MICRONIC LASER SYSTEMS

PRESS RELEASE
216E

Micronic reports on third quarter 2007

Taby, Sweden, October 18, 2007 - Micronic Laser Systems AB (listed on the OMX Stockholm Exchange, Nordic list, Mid cap, Information Technology: MICR) today presented the Group's Interim Report for January 1– September 30, 2007. The information in this press release is of such nature that it must be published by Micronic in accordance with the Act on Stock Exchange and Clearing Operations and/or the Act on Trading in Financial Instruments. The information was submitted for publication on October 18, 8:00 a.m.

- Order intake for the first nine months was SEK 498 (544) million, of which SEK 402 (113) million was booked in the third quarter
- Net sales for the first nine months are reported at SEK 298 (939) million, of which the third quarter accounted for SEK 178 (98) million
- Operating profit for the first nine months was SEK -248 (114) million, including SEK -34 (-112) million for the third quarter
- Operating profit adjusted for capitalization and amortization of development costs totaled SEK -175 (189) million for the first nine months and SEK -9 (-85) million for the third quarter
- Profit after tax was SEK -177 (84) million, equal to SEK -4.53 (2.13) per share, before and after dilution. Profit after tax for the third quarter was SEK -24 (-79) million, equal to SEK -0.62 (-2.01) per share
- The order backlog at the end of the third quarter, consisting only of systems, was SEK 420 (425) million.

"The third quarter was characterized by a robust order intake of SEK 402 million, which is the third best quarterly figure in the company's history. The rising complexity of our most advanced laser pattern generators for the display market is leading to a substantial price increase. To a certain extent our gross margin for the quarter, which amounted to 47 percent, was charged with initial costs related to shipment of two new systems. The balance sheet remains strong and it is also worth noting that we recorded a SEK 58 million increase in customer prepayments during the third quarter," says Sven Lofquist, President and CEO of Micronic Laser Systems AB.

"The display industry is undergoing gradual recovery. However, we do not expect order intake for the fourth quarter to reach the same level as in the third. We are now in the process of launching the new generation of display pattern generators, Micronic Prexision, which enables production of advanced photomasks, including masks for next generation display manufacturing, known as G10. We expect Prexision to provide added value for our customers in several respects. In the third quarter we delivered the first pattern generator in the Prexision series. This version of pattern generator is designed for high-quality photomasks up to and including G8. We also delivered the first FPS5100 system for advanced electronic packaging."

"The semiconductor market is expected to show some growth in the second half of 2007. Our expectation is that demand for pattern generators for volume production will revive in the second half of the year."

"Overall, we see potential during the current year to invoice orders received in the fourth quarter," concludes Sven Lofquist.

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Third quarter key events

- Micronic received orders for:
  - one laser pattern generator from the LRS series for the production of display photomasks
  - two pattern generators for the production of advanced display photomasks, including masks for next generation display manufacturing, so called G10.

- The Board of Micronic has elected Goran Malm as Chairman of the Board for the period until the next Annual General Meeting. Goran Malm succeeds Lars Nyberg who leaves his position in the Board due to his new assignment as President and CEO of TeliaSonera.

Key events prior to the third quarter

- Micronic received an order for an FPS5100 laser pattern generator for advanced electronic packaging applications.

Key events after reporting period

- Micronic introduces the Prexision series, pattern generators with improved image quality for next generations display manufacturing.

Markets and Micronic's products

Semiconductors

Semiconductor sales in the first half of 2007 remained flat despite strong growth in shipment of memory chips. Memory chip pricing now appears to have stabilized, and a stronger second half is expected to generate 3.9 percent growth in semiconductor sales during 2007 (Gartner Dataquest, August 2007).

The semiconductor capital equipment industry expanded sharply up in 2006 and surpassed the 2005 level by 23 percent. Production equipment spending in 2007 is expected to be on par with the previous year (SEMI, September 2007). Capacity utilization, a predictor of renewed equipment spending, has edged up in recent quarters and is expected to reach 93 percent in the third quarter as available capacity is filled up (IC Insights, September 2007).

Semiconductor photomask sales are forecasted to grow by a moderate 3.5 percent in 2007, to USD 3.3 billion (VLSI Research, May 2007). A ramp to higher mask volumes is underway for the 90 nm technology node, but production of 65 nm photomasks is still in the early stages. Micronic's Sigma7500 pattern generators are positioned to serve this capacity buildup, especially as chip makers focus more on cost reduction in full-scale production. The improved performance of the Sigma7500-II also addresses 45 nm subcritical masks, which are now in initial production.

Only around 10 percent of all photomasks currently produced are used for technology nodes at 90 nm and beyond (SEMATECH, September 2007). The Omega6000 series pattern generators are targeted at the other 90 percent of the market, consisting of mainstream ICs and image sensors for digital cameras and camera phones. Most photomasks today are produced by an aging fleet of e-beam and laser pattern generators, and over time it will be cost-effective to replace these tools with high throughput laser pattern generators.

Displays

Price development in the FPD market showed a rising trend in the third quarter and price increases were noted for all types of display panels. The price upturn is also improving the financial strength of panel manufacturers which, in combination with sustained demand, is critical for ongoing investments in capacity buildup. For the second consecutive quarter, the market research company DisplaySearch has upgraded its forecasts for LCD equipment spending and now predicts investments of USD 9.8 billion (9.3) in 2008 and USD 10.6 billion (10.4) in 2009 (DisplaySearch, October 2007). This indicates that 2007 represents the bottom of a three-year market cycle in the display industry.

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In the past quarter, the LCD industry has taken significant steps in migrating to the larger substrates in the next generation of FPDs, G10, which enables cost-effective production of 42”, 57” and 65” TV display panels. Sharp has announced intentions to build a plant for TFT LCD displays based on G10 substrates and a Japanese photomask maker has communicated plans to invest in G10.

In October Micronic launched two new pattern generators for display applications. The Prexision-10 is targeted at production of photomasks up to and including G10. The Prexision-8 is designed for high-quality photomasks up to and including G8. Both systems are based on a new advanced technology platform that builds on the success of Micronic’s LRS product line. The Prexision series provides significantly better photomask accuracy and quality while at the same time offering higher productivity than existing pattern generators.

Development in the market for display pattern generators is expected to move towards systems of greater complexity and productivity. Over time, Micronic expects to sell fewer pattern generators than previously, but at a higher price per system. However, the lower number of system units will be compensated by increased overall order values.

Electronic Packaging

For Micronic, the most important part of the electronic packaging market is the production of advanced IC substrates, which are used to manufacture semiconductor devices like flip chips (FCBGA). The market for advanced IC substrates is expected to grow from USD 5.6 million in 2007 to USD 9.7 million in 2011 (Japan Marketing Survey, May 2007). The number of layers and complexity of the IC substrates will continue to increase over the next few years. This is raising the demands on photomasks, a trend that offers increased market potential for Micronic’s FPS5100. Despite continuous growth in IC substrates, the market has been slow in 2007 compared to 2005 and 2006. The first FPS5100 system has been delivered during the quarter.

Comments on the Group’s result and financial position

Order intake, order backlog and invoiced sales

Order intake in the first nine months of 2007 amounted to SEK 498 (544) million and included three systems as well as service and after market sales. The three systems are used in manufacturing of display photomasks, including next generation display manufacturing, G10. The order backlog at the end of the third quarter, consisting only of systems, totaled SEK 420 million, compared to SEK 200 million at year-end 2006.

Net sales in the first nine months of the year reached SEK 298 (939) million, of which SEK 178 (98) was recorded in the third quarter. Two systems were shipped in the third quarter, which means that sales for the first nine months consists of three systems as well as service and after market sales.

Operating expenses and operating profit

Micronic’s operating profit for the first nine months of the year was SEK -248 (114) million, which is explained by relatively low system sales during the period. Operating profit was also affected by capitalization and amortization of previously capitalized development costs. Adjusted for these items, operating profit for the first nine months was SEK -175 (189) million.

Operating expenses in the first nine months of the year totaled SEK 547 (825) million, of which the cost of goods sold accounted for SEK 215 (426) million. The reporting period’s gross profit reached 83 (513) million, equivalent to a gross margin at 28 (55) percent. Third quarter gross profit was 84 (3) million, giving a margin at 47 (3) percent. Gross profit is charged with direct costs for delivered goods and services, including costs for system setup at the customer site and warrantees. Depending on volumes and the product mix, gross margin can vary significantly between individual quarters. In addition, gross profit is charged with certain fixed costs for the production department and in some cases with indirect manufacturing and logistics overheads. Furthermore, costs for certain technical and customer-related activities are expensed as incurred within this function.

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Actual R&D expenditure during the period was SEK 143 (161) million, wherof new development projects were capitalized in an amount of SEK 23 (22) million. Aside from this, operating profit was charged with SEK 97 (97) million in amortization of previously capitalized development costs. In total, operating profit for the first nine months of the year was charged with R&D costs amounting to SEK 217 (236) million. See also table on page 8. Each development project is assessed individually to determine whether the criteria for capitalization have been met. Amortization of capitalized costs is started when a development project is completed, at which time it begins to generate revenue. Amortization of previously capitalized development costs will decrease in the fourth quarter of 2007 when the capitalized development costs for the Sigma project are fully amortized. At the same time, amortization of other development projects will begin but will be less substantial.

Selling expenses in the first nine months of the year totaled SEK 36 (90) million, including sales commissions of SEK 9 (47) million. Administrative expenses in the first nine months amounted to SEK 70 (63) million. The increase is explained by the build-up of operations in subsidiaries and the effects arising from reclassification of certain costs in a new organization, whereby costs for items such as product management are reported as administrative expenses. Administrative expenses for the third quarter are charged with costs for the employee stock option program in an amount of just under SEK 3 million. The stock option program was approved by the 2007 AGM and will run until 2012. The estimated total cost of the program is approximately SEK 15 million and will be allocated over the period ending in March 2010.

Other income and expenses in the first nine months of the year are reported at SEK -9 (-11) million and consisted mainly of exchange differences. This item also includes changes in the value of operating derivatives.

Earnings per share

Consolidated profit after tax for the first nine months amounted to SEK -177 (84) million. The total number of shares outstanding at September 30 was 39,166,616. Under the stock option program adopted by the AGM the number of shares may be increased by not more than 1,540,000 to 40,706,616 shares. Earnings per share calculated on the average number of shares during the first nine months, 39,166,616, were SEK -4.53 (2.13).

Capital expenditure

The Group's total capital expenditure in the first nine months of the year was SEK 32 (80) million, of which SEK 23 (22) million is attributable to capitalization of development costs. Other investments, amounting to SEK 8 million, refer mainly to the purchase of computers, investments in the business system and rebuilding of the premises in Taby. These investments were mostly made in Sweden.

Cash flow, cash and cash equivalents, and financial position

The Group's cash and cash equivalents at September 30 amounted to SEK 397 million, compared to SEK 628 million at year-end 2006. Consolidated cash flow for the first nine months of the year was SEK -230 million. Operating activities generated a negative cash flow of SEK 152 million, compared with a positive cash flow of SEK 166 million in the same period of last year. Investing activities in the first nine months of 2007 generated a negative cash flow of SEK 32 million, compared to a negative cash flow of SEK 80 million in the same period of last year when investments included self-made development systems for a total of SEK 58 million. Financing activities generated a negative cash flow of SEK 46 (40) million. ASML has carried out some development of the SLM technology that will benefit Micronic, for which reason a portion of an advance payment has been refunded according to an agreement between the companies. The refund, which was made by Micronic in the first quarter, amounted to SEK 32 million. Liabilities relating to finance leases have been reduced by SEK 8 million. Net borrowing in the Group has otherwise decreased by SEK 6 million.

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Personnel
The average number of employees in the Group during the first nine months of the year was 426 (478). The number of employees in the Group at the end of the period was 413 (508), of whom 302 (389) work in Sweden.

Comments on the Parent Company's results and financial position
Micronic Laser Systems AB, based in Taby outside Stockholm, is the parent company of the Micronic Group and is responsible for the Group's development and manufacturing activities.

The Parent Company's net sales for the first nine months of the year are reported at SEK 213 (895) million and consist of systems and service sales. Operating profit for the period was SEK -193 (180) million.

In the Parent company, all R&D costs are expensed as incurred. The Parent Company does not capitalize any development costs in the balance sheet as intangible assets, for what reason no amortization of previously capitalized development costs is recorded in the Parent Company. Intangible assets in the Parent Company refer to business systems and licenses. This explains the large differences in reported development costs between the Group and the Parent Company.

The Parent Company's cash and cash equivalents at the end of the period totaled SEK 370 million, compared to SEK 604 million at year-end 2006. Of the interim period's negative cash flow of SEK 234 million, operating activities utilized a total of SEK 192 million including changes in working capital. Investing activities generated a negative cash flow of SEK 8 million and refer to investments in business systems, the purchase of computers, and rebuilding of the premises in Taby. Financing activities generated a negative cash flow of SEK 34 million, of which the bulk, SEK 32 million, comprises partial repayment of the advance from ASML according to an agreement between the companies.

Significant risks and uncertainties
Through its operations, both the Group and the Parent Company are exposed to risks of both a financial and operating nature that are more or less within the company's control. The company uses an ongoing process to identify all existing risks and assess how these should be managed.

In the short term the company's operations, profitability and financial position could be affected by stagnation of investment in the electronics industry. The market is characterized by a small number of customers and a decrease in order intake from, or sales to, one of the Group's customers could have a significant impact on the Group's earnings and financial position. Earnings for a specific period can be affected by the postponement in the date of shipment for individual systems. For a more detailed description of the current market situation, see pages 2-3. Due to the rapid rate of technological development in the areas where the Group is active, Micronic is continuously exposed to a risk that the products it delivers will not meet the customers' high technical requirements. The Group is also exposed to development risk, consisting of the risk that research and development will not lead to new and profitable business opportunities to the intended extent.

Both the Group's and the Parent Company's largest single financial risk is foreign exchange risk, since sales are denominated almost exclusively in foreign currencies, particularly US dollars and Japanese yen. Forward exchange contracts are used to hedge contracted cash flows where the date of delivery can be determined with certainty. The relatively limited number of customers also represents a concentration of credit risk, meaning the risk that the customer will be unable to meet its payment obligations. To minimize this risk, Micronic demands advance financing from customers to the greatest possible extent. When doing business with new customers or in new geographical areas, Micronic requires letters of credit or other forms of collateral.

For a complete description of identified risks and the company's risk management systems, see the 2006 annual report.

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Nomination Committee

By decision of the AGM, the Nomination Committee shall consist of five members representing the four largest shareholders at September 30 together with the Chairman of the Board. After the end of September, Board Chairman Goran Malm contacted the four largest shareholders in Micronic to each appoint a member to the Nomination Committee. The Nomination Committee consists of the following individuals representing the largest shareholders:

Ramsey Brufer, Alecta	Ulf Strömsten, Catella
Anders Ljungqvist, AMF	Annika Andersson, Fourth Swedish National pension Fund

Annika Andersson has been appointed Chairman of the Nomination Committee.

Future outlook

Planned investments to expand display production capacity over the next few years are now up slightly for 2008 and 2009, according to DisplaySearch' report from October 2007. The current year is assessed to represent the bottom of the investment cycle, after which the market is expected to show gradual improvement. The trend towards larger orders and lower volumes is reinforcing the variations between quarters.

Forecasts for the semiconductor market are unchanged from the prior period and indicate weaker development than in 2006 but with a recovery in the second half of the year. Demand for Micronic's pattern generators is expected to revive somewhat.

The Board of Directors stands by its earlier assessment that overall sales in 2007 will be weaker than in 2006, but that the second half of 2007 will be stronger than the first. The Board has now made a more precise assessment and expects overall sales for the full year to exceed SEK 500 million.

Financial calendar

2007 Full-year report	January 28, 2008
Annual General Meeting	April 3, 2008
Interim report January-March 2008	April 18, 2008
Semi-annual report January-June 2008	July 8, 2008
Interim report January-September 2008	October 17, 2008

Taby October 18, 2007
Micronic Laser Systems AB (publ.)

The Board of Directors

Micronic Laser Systems is a Swedish high-tech company engaged in the development, manufacture and marketing of a series of extremely accurate laser pattern generators for the production of photomasks and metrology systems for display photomasks. The technology involved is known as microlithography. Micronic's systems are used by the world's leading electronics companies in the manufacture of television and computer displays, semiconductor circuits and semiconductor packaging components. Micronic is headquartered in Taby, north of Stockholm, and has subsidiaries in Japan, the United States, South Korea and Taiwan. The company has 413 employees. For more information visit our website: http://www.micronic.se

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Report on Review of Interim Financial Information

Introduction
We have reviewed the interim report of Micronic Laser Systems AB (publ), reg no 556351-2374, as of September 30, 2007 and for the nine-month period then ended. The Board of directors are responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this semi-annual report based on our review.

Scope of Review
We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information 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 the Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

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 respects, in accordance with IAS 34 and the Annual Accounts Act for the group and in accordance with the Annual Accounts Act for the parent company.

Stockholm October 18, 2007
KPMG Bohlins AB

Anders Malmeby
Authorized public accountant

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PROFIT AND LOSS ACCOUNTS, GROUP

SEK million	Jul-Sept 07	Jul-Sept 06	Jan-Sept 07	Jan-Sept 06	Jan-Dec 06	Rolling 12 months
Net sales	177.9	97.5	298.1	938.6	1,204.1	563.6
Cost of goods sold	-94.1	-94.7	-214.9	-425.5	-550.0	-339.4
Gross profit	**83.8**	**2.8**	**83.2**	**513.1**	**654.1**	**224.2**
R&D costs	-70.8	-77.8	-216.7	-235.5	-318.5	-299.7
Selling expenses	-13.8	-16.8	-35.6	-89.8	-112.1	-57.9
Marketing and administrative expenses	-25.1	-19.4	-70.4	-63.1	-81.1	-88.4
Other income/expenses	-8.2	-0.7	-9.0	-11.0	-19.8	-17.8
Operating profit	**-34.1**	**-111.9**	**-248.5**	**113.7**	**122.6**	**-239.6**
Financial income and expenses	0.3	1.0	2.5	2.1	3.6	3.9
Profit/loss after financial items	**-33.8**	**-110.9**	**-246.0**	**115.8**	**126.2**	**-235.7**
Tax	9.7	32.4	68.7	-32.2	-33.3	67.6
Net profit	**-24.1**	**-78.5**	**-177.3**	**83.6**	**92.9**	**-168.1**
Earnings/share before and after dilution, SEK	-0.62	-2.01	-4.53	2.13	2.37	-4.29
Average number of shares before and after dilution, thousands	39,167	39,167	39,167	39,167	39,167	39,167

CASH FLOW STATEMENTS, GROUP

SEK million	Jul-Sept 07	Jul-Sept 06	Jan-Sept 07	Jan-Sept 06	Jan-Dec 06	Rolling 12 months
Cash flow from operating activities before change in working capital	22.2	-78.6	-115.3	259.2	295.1	-104.5
Change in working capital	-55.4	-51.2	-37.1	-93.2	-76.1	5.1
Cash flow from operating activities	**-33.2**	**-129.8**	**-152.4**	**166.0**	**219.0**	**-99.4**
Cash flow from investing activities	-9.4	-19.2	-31.6	-79.8	-97.4	-49.2
Cash flow from financing activities	1.6	-9.4	-46.5	-39.9	-50.9	-57.5
Increase/decrease in cash and cash equivalents	**-41.0**	**-158.4**	**-230.5**	**46.3**	**70.7**	**-206.1**
Opening cash and cash equivalents	437.0	763.1	627.8	561.9	561.9	604.7
Exchange rate differences in cash and cash equivalents	0.8	0.0	-0.5	-3.5	-4.8	-1.8
Closing cash and cash equivalents	396.8	604.7	396.8	604.7	627.8	396.8

RESEARCH AND DEVELOPMENT

SEK million	Jul-Sept 07	Jul-Sept 06	Jan-Sept 07	Jan-Sept 06	Jan-Dec 06	rolling 12 months
R&D expenditure	-45.6	-50.8	-143.0	-160.7	-221.7	-204.0
Capitalized development costs	7.1	5.3	23.2	22.1	32.4	33.5
Amortization of capitalized development	-32.3	-32.3	-96.9	-96.9	-129.2	-129.2
Reported R&D costs	**-70.8**	**-77.8**	**-216.7**	**-235.5**	**-318.5**	**-299.7**

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BALANCE SHEETS, GROUP

SEK million			
ASSETS	**Sept 30, 07**	**Sept 30, 06**	**Dec 31, 06**
Fixed assets			
Intangible assets	92.1	190.2	168.2
Tangible assets	298.0	333.9	306.0
Long-term receivables	5.1	4.5	5.2
Deferred tax assets	69.5	-	3.4
Total fixed assets	**464.7**	**528.6**	**482.8**
Current assets			
Inventories	344.7	362.6	353.3
Current receivables	249.1	331.5	245.8
Cash and cash equivalents	396.8	604.7	627.8
Total current assets	**990.6**	**1,298.8**	**1,226.9**
Total assets	**1,455.3**	**1,827.4**	**1,709.7**
EQUITY AND LIABILITIES			
Equity	**937.3**	**1,108.3**	**1,109.8**
Long-term interest-bearing loans	109.9	135.7	113.2
Other long-term interest-bearing liabilities	87.5	120.5	117.6
Other long-term liabilities	5.4	5.2	5.0
Deferred tax liabilities	23.5	31.8	32.4
Short-term interest-bearing liabilities	52.9	56.7	64.9
Other liabilities	238.8	369.2	266.8
Total liabilities	**518.0**	**719.1**	**599.9**
Total equity and liabilities	**1,455.3**	**1,827.4**	**1,709.7**

CHANGES IN EQUITY, GROUP

SEK million	**Jan-Sept 07**	**Jan-Sept 06**	**Jan-Dec 06**
Opening balance	**1,109.8**	**1,025.3**	**1,025.3**
Changes in translation reserve	-2.6	-1.6	-7.3
Equity-settled share-based payments, IFRS 2	2.2	-	-
Changes in hedge reserve	5.2	1.0	-1.0
Total transactions recognized directly in equity	4.8	-0.6	-8.3
Net result	-177.3	83.6	92.9
Closing balance	**937.3**	**1,108.3**	**1,109.8**

KEY FIGURES

	Jan-Sept 07	**Jan-Sept 06**	**Jan-Dec 06**
Gross margin	27.9%	54.7%	54.3%
Operating margin	-83.3%	12.1%	10.2%
Operating margin, adjusted 1)	-58.6%	20.1%	18.2%
Return on equity	-17.3%	7.8%	8.7%
Equity/total assets	64.4%	60.6%	64.9%
Equity/share, SEK	23.9	28.3	28.4
Average number of employees	426	478	462
Capital expenditure, gross			
Capitalized development expenditure	23.2	22.2	32.0
Other fixed assets	8.4	57.3	65.0

1) Operating profit adjusted for capitalization and amortization of previously capitalized development expenditure.

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PROFIT AND LOSS ACCOUNTS, PARENT COMPANY

SEK million	Jul-Sept 07	Jul-Sept 06	Jan-Sept 07	Jan-Sept 06	Jan-Dec 06
Net sales	146.1	78.4	212.6	894.8	1,140.4
Cost of goods sold	-76.8	-92.1	-170.5	-401.6	-516.3
Gross profit	**69.3**	**-13.7**	**42.1**	**493.2**	**624.1**
Research and development expenses	-46.0	-50.8	-143.8	-160.5	-222.3
Selling expenses	-12.7	-15.2	-32.0	-90.8	-112.0
Marketing and administrative expenses	-19.4	-14.3	-56.0	-48.8	-62.8
Other operating income/expenses	-2.5	-3.9	-3.5	-13.5	-22.7
Operating profit	**-11.3**	**97.9**	**-193.2**	**179.6**	**204.3**
Result from financial investments	1.1	1.8	4.5	4.1	6.8
Profit/loss after financial items	**-10.2**	**-96.1**	**-188.7**	**183.7**	**211.1**
Tax	3.0	26.9	53.2	-52.5	-56.8
Net profit	**-7.2**	**-69.2**	**-135.5**	**131.2**	**154.3**

BALANCE SHEETS, PARENT COMPANY

SEK million

ASSETS	**Sept 30, 07**	**Sept 30, 06**	**Dec 31, 06**
Fixed assets			
Intangible assets	7.7	10.0	10.1
Tangible assets	282.4	307.9	280.1
Participations in group companies	24.7	24.7	24.7
Receivables from group companies	26.1	1.8	27.2
Other long-term receivables	0.1	0.1	0.1
Deferred tax receivables	64.7	13.0	9.5
Total financial assets	*115.6*	*39.6*	*61.5*
Total fixed assets	**405.7**	**357.5**	**351.7**
Current assets			
Inventories	293.7	310.0	303.3
Current receivables	200.1	371.9	209.3
Cash and cash equivalents	370.0	571.0	604.2
Total current assets	*863.8*	*1,252.9*	*1,116.8*
Total assets	**1,269.5**	**1,610.4**	**1,468.5**
EQUITY AND LIABLITIES			
Equity	**860.1**	**979.0**	**994.1**
Untaxed reserves	5.5	5.5	5.5
Long-term interest-bearing liabilities	167.5	203.9	200.2
Deferred tax liabilities	-	0.8	-
Current interest-bearing liabilities	35.7	35.8	35.1
Other current liabilities	200.7	385.4	233.6
Total current liabilities	*236.4*	*422.0*	*268.7*
Total equity and liabilities	**1,269.5**	**1,610.4**	**1,468.5**

Memorandum items		
Pledged assets	191.0	191.0
Contingent liabilities	101.3	154.8

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SEGMENT REPORTING

SEK, million

Net sales per geographical market	Jan-Sept 07	Jan-Sept 06	Jan-Dec 06
Europe	0.0	0.2	0.4
USA	12.3	29.8	33.3
Asia	285.8	908.6	1,170.5
	298.1	**938.6**	**1,204.2**

Assets, Sep 30, 2007	Europe	USA	Asia
Intangible assets	92.1	-	-
Other fixed assets	352.0	2.0	18.5
Inventories	293.6	8.6	42.5
Current receivables	179.4	1.7	68.2
Cash and cash equivalents	370.1	4.2	22.4
	1,287.2	**16.5**	**151.6**
Investments, Jan-Sep 2007			
Capitalized development	23.2	-	-
Tangible fixed assets	7.9	0.2	0.3
	31.1	**0.2**	**0.3**

Assets, Sep 30, 2006	Europe	USA	Asia
Intangible assets	190.2	-	-
Other fixed assets	321.2	0.9	16.3
Inventories	310.0	10.2	42.4
Current receivables	240.9	3.0	87.6
Cash and cash equivalents	571.1	3.7	29.9
	1,633.4	**17.8**	**176.2**
Investments, Jan-Sep 2006			
Capitalized development	22.2	-	-
Tangible fixed assets	53.8	0.2	3.3
	76.0	**0.2**	**3.3**

Additional information

This interim report covers the operations of the Micronic Group and the Parent Company, in which the Parent Company accounts for the Group's system sales. The subsidiaries are responsible for service and aftermarket sales in their respective regions, and also support the Parent Company's system sales.

Accounting policies of the Group and the Parent Company

This consolidated interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Annual Accounts Act. This interim financial information for the Parent Company has been prepared in accordance with the Annual Accounts Act. The accounting and valuation standards applied in this interim report are the same as those used in the annual report for 2006.

Accounting estimates and assumptions

When preparing the financial statements in accordance with IFRS, the Board of Directors is required to make certain estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual outcomes may differ from these estimates and assumptions.

Forward-looking statements

Certain statements in this report are forward-looking and are based on the Board of Directors present expectations and beliefs about future events. Forward-looking information is always associated with risks and uncertainties that can influence the actual outcomes.

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