

# Annual General Meeting of Shareholders

**2008 Financial Review**

**14 May 2009**

All matters discussed in this statement, 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, financing and liquidity matters, the success of restructurings, the timing of significant orders, market acceptance of new products, competitive factors, litigation involving intellectual property, shareholder and 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 filings from time to time with the U.S. Securities and Exchange Commission, including, but not limited to, the Company's reports on Form 20-F and Form 6-K. The Company assumes no obligation nor intends to update or revise any forward-looking statements to reflect future developments or circumstances.

**Front-end**

- **Major market decline first half**
- **Start of major cost reduction => net earnings break-even level down to € 90m per quarter**
- **First selection of ASMI technology solutions for 32 nm**

**Back-end**

- **Major market decline Q4**
- **Back-end further strengthened its #1 position**
- **Start of major cost reduction, leading to 26% lower costs in Q1 2009**
- **Net profit margin in 2008 still at 18%**

€ million (except per share)	FY 2007	FY 2008
<b>Net Sales</b>	955.2	747.4
Gross Profit	361.1	270.3
Operating Expenses	(213.7)	(210.5)
Earnings from Operations	<u>147.4</u>	<u>59.7</u>
Minority Interest	(55.3)	(38.3)
<b>Total Net Earnings</b>	<b>61.0</b>	<b>18.4</b>
<b>Diluted net earnings per share</b>	<b>1.07</b>	<b>0.35</b>

€ million	FY 2007	FY 2008
Front-end Sales	450.9	296.8
Back-end Sales	504.3	450.6
<b>Consolidated Net Sales</b>	<b>955.2</b>	<b>747.4</b>
Front-end EBIT	15.5	(30.5)
Back-end EBIT	131.9	90.2
<b>Earnings from Operations</b>	<b>147.4</b>	<b>59.7</b>
Net Earnings Front-end	4.7	(37.2)
Net Earnings Back-end	118.6	81.9
Minority Interest	(55.3)	(38.3)
Gain on dilution of investment in ASMPT	3.0	4.1
Result re convertible buy back	(10.0)	8.0
<b>Total Net Earnings</b>	<b>61.0</b>	<b>18.4</b>

€ million	Dec 2007	Dec 2008	Mar 2009 (not audited)
Cash and Cash Equivalents	168 <sup>(1)</sup>	157 <sup>(1)</sup>	161 <sup>(1)</sup>
Other Current Assets	466	402	351
Property, Plant & Equipment	150	149	144
Goodwill	50	48	50
Other Assets	6	12	15
<b>Total Assets</b>	<b>840</b>	<b>768</b>	<b>721</b>
ST Debt ( incl. current LT Debt )	32	24	22
Other Current Liabilities	209	164	129
LT Bank Debt/Convertible Subord. Notes	155	130	125 <sup>(2)</sup>
Other Long Term Liabilities	4	7	9
<b>Total Liabilities</b>	<b>400</b>	<b>325</b>	<b>286</b>
Minority Interest	121	125	127
Shareholders' Equity	319	318	308
<b>Total Equity &amp; Liabilities</b>	<b>840</b>	<b>768</b>	<b>721</b>
	100	79	83

(1) Of which cash available for Front-end.

(2) Change in accounting policy as per 1 Jan 2009

€ million

<b>Balance December 31, 2006</b>	202
Buy back of convertible	(26)
F/X movements	(17)
Other changes	<u>(4)</u>
<b>Balance December 31, 2007</b>	155
Buy back of convertible	(38)
Conversion of convertible	(5)
F/X movements	11
Other changes	<u>7</u>
<b>Balance December 31, 2008</b>	130

€ million	FY 2007	FY 2008
Net Earnings (incl.Minority Interest)	116	57
Depreciation & Amortization	35	35
Impairment of Goodwill and PPE	-	8
Changes in Working Capital	(67)	33
Other	22	4
<b>Net Cash Flow from Operations ( A )</b>	<b>106</b>	<b>137</b>
CAPEX ( net of sold PPE )	(45)	(33)
<b>Net Cash Flow from Investments ( B )</b>	<b>(45)</b>	<b>(33)</b>
<b>Net Cash Flow before Financing ( C ) (= A + B )</b>	<b>61</b>	<b>104</b>



€ million	FY 2007	FY 2008
<b>Net Cash Flow before Financing ( C )</b> <i>( previous slide )</i>	<b>61</b>	<b>104</b>
Short Term Bank Debt	(2)	(5)
Proceeds from LT Debt and Convertibles	14	8
Repayment of LT Debt and Convertibles	(42)	(46)
Purchase of Treasury Shares	(8)	(36)
Dividends to Minority Shareholders ASMPT	(43)	(43)
Issuance Common Shares	5	1
Dividend to Shareholders ASMI	(5)	-
<b>Net Cash Flow used for Financing ( D )</b>	<b>(81)</b>	<b>(121)</b>
Exchange Rate Effects ( E )	(6)	6
<b>Net Change in Cash ( = C + D + E )</b>	<b>(26)</b>	<b>(11)</b>
<b>Ending Cash Balance</b>	<b>168</b>	<b>157</b>
<i>Of which Front-end</i>	<i>100</i>	<i>79</i>

€ million	FY 2007	FY 2008	Q1 2009 (not audited)
Front-end	(28)	22	23
Back-end	<u>(39)</u>	<u>11</u>	<u>11</u>
<b>Total</b>	<b>(67)</b>	<b>33</b>	<b>34</b>

**2007**

- **Total ASMPT dividend of € 49 million, used for:**
  - **Buy back of convertible debt ~ € 36 million**
  - **Purchase of treasury shares ~ € 8 million**
  - **Payment of dividend to shareholders ASMI ~ € 5 million**

**2008**

- **Received ASMPT dividend € 49 million, and € 17 million expected future ASMPT dividends, used for:**
  - **Purchase of treasury shares ~ € 36 million (before dividend withholding tax)**
  - **Buy back of convertible debt ~ € 30 million**

**Figures used in the presentations today are based on US GAAP**

**Semiconductor equipment companies report in US GAAP (as most are listed on NASDAQ)**

**Only a few European competitors also report IFRS figures**

**ASMI will continue to emphasize US GAAP, and only use IFRS in a very limited manner**

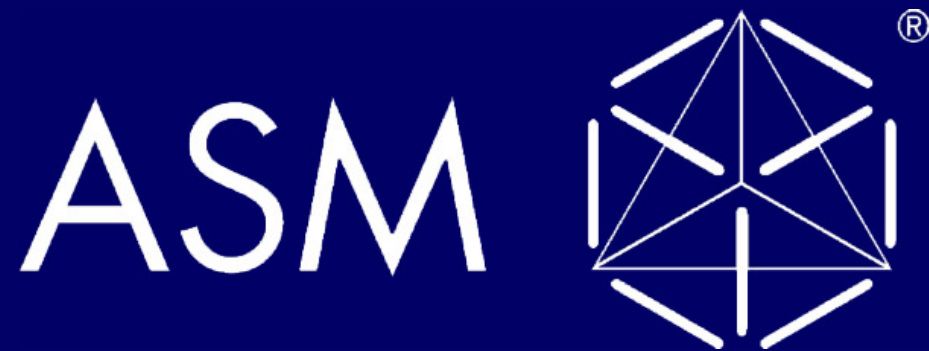
**The reconciliation between US GAAP and IFRS is shown on the next slides**

€ million	Dec 31, 2007	Dec 31, 2008
<b>Shareholders' Equity</b>		
In accordance with US GAAP	318.9	317.9
Adjustments for IFRS		
• Goodwill	(9.6)	(10.0)
• Classification of Minority Interest <sup>(1)</sup>	120.6	125.1
• Convertible Subordinated Notes <sup>(1)</sup>	(8.5)	7.6
• Development Expenses	29.7	38.8
• Preferred shares	-	(0.2)
• Pension Plans	0.8	1.8
In accordance with IFRS	<u>451.9</u>	<u>481.0</u>

*(1) Differences will cease to exist starting 2009 (FAS 160 / EITF 07-05)*

€ million	FY 2007	FY 2008
<b>Net Earnings</b>		
In accordance with US GAAP	61.0	18.4
Adjustments for IFRS		
• Goodwill	-	0.1
• Classification of Minority Interest <sup>(1)</sup>	55.3	38.3
• Convertible Subordinated Notes <sup>(1)</sup>	15.8	16.0
• Development Expenses	12.7	3.7
In accordance with IFRS	144.8	76.5
IFRS Allocation of Net Earnings <sup>(1)</sup>		
• Shareholders	89.5	38.2
• Minority Interest	55.3	38.3

*(1) Differences will cease to exist starting 2009 (FAS 160 / EITF 07-05)*



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