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INVESTOR PRESENTATION

Q4 2016 RESULTS

March 2, 2017

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› **ALD is a key growth market**

- ALD market expected to grow by double digits from '15 to '20-'21
- ASMI has leadership position in ALD

› **Outperforming in 2011-2016**

- ASMI outperformed the WFE market in four of the last six years
- A double digit drop in the single wafer ALD market led to a revenue decrease of 11% in 2016. For 2017, a clear improvement in this market is expected

› **Structurally improved profitability**

- Gross margin stable at 44% in 2016

› **Solid balance sheet**

- Strong cash position, no debt
- 2016-2017 share buyback program increased from EUR 50m to EUR 100m
- 1.5m treasury shares proposed to be cancelled
- Stable dividend of EUR 0.70 per share to be proposed to the AGM 2017

Q4 2016 KEY RESULTS

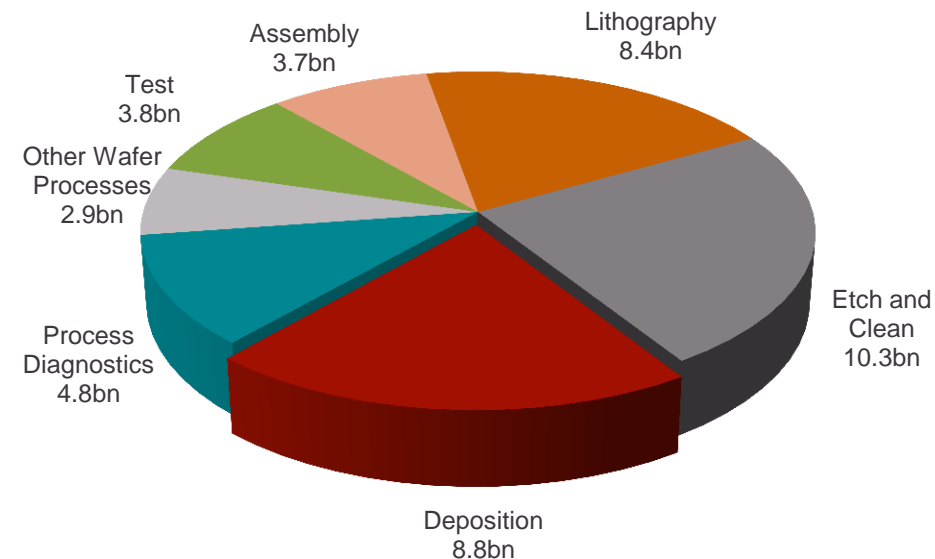


	Q4 2015	Q3 2016	Q4 2016	2015	2016
New orders	135.4	122.6	176.9	608.4	622.3
Net sales	144.7	144.2	172.6	669.6	597.9
Gross profit margin %	44.8%	44.2%	44.9%	44.1%	44.2%
Operating results	4.0	16.8	29.9	111.1	82.2
Normalized result from investments	1.6	26.7	18.4	43.3	67.7
Amortization intangible assets resulting from the sale of the 12% stake of ASMPT	(7.1)	(6.7)	(7.0)	(27.2)	(27.2)
Net earnings	10.8	33.1	61.5	157.3	135.5
Normalized net earnings (excl. amortization intangible assets resulting from the sale of the 12% stake of ASMPT)	17.9	39.8	68.5	184.5	162.7

Note that as from 2016 ASMI reports its results based on IFRS instead of US GAAP

- > ASM focuses on deposition equipment
- > ASM is a market leader in ALD
- > Positions in Epitaxy, PECVD and Vertical Furnaces

Equipment market segments (US\$)

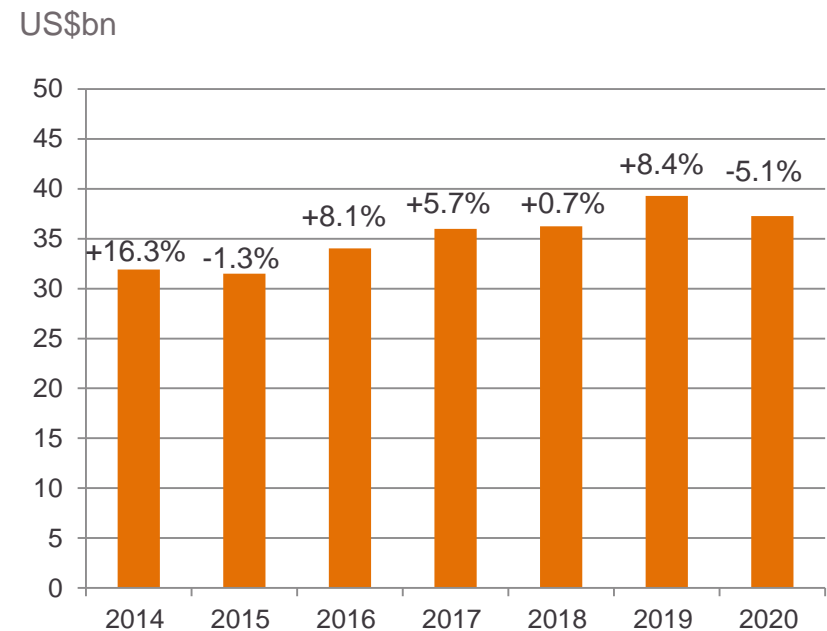


VLSI Research, February 2017

ASM's focus is on deposition equipment

- › WFE spending increased by 8% in 2016, driven by 3D NAND and Logic/Foundry
- › Gartner forecasts a 6% increase in 2017

Wafer Fab Equipment Spending

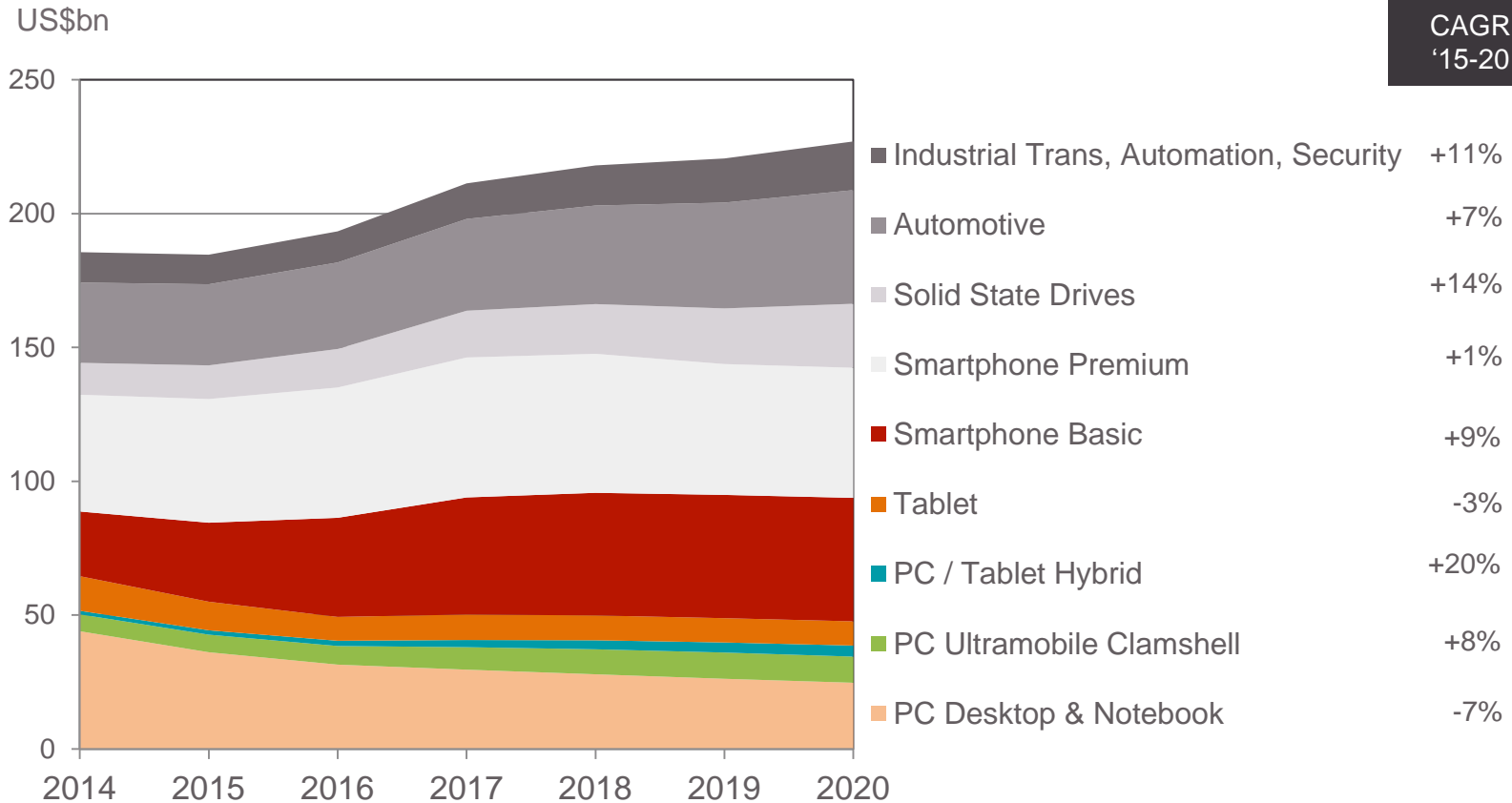


Gartner, December 2016

Gartner expects continued growth for the Wafer Fab Equipment market in 2017

SEMICONDUCTOR GROWTH DRIVERS

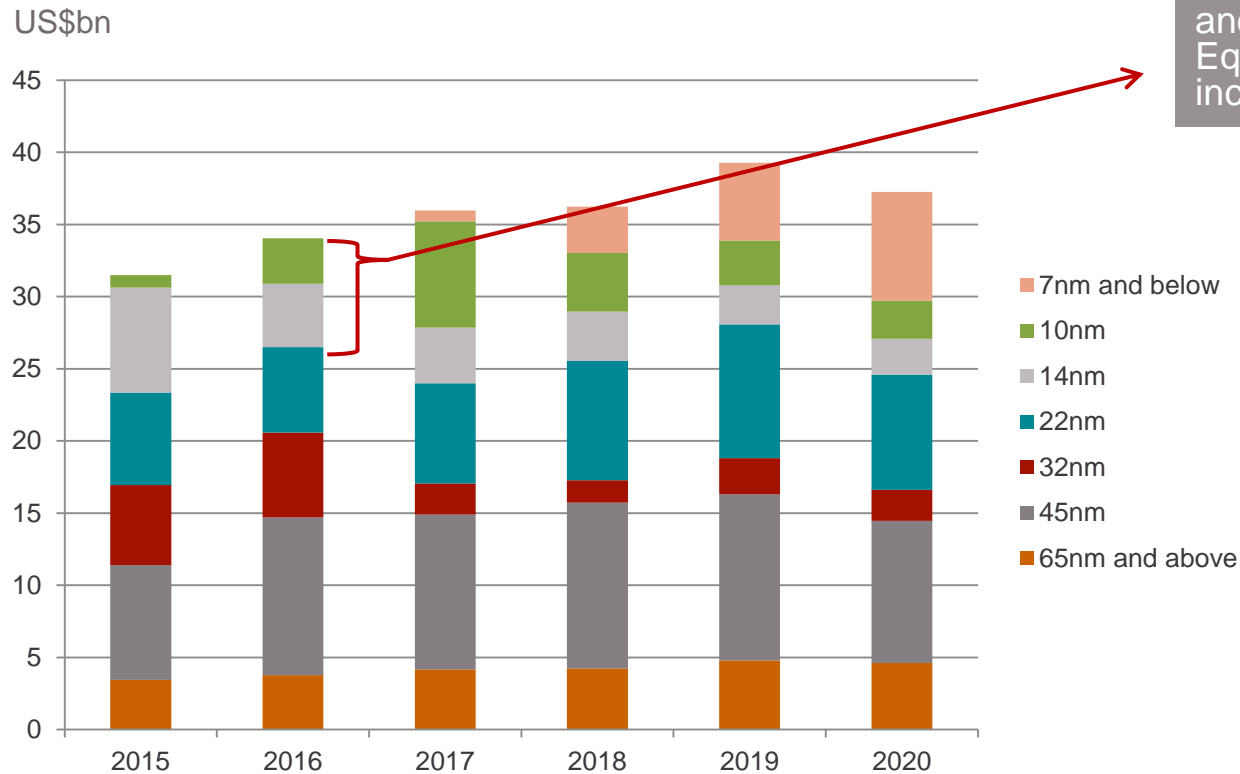
SEMICONDUCTOR SALES BY KEY APPLICATION



Source: Gartner, Dec. 2016

- > Semiconductor drivers are mobile devices, but long term growth rate is slowing
- > New semi growth drivers are solid state drives, servers, automotive and IoT

WAFER FAB EQUIPMENT SPENDING BY NODE



Gartner, December 2016

Advanced nodes: market segments with high expected growth

› ALD technology is a key enabler of Moore's Law

- Strengths of Atomic Layer Deposition: high-precision deposition of smooth and conformal ultra-thin films, ability to deposit new materials
- Device scaling, new materials and 3D architectures drive increased demand for ALD

› ASMI has leading positions in ALD

- Leadership in high-k metal gate, spacer defined multiple patterning and several new applications
- ALD continued to account for clearly more than half of ASM's equipment revenue in 2016

› Strong market outlook ALD

- Drivers are further deployment of ALD in volume manufacturing, new applications and process steps
- The CAGR of the single wafer ALD segment is expected to be the highest within the deposition equipment market in the next years

> Outlook 2017

- We continue to expect a clear improvement in the single wafer ALD market in 2017:
 - Demand in the Logic/Foundry segment is expected to remain healthy
 - We believe the 3D-NAND contribution to the single wafer ALD market will show a strong increase in 2017, leading to increased orders for ASMI
 - The DRAM segment is expected to show a modest recovery in 2017

> Long term growth

- We expect that the single wafer ALD market experienced a double digit decline in 2016. Based upon that we forecast the single wafer ALD market to reach a size of approx. US\$1.5 billion in 2020-2021

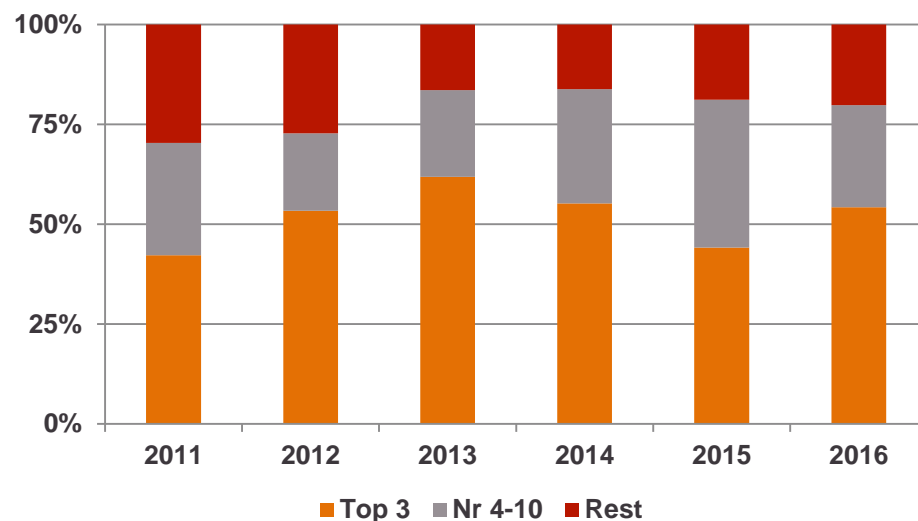
COMPETITIVE ADVANTAGES

- › **Focused player, differentiated technologies**
- › **Track record of innovation**
- › **Global network, streamlined operations**
- › **Leadership in ALD**
 - Developing ALD technology since 1999
 - Leading market share in ALD
- › **Close cooperation with the leading IC manufacturers**
- › **Strong IP portfolio**

CUSTOMER CONCENTRATION

- › Engaged with all of the top-10 semiconductor capital equipment spenders
- › Increase in contribution top-3 in 2016 driven by Logic/Foundry

ASMI revenue



Growing share of wallet with top clients

› ALD market expected to resume growth

- For 2017, a clear improvement in the single wafer ALD market is expected; long term outlook remains solid
- In 2016, single wafer ALD market showed a double digit drop as lower sales in Memory were only partially offset by strong Logic/Foundry demand

› Shareholder remuneration

- 2015/2016 EUR 100m share buyback completed on November 11, 2016
- On March 2, 2017, we announced an increase in the 2016/2017 buyback program from EUR 50m to EUR 100m
- EUR 140m in total cash returned to shareholders in 2016 (FY 2015: EUR 116m)
- Stable dividend of EUR 0.70 per share proposed to the AGM 2017

› TSMC supplier excellence award

- On February 23, 2017, ASMI received a supplier excellence award as one of five equipment suppliers from TSMC for ALD equipment and technology

ASMPT RESULTS

	Q4 2015	Q3 2016	Q4 2016
Sales ASMPT (HK\$m)	2,928	4,197	3,521
Net profit ASMPT excluding one-offs (EURm, 100% based)	10	68	47
Normalized result from investments (including ASMI's 39% share of ASMPT net profit)	1.6	26.7	18.4
Amortization intangible assets resulting from the sale of the 12% stake of ASMPT	<u>(7.1)</u>	<u>(6.7)</u>	<u>(7.0)</u>
Result from investments	(5.5)	20.0	11.4

- › As of 15 March 2013, our share of approximately 39% of ASMPT's net earnings is included in 'result from investments'
- › Amortization intangible assets resulting from the sale of the 12% stake in ASMPT is expected to be stable at EUR 27m in 2017, on a currency comparable basis

FINANCIAL OVERVIEW

Q4 2016 HIGHLIGHTS

- › Revenues up 20% q-o-q and up 19% y-o-y
- › Bookings up 44% q-o-q and up 31% y-o-y. Book-to-bill ratio of 1.0
- › Q4 backlog of EUR 157m, up slightly from EUR 154m at the end of Q3
- › EBIT margin of 17.3% compared to 11.7% in Q3 and 2.7% in Q4 2015 (including EUR 16.2m impairment charges in Q4 2015)
- › Free cash flow of positive EUR 10m in Q4 2016
- › Normalized net earnings* of EUR 69m in Q4 2016, up from EUR 40m in Q3 and EUR 18m in Q4 2015
- › Normalized net earnings were impacted by translation differences in financial results (positive EUR 19m in Q4 2016 compared to negative EUR 3m in Q3 2016 and positive EUR 6m in Q4 2015) and one-off tax benefits of EUR 5m in Q4 2015

* *excl. amortization intangible assets resulting from the sale of the 12% stake of ASMPT*

Based upon the current backlog and our current visibility:

We project a year-on-year sales increase for the first half of 2017, whereby we expect a sales level of €135-145 million for Q1 and €160-200 million for Q2, both on a currency comparable level. The order intake in Q1 is expected to remain healthy at a level of €170-190 million, also on a currency comparable level.

NET EARNINGS Q4

EUR million	Q4 2015	Q3 2016	Q4 2016	Q4 2016 vs Q3 2016	Q4 2016 vs Q4 2015
New orders	135.4	122.6	176.9	44%	31%
Backlog	127.8	154.4	156.7	1%	23%
Book-to-bill	0.9	0.9	1.0		
Net sales	144.7	144.2	172.6	20%	19%
Gross profit	64.8	63.7	77.5	22%	20%
Gross profit margin %	44.8%	44.2%	44.9%		
Selling, general and administrative expenses	(23.0)	(21.4)	(23.1)	8%	1%
Research and development expenses	(36.9)	(24.2)	(24.0)	(1)%	(35)%
Restructuring expenses	(0.9)	(1.3)	(0.4)	n/a	n/a
Operating result	4.0	16.8	29.9	13.1	26.0
Operating margin %	2.7%	11.7%	17.3%		
Financing costs	5.8	(3.1)	19.3	22.4	13.5
Income tax	6.5	(0.7)	0.8	1.5	(5.7)
Result from investments	1.6	26.7	18.4	(8.3)	16.8
Amortization intangible assets resulting from the sale of the 12% stake of ASMPT	(7.1)	(6.7)	(7.0)	(0.3)	-
Net earnings	10.8	33.1	61.5	28.4	50.7
Normalized net earnings (excl. amortization intangible assets resulting from the sale of the 12% stake of ASMPT)	17.9	39.8	68.5	28.7	50.6
Normalized net earnings per share, diluted	€0.28	€0.65	€1.13	€0.48	€(0.85)

R&D EXPENDITURE

EUR million	Q4 2015	Q3 2016	Q4 2016
R&D expenditure	(25.0)	(26.7)	(26.5)
Capitalized development expenditure	5.4	6.8	6.8
Amortization capitalized development expenditure	(1.2)	(4.3)	(4.3)
Impairment capitalized development expenditure	(16.2)	-	-
R&D expenses	(36.9)	(24.2)	(24.0)

CASH FLOW

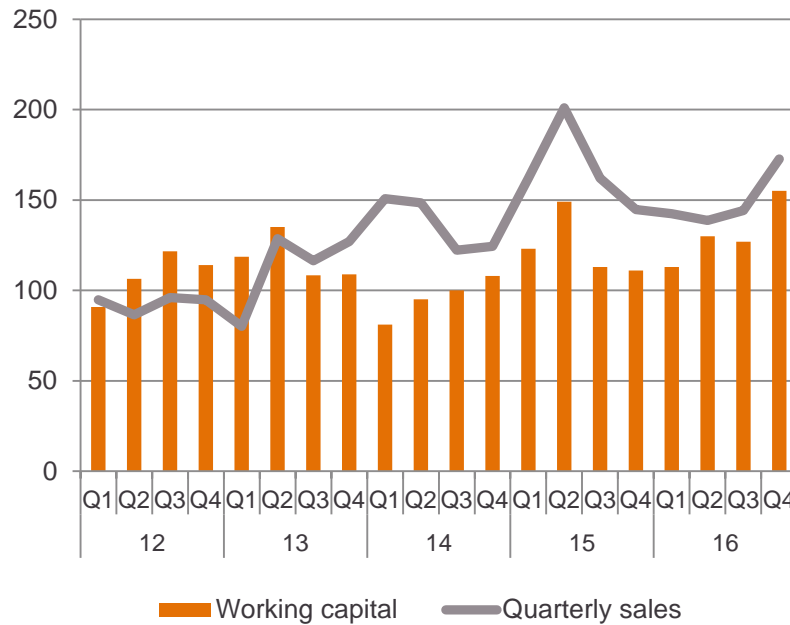
EUR million	Q4 2015	Q3 2016	Q4 2016
Normalized net earnings	17.9	39.8	68.5
Depreciation, amortization and impairments	24.3	12.8	15.1
Result from investments	(1.6)	(26.7)	(18.4)
Other adjustments	(5.3)	3.0	(15.8)
Change in working capital	4.3	2.5	(25.5)
Net cash from operating activities	39.5	31.2	24.0
Capital expenditure	(10.8)	(12.2)	(5.6)
Capitalized development expenditure	(5.4)	(6.8)	(6.8)
Dividend received from investments	-	14.8	-
Other	(1.0)	(1.9)	(1.4)
Net cash from investing activities	(17.3)	(6.0)	(13.8)
Dividend paid and capital repaid to ASMI shareholders	-	(5.5)	-
Share buyback	(8.4)	(26.9)	(13.2)
Other	0.5	1.0	2.7
Net cash from financing activities	(7.9)	(31.4)	(11.3)

BALANCE SHEET

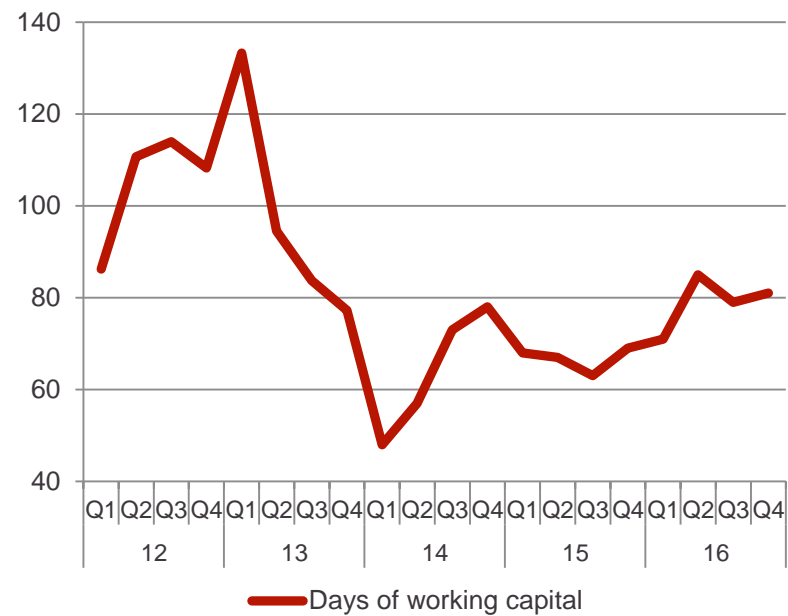
EUR million	Dec 31, 2015	Dec 31, 2016
Cash and cash equivalents	447	378
Accounts receivable	90	141
Inventories	114	112
Other current assets	19	19
Investments and associates	1,181	1,236
Property, plant and equipment	92	101
Capitalized development costs	73	88
Other non-current assets	61	74
Total Assets	2,076	2,148
Accounts payable	54	61
Short-term debt	-	-
Other current liabilities	61	57
Long-term debt	-	-
Other non-current liabilities	12	14
Equity	1,948	2,016
Total Liabilities and Equity	2,076	2,148

WORKING CAPITAL

EUR million

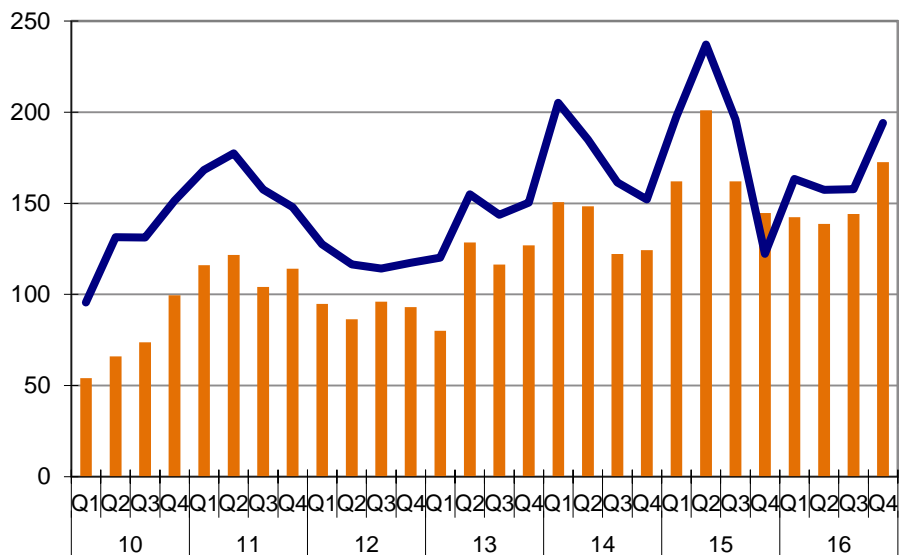


Days



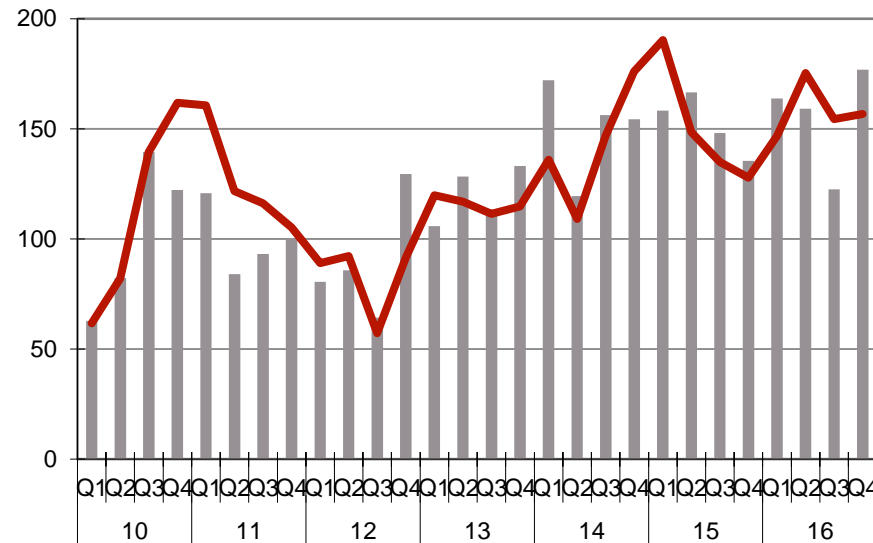
HISTORICAL DEVELOPMENT

EUR million



Net Sales (lhs) EBIT (rhs)

EUR million



Bookings Backlog

COMPARABLE RESULTS US GAAP



EUR million	Q4 2015	Q3 2016	Q4 2016	Q4 2016 vs Q3 2016	Q4 2016 vs Q4 2015
Net sales	144.7	144.2	172.6	20%	19%
Gross profit	64.8	63.7	77.7	22%	20%
Gross profit margin %	44.8%	44.1%	45.0%		
Selling, general and administrative expenses	(23.0)	(21.4)	(23.1)	8%	-
Research and development expenses	(28.3)	(26.7)	(26.5)	(1)%	(6)%
Restructuring expenses	(0.9)	(1.3)	(0.4)	n/a	n/a
Operating result	12.5	14.3	27.7	13.4	15.2
Operating margin %	8.7%	9.9%	16.0%		
Financing costs	5.7	(3.2)	18.6	21.8	12.9
Income tax	5.0	(0.3)	1.2	1.5	(3.8)
Result from investments	2.2	26.7	18.5	(8.2)	16.3
Amortization intangible assets resulting from the sale of the 12% stake of ASMPT	(7.1)	(6.7)	(7.1)	(0.4)	-
Net earnings	18.4	30.8	58.9	28.1	40.5
Normalized net earnings (excl. amortization intangible assets resulting from the sale of the 12% stake of ASMPT)	25.4	37.5	66.0	28.5	40.6
Normalized net earnings per share, diluted	€0.40	€0.61	€1.09	€0.48	€0.69

