

Report of the Supervisory Board



IN THE FOLLOWING REPORT, THE SUPERVISORY BOARD WOULD LIKE TO INFORM YOU, DEAR SHAREHOLDERS, ABOUT ITS ACTIVITIES IN THE 2011 FISCAL YEAR.

DEAR SHAREHOLDERS,

In the past fiscal year, we advised the Management Board on directing the Company and monitored its activities. In the process, the Supervisory Board fulfilled its responsibilities as set forth by law, the articles of incorporation, and Company bylaws. The Supervisory Board was involved in all decisions that were of vital importance to the Company. The Management Board coordinated the Company's strategic orientation with us. The Management Board provided us with regular, prompt, and comprehensive information – both in written and verbal form – about corporate planning, business progress, and the Group's current position. When business development deviated from plans, deviations were explained to us in detail and reviewed by us based on available documents and information. We reviewed significant business events extensively on the basis of the Management Board's reports and gave our consent to the transactions requiring our approval. During the 2011 fiscal year, the Supervisory Board held a total of seven ordinary meetings and one extraordinary meeting. All members of the Supervisory Board routinely participated in these meetings. When necessary, the Supervisory Board adopted its decisions by means of document circulation.



DR. STEFAN REINECK
Chairman of the
Supervisory Board

In addition to participating in Supervisory Board meetings, the Chairman of the Supervisory Board maintained close contact with the Management Board and remained apprised of the business situation and significant events. There were no conflicts of interest of members of the Management and Supervisory Boards which required immediate disclosure to the Supervisory Board and at the Shareholders' Meeting.

MEETINGS AND MAIN TOPICS OF DISCUSSION

The Supervisory Board conducted regular discussions of the financial position, investment and disinvestment projects, and the development of business at SUSS MicroTec, its subsidiaries, and the Group. The Management Board provided comprehensive information about corporate planning, strategic direction, and the development of order entry, sales, and earnings. In addition, the Supervisory Board reviewed the monitoring of the financial reporting process as well as the effectiveness of the internal control system, the risk management system, and the independence of the auditor. The main topics of the Supervisory Board meetings are discussed below.

The first ordinary Supervisory Board meeting was held on February 9, 2011. At that meeting, we held intensive discussions about the Management Board's report on the fourth quarter of 2010 and about the preliminary figures for the 2010 fiscal year. The plans presented by the Management Board for the 2011 fiscal year were approved after extensive discussions. In addition, the targets for the performance-based remuneration of the Management Board were examined. The Supervisory Board also discussed the pros and cons of a conversion to registered shares at this meeting. Furthermore, the Supervisory Board established targets with regard to its composition.

Representatives of our auditor participated in the second meeting on March 29, 2011. They informed the Supervisory Board about the key results of the audit of the separate and consolidated financial statements for the 2010 fiscal year. We discussed with the auditor's representatives the accounting and other significant issues of the past fiscal year and their impact on the net assets, financial position, and results of operations of the Company and the Group. Furthermore, the auditor explained to us the main findings of the audit of the separate and the consolidated financial statements. We acknowledged the Management Board's report for the 2010 fiscal year and on the current business situation. Following an in-depth examination, the Supervisory Board approved the separate and the consolidated financial statements of SUSS MicroTec AG prepared for

the 2010 fiscal year by the Management Board. In addition, the Supervisory Board's report for the past fiscal year was adopted by resolution. The Supervisory Board also set targets for the variable remuneration of the Management Board. The agenda and proposals for the Shareholders' Meeting on June 21, 2011 were agreed as well. At this meeting, the Supervisory Board dealt extensively with the topic of TecDAX membership and was also informed about the status of the relocation of Bonder activities from Waterbury, VT, USA, to Germany. We also discussed at this meeting an extension of the appointment of Chief Executive Officer Frank Averdung and his employment contract.

In the third ordinary meeting, on May 2, 2011, the Supervisory Board addressed the current figures for the first quarter of 2011 and the forecast for the entire year. Furthermore, the Supervisory Board was informed about the current status of the relocation of the Bonder division. The Supervisory Board also decided to extend the appointment of Mr. Frank Averdung, whose term would have expired on January 31, 2012, until January 31, 2017. During this Supervisory Board meeting, the Supervisory Board also approved a resolution regarding the restructuring of some aspects of the variable remuneration system for members of the Management Board. Furthermore, discussions were held about the future composition of the Supervisory Board after Mr. Repegather resigned from his position upon the conclusion of the Shareholders' Meeting on June 21, 2011. The nomination to the Shareholders' Meeting was approved by circular resolution on May 5, 2011. Following this meeting, the Supervisory Board conducted and documented an examination of the efficiency of its activities, in accordance with Section 5.6 of the German Corporate Governance Code. No deficiencies were identified during this review. The examination of the efficiency of the Supervisory Board's activities is conducted at regular intervals by all members of the Supervisory Board individually and in full council on the basis of Company-specific questions and checklists.

In the meeting on June 21, 2011, immediately before the ordinary Shareholders' Meeting, the Management Board informed us about the current business situation. Furthermore, we received an update from the Management Board about ongoing strategic projects. Mr. Gerhard Pegam already participated in this Supervisory Board meeting as guest.

On July 28, 2011, the fifth ordinary Supervisory Board meeting was held. In this meeting, a new update was presented to the Supervisory Board on ongoing strategic projects. In particular, the Management Board and Supervisory Board discussed the recent performance of the Photomask business as well as strategic options for the future direction of SUSS MicroTec Precision Photomask Inc., previously ITI Inc. The Supervisory Board authorized the Management Board to enter into negotiations with interested buyers for SUSS MicroTec Precision Photomask Inc.

The Management Board also discussed with us the current figures for the second quarter. The Supervisory Board adopted a resolution on a declaration of compliance with the German Corporate Governance Code.

In an extraordinary meeting of the Supervisory Board on September 26, 2011, the Management Board informed the Supervisory Board about ongoing strategic projects and proposed to continue to pursue them over a defined period. The Supervisory Board consented.

On October 12, 2011, the Supervisory Board approved the sale of the operations of SUSS MicroTec Precision Photomask Inc. via an asset deal.

In the Supervisory Board's ordinary meeting on November 7, 2011, the Management Board reported on the current business situation in the third quarter as well as the outlook for the full year. In addition, the Management Board provided information on the status of ongoing strategic projects. Furthermore, the Management Board presented the new risk management process and the related risk reporting, following the Group-wide introduction of process support software at the beginning of the year. The Management Board and Supervisory Board subsequently discussed the June 30, 2011 risk report, which had been prepared in the new reporting format for the first time.

The last meeting of the 2011 fiscal year, which was held on December 15, 2011, focused primarily on the current business situation and preliminary planning for the 2012 fiscal year. In addition, the Supervisory Board dealt with the relocation of the company headquarters of SUSS MicroOptics S.A. within Neuchâtel and the associated budget. The Management Board also presented the Supervisory Board with another update on the status of strategic projects.

CORPORATE GOVERNANCE

The Supervisory Board again concerned itself during the 2011 fiscal year with the content and implementation of the German Corporate Governance Code. Information on the Company's corporate governance as well as an extensive report on the amount and structure of remuneration for the Management and Supervisory Boards are provided in a separate Corporate Governance Report on pages 28 et seq of the Annual Report. In their meetings on July 28, 2011, the Management and Supervisory Boards approved the declaration of compliance pursuant to Section 161 of the German Stock Corporation Law (AktG) and made this declaration permanently available to shareholders on the Company's website.

AUDIT OF THE SEPARATE AND CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

KPMG AG Wirtschaftsprüfungsgesellschaft, Munich, Germany, audited the separate annual financial statements and management report of SUSS MicroTec AG as of December 31, 2011 prepared in accordance with the German Commercial Code (HGB), as well as the consolidated annual financial statements and Group management report as of December 31, 2011 and issued an unqualified audit opinion for both. The consolidated financial statements and Group management report were prepared in accordance with Section 315a of the HGB, based on International Financial Reporting Standards as they are to be applied in the EU. The auditor conducted the audit in accordance with the generally accepted accounting principles promulgated by the Institute of Public Auditors in Germany (IDW) and with the International Standards on Auditing (ISA).

The audit reports of KPMG AG Wirtschaftsprüfungsgesellschaft were presented to all members of the Supervisory Board and were extensively addressed at the financial statements meeting of the Supervisory Board on March 27, 2012 in the presence of the auditor. The auditor reported on the primary results of the audit and stated that there were no substantive weaknesses in the internal control and risk management systems. In particular, the auditor provided explanations of the net assets, financial position, and results of operations of the Company and the Group and was available to us in order to provide additional information. The auditor also elaborated on the scope, key findings, and costs of the audit. The main focal points of this year's audit were the sale of the business operations of SUSS MicroTec Precision Photomask Inc., the impairment test of financial assets in the consolidated annual financial statements, sales recognition, and the plausibility of forecasts.

We audited the annual financial statements of the Company and the Group as well as the condensed management report in the Group management report. There were no objections. We noted with approval the reports of the auditor after a detailed examination of the reports.

The separate annual financial statements prepared by the Management Board were approved by the Supervisory Board and, thus, adopted. The Supervisory Board also approved the consolidated annual financial statements. We approved the combined management report of the Corporation and the Group and, in particular, the assessment regarding the further development of the Company.

CHANGES IN THE SUPERVISORY AND MANAGEMENT BOARDS

At the conclusion of the ordinary Shareholders' Meeting held on June 21, 2011, Mr. Sebastian Reppegather resigned from his position as member of the Supervisory Board. The Shareholders' Meeting elected Mr. Gerhard Pegam as his successor.

There were no changes in the composition of the Management Board in the 2011 fiscal year.

In a market environment characterized by considerable economic uncertainty, the dedicated commitment of each and every employee is of extraordinary importance. The Supervisory Board would like to express its tremendous gratitude and appreciation to the members of the Management Board and all employees for their successful, hard work during the past fiscal year.

Garching, Germany, March 27, 2012

On behalf of the Supervisory Board,



Dr. Stefan Reineck
Chairman of the Supervisory Board