

# 20<sup>th</sup> Ordinary General Meeting

## Opto Electronics & Power Electronics

Next Generation Displays  
SSL Adoption · UV-C  
Renewable Energy  
Power Management  
E-Mobility · Connectivity

## Memory & Logic

High Performance Computing  
Memory / Big Data  
Sensors · Smart Devices

**Our technology.  
Your future.**

## Organic Electronics

Next Generation Displays  
Flexible Electronics  
Wearables

## Graphene & Nanomaterials

Flexible Electronics  
Sensors · Energy Storage  
High Performance Computing  
Composites



May 09, 2017 – Hotel Pullman Aachen Quellenhof, Aachen

**AIXTRON**

## Forward-Looking Statements

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This document may contain forward-looking statements regarding the business, results of operations, financial condition and earnings outlook of AIXTRON. These statements may be identified by words such as “may”, “will”, “expect”, “anticipate”, “contemplate”, “intend”, “plan”, “believe”, “continue” and “estimate” and variations of such words or similar expressions. These forward-looking statements are based on our current assessments, expectations and assumptions, of which many are beyond control of AIXTRON, and are subject to risks and uncertainties. You should not place undue reliance on these forward-looking statements. Should these risks or uncertainties materialize, or should underlying expectations not occur or assumptions prove incorrect, actual results, performance or achievements of AIXTRON may materially vary from those described explicitly or implicitly in the relevant forward-looking statement. This could result from a variety of factors, such as actual customer orders received by AIXTRON, the level of demand for deposition technology in the market, the timing of final acceptance of products by customers, the condition of financial markets and access to financing for AIXTRON, general conditions in the market for deposition plants and macroeconomic conditions, cancellations, rescheduling or delays in product shipments, production capacity constraints, extended sales and qualification cycles, difficulties in the production process, the general development in the semi-conductor industry, increased competition, fluctuations in exchange rates, availability of public funding, fluctuations and/or changes in interest rates, delays in developing and marketing new products, a deterioration of the general economic situation and any other factors discussed in any reports or other announcements, in particular in the chapter Risks in the Annual Report, filed by AIXTRON. Any forward-looking statements contained in this document are based on current expectations and projections of the executive board based on information available the date hereof. AIXTRON undertakes no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise, unless expressly required to do so by law.

This document is an English language translation of a document in German language. In case of discrepancies, the German language document shall prevail and shall be the valid version.

Our registered trademarks: AIXACT<sup>®</sup>, AIXTRON<sup>®</sup>, Atomic Level SolutionS<sup>®</sup>, Close Coupled Showerhead<sup>®</sup>, CRIUS<sup>®</sup>, Gas Foil Rotation<sup>®</sup>, Optacap<sup>™</sup>, OVPD<sup>®</sup>, Planetary Reactor<sup>®</sup>, PVPD<sup>®</sup>, TriJet<sup>®</sup>

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# 20th Ordinary General Meeting

**Greeting and relevant information**

## General Meeting 2017 Agenda Item 1

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### Agenda Item 1

Presentation of the adopted annual financial statements of AIXTRON SE as of December 31, 2016 and the management report for fiscal year 2016, the approved consolidated financial statements as of December 31, 2016, the Group management report for fiscal year 2016 and the report of the Supervisory Board and the explanatory report of the Executive Board regarding the information pursuant to §§ 289 (4), 315 (4) of the German Commercial Code.

# Presentation on Agenda Item 1

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**Kim Schindelhauer**

**CEO**



**Dr. Bernd Schulte**

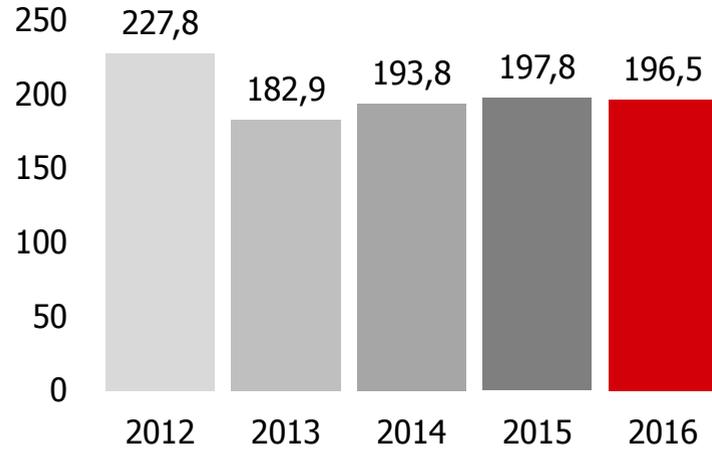
**COO**

## Key Financials of AIXTRON SE (HGB)\*

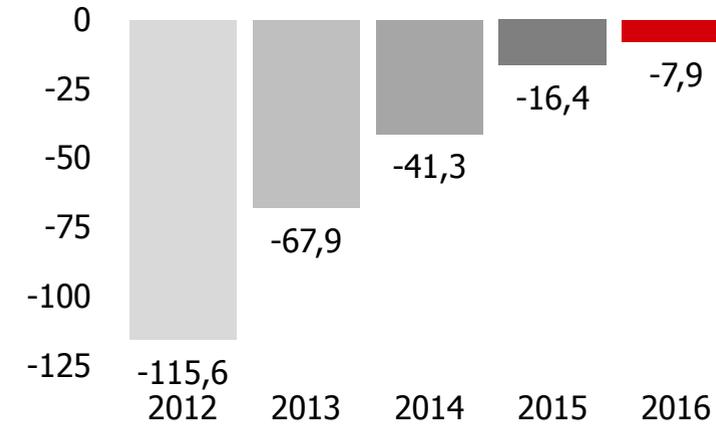
(EUR million)	2015	2016	%
Revenues	149.3	141.6	-5
Results from ordinary activities	-31.0	-31.8	-3
Net result (after taxes)	-33.7	-32.8	+2
Retained earnings	-53.6	-87.3	-63
Accumulated net result	-87.3	-120.5	-38

# Key Financials 2012 - 2016

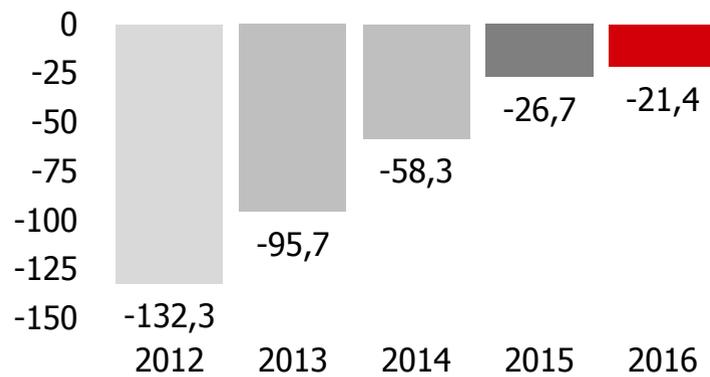
**Revenue (IFRS) in EUR million**



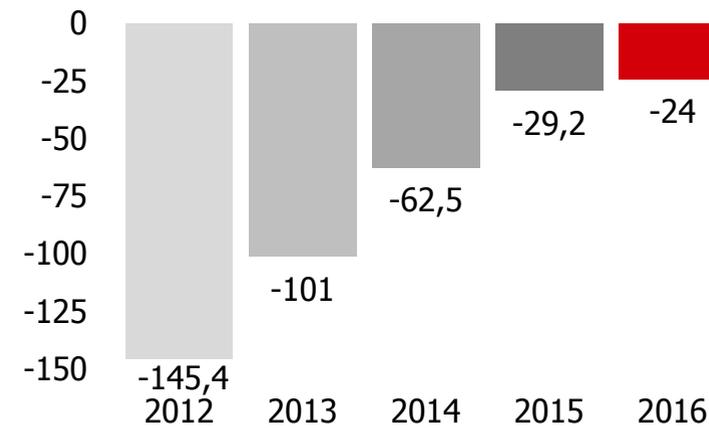
**EBITDA in EUR million**



**Operating result (EBIT) in EUR million**



**Net result in EUR million**



## Consolidated Income Statement of the AIXTRON Group\*

(EUR million)	2015	2016	%
Revenues	197.8	196.5	-1
Cost of sales	147.9	140.2	-5
<b>Gross profit</b>	<b>49.8</b>	<b>56.3</b>	<b>+13</b>
%	25	29	+4 pp
Selling expenses	11.5	13.8	+20
General & admin expenses	16.3	17.1	-16
R&D	55.4	53.9	-3
Net other operating (income)/expenses	-6.7	-7.2	+7
<b>EBITDA</b>	<b>-16.4</b>	<b>-7.9</b>	<b>+52</b>
<b>EBIT</b>	<b>-26.7</b>	<b>-21.4</b>	<b>+20</b>
%	-14	-11	+3 pp
<b>Result before tax</b>	<b>-26.0</b>	<b>-21.0</b>	<b>-19</b>
%	-13	-11	+2 pp
<b>Net result</b>	<b>-29.2</b>	<b>-24.0</b>	<b>+18</b>
%	-15	-12	3 pp

\*) rounded figures; may not add up

## Consolidated Statement of Financial Position of the AIXTRON Group\*

(EUR million)	31/12/15	31/12/16	%
Property, plant & equipment	81.3	74.2	-9
Goodwill	75.9	74.6	-2
Other intangible assets	6.4	5.4	-16
Others	3.9	2.4	-38
<b>Non-current assets</b>	<b>167.6</b>	<b>156.5</b>	<b>-7</b>
Inventories, WIP & Finished Goods	70.8	54.2	-23
Trade receivables	26.0	60.2	+132
Others	8.2	5.2	-37
Cash & Cash Equivalents incl. CD	209.4	160.1	-24
<b>Current Assets</b>	<b>314.4</b>	<b>279.7</b>	<b>-11</b>
<b>Shareholders' equity</b>	<b>396.5</b>	<b>369.7</b>	<b>-7</b>
<b>Non-current liabilities</b>	<b>3.6</b>	<b>4.2</b>	<b>+17</b>
Trade payables	9.8	14.6	+49
Advance payments from customers	24.0	26.1	+9
Others	48.0	21.6	-55
<b>Current liabilities</b>	<b>81.8</b>	<b>62.3</b>	<b>-24</b>
<b>Balance Sheet total</b>	<b>482.0</b>	<b>436.2</b>	<b>-10</b>

\*) rounded figures; may not add up

## Consolidated Statement of Cash Flows of the AIXTRON Group\*

(EUR million)	2015	2016
<b>Net result</b>	<b>-29.2</b>	<b>-24.0</b>
Adjust for		
Non Cash Items	<b>12.5</b>	<b>15.7</b>
Changes in Working Capital	<b>-28.9</b>	<b>-29.4</b>
<b>Cash Flow from operating activities</b>	<b>-45.7</b>	<b>-37.7</b>
<b>Capital Expenditures</b>	<b>-19.3</b>	<b>-9.4</b>
<b>Financing / FX effects</b>	<b>4.2</b>	<b>-2.0</b>
<b>Total Cash Flow (excl. Changes in Deposits)</b>	<b>-60.7</b>	<b>-49.1</b>
<b>Cash &amp; Deposits</b>	<b>209.4</b>	<b>160.1</b>

## Milestones Q1/2017

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- **Strong Order Intake, Equipment Order Backlog and Revenues – Guidance Confirmed (2017 revenues & order intake EUR 180m - 210m)**
- **OLED/OVPD: Technological Milestones Reached**
- **NASDAQ Delisting and SEC Deregistration Completed**
- **Re-Entry into TecDAX Index in March after Exclusion in December**
- **Class Action in the U.S.: Dismissed in all Points**
- **No.1 MOCVD Global Equipment Supplier in 2016\***

\*) Gartner: Market Share: Semiconductor Wafer Fab Equipment, Worldwide, 2016 (March 2017)

## Consolidated Income Statement Q1/2017\*

(EUR million)	Q1/16	Q4/16	Q1/17	Q4/16 vs. Q1-17 %
<b>Revenues</b>	<b>21.4</b>	<b>89.8</b>	<b>53.6</b>	<b>-40</b>
Cost of sales (Q1/17 <i>incl.</i> € 1m TFOS effect)	18.3	60.5	<b>40.0</b>	-34
<b>Gross profit</b>	<b>3.1</b>	<b>29.4</b>	<b>13.6</b>	<b>-54</b>
%	<i>15</i>	<i>33</i>	<i>25</i>	<i>-8 pp</i>
Selling expenses	2.9	4.8	<b>2.6</b>	-46
General & admin expenses	3.8	5.0	<b>4.3</b>	-14
R&D (Q1/17 <i>incl.</i> € 5.6m one-time TFOS write downs)	13.3	14.4	<b>19.7</b>	37
R&D (Q1/17 adjusted by one-time TFOS write downs)	13.3	14.4	<b>14.1</b>	-2
Net other operating income & expenses	-2.2	-2.7	<b>-0.2</b>	93
<b>EBITDA</b>	<b>-11.7</b>	<b>12.5</b>	<b>-6.0</b>	—
<b>EBIT</b>	<b>-14.7</b>	<b>7.9</b>	<b>-12.7</b>	—
%	<i>-69</i>	<i>9</i>	<i>-24</i>	<i>-33 pp</i>
<b>EBIT (Q1/17 adjusted by 6.6m TFOS effect)</b>	<b>-14.7</b>	<b>7.9</b>	<b>-6.1</b>	—
<b>Net result</b>	<b>-15.5</b>	<b>6.4</b>	<b>-13.5</b>	—
<b>Net result (Q1/17 adjusted by 6.6m TFOS effect)</b>	<b>-15.5</b>	<b>6.4</b>	<b>-6.9</b>	—
%	<i>-72</i>	<i>7</i>	<i>-25</i>	<i>-32 pp</i>

\*) rounded figures; may not add up

## Balance Sheet Q1/2017\*

(EUR million)	31/03/16	31/12/16	31/03/17
Property, plant & equipment	79.0	74.2	<b>68.9</b>
Goodwill	74.6	74.6	<b>74.5</b>
Other intangible assets	6.0	5.4	<b>5.2</b>
Others	3.3	2.4	<b>2.1</b>
<b>Non-current assets</b>	<b>162.9</b>	<b>156.5</b>	<b>150.6</b>
Inventories	73.6	54.2	<b>49.9</b>
Trade receivables	18.2	60.2	<b>29.6</b>
Others	9.1	5.3	<b>5.6</b>
Cash & Cash Deposits	181.9	160.1	<b>193.6</b>
<b>Current Assets</b>	<b>282.8</b>	<b>279.7</b>	<b>278.6</b>
<b>Shareholders' equity</b>	<b>375.6</b>	<b>369.7</b>	<b>356.7</b>
<b>Non-current liabilities</b>	<b>3.0</b>	<b>4.2</b>	<b>4.2</b>
Trade payables	8.8	14.6	<b>15.2</b>
Advance payments from customers	32.1	26.1	<b>30.5</b>
Others	26.2	21.6	<b>22.6</b>
<b>Current liabilities</b>	<b>67.1</b>	<b>62.3</b>	<b>68.3</b>
<b>Balance Sheet total</b>	<b>445.7</b>	<b>436.2</b>	<b>429.2</b>

\*) rounded figures; may not add up

## Consolidated Statement of Cash Flows\*

(EUR million)	Q1/16	Q4/16	Q1/17
<b>Net result</b>	-15.5	6.4	<b>-13.5</b>
Adjust for			
Non Cash Items	3.7	5.9	<b>7.3</b>
Changes in Working Capital	-7.6	-15.0	<b>40.8</b>
<b>Cash Flow from operating activities</b>	<b>-19.4</b>	<b>-2.7</b>	<b>34.6</b>
<b>Capital Expenditures</b>	<b>-5.1</b>	<b>-2.2</b>	<b>-1.3</b>
<b>Financing / FX effects</b>	<b>-2.7</b>	<b>1.3</b>	<b>0.3</b>
<b>Total Cash Flow (excl. Changes in Deposits)</b>	<b>-27.2</b>	<b>-3.6</b>	<b>33.6</b>
<b>Cash &amp; Deposits</b>	<b>181.9</b>	<b>160.1</b>	<b>193.6</b>

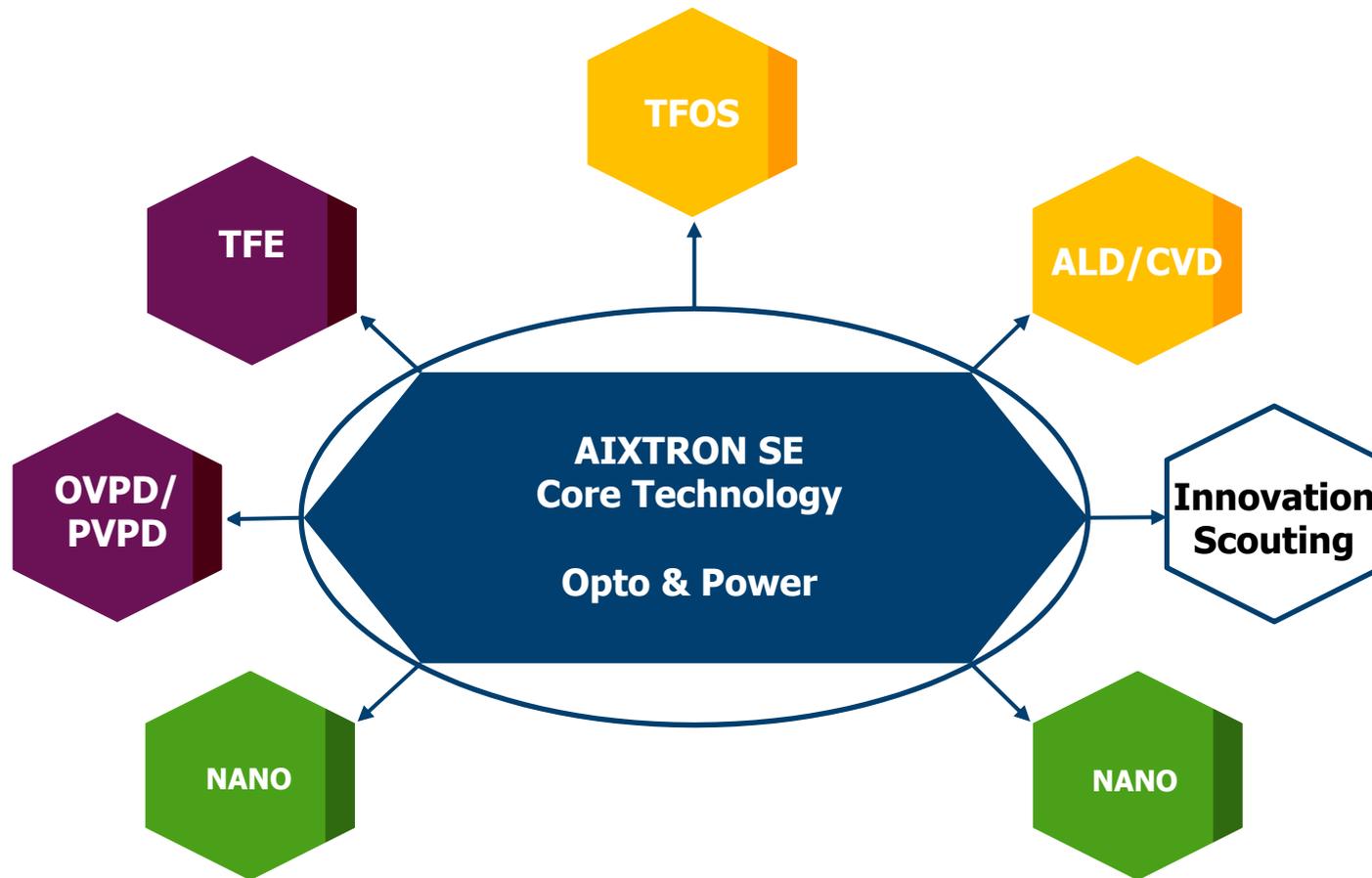
\*) rounded figures; may not add up

## Strategy

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# AIXTRON's Technology Portfolio

# AIXTRON's Technology Portfolio – „PRO's" / „CON's" / Strategy



**F&E Expenses 2016 EUR 54m / 28% of revenues**

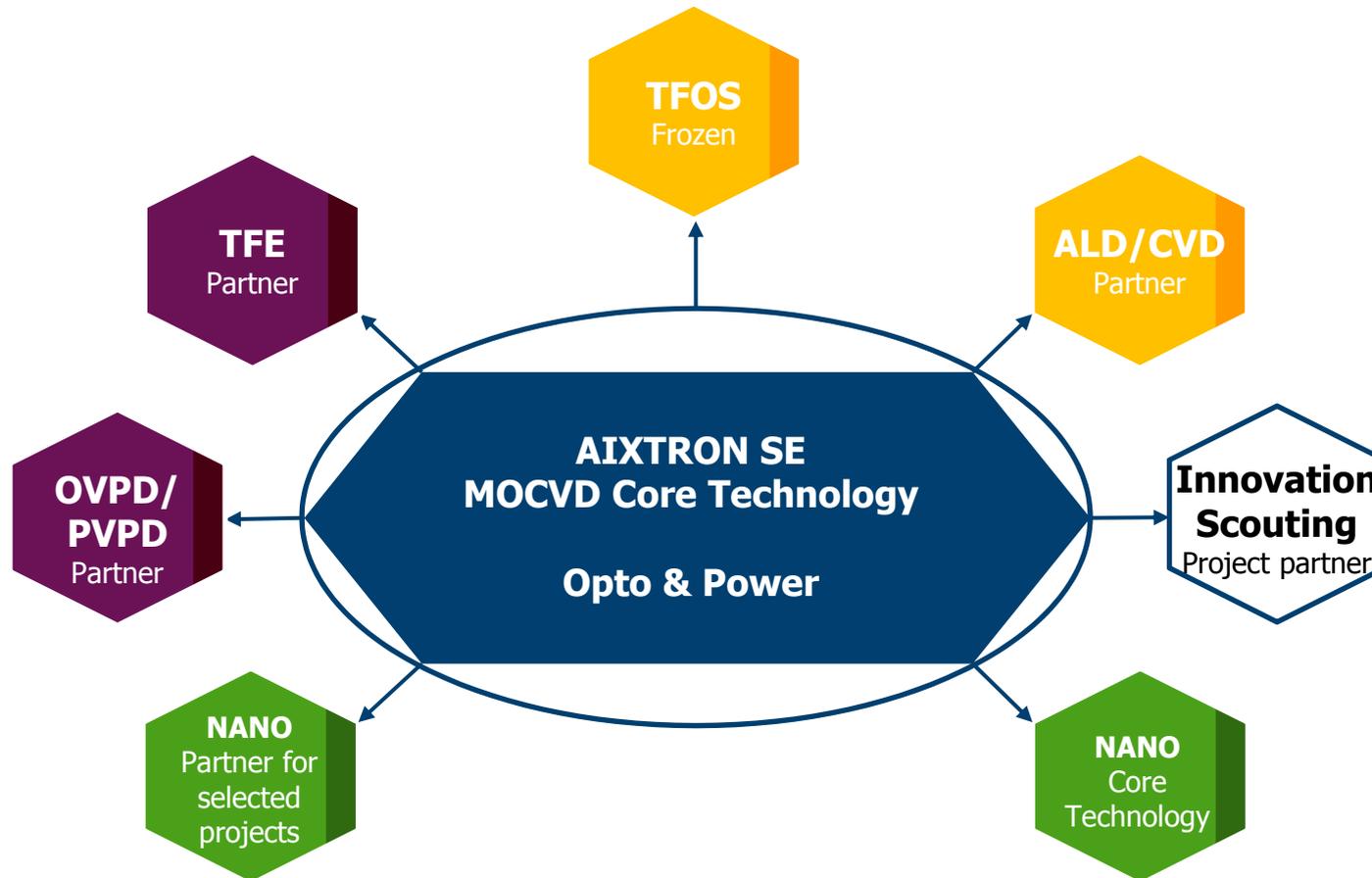
## „PRO's"

- Wide range of products for future technologies
- Different – applications  
– customers
- High sales potential in different markets

## „CON's"

- Enormous R&D costs
- Uncertain market entry of single technologies

# AIXTRON's Technology Portfolio – „PRO's" / „CON's" / Strategy



## Strategy

- Development portfolio will be clearly separated and transferred into independent units where appropriate
- Partnerships / Joint Ventures for single technology areas...
  - ... with:
    - Industry partners and/or
    - Strategic Investors (V.C.)
  - ... for the provision of resources:
    - Product- / Target-oriented R&D
    - Faster market access
    - Financing of R&D
- Temporary freezing of developments (TFOS)

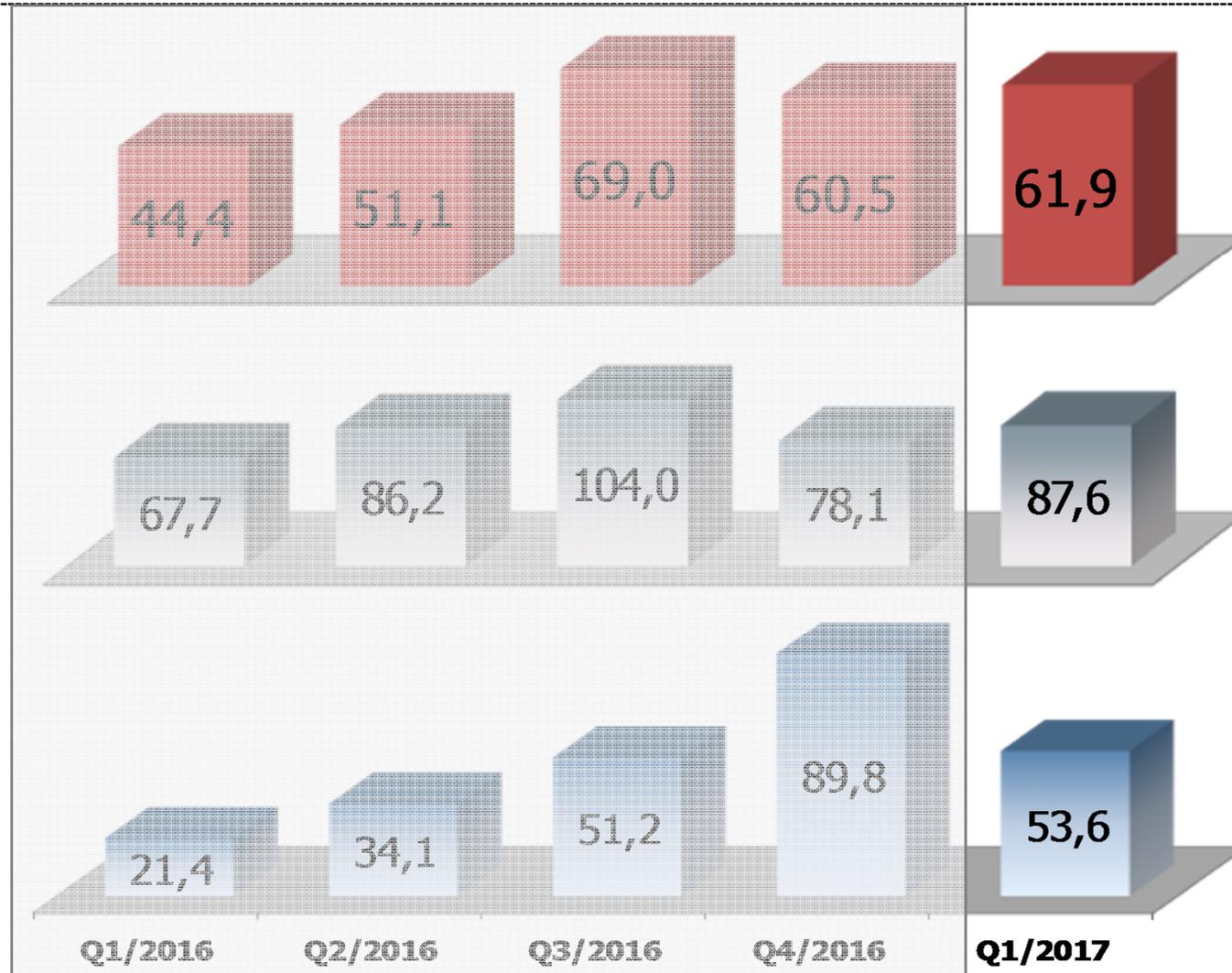
# Quarterly Development in 2016

(EUR million)

**Total Order Intake<sup>1)</sup>**

**Equipment<sup>1)</sup> (only)  
Order Backlog**

**Total Revenues<sup>2)</sup>  
(incl. equipment,  
service, spare parts)**

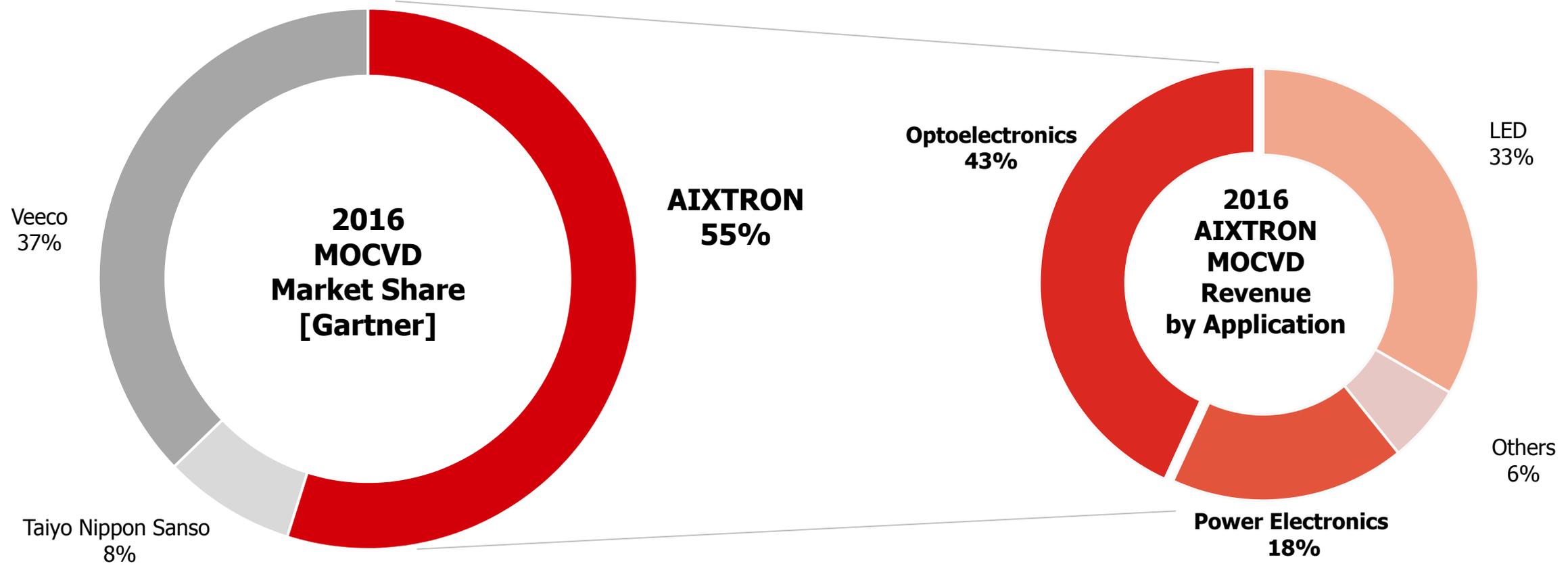


1) USD order intake and backlog were recorded at the prevailing budget rate (2016 & 2017: \$1.10 USD/€)

2) USD revenues were converted at the actual period average FX rate (2016: \$1.11 USD/€; Q1/2017: USD/€: 1,07)

# 2016 – Market Leader in MOCVD

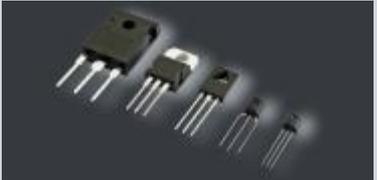
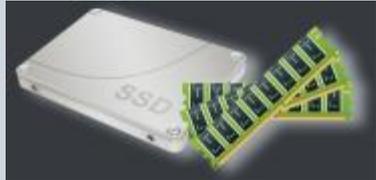
Source: Gartner (March 2017)



# AIXTRON's worldwide competitors

		USA	Europa	China	Korea	Japan
<b>Verbindungs- halbleiter</b>	GaAs/InP Optoelectronics, ROY LED					
	GaN LED			 		
	GaN Power					
	SiC Power					 
<b>Silizium- halbleiter</b>					 	 
<b>Organische Elektronik</b>					   	 CANON TOKKI CORPORATION 

# Our Technology Portfolio

Compound Semiconductors		Silicon Semiconductors	Organic	Carbon
MOCVD		ALD/MOCVD	OVPD®/PVPD®/TFE	PECVD
LEDs, Lasers and Optoelectronics	Power Management GaN / SiC	Silicon Semiconductors	Organic Electronics	Graphene, 2D Nano CNTs and CNWs
<ul style="list-style-type: none"> <li>• LEDs for display: TVs, mobile phones, tablets, etc.</li> <li>• LEDs for lighting</li> <li>• LEDs for automotive</li> <li>• LEDs for datacom</li> <li>• Lasers for telecom, consumer electronics</li> <li>• Photovoltaics</li> </ul>	<ul style="list-style-type: none"> <li>• RF transistors</li> <li>• AC-DC converters</li> <li>• DC-DC converters</li> <li>• Solar inverters</li> <li>• Motor drives in industrial applications automotive and consumer electronics</li> </ul>	<ul style="list-style-type: none"> <li>• DRAM Dielectric and Metal Electrode</li> <li>• Flash Inter Poly Dielectric and Metals</li> <li>• Logic Gate stack</li> <li>• ReRAM and PCRAM Active element and Electrode</li> <li>• Logic High Mobility Channel</li> </ul>	<ul style="list-style-type: none"> <li>• OLEDs for display: TVs, mobile phones, tablets, etc.</li> <li>• Thin Film Encapsulation</li> <li>• OLEDs for lighting</li> <li>• Organic, flexible electronics</li> <li>• Organic Photovoltaics</li> </ul>	<ul style="list-style-type: none"> <li>• Transistors</li> <li>• Interconnects</li> <li>• Flexible Electronics</li> <li>• Energy Storage</li> <li>• Sensors, etc.</li> </ul>
				
Increasing Demand for Advanced Optoelectronics	Demand by new Applications	Demand by growth in 3D NAND	Production Qualification with Customers	Increasing Equipment Demand Expected by: 2018 and beyond



Our *technology*. YOUR *FUTURE*.

**Thank you for your attention!**

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