



## PRESS RELEASE

### **BE Semiconductor Industries N.V. Announces Q4-19 and Full Year 2019 Results**

#### **Q4-19 Results Exceed Expectations. Orders Up 22.3% Sequentially vs. Q3-19 Full Year 2019 Revenue of € 356.2 Million and Net Income of € 81.3 Million Proposed Dividend of € 1.01 per Share for Fiscal 2019**

Duiven, the Netherlands, February 20, 2020 - 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 fourth quarter and year ended December 31, 2019.

#### **Key Highlights Q4-19**

- Revenue of € 92.4 million increased 3.0% vs. Q3-19 and was roughly flat vs. Q4-18. At the upper end of guidance due to higher than anticipated demand for advanced logic applications
- Orders of € 100.5 million up 22.3% vs. Q3-19 also due primarily to higher bookings by IDM customers for advanced logic applications. Up 20.9% vs. Q4-18
- Gross margin of 56.3% rose 1.2 points vs. Q3-19 and exceeded guidance principally as a result of more favorable product mix and lower personnel costs. Roughly flat vs. Q4-18 levels
- Net income of € 33.7 million included € 11.6 million deferred tax benefit. Excluding such benefit, net income grew by € 2.9 million, or 15.1%, vs. Q3-19 and declined by € 0.6 million, or 2.6%, vs. Q4-18
- Net margin rose to 36.5% (23.9% ex-tax benefit) vs. 21.4% in Q3-19 and 24.5% in Q4-18
- Net cash increased by € 23.4 million, or 21.9%, vs. Q3-19 to reach € 130.3 million

#### **Key Highlights FY 2019**

- Revenue of € 356.2 million declined 32.2% vs. 2018. Decrease broad based across BesI's product portfolio and end markets, particularly mobile and automotive
- Gross margin reached 55.8%, down 1.0% vs. 2018, despite adverse market conditions due to market position, flexible production model and active overhead reduction efforts
- Net income of € 81.3 million decreased by 40.4% vs. 2018 (48.9% ex tax benefit). Net margin of 22.8% achieved in adverse market (19.6% ex tax benefit)
- € 167.1 million distributed to shareholders in form of dividends and share repurchases
- Proposed 2019 dividend of € 1.01 per share (approximately € 73 million) equal to a 90% pay-out ratio

#### **Outlook**

- Q1-20 revenue estimated to equal Q4-19 plus or minus 10% given uncertain impact of coronavirus on timing of system deliveries, orders and supply chain activity. Gross margin range of 54-56% anticipated.

(€ millions, except EPS)	Q4- 2019	Q3- 2019	Δ	Q4- 2018	Δ	FY 2019	FY 2018	Δ
<b>Revenue</b>	<b>92.4</b>	89.7	+3.0%	92.5	-0.1%	<b>356.2</b>	525.3	-32.2%
<b>Orders</b>	<b>100.5</b>	82.2	+22.3%	83.1	+20.9%	<b>348.7</b>	483.1	-27.8%
<b>Operating Income</b>	<b>26.8</b>	25.3	+5.9%	26.3	+1.9%	<b>91.9</b>	172.7	-46.8%
<b>EBITDA</b>	<b>31.9</b>	30.2	+5.6%	30.6	+4.2%	<b>111.7</b>	187.7	-40.5%
<b>Net Income</b>	<b>33.7*</b>	19.2	+75.5%	22.7	+48.5%	<b>81.3</b>	136.3	-40.4%
<b>EPS (basic)</b>	<b>0.47</b>	0.26	+80.8%	0.30	+56.7%	<b>1.12</b>	1.83	-38.8%
<b>EPS (diluted)</b>	<b>0.43</b>	0.25	+72.0%	0.29	+48.3%	<b>1.06</b>	1.68	-36.9%
<b>Net Cash &amp; Deposits</b>	<b>130.3</b>	106.9	+21.9%	199.4	-34.7%	<b>130.3</b>	199.4	-34.7%

\* Includes € 11.6 million deferred tax benefit recognized in Q4-19.



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

“Against the backdrop of an industry downturn that persisted for most of 2019, Besì reported revenue of € 356.2 million and net income of € 81.3 million which represented decreases of 32% and 40%, respectively, vs. 2018. Our revenue development was negatively influenced by supply/demand imbalances which began in Q2-18 and high levels of customer uncertainty caused by global trade tensions, particularly during the second and third quarters. Besì’s mobile and automotive end user markets were most adversely affected by the downturn this year.

Despite such headwinds, Besì achieved strong levels of profitability and margins in 2019 based on our market leadership position and timely reduction of personnel and overhead levels in alignment with order trends. In addition, we adjusted our Asian production model in light of global trade tensions and increased development efforts in preparation for the next market upcycle. Further, we realized quarterly gross margins in excess of 55% throughout the year, decreased baseline operating expenses to their lowest levels since 2015 and maintained high levels of cash flow efficiency. Besì’s spares/service activities also helped provide some cushion to operating results. This less cyclical, high margin business generated revenue equal to approximately 20% of consolidated revenue. As a result, operating income and operating margins in 2019 increased by € 34.0 million (58.7%) and 9.2 points, respectively, vs. the last industry downturn in 2015 on roughly comparable revenue levels. Such results underscore our performance improvement over the past five years.

Besì ended the year with a solid liquidity base of € 408.4 million in cash and deposits after funding € 167.1 million of shareholder distributions in 2019 in the form of dividends and share repurchases. Since 2011, dividends and share repurchases have aggregated € 652.9 million. We propose a cash dividend for 2019 of € 1.01 per share, or approximately € 73 million, equal to a pay-out ratio of 90%.

Our fourth quarter results came in better than guidance in a market which started to emerge from the 2018-2019 downcycle. Revenue of € 92.4 million increased by 3.0% vs. Q3-19 and was at the high end of guidance due to better than anticipated shipments of die bonding systems for advanced logic applications. Orders increased strongly by € 18.3 million, or 22.3%, also driven by an increase in IDM bookings for advanced logic applications. Order intake from Chinese subcontractors remained solid, continuing its H2-19 recovery vs. H1-19. In addition, net income of € 33.7 million grew by 75.5% due primarily to € 11.6 million of deferred tax benefits recognized at Besì’s Swiss operations associated with changes in Swiss fiscal policy. Excluding such benefits, net income increased by € 2.9 million, or 15.1%, vs. Q3-19 as gross margin and operating expense development were both better than anticipated. Net cash and deposits also rose 21.9% sequentially to reach € 130.3 million at quarter end.

For Q1-20, we estimate that revenue will be equal to Q4-19 plus or minus 10%. The impact of the coronavirus on our Q1 shipments, orders and supply chain activity is difficult to assess at present as the situation continues to evolve post the extended Chinese new year holiday. Based on our revenue guidance, we forecast gross margins in the range of 54-56%. Q1-20 operating expenses are expected to grow by approximately 35-40% vs. Q4-19 due primarily to approximately € 7 million of share-based compensation expense. Baseline operating expenses are forecast to grow 10-15% sequentially from € 23.7 million in Q4-19 primarily due to higher development and sales and service related expenses.

Besì has emerged from each of the past four downcycles a stronger company with increased revenue, market share and profit potential. We are optimistic about the next investment cycle despite near term uncertainties. Our optimism is supported by long-term growth drivers for the advanced packaging segment of the assembly equipment market including 5G network adoption, artificial intelligence and the continued build out of cloud computing infrastructure to name just a few. We have a leading position in this area which is an important enabler of the digital society and the new applications to be generated along with it. In combination with new strategic initiatives, a highly scalable and flexible production model and ample liquidity, we are well positioned to take advantage of industry opportunities no matter which way the market moves in the quarters to come.”



#### Fourth Quarter Results of Operations

	Q4-2019	Q3-2019	Δ	Q4-2018	Δ
<b>Revenue</b>	<b>92.4</b>	<b>89.7</b>	+3.0%	92.5	-0.1%
<b>Orders</b>	<b>100.5</b>	<b>82.2</b>	+22.3%	83.1	+20.9%
<b>Book to Bill Ratio</b>	<b>1.1</b>	<b>0.9</b>	+0.2	0.9	+0.2

Q4-19 revenue of € 92.4 million increased by 3.0% vs. Q3-19 and was approximately flat vs. Q4-18. Revenue was at the high end of guidance due to higher than anticipated die bonding shipments for advanced logic and cloud server applications.

Q4-19 orders of € 100.5 million increased by 22.3% vs. Q3-19 due to higher bookings by IDM customers for advanced logic applications and more favorable industry conditions. Similarly, orders were up 20.9% vs. Q4-18 principally related to increased bookings by Asian subcontractors for mobile applications. By customer type, IDM orders increased sequentially by € 14.7 million, or 33.7%, vs. Q3-19, and represented approximately 58% of total orders during the quarter while subcontractor orders increased by € 3.6 million, or 9.3%, vs. Q3-19 and represented approximately 42% of total orders.

	Q4-2019	Q3-2019	Δ	Q4-2018	Δ
<b>Gross Margin</b>	<b>56.3%</b>	55.1%	+1.2	56.4%	-0.1
<b>Operating Expenses</b>	<b>25.2</b>	24.2	+4.1%	25.9	-2.7%
<b>Financial Expense/(Income), net</b>	<b>3.3</b>	3.3	-	4.2	-21.4%
<b>EBITDA</b>	<b>31.9</b>	30.2	+5.6%	30.6	+4.2%

Besi's gross margin of 56.3% increased by 1.2 points vs. Q3-19 and was roughly flat as compared to Q4-18. The quarterly sequential increase exceeded guidance and was due primarily to a more favorable product and customer mix as well as lower personnel costs.

Q4-19 operating expenses increased by € 1.0 million, or 4.1%, vs. Q3-19, due primarily to higher consulting expenses related to Besi's strategic plan review. Expense growth was below prior guidance (+5-10%) primarily as a result of higher than anticipated R/D capitalization associated with new development projects. As compared to Q4-18, operating expenses decreased by € 0.7 million, or 2.7%.

Financial expense, net, was flat compared to Q3-19 but decreased by € 0.9 million vs. Q4-18 due to lower hedging costs.

	Q4-2019	Q3-2019	Δ	Q4-2018	Δ
<b>Net Income</b>	<b>33.7</b>	19.2	+75.5%	22.7	+48.5%
<b>Net Margin</b>	<b>36.5%</b>	21.4%	+15.1	24.5%	+12.0
<b>Tax Rate</b>	<b>-43.9%*</b>	12.7%	-56.6	-2.9%	-41.0

\*Excluding the € 11.6 million Q4-19 tax benefit, Besi's effective tax rate for Q4-19 would have been 5.5%.

Besi's Q4-19 net income increased by € 14.5 million vs. Q3-19 and € 11.0 million vs. Q4-18 due primarily to the recognition of € 11.6 million in deferred tax assets at Besi's Swiss operations associated with changes in Swiss fiscal policy. Excluding such tax benefit, Besi's net income increased by € 2.9 million, or 15.1%, vs. Q3-19, primarily due to higher revenue and gross margins partially offset by a slight increase in operating expenses.

### Full Year Results of Operations

	FY 2019	FY 2018	Δ
<b>Revenue</b>	<b>356.2</b>	525.3	-32.2%
<b>Orders</b>	<b>348.7</b>	483.1	-27.8%
<b>Gross Margin</b>	<b>55.8%</b>	56.8%	-1.0
<b>Operating Income</b>	<b>91.9</b>	172.7	-46.8%
<b>Net Income</b>	<b>81.3</b>	136.3	-40.4%
<b>Net Margin</b>	<b>22.8%</b>	25.9%	-3.1
<b>Tax Rate</b>	<b>-4.1%*</b>	12.1%	-16.2

\*Excluding the € 11.6 million Q4-19 tax benefit, Besi's effective tax rate for 2019 would have been 10.8%.

Besi's 2019 revenue decreased by € 169.1 million, or 32.2 %, vs. 2018. Revenue development was negatively influenced by supply/demand imbalances which began in Q2-18 post the large capacity build in 2017 and continued throughout 2019. In addition, revenue was also adversely affected by high levels of customer uncertainty caused by trade tensions between the US and China, particularly during the second and third quarters. The revenue decline was broad based by product group, partially offset by favorable forex influences associated with a 5.5% average increase of the US dollar vs. the euro.

Similarly, orders in 2019 decreased by 27.8% vs. 2018. The order decrease was broad based across product lines and end-user applications, with specific weakness in orders for smart phone and automotive applications by IDM customers and their respective supply chains. In 2019, orders by IDMs and subcontractors represented approximately 61% and 39%, respectively, of Besi's total orders vs. 68% and 32%, respectively, in 2018.

Besi's net income of € 81.3 million in 2019 decreased by 40.4% vs. 2018 primarily as a result of a 32.2% revenue decrease and a 1.0% reduction in gross margins. Such adverse influences were partially offset by (i) an € 18.8 million decrease in operating expenses as Besi aligned overhead levels with market conditions, (ii) a € 4.0 million reduction of financial expense, net due to lower hedging costs associated with lower sales volume and (iii) deferred tax benefits recognized of € 11.6 million.

### Financial Condition

	Q4- 2019	Q3- 2019	Δ	Q4- 2018	Δ	FY 2019	FY 2018	Δ
<b>Net Cash and Deposits</b>	<b>130.3</b>	106.9	+21.9%	199.4	-34.7%	130.3	199.4	-34.7%
<b>Cash flow from Ops.</b>	<b>36.3</b>	38.8	-6.4%	56.6	-35.9%	120.1	184.1	-34.8%

At the end of Q4-19, cash and deposits aggregated € 408.4 million and net cash and deposits were € 130.3 million, an increase of € 23.4 million vs. Q3-19. During the quarter, Besi generated cash flow from operations of € 36.3 million vs. € 38.8 million in Q3-19. In Q4-19, cash flow from operations was used to fund (i) € 5.8 million of share repurchases, (ii) € 4.1 million of capitalized development spending and (iii) € 0.7 million of capital expenditures.

### Share Repurchase Activity

During the quarter, Besi repurchased 185,405 of its ordinary shares at an average price of € 31.36 per share for a total of € 5.8 million. For the full year 2019, a total of 1.8 million shares were purchased at an average price of € 24.31 per share for a total of € 44.7 million.

Cumulatively, as of December 31, 2019, a total of 3.1 million shares have been purchased under the current € 75 million share repurchase plan at an average price of € 21.91 per share for a total of € 67.1 million.

As of December 31, 2019, Besi held approximately 7.9 million shares in treasury at an average cost of € 15.05, equivalent to 9.8% of its total shares outstanding.



### **Dividend**

Given its earnings, cash flow generation and prospects, Besi's Board of Management has proposed a cash dividend of € 1.01 per share for the 2019 year for approval at its AGM on April 30, 2020. The proposed dividend represents a pay-out ratio of 90% and will be payable from May 8, 2020.

### **Outlook**

At present, it is difficult to assess the impact of the coronavirus on Besi's revenue, orders and supply chain activities in Q1-20 as the situation continues to evolve post the extended Chinese new year holiday. Based on its current outlook, Besi forecasts for Q1-20 that:

- Revenue will be equal to the € 92.4 million reported in Q4-19 plus or minus 10%.
- Gross margin will range between 54-56% vs. the 56.3% realized in Q4-19.
- Operating expenses will increase by approximately 35-40% vs. the € 25.2 million reported in Q4-19 primarily due to approximately € 7 million of non-cash, share based compensation expense.
- Baseline operating expenses are forecast to increase by 10-15% from € 23.7 million in Q4-19 primarily due to higher development and sales and service related expenses.

### **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](http://www.besi.com).

### **Important Dates 2020**

- |  |                                |
|--|--------------------------------|
| • Publication Annual Report 2019         | March 19, 2020                 |
| • Publication Q1 results                 | April 30, 2020                 |
| • Annual General Meeting of Shareholders | April 30, 2020, (10:30 am CET) |
| • Publication Q2/semi-annual results     | July 28, 2020                  |
| • Publication Q3/nine-month results      | October 22, 2020               |
| • Publication Q4/full year results       | February 2021                  |

### **Dividend Information\***

- |                                     |                      |
|-------------------------------------|----------------------|
| • Proposed ex-dividend date         | May 5, 2020          |
| • Proposed record date              | May 6, 2020          |
| • Proposed payment of 2019 dividend | Starting May 8, 2020 |

\*Subject to approval at Besi's AGM on April 30, 2020

### **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](http://www.besi.com).



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**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 2019, which will be published on March 19, 2020. These consolidated financial statements to be included in the Annual Report 2019 were authorized for issuance by the Board of Management and Supervisory Board on February 19, 2020. In accordance with Article 393, Title 9, Book 2 of the Netherlands Civil Code, Ernst & Young Accountants LLP has issued an unqualified auditor's opinion on the Annual Report 2019. The Annual Report 2019 will be published on March 19, 2020 and still has to be adopted by the Annual General Meeting on April 30, 2020.

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, 2019.

**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

<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>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Revenue	<b>92,394</b>	92,514	<b>356,195</b>	525,256
Cost of sales	<b>40,407</b>	40,370	<b>157,389</b>	226,793
Gross profit	<b>51,987</b>	52,144	<b>198,806</b>	298,463
Selling, general and administrative expenses	<b>16,718</b>	17,959	<b>71,519</b>	90,284
Research and development expenses	<b>8,494</b>	7,898	<b>35,366</b>	35,451
Total operating expenses	<b>25,212</b>	25,857	<b>106,885</b>	125,735
Operating income	<b>26,775</b>	26,287	<b>91,921</b>	172,728
Financial expense, net	<b>3,333</b>	4,193	<b>13,784</b>	17,784
Income before taxes	<b>23,442</b>	22,094	<b>78,137</b>	154,944
Income tax expense (benefit)	<b>(10,302)</b>	(639)	<b>(3,183)</b>	18,688
Net income	<b>33,744</b>	22,733	<b>81,320</b>	136,256
Net income per share – basic	<b>0.47</b>	0.30	<b>1.12</b>	1.83
Net income per share – diluted	<b>0.43</b>	0.29	<b>1.06</b>	1.68
Number of shares used in computing per share amounts <sup>1</sup> :				
- basic	<b>72,269,497</b>	74,620,675	<b>72,796,679</b>	74,440,864
- diluted <sup>2</sup>	<b>82,621,349</b>	84,788,387	<b>83,149,840</b>	84,754,069

<sup>(1)</sup> Share amounts in 2018 have been adjusted for the 2-for-1 stock split effective May 4, 2018

<sup>(2)</sup> The calculation of diluted income per share assumes the exercise of equity settled share based payments and the full conversion of the Convertible Notes

## Consolidated Balance Sheets

<i>(euro in thousands)</i>	<b>December 31, 2019 (audited)</b>	<b>September 30, 2019 (unaudited)</b>	<b>June 30, 2019 (unaudited)</b>	<b>March 31, 2019 (unaudited)</b>	<b>December 31, 2018 (audited)</b>
<b>ASSETS</b>					
Cash and cash equivalents	278,398	253,727	231,729	327,503	295,539
Deposits	130,000	130,000	130,000	130,000	130,000
Trade receivables	81,420	87,407	92,526	82,591	106,347
Inventories	46,578	52,992	59,517	60,929	60,237
Other current assets	13,854	11,090	9,616	10,440	11,496
<b>Total current assets</b>	<b>550,250</b>	<b>535,216</b>	<b>523,388</b>	<b>611,463</b>	<b>603,619</b>
Property, plant and equipment	30,383	30,275	26,478	28,074	28,551
Right of use assets	11,132	13,337	12,535	13,414	-
Goodwill	45,289	45,533	45,157	45,279	45,099
Other intangible assets	42,593	41,174	39,439	38,899	38,334
Deferred tax assets	14,978	4,171	4,208	5,579	4,769
Deposits	-	-	-	50,000	50,000
Other non-current assets	2,255	2,347	2,313	2,302	2,317
<b>Total non-current assets</b>	<b>146,630</b>	<b>136,837</b>	<b>130,130</b>	<b>183,547</b>	<b>169,070</b>
<b>Total assets</b>	<b>696,880</b>	<b>672,053</b>	<b>653,518</b>	<b>795,010</b>	<b>772,689</b>
Notes payable to banks	476	-	-	3,307	2,812
Current portion of long-term debt	515	1,476	1,472	1,525	1,502
Accounts payable	30,278	30,453	32,054	35,573	33,158
Accrued liabilities	55,359	58,535	49,458	68,769	63,454
<b>Total current liabilities</b>	<b>86,628</b>	<b>90,464</b>	<b>82,984</b>	<b>109,174</b>	<b>100,926</b>
Long-term debt	277,067	275,353	274,165	272,978	271,824
Lease liabilities	7,859	9,700	9,154	10,035	-
Deferred tax liabilities	8,858	10,350	10,591	10,273	10,244
Other non-current liabilities	17,960	15,464	15,699	17,730	17,507
<b>Total non-current liabilities</b>	<b>311,744</b>	<b>310,867</b>	<b>309,609</b>	<b>311,016</b>	<b>299,575</b>
<b>Total equity</b>	<b>298,508</b>	<b>270,722</b>	<b>260,925</b>	<b>374,820</b>	<b>372,188</b>
<b>Total liabilities and equity</b>	<b>696,880</b>	<b>672,053</b>	<b>653,518</b>	<b>795,010</b>	<b>772,689</b>



### Consolidated Cash Flow Statements

(euro in thousands)	Three Months Ended December 31, (unaudited)		Year Ended December 31, (audited)	
	2019	2018	2019	2018
<b>Cash flows from operating activities:</b>				
Income before income tax	<b>23,442</b>	22,094	<b>78,137</b>	154,944
Depreciation and amortization	<b>5,143</b>	4,282	<b>19,825</b>	15,008
Share based payment expense	<b>1,083</b>	742	<b>7,289</b>	9,991
Financial expense, net	<b>3,333</b>	4,193	<b>13,784</b>	17,784
Other non-cash items	<b>(421)</b>	(832)	<b>(421)</b>	(832)
Changes in working capital	<b>6,653</b>	30,766	<b>22,615</b>	11,241
Income tax paid	<b>(936)</b>	(2,433)	<b>(16,359)</b>	(19,432)
Interest paid	<b>(2,033)</b>	(2,241)	<b>(4,762)</b>	(4,592)
Net cash provided by operating activities	<b>36,264</b>	56,571	<b>120,108</b>	184,112
<b>Cash flows from investing activities:</b>				
Capital expenditures	<b>(692)</b>	(1,420)	<b>(2,511)</b>	(6,573)
Proceeds from sale of property	<b>159</b>	-	<b>159</b>	-
Capitalized development expenses	<b>(4,144)</b>	(2,693)	<b>(13,226)</b>	(11,449)
Repayments of (investments in) deposits	<b>-</b>	-	<b>50,000</b>	(180,000)
Net cash provided by (used in) investing activities	<b>(4,677)</b>	(4,113)	<b>34,422</b>	(198,022)
<b>Cash flows from financing activities:</b>				
Proceeds from (payments of) bank lines of credit	<b>476</b>	1,552	<b>(2,336)</b>	1,070
Proceeds from (payments of) debt	<b>(385)</b>	(9,994)	<b>(419)</b>	(9,771)
Payments of lease liabilities	<b>(884)</b>	-	<b>(3,525)</b>	-
Dividends paid to shareholders	<b>-</b>	-	<b>(122,419)</b>	(174,018)
Purchase of treasury shares	<b>(5,825)</b>	(12,467)	<b>(44,678)</b>	(35,467)
Purchase of minority interest	<b>-</b>	(321)	<b>-</b>	(321)
Net cash used in financing activities	<b>(6,618)</b>	(21,230)	<b>(173,377)</b>	(218,507)
Net increase (decrease) in cash and cash equivalents	<b>24,969</b>	31,228	<b>(18,847)</b>	(232,417)
Effect of changes in exchange rates on cash and cash equivalents	<b>(298)</b>	819	<b>1,706</b>	150
Cash and cash equivalents at beginning of the Period	<b>253,727</b>	263,492	<b>295,539</b>	527,806
Cash and cash equivalents at end of the period	<b>278,398</b>	295,539	<b>278,398</b>	295,539

## Supplemental Information (unaudited)

(euro in millions, unless stated otherwise)

REVENUE	Q1-2018		Q2-2018		Q3-2018		Q4-2018		Q1-2019		Q2-2019		Q3-2019		Q4-2019	
<b>Per geography:</b>																
Asia Pacific	120.5	78%	88.6	55%	71.2	61%	66.6	72%	58.6	72%	68.6	74%	67.3	75%	63.8	69%
EU / USA	34.4	22%	72.5	45%	45.5	39%	25.9	28%	22.8	28%	24.1	26%	22.4	25%	28.6	31%
Total	154.9	100%	161.1	100%	116.7	100%	92.5	100%	81.4	100%	92.7	100%	89.7	100%	92.4	100%
<b>ORDERS</b>	Q1-2018		Q2-2018		Q3-2018		Q4-2018		Q1-2019		Q2-2019		Q3-2019		Q4-2019	
<b>Per geography:</b>																
Asia Pacific	120.8	59%	47.5	55%	70.1	65%	61.5	74%	55.9	67%	61.2	74%	59.2	72%	80.4	80%
EU / USA	85.0	41%	38.8	45%	37.8	35%	21.6	26%	27.5	33%	21.5	26%	23.0	26%	20.1	20%
Total	205.8	100%	86.3	100%	107.9	100%	83.1	100%	83.4	100%	82.7	100%	82.2	100%	100.5	100%
<b>Per customer type:</b>																
IDM	111.1	54%	70.8	82%	82.0	76%	64.8	78%	57.5	69%	55.4	67%	43.6	53%	58.3	58%
Subcontractors	94.7	46%	15.5	18%	25.9	24%	18.3	22%	25.9	31%	27.3	33%	38.6	47%	42.2	42%
Total	205.8	100%	86.3	100%	107.9	100%	83.1	100%	83.4	100%	82.7	100%	82.2	100%	100.5	100%
<b>HEADCOUNT</b>	Mar 31, 2018		Jun 30, 2018		Sep 30, 2018		Dec 31, 2018		Mar 31, 2019		Jun 30, 2019		Sep 30, 2019		Dec 31, 2019	
<b>Fixed staff (FTE)</b>																
Asia Pacific	1,254	71%	1,259	72%	1,255	72%	1,230	73%	1,174	72%	1,155	72%	1,093	71%	1,081	70%
EU / USA	500	29%	495	28%	483	28%	402	27%	452	28%	450	28%	453	29%	453	30%
Total	1,754	100%	1,754	100%	1,738	100%	1,692	100%	1,626	100%	1,605	100%	1,546	100%	1,534	100%
<b>Temporary staff (FTE)</b>																
Asia Pacific	290	76%	257	75%	108	61%	6	9%	11	16%	54	49%	34	39%	8	13%
EU / USA	93	24%	86	25%	68	39%	61	91%	58	84%	57	51%	54	61%	54	87%
Total	383	100%	343	100%	176	100%	67	100%	69	100%	111	100%	88	100%	62	100%
<b>Total fixed and temporary staff (FTE)</b>	2,137		2,097		1,914		1,759		1,695		1,716		1,634		1,596	
<b>OTHER FINANCIAL DATA</b>	Q1-2018		Q2-2018		Q3-2018		Q4-2018		Q1-2019		Q2-2019		Q3-2019		Q4-2019	
<b>Gross profit</b>																
As reported	87.6	56.5%	91.1	56.5%	67.6	57.9%	52.1	56.4%	45.5	55.9%	51.9	56.0%	49.4	55.1%	52.0	56.3%
<b>Selling, general and admin expenses:</b>																
As reported	29.2	18.8%	22.7	14.1%	20.3	17.4%	18.0	19.5%	21.7	26.7%	17.5	18.9%	15.6	17.4%	16.7	18.1%
<b>Research and development expenses:</b>																
As reported	9.8	6.3%	9.0	5.6%	8.7	7.5%	7.9	8.5%	9.0	11.1%	9.3	10.0%	8.6	9.6%	8.5	9.2%
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%	3.0	3.2%	3.2	3.6%	4.1	4.4%
Amortization of intangibles	(2.1)	-1.4%	(2.1)	-1.3%	(2.4)	-2.1%	(2.4)	-2.6%	(2.5)	-3.1%	(2.5)	-2.7%	(2.6)	-2.9%	(2.6)	-2.8%
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%	9.8	10.6%	9.2	10.3%	10.0	10.8%
<b>Financial expense (income), net:</b>																
Interest expense (income), net	2.5		2.4		2.4		2.3		2.4		2.4		2.7		2.5	
Hedging results	1.3		2.7		1.6		2.0		1.3		0.7		0.8		0.7	
Foreign exchange effects, net	0.5		0.0		0.2		(0.1)		0.2		0.1		(0.2)		0.1	
Total	4.3		5.1		4.2		4.2		3.9		3.2		3.3		3.3	
<b>Operating income (loss)</b>																
as % of net sales	48.6	31.4%	59.3	36.8%	38.6	33.1%	26.3	28.4%	14.7	18.1%	25.1	27.1%	25.3	28.2%	26.8	29.0%
<b>EBITDA</b>																
as % of net sales	52.0	33.6%	62.8	39.0%	42.4	36.3%	30.5	33.0%	19.7	24.2%	30.0	32.4%	30.2	33.7%	31.9	34.5%
<b>Net income (loss)</b>																
as % of net sales	37.1	23.9%	47.2	29.3%	29.3	25.1%	22.7	24.5%	9.5	11.7%	18.9	20.4%	19.2	21.4%	33.7	36.5%
<b>Income per share</b>																
Basic	0.50		0.63		0.39		0.30		0.13		0.26		0.26		0.47	
Diluted	0.46		0.58		0.37		0.29		0.13		0.25		0.25		0.43	