

Contacts:

Arnaud Brulé
Synova SA
Tel: +41-21-6943500
Fax: +41-21-6943501
Email: brule@synova.ch

Dr. Yasushi Kozuki
Synova Japan
Tel: +81-422-55-38-11
Fax: +81-258-22-36-69
Email: kozuki@synova-asia.com

Karen Do
MCA, Inc.
Tel: +1-650-968-8900
Fax: +1-650-968-8990
Email: kdo@mcapr.com

FOR IMMEDIATE RELEASE

**SYNOVA TEAMS WITH KATAOKA TO MANUFACTURE
LASER MICROJET® TOOLS IN JAPAN**

Synova Licenses Water Jet-Guided Laser Technology to Kataoka, Open Joint MMC Facility

LAUSANNE, Switzerland, Mar. 26, 2007—Synova, the world pioneer and leader in water jet-guided laser technology, today announced a licensing agreement with Kataoka Corporation under which the Japanese laser-equipment maker will integrate Synova's proprietary Laser MicroJet® technology into its laser-processing systems sold exclusively in Japan. This collaboration also includes the opening of a joint micromachining center (MMC) at Kataoka's Kuze facility in Kyoto, which will serve as a manufacturing site for Kataoka's new Laser MicroJet-integrated systems, as well as a demonstration, service and support facility, giving Japanese customers direct access to the state-of-the-art Laser MicroJet technology.

Set to expand Synova's customer base in the region, the companies' three-year exclusive agreement will focus on growing business in several emerging non-semiconductor applications—photovoltaics (solar cells), electronics (flat-panel displays and PCBs), medical devices, precision metal cutting, diamond tools and automotive devices. "Our partnership with Kataoka Corp. will afford us a wide range of new opportunities in the Japanese market," said Synova Chief Executive Officer Bernold Richerzhagen. "Kataoka's expertise in lasers runs very deep. That proficiency, combined with their strong market presence in Japan, truly complements Synova's long-term growth strategy and commitment to increasing adoption of our Laser MicroJet technology. We look forward to working closely with Kataoka and further establishing our foothold in a region that's home to some of the world's largest and most leading-edge technology providers."

This licensing agreement follows Synova's recent announcement regarding its move to a new business model. In addition to the company's direct sales efforts, the new model allows a select group of strategic partners to license and integrate Synova's Laser MicroJet technology into their own tools available for purchase. As part of this agreement, Kataoka systems that incorporate Laser MicroJet technology will be identified by "Laser MicroJet® inside" and "Synova-Kataoka" logos on the outside of the tool, and will be manufactured, marketed,

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sold and serviced by Kataoka. Synova will transfer its technology know-how and provide full manufacturing support to Kataoka. Production is currently under way.

Closely following the establishment of several Synova MMCs worldwide, the Synova-Kataoka MMC will conduct demonstrations on Synova's most versatile machine, the LCS 300, which integrates Kataoka's latest diode-pumped, solid-state laser. Facilitating the partnership and MMC operations will be Dr. Yasushi Kozuki, Synova's business development manager in Japan, who has worked more than 10 years in application solutions and management in both the front- and back-end markets for a leading European semiconductor company. The Synova-Kataoka MMC will be located at:

140 Tsukiyama-cho Kuze, Minami-ku
Kyoto, 601-8203 Japan
Tel: +81-75-933-1101
Fax: +81-75-931-1608

Synova's expansion through the establishment of global MMCs, and more recently through its strategic manufacturing and distribution partnerships, is a key component of the company's long-term vision to enable worldwide access to its innovative Laser MicroJet technology. While traditional laser-processing systems continue to face performance and cost-of-ownership limitations, Synova's production-proven achievements with Laser MicroJet make the technology ideally suitable for a broad array of industries and applications. While Synova continues to directly serve the semiconductor, flat-panel display, solar-energy, medical-instrumentation and automotive markets, the company is in negotiation with a number of major technology movers to expand applications in related areas to extend end-user value add to new markets.

About Laser MicroJet

Synova's Laser MicroJet is a revolutionary cutting process combining a laser beam and a water jet, where a hair-thin water jet guides the laser beam on to the wafer. Utilizing the difference in the refractive indices of air and water, the technology behind Laser MicroJet creates a laser beam that is completely reflected at the air-water interface, similar in principle to an optical fiber. This lack of deviation is maintained through and beyond the work piece, facilitating the accurate cutting of porous or layered materials. Also, contrary to standard laser processing technology, the Laser MicroJet uses the water jet to cool the material surface for optimal protection against thermal damage. At the same time, water is used as a natural layer of protection to prevent deposition or contamination. Both of these surface protection features offer significant improvements to standard cutting processes that boost device yields.

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About Kataoka

Founded in 1968 in Kyoto, Japan, Kataoka is a leading industrial laser equipment provider for microprocessing in Japan. The company's technology, such as its LD pumping YAG Laser Oscillator Series, addresses a broad range of applications, such as flat-panel display, solar battery cell, medical instrumentation, automotive parts and others. Kataoka's LD pumping YAG Laser Series includes the following: IR Hybrid Pulse Laser group (average power 300,450,600 W) for aluminum welding; Continuous Wave Laser group (72,300 W) for metal cutting and welding; and IR Q Switch Pulse Laser group (50,200 W), Q Switch Green Laser group (10,30,70 W), Q Switch UV Laser group (5,10 W), which are suitable for microprocessing applications. Kataoka integrates its YAG Laser series into its own laser systems.

About Synova

Founded in 1997, Synova is the world pioneer and patent holder of Laser MicroJet[®], a state-of-the-art water jet-guided laser technology that combines the advantages of a laser beam and water to address the exacting manufacturing specifications and low cost-of-ownership (CoO) requirements associated with volume production of semiconductors, flat-panel displays, photovoltaics, medical instrumentation and automotive devices. Thanks to this innovative technology, Synova is revolutionizing the engineering playing field and fast emerging as the ideal provider for high-precision laser applications in these core markets. Additionally, Synova is satisfying growing demand across diverse markets through strategic licensing partnerships with original equipment manufacturers (OEMs), end users and R&D institutes. Headquartered in Lausanne, Switzerland, Synova is a privately held company with subsidiaries located in Hong Kong, South Korea, Japan and the United States. Additional information about the company is available on the Internet at www.synova.ch

Laser MicroJet is a registered trademark of Synova.

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