Total liabilities and shareholders' equity	**189,270**	**179,626**

Consolidated Statement of Cash Flows (IFRS)

in € thousand	01/01/2017 – 06/30/2017	01/01/2016 – 06/30/2016
Net profit (after taxes)	-691	-3,143
Amortization of intangible assets	637	630
Depreciation of tangible assets	1,486	1,343
Profit on disposal of intangible and tangible assets	2	0
Change of reserves on inventories	-554	-663
Change of reserves for bad debts	552	373
Non-cash income from the reversal of provisions	-202	0
Other non-cash effective income and expenses	606	-156
Change in inventories	-23,920	-21,740
Change in trade receivables	4,677	981
Change in other assets	-602	-209
Change in pension provisions	7	218
Change in trade payables	3,867	-3,890
Change in down payments received	14,364	19,029
Change in other liabilities and other provisions	-3,076	-1,938
Change of tax assets and tax liabilities	-1,121	-1,491
Cash flow from operating activities	**-3,968**	**-10,656**

in € thousand	**01/01/2017 – 06/30/2017**	**01/01/2016 – 06/30/2016**
Disbursements for tangible assets	-1,461	-1,144
Disbursements for intangible assets	-217	-194
Purchases of current available-for-sale securities	-7,993	0
Cash flow from investing activities	**-9,671**	**-1,338**
Repayment of bank loans	-500	-4,100
Change in current bank liabilities	3	0
Cash flow from financing activities	**-497**	**-4,100**
Adjustments to funds caused by exchange rate fluctuations	-485	89
Change in cash and cash equivalents	**-14,621**	**-16,005**
Funds at the beginning of the year	35,621	49,085
Funds at the end of the period	**21,000**	**33,080**
Cash flow from operating activities includes:		
Interest paid during the period	80	578
Interest received during the period	24	56
Tax paid during the period	2,933	3,135
Tax refunds during the period	152	1

Consolidated Statement of Changes in Shareholders' Equity (IFRS)

in € thousand	Subscribed capital	Additional paid-in capital	Earnings reserve	Retained earnings
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**
As of January 1, 2017	**19,116**	**71,547**	**433**	**31,831**
Net income / loss				-691
Total income and expenses recognized in equity				
Total comprehensive income / loss				-691
Reclassification into earnings reserve			-231	
As of June 30, 2017	**19,116**	**71,547**	**202**	**31,140**

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					
Remeasure-ments on defined benefit pension plans	Deferred taxes	Foreign currency adjustment	Cash flow hedges	Deferred taxes			
-2,845	**697**	**3,258**	**-410**	**115**	**118,740**	**0**	**118,740**
					-3,143		-3,143
0	0	-743	410	-115	-448		-448
0	0	-743	410	-115	-3,591	0	-3,591
-2,845	**697**	**2,515**	**0**	**0**	**115,149**	**0**	**115,149**
-3,013	**766**	**3,673**	**0**	**0**	**124,353**	**0**	**124,353**
					-691		-691
		-2,004	0	0	-2,004		-2,004
0	0	-2,004	0	0	-2,695	0	-2,695
322	-91						
-2,691	**675**	**1,669**	**0**	**0**	**121,658**	**0**	**121,658**

Segment Reporting (IFRS)

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

SEGMENT INFORMATION BY BUSINESS SEGMENT

	Lithography		Bonder	
in € thousand	**6 Months / 2017**	**6 Months / 2016**	**6 Months / 2017**	**6 Months / 2016**
External Sales	43,719	56,113	7,347	4,028
Internal Sales	0	0	0	0
Total sales	**43,719**	**56,113**	**7,347**	**4,028**
Result per segment (EBIT)	106	3,604	547	-2,118
Income before taxes	84	3,583	545	-2,118
Significant non-cash items	21	520	216	-403
Segment assets	100,166	97,309	16,924	9,811
thereof goodwill	15,674	15,722	0	0
Unallocated assets				
Total assets				
Segment liabilities	-39,380	-41,040	-7,766	-4,975
Unallocated liabilities				
Total liabilities				
Depreciation and amortization	875	807	128	128
thereof scheduled	875	807	128	128
thereof impairment loss	0	0	0	0
Capital expenditure	**417**	**669**	**50**	**73**
Workforce on June 30	465	459	88	88

SEGMENT INFORMATION BY REGION

	Sales		Capital expenditure		Assets (without goodwill)	
in € thousand	**6 Months / 2017**	**6 Months / 2016**	**6 Months / 2017**	**6 Months / 2016**	**6 Months / 2017**	**6 Months / 2016**
EMEA	13,912	26,573	1,532	978	113,654	96,775
North America	6,801	7,312	136	331	23,681	25,540
Asia and Pacific	45,600	35,105	10	29	3,256	4,384
Consolidation effects	0	0	0	0	-2,166	-321
Total	**66,313**	**68,990**	**1,678**	**1,338**	**138,425**	**126,378**

	Photomask Equipment		Others		Consolidation effects		Total	
	6 Months / 2017	**6 Months / 2016**	**6 Months / 2017**	**6 Months / 2016**	**6 Months / 2017**	**6 Months / 2016**	**6 Months / 2017**	**6 Months / 2016**
	9,784	4,596	5,463	4,253	–	–	66,313	68,990
	0	0	2,776	3,414	-2,776	-3,414	0	0
	9,784	**4,596**	**8,239**	**7,667**	**-2,776**	**-3,414**	**66,313**	**68,990**
	1,799	-794	-901	-1,707	–	–	1,551	-1,015
	1,798	-795	-958	-2,237	–	–	1,469	-1,567
	-208	381	-27	-208	–	–	2	290
	13,793	12,967	23,216	22,013	–	–	154,099	142,100
	0	0	0	0	–	–	15,674	15,722
							35,171	39,291
							189,270	**181,391**
	-6,349	-5,123	-1,887	-1,447	–	–	-55,382	-52,585
							-12,230	-13,657
							-67,612	**-66,242**
	64	72	1,056	966	–	–	2,123	1,973
	64	72	1,056	966	–	–	2,123	1,973
	0	0	0	0	–	–	0	0
	43	**25**	**1,168**	**571**	**–**	**–**	**1,678**	**1,338**
	105	103	76	67	–	–	734	717

Selected Explanatory Notes to the Interim Report

of SUSS MicroTec AG as of June 30, 2017

(1) GENERAL ACCOUNTING POLICIES

The consolidated financial statements of SUSS MicroTec AG as of December 31, 2016, 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, 2017, 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, 2016. In the interim financial statements as of June 30, 2017, the same accounting methods were applied as in the consolidated financial statements for the 2016 fiscal year.

All of the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) in effect as of June 30, 2017, 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, 2016.

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, 2016, there were no changes to the scope of consolidation.

(3) MANDATORY DISCLOSURES

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

(4) CHANGE IN PRESENTATION

No changes in presentation have been made; the presentation of the consolidated financial statements of SUSS MicroTec AG as of June 30, 2017, is analogous to the presentation as of December 31, 2016.

(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 have been no substantial changes in contingent liabilities since the previous reporting date of December 31, 2016.

(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	**6 Months / 2017**	**6 Months / 2016**
Profit / Loss, which accrue to shareholders of SUSS MicroTec AG	-691	-3,143
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	**-0.04**	**-0.16**
Earnings per share in € – diluted	**-0.04**	**-0.16**

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.

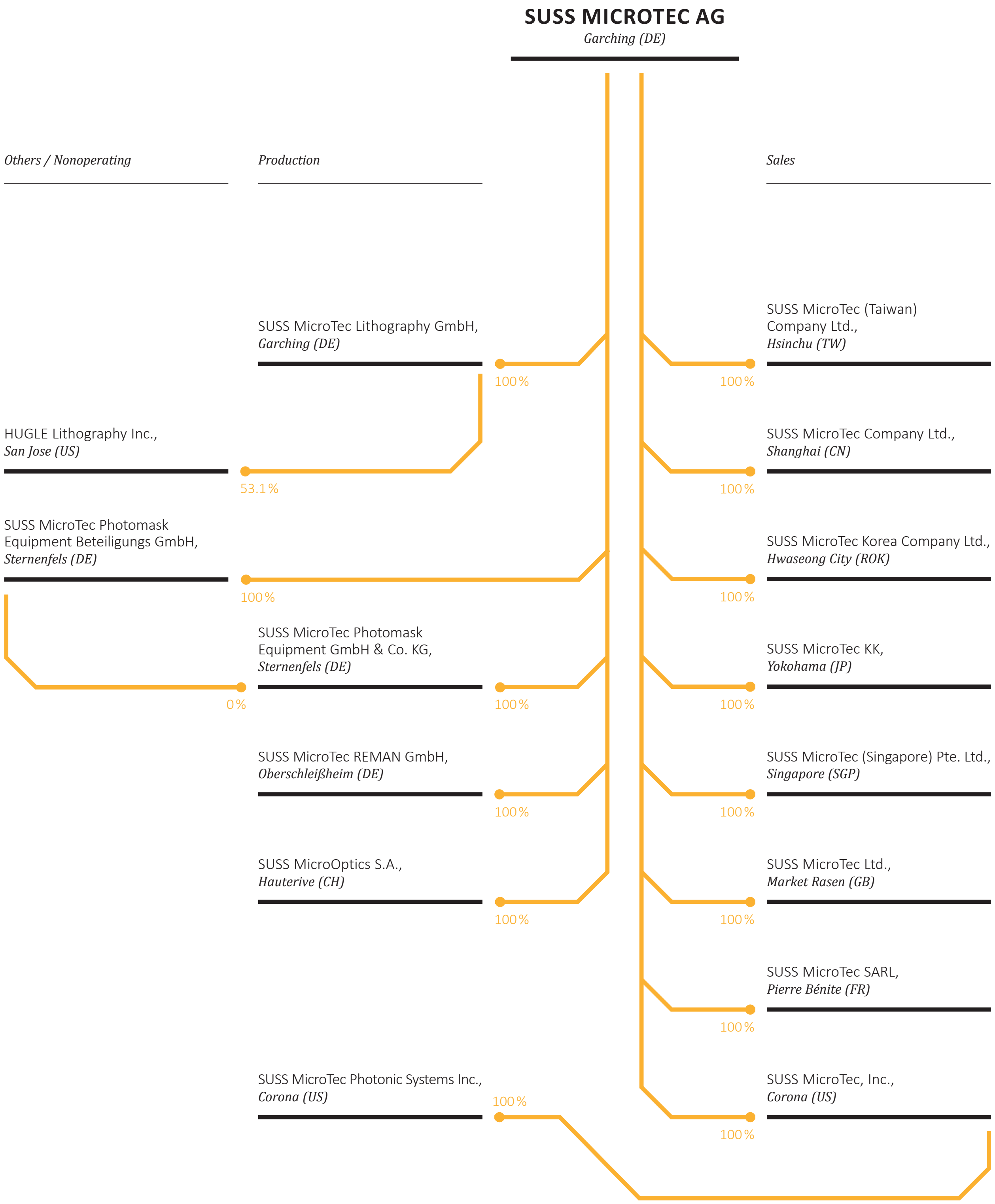
Garching, Germany, August 9, 2017

SUSS MicroTec AG
The Management Board

Dr. Franz Richter
Chief Executive Officer

Walter Braun
Chief Operating Officer

Legal Structure



Financial Calendar 2017

November 9 — Nine-month Report 2017

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