

REPORT THIRD QUARTER 2001

CONSOLIDATED CLOSING (US-GAAP) FOR THE FIRST NINE MONTHS 2001, AS OF 30/09/01 (UNAUDITED)

Dear Ladies and Gentlemen:

SINGULUS TECHNOLOGIES was able to increase its third quarter revenues to 71.3 million Euro, surpassing the previous two quarters. Revenues and earnings for the nine month period have progressed according to plan and are demonstrably better than those of other companies within our industry. The net order intake was 47.3 million Euro.

Net earnings of 22.7 million Euro for the first nine months of the fiscal year and yet another double-digit net return of 13.8% once again demonstrate the company's strong position in the market and high earning capability. This is especially noteworthy in light of the fact that two of our competitors have filed for bankruptcy and another's numbers have been in the red for quite some time.

REVENUES

Earnings of 71.3 million Euro clearly exceeded those of the second quarter (53.1 million Euro), although the extraordinary sales recorded for the third quarter of 2000 (112.3 million Euro) were not achieved. Cumulative revenue for the three quarters of the current fiscal year totalled 175.8 million Euro (prior year: 270.6 million Euro).

Cumulative revenues in the CD machine sector declined from 125.8 million Euro in the prior year period to 72.7 million Euro for the current fiscal year. DVD line sales for the first nine months totalled 69.6 million Euro (prior year 86.7 million Euro). As a result, the revenue share for the DVD sector grew from 32.0% in the same period last year to its current 39.6%. A major CD-R machine order was also invoiced. SINGULUS achieved earnings of 13.6 million Euro for the nine month period (prior year 35.0 million Euro).



SUNLINE



STREAMLINE Duplex

SMART SOLUTIONS TO DRIVE THE FUTURE

While revenues for OEM metallizers declined to 4.1 million Euro (prior year 7.9 million Euro), sales and service revenues rose to 15.8 million Euro, up from 15.0 million Euro last year.

The regional distribution of revenues for the nine month period is as follows: Europe 30.1% (prior year 26%), North and South America 26.3% (prior year 17.8%) and Asia 43.6% (prior year 56.2%).

BOOKINGS AND ORDER BACKLOG

Orders with a value of 47.3 million Euro were received in the third quarter of 2001 (3rd Qtr 2000: 78.1 million Euro). In the wake of political events, we experienced the postponement of a series of orders that were to have been finalized in September 2001. A large order expected in September for instance, was not signed until October. Unacceptable price conditions also prompted us to forgo the finalization of some orders, especially in the CD-R sector.

By the 9/30/01 closing date, the order backlog reached 94.0 million Euro (9/30/00: 224.9 million Euro). The composition of the order backlog has continued to shift in favor of products with higher margins, i.e. DVD machines.

EARNINGS

Due to a reduction in volume and embattled pricing in the market, the corporation's profitability, while lower than last year, remains at a high level. Net earnings for nine months totalled 22.7 million Euro (prior year 38.68 million Euro). The EBIT margin grew over the preceding two quarters totalling 21.7% for the nine month period (prior year 29.7%). The margin increase in QIII/2001 is attributable partially to a shift in the product mix toward high-margin DVD machines and partially to a shift in the number of systems sold with outsourced molding machines.

Accordingly, net revenue yield grew compared to previous quarters. With a net yield of 13.8% (previous year 15.7%), SINGULUS is still a company displaying one of the strongest returns in the entire Neuer Markt segment of the stock exchange.

STAFF

On 9/30/01, SINGULUS TECHNOLOGIES employed 328 people worldwide. In 2001 it was no longer necessary to utilize the temporary staff hired for the capacity expansion necessitated by the massive growth in 2000. New employees were hired for the Production/Commissioning and R&D departments during this quarter.

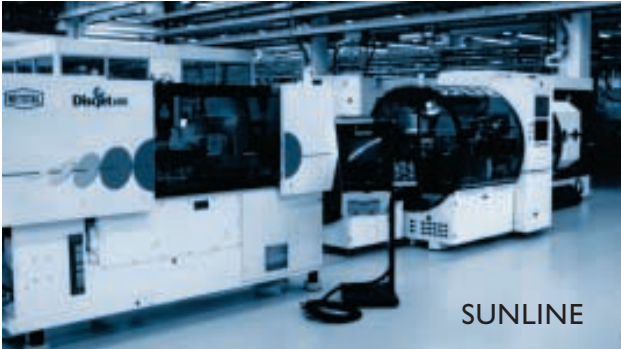
RESEARCH AND DEVELOPMENT

SINGULUS TECHNOLOGIES increased its R&D expenditures from 4.1 million Euro in the first nine months of 2000 to 4.4 million Euro in the first nine months of 2001. The following key topics are noteworthy for the third quarter 2001:

The STREAMLINE *Duplex* system was developed for the manufacture of once-recordable DVD-R formats using the modular concept of the STREAMLINE CD-R line as its model. Customers will soon be able to switch from CD-R to DVD-R, thereby expanding the system's applications. Forecasts indicate that demand for the DVD-R format will demonstrate strong growth.

The cycle time for the CD-R STREAMLINE will be also continued to be reduced. In cooperation with molding machine manufacturers, it has become evident that these machines will become significantly faster in the future. SINGULUS advocates the concept of a compact and streamlined machine with the deliberate elimination of excess complexities in system and process technology.

The development phase of the SUNLINE replication line for rewritable discs (CD-RW and DVD+RW as well as DVD RAM formats) has been successfully concluded. SINGULUS is



therefore in a position to deliver a turnkey replication system (metallizer + system + process) for all existing rewritable formats. The first complete system has already been sold, bringing the market introduction of this strategically important new product to a successful close.

FORECAST

Despite the current difficult economic climate and aggressive competitive pricing, we maintain that mid-range growth in optical disc replication systems will remain very positive. This conclusion is based on the following observations and facts:

In our estimation, full machine utilization particularly among our major DVD customers along with the increasing market penetration of DVD for video and game console applications will lead to an upswing during the next fiscal year. SINGULUS will in turn profit from this development.

There is concrete demand for the new DVD-R format machines in the once-recordable segment of the market. SINGULUS has already sold a number of these machines while simultaneously gaining new customers for CD-R machines in Europe.

We expect definite growth in the new field of rewritable CD-RW and DVD±RW and DVD-RAM formats through additional sales of MODULUS systems in conjunction with SUNLINE

replication lines. Rewritable DVD for video and PC applications in the consumer market is associated with potentially huge numbers. Following the worldwide introduction of the first DVD recorders by PIONEER, PHILIPS, PANASONIC and other manufacturers spotlighted during their European market debut at this year's Broadcast Exhibition in Berlin, rewritable DVD with its digital quality will quickly replace the analog video cassette and VCR.

The events of September 11 have unleashed enormous political and economic instability that has negatively impacted our markets and customers as well. Consequently, forecasts have become problematic even for the brief period of time between now and the end of the calendar and fiscal years, since referencing previous figures no longer permits reasonable extrapolations to be made for the present or near future.

Historically, revenues and earnings generated by our company have always been higher in the fourth quarter than in the first three quarters which have progressed according to plan in 2001. For the first time, however, the marked reduction in order activity evident among our customers worldwide in recent weeks, leads us to expect that sales and earnings for the fourth quarter of the year will fall short of those recorded in the third quarter.

Based on current information we anticipate total yearly revenues to range between 215-225 million Euro. At 10-13% of net revenues, earnings for the entire year 2001 will remain within budgetary projections.

Recent indications of a resurgence in project activity lead us to believe that our customers will soon be able to overcome these paralyzing shock effects.

Best regards
SINGULUS TECHNOLOGIES
The Managing Board

CONSOLIDATED BALANCE SHEETS

9 Months, as at Sept. 30:	2001	2000
Cash & Cash Equivalents	59.678	47.444
Trade Accounts Receivables, third	69.791	48.013
Raw & Packing Materials	26.258	39.576
Work in Process + Finished Goods	32.833	69.946
Prepayments to Suppliers	3.128	5.387
Total Inventories	62.219	114.909
Prepaid expenses and other current assets	3.473	10.839
Total Current Assets	95.161	221.205
Property, Plant & Equipment	7.804	6.063
Intangible assets	423	279
Deferred tax assets	3.854	3.965
Other long-term assets		
Total Fixed Assets	12.080	10.306
Total Assets	207.241	231.512
Trade accounts payables	19.391	46.168
Advance payments received	19.262	42.243
Accrued expenses	6.923	7.303
Income tax payable, Tax accruals	9.573	24.710
Other current liabilities	19.149	12.986
Total Current Liabilities	74.296	133.410
Long-term bank loans		
Pension acccruals	1.870	1.670
Other long-term liabilities	1.138	594
Total Long-Term Liabilities	3.008	2.265
Minority Interest	-16	-24
Share Capital	36.379	36.264
Additional paid-in capital	14.853	14.163
Retained earnings	54.751	6.065
Profit current year	22.740	38.680
Other Reserves (CTA)	1.229	688
Total Shareholders Equity	129.953	95.861
Total Liabilities & Equity	207.241	231.512

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CONSOLIDATED STATEMENT OF INCOME

	Third Quarter		Nine Months	
	2001	2000	2001	2000
Gross Revenues	71.288	112.312	175.796	270.587
Sales Deductions & Direct Distribution Costs	4.498	9.417	11.074	23.665
Net Revenues	66.790	102.895	164.722	246.922
Cost of Goods Sold	43.017	63.245	107.890	153.188
Gross Profit	23.773	39.650	56.832	93.734
Developm., Design, Quality Control	1.182	1.113	3.551	2.971
Sales & Customer Services	2.791	3.012	8.780	6.997
General Managem. & Administration	1.628	1.603	4.865	4.162
Projects & Reserves	1.479	3.115	3.929	6.367
Total Operating Expenses	7.080	8.842	21.125	20.496
thereof R&D	1.733	1.672	4.405	4.136
Operating Income (E.B.I.T.)	16.692	30.807	35.707	73.238
Non-Periodic, Extraordinary Exp.		120		183
Interest Expenses (-Income)	-548	-773	-1.313	-1.280
Foreign currency exchange losses / -gains	137	187	57	216
Profit Before Tax	17.103	31.274	36.963	74.119
Income Taxes	6.580	14.472	14.213	35.433
Minority Interest	3	2	10	6
Net Income	10.521	16.801	22.740	38.680
DVFA/SG Net Income	10.521	16.861	22.740	38.772
EPS (DVFA/SG) in Euro	0,29	0,46	0,63	1,07

CONSOLIDATED CASH FLOW STATEMENT

	Nine Months	
	2001	2000
Cash Flow from operating activities		
Net Income before tax	36.963	74.119
Net Income after tax	22.740	38.680
Depreciation	1.606	855
Movt. In Long Term Provisions	-21.848	138
Change In Working Capital	15.136	-19.167
Net cash flows from operating activities	17.634	20.506
Capital Expenditures In Fixed Assets	-626	-4.159
Net cash from investing activities	-626	-4.159
Cash Flow from financing activities	569	388
Currency translation	485	241
Change in Capital Stock & Retained Earnings	227	395
Net Change in Cash & Liquid Funds	18.289	17.370
Cash & cash equivalents at beginning of period	41.389	30.074
Cash & cash equivalents at end of period	59.678	47.444

Additional Notes:

Annotations in Accordance with Neuer Markt Regulations

There were no changes made to balance or assessment methods.

Cost and Price Development

Prices and costs developed according to plan

Expenditures

Expenditures in QIII/2001 totalled 0.6 million Euro (QIII/2000: 4.2 million Euro). These were standard expansion and replacement expenditures needed for EDP, software, office supplies and test machines.

Division of Earnings

SINGULUS operates exclusively in a single business sector. The production and sales of systems for the manufacture of optical discs accounted for an 91.0 % share of total revenues for the first nine months of the year. The revenue share for spare parts, upgrades and service accounted for 9.0 %.

Changes to Executive and Supervisory Boards

No Changes.

Significant Events with the Potential to Impact Business Operations

No significant events.

Interim Dividends

Dividends won't be disbursed.

Disbursement or Suggested Disbursement Amount

There was neither a dividend disbursed nor a suggestion for the disbursement of dividends.

Change of Shareholders Equity

Changes are due to converting of stock subscription rights and current profit.

27.03.02

Quarterly report 4/2001 and annual closing, 10:00 am,
Commerzbank, Frankfurt/Main
DVFA-Meeting 13:00 Uhr, Commerzbank, Frankfurt/Main

04.02

Replication Expo, New Delhi

04.02

DISKCON, Japan, Tokyo

06.-08.06.02

Media-Tec, Messe Frankfurt

08.05.02

Quarterly report 01/2002 and Analyst Meeting

27.05.02

Annual shareholders meeting 10:30 am, Deutsche Bank,
Josef-Abs-Saal

05.08.02

Quarterly report 02/2002

09.02

Replication EXPO, Shanghai

04.11.02

Quarterly report 03/2002

28.03.03

Quarterly report 4/2002 and annual closing and
DVFA-Meeting, Frankfurt/Main

Shares à 1 EURO:

Reiner Seiler	12,150 pieces
William Slee	19,520 pieces
Thomas Geitner	1,500 pieces

Stock subscription rights provided in the form of convertible
bonds à 1 EURO:

Roland Lacher	21,267 pieces
Reiner Seiler	85,050 pieces
Dr. Christian Holtmann	243,000 pieces
Employees	1.551.930 pieces

At a Glance

SINGULUS TECHNOLOGIES Consolidated

9 months cumulative, as of 30.09.1998/ 1999 / 2000 / 2001

	9M 1998 T EURO	9M 1999 T EURO	9M 2000 T EURO	9M 2001 T EURO
Gross Revenues	68,089	107,870	270,587	175,796
Operating Income (EBIT)	17,057	125,210	73,238	35,707
Profit Before Tax	17,474	25,427	74,119	36,963
Net Income	7,813	12,802	38,680	22,740
Cash-Flow from Operating Activities	-10,934	14,832	20,506	17,634
Staff*	145	168	278	328
R&D Expenditures	2,368	2,805	4,136	4,405
Earning per Share (DVFA/SG) **	0.22	0.36	1.07	0.63

All figures in T EURO except:

* (actual number)

** in Euro based on 36,378,858 issued shares à 1 EURO
(status 30.09.2001)

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