PRESSRELEASE

Besi Reports Q1-17 Revenue of € 110.2 Million and Net Income of € 24.3 Million
Q1-17 Orders of € 239.8 Million, Increase 162.4% vs. Q4-16
Strong First Half 2017 Business Outlook

Duiven, the Netherlands, April 25, 2017 - BE Semiconductor Industries N.V. (the "Company" or "Besi") (Euronext Amsterdam: BESI; OTC markets: BESIY, Nasdaq International Designation), a leading manufacturer of assembly equipment for the semiconductor industry, today announced its results for the first quarter ended March 31, 2017.

Key Highlights

- Revenue of € 110.2 million, up 18.4% vs.Q4-16 and 39.5% vs. Q1-16 due primarily to favorable industry conditions and higher die bonding shipments for smart phone applications. In line with guidance
- Orders of € 239.8 million, up 162.4% vs. Q4-16 and 130.8% vs. Q1-16 due primarily to large die bonding capacity build by IDMs for next generation mobile devices as well as automotive and high-end cloud server applications
- Gross margin rose to 55.7% up 2.5% vs. Q4-16 and 6.5% vs. Q1-16 principally resulting from Besi's strong market position, increased material cost efficiencies and forex benefits
- Net income of € 24.3 million is up 45.5%, or € 7.6 million, vs. Q4-16 and 203.8%, or € 16.3 million, vs. Q1-16 due to strong revenue growth, continued gross margin improvement and cost controls
- Net margins also increased significantly to 22.0% in Q1-17 vs. 18.0% in Q4-16 and 10.1% in Q1-16
- Net cash increased by € 27.3 million, or 18.4% year over year to reach € 175.7 million

Outlook

- Q2-17 revenue forecast +40-50% vs. Q1-17. H1-17 operating income to exceed full year 2016 levels assuming midpoint of Q2-17 guidance

(€ millions, except EPS)	**Q1-2017**	Q4-2016	Δ	Q1-2016	Δ
Revenue	**110.2**	93.1	*+18.4%*	79.0	*+39.5%*
Orders	**239.8**	91.4	*+162.4%*	103.9	*+130.8%*
Operating Income	**30.8**	19.7	*+56.3%*	9.6	*+220.8%*
EBITDA	**34.2**	23.3	*+46.8%*	13.4	*+155.2%*
Net Income	**24.3**	16.7	*+45.5%*	8.0	*+203.8%*
EPS (basic)	**0.65**	0.45	*+44.4%*	0.21	*+209.5%*
EPS (diluted)	**0.60**	0.43	*+39.5%*	0.21	*+185.7%*
Net Cash	**175.7**	168.1	*+4.5%*	148.4	*+18.4%*

Richard W. Blickman, President and Chief Executive Officer of Besi, commented: "In Q1-17, we realized strong revenue growth in line with guidance, operating profit levels that exceeded expectations and a 162.4% order increase vs. Q4-16 reaching € 239.8 million. Our Q1-17 results position Besi for a strong H1-2017 financial performance.

In the first quarter, revenue increased by 18.4% due to the benefits of a more favorable industry environment that started at the end of Q4-16 as well as increased demand for smart phone applications. Revenue growth, combined with continued improvement in gross margin to 55.7% and tight control of baseline operating expenses, enabled Besi to generate net income of € 24.3 million in Q1-17 and a net margin of 22.0%. Net income more than tripled vs. Q1-16 while net margins more than doubled vs. the year ago period reflecting the enhanced profit potential of our business model. Net cash continued to build in Q1-17 reaching € 175.7 million despite significant working capital investment necessary to support the large 2017 order increase and € 5.8 million of share repurchases during the quarter.

The substantial order growth in Q1-17 was due to a variety of factors, the most prominent of which was a significant expansion by IDMs and their respective supply chains of die bonding capacity for next generation mobile devices with enhanced features. Our leading edge portfolio of multi module, epoxy and flip chip die bonding systems are uniquely positioned to capitalize on this capacity build by first movers in the industry who require the most demanding specifications in terms of form factor, pitch, complexity, density, and production throughput. In addition, Besi also realized broad based order growth for its advanced packaging systems addressing automotive and high-end cloud server applications. We also experienced increased demand by Chinese subcontractors for smart phone and mainstream electronics applications. Order growth in these areas reflects a continuation of trends from 2016.

Besi guides for Q2-17 revenue growth of 40-50% vs. Q1-17 with substantial growth in its sequential operating profit based on a backlog of € 205.9 million at the end of Q1-17 and customer feedback. Given our improved 2017 business outlook and the midpoint of Q2-17 guidance, we forecast that operating income for the six months of 2017 will exceed full year 2016 levels."

First Quarter Results of Operations

	Q1-2017	Q4-2016	Δ	Q1-2016	Δ
Revenue	**110.2**	93.1	*+18.4%*	79.0	*+39.5%*
Orders	**239.8**	91.4	*+162.4%*	103.9	*+130.8%*
Backlog	**205.9**	76.3	*+169.9%*	102.7	*+100.5%*
Book to Bill Ratio	**2.2x**	1.0x	*+1.2*	1.3x	*+0.9*

Q1-17 revenue increased by 18.4% vs. Q4-16 and 39.5% vs. Q1-16 and was within prior guidance (+15-20%). Growth was primarily due to a more favorable industry environment and higher die bonding system demand for smart phone applications.

Orders of € 239.8 million were up 162.4% vs. Q4-16 and 130.8% vs. Q1-16 due primarily to a large build by IDMs and their respective supply chains of die bonding capacity for next generation mobile devices. In addition, Besi also experienced broad based growth for automotive and high-end cloud server applications and increased demand by Chinese subcontractors for smart phone and mainstream electronics. Per customer type, IDM orders increased sequentially by € 145.4 million, or 284.0%, while subcontractor orders increased by € 3.0 million, or 7.5%.

	Q1-2017	Q4-2016	Δ	Q1-2016	Δ
Gross Margin	**55.7%**	**53.2%**	*+2.5*	**49.2%**	*+6.5*
Operating Expenses	**30.5**	**29.8**	*+2.3%*	**29.2**	*+4.5%*
Financial Expense/(Income), net	**2.0**	**0.0**	*NM*	**0.2**	*NM*
EBITDA	**34.2**	**23.3**	*+46.8%*	**13.4**	*+155.2%*

Besi's gross margin rose to 55.7% in Q1-17, an increase of 2.5 points vs. Q4-16 and 6.5 points vs. Q1-16. Q1-17 gross margin exceeded prior guidance (52-54%). Improved gross margins were principally due to increased material cost efficiencies (particularly in the year over year comparison) and forex benefits related primarily to a decrease in the value of the MYR vs. the euro. In addition, Besi benefited in the year over year comparison from an increase in the value of the USD vs. the euro.

Besi's Q1-17 operating expenses increased by € 0.7 million, or 2.3%, vs. Q4-16, less than prior guidance (+5-10%). The increase was due primarily to higher bonus and benefit compensation related to Besi's 2016 financial performance partially offset by lower advisory costs. Operating expenses grew by € 1.3 million, or 4.5%, vs. Q1-16 due primarily to higher personnel and variable costs associated with increased revenue levels. Total headcount at March 31, 2017 increased by 12.8% vs. December 31, 2016 and by 18.4% vs. March 31, 2016 principally as a result of higher Asian temporary production personnel in support of the large Q1-17 order increase and expanded Asian operations.

Financial expense increased by € 2.0 million vs. Q4-16 and by € 1.8 million vs. Q1-16 principally due to higher interest expense associated with Besi's issuance of € 125 million of 2.5% Convertible Notes in December 2016 as well as increased foreign exchange losses.

	Q1-2017	Q4-2016	Δ	Q1-2016	Δ
Net Income	24.3	16.7	*+45.5%*	8.0	*+203.8%*
Net Margin	22.0%	18.0%	*+4.0*	10.1%	*+11.9*
Tax Rate	15.9%	15.1%	*+0.8*	15.2%	*+0.7*

Besi's net income reached € 24.3 million in Q1-17, an increase of € 7.6 million, or 45.5%, vs. Q4-16 and € 16.3 million, or 203.8% vs. Q1-16. Net income growth was principally due to strong revenue development, continued gross margin improvement and ongoing cost control efforts. Similarly, net margins increased to 22.0% in Q1-17 vs. 18.0% in Q4-16 and 10.1% in Q1-16.

Financial Condition

	Q1-2017	Q4-2016	Δ	Q1-2016	Δ
Net Cash	175.7	168.1	*+4.5%*	148.4	*+18.4%*
Cash flow from Ops.	18.6	33.4	*-44.3%*	20.0	*-7.0%*

Besi's net cash rose to € 175.7 million at the end of Q1-17, an increase of € 7.6 million, or 4.5%, vs. Q4-16 and € 27.3 million, or 18.4% vs. Q1-16. Besi generated cash flow from operations of € 18.6 million in Q1-17, which was utilized primarily to fund (i) € 7.5 million of share repurchases, (ii) € 3.9 million of debt retirement, (iii) € 1.9 million of capitalized development spending and (iv) € 1.1 million of capital expenditures.

During the quarter, Besi repurchased 166,681 of its ordinary shares at an average price of € 35.03 per share. Cumulatively as of March 31, 2017, a total of 293,076 shares have been purchased at an average price of € 33.42 per share for a total of € 9.8 million under its current 1.0 million share repurchase authorization.

Outlook

Based on its March 31, 2017 backlog and feedback from customers, Besi forecasts for Q2-17 that:

- Revenue will increase by 40-50% vs. the € 110.2 million reported in Q1-17.
- Gross margins will range between 54-56% vs. the 55.7% realized in Q1-17.
- Operating expenses will increase by 10-15% vs. the € 30.5 million reported in Q1-17.

Assuming the midpoint of Q2-17 guidance, Besi forecasts that operating income for the first six months of 2017 will exceed full year 2016 levels.

Investor and media conference call

A conference call and webcast for investors and media will be held today at 4:00 pm CET (10:00 am EST). The dial-in for the conference call is (31) 20 531 5871. To access the audio webcast and webinar slides, please visit www.besi.com.

About Besi

Besi is a leading supplier of semiconductor assembly equipment for the global semiconductor and electronics industries offering high levels of accuracy, productivity and reliability at a low cost of ownership. The Company develops leading edge assembly processes and equipment for leadframe, substrate and wafer level packaging applications in a wide range of end-user markets including electronics, mobile internet, computer, automotive, industrial, LED and solar energy. Customers are primarily leading semiconductor manufacturers, assembly subcontractors and electronics and industrial companies. Besi's ordinary shares are listed on Euronext Amsterdam (symbol: BESI). Its Level 1 ADRs are listed on the OTC markets (symbol: BESIY Nasdaq International Designation) and its headquarters are located in Duiven, the Netherlands. For more information, please visit our website at www.besi.com.

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Caution Concerning Forward Looking Statements

This press release contains statements about management's future expectations, plans and prospects of our business that constitute forward-looking statements, which are found in various places throughout the press release, including, but not limited to, statements relating to expectations of orders, net sales, product shipments, backlog, expenses, timing of purchases of assembly equipment by customers, gross margins, operating results and capital expenditures. The use of words such as "anticipate", "estimate", "expect", "can", "intend", "believes", "may", "plan", "predict", "project", "forecast", "will", "would", and similar expressions are intended to identify forward looking statements, although not all forward looking statements contain these identifying words. The financial guidance set forth under the heading "Outlook" contains such forward looking statements. While these forward looking statements represent our judgments and expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from those contained in forward looking statements, including any inability to maintain continued demand for our products; failure of anticipated orders to materialize or postponement or cancellation of orders, generally without charges; the volatility in the demand for semiconductors and our products and services; failure to develop new and enhanced products and introduce them at competitive price levels;failure to adequately decrease costs and expenses as revenues decline; loss of significant customers; lengthening of the sales cycle; acts of terrorism and violence; disruption or failure of our information technology systems; inability to forecast demand and inventory levels for our products; the integrity of product pricing and protection of our intellectual property in foreign jurisdictions; risks, such as changes in trade regulations, currency fluctuations, political instability and war, associated with substantial foreign customers, suppliers and foreign manufacturing operations; potential instability in foreign capital markets; the risk of failure to successfully manage our diverse operations; any inability to attract and retain skilled personnel; those additional risk factors set forth in Besi's annual report for the year ended December 31, 2016 and other key factors that could adversely affect our businesses and financial performance contained in our filings and reports, including our statutory consolidated statements. We expressly disclaim any obligation to update or alter our forward-looking statements whether as a result of new information, future events or otherwise.

Consolidated Statements of Operations

(euro in thousands, except share and per share data)

	Three Months Ended		
	March 31, (unaudited) 2017	December 31, (unaudited) 2016	March 31, (unaudited) 2016
Revenue	**110,241**	93,081	78,958
Cost of sales	**48,872**	43,564	40,098
Gross profit	**61,369**	49,517	38,860
Selling, general and administrative expenses	**22,211**	21,050	20,487
Research and development expenses	**8,335**	8,737	8,748
Total operating expenses	**30,546**	29,787	29,235
Operating income	**30,823**	19,730	9,625
Financial expense (income), net	**1,958**	35	174
Income before taxes	**28,865**	19,695	9,451
Income tax expense (benefit)	**4,585**	2,964	1,439
Net income	**24,280**	16,731	8,012
Net income per share – basic	**0.65**	0.45	0.21
Net income per share – diluted	**0.60**	0.43	0.21
Number of shares used in computing per share amounts:			
- basic	**37,241,357**	37,390,551	37,715,500
- diluted[1]	**40,799,822**	39,020,180	38,495,038

[1] The calculation of diluted income per share assumes the exercise of equity settled share based payments and the conversion of the Convertible Notes.

Consolidated Balance Sheets

(euro in thousands)	**March 31, 2017 (unaudited)**	December 31, 2016 (audited)
ASSETS		
Cash and cash equivalents	**204,018**	224,790
Deposits	**105,000**	80,000
Accounts receivable	**106,613**	89,845
Inventories	**72,450**	55,054
Income tax receivable	**447**	395
Other current assets	**11,621**	9,995
Total current assets	**500,149**	460,079
Property, plant and equipment	**26,630**	26,993
Goodwill	**45,738**	45,867
Other intangible assets	**37,807**	37,844
Deferred tax assets	**13,472**	14,265
Other non-current assets	**2,585**	2,521
Total non-current assets	**126,232**	127,490
Total assets	**626,381**	587,569
LIABILITIES AND SHAREHOLDERS' EQUITY		
Notes payable to banks	**8,000**	11,855
Current portion of long-term debt and financial leases	**2,240**	2,240
Accounts payable	**52,418**	38,949
Accrued liabilities	**51,500**	44,494
Total current liabilities	**114,158**	97,538
Other long-term debt and financial leases	**123,104**	122,603
Deferred tax liabilities	**6,727**	6,716
Other non-current liabilities	**16,349**	15,675
Total non-current liabilities	**146,180**	144,994
Total equity	**366,043**	345,037
Total liabilities and equity	**626,381**	587,569

Consolidated Cash Flow Statements

(euro in thousands)	**Three Months Ended March 31, (unaudited)**	
	2017	2016
Cash flows from operating activities:		
Operating income	**30,823**	9,625
Depreciation and amortization	**3,359**	3,750
Share based compensation expense	**2,560**	3,185
Other non-cash items	**427**	(2)
(Gain) loss on curtailment	**-**	-
Change in working capital	**(18,185)**	3,897
Income tax received (paid)	**(509)**	(479)
Interest received (paid)	**88**	68
Net cash provided by operating activities	**18,563**	20,044
Cash flows from investing activities:		
Capital expenditures	**(1,121)**	(878)
Capitalized development expenses	**(1,884)**	(1,776)
Net cash used in investing activities	**(3,005)**	(2,654)
Cash flows from financing activities:		
Proceeds from (payments of) bank lines of credit	**(3,855)**	-
Proceeds from (payments of) debt and financial leases	**74**	-
Reissuance (purchase) of treasury shares	**(7,500)**	(5,500)
Investment in deposits	**(25,000)**	-
Net cash provided by (used in) financing activities	**(36,281)**	(5,500)
Net increase (decrease) in cash and cash equivalents	**(20,723)**	11,890
Effect of changes in exchange rates on cash and cash equivalents	**(49)**	48
Cash and cash equivalents at beginning of the period	**224,790**	157,818
Cash and cash equivalents at end of the period	**204,018**	169,756

Supplemental Information (unaudited)

(euro in millions, unless stated otherwise)

REVENUE	Q1-2016		Q2-2016		Q3-2016		Q4-2016		Q1-2017	
Per geography:										
Asia Pacific	60.0	*76%*	88.3	*81%*	69.8	*74%*	75.4	*81%*	89.3	*81%*
EU / USA	19.0	*24%*	20.7	*19%*	24.5	*26%*	17.7	*19%*	20.9	*19%*
Total	79.0	*100%*	109.0	*100%*	94.3	*100%*	93.1	*100%*	110.2	*100%*
ORDERS	**Q1-2016**		**Q2-2016**		**Q3-2016**		**Q4-2016**		**Q1-2017**	
Per geography:										
Asia Pacific	77.9	*75%*	84.4	*84%*	61.7	*79%*	69.5	*76%*	153.5	*64%*
EU / USA	26.0	*25%*	16.1	*16%*	16.4	*21%*	21.9	*24%*	86.3	*36%*
Total	103.9	*100%*	100.5	*100%*	78.1	*100%*	91.4	*100%*	239.8	*100%*
Per customer type:										
IDM	45.7	*44%*	50.6	*50%*	43.7	*56%*	51.2	*56%*	196.6	*82%*
Subcontractors	58.2	*56%*	49.9	*50%*	34.4	*44%*	40.2	*44%*	43.2	*18%*
Total	103.9	*100%*	100.5	*100%*	78.1	*100%*	91.4	*100%*	239.8	*100%*
BACKLOG	**Mar 31, 2016**		**Jun 30, 2016**		**Sep 30, 2016**		**Dec 31, 2016**		**Mar 31, 2017**	
Backlog	102.7		94.2		78.0		76.3		205.9	
HEADCOUNT	**Mar 31, 2016**		**Jun 30, 2016**		**Sep 30, 2016**		**Dec 31, 2016**		**Mar 31, 2017**	
Fixed staff (FTE)										
Asia Pacific	944	*64%*	977	*66%*	1,003	*66%*	1,041	*67%*	1,112	*69%*
EU / USA	523	*36%*	510	*34%*	511	*34%*	508	*33%*	505	*31%*
Total	1,467	*100%*	1,487	*100%*	1,514	*100%*	1,549	*100%*	1,617	*100%*
Temporary staff (FTE)										
Asia Pacific	66	*54%*	89	*59%*	56	*53%*	73	*61%*	211	*79%*
EU / USA	57	*46%*	62	*41%*	50	*47%*	47	*39%*	55	*21%*
Total	123	*100%*	151	*100%*	106	*100%*	120	*100%*	266	*100%*
Total fixed and temporary staff (FTE)	1,590		1,638		1,620		1,669		1,883	
OTHER FINANCIAL DATA	**Q1-2016**		**Q2-2016**		**Q3-2016**		**Q4-2016**		**Q1-2017**	
Gross profit										
As reported	38.9	*49.2%*	55.5	*50.9%*	47.6	*50.5%*	49.5	*53.2%*	61.4	*55.7%*
Restructuring charges / (gains)	0.3	*0.4%*	(0.0)	*-0.0%*	0.0	*0.0%*	0.0	*0.0%*	0.0	*0.0%*
Gross profit as adjusted	39.2	*49.6%*	55.5	*50.9%*	47.6	*50.5%*	49.5	*53.2%*	61.4	*55.7%*
Selling, general and admin expenses:										
As reported	20.5	*25.9%*	19.6	*18.0%*	19.3	*20.5%*	21.1	*22.7%*	22.2	*20.1%*
Amortization of intangibles	(0.2)	*-0.3%*	(0.3)	*-0.3%*	(0.3)	*-0.3%*	(0.3)	*-0.3%*	(0.1)	*-0.1%*
Restructuring gains / (charges)	(0.3)	*-0.4%*	(0.1)	*-0.1%*	(0.1)	*-0.1%*	(0.0)	*0.0%*	(0.0)	*0.0%*
SG&A expenses as adjusted	20.0	*25.3%*	19.2	*17.6%*	18.9	*20.1%*	20.8	*22.3%*	22.1	*20.1%*
Research and development expenses:										
As reported	8.7	*11.0%*	9.5	*8.7%*	8.9	*9.4%*	8.7	*9.3%*	8.3	*7.5%*
Capitalization of R&D charges	1.8	*2.3%*	1.5	*1.4%*	1.6	*1.7%*	1.9	*2.0%*	1.9	*1.7%*
Amortization of intangibles	(2.2)	*-2.8%*	(2.3)	*-2.1%*	(2.1)	*-2.2%*	(2.1)	*-2.3%*	(2.0)	*-1.8%*
Restructuring gains / (charges)	(0.0)	*-0.0%*	(0.0)	*-0.0%*	-	-	-	-	-	-
R&D expenses as adjusted	8.3	*10.5%*	8.7	*8.0%*	8.4	*8.9%*	8.5	*9.1%*	8.2	*7.4%*
Financial expense (income), net:										
Interest expense (income), net	(0.0)		(0.0)		0.0		0.3		1.1	
Foreign exchange (gains) \ losses	0.2		0.5		0.9		(0.3)		0.9	
Total	0.2		0.5		0.9		0.0		2.0	
Operating income (loss)										
as % of net sales	9.6	*12.2%*	26.3	*24.1%*	19.5	*20.7%*	19.7	*21.2%*	30.8	*27.9%*
EBITDA										
as % of net sales	13.4	*17.0%*	30.1	*27.6%*	23.0	*24.4%*	23.3	*25.0%*	34.2	*31.0%*
Net income (loss)										
as % of net sales	8.0	*10.1%*	24.0	*22.0%*	16.6	*17.6%*	16.7	*18.0%*	24.3	*22.0%*
Income per share										
Basic	0.21		0.64		0.44		0.45		0.65	
Diluted	0.21		0.63		0.43		0.43		0.60	