



## PRESS RELEASE

**Strong Q4-17 Results. Revenue and Net Income of € 153.2 Million and € 43.6 Million Up 64.6% and 161.1%, Respectively, vs. Q4-16. Orders of € 149.4 Million Up 63.5% vs. Q4-16.**

**2017 Revenue and Net Income Up 57.9% and 165.2%, Respectively, vs. 2016.**

**Proposed 2017 Dividend of € 4.64 per Share. Up 166.7% vs. 2016.**

Duiven, the Netherlands, February 15, 2018 - BE Semiconductor Industries N.V. (the "Company" or "Besl") (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 fourth quarter and year ended December 31, 2017.

### Key Highlights Q4-17

- Revenue of € 153.2 million, down 3.8% vs. Q3-17 and within guidance. Up 64.6% vs. Q4-16 due to improved industry conditions, increased demand for advanced packaging applications and market share gains
- Orders of € 149.4 million, down 7.5% vs. Q3-17 post large H1-17 capacity ramp and as per seasonal trends. Up 63.5% vs. Q4-16 as favorable demand trends continue
- Gross margin of 56.3% down 2.4 points vs. Q3-17 due primarily to adverse forex influences. Within guidance. Up 3.1 points vs. Q4-16 primarily due to strong market position and labor cost efficiencies
- Net income of € 43.6 million, down € 9.3 million vs. Q3-17 but up € 26.9 million (+161.1%) vs. Q4-16
- Net margin of 28.4% vs. 33.2% in Q3-17. Up substantially vs. 18.0% in Q4-16
- Net cash and deposits grew to € 247.6 million, an increase of € 79.5 million (+47.3%) year over year

### Key Highlights 2017/2016

- Revenue of € 592.8 million, up € 217.4 million (+57.9%) due primarily to industry upturn, substantial build-out of advanced packaging capacity by IDMs and market share gains
- Orders of € 680.9 million, up € 307.1 million (+82.2%)
- Gross margin rose to 57.1% vs. 51.0% in 2016
- Net income grew € 107.9 million (+165.2%) to reach € 173.2 million while net margins rose to 29.2% vs. 17.4%

### Outlook

- Q1-18 revenue expected to range between +5% to -5% vs. Q4-17 but to increase by 32% to 46% vs. Q1-17 as favorable demand trends continue

(€ millions, except EPS)	Q4-2017	Q3-2017	Δ	Q4-2016	Δ	2017	2016	Δ
<b>Revenue</b>	<b>153.2</b>	159.3	-3.8%	93.1	+64.6%	<b>592.8</b>	375.4	+57.9%
<b>Orders</b>	<b>149.4</b>	161.5	-7.5%	91.4	+63.5%	<b>680.9</b>	373.8	+82.2%
<b>Operating Income</b>	<b>52.1</b>	63.2	-17.6%	19.7	+164.5%	<b>209.4</b>	75.2	+178.5%
<b>EBITDA</b>	<b>55.5</b>	66.5	-16.5%	23.3	+138.2%	<b>222.8</b>	89.8	+148.1%
<b>Net Income</b>	<b>43.6</b>	52.9	-17.6%	16.7	+161.1%	<b>173.2</b>	65.3	+165.2%
<b>EPS (diluted)</b>	<b>1.09</b>	1.30	-16.2%	0.43	+153.5%	<b>4.34</b>	1.70	+155.3%
<b>Net Cash</b>	<b>247.6</b>	165.4	+49.7%	168.1	+47.3%	<b>247.6</b>	168.1	+47.3%

**Richard W. Blickman, President and Chief Executive Officer of Besl, commented:**

"Besl achieved new corporate benchmark levels of performance in 2017 underscoring the strength and market position of our advanced packaging portfolio and continued efforts to enhance the profitability of



our business model. Revenue and net income this year reached € 592.8 million and € 173.2 million, respectively, increases of 57.9% and 165.2% over 2016. Similarly, orders grew by 82.2% versus 2016 to reach € 680.9 million. Our gross margin rose to 57.1% highlighting the success of Besil's product strategy and technological leadership position. Increased revenue and gross margin combined with ongoing initiatives to further reduce European overhead and optimize our Asian production resulted in sector leading net margins of 29.2% in 2017, up 11.8 points versus 2016.

Besil's substantial revenue and order growth this year was supported by a variety of favorable trends. Assembly equipment industry conditions continued to improve in 2017 from their start in the second half of 2016 against the backdrop of a global economic recovery. In addition, improving consumer confidence levels and new device introductions encouraged our global IDM customers to significantly expand and upgrade their advanced packaging capacity for a variety of leading edge applications such as mobile internet, automotive, cloud server, memory and high performance computing.

Customer demand in 2017 was broad based across Besil's product platforms but was skewed toward our core die bonding and packaging systems. In addition, we gained market share versus competitors as customers accelerated investment in advanced applications such as 3D, facial recognition and block chain software which play to the strength of our leading edge assembly technology.

Besil's Q4-17 results continued the trend of outperformance versus 2016. Revenue and net income rose by 64.6% and 161.1%, respectively, versus Q4-16 while gross and net margins increased by 3.1 points and 10.4 points, respectively. Similarly, orders of € 149.4 million rose by 63.5% reflecting a continuation of the current industry upturn as well as ongoing customer investment in advanced packaging applications.

Our cash generation improved significantly this year with cash flow from operations growing by 70.4% to reach € 168.2 million and net cash increasing by € 79.5 million to reach € 247.6 million. In addition, total cash and deposits expanded to € 527.8 million at year end aided by the December 2017 issuance of € 175 million of 0.5% Convertible Notes due 2024. Given continued strong cash flow generation and our solid liquidity position, we propose to pay a cash dividend of € 4.64 per share over fiscal 2017 for approval at our April 2018 AGM which represents an annual increase of 166.7% and a pay-out ratio relative to net income of 100%. In addition, Besil further enhanced shareholder value this year through the purchase of 480,241 shares (€ 22.8 million) under our current 1.0 million share repurchase authorization.

Leading industry analysts estimate that the current assembly equipment industry uptrend will extend into 2018. VLSI currently forecasts market growth of 18.1% versus 2017. Besil's second half 2017 order trends, year-end backlog and bookings to date in Q1-18 confirm the continuation of the current industry upcycle into 2018. For Q1-18, we forecast that revenue growth will range between +5% to -5% versus Q4-17 in what is typically our weakest quarter of the year but will grow by 32% to 46% versus Q1-17 as favorable demand trends continue."

#### **Fourth Quarter Results of Operations**

	<b>Q4-2017</b>	<b>Q3-2017</b>	<b>Δ</b>	<b>Q4-2016</b>	<b>Δ</b>
<b>Revenue</b>	<b>153.2</b>	159.3	-3.8%	93.1	+64.6%
<b>Orders</b>	<b>149.4</b>	161.5	-7.5%	91.4	+63.5%
<b>Backlog</b>	<b>164.4</b>	168.2	-2.3%	76.3	+115.5%
<b>Book to Bill Ratio</b>	<b>1.0x</b>	1.0x	-	1.0x	-

Besil's Q4-17 revenue decreased by 3.8% vs. Q3-17 as per typical seasonal patterns and was within guidance (0% to -10%). However, revenue increased by 64.6% on a year over year basis reflecting more favorable industry conditions, increased customer shipments for advanced mobile, automotive, cloud server, memory and high performance computing applications and market share gains.



Orders of € 149.4 million declined 7.5% vs. Q3-17 as certain customers began to deploy capacity for next generation mobile devices post their large H1-17 order ramp. However, orders grew by 63.5% vs. Q4-16 reflecting improved industry conditions, increased purchases of Besir's broad range of assembly systems and market share gains. Per customer type, IDM orders decreased sequentially by € 14.1 million, or 15.9%, vs. Q3-17 while subcontractor orders increased by € 2.0 million, or 2.8%. IDM and subcontractor orders each represented 50% of total Q4-17 bookings.

	Q4-2017	Q3-2017	Δ	Q4-2016	Δ
<b>Gross Margin</b>	<b>56.3%</b>	58.7%	-2.4	53.2%	+3.1
<b>Operating Expenses</b>	<b>34.2</b>	30.4	+12.5%	29.8	+14.8%
<b>Financial Expense, net</b>	<b>3.3</b>	2.3	+43.5%	0.0	NM
<b>EBITDA</b>	<b>55.5</b>	66.5	-16.5%	23.3	+138.2%

Besir's gross margin in Q4-17 decreased by 2.4 points vs. Q3-17 and was within guidance of 55-57%. The sequential gross margin decline was due primarily to adverse forex influences associated with the decline of the US dollar vs. the euro during the period, and, to a lesser extent, a less favorable product mix. As compared to Q4-16, the 3.1 point gross margin increase was primarily the result of labor cost efficiencies as well as a more favorable mix of die bonding systems in overall product shipments.

Q4-17 operating expenses increased by € 3.8 million (+12.5%) vs. Q3-17 and were above guidance (+5-10%). The sequential increase was primarily a result of increased Asian service personnel, higher variable incentive compensation expense and increased agent commissions. Operating expenses increased by € 4.4 million (+14.8%) vs. Q4-16 due to similar factors. Total headcount at December 31, 2017 of 2,040 people increased slightly vs. September 30, 2017 (+0.3%) and by 22.2% (371 people) versus December 31, 2016. The year over year personnel increase was principally due to higher fixed and temporary Asian personnel necessary to support Besir's 57.9% revenue growth this year.

Financial expense, net increased by € 1.0 million vs. Q3-17 due to adverse forex influences. Net financial expense increased by € 3.3 million vs. Q4-16 due to higher interest expense associated with Besir's issuance of Convertible Notes in each of December 2016 and 2017 as well as increased hedging costs related to the substantial increase in US dollar denominated revenue in the 2017 period.

	Q4-2017	Q3-2017	Δ	Q4-2016	Δ
<b>Net Income</b>	43.6	52.9	-17.6%	16.7	+161.1%
<b>Net Margin</b>	28.4%	33.2%	-4.8	18.0%	+10.4
<b>Tax Rate</b>	10.6%	13.1%	-2.5	15.1%	-4.5

Besir's Q4-17 net income declined by € 9.3 million vs. Q3-17 primarily as a result of lower sequential revenue and gross margins and higher operating expenses partially offset by a lower effective tax rate. Versus Q4-16, net income increased by € 26.9 million (+161.1%) as significant revenue and gross margin improvement coupled with a lower effective tax rate more than offset increased operating expenses.



### Full Year Results of Operations 2017/2016

	2017	2016	Δ
<b>Revenue</b>	<b>592.8</b>	375.4	+57.9%
<b>Orders</b>	<b>680.9</b>	373.8	+82.2%
<b>Gross Margin</b>	<b>57.1%</b>	51.0%	+6.1
<b>Operating Income</b>	<b>209.4</b>	75.2	+178.5%
<b>Net Income</b>	<b>173.2</b>	65.3	+165.2%
<b>Net Margin</b>	<b>29.2%</b>	17.4%	+11.8
<b>Tax Rate*</b>	<b>13.1%</b>	11.2%	+1.9

Besi's revenue increased by € 217.4 million, or 57.9%, in 2017 versus 2016 primarily due to more favorable industry conditions, a substantial build out of advanced packaging capacity by global IDM customers for mobile, automotive, cloud server, memory and high performance computing applications as well as market share gains. Revenue growth was broad based across Besi's die bonding and packaging platforms and was partially offset by a decrease in the value of the US dollar versus the euro in 2017.

Similarly, orders in 2017 increased by 82.2% versus 2016 of which bookings by IDMs and subcontractors represented approximately 65% and 35%, respectively, of Besi's total orders versus 51% and 49%, respectively, in 2016. Orders were particularly strong at the start of the year as IDM customers decided to ramp capacity aggressively for new products and features introduced in the second half of 2017.

Besi's € 107.9 million (+165.2%) net income growth versus 2016 was primarily due to its revenue and gross margin improvement partially offset by (i) an increased effective tax rate, (ii) higher operating expenses principally associated with increased revenue levels and (iii) an increase in net financial expense of € 8.6 million.

### Financial Condition

	Q4-2017	Q3-2017	Δ	Q4-2016	Δ
<b>Net Cash</b>	247.6	165.4	+49.7%	168.1	+47.3%
<b>Cash flow from Ops.</b>	77.8	42.2	+84.4%	33.4	+132.9%

At year-end 2017, Besi's cash and deposits increased by € 230.4 million vs. Q3-17 to reach € 527.8 million primarily due to the net proceeds received from its issuance of € 175 million of 0.5% Convertible Notes in December.

In addition, Besi's net cash increased by € 82.2 million vs. Q3-17 to reach € 247.6 million at year-end. The Company generated cash flow from operations of € 77.8 million in Q4-17 which was utilized primarily to fund (i) € 6.0 million of share repurchases, (ii) € 2.4 million of capital expenditures and (iii) € 1.8 million of capitalized development spending.

As compared to year-end 2016, Besi's net cash increased by € 79.5 million, or 47.3%, primarily as a result of increased profit generation and improved working capital management. Cash flow from operations during the year grew by € 69.4 million (+70.4%) versus 2016 to reach € 168.2 million and was utilized primarily to fund (i) cash dividends of € 65.3 million, (ii) share repurchases of € 23.5 million, (iii) € 6.7 million of capitalized development spending and (iv) € 5.0 million of capital expenditures.



### **Convertible Bond Offering**

On December 6, 2017, Besl issued € 175 million principal amount of 0.5% Senior Unsecured Convertible Notes due December 2024 (the “Notes”). The Notes convert into approximately 1.8 million Besl ordinary shares at a conversion price of € 99.74 (subject to adjustment). The Company may redeem the Notes after December 2021 provided that the price of its ordinary shares exceeds 130% of the then effective conversion price for a specified period of time. The net proceeds from the offering totalled € 172.3 million, were added to Besl’s cash and deposits and will be used, amongst other purposes, to finance the Company’s growth.

### **Share Repurchase Program**

From inception on October 31, 2016 through December 31, 2017, Besl has repurchased a cumulative total of 606,636 shares under its current 1.0 million share repurchase authorization at an average price of € 44.12 per share for a total of € 26.8 million. This compares with a total of 1.0 million shares repurchased under Besl’s prior program which expired on October 20, 2016 for a total of € 22.5 million. The current share repurchase program was initiated for capital reduction purposes and to help offset dilution associated with share issuance under employee stock plans.

Between 2011 and 2017, Besl repurchased approximately 2.8 million shares in aggregate which are held in treasury at an average cost per share of € 20.05. Such purchases have lessened the dilutive impact of Convertible Note issuance and employee share grants.

### **Dividend**

Due to its earnings, cash flow generation and prospects, Besl’s Board of Management has proposed a cash dividend of € 4.64 per share for the 2017 year for approval at its AGM on April 26, 2018. The proposed dividend represents an increase of 166.7% over 2016 and will be payable from May 4, 2018. The dividend payments for the 2016 fiscal year and proposed for the 2017 fiscal year represent a payout ratio relative to net income of 100% for each respective period.

### **Outlook**

Based on its December 31, 2017 backlog and feedback from customers, Besl forecasts for Q1-18 that:

- Revenue will range between +5% to -5% vs. the € 153.2 million reported in Q4-17.
- Gross margin will range between 55-57% vs. the 56.3% realized in Q4-17.
- Operating expenses will increase by approximately 10-15% vs. the € 34.2 million reported in Q4-17 due primarily to higher share based incentive compensation expense.

### **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 5853. To access the audio webcast and webinar slides, please visit [www.besi.com](http://www.besi.com).

### **Important Investor Relations Dates 2018**

- |  |                  |
|--|------------------|
| • Publication Annual Report 2017         | March 15, 2018   |
| • Publication Q1 results                 | April 26, 2018   |
| • Annual General Meeting of Shareholders | April 26, 2018   |
| • Publication Q2/semi-annual results     | July 26, 2018    |
| • Publication Q3/nine month results      | October 25, 2018 |
| • Publication Q4/full year results       | February 2019    |



### **About Besl**

Besl 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, cloud server, computing, automotive, industrial, LED and solar energy. Customers are primarily leading semiconductor manufacturers, assembly subcontractors and electronics and industrial companies. Besl's ordinary shares are listed on Euronext Amsterdam (symbol: BESL). Its Level 1 ADRs are listed on the OTC markets (symbol: BESLY Nasdaq International Designation) and its headquarters are located in Duiven, the Netherlands. For more information, please visit our website at [www.besl.com](http://www.besl.com).

### **Statement of Compliance**

The accounting policies applied in the condensed consolidated financial statements included in this press release are the same as those applied in the Annual Report 2017 which will be published on March 15, 2018. These consolidated financial statements to be included in the Annual Report 2017 were authorized for issuance by the Board of Management and Supervisory Board on February 14, 2018. In accordance with Article 393, Title 9, Book 2 of the Netherlands Civil Code, Deloitte Accountants B.V. has issued an unqualified auditor's opinion on the Annual Report 2017. The Annual Report 2017 will be published on March 15, 2018 and still has to be adopted by the Annual General Meeting on April 26, 2018.

The condensed financial statements included in this press release have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. However, these condensed financial statements do not include all of the information required for a complete set of IFRS financial statements. Selected explanatory notes are included in this press release to explain events and transactions that are significant to an understanding of the change in the Group's financial position and performance since the annual consolidated financial statements for the year ended December 31, 2016.

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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, including through industry consolidation or the emergence of industry alliances; 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, particularly to the extent occurring in the Asia Pacific region; 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 Besic'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

<i>(euro in thousands, except share and per share data)</i>	<b>Three Months Ended December 31, (unaudited)</b>		<b>Year Ended December 31, (audited)</b>	
	<b>2017</b>	2016	<b>2017</b>	2016
Revenue	<b>153,244</b>	93,081	<b>592,785</b>	375,375
Cost of sales	<b>67,010</b>	43,564	<b>254,160</b>	183,894
Gross profit	<b>86,234</b>	49,517	<b>338,625</b>	191,481
Selling, general and administrative expenses	<b>24,618</b>	21,050	<b>93,316</b>	80,454
Research and development expenses	<b>9,535</b>	8,737	<b>35,876</b>	35,859
Total operating expenses	<b>34,153</b>	29,787	<b>129,192</b>	116,313
Operating income	<b>52,081</b>	19,730	<b>209,433</b>	75,168
Financial expense (income), net	<b>3,345</b>	35	<b>10,222</b>	1,614
Income before taxes	<b>48,736</b>	19,695	<b>199,211</b>	73,554
Income tax expense	<b>5,152</b>	2,964	<b>26,056</b>	8,259
Net income	<b>43,584</b>	16,731	<b>173,155</b>	65,295
Net income per share – basic	<b>1.17</b>	0.45	<b>4.64</b>	1.74
Net income per share – diluted	<b>1.09</b>	0.43	<b>4.34</b>	1.70
Number of shares used in computing per share amounts:				
- basic	<b>37,316,355</b>	37,390,551	37,336,787	37,600,855
- diluted <sup>1</sup>	<b>41,129,857</b>	39,020,180	40,822,872	38,508,080

<sup>1</sup> The calculation of diluted income per share assumes the exercise of equity settled share based payments and the conversion of the Company's Convertible Notes due 2023 and 2024.



## Consolidated Balance Sheets

<i>(euro in thousands)</i>	<b>December 31, 2017 (audited)</b>	September 30, 2017 (unaudited)	June 30, 2017 (unaudited)	March 31, 2017 (unaudited)	December 31, 2016 (audited)
<b>ASSETS</b>					
Cash and cash equivalents	<b>527,806</b>	217,356	158,057	204,018	224,790
Deposits	-	80,000	105,000	105,000	80,000
Accounts receivable	<b>151,654</b>	170,738	152,102	106,613	89,845
Inventories	<b>70,947</b>	71,772	70,386	72,450	55,054
Income tax receivable	<b>370</b>	616	513	447	395
Other current assets	<b>11,652</b>	9,711	10,785	11,621	9,995
<b>Total current assets</b>	<b>762,429</b>	550,193	496,843	500,149	460,079
Property, plant and equipment	<b>26,517</b>	25,011	25,920	26,630	26,993
Goodwill	<b>44,687</b>	44,813	45,104	45,738	45,867
Other intangible assets	<b>34,140</b>	34,696	36,829	37,807	37,844
Deferred tax assets	<b>4,660</b>	9,726	11,271	13,472	14,265
Other non-current assets	<b>2,520</b>	2,487	2,555	2,585	2,521
<b>Total non-current assets</b>	<b>112,524</b>	116,733	121,679	126,232	127,490
<b>Total assets</b>	<b>874,953</b>	666,926	618,522	626,381	587,569
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Notes payable to banks	<b>1,742</b>	8,000	8,000	8,000	11,855
Current portion of long-term debt and financial leases	<b>11,228</b>	1,186	-	2,240	2,240
Accounts payable	<b>62,721</b>	56,686	63,590	52,418	38,949
Accrued liabilities	<b>70,595</b>	71,293	56,251	51,500	44,494
<b>Total current liabilities</b>	<b>146,286</b>	137,165	127,841	114,158	97,538
Other long-term debt and financial leases	<b>267,274</b>	122,774	123,533	123,104	122,603
Deferred tax liabilities	<b>10,050</b>	6,694	6,751	6,727	6,716
Other non-current liabilities	<b>17,211</b>	16,575	16,647	16,349	15,675
<b>Total non-current liabilities</b>	<b>294,535</b>	146,043	146,931	146,180	144,994
<b>Total equity</b>	<b>434,132</b>	383,718	343,750	366,043	345,037
<b>Total liabilities and equity</b>	<b>874,953</b>	666,926	618,522	626,381	587,569



## Consolidated Cash Flow Statements

<i>(euro in thousands)</i>	<b>Three Months Ended December 31, (unaudited)</b>		<b>Year Ended December 31, (audited)</b>	
	<b>2017</b>	2016	<b>2017</b>	2016
<b>Cash flows from operating activities:</b>				
Operating income	<b>52,081</b>	19,730	<b>209,433</b>	75,168
Depreciation and amortization	<b>3,461</b>	3,606	<b>13,364</b>	14,616
Share based compensation expense	<b>1,052</b>	1,014	<b>6,863</b>	7,247
Other non-cash items	<b>(1,273)</b>	-	<b>11</b>	-
Change in working capital	<b>25,705</b>	10,001	<b>(54,514)</b>	3,879
Income tax received (paid)	<b>(1,685)</b>	(1,003)	<b>(3,953)</b>	(2,482)
Interest received (paid)	<b>(1,543)</b>	96	<b>(3,051)</b>	303
Net cash provided by operating activities	<b>77,798</b>	33,444	<b>168,153</b>	98,731
<b>Cash flows from investing activities:</b>				
Capital expenditures	<b>(2,429)</b>	(2,188)	<b>(5,034)</b>	(4,488)
Capitalized development expenses	<b>(1,840)</b>	(1,886)	<b>(6,662)</b>	(6,737)
Repayment of deposits	<b>80,000</b>	-	<b>105,000</b>	7
Investment in deposits <sup>1</sup>	-	(80,000)	<b>(25,000)</b>	(80,000)
Net cash provided by (used in) investing activities	<b>75,731</b>	(84,074)	<b>68,304</b>	(91,218)
<b>Cash flows from financing activities:</b>				
Proceeds from (payments of) bank lines of credit	<b>(6,258)</b>	3,851	<b>(10,113)</b>	3,855
Proceeds from (payments of) debt and financial leases	<b>172,281</b>	122,670	<b>170,115</b>	122,670
Dividends paid to shareholders	-	-	<b>(65,302)</b>	(45,420)
Proceeds from reissuance (purchase) of treasury shares	<b>(6,000)</b>	(4,520)	<b>(23,500)</b>	(21,979)
Other financing activities	-	(63)	-	(63)
Net cash provided by (used in) financing activities	<b>160,023</b>	121,938	<b>71,200</b>	59,063
Net increase (decrease) in cash and cash equivalents	<b>313,552</b>	71,308	<b>307,657</b>	66,576
Effect of changes in exchange rates on cash and cash equivalents	<b>(3,102)</b>	218	<b>(4,641)</b>	396
Cash and cash equivalents at beginning of the period	<b>217,356</b>	153,264	<b>224,790</b>	157,818
Cash and cash equivalents at end of the period	<b>527,806</b>	224,790	<b>527,806</b>	224,790

<sup>1</sup> Reclassed from net cash provided by financing activities to net cash provided by investing activities in 2016.

**Supplemental Information (unaudited)**  
(euro in millions, unless stated otherwise)

REVENUE	Q1-2016		Q2-2016		Q3-2016		Q4-2016		Q1-2017		Q2-2017		Q3-2017		Q4-2017	
<b>Per geography:</b>																
Asia Pacific	60.0	76%	88.3	81%	69.8	74%	75.4	81%	89.4	81%	112.4	66%	103.5	65%	111.8	73%
EU / USA	19.0	24%	20.7	19%	24.5	26%	17.7	19%	20.9	19%	57.6	34%	55.8	35%	41.4	27%
<b>Total</b>	<b>79.0</b>	<b>100%</b>	<b>109.0</b>	<b>100%</b>	<b>94.3</b>	<b>100%</b>	<b>93.1</b>	<b>100%</b>	<b>110.3</b>	<b>100%</b>	<b>170.0</b>	<b>100%</b>	<b>159.3</b>	<b>100%</b>	<b>153.2</b>	<b>100%</b>
<b>ORDERS</b>	<b>Q1-2016</b>		<b>Q2-2016</b>		<b>Q3-2016</b>		<b>Q4-2016</b>		<b>Q1-2017</b>		<b>Q2-2017</b>		<b>Q3-2017</b>		<b>Q4-2017</b>	
<b>Per geography:</b>																
Asia Pacific	77.9	75%	84.4	84%	61.6	79%	69.5	76%	153.5	64%	109.8	84%	114.3	71%	116.5	78%
EU / USA	26.0	25%	16.1	16%	16.4	21%	21.9	24%	86.3	36%	20.3	16%	47.3	29%	32.9	22%
<b>Total</b>	<b>103.9</b>	<b>100%</b>	<b>100.5</b>	<b>100%</b>	<b>78.0</b>	<b>100%</b>	<b>91.4</b>	<b>100%</b>	<b>239.8</b>	<b>100%</b>	<b>130.1</b>	<b>100%</b>	<b>161.6</b>	<b>100%</b>	<b>149.4</b>	<b>100%</b>
<b>Per customer type:</b>																
IDM	45.7	44%	50.6	50%	43.7	56%	51.2	56%	196.6	82%	83.3	64%	88.8	55%	74.7	50%
Subcontractors	58.2	56%	49.9	50%	34.4	44%	40.2	44%	43.2	18%	46.8	36%	72.7	45%	74.7	50%
<b>Total</b>	<b>103.9</b>	<b>100%</b>	<b>100.5</b>	<b>100%</b>	<b>78.1</b>	<b>100%</b>	<b>91.4</b>	<b>100%</b>	<b>239.8</b>	<b>100%</b>	<b>130.1</b>	<b>100%</b>	<b>161.5</b>	<b>100%</b>	<b>149.4</b>	<b>100%</b>
<b>BACKLOG</b>	<b>Mar 31, 2016</b>		<b>Jun 30, 2016</b>		<b>Sep 30, 2016</b>		<b>Dec 31, 2016</b>		<b>Mar 31, 2017</b>		<b>Jun 30, 2017</b>		<b>Sep 30, 2017</b>		<b>Dec 31, 2017</b>	
Backlog	102.7		94.2		78.0		76.3		205.9		166.0		168.2		164.4	
<b>HEADCOUNT</b>	<b>Mar 31, 2016</b>		<b>Jun 30, 2016</b>		<b>Sep 30, 2016</b>		<b>Dec 31, 2016</b>		<b>Mar 31, 2017</b>		<b>Jun 30, 2017</b>		<b>Sep 30, 2017</b>		<b>Dec 31, 2017</b>	
<b>Fixed staff (FTE)</b>																
Asia Pacific	944	64%	977	66%	1,003	66%	1,041	67%	1,112	69%	1,164	70%	1,199	70%	1,222	71%
EU / USA	523	36%	510	34%	511	34%	508	33%	505	31%	502	30%	502	30%	502	29%
<b>Total</b>	<b>1,467</b>	<b>100%</b>	<b>1,487</b>	<b>100%</b>	<b>1,514</b>	<b>100%</b>	<b>1,549</b>	<b>100%</b>	<b>1,617</b>	<b>100%</b>	<b>1,669</b>	<b>100%</b>	<b>1,701</b>	<b>100%</b>	<b>1,724</b>	<b>100%</b>
<b>Temporary staff (FTE)</b>																
Asia Pacific	66	54%	89	59%	56	53%	73	61%	211	79%	269	80%	247	74%	229	72%
EU / USA	57	46%	62	41%	50	47%	47	39%	55	21%	67	20%	85	26%	87	26%
<b>Total</b>	<b>123</b>	<b>100%</b>	<b>151</b>	<b>100%</b>	<b>106</b>	<b>100%</b>	<b>120</b>	<b>100%</b>	<b>266</b>	<b>100%</b>	<b>336</b>	<b>100%</b>	<b>332</b>	<b>100%</b>	<b>316</b>	<b>100%</b>
<b>Total fixed and temporary staff (FTE)</b>	<b>1,590</b>		<b>1,638</b>		<b>1,620</b>		<b>1,669</b>		<b>1,883</b>		<b>2,005</b>		<b>2,033</b>		<b>2,040</b>	
<b>OTHER FINANCIAL DATA</b>	<b>Q1-2016</b>		<b>Q2-2016</b>		<b>Q3-2016</b>		<b>Q4-2016</b>		<b>Q1-2017</b>		<b>Q2-2017</b>		<b>Q3-2017</b>		<b>Q4-2017</b>	
<b>Gross profit</b>																
As reported	38.9	49.2%	55.5	50.9%	47.6	50.5%	49.5	53.2%	61.4	55.7%	97.4	57.3%	93.6	58.8%	86.2	56.3%
Restructuring charges / (gains)	0.3	0.4%	(0.0)	-0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	(0.0)	-0.0%	-	-	-	-
<b>Gross profit as adjusted</b>	<b>39.2</b>	<b>49.6%</b>	<b>55.5</b>	<b>50.9%</b>	<b>47.6</b>	<b>50.5%</b>	<b>49.5</b>	<b>53.2%</b>	<b>61.4</b>	<b>55.7%</b>	<b>97.4</b>	<b>57.3%</b>	<b>93.6</b>	<b>58.8%</b>	<b>86.2</b>	<b>56.3%</b>
<b>Selling, general and admin expenses:</b>																
As reported	20.5	25.9%	19.6	18.0%	19.3	20.5%	21.1	22.7%	22.2	20.1%	25.5	15.0%	21.0	13.2%	24.6	16.1%
Amortization of intangibles	(0.2)	-0.3%	(0.3)	-0.3%	(0.3)	-0.3%	(0.3)	-0.3%	(0.1)	-0.1%	(0.1)	-0.1%	(0.1)	-0.1%	(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%	0.0	0.0%	(0.0)	0.0%	0.0	0.0%
<b>SG&amp;A expenses as adjusted</b>	<b>20.0</b>	<b>25.3%</b>	<b>19.2</b>	<b>17.6%</b>	<b>18.9</b>	<b>20.1%</b>	<b>20.8</b>	<b>22.3%</b>	<b>22.1</b>	<b>20.1%</b>	<b>25.4</b>	<b>14.9%</b>	<b>20.9</b>	<b>13.1%</b>	<b>24.5</b>	<b>16.0%</b>
<b>Research and development expenses:</b>																
As reported	8.7	11.0%	9.5	8.7%	8.9	9.4%	8.7	9.3%	8.3	7.5%	8.7	5.1%	9.3	5.8%	9.5	6.2%
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%	1.8	1.1%	1.1	0.7%	1.8	1.2%
Amortization of intangibles	(2.2)	-2.8%	(2.3)	-2.1%	(2.1)	-2.2%	(2.1)	-2.3%	(2.0)	-1.8%	(2.0)	-1.2%	(2.0)	-1.3%	(2.1)	-1.4%
Restructuring gains / (charges)	(0.0)	-0.0%	(0.0)	-0.0%	-	-	-	-	-	-	-	-	-	-	-	-
<b>R&amp;D expenses as adjusted</b>	<b>8.3</b>	<b>10.5%</b>	<b>8.7</b>	<b>8.0%</b>	<b>8.4</b>	<b>8.9%</b>	<b>8.5</b>	<b>9.1%</b>	<b>8.2</b>	<b>7.4%</b>	<b>8.5</b>	<b>5.0%</b>	<b>8.4</b>	<b>5.3%</b>	<b>9.2</b>	<b>6.0%</b>
<b>Financial expense (income), net:</b>																
Interest expense (income), net	(0.0)		(0.0)		0.0		0.3		1.1		1.2		1.6		1.0	
Foreign exchange effects	0.2		0.5		0.9		(0.3)		0.9		1.4		0.7		2.3	
<b>Total</b>	<b>0.2</b>		<b>0.5</b>		<b>0.9</b>		<b>0.0</b>		<b>2.0</b>		<b>2.6</b>		<b>2.3</b>		<b>3.3</b>	
<b>Operating income (loss)</b>																
as % of net sales	9.6	12.2%	26.3	24.1%	19.5	20.7%	19.7	21.2%	30.8	27.9%	63.3	37.2%	63.2	39.7%	52.1	34.0%
<b>EBITDA</b>																
as % of net sales	13.4	17.0%	30.1	27.6%	23.0	24.4%	23.3	25.0%	34.2	31.0%	66.6	39.2%	66.5	41.7%	55.5	36.2%
<b>Net income (loss)</b>																
as % of net sales	8.0	10.1%	24.0	22.0%	16.6	17.6%	16.7	18.0%	24.3	22.0%	52.4	30.7%	52.9	33.2%	43.6	28.5%
<b>Income per share</b>																
Basic	0.21		0.64		0.44		0.45		0.65		1.40		1.41		1.17	
Diluted	0.21		0.63		0.43		0.43		0.60		1.29		1.30		1.09	