

Press release

Sales up on previous quarter

- **Sales up 7 percent compared with fourth quarter 2013**
- **8-inch wafer line in volume production in first quarter**
- **Margins hurt by weak yen and temporary start-up costs**
- **Net sales of CHF 80 million new forecast for first half of 2014, EBIT margin expected to remain in the lower single-digit percentage range**

Zurich, April 24, 2014 – Micronas Group's consolidated net sales went up in the first quarter of 2014 by 7.4 percent to CHF 40.2 million despite the continuing weakness of the yen. The Automotive segment saw sales improve on Q4 2013 by 4.9 percent to CHF 37.3 million, while the Industrial segment posted sales growth of 54.7 percent to CHF 2.9 million. Production on the 8-inch wafer line in Freiburg was ramped up sharply, generating temporary start-up costs. This and the even weaker yen-euro exchange rate weighed down on Micronas Group's gross margin and operating profit (EBIT). As a result, the gross margin came to 28.3 percent of sales, compared with 33.1 percent in the previous quarter, while EBIT fell from CHF 2.3 million in the final quarter of 2013 to CHF 0.9 million. The EBIT margin for Q1 2014 was 2.2 percent of sales.

After the financial result and taxes, profit for the first quarter of 2014 came to CHF 0.4 million, compared with a loss of CHF 0.5 million in Q4 2013. Earnings per share stood at CHF 0.01. Compared to the previous quarter, cash, cash equivalents and short-term financial cash deposits fell by CHF 6.0 million to CHF 164.4 million, mainly because of higher investments. Shareholders' equity came to CHF 127.5 million, giving an equity ratio of 42.4 percent.

Capacity utilization at the Freiburg manufacturing facilities rose, partly because of the 8-inch ramp-up, to around 85 percent in the first quarter, compared with 80 percent in the final quarter of 2013. Incoming orders rose to CHF 44.0 million. The book-to-bill ratio for the first quarter of 2014 came to 1.10.

At the ordinary Shareholders' Meeting of March 21, 2014, all proposals put forward by the Board of Directors were approved. Existing Board Members Heinrich W. Kreutzer, Lucas A. Grolimund, Dr. Dieter G. Seipler and Dr. Stefan Wolf were each re-elected for a one-year term up to the next ordinary Shareholders' Meeting. Heinrich W. Kreutzer was also elected Chairman of the Board of Directors while Heinrich W. Kreutzer and Dr. Dieter G. Seipler were elected as members of the Nomination and Compensation Committee, also until the next ordinary Shareholders' Meeting. The proposed amendments to the Articles of Incorporation, mainly necessitated by the entry into force of the regulation against excessive compensation at publicly listed companies (OAEC), were also approved by a large majority. The concluded distribution of CHF 0.05 per registered share from the capital contribution reserve has been credited to shareholders at the end of March 2014.

There is still no sign of an appreciation of the Japanese yen, but assuming a yen-euro exchange rate of 140, the Board of Directors and Management forecast sales of around CHF 80 million for the first half of 2014. The EBIT margin is expected to remain in the lower single-digit percentage range.

About Micronas

Micronas (SIX Swiss Exchange: MASN) is known and recognized in the automotive and industrial business as a reliable global partner for intelligent, sensor-based system solutions. Micronas offers a variety of Hall sensors and embedded controllers for smart actuators for automotive and industrial applications, such as drive trains, chassis frames, engine management and convenience functions.

For further information

Susy Krucker
Investor Relations
Tel.: +41 44 445 39 60
E-Mail: investor@micronas.com

Disclaimer

This press release contains forward-looking statements, such as projections, forecasts and estimates. Such forward-looking statements are dependent on certain risks and uncertainties which may cause actual results, performance or events to differ materially from those anticipated in this press release. The forward-looking statements contained in this press release are based on Micronas' views and assumptions as of this date and Micronas does not assume any obligation to update or revise this press release. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

Micronas Group – Key data for first quarter 2014

Consolidated profit and loss statement	Q1/2014 CHF 1 000	Q4/2013 CHF 1 000	Q1/2013 CHF 1 000
Net sales	40 193	37 418	37 207
Margin	11 383	12 403	10 664
Operating profit (EBIT)	884	2 294	501
EBITDA	3 755	4 982	3 431
Profit/loss for the period	431	-477	1 040
Earnings per share in CHF	0.01	-0.01	0.04
Segment reporting	Q1/2014 CHF 1 000	Q4/2013 CHF 1 000	Q1/2013 CHF 1 000
Automotive			
Net sales	37 279	35 534	35 457
Operating profit (EBIT)	923	2 799	748
Industrial			
Net sales	2 914	1 884	1 750
Operating loss (EBIT)	-39	-505	-247
Consolidated balance sheet	28.3.2014 CHF 1 000	31.12.2013 CHF 1 000	29.3.2013 CHF 1 000
Non-current assets	86 999	86 188	85 788
Other current assets	47 764	43 221	42 822
Cash, cash equivalents and short-term financial investments	166 318	173 742	170 177
Total assets	301 081	303 151	298 787
Equity	127 523	129 843	126 681
Long-term liabilities	148 748	150 207	148 605
Current liabilities	24 810	23 101	23 501
Total shareholders' equity and liabilities	301 081	303 151	298 787
Cash, cash equivalents and short-term financial cash deposits	164 380	170 407	166 602
Consolidated cash flow statement	Q1/2014 CHF 1 000	Q4/2013 CHF 1 000	Q1/2013 CHF 1 000
Cash flow from operating activities	-1 208	3 954	-913
Cash flow from investing activities	-4 127	-4 192	-2 242
Cash flow from financing activities	0	0	-1 267
Change in cash, cash equivalents and short-term financial cash deposits	-6 027	-69	-3 295
Orders on hand Book-to-bill	Q1/2014 CHF 1 000	Q4/2013 CHF 1 000	Q1/2013 CHF 1 000
Orders on hand, beginning of period	48 125	46 936	43 451
Net sales	40 193	37 418	37 207
Order intake	44 013	38 502	44 263
Translation adjustment	-316	105	367
Orders on hand, end of period	51 629	48 125	50 874
Book-to-bill	1.10	1.03	1.19