

**PRESS RELEASE 348E**

**Mycronic AB (publ),  
Interim report  
January-September  
2015**

**About Mycronic**

Mycronic AB is a high-tech Swedish company engaged in developing, manufacturing and marketing of production solutions to the electronics industry. Mycronic headquarters are located in Täby, north of Stockholm and the Group has subsidiaries in China, France, Germany, Japan, Singapore, South Korea, Taiwan, the Netherlands, United Kingdom and the US. For more information, see the company website [www.mycronic.com](http://www.mycronic.com).

Mycronic AB (publ) is listed on NASDAQ Stockholm, Mid Cap: MYCR.

*This interim report is a translation of the Swedish version. In the event of any differences between this translation and the Swedish original version, the Swedish version shall have precedence.*

### Third quarter July-September 2015

- Order intake was SEK 559 (842) million
- Net sales were SEK 605 (338) million
- EBIT was SEK 262 (37) million
- Earnings per share were SEK 2.33 (0.31)

### Interim period January-September 2015

- Order intake was SEK 1,341 (1,410) million
- Net sales were SEK 1,194 (819) million
- EBIT was SEK 289 (45) million
- Earnings per share were SEK 2.52 (0.34)

### Outlook

The Board's assessment remains that sales in 2015 will be in the span SEK 1,650-1,750 million.

### Group summary

SEK million	July-Sep 15	July-Sep 14	Jan-Sep 15	Jan-Sep 14	Rolling 12 months	Jan-Dec 14
Order intake	558.6	842.4	1,340.9	1,410.0	1,959.3	2,028.3
Order backlog	849.3	740.0	849.3	740.0	849.3	702.0
Net sales	604.9	338.0	1,193.7	818.6	1,850.1	1,475.0
Gross profit	392.8	132.4	671.0	343.7	1,039.0	711.7
Gross margin	65%	39%	56%	42%	56%	48%
EBIT	261.9	36.9	288.8	45.5	519.9	276.5
EBIT margin	43%	11%	24%	6%	28%	19%
Earnings per share, SEK	2.33	0.31	2.52	0.34	4.90	2.72
Cash flow	243.4	-77.5	33.0	-27.2	214.8	154.4

### Strong performance throughout the Group

"Healthy growth characterized the third quarter and the year's first nine months as regards sales and gross margins within both business areas. Adjusted for currency effects, sales growth was 30 percent. The delivery of an advanced display mask writer contributed significantly to the operating profit. The order backlog remained strong after this mask writer delivery and was SEK 849 million at the end of the quarter, exceeding last year by more than SEK 100 million. Another advanced mask writer will be delivered during the fourth quarter," says Lena Olving, CEO and President of Mycronic AB.

Mycronic's launches of production solutions for effective electronics production has led to increased demand within both of Mycronic's business areas, strengthening the company's market and financial positions. In nine months, Mycronic has received orders for a total of seven mask writers for different applications. The company's replacement offering for customers with older mask writers for display applications has been well received with three orders thus far this year.

Mycronic's investments in product development within existing product areas are now complemented with efforts supporting major technological leaps within SMT. By widening the product offering to include other segments, opportunities are created for a position shift, which is in line with the company's strategy for growth.

"Besides maintaining and developing our existing offering, we are investing in product development for new needs and new markets within SMT. This includes both new geographic markets and new product segments. We will ensure the development of an attractive product offering which corresponds to customers' high demands for effective electronics production within segments where we have not traditionally been active. To this end, we entered into a partnership with a high-tech engineering company in Asia during the third quarter, increasing the pace in the execution of our product development strategy within SMT. Through this partnership, we complement our unique competence with specific technology and market competence for new customer requirements," says Lena Olving.

Mycronic's assessment is that costs for these efforts will be high for a number of years to come. It is beneficial to do this now while the Group is experiencing both strong sales and a good profit. These opportunities for unique activities clearly confirm the logic behind the Mycronic merger of two companies in 2009, both of which are active within different areas of the electronics industry.

## Group financial performance Third quarter July-September 2015

The consolidated order intake for the third quarter was SEK 559 (842) million. The order intake comprised three mask writers, SMT equipment and aftermarket. During the third quarter of last year the order intake comprised four mask writers, of which two advanced systems for display manufacturing.

Sales during the third quarter were SEK 605 (338) million. This major increase was primarily due to the delivery of two mask writers, one of which was advanced. Sales were impacted positively by currency effects in the amount of SEK 42 million, most of which related to a stronger dollar. Recalculated to the same exchange rates prevailing during the corresponding period last year, sales reached SEK 563 million. Aftermarket sales remained stable.

After the delivery of two mask writers during the third quarter 2015, the order backlog at the end of September was SEK 849 (740) million.

Consolidated gross profit was SEK 393 (132) million, which corresponds to a gross margin of 65 (39) percent. The improved margin compared with the previous year is due to several factors, including sales of two mask writers, a favorable product mix within SMT and positive currency effects.

Consolidated EBIT for the third quarter was SEK 262 (37) million, which corresponds, to an operating margin of 43 (11) percent. EBIT was charged with higher costs but was at the same time impacted positively by currency effects.

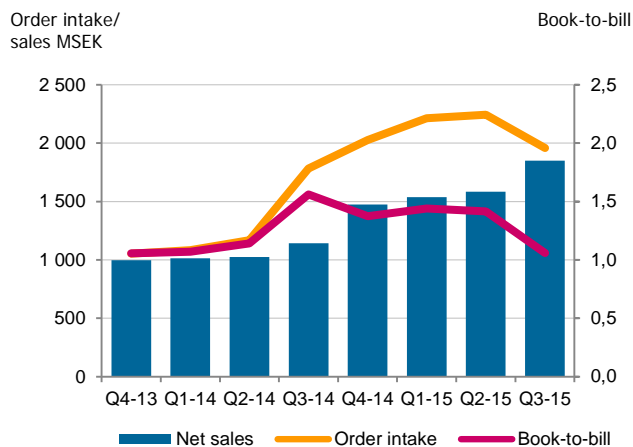
Consolidated costs for development, sales and administration reached SEK 128 (106) million. There are several reasons for the increase in costs:

Development expenditures were SEK 18 million higher, the result of increased efforts for product development within SMT. During the third quarter SEK 3 (-) million were capitalized within SMT. Amortization of previously capitalized development was SEK 3 (3) million.

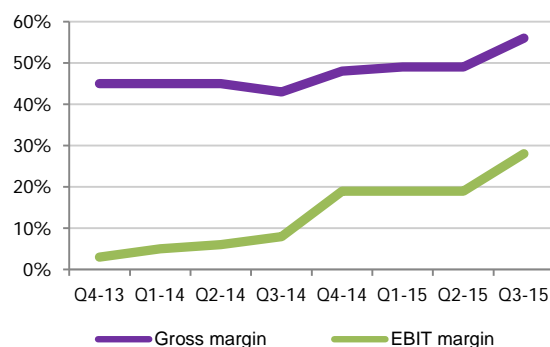
Variable selling costs increase when sales increase. Also other costs increase when sales levels are higher. For example, the company has extended its manufacturing capacity.

Other income/costs amount to SEK -2 (11) million, and relate primarily to currency exchange differences during the third quarter.

## Order intake and sales, rolling 4 quarters



## Margins, rolling 4 quarters



## Group financial performance

### Interim period January-September 2015

The consolidated order intake for the first nine months of the year was SEK 1,341 (1,410) million. The order intake comprised seven mask writers, SMT equipment and aftermarket. During the same period last year the order intake comprised seven mask writers, of which two advanced systems for display manufacturing.

The order backlog was SEK 849 (740) million at the end of the interim period. At the end of 2014, the order backlog was SEK 702 million.

Sales for the first nine months were SEK 1,194 (819) million. The increase in sales stems from both business areas and was positively impacted by currency effects in the amount of SEK 128 million, most of it due to the stronger dollar. Recalculated to the same exchange rates which prevailed during the corresponding period last year, sales were SEK 1,065 million. Sales included two mask writers, one of which was advanced. Aftermarket sales remain stable.

Consolidated gross profit was SEK 671 (344) million, which corresponds to a gross margin of 56 (42) percent. The improved margin compared with last year is explained by higher sales volumes, delivery of an advanced mask writer, a favorable product mix within SMT and positive currency effects.

EBIT for the first nine months was SEK 289 (45) million, which corresponds to an operating margin of 24 (6) percent. EBIT was charged with higher operating costs. The company has, for example, increased the manufacturing capacity as a result of higher sales volumes, in line with strategic goals. At the same time, the result was positively impacted by the delivery of an advanced mask writer and currency effects.

Development expenditure were SEK 45 million higher, reasons for which include increased efforts and a higher pace within product development for new markets and new customer requirements within SMT. During the first nine months of the year SEK 3 (11) million in development costs were capitalized within SMT. Amortization of previously capitalized development was SEK 9 (7) million.

Variable selling costs increase when sales increase. Administration costs also exceeded those of last year. This is due primarily to continued activities to enable future growth. A few examples of activities are PPAs and brand building.

Other income increased to SEK 8 (10) million and related primarily to currency exchange gains.

The consolidated tax cost was SEK 42 (13) million. All remaining loss carry forwards in Sweden were capitalized during the period. This affected tax costs positively in an amount of SEK 26 million.

### Cash flow and financial position

Consolidated cash and cash equivalents at the end of September was SEK 700 (473) million. Cash flow during the first nine months was SEK 33 (-27) million. Dividends in the amount of SEK 392 million, decided by the AGM, were paid out during the second quarter.

Cash flow from operations was SEK 445 (236) million, which is explained by positive results as well as by a reduction in working capital. The decrease in working capital is mainly attributable to customer payments in the form of decrease in trade receivables and an increase in advance payments.

Investing activities claimed SEK 20 (19) million, of which SEK 3 (11) million related to capitalized development within SMT.

### Equity

Consolidated equity at the end of September 2015 was SEK 1,075 million, compared with SEK 1,207 million at the end of 2014. The number of outstanding shares at the end of the period was 97,916,509. Earnings per share were SEK 2.52 (0.34).

## Business area SMT

SEK million	July-Sep 15	July-Sep 14	Jan-Sep 15	Jan-Sep 14	Rolling 12 months	Jan-Dec 14
<b>Order intake and sales</b>						
Order intake	202.3	205.1	627.1	551.2	831.7	755.8
Order backlog	69.9	91.1	69.9	91.1	69.9	66.0
Income from external customers	207.3	180.3	623.1	512.1	852.9	741.9
<b>Results</b>						
Gross profit	99.0	78.2	287.4	222.6	395.5	330.6
Gross margin	48%	43%	46%	43%	46%	45%
EBIT	2.5	14.0	1.9	35.3	21.0	54.5
EBIT margin	1%	8%	0%	7%	2%	7%
<b>Development costs</b>	-53.1	-30.2	-155.7	-82.8	-199.7	-126.8

### Financial performance January-September 2015

The order intake for the first nine months of 2015 was SEK 627 (551) million, an increase of 14 percent compared with the same period last year. Several launches of new products and new functionality over the last two years have resulted in increased demand for Mycronic's products and services.

Sales during the first nine months reached SEK 623 (512) million, an increase of 22 percent compared with the previous year. Sales were positively impacted by currency effects in the amount of SEK 78 million. Recalculated to the exchange rates which prevailed during the previous year, sales reached SEK 545 million, which corresponds to an increase of 6 percent. In addition to the positive currency effects, Mycronic has seen an increase in demand for products within the business area.

Gross profit was SEK 287 (223) million, which corresponds to a gross margin of 46 (43) percent. The margin was positively affected by higher sales volumes, a favorable product mix, and currency effects, but also burdened by fixed costs including costs for development of a function for strategic sourcing.

EBIT reached SEK 2 (35) million, which corresponds to an operating margin of 0 (7) percent. Development expenditures were SEK 63 million higher than for the previous year. Mycronic has, in line with its product development strategy, increased its efforts within SMT. During the third quarter, the company entered into a partnership agreement with a high-tech engineering company in Asia, in order to increase pace in the broadening of product offerings to cover new markets and new requirements.

Development was capitalized in the amount of SEK 3 (11) million while amortization of previously capitalized development was SEK 9 (7) million.

### Market development

The global electronics industry grew 3.5 percent in 2014 to USD 1,746 billion. For 2015, the expectation is for growth of 3 percent to just over USD 1,800 billion. (Prismark, March 2015).

The semiconductor market is a part of the electronics industry and affects demand for SMT equipment. When semiconductor volumes increase, capacity requirements also increase, and demand for SMT equipment normally rises. The semiconductor market growth was 10 percent in 2014. During the first half of 2015 growth stood at 4 percent. Analysts have adjusted their assessment for whole-year 2015 downward due to an expected weak performance from the leading OEMs (original equipment manufacturers). Whole-year 2015 is expected to show zero growth (Prismark, September 2015). Mycronic notices that the decision making process among customers is taking longer.

The global market for SMT equipment was strong in 2014 after a two-year negative trend, and grew 22 percent to USD 2.3 billion (PROTEC MDC, January 2015). During the first half of 2015, the market declined 6 percent compared with the same period last year. This decline came during the second quarter and was greatest on the Asian markets, with the exception of Japan which experienced positive growth albeit from a low level (PROTEC MDC, July 2015).

During 2015, Mycronic introduced new smart solutions for electronics manufacturing, including new functionality for the next generation of material handling, which means fewer manual process steps and improved inventory control. Additionally, new solutions for application of solder paste on larger circuit boards were introduced. These launches have, together with the launches completed in 2014, resulted in a broader product offering for flexible electronics production.

Mycronic has, despite the beginnings of a slowdown, maintained its market position and increased margins.

## Business area PG

SEK million	July-Sep 15	July-Sep 14	Jan-Sep 15	Jan-Sep 14	Rolling 12 months	Jan-Dec 14
<b>Order intake and sales</b>						
Order intake	356.3	637.3	713.8	858.7	1,127.6	1,272.5
Order backlog	779.4	648.9	779.4	648.9	779.4	636.0
Income from external customers	397.6	157.8	570.5	306.5	997.2	733.1
<b>Results</b>						
Gross profit	293.8	54.2	383.5	121.1	643.5	381.1
Gross margin	74%	34%	67%	40%	65%	52%
EBIT	259.9	23.4	288.4	-13.9	500.7	226.2
EBIT margin	65%	15%	51%	5%	50%	31%
<b>Development costs</b>	-8.7	-16.2	-30.8	-48.8	-50.6	-68.6

### Financial performance January-September 2015

The order intake for the first nine months was SEK 714 (859) million, and comprised seven mask writers and aftermarket. Three of these mask writers will replace older systems for manufacturing of photomasks for displays and four of the orders were for mask writer for multi-purpose applications. The order intake during the same period last year comprised seven mask writers, of which two were advanced.

The order backlog comprises one advanced mask writer that is scheduled for shipment in Q4 2015. The remaining seven mask writers are scheduled for delivery in 2016 and 2017.

Sales during the first nine months of the year reached SEK 571 (306) million and included delivery of one advanced mask writer for display applications, one FPS for multi-purpose applications and aftermarket. Sales were positively impacted by currency effects in the amount of SEK 50 million. Recalculated to the same exchange rates which prevailed last year, sales reached SEK 520 million.

Gross profit was SEK 383 (121) million, which corresponds to a gross margin of 67 (40) percent. The increase in margin was due primarily to the delivery of an advanced mask writer as well as currency effects.

EBIT for the first nine months was SEK 288 (14) million. This increase is due to the delivery of an advanced mask writer as well as to lower costs for development, SEK 18 million below last year. This is due to the cessation of LDI development. Development costs in 2015 include development of measurement functionality. The EBIT margin for the interim period reached 51 (5) percent.

### Market development

Thus far in 2015, the display market has performed weaker than the initial whole-year forecast. Growth for the whole year is expected to be negative at 3 percent. Turnover is assessed to reach USD 128 billion. The number of displays produced is estimated to decline 2 percent to approximately 3.7 billion units (IHS, October 2015).

Some of the reasons are price pressure on mobile displays, a strong dollar, and a discernible slowdown in demand from China. Some segments, however, demonstrate strong growth, such as high resolution mobile displays and UHD TVs (4K), i.e. TV displays with ultra-high resolution.

Demand for display photomasks is driven in the short-term more by the number of different display models, the development pace, and the number of production lines, than by the number of sold displays. Display manufacturers' profitability, however, is important for the will and ability to perform technology development, and affect demand for photomasks in the longer run.

Currently there are several factors affecting the photomask market positively. The demand for high resolution displays is driving technology development, which in turn drives demand for complex photomasks. This trend is expected to continue. Manufacturing capacity for displays in China is increasing despite the beginning of a slowdown in demand, both through new factories being taken into operation and through existing factories increasing manufacturing capacity in order to reduce imports. Additional causes behind the increase in demand for photomasks is a growing number of display types, for example, bendable displays and those used in vehicles and smart watches.

The degree of utilization on Mycronic's mask writers at customer sites remains stable at high levels. For 2015-2018, the number of photomasks for display manufacturing is estimated to demonstrate annual growth of 4 percent. Turnover is expected to increase from USD 590 million to USD 630 million (IHS, January 2015). Demand for photomasks is good for both small and larger displays. Through Mycronic's replacement offer, several customers are now exchanging older mask writers for a scalable machine built on the Precision platform.

Demand for larger photomasks within the multi-purpose market for other applications than displays is healthy as it addresses several application areas. Mycronic's assessment is that the market reaches approximately USD 10-14 million annually but with a great deal of variation from year to year and between different application areas.

## Other

### Parent company

Mycronic AB is the Group's parent company. Product development and sales of mask writers are conducted through the parent company.

The parent company's sales for the first nine months 2015 were SEK 599 (316) million and comprise sales of two mask writers. EBIT was SEK 297 (27) million. Research and development expenditures are expensed as they occur.

Cash and cash equivalents at the end of September were SEK 543 (310) million, compared to SEK 517 million at the end of 2014. During the second quarter, dividend amounting to SEK 392 million was paid out.

### Risks and uncertainty factors

There are a number of risks and uncertainty factors of an operational and financial character to which the group is exposed. These are described in the 2014 annual report. No new major risks have occurred since publication of the 2014 annual report.

Those risks which are most prominent in the short term relate to the results of efforts within development and launches within new product areas.

### Accounting policies

This interim report for the Group has been prepared in accordance with IAS 34, Interim Financial Reporting, and applicable parts of the Annual Accounts Act. The report for the parent company has been prepared in accordance with Chapter 9 of the Annual Accounts Act.

For the Group and the parent company, the same accounting principles, estimates and assumptions have been used in this report as were used in the most recent annual report.

The character of financial assets and liabilities are essentially the same as they were on 31 December, 2014. As was the case at the end of 2014, reported values are the same as fair values.

### Nomination committee

The composition of the nomination committee for the 2016 AGM is:

Henrik Blomquist, Bure  
Katja Bergqvist, Handelsbanken Fonder  
Ulf Strömsten, Catella Fonder  
Patrik Tigerschiöld, Chairman of the Board

The nomination committee is tasked with putting forth proposals for board members and board chairman, and for remuneration of board members and auditor.

The 2016 AGM will be held on 3 May.

### Financial information

Mycronic AB (publ) is listed on NASDAQ Stockholm, Mid Cap, MYCR.

The information in this report is published in accordance with the Financial Instruments Trading Act and/or Swedish Securities Market Act. The information was submitted for publication on 21 October, 2015, at 8 am.

Financial reports and press releases are published in Swedish and English and are available on the website [www.mycronic.com](http://www.mycronic.com).

### Market information

Market updates are published on the website in connection with the publication of the interim report.

### Financial calendar

Full year report 2015	4 February, 2016
Interim report January-March 2016	21 April, 2016
AGM 2016	3 May, 2016
Interim report January-June 2016	13 July, 2016
Interim report January-September	21 October, 2016

<b>Consolidated profit and loss accounts, SEK million</b>	<b>July-Sep 15</b>	<b>July-Sep 14</b>	<b>Jan-Sep 15</b>	<b>Jan-Sep 14</b>	<b>Rolling 12 months</b>	<b>Jan-Dec 14</b>
Net sales	604.9	338.0	1,193.7	818.6	1,850.1	1,475.0
Cost of goods sold	-212.1	-205.7	-522.7	-474.9	-811.1	-763.3
<b>Gross profit</b>	<b>392.8</b>	<b>132.4</b>	<b>671.0</b>	<b>343.7</b>	<b>1,039.0</b>	<b>711.7</b>
Research and development expenses	-61.8	-46.5	-186.5	-133.9	-250.2	-197.7
Selling expenses	-44.5	-38.1	-137.6	-117.8	-183.8	-163.9
Administrative expenses	-22.1	-21.5	-66.0	-56.7	-99.2	-90.0
Other income and expenses	-2.4	10.7	8.0	10.2	14.2	16.4
<b>EBIT</b>	<b>261.9</b>	<b>36.9</b>	<b>288.8</b>	<b>45.5</b>	<b>519.9</b>	<b>276.5</b>
Financial income and expenses	0.0	0.2	0.1	1.3	0.4	1.6
<b>Profit/loss before tax</b>	<b>261.9</b>	<b>37.1</b>	<b>289.0</b>	<b>46.8</b>	<b>520.3</b>	<b>278.1</b>
Tax	-34.0	-6.8	-41.8	-13.0	-40.6	-11.8
<b>Net profit/loss</b>	<b>227.9</b>	<b>30.3</b>	<b>247.2</b>	<b>33.8</b>	<b>479.7</b>	<b>266.2</b>
Earnings/share, SEK	2.33	0.31	2.52	0.34	4.90	2.72
Average number of shares, thousand	97,917	97,917	97,917	97,917	97,917	97,917
<b>Consolidated comprehensive income, SEK million</b>	<b>July-Sep 15</b>	<b>July-Sep 14</b>	<b>Jan-Sep 15</b>	<b>Jan-Sep 14</b>	<b>Rolling 12 months</b>	<b>Jan-Dec 14</b>
<b>Net profit/loss</b>	<b>227.9</b>	<b>30.3</b>	<b>247.2</b>	<b>33.8</b>	<b>479.7</b>	<b>266.2</b>
<b>Other comprehensive income</b>						
<i>Items to be reclassified to profit/loss</i>						
Translation differences at translating foreign entities	5.5	4.0	17.2	14.3	23.7	20.8
Changes in cash flow hedges	-3.1	-2.3	-6.4	-3.6	-3.3	-0.5
Tax relating to other comprehensive income	0.6	0.4	1.3	0.7	0.5	-0.1
<b>Total comprehensive income</b>	<b>230.9</b>	<b>32.4</b>	<b>259.3</b>	<b>45.2</b>	<b>500.6</b>	<b>286.5</b>
<b>Research and development costs, SEK million</b>	<b>July-Sep 15</b>	<b>July-Sep 14</b>	<b>Jan-Sep 15</b>	<b>Jan-Sep 14</b>	<b>Rolling 12 months</b>	<b>Jan-Dec 14</b>
<i>R&amp;D expenditure</i>						
SMT equipment	-53.1	-27.2	-149.6	-86.4	-190.4	-127.3
Pattern generators	-8.7	-16.2	-30.8	-48.8	-50.6	-68.6
	-61.8	-43.4	-180.3	-135.2	-241.0	-195.9
<i>Capitalization of development</i>						
SMT equipment	3.1	0.0	3.1	10.8	3.1	10.8
<i>Amortization of capitalized development</i>						
SMT equipment	-3.1	-3.1	-9.2	-7.2	-12.3	-10.3
	0.0	-3.1	-6.1	3.6	-9.2	0.5
Amortization of acquired technology	-	-	-	-2.3	-	-2.3
<b>R&amp;D costs</b>	<b>-61.8</b>	<b>-46.5</b>	<b>-186.5</b>	<b>-133.9</b>	<b>-250.2</b>	<b>-197.7</b>
<b>Revenue by geographical market, SEK million</b>	<b>July-Sep 15</b>	<b>July-Sep 14</b>	<b>Jan-Sep 15</b>	<b>Jan-Sep 14</b>	<b>Rolling 12 months</b>	<b>Jan-Dec 14</b>
EMEA	111.5	92.8	308.1	269.3	423.7	384.9
Americas	67.8	64.0	237.5	190.3	334.4	287.2
Asia	425.6	181.2	648.1	359.0	1,092.0	802.9
	<b>604.9</b>	<b>338.0</b>	<b>1,193.7</b>	<b>818.6</b>	<b>1,850.1</b>	<b>1,475.0</b>



<b>Consolidated cash flow statements, SEK million</b>	<b>July-Sep 15</b>	<b>July-Sep 14</b>	<b>Jan-Sep 15</b>	<b>Jan-Sep 14</b>	<b>Rolling 12 months</b>	<b>Jan-Dec 14</b>
Cash flow from operations before changes in working capital	269.2	30.1	288.9	43.9	580.7	335.7
Changes in working capital	-19.5	142.7	155.9	192.3	45.5	81.9
<b>Cash flow from operations</b>	<b>249.7</b>	<b>172.8</b>	<b>444.8</b>	<b>236.3</b>	<b>626.3</b>	<b>417.6</b>
Cash flow from investing activities	-6.2	-5.3	-20.1	-18.7	-19.8	-18.4
Cash flow from financing activities	0.0	-245.0	-391.7	-244.8	-391.7	-244.8
<b>Cash flow</b>	<b>243.4</b>	<b>-77.5</b>	<b>33.0</b>	<b>-27.2</b>	<b>214.8</b>	<b>154.4</b>
Cash and cash equivalents, opening balance	455.0	546.0	661.0	487.3	473.1	487.3
Exchange differences	1.5	4.7	5.9	13.1	12.0	19.2
Cash and cash equivalents, closing balance	699.9	473.1	699.9	473.1	699.9	661.0

<b>Consolidated statements of financial position, SEK million</b>	<b>30 Sep 15</b>	<b>30 Sep 14</b>	<b>31 Dec 14</b>
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible assets	121.5	132.6	129.0
Tangible assets	32.2	31.5	28.1
Long-term receivables	38.6	31.4	28.1
Deferred tax assets	75.3	91.5	100.8
<b>Total fixed assets</b>	<b>267.5</b>	<b>287.0</b>	<b>286.0</b>
<b>Current assets</b>			
Inventories	266.9	307.3	232.7
Trade receivables	266.1	251.6	341.0
Other current receivables	58.2	51.0	79.0
Cash and cash equivalents	699.9	473.1	661.0
<b>Current assets</b>	<b>1,291.0</b>	<b>1,083.1</b>	<b>1,313.7</b>
<b>Total assets</b>	<b>1,558.5</b>	<b>1,370.1</b>	<b>1,599.8</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>1,074.7</b>	<b>965.8</b>	<b>1,207.1</b>
<b>Liabilities</b>			
Other long-term liabilities	11.9	14.5	11.0
Deferred tax liabilities	4.7	5.1	5.0
<b>Total non-current liabilities</b>	<b>16.6</b>	<b>19.6</b>	<b>16.0</b>
Trade payables	90.6	52.0	75.7
Other current liabilities	376.7	332.7	301.0
<b>Total current liabilities</b>	<b>467.2</b>	<b>384.6</b>	<b>376.6</b>
<b>Total liabilities</b>	<b>483.8</b>	<b>404.3</b>	<b>392.7</b>
<b>Total equity and liabilities</b>	<b>1,558.5</b>	<b>1,370.1</b>	<b>1,599.8</b>

<b>Consolidated statements of changes in equity, SEK million</b>	<b>Jan-Sep 15</b>	<b>Jan-Sep 14</b>	<b>Jan-Dec 14</b>
<b>Opening balance</b>	<b>1,207.1</b>	<b>1,165.4</b>	<b>1,165.4</b>
Dividend	-391.7	-244.8	-244.8
Total comprehensive income	259.3	45.2	286.5
<b>Closing balance</b>	<b>1,074.7</b>	<b>965.8</b>	<b>1,207.1</b>

<b>Financial key figures</b>	<b>Jan-Sep 15</b>	<b>Jan-Sep 14</b>	<b>Jan-Dec 14</b>
Order intake	1,340.9	1,410.0	2,028.3
Net sales	1,193.7	818.6	1,475.0
Order backlog	849.3	740.0	702.0
Gross margin	56.2%	42.0%	48.3%
EBIT margin	24.2%	5.6%	18.7%
Return on equity	21.7%	3.2%	22.4%
Equity/total assets	69.0%	70.5%	75.5%
Equity/average number of shares	11.0	9.9	12.3
Average number of employees	498	510	508
<b>Capital spending</b>			
Capitalized development	3.1	10.8	10.8
Other capital spending	17.0	7.9	7.6
<b>The Mycronic share</b>			
Closing share price	46.00	17.50	24.80
Market cap	4,504.2	1,713.5	2,428.3

<b>Quarterly data</b>	<b>Q 3-15</b>	<b>Q 2-15</b>	<b>Q 1-15</b>	<b>Q 4-14</b>	<b>Q 3-14</b>	<b>Q 2-14</b>	<b>Q 1-14</b>	<b>Q 4-13</b>
Order intake SMT	202.3	191.4	233.3	204.6	205.1	177.0	169.1	167.9
Order intake PG	356.3	119.8	237.7	413.8	637.3	103.9	117.5	205.8
	<b>558.6</b>	<b>311.2</b>	<b>471.0</b>	<b>618.4</b>	<b>842.4</b>	<b>280.9</b>	<b>286.7</b>	<b>373.6</b>
Sales SMT	207.3	193.9	222.0	229.8	180.3	165.4	166.4	187.3
Sales PG	397.6	90.7	82.2	426.7	157.8	72.8	76.0	137.3
	<b>604.9</b>	<b>284.6</b>	<b>304.1</b>	<b>656.4</b>	<b>338.0</b>	<b>238.2</b>	<b>242.3</b>	<b>324.5</b>
Gross profit SMT	99.0	88.8	99.6	108.0	78.2	72.2	72.3	80.0
Gross profit PG	293.8	45.8	43.9	260.0	54.2	33.9	32.9	71.5
	<b>392.8</b>	<b>134.6</b>	<b>143.5</b>	<b>368.0</b>	<b>132.4</b>	<b>106.1</b>	<b>105.2</b>	<b>151.5</b>
Gross margin SMT	48%	46%	45%	47%	43%	44%	43%	43%
Gross margin PG	74%	50%	53%	61%	34%	47%	43%	52%
	<b>65%</b>	<b>47%</b>	<b>47%</b>	<b>56%</b>	<b>39%</b>	<b>45%</b>	<b>43%</b>	<b>47%</b>
Research and development expenses	-61.8	-62.2	-62.6	-63.8	-46.5	-48.4	-39.0	-48.3
Selling expenses	-44.5	-48.1	-45.0	-46.2	-38.1	-39.4	-40.3	-45.8
Administrative expenses	-22.1	-19.2	-24.6	-33.2	-21.5	-17.1	-18.1	-21.0
Other income and expenses	-2.4	-4.0	14.5	6.1	10.7	4.4	-4.8	5.8
<b>EBIT</b>	<b>261.9</b>	<b>1.1</b>	<b>25.8</b>	<b>231.0</b>	<b>36.9</b>	<b>5.6</b>	<b>3.0</b>	<b>42.2</b>

<b>Segment reporting, SEK million</b>	<b>July-Sep 15</b>	<b>July-Sep 14</b>	<b>Jan-Sep 15</b>	<b>Jan-Sep 14</b>	<b>Rolling 12 months</b>	<b>Jan-Dec 14</b>
<b>Income from external customers</b>						
SMT	207.3	180.3	623.1	512.1	852.9	741.9
PG	397.6	157.8	570.5	306.5	997.2	733.1
	<b>604.9</b>	<b>338.0</b>	<b>1,193.7</b>	<b>818.6</b>	<b>1,850.1</b>	<b>1,475.0</b>
<b>EBIT</b>						
SMT	2.5	14.0	1.9	35.3	21.0	54.5
PG	259.9	23.4	288.4	13.9	500.7	226.2
Amortization of acquired intangible assets	-0.5	-0.5	-1.4	-3.7	-1.9	-4.2
<b>Group</b>	<b>261.9</b>	<b>36.9</b>	<b>288.8</b>	<b>45.5</b>	<b>519.9</b>	<b>276.5</b>

<b>Income statements, Parent company, SEK million</b>	<b>July-Sep 15</b>	<b>July-Sep 14</b>	<b>Jan-Sep 15</b>	<b>Jan-Sep 14</b>	<b>Jan-Dec 14</b>
Net sales	409.3	168.3	598.7	316.1	729.2
Cost of goods sold	-115.3	-115.2	-219.7	-206.7	-379.6
<b>Gross profit</b>	<b>294.0</b>	<b>53.2</b>	<b>379.0</b>	<b>109.5</b>	<b>349.6</b>
Research and development expenses	-7.7	-14.8	-28.8	-47.2	-68.0
Selling expenses	-8.2	-5.0	-21.8	-22.6	-30.5
Administrative expenses	-6.8	-6.9	-23.5	-20.8	-34.8
Other income and expenses	-3.6	5.5	-8.0	8.0	19.9
<b>EBIT</b>	<b>267.7</b>	<b>32.0</b>	<b>296.9</b>	<b>26.9</b>	<b>236.3</b>
Result from financial investments	0.1	0.2	0.2	1.4	1.7
<b>Profit/loss before tax</b>	<b>267.8</b>	<b>32.2</b>	<b>297.1</b>	<b>28.3</b>	<b>238.0</b>
Tax	-42.3	-6.3	-42.2	-6.2	0.3
<b>Net profit/loss</b>	<b>225.5</b>	<b>25.9</b>	<b>254.9</b>	<b>22.1</b>	<b>238.4</b>
<b>Statements of comprehensive income, SEK million</b>	<b>July-Sep 15</b>	<b>July-Sep 14</b>	<b>Jan-Sep 15</b>	<b>Jan-Sep 14</b>	<b>Jan-Dec 14</b>
<b>Net profit/loss</b>	<b>225.5</b>	<b>25.9</b>	<b>254.9</b>	<b>22.1</b>	<b>238.4</b>
<b>Other comprehensive income</b>					
<i>Items to be reclassified to profit and loss</i>					
Translation differences	0.4	0.3	0.7	0.5	0.9
Tax relating to other comprehensive income	-0.1	-0.1	-0.2	-0.1	-0.2
<b>Total comprehensive income</b>	<b>225.8</b>	<b>26.1</b>	<b>255.5</b>	<b>22.5</b>	<b>239.1</b>
<b>Balance sheets, Parent company, SEK million</b>	<b>30 Sep 15</b>	<b>30 Sep 14</b>	<b>31 Dec 14</b>		
<b>ASSETS</b>					
<b>Fixed assets</b>					
Intangible and tangible assets	25.5	21.5	21.9		
<i>Financial assets</i>					
Participation in group companies	365.5	365.5	365.5		
Receivables from group companies	0.0	5.1	4.3		
Other non-current receivables	27.2	17.3	16.7		
Deferred tax receivables	21.2	57.1	63.5		
<i>Total financial assets</i>	<i>413.9</i>	<i>444.9</i>	<i>450.0</i>		
<b>Total fixed assets</b>	<b>439.4</b>	<b>466.4</b>	<b>471.9</b>		
<b>Current assets</b>					
Inventories	27.0	68.2	6.7		
<i>Current receivables</i>					
Trade receivables	42.0	53.1	95.8		
Receivables from group companies	148.8	165.9	131.7		
Other current receivables	20.4	24.3	44.1		
<i>Total current receivables</i>	<i>211.1</i>	<i>243.2</i>	<i>271.6</i>		
Cash and cash equivalents	543.1	310.2	517.1		
<b>Total current assets</b>	<b>781.3</b>	<b>621.6</b>	<b>795.4</b>		
<b>Total assets</b>	<b>1,220.7</b>	<b>1,088.0</b>	<b>1,267.3</b>		
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>	<b>939.8</b>	<b>859.4</b>	<b>1,076.0</b>		
<b>Other non-current liabilities</b>	<b>0.2</b>	<b>-</b>	<b>0.1</b>		
Trade payables	18.9	4.7	11.3		
Liabilities to group companies	1.6	0.8	7.4		
Current liabilities	260.2	223.1	172.5		
<b>Total liabilities</b>	<b>280.7</b>	<b>228.6</b>	<b>191.2</b>		
<b>Equity and liabilities</b>	<b>1,220.7</b>	<b>1,088.0</b>	<b>1,267.3</b>		
<i>Pledged assets</i>	<i>89.0</i>	<i>89.0</i>	<i>89.0</i>		

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Täby, 20 October, 2015

Lena Olving  
*President and CEO*

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*Mycronic's vision*

The business partner of choice, enabling the future of electronics.

*Mycronic's mission*

We aim to be the market leader within our key segments across the globe. We continuously improve and develop innovative solutions, products and services to meet the changing needs of our customers. We do not compromise with our goal to deliver sustainable growth, profitability and shareholder value. We meet our challenging goals by engaging the passion and talent of people dedicated to deliver.

*Mycronic's long-term financial objectives*

**Growth**

Consolidated net sales will reach SEK 2 billion at the end of the period covered by the business plan.

**Profitability**

Over time EBIT (earnings before interest and tax) will exceed 10 percent of net sales over a business cycle.

**Capital structure**

Net debt will be less than 3 times the average EBITDA (earnings before depreciation, amortization, interest and tax).

*Mycronic's dividend policy*

The objective of the company is to provide both good returns and value growth. Between 30 and 50 percent of net profit will be distributed to the shareholders, provided the company has a net debt lower than 3 times EBITDA after stipulated dividend. On each occasion the financial position, profitability trend, growth potential and future investment requirements of the company shall be taken into account.

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## THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

### Review report

To the Board of Mycronic AB (publ), corporate identity number 556351-2374

#### Introduction

We have reviewed the condensed interim report for Mycronic AB (publ) as at September 30, 2015 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

#### Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material aspects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, 20 October, 2015  
Ernst & Young AB

Heléne Siberg Wendin  
Authorized Public Accountant