

INVESTOR PRESENTATION

Q4 2020 RESULTS

February 25, 2021

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS



Cautionary Note Regarding Forward-Looking Statements: All matters discussed in this presentation, 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.

INVESTMENT HIGHLIGHTS



> Strong long term growth prospects

- ASM sales primarily driven by WFE investments in the most advanced nodes
- ALD expected to be a key growth market, ASM has leadership positions in ALD
- Driving structurally higher sales in the other product lines

> COVID-19 update

- The health and safety of our employees continues to be our key priority
- Supply chain and logistical conditions largely normalized again in H2

> Healthy profitability

- Gross margin decreased from 49.9% in Q3 to 45.2% in Q4 due to mix. In FY20 GM improved from 42.6% (excl. settlement gains) to 47.0% in part supported by positive mix

> Strong balance sheet

- Solid cash position of €435m at the end of Q4, no debt
- €100m '20/'21 buyback program, 94% completed as of February 19, 2021
- Proposed regular dividend of €2 per share to be paid over 2020, up 33% year-on-year

2020 KEY RESULTS

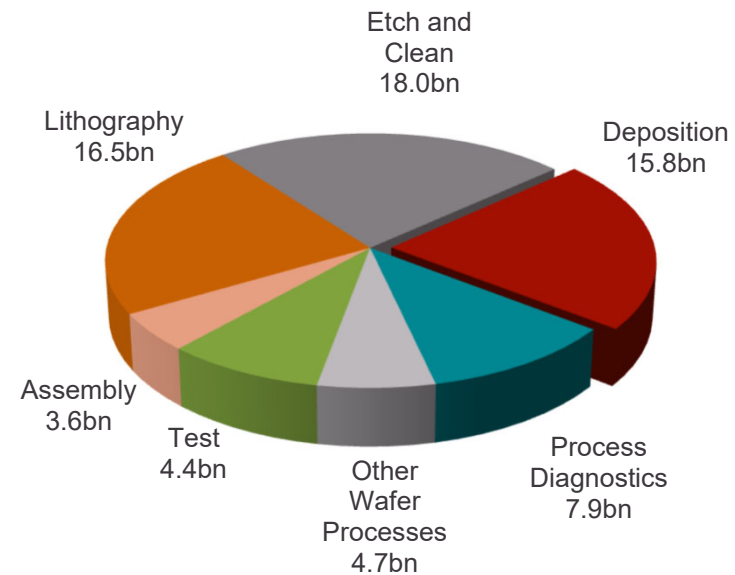


| € million | Q4 2019* | Q3 2020 | Q4 2020 | 2019* | 2020 |
|--|----------|---------|---------|---------|---------|
| New orders | 373.0 | 303.4 | 378.7 | 1,169.7 | 1,313.6 |
| Net sales | 344.6 | 314.6 | 346.6 | 1,124.7 | 1,328.1 |
| Gross profit margin % | 43.6% | 49.9% | 45.2% | 42.6% | 47.0% |
| Operating results | 74.9 | 83.9 | 77.5 | 219.6 | 327.1 |
| Operating margin % | 21.7% | 26.7% | 22.4% | 19.5% | 24.6% |
| Normalized result from investments | 6.4 | 6.3 | 27.1 | 18.0 | 44.9 |
| Amortization intangible assets resulting from the sale of the 12% stake of ASMPT | (3.5) | (3.0) | (3.0) | (13.8) | (12.9) |
| Net earnings | 104.5 | 58.1 | 79.1 | 329.0 | 285.4 |
| Normalized net earnings (excl. amortization intangible assets resulting from the sale of the 12% stake of ASMPT) | 108.0 | 61.2 | 82.1 | 342.8 | 298.3 |

**Excluding settlement gains, except for net earnings and normalized net earnings in which the 2019 settlement gains are included*

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

Equipment market segments 2020 (US\$)



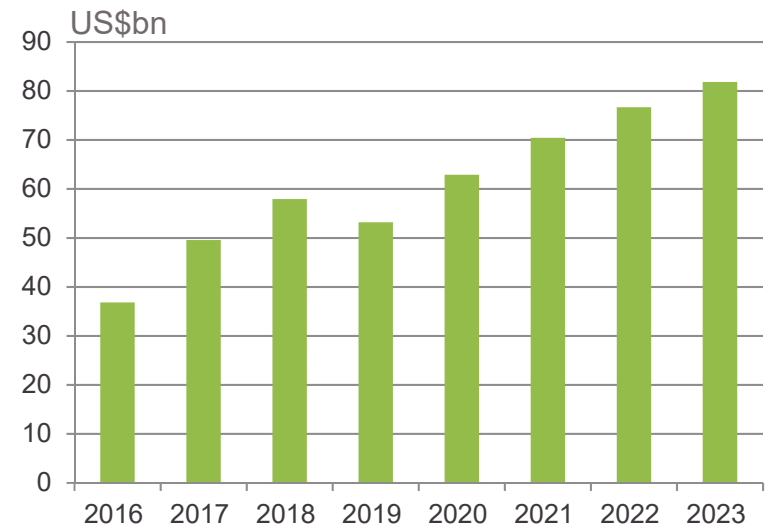
VLSI Research, February 2021

ASM's focus is on deposition equipment

EQUIPMENT MARKET OUTLOOK

- › Gartner expects a 14% increase in WFE in '20, followed by a 8% increase in '21 (Dec '20). Last October, Gartner still expected a 5% increase in '20 WFE
- › VLSI Research currently estimates WFE to have increased by 18% in 2020, up from a forecast of +11% last October. For 2021, VLSI expects a further increase of 12% in WFE
- › ASMI's statement on the WFE outlook is as follows: "Based upon the current market developments, the wafer fab equipment (WFE) market is expected to grow by a mid-teens percentage in 2021."

Wafer Fab Equipment spending



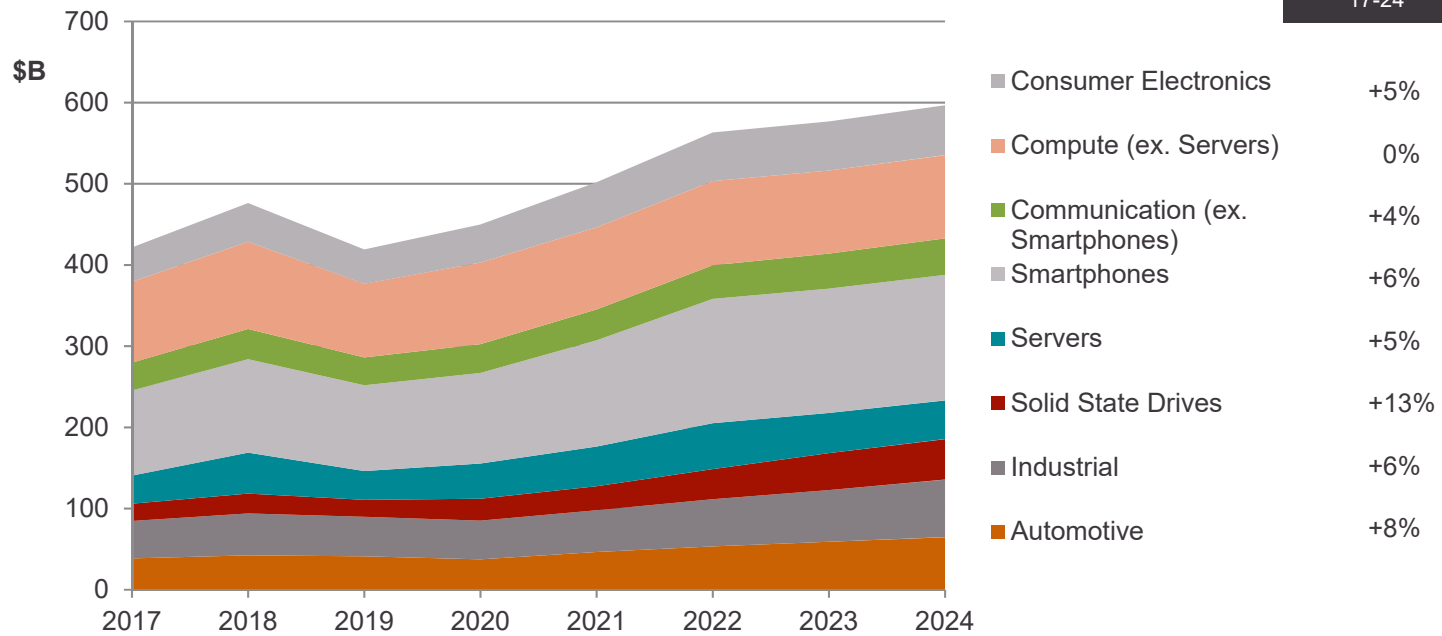
VLSI Research, February 2021

VLSI expects WFE to increase +12% in 2021

SEMICONDUCTOR MARKET GROWTH DRIVERS



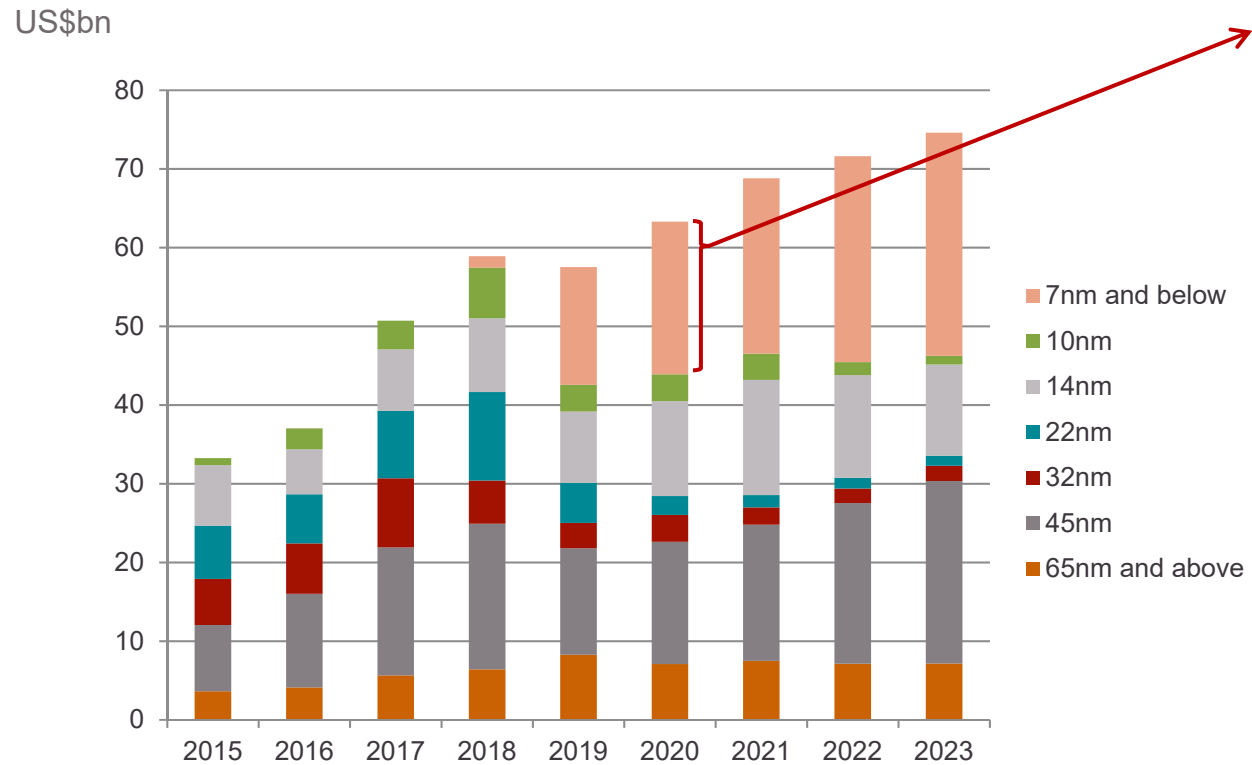
Semiconductor sales by key application



Gartner, December 2020

- > **Smartphones expected to resume growth driven by 5G**
- > **New structural drivers are Solid State Drives, Servers, Industrial and Automotive**

WAFER FAB EQUIPMENT SPENDING BY NODE



Strongest growth in leading edge nodes

Gartner, December 2020

- > Advanced nodes: market segments with high expected growth
- > 45nm mainly driven by 3D-NAND spending

ALD IS AN ENABLING TECHNOLOGY



› 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

- ASMI has strongest position in logic/foundry. Logic/foundry ALD market more than doubled from 14nm/16nm to 7nm
- ALD continued to account for more than half of ASM's equipment revenue in 2020
- Strong focus on increasing our addressable market within single wafer ALD

› Strong market outlook ALD

- The CAGR of the single wafer ALD segment is expected to be the highest within the deposition equipment market in the next years

COMPETITIVE ADVANTAGES



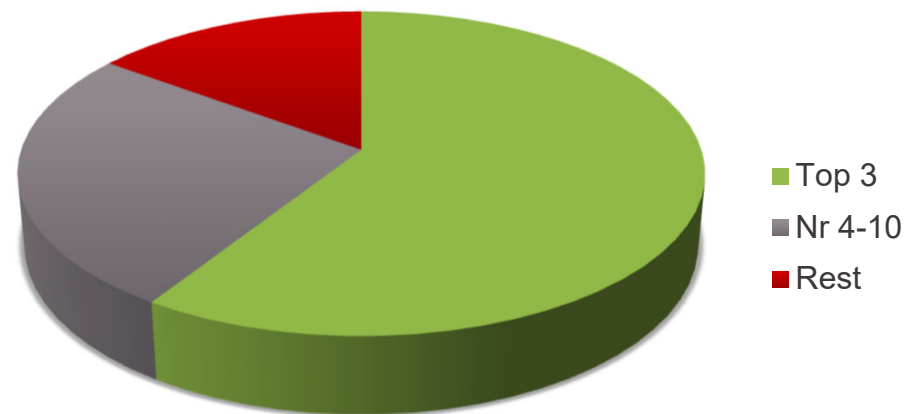
- › **Focused player, differentiated technologies**
- › **Track record of innovation**
- › **Global network, streamlined operations**
- › **Leadership in ALD**
 - Developing ALD technology since 1999
 - Leading market share in ALD
- › **Close cooperation with the leading IC manufacturers**
- › **Strong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

CUSTOMER CONCENTRATION



ASMI sales 2020

> Engaged with all of the top-10 semiconductor capital equipment spenders



Growing share of wallet with top clients

KEY POINTS DURING THE QUARTER



> COVID-19 update

- The health and safety of our employees continues to be our key priority
- Supply chain and logistical conditions largely normalized again in H2

> Solid sales momentum in 2020

- Driven by the logic/foundry segment, solid growth in China and a strong increase in our spares & service business
- 2020 was the fourth consecutive year of double digit growth

> Solid growth expected for the ALD market

- We expect the single wafer ALD market to reach a size of approx. US\$1.5 billion by '20-'21, and to grow substantially above that level in subsequent later years
- Focus on expanding our addressable market within the single wafer ALD space

> Shareholder remuneration

- Announcement of regular dividend of €2.00 per share over 2020, up 33% from €1.50 p.s. over 2019 (excluding extraordinary dividend of €1.50 p.s. last year)
- €100m '20/'21 share buyback program for 94% completed as of February 19, 2021

ASMPT RESULTS



| | Q4 2019 | Q3 2020 | Q4 2020 |
|---|---------|---------|---------|
| Net profit ASMPT (€ million, 100% based) | 26 | 26 | 110 |
| Normalized result from investments (including ASMI's share of ASMPT net profit) | 6.4 | 6.3 | 27.1 |
| Amortization intangible assets resulting from the sale of ASMPT stake in 2013 | (3.5) | (3.0) | (3.0) |
| Results from investments after amortization | 2.9 | 3.3 | 24.1 |

- › As of March 2013 our share in ASMPT's net earnings is included in 'result from investments'
- › ASMI's stake in ASMPT amounts to approximately 25%. In 2017, ASMI reduced its stake in two steps from 39% to 25%
- › Related amortization intangible assets is expected to amount to €12.8m in 2021

FINANCIAL OVERVIEW

Q4 2020 FINANCIAL HIGHLIGHTS



- › Q4 revenue was up 10% q-o-q and up 1% y-o-y. Currencies had a negative impact on Q4 revenue of 5% y-o-y
- › Bookings up 25% q-o-q and up 2% y-o-y with a book-to-bill ratio of 1.1. Q4 backlog of €324m up from €299m in Q3
- › Gross margin 45.2% in Q4 down from 49.9% in Q3, which was driven by an exceptionally strong sales mix
- › Both SG&A and R&D increased 8% vs. the level in Q3
- › Q4 results included a currency translation loss of €15m vs. a translation loss of €14m in both Q3 2020 and Q4 2019
- › Normalized net earnings* of €82m in Q4 vs. €61 in Q3
- › Free cash flow was €47m positive in Q4 vs. €17m in Q3

** excluding amortization intangible assets resulting from the stake sale ASMPT in 2013*

FINANCIAL OUTLOOK



Based upon the current backlog and our current visibility:

For Q1, on a currency comparable level, we expect revenue of €380-€400 million, while we expect our revenue in Q2 to be at the same level. Q1 bookings, on a currency comparable level, are also expected to be in the range of €380- €400 million.

Based upon the current market developments, the wafer fab equipment (WFE) market is expected to grow by a mid-teens percentage in 2021. While it is currently too early to provide guidance for the second half of the year, ASM is well positioned for another year of healthy growth in 2021.

NET EARNINGS



| € million | Q4 2019* | Q3 2020 | Q4 2020 | 2019* | 2020 |
|---|--------------|--------------|--------------|----------------|----------------|
| New orders | 429.0 | 303.4 | 378.7 | 1,328.9 | 1,313.6 |
| Backlog | 351.2 | 299.5 | 323.6 | 351.2 | 323.6 |
| Book-to-bill | 1.1 | 1.0 | 1.1 | 1.0 | 1.0 |
| Net sales | 400.6 | 314.6 | 346.6 | 1,283.9 | 1,328.1 |
| Equipment sales | 288.8 | 242.3 | 275.4 | 909.5 | 1,051.5 |
| Spares & service sales | 55.8 | 72.3 | 71.2 | 215.2 | 276.6 |
| Patent litigation & arbitration settlement | 56.0 | - | - | 159.2 | - |
| Gross profit | 206.3 | 157.0 | 156.6 | 638.5 | 623.6 |
| Gross profit margin % | 51.5% | 49.9% | 45.2% | 49.7% | 47.0% |
| Selling, general and administrative expenses | (40.4) | (38.8) | (41.9) | (148.9) | (157.4) |
| Research and development expenses | (35.1) | (34.4) | (37.2) | (110.8) | (139.0) |
| Operating result | 130.9 | 83.9 | 77.5 | 378.7 | 327.1 |
| Operating margin % | 32.7% | 26.7% | 22.4% | 29.5% | 24.6% |
| Net interest expenses | (0.2) | (0.5) | (0.7) | (0.1) | (1.9) |
| Currency translation gains | (13.7) | (14.2) | (15.4) | (0.1) | (23.2) |
| Income tax | (15.3) | (14.4) | (6.5) | (53.7) | (48.7) |
| Normalized result from investments | 6.4 | 6.3 | 27.1 | 18.0 | 44.9 |
| Amortization intangible assets resulting from the stake sale ASMPT in 2013 | (3.5) | (3.0) | (3.0) | (13.8) | (12.9) |
| Net earnings | 104.5 | 58.1 | 79.1 | 329.0 | 285.4 |
| Normalized net earnings (excl. amortization intangible assets resulting from the stake sale ASMPT in 2013) | 108.0 | 61.2 | 82.1 | 342.8 | 298.3 |

*Including settlement gains

R&D EXPENDITURE



| € million | Q4 2019 | Q3 2020 | Q4 2020 |
|--|---------------|---------------|---------------|
| R&D expenditure | (41.4) | (43.5) | (45.2) |
| Capitalized development expenditure | 14.7 | 16.4 | 16.3 |
| Amortization capitalized development expenditure | (4.6) | (5.0) | (5.4) |
| Impairment capitalized development expenditure | (3.8) | (2.2) | (3.0) |
| R&D expenses | (35.1) | (34.4) | (37.2) |

CASH FLOW



| € million | 2019 | 2020 |
|---|----------------|----------------|
| Net earnings | 329.0 | 285.4 |
| Depreciation, amortization and impairments | 78.3 | 89.0 |
| Result from investments | (4.2) | (32.0) |
| Evaluation tools | (13.7) | (39.7) |
| Other adjustments | 63.5 | 64.4 |
| Change in working capital | 36.0 | (102.8) |
| Net cash from operating activities | 488.9 | 264.4 |
| Capital expenditure | (48.7) | (93.1) |
| Capitalized development expenditure | (60.2) | (64.1) |
| Dividend received from investments | 32.0 | 16.1 |
| Purchase of intangible assets | (2.3) | (3.2) |
| Net cash from investing activities | (79.2) | (144.3) |
| Payment of lease liabilities | (12.0) | (7.8) |
| Dividend paid and capital repaid to ASMI shareholders | (100.4) | (98.7) |
| Share buyback | (99.9) | (66.7) |
| Other | 6.8 | 2.8 |
| Net cash from financing activities | (205.7) | (170.4) |

BALANCE SHEET

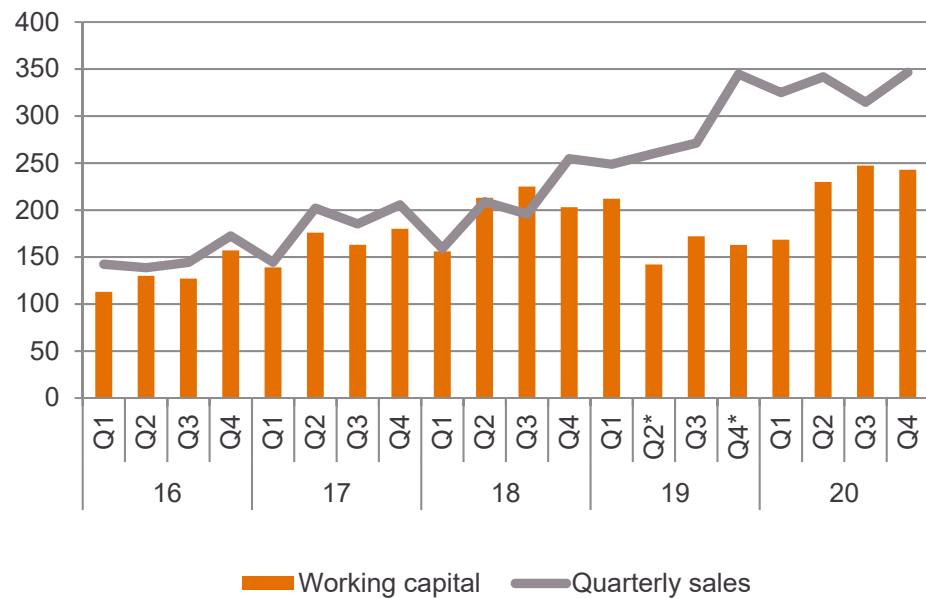


| € million | Dec 31, 2019 | Sept 30, 2020 | Dec 31, 2020 |
|--------------------------------------|--------------|---------------|--------------|
| Cash and cash equivalents | 498 | 430 | 435 |
| Accounts receivable | 200 | 255 | 280 |
| Inventories | 173 | 176 | 162 |
| Other current assets | 75 | 77 | 73 |
| Right-of-use assets | 28 | 26 | 23 |
| Investments in associates | 778 | 747 | 743 |
| Property, plant and equipment | 165 | 194 | 214 |
| Goodwill and other intangible assets | 200 | 218 | 221 |
| Evaluation tools at customers | 47 | 71 | 69 |
| Other non-current assets | 11 | 12 | 8 |
| Total Assets | 2,175 | 2,206 | 2,230 |
| Accounts payable | 120 | 117 | 125 |
| Short-term debt | - | - | - |
| Other current liabilities | 201 | 213 | 216 |
| Long-term debt | - | - | - |
| Other non-current liabilities | 36 | 34 | 35 |
| Equity | 1,819 | 1,842 | 1,855 |
| Total Liabilities and Equity | 2,175 | 2,206 | 2,230 |

WORKING CAPITAL



€ million



Days

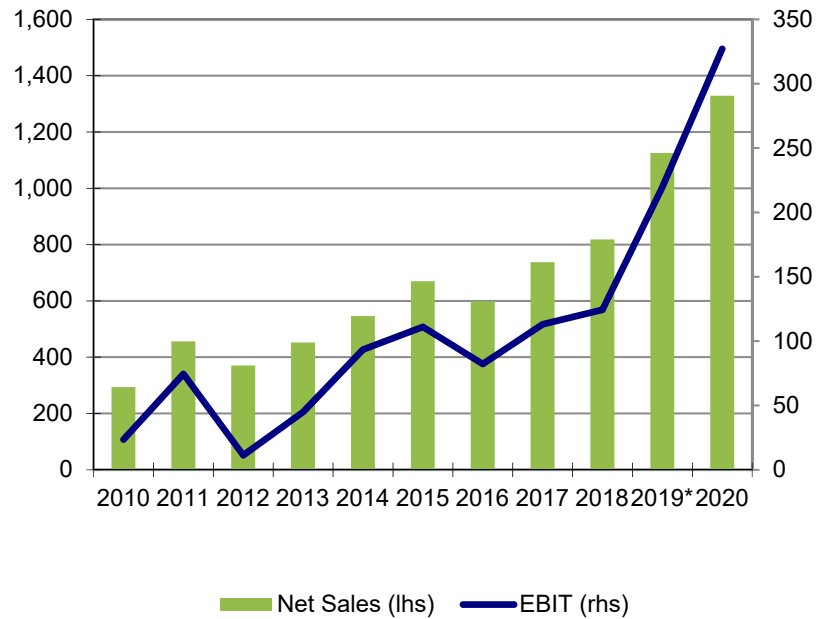


Numbers based on reported financials; * excludes impact patent litigation & arbitration settlements

HISTORICAL DEVELOPMENT

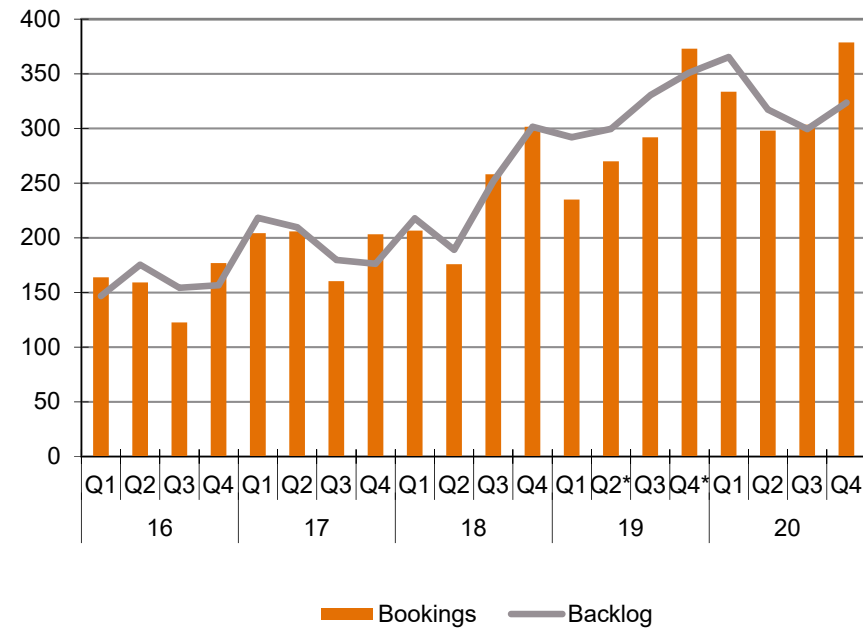


€ million



* 2019 excludes settlement gains of €159m

€ million



Numbers based on reported financials;
* excludes impact patent litigation & arbitration settlements

