

consolidated closing for the first three months 2000 and first quarter report as of 03/31/00 (unaudited)

Dear Shareholders:

SINGULUS TECHNOLOGIES experienced marked growth in the first quarter and expects further gains in both volume of business and profits for the remainder of the year.

REVENUES

Revenues totaling 107 million DM surpassed those of the previous year by 78.3%. This growth can be attributed primarily to the strong demand for DVD replication lines. Compared to the first quarter of 1999, sales for this product group displayed a near eight-fold increase. Sales of our CD replication lines also showed clear growth.

First quarter revenue distribution by region was as follows: Europe, 22.7%; North and South America, 10.9% and Asia 66.4% (first quarter 1999: 15 / 4 / 81%).

BOOKINGS AND ORDER BACKLOG

Orders received in the first quarter of 2000 totaled 201.1 million DM, raising the order backlog to 489.4 million DM by March 31, 2000 (3/31/99 = 64.7 million DM).

EARNINGS

As a result of the continuous improvement in our gross margins, our increase in earnings was disproportionate to revenues. The EBIT grew by 140.2% compared to the corresponding quarter the year before (21,1%) achieving a 28.1% rate of return on net proceeds.

Net income for the quarter was more than double that of last year, totaling 14.4 million DM for the first three months of this year (+140%).

EXPANSION OF CAPACITY AND STAFF

Short-term expansion of existing capacity was a consequence of the strong demand for equipment. During the first three months of the year, our workforce increased by 39 employees and now totals 251 worldwide. A further increase is planned.

RESEARCH AND DEVELOPMENT

In order to satisfy increasing technological demands and gain a leading technological position for new applications such as rewritable media, Research & Development activities were significantly enhanced. These expenditures totaled 2.2 million DM for the first three months of 2000 (first quarter 1999: 1.5 million DM).

FORECAST

The new fiscal year began with a level of demand unexpected for the season.

In our view, quadrupling of DVD replication line revenues for the entire year is achievable. We will continue to expand our market leadership position in the CD business and also expect significant growth in revenues for this product group.

The market introduction of our replication line for rewritable CDs and DVDS, scheduled for the middle of the year, will provide us access to a new and very promising segment of the market.

The growth rates exhibited last year have persisted for the first three months of this year.

Therefore, we have raised our expectations for the year to a 70% growth in revenues with a continued disproportionate growth in earnings.

Best regards,

SINGULUS TECHNOLOGIES AG
The Managing Board

At a Glance

SINGULUS TECHNOLOGIES Consolidated

Three months cumulative, as of 03/31/1998 /1999/2000 (unaudited)

	3 M 1998 K DM	3 M 1999 K DM	3 M 2000 K DM
Revenues	47,257	59,997	106,951
Operating Income (EBIT)	11,720	11,798	28,334
Earnings Before Taxes	11,839	11,914	28,643
Net Income	5,006	6,008	14,381
Earnings per Share in EURO **	0.15	0.17	0.41
Cash Flow	5,400	6,465	14,981
Staff *	144	160	251
R&D Expenditures	1,560	1,520	2,169

All figures in K DM, except:

* (actual number)

** based on 18.101.448 issue shares à 1 EURO

Investor-Relations

SINGULUS TECHNOLOGIES AG:

Ingrid Eizenhöfer

Junkersstrasse 1, D - 63755 Alzenau

Phone: +49 - (0) 60 23 - 9 45 -292

Fax: +49 - (0) 60 23 - 9 45 -110

E-mail: Ingrid.Eizenhoefer@singulus.de

Internet: <http://www.singulus.de>

Consolidated Statement Of Income (unaudited)

as at March 31 DEM'000	First 3 Months	
	1999	2000
Total Gross Revenues	59.997	106.951
Sales Deductions & Direct Distrib. Costs	4.170	6.020
Net Revenues	55.827	100.931
Cost of Goods Sold	37.953	62.569
Gross Profit	17.874	38.362
Developm., Design, Quality Control	1.226	1.706
Sales & Customer Services	2.437	3.878
General Managem. & Administration	1.483	2.269
Projects & Reserves	931	2.175
Total Operating Expences	6.076	10.029
thereof R&D	1.520	2.169
Operating Income (E.B.I.T.)	11.798	28.333
Non-Periodic, Extraordinary Exp.		9
Interest Expences (-Income)	-116	-318
Profit Before Tax	11.914	28.642
Income Taxes	5.921	14.253
Other Taxes		7
Minority Interest	-15	1
Net Income	6.008	14.382
DVFA/SG Net Income	6.008	14.385
EPS (DVFA/SG) in EURO	0,17	0,41

Consolidated Cash Flow Statement (unaudited)

as at Machr 31 DEM'000	First 3 Months	
	1999	2000
Net Income	6.008	14.381
Depreciation	357	525
Movt. In Long Term Provisions	100	75
Cash Flow	6.465	14.981
Change in Working Capital	-29.556	-3.125
Net cash flows from operating activities	-23.091	11.856
Capital Expenditures in Fixed Assets	-282	-4.721
Movt. In Long Term Depts	0	0
Change in CTA, Minority Interest, others	174	-1.403
Net Change in Cash & Liquid Funds	-23.199	5.732