PRESS RELEASE

BE Semiconductor Industries N.V. Announces Q1-19 Results
Revenue and Net Income of € 81.4 Million and € 9.5 Million, Respectively
Solid Performance in Challenging Market

Duiven, the Netherlands, April 26, 2019 - 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, 2019.

Key Highlights

- Revenue of € 81.4 million is down 12.0% vs. Q4-18. Better than guidance (-15%). Down 47.4% vs. Q1-18 due to adverse impact of industry downturn on Besi’s principal end user application markets
- Orders of € 83.4 million, up 0.4% vs. Q4-18 as customer demand stabilizes. Down 59.5% vs. Q1-18
- Gross margin of 55.9% remains at attractive levels despite significantly lower revenue vs. Q4-18 and Q1-18 reflecting alignment of production overhead with current demand. At midpoint of guidance
- Net income of € 9.5 million, down € 13.2 million vs. Q4-18 primarily due to 12% revenue decrease and, as anticipated, higher share based compensation expense. Down € 27.6 million (-74.4%) vs. Q1-18
- Net cash and deposits increase by € 30.3 million (+15.2%) vs. December 31, 2018 to reach € 229.7 million as solid quarterly cash generation continues

Outlook

- Q2-19 revenue expected to increase by approximately 5% vs. Q1-19 reflecting more stable market conditions. Gross margin anticipated to remain in 55%-57% range

(€ millions, except EPS)	**Q1-2019**	Q4-2018	Δ	Q1-2018	Δ
Revenue	**81.4**	92.5	*-12.0%*	154.9	*-47.4%*
Orders	**83.4**	83.1	*+0.4%*	205.8	*-59.5%*
Operating Income	**14.7**	26.3	*-44.1%*	48.6	*-69.8%*
EBITDA	**19.7**	30.5	*-35.4%*	52.0	*-62.1%*
Net Income	**9.5**	22.7	*-58.1%*	37.1	*-74.4%*
EPS (basic)	**0.13**	0.30	*-56.7%*	0.50	*-74.0%*
EPS (diluted)	**0.13**	0.29	*-55.2%*	0.46	*-71.7%*
Net Cash	**229.7**	199.4	*+15.2%*	290.1	*-20.8%*

Richard W. Blickman, President and Chief Executive Officer of Besi, commented:
“Besi reported solid results for Q1-19 with revenue and operating profit exceeding expectations. After three consecutive quarters of sequential revenue decreases, customer demand appeared to stabilize. As such, orders were up by 0.4% versus Q4-18 as we saw a modest uptick in bookings by Asian subcontractors and in orders for certain multi-chip die bonding applications.

Profit metrics and cash flow generation also remained healthy in this difficult market environment. Besi’s gross margin held up well at 55.9% versus 56.4% in Q4-18 and 56.5% in Q1-18 in the face of revenue decreases of 12.0% and 47.4%, respectively. The maintenance of gross margin levels above 55% during this down cycle has been accomplished by tight controls of production labor, materials, and supply chain activities in alignment with order activity. In addition, we have made significant progress in reducing SG&A overhead to aid profitability, both in headcount and other operating expenses. As a result, baseline operating expenses declined to € 25.3 million in Q1-19, a 1.6% decrease versus Q4-18 and a 20.2% decrease as compared to the last peak in Q1-18. Further, net cash increased by € 30.3

million, or 15.2%, versus Q4-18, even after share repurchases of € 12.8 million during the quarter.

Besi's strategic agenda for 2019 focuses primarily on maintaining attractive levels of profitability and cash flow generation during this downturn while we prepare for the next customer investment round. Accordingly, we continue to push structural overhead cost reduction while increasing development spending and headcount for targeted customer road maps. Particular areas of R&D focus include TCB, wafer level processing and 5G enabled devices for next generation applications in our principal end user markets.

For Q2-19, Besi estimates that revenue will grow by approximately 5% vs. Q1-19 and for operating profit to modestly exceed Q1-19 levels in an assembly equipment market that remains challenging. Further, semiconductor inventories have not yet reduced sufficiently to generate large additions to assembly capacity. As such, we remain cautious as to the industry trajectory in the near term. However, when the cycle turns, Besi is well positioned to generate further revenue and share gains from its advanced packaging portfolio and to achieve attractive levels of financial performance from its highly scalable business model."

First Quarter Results of Operations

	Q1-2019	Q4-2018	Δ	Q1-2018	Δ
Revenue	**81.4**	92.5	*-12.0%*	154.9	*-47.4%*
Orders	**83.4**	83.1	*+0.4%*	205.8	*-59.5%*
Book to Bill Ratio	**1.0x**	0.9x	*+0.1*	1.3x	*-0.3*

Besi's Q1-19 revenue decreased by 12.0% vs. Q4-18 and was better than guidance due to higher than anticipated die bonding shipments. Revenue decreased by 47.4% vs. Q1-18 due primarily to (i) lower die bonding shipments for high end mobile capacity following significant customer investment in 2017 and 2018 and, to a lesser extent, (ii) lower shipments for computing and automotive applications. In both comparative periods, the revenue decrease was broad based and consistent with the industry downturn that began at the end of Q2-2018.

Orders of € 83.4 million increased slightly versus Q4-18 as customer demand stabilized. Per customer type, subcontractor orders increased sequentially by € 7.6 million, or 41.4% vs. Q4-18 due to an uptick in bookings by Asian subcontractors. In contrast, IDM orders decreased by € 7.3 million, or 11.2%. IDM and subcontractor orders represented 69% and 31%, respectively, of total Q1-19 orders vs. 54% and 46%, respectively, in Q1-18.

	Q1-2019	Q4-2018	Δ	Q1-2018	Δ
Gross Margin	**55.9%**	56.4%	*-0.5*	**56.5%**	*-0.6*
Operating Expenses	**30.7**	25.9	*+18.5%*	**39.1**	*-21.5%*
Financial Expense, net	**3.9**	4.2	*-7.1%*	**4.3**	*-9.3%*
EBITDA	**19.7**	30.5	*-35.4%*	**52.0**	*-62.1%*

Besi's gross margin in Q1-19 decreased by 0.5 points vs. Q4-18 and by 0.6 points vs. Q1-18 due primarily to significantly lower revenue levels partly offset by lower labor, materials and supply chain activities to help compensate for decreased customer demand. Versus Q1-18, gross margin also benefited from positive forex influences from a stronger USD vs. the euro.

Q1-19 operating expenses increased by € 4.8 million (+18.5%) vs. Q4-18 due to (i) higher share based compensation expense, as anticipated, associated with Besi's 2018 performance and (ii) the absence in Q1-19 of favorable one-time, year-end recordings in Q4-18. Excluding variable compensation, restructuring, forex effect and one-time benefits/charges, estimated baseline operating expenses decreased from € 25.7 million in Q4-18 to € 25.3 million in Q1-19 due primarily to lower headcount levels and other operating expenses. Total headcount at March 31, 2019 decreased by 3.6% (-64 employees) vs. December 31, 2018 as Besi continued to align staffing levels with customer demand. Operating expenses decreased by € 8.4 million (-21.5%) vs. Q1-18 primarily due to a € 3.4 million decrease in share based compensation expense, reduced personnel costs and lower variable sales related costs such as warranty, freight and commissions. In addition, total headcount at March 31, 2019 decreased by 20.7% (-442 employees) vs. March 31, 2018.

Financial expense, net decreased by € 0.3 million vs. Q4-18 and by € 0.4 million vs. Q1-18 due primarily to lower hedging costs related to decreased sales volume.

	Q1-2019	Q4-2018	Δ	Q1-2018	Δ
Net Income	**9.5**	22.7	*-58.1%*	37.1	*-74.4%*
Net Margin	**11.6%**	24.5%	*-12.9*	24.0%	*-12.4*
Tax Rate	**12.5%**	-2.9%	*+15.4*	16.3%	*-3.8*

Besi's Q1-19 net income declined by € 13.2 million vs. Q4-18 due to (i) lower revenue levels, (ii) higher share based compensation expense, (iii) the absence in Q1-19 of favorable one-time, year-end recordings and (iv) a net tax benefit realized in Q4-18. As compared to Q1-18, net income decreased by € 27.6 million (-74.4%) due primarily to the 47.4% year over year revenue decrease.

Financial Condition

	Q1-2019	Q4-2018	Δ	Q1-2018	Δ
Net Cash	**229.7**	199.4	*+15.2%*	**290.1**	*-20.8%*
Cash flow from Ops.	**47.8**	56.6	*-15.5%*	**54.9**	*-12.9%*

Besi's net cash rose to € 229.7 million at the end of Q1-19, an increase of € 30.3 million, or 15.2%, vs. the end of Q4-18. The Company generated cash flow from operations of € 47.8 million in Q1-19 which was utilized primarily to fund (i) € 12.8 million of share repurchases, (ii) € 2.9 million of capitalized development spending and (iii) € 0.6 million of capital expenditures.

During the quarter, Besi repurchased 597,463 of its ordinary shares at an average price of € 21.49 per share for a total of € 12.8 million. Cumulatively, as of March 31, 2019, a total of 1.8 million shares have been purchased under the current € 75 million share repurchase program (which started July 26, 2018) at an average price of € 19.36 per share for a total of € 35.3 million.

Outlook

Based on its March 31, 2019 order backlog and feedback from customers, Besi forecasts for Q2-19 that:

- Revenue will increase by approximately 5% vs. the € 81.4 million reported in Q1-19.
- Gross margin will range between 55%-57% vs. the 55.9% realized in Q1-19.
- Operating expenses will decrease by approximately 5% vs. the € 30.7 million reported in Q1-19.

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 5851. To access the audio webcast and webinar slides, please visit www.besi.com.

Basis of Presentation

The accompanying condensed Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. Reference is made to the Summary of Significant Accounting Policies to the Notes to the Consolidated Financial Statements as included in our 2018 Annual Report which is available on www.besi.com

Besi has adopted IFRS 16 "Leases" as of January 1, 2019, using the modified retrospective approach and therefore did not restate prior years presented upon adoption in 2019. The most significant change in our accounting policy is the recognition of right of use assets and lease liabilities for operating leases. As of January 1, 2019 we recognized € 14.2 million of right of use assets (€ 13.4 million as at March 31, 2019), and € 14.2 million of lease liabilities (€ 13.4 million as at March 31, 2019 of which € 10.0 million was recorded under lease liabilities and € 3.4 million under other current liabilities).

The adoption of IFRS 16 had a positive impact on our cash flows from operating activities and EBITDA of approximately € 0.9 million in Q1-19 with an offsetting negative cash flow effect under financing activities.

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, cloud server, computing, 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, 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 Besi's annual report for the year ended December 31, 2018 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)**	
	2019	2018
Revenue	**81,399**	154,937
Cost of sales	**35,928**	67,327
Gross profit	**45,471**	87,610
Selling, general and administrative expenses	**21,685**	29,242
Research and development expenses	**9,044**	9,812
Total operating expenses	**30,729**	39,054
Operating income	**14,742**	48,556
Financial expense, net	**3,917**	4,272
Income before taxes	**10,825**	44,284
Income tax expense	**1,358**	7,205
Net income	**9,467**	37,079
Net income per share – basic	**0.13**	0.50
Net income per share – diluted	**0.13**	0.46
Number of shares used in computing per share amounts[1]:		
- basic	**73,260,835**	74,476,810
- diluted[2]	**83,627,935**	84,778,428

1 Share amounts in 2018 have been adjusted for the 2-for-1 stock split effective May 4, 2018.
2 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, 2019 (unaudited)**	**December 31, 2018 (audited)**
ASSETS		
Cash and cash equivalents	**327,503**	295,539
Deposits	**130,000**	130,000
Trade receivables	**82,591**	106,347
Inventories	**60,929**	60,237
Other current assets	**10,440**	11,496
Total current assets	**611,463**	603,619
Property, plant and equipment	**28,074**	28,551
Right of use assets	**13,414**	-
Goodwill	**45,279**	45,099
Other intangible assets	**38,899**	38,334
Deferred tax assets	**5,579**	4,769
Deposits	**50,000**	50,000
Other non-current assets	**2,302**	2,317
Total non-current assets	**183,547**	169,070
Total assets	**795,010**	772,689

Notes payable to banks	**3,307**	2,812
Current portion of long-term debt	**1,525**	1,502
Trade payables	**35,573**	33,158
Other current liabilities	**68,769**	63,454
Total current liabilities	**109,174**	100,926
Long-term debt	**272,978**	271,824
Lease liabilities	**10,035**	-
Deferred tax liabilities	**10,273**	10,244
Other non-current liabilities	**17,730**	17,507
Total non-current liabilities	**311,016**	299,575
Total equity	**374,820**	372,188
Total liabilities and equity	**795,010**	772,689

Consolidated Cash Flow Statements

(euro in thousands)	**Three Months Ended March 31, (unaudited)**	
	2019	2018
Cash flows from operating activities:		
Income before income tax	**10,825**	44,284
Depreciation and amortization	**4,922**	3,414
Share-based payment expense	**3,711**	7,161
Financial expense, net	**3,917**	4,272
Other non-cash items	**-**	-
Change in working capital	**25,373**	(2,022)
Income tax paid	**(928)**	(1,877)
Interest paid	**(49)**	(309)
Net cash provided by operating activities	**47,771**	54,923
Cash flows from investing activities:		
Capital expenditures	**(628)**	(1,926)
Capitalized development expenditures	**(2,927)**	(2,640)
Investment in deposits	**-**	(130,000)
Net cash used in investing activities	**(3,555)**	(134,566)
Cash flows from financing activities:		
Proceeds from (payments of) bank lines of credit	**363**	(463)
Proceeds from (payments of) debt and financial leases	**(11)**	307
Payments of lease liabilities	**(890)**	-
Purchase of treasury shares	**(12,838)**	(6,000)
Net cash used in financing activities	**(13,376)**	(6,156)
Net increase (decrease) in cash and cash equivalents	**30,840**	(85,799)
Effect of changes in exchange rates on cash and cash equivalents	**1,124**	(1,024)
Cash and cash equivalents at beginning of the Period	**295,539**	527,806
Cash and cash equivalents at end of the period	**327,503**	440,983

Supplemental Information (unaudited)

(euro in millions, unless stated otherwise)

REVENUE	Q1-2018		Q2-2018		Q3-2018		Q4-2018		Q1-2019	
Per geography:										
Asia Pacific	120.5	*78%*	88.6	*55%*	71.2	*61%*	66.6	*72%*	54.5	*67%*
EU / USA	34.4	*22%*	72.5	*45%*	45.5	*39%*	25.9	*28%*	26.9	*33%*
Total	154.9	*100%*	161.1	*100%*	116.7	*100%*	92.5	*100%*	81.4	*100%*

ORDERS	Q1-2018		Q2-2018		Q3-2018		Q4-2018		Q1-2019	
Per geography:										
Asia Pacific	120.8	*59%*	47.5	*55%*	70.1	*65%*	61.5	*74%*	55.9	*67%*
EU / USA	85.0	*41%*	38.8	*45%*	37.8	*35%*	21.6	*26%*	27.5	*33%*
Total	205.8	*100%*	86.3	*100%*	107.9	*100%*	83.1	*100%*	83.4	*100%*
Per customer type:										
IDM	111.1	*54%*	70.8	*82%*	82.0	*76%*	64.8	*78%*	57.5	*69%*
Subcontractors	94.7	*46%*	15.5	*18%*	25.9	*24%*	18.3	*22%*	25.9	*31%*
Total	205.8	*100%*	86.3	*100%*	107.9	*100%*	83.1	*100%*	83.4	*100%*

HEADCOUNT	Mar 31, 2018		Jun 30, 2018		Sep 30, 2018		Dec 31, 2018		Mar 31 ,2019	
Fixed staff (FTE)										
Asia Pacific	1,254	*71%*	1,259	*72%*	1,255	*72%*	1,230	*73%*	1,174	*72%*
EU / USA	500	*29%*	495	*28%*	483	*28%*	462	*27%*	452	*28%*
Total	1,754	*100%*	1,754	*100%*	1,738	*100%*	1,692	*100%*	1,626	*100%*
Temporary staff (FTE)										
Asia Pacific	290	*76%*	257	*75%*	108	*61%*	6	*9%*	11	*16%*
EU / USA	93	*24%*	86	*25%*	68	*39%*	61	*91%*	58	*84%*
Total	383	*100%*	343	*100%*	176	*100%*	67	*100%*	69	*100%*
Total fixed and temporary staff (FTE)	2,137		2,097		1,914		1,759		1,695	

OTHER FINANCIAL DATA	Q1-2018		Q2-2018		Q3-2018		Q4-2018		Q1-2019	
Gross profit										
As reported	87.6	*56.5%*	91.1	*56.5%*	67.6	*57.9%*	52.1	*56.4%*	45.5	*55.9%*
Restructuring charges / (gains)	-	-	0.4	*0.2%*	(0.0)	*-0.0%*	-	-	-	-
Gross profit as adjusted	87.6	*56.5%*	91.5	*56.8%*	67.6	*57.9%*	52.1	*56.4%*	45.5	*55.9%*
Selling, general and admin expenses:										
As reported	29.2	*18.8%*	22.7	*14.1%*	20.3	*17.4%*	18.0	*19.5%*	21.7	*26.7%*
Amortization of intangibles	(0.1)	*-0.1%*	(0.1)	*-0.1%*	(0.1)	*-0.1%*	(0.2)	*-0.2%*	(0.1)	*-0.1%*
Impairment charges	-	-	-	-	-	-	(0.4)	*-0.4%*	-	*0.0%*
Restructuring gains / (charges)	0.0	*0.0%*	(0.1)	*-0.1%*	(0.4)	*-0.3%*	(0.2)	*-0.2%*	-	*0.0%*
SG&A expenses as adjusted	29.1	*18.8%*	22.5	*14.0%*	19.8	*17.0%*	17.2	*18.6%*	21.6	*26.5%*
Research and development expenses:										
As reported	9.8	*6.3%*	9.0	*5.6%*	8.7	*7.5%*	7.9	*8.5%*	9.0	*11.1%*
Capitalization of R&D charges	2.6	*1.7%*	3.4	*2.1%*	2.7	*2.3%*	2.7	*2.9%*	2.9	*3.6%*
Amortization of intangibles	(2.1)	*-1.4%*	(2.1)	*-1.3%*	(2.4)	*-2.1%*	(2.4)	*-2.6%*	(2.5)	*-3.1%*
R&D expenses as adjusted	10.3	*6.6%*	10.3	*6.4%*	9.0	*7.7%*	8.2	*8.9%*	9.4	*11.5%*
Financial expense (income), net:										
Interest expense (income), net	2.5		2.4		2.4		2.3		2.4	
Foreign exchange effects	1.8		2.7		1.8		1.9		1.5	
Total	4.3		5.1		4.2		4.2		3.9	
Operating income (loss)										
as % of net sales	48.6	*31.4%*	59.3	*36.8%*	38.6	*33.1%*	26.3	*28.4%*	14.7	*18.1%*
EBITDA										
as % of net sales	52.0	*33.6%*	62.8	*39.0%*	42.4	*36.3%*	30.5	*33.0%*	19.7	*24.2%*
Net income (loss)										
as % of net sales	37.1	*23.9%*	47.2	*29.3%*	29.3	*25.1%*	22.7	*24.5%*	9.5	*11.7%*
Income per share										
Basic	0.50		0.63		0.39		0.30		0.13	
Diluted	0.46		0.58		0.37		0.29		0.13	