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The Mikron Technology Group reports on its 3rd quarter 2003:

Implemented measures proceeding as planned

Compared to the previous year, the Mikron Technology Group, active in the “Production Equipment” and “Components” market segments, increased its net sales by 11%, while orders decreased by 12%. For the entire year, Mikron is still aiming for a balanced operating result (before exceptional expenses).

The third quarter in review

With CHF 108 million, the Mikron Group's orders are 8% below the previous year's third quarter but 30% above the previous quarter. Cumulative orders for 2003 were at CHF 305 million by the end of September. Compared to the previous year, that resulted in a decline by 12%. Although there requests for quotations increased during the third quarter, one cannot speak of a generally rebounding economic environment yet. Furthermore, orders are shorter-termed with more and more ambitious delivery dates.

Net sales of CHF 111 million for the third quarter of 2003 corresponded to a 9% increase compared to the previous quarter. Cumulative net sales by the end of September 2003 were at CHF 329 million which is a 11% increase compared to the previous year. The reason for the positive development in net sales is to be found in a good level of unfilled orders at the end of 2002, some large orders in the first quarter of 2003 and an agreeable course of business for injection mould tools for optical storage media as well as for the joint venture with Balda.

During the third quarter, a positive operating result (EBITA) before exceptional expenses could be attained again.

The measures to improve business implemented after the balance sheet restructuring are proceeding as planned. Mikron took notice that parallel to the gratifying great interest in the capital increase of July of 2003, with which the shareholders expressed their confidence, it could also rely on the partnerships with existing customers. An assessment of the medium-term strategy focusing on optimizing the investment portfolio is making progress.

The Production Equipment segment

At the end of September 2003, orders could be reported at CHF 194 million. Compared to the previous year, that resulted in a decrease of 17%. Net sales were at CHF 216 million, which translates into an increase of 11% compared to the previous year.

The Machining Technology division still was not able to break away from the weak economic environment. Incoming orders for machining systems remained modest in the third quarter. Only the cutting tool business continues to show strong growth. Orders for Assembly Technology have stabilized following a cave-in experienced during the second quarter. Processing and delivery of large projects that were part of stock of orders at the end of 2002 lead to a good utilization for the current year. The Axxicon Mould Technology division's mould business for optical storage media continues to develop strongly. Customer-specific injection moulds to produce mobile phones are also high in demand. However, orders from other industries are rather low.

The Components segment

Orders were at CHF 112 million by the end of September 2003. Compared to the previous year this added up to a 3% increase if orders of over CHF 18 million for production equipment for a major sale to the medical industry are excluded. Net sales at the end of September 2003 were at CHF 118 million and increased by 15% compared to the previous year.

Plastics Technology was able to maintain net sales in Europe while sales decreased in the USA due to the concentration of activities. The development of the plants in China and Eastern Europe is progressing well. However, neither of the production sites can make a positive contribution to the result of the segment yet. The joint venture with Balda more than doubled net sales compared to the previous year. This increase was due to earlier input and broadening of the customer base.

Outlook for all of 2003

By the end of the year, orders will not be able to reach the previous year's level. In some areas, the new orders missing today will have a negative impact on net sales in the fourth quarter and the first six months of 2004. Despite this, net sales for the entire Group should attain at least the previous year's level.

For the whole year, the Mikron Group continues to aim for a balanced operating result (EBITA) before exceptional expenses.

Key figures for the Mikron Technology Group, September 30, 2003

<i>CHF Mio.</i>	cumulated 3 rd quarter (01.01. – 30.09.)		
	2003	2002	Changes in %
Orders	305	345	-12
Production Equipment	194	233	-17
Components	112	129	-13
Net sales	329	296	11
Production Equipment	216	194	11
Components	118	103	15
Stock of orders	119	166	
Production Equipment	91	145	
Components	28	21	

Additional questions and management interviews

For any further questions, please contact the PR department at mikron.news@ch.mikron-tg.com for a first contact and coordination.

Additional investor relations information are available on the Mikron website www.mikron-tg.com.

The Mikron Technology Group's investor relations calendar for 2003:

January 27, 2004: preliminary results for 2003

March 30, 2004: presentation of the annual results 2003

April 22, 2004: results first quarter 2004 and annual shareholder's meeting

August 24, 2004: half year results

October 29, 2004: results third quarter 2004

Except for the historical information contained herein, the statements in this press release are forward-looking statements that involve risks and uncertainties.

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