PRESS RELEASE

Almere, The Netherlands

February 21, 2019, 6 p.m. CET

ASM INTERNATIONAL N.V. REPORTS FOURTH QUARTER 2018 RESULTS

ASM International N.V. (Euronext Amsterdam: ASM) today reports its fourth quarter 2018 operating results (unaudited) in accordance with IFRS.

FINANCIAL HIGHLIGHTS

EUR million	Q4 2017 (restated)	Q3 2018	Q4 2018
New orders	203.2	258.0	301.6
Net sales	181.5	195.7	254.7
Gross profit margin %	39.6%	40.9%	41.7%
Operating result	26.0	28.0	46.2
Result from investments (excluding amortization intangible assets resulting from the sale of ASMPT stake in 2013)	14.0	16.8	6.1
Amortization intangible assets (resulting from the sale of ASMPT stake in 2013)	(4.6)	(3.1)	(2.4)
Result from sale of ASMPT shares	183.9	—	—
Net earnings	215.9	39.1	43.7
Normalized net earnings (excluding amortization intangible assets resulting from the sale of ASMPT stake in 2013 and result from sale of ASMPT shares)	36.6	42.2	46.1

2017 results were restated for the effects of IFRS 15

- New orders received of €302 million, at the highest level in history, increased 17% compared to Q3 2018 and were 48% higher compared to Q4 of last year.
- Net sales for the fourth quarter 2018 were €255 million, at the highest level in history, an increase of 30% compared to the previous quarter and an increase of 40% compared to Q4 last year.
- Gross profit margin was 41.7% in Q4 2018 compared to 40.9% in the previous quarter and 39.6% in Q4 of last year.
- Operating result increased to €46 million compared to the previous quarter. The increase is mainly the result of the higher sales level.
- Normalized net earnings for the fourth quarter 2018 increased by €4 million compared to Q3 2018.

COMMENT

Commenting on the results, Chuck del Prado, President and Chief Executive Officer of ASM International, said:
"In Q4 we realized sales of €255 million and an order intake of €302 million. Sales were slightly above our guidance of €220-250 million. Our order intake was substantially above the €240-260 million that we indicated earlier, and again substantially higher than our former record level. The high order intake is driven by logic, foundry and then memory and was impacted by pull-ins of orders originally expected in the first half of 2019. As a consequence, and in line with our earlier 2018 guidance, we have seen a much stronger second half than first half. This reflects our strong position in the logic/foundry market, which, as compared to the memory market, showed a healthy development in the second half of 2018. Due to this we will start 2019 with a high order book. We delivered on our goal to outgrow the wafer fab equipment (WFE) market in 2018 by growing our sales year-over-year with 17% on a US$ basis."

OUTLOOK

For Q1, on a currency comparable level, we expect sales of €225-245 million, while we expect sales in Q2 to be at the €200-230 million level. For Q1, on a currency comparable level, bookings are expected in the range of €200-220 million.

For 2019, general expectations are that the wafer fab equipment (WFE) market will decline with a mid to high teens percentage. Based upon this current market view, we expect to outperform the WFE market in 2019.

TREASURY SHARES AND DIVIDEND PROPOSAL

On October 11, 2018 we completed the 2018 share program of €250 million, which started on June 5, 2018. In total we repurchased 5,443,888 shares at an average price of €45.92, including expenses, under the 2018 program.

As of February 21, 2019, ASMI held 6.97 million treasury shares, which is more than sufficient to cover our outstanding options and restricted/performance shares. Hence ASMI will propose to the Annual General Meeting, to be held on May 20, 2019, the cancellation of 5 million treasury shares. This follows the intention that ASMI earlier expressed to reduce its issued share capital by withdrawing the shares repurchased as part of the 2018 share buyback program, save for such number of treasury shares as maybe necessary to fund ongoing share and option programs for employees and board members.

ASMI will propose to the forthcoming 2019 Annual General Meeting Shareholders, to declare a dividend of €1.00 per common share, an increase of 25% compared to the dividend paid in 2018.

About ASM International

ASM International NV, headquartered in Almere, the Netherlands, its subsidiaries and participations design and manufacture equipment and materials used to produce semiconductor devices. ASM International, its subsidiaries and participations provide production solutions for wafer processing (Front-end segment) as well as for assembly & packaging and surface mount technology (Back-end segment) through facilities in the United States, Europe, Japan and Asia. ASM International's common stock trades on the Euronext Amsterdam Stock Exchange (symbol ASM). For more information, visit ASMI's website at www.asm.com.

Cautionary Note Regarding Forward-Looking Statements: All matters discussed in this press release, except for any historical data, are forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. These include, but are not limited to, economic conditions and trends in the semiconductor industry generally and the timing of the industry cycles specifically, currency fluctuations, corporate transactions, financing and liquidity matters, the success of restructurings, the timing of significant orders, market acceptance of new products, competitive factors, litigation involving intellectual property, shareholders or other issues, commercial and economic disruption due to natural disasters, terrorist activity, armed conflict or political instability, epidemics and other risks indicated in the Company's reports and financial statements. The Company assumes no obligation nor intends to update or revise any forward-looking statements to reflect future developments or circumstances.

This press release contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

ASM International will host an investor conference call and web cast on Friday, February 22, 2019 at 15:00 Continental European Time (9:00 a.m. - US Eastern Time).

The teleconference dial-in numbers are as follows:

- United States: +1 631 510 7495
- International: +44 (0) 2071 928 000
- The Netherlands: +31 (0)20 714 3545
- Access Code: 5490498

A simultaneous audio webcast and replay will be accessible at www.asm.com.

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ANNEX 1

OPERATING AND FINANCIAL REVIEW

Bookings

The following table shows the level of new orders for the fourth quarter of 2018 and the backlog at the end of the fourth quarter of 2018, compared to the previous quarter and the comparable quarter previous year:

EUR million	Q4 2017 *(restated)*	Q3 2018	Q4 2018	YTD 2017 *(restated)*	YTD 2018
Backlog at the beginning of the period	150.6	189.2	251.8	145.1	171.2
New orders	203.2	258.0	301.6	773.6	942.1
Net sales	(181.5)	(195.7)	(254.7)	(730.9)	(818.1)
FX-effect	(1.1)	0.3	2.8	(16.6)	6.3
Backlog at the end of the period	**171.2**	**251.8**	**301.5**	**171.2**	**301.5**
Book-to-bill ratio (new orders divided by net sales)	1.1	1.3	1.2	1.1	1.2

The backlog increased from €252 million at the end of the third quarter 2018 to €302 million as per December 31, 2018. The book-to-bill ratio for Q4 was 1.2. In terms of customer segments, new orders in the fourth quarter 2018 were led by logic, followed by foundry and then memory.

Net Sales

EUR million	Q4 2017 *(restated)*	Q3 2018	Q4 2018	YTD 2017 *(restated)*	YTD 2018
Equipment sales	138.5	148.7	201.7	567.3	631.5
Spares & service sales	43.0	47.0	53.0	163.6	186.6
Net sales	**181.5**	**195.7**	**254.7**	**730.9**	**818.1**

Net sales for the fourth quarter 2018 increased by 30% compared to the previous quarter and increased by 40% year-on-year. Net sales in the fourth quarter were led by logic followed by foundry and then memory. The impact of currency changes for the quarter was an increase of 1% quarter to quarter and an increase of 2% year-on-year.

Gross profit margin

EUR million	Q4 2017 *(restated)*	Q3 2018	Q4 2018	YTD 2017 *(restated)*	YTD 2018
Gross profit	71.8	80.0	106.3	301.6	334.3
Gross profit margin	39.6%	40.9%	41.7%	41.3%	40.9%

The gross profit margin increased from 40.9% in Q3 to 41.7% in Q4. For Q4 2017 gross profit margin was 39.6%. The gross profit margin in the quarter was 1% higher than in Q3 2018 mainly due to a better sales mix. The impact of currency changes for the quarter on gross profit was an increase of 1% quarter to quarter and an increase of 2% year-on-year.

Selling, general and administrative expenses

EUR million	Q4 2017	Q3 2018	Q4 2018	YTD 2017	YTD 2018
SG&A expenses	25.0	30.2	34.2	99.2	121.3

Selling, general and administrative (SG&A) expenses increased by 13% compared to the previous quarter. The increase was due to legal costs related to patent disputes and the higher sales level. As a percentage of sales SG&A expenses were 13% (Q3 2018: 15%, Q4 2017: 14%). The impact of currency changes for the quarter on SG&A expenses was an increase of 1% quarter to quarter and an increase of 2% year-on-year.

Research and development expenses

EUR million	Q4 2017	Q3 2018	Q4 2018	YTD 2017	YTD 2018
Research and development expenses	29.5	30.7	36.1	113.8	125.0
Capitalization of development expenses	(14.7)	(11.7)	(15.1)	(38.6)	(49.7)
Amortization of capitalized development expenses	2.9	2.8	3.7	13.3	12.0
Impairment capitalized development expenses	3.0	0.1	1.2	4.3	1.3
R&D expenses	**20.7**	**21.8**	**25.8**	**92.8**	**88.6**

Research and development (R&D) expenses increased by 18% compared to the previous quarter. The costs in Q4 2018 include one-time costs related to the new facility in Korea and extra material costs related to development tools. As a percentage of sales R&D expenses were 10% compared to 11% for the previous quarter. For the fourth quarter of 2017 this was 11%. The impact of currency changes for the quarter on R&D expenses was an increase of 1% quarter to quarter and an increase of 2% year-on-year.

Operating result

EUR million	Q4 2017 *(restated)*	Q3 2018	Q4 2018	YTD 2017 *(restated)*	YTD 2018
Operating result	26.0	28.0	46.2	108.9	124.3
Operating result margin	14.3%	14.3%	18.2%	14.9%	15.2%

The operating profit margin increased from 14.3% in Q3 to 18.2% in Q4. For Q4 2017 operating profit margin was 14.3%. The impact of currency changes for the quarter on operating profit was an increase of 2% quarter to quarter and increase of 3% year-on-year.

Financing costs

Financing costs are mainly related to translation results. The Q4 2018 results included a translation gain of €0.1 million compared to a gain of €1.0 million included in the Q3 2018 results and a loss of €5.1 million included in the Q4 2017 results. The translation results are mainly related to movements in the US dollar in the respective periods. A substantial part of ASMI's cash position is denominated in US dollar.

Result from investments

EUR million	Q4 2017	Q3 2018	Q4 2018	YTD 2017	YTD 2018
Result from investments (excluding amortization intangible assets resulting from the sale of ASMPT stake in 2013)	14.0	16.8	6.1	112.4	60.8
Amortization intangible assets (resulting from the sale of ASMPT stake in 2013)	(4.6)	(3.1)	(2.4)	(22.8)	(12.3)
Result from sale of ASMPT shares	183.9	—	—	284.9	—
Result from investments	193.3	13.7	3.6	374.5	48.4

Result from investments, which primarily reflects our approximate 25% shareholding in ASMPT, decreased to €6 million from €17 million in the previous quarter. ASMPT's net earnings, on a 100% basis, decreased with 64% to €23 million compared to the previous quarter. Q4 last year, also on a 100% basis, showed net earnings of €49 million. For further information on the Q4 results of ASMPT, please visit ASMPT's website www.asmpacific.com.

Amortization intangible assets resulting from the sale of the 12% stake of ASMPT in 2013 amounted to €2.4 million in Q4. For 2019, on a currency comparable basis, this amortization is expected to amount to €12.4 million.

Income tax

Income tax in the fourth quarter amounted to an expense of €6.0 million. Income tax in the previous quarter amounted to an expense of €3.4 million.

Net earnings

EUR million	Q4 2017 *(restated)*	Q3 2018	Q4 2018	YTD 2017 *(restated)*	YTD 2018
Net earnings	215.9	39.1	43.7	448.1	157.1
Excluding:					
Amortization intangible assets (resulting from the sale of ASMPT stake in 2013)	(4.6)	(3.1)	(2.4)	(22.8)	(12.3)
Result from sale of ASMPT shares	183.9	—	—	284.9	—
Normalized net earnings	**36.6**	**42.2**	**46.1**	**186.0**	**169.5**

Normalized net earnings increased €4 million compared to Q3 2018.

Cash flow

EUR million	Q4 2017	Q3 2018	Q4 2018	YTD 2017	YTD 2018
Net cash from operating activities	29.9	15.5	93.0	116.1	136.8
Net cash from investing activities	418.8	(18.4)	(30.5)	642.8	(84.9)
Net cash from financing activities	(133.8)	(382.7)	(42.4)	(267.9)	(602.6)
Total net cash provided / (used)	**314.9**	**(385.5)**	**20.2**	**491.0**	**(550.7)**

The cash flow from operating activities was positively impacted by the higher result and the lower working capital needs compared to the previous quarter. In Q3 2018 cash used in investing activities included the received dividend from ASMPT, when excluding this total capital expenditures remained stable in Q4 2018. Cash used by financing activities in Q3 2018 was mainly for share repurchases and the capital repayment of €4 per share.

Balance sheet

EUR million	December 31, 2017 *(audited)*	September 30, 2018	December 31, 2018
Inventories	142.8	184.6	171.8
Accounts receivable	163.1	167.5	193.7
Other current assets	19.1	18.9	24.8
Accounts payable	(79.3)	(97.2)	(80.6)
Provision for warranty	(6.6)	(7.1)	(8.0)
Accrued expenses and other payables	(59.0)	(42.6)	(99.0)
Working capital	**180.2**	**224.1**	**202.7**

Net working capital decreased to €203 million compared to €224 million per September 30, 2018 (€180 million per December 31, 2017). Inventories decreased and accounts receivables increased due to higher activity levels. Net working capital mainly decreased due to received advance payments from customers. The number of outstanding days of working capital, measured against quarterly sales, decreased to 72 days on December 31, 2018 from 103 days on September 30, 2018 (89 days on December 31, 2017).

Sources of liquidity

As per December 31, 2018, the Company's principal sources of liquidity consisted of €286 million in cash and cash equivalents and €150 million in undrawn bank lines.

ANNEX 2

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Three months ended December 31,		Full year	
	2017 (restated)	2018	2017 (restated)	2018
EUR thousand, except per share data	*(unaudited)*	*(unaudited)*	*(unaudited)*	*(unaudited)*
Net sales	**181,540**	**254,687**	**730,933**	**818,081**
Cost of sales	(109,703)	(148,431)	(429,310)	(483,784)
Gross profit	**71,837**	**106,255**	**301,623**	**334,297**
Operating expenses:				
Selling, general and administrative	(25,025)	(34,162)	(99,149)	(121,264)
Research and development	(20,676)	(25,839)	(92,777)	(88,588)
Restructuring expenses	(91)	(29)	(782)	(178)
Total operating expenses	(45,792)	(60,030)	(192,708)	(210,030)
Operating result	**26,046**	**46,226**	**108,916**	**124,267**
Net interest income (expense)	18	(252)	(116)	(1,411)
Foreign currency exchange gains (losses)	(5,085)	90	(30,546)	1,276
Result from investments	193,289	3,628	374,512	48,436
Earnings before income taxes	**214,268**	**49,692**	**452,766**	**172,569**
Income tax	1,620	(6,016)	(4,635)	(15,437)
Net earnings	**215,888**	**43,675**	**448,131**	**157,133**
Per share data:				
Basic net earnings	3.79	0.89	7.65	3.00
Diluted net earnings (1)	3.74	0.88	7.55	2.96
Weighted average number of shares used in computing per share amounts (in thousand):				
Basic	56,889	49,191	58,573	52,432
Diluted (1)	57,677	49,787	59,325	53,110
Outstanding shares:	56,140	49,319	56,140	49,319
Treasury shares:	6,157	6,978	6,157	6,978

(1) The calculation of diluted net earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in earnings of the Company. Only instruments that have a dilutive effect on net earnings are included in the calculation. The calculation is done for each reporting period individually. The possible increase of common shares caused by employee stock options and restricted shares for the three months ended December 31, 2018 is 596,117 common shares, and for the full year 2018 the possible increase is 678,080 common shares. Adjustments have been reflected in the diluted weighted average number of shares and net earnings per share for this period.

Amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

EUR thousand	December 31, 2017	December 31, 2018 *(unaudited)*
Assets		
Property, plant and equipment	106,632	148,749
Goodwill	11,270	11,270
Other intangible assets	113,295	149,927
Investments in associates	721,328	765,355
Deferred tax assets	18,116	11,316
Other non-current assets	4,845	11,865
Evaluation tools at customers	29,710	44,634
Total non-current assets	**1,005,196**	**1,143,116**
Inventories	142,849	171,826
Accounts receivable	163,135	193,651
Income taxes receivable	1,272	4,439
Other current assets	19,065	24,801
Cash and cash equivalents	836,461	285,907
Total current assets	**1,162,782**	**680,624**
Total Assets	**2,167,978**	**1,823,739**
Equity and liabilities		
Equity	**2,002,288**	**1,617,318**
Pension liabilities	386	—
Deferred tax liabilities	13,864	12,170
Total non-current liabilities	**14,250**	**12,170**
Accounts payable	79,349	80,640
Provision for warranty	6,562	7,955
Income taxes payable	6,575	6,663
Accrued expenses and other payables	58,954	98,992
Total current liabilities	**151,440**	**194,251**
Total Liabilities	**165,690**	**206,421**
Total Equity and Liabilities	**2,167,978**	**1,823,739**

Amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended December 31,		Full year	
	2017	2018	2017	2018
EUR thousand	*(unaudited)*	*(unaudited)*	*(audited)*	*(unaudited)*
Cash flows from operating activities:				
Net earnings	224,775	43,675	452,402	157,133
Adjustments to reconcile net earnings to net cash from operating activities:				
Depreciation, amortization and impairments	15,302	16,890	52,097	55,352
Income tax	(1,620)	6,016	4,635	15,437
Result from investments	(193,289)	(3,628)	(374,512)	(48,436)
Other adjustments	8,312	2,437	37,410	8,134
Changes in other assets and liabilities:				
Accounts receivable	(35,880)	(23,278)	(37,930)	(27,689)
Inventories	7,433	15,280	(40,228)	(22,977)
Evaluation tools	1,102	2,399	(4,933)	(22,965)
Accounts payable	6,997	(17,869)	23,064	(1,412)
Other assets and liabilities	(2,538)	45,712	7,925	37,716
Income tax paid	(657)	5,379	(3,870)	(13,482)
Net cash from operating activities	**29,935**	**93,013**	**116,060**	**136,810**
Cash flows from investing activities:				
Capital expenditures	(11,503)	(15,285)	(43,348)	(63,304)
Capitalized development expenditure	(14,652)	(15,096)	(38,615)	(49,688)
Purchase of intangible assets	(213)	(83)	(2,393)	(1,058)
Dividend received from associates	—	—	36,458	29,120
Proceeds of disposal of ASMPT stake	445,173	—	690,660	—
Net cash from (used) in investing activities	**418,805**	**(30,464)**	**642,762**	**(84,930)**
Cash flows from financing activities:				
Purchase of treasury shares ASMI	(136,604)	(45,688)	(239,555)	(354,963)
Proceeds from issuance of treasury shares	2,799	3,351	13,292	4,817
Dividends to common shareholders ASMI	—	—	(41,470)	(43,644)
Capital repayment to common shareholders ASMI	—	—	—	(208,774)
Debt issuance fees paid	—	—	(132)	—
Net cash used in financing activities	**(133,805)**	**(42,338)**	**(267,865)**	**(602,564)**
Exchange rate effects	(3,739)	58	(32,653)	130
Net increase (decrease) in cash and cash equivalents	**311,196**	**20,269**	**458,304**	**(550,554)**
Cash and cash equivalents at beginning of period	525,266	265,637	378,157	836,461
Cash and cash equivalents at end of period	**836,461**	**285,907**	**836,461**	**285,907**

Amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Basis of presentation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.

Principles of consolidation

The Consolidated Financial Statements include the accounts of ASMI and its subsidiaries, where ASMI holds a controlling interest. All unrealized intercompany profits, transactions and balances have been eliminated in consolidation. Associates are investments in entities in which ASMI can exert significant influence but which ASMI does not control, generally by ASMI having between 20% and 50% of the voting rights. These entities are accounted for using the equity method.

Change in accounting policies

IFRS 15 Revenue from Contracts with Customers is effective for interim and annual periods beginning after January 1, 2018. Please refer to the press release of the first quarter 2018 results for the effects of IFRS 15.