

Mycronic makes strategic acquisition

Täby, 21 November, 2016 – Mycronic AB (publ), acquires 100 percent of Automation Engineering, Inc. (AEI) in the USA. The purchase price amounts to USD 35 million (approximately SEK 321 million) on a debt free basis and is financed with Mycronic's own funds. Under certain conditions, based on parameters such as growth and earnings, an earn-out at a maximum amount of USD 27 million (approximately SEK 248 million) will be paid over two years.

Acquisitions play an important part in Mycronic's ambition for future growth. The strategic goal is to be a global supplier of high precision/high flexibility equipment built on advanced software. With this acquisition, Mycronic can now target additional electronics industry segments. For many years, the company has held a unique position in such niches as photomask manufacturing, advanced PCB assembly and contact-free application of solder paste. Through an earlier acquisition this year, Mycronic has gained a leading position in dispensing. By acquiring AEI, the Group now broadens the product offering further.

AEI develops manufactures, and sells innovative and market leading solutions for precision Camera Module Assembly and Test (CMAT) systems used in electronics products. The largest customer segment is the automotive industry with significant growth for cameras in ADAS (Advanced Driver Assistance Systems). AEI provides the most comprehensive product portfolio of fully-automated solutions, used to assemble camera modules and to measure and verify quality during volume production. The equipment is modular and adapted to customer requirements. The market for ADAS camera modules has an estimated average yearly growth of approximately 30 percent for the period 2015-2020 (Prismark, June 2016).

The company's head office is located in Wilmington, MA in the USA, has subsidiaries in Germany and Hong Kong, and approximately 80 employees. AEI has experienced high levels of growth over the last years and in 2015 net sales reached approximately USD 19 million. Net sales for the first six months of 2016 reached approximately USD 11 million.

"The acquisition of AEI is a strategic complement to our current business. We have been searching for interesting companies in segments adjacent to Mycronic. AEI matches our own product portfolio and areas of competence very well. I am happy to say that we are now expanding our offering with a world leading product. This strengthens our position in an industry with large requirements for high precision/high flexibility equipment," said Lena Olving, President and CEO of Mycronic. "In connection to the acquisition we will change the name on the business area, from Surface Mount Technology (SMT) to Assembly Solutions."

"The acquisition strengthens AEI's global presence and provides access to expertise, which will deepen and strengthen our products and customer support. Mycronic's high precision flexible platforms and dispensing technology, as well as advanced software control expertise, will be a key to our assembly and test solutions and the industry as a whole." , " said Doug Elder, President, and CEO of AEI.

The acquisition is effective immediately and the company will be consolidated into the Mycronic Group as of the acquisition date. The impact on the Group's results in 2016 will be marginal and



the assessment remains that net sales in 2016 will be at the level of SEK 1,900 million, excluding effects from acquisitions.

INVITATION TO CONFERENCE CALL

With reference to today's press release, Mycronic holds a 30 minute conference call today 21 November, 2016 at CET 10.30 am. Lena Olving, CEO, Per Ekstedt, CFO and Niklas Edling, Sr VP Strategy and Portfolio Management will be available for questions.

To join the conference call, dial:

From Sweden +46 (0)8 503 365 94

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Conference code: 8779036027

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About Mycronic AB

Mycronic AB is a Swedish high-tech company engaged in the development, manufacture and marketing of production equipment with high precision and flexibility requirements for 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, the Netherlands, United Kingdom and the United States. For more information see our web site at: www.mycronic.com

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

The information is of the type that Mycronic is required to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication, through the contact persons stated above, on 21 November, 2016, at 8.00 am.

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