

AIXTRON Investor Presentation

5G
Networks

Energy
Storage

Renewable
Energy

**AIXTRON
ENABLES
INNOVATION**

Autonomous
Driving

Internet
of Things

NextGen
Displays

First Half 2018 Results
(July 26, 2018)

Forward-Looking Statements

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 the current assessments, expectations and assumptions of the executive board of AIXTRON, of which many are beyond control of AIXTRON, based on information available at the date hereof and 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 those discussed by AIXTRON in public reports and statements, including but not limited to those reported in the chapter “Risk Report”. 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.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals indicated and percentages may not precisely reflect the absolute figures for the same reason.

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AIXTRON – Q2/2018 Highlights

✓ **Strong Order Intake and Backlog**

- Continuous Demand from Lasers and Red-Orange-Yellow (ROY) LEDs

✓ **High Gross Margins**

- Positive Product and Regional Mix, Some Currency Tailwinds

✓ **2018 Guidance: Upward Adjustments**

- Order Intake: EUR 260 ~ 290 million (from EUR 230 ~ 260 million)
- H2/2018 Revenues > H1/2018 Revenues
- Upper-end of Guidance Range to be reached for:
 - *Revenues:* Around EUR 260m (Original Range: EUR 230 ~ 260 million)
 - *Gross Margin:* Around 40% (Original Range: 35% ~ 40%)
 - *EBIT Margin:* Around 10% (Original Range: 5% ~ 10%)
- Positive Operating Cash Flow for Full Year 2018

Key Financials Q2/2018*

* Rounded figures; may not add up

(€ million)	H1/18	H1/17	+/- %	Q2/18	Q1/18	+/- %
Order intake	154.3	128.5	20	75.6	78.6	-4
Order backlog (equipment only)	138.3	93.4	48	138.3	114.9	20
Revenues	117.6	114.1	3	55.2	62.4	-12
Gross profit	50.6	28.3	79	23.8	26.8	-11
%	43	25	18 pp	43	43	0 pp
EBIT	12.0	-24.1	150	4.1	7.9	-48
%	10	-21	31 pp	7	13	-6 pp
Net result	16.0	-24.9	164	3.7	12.3	-70
%	14	-22	36 pp	7	20	-13 pp
Net result per share (EUR)	0.14	-0.22	164	0.03	0.11	-73
Operating Cash Flow	-8.5	43.3	-120	12.5	-21.1	159

Consolidated Income Statement*

* Rounded figures; may not add up

(€ million)	H1/18	H1/17	+/- %	Q2/18	Q1/18	+/- %
Revenues	117.6	114.1	3	55.2	62.4	-12
Cost of sales	66.9	85.8	-22	31.3	35.6	-12
Gross profit	50.6	28.3	79	23.8	26.8	-11
%	43	25	18 pp	43	43	0 pp
Selling expenses	4.6	5.3	-13	2.3	2.3	-
General & admin expenses	8.7	9.4	-7	4.4	4.3	2
R&D	27.0	39.5	-32	13.2	13.7	-4
Net other operating income	-1.6	-1.7	-6	-0.3	-1.4	79
EBIT	12.0	-24.1	150	4.1	7.9	-48
%	10	-21	31 pp	7	13	-6 pp
Net result	16.0	-24.9	164	3.7	12.3	-70
%	14	-22	36 pp	7	20	-13 pp

Consolidated Statement of Cash Flows*

* Rounded figures; may not add up

(€ million)	H1/18	H1/17	Q2/18	Q1/18
Net Result	16.0	-24.9	3.7	12.3
Adjust for				
Non Cash Items	-0.1	14.1	2.9	-3.0
Changes in Working Capital	-24.5	54.1	5.9	-30.4
Cash Flow from Operating Activities	-8.5	43.3	12.5	-21.1
Capital Expenditures	-4.5	-3.6	-2.9	-1.6
Fixed Asset disposals/FX/Other	1.2	-3.3	1.7	-0.5
Total Cash Flow	-11.8	37.0	11.4	-23.2
Cash & Deposits	234.7	197.1	234.7	223.2

Balance Sheet*

* Rounded figures; may not add up

(€ million)	30/06/18	31/03/18	31/12/17
Property, plant & equipment	64.4	63.8	64.3
Goodwill	71.6	71.1	71.2
Other intangible assets	1.7	1.6	1.8
Others	9.0	9.1	4.0
Non-current assets	146.7	145.7	141.3
Inventories	60.1	46.2	43.0
Trade receivables	37.7	30.0	19.3
Others	7.4	7.5	5.0
Cash & Cash Deposits	234.7	223.2	246.5
Current Assets	339.9	306.9	313.8
Shareholders' equity	388.0	380.7	368.9
Non-current liabilities	1.5	1.5	2.0
Trade payables	18.9	14.3	14.3
Advance payments from customers	53.2	28.5	30.3
Others	25.0	27.5	39.7
Current liabilities	97.1	70.3	84.2
Balance Sheet total	486.6	452.6	455.1

Summary and Outlook*

- ✓ **Well-Positioned for Lasers, Specialty LEDs and Power**
 - Next-gen SiC Power Equipment in the Pipeline
- ✓ **Flexible Operating Model for Sustainable Profitability**
- ✓ **2018 Guidance: Upward Adjustments**
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* Based on 1.20 USD/EUR Budget Rate; please refer to "Expected Results of Operations and Financial Position" in the AIXTRON 2017 Annual Report for further information

Financial Calendar & Contact Data

- October 30, 2018 Q3/2018 Results, Conference Call
- February 2019 FY/2018 Results, Conference Call
- April 2019 Q1/2019 Results, Conference Call
- July 2019 H1/2019 Results, Conference Call

For further information please contact:

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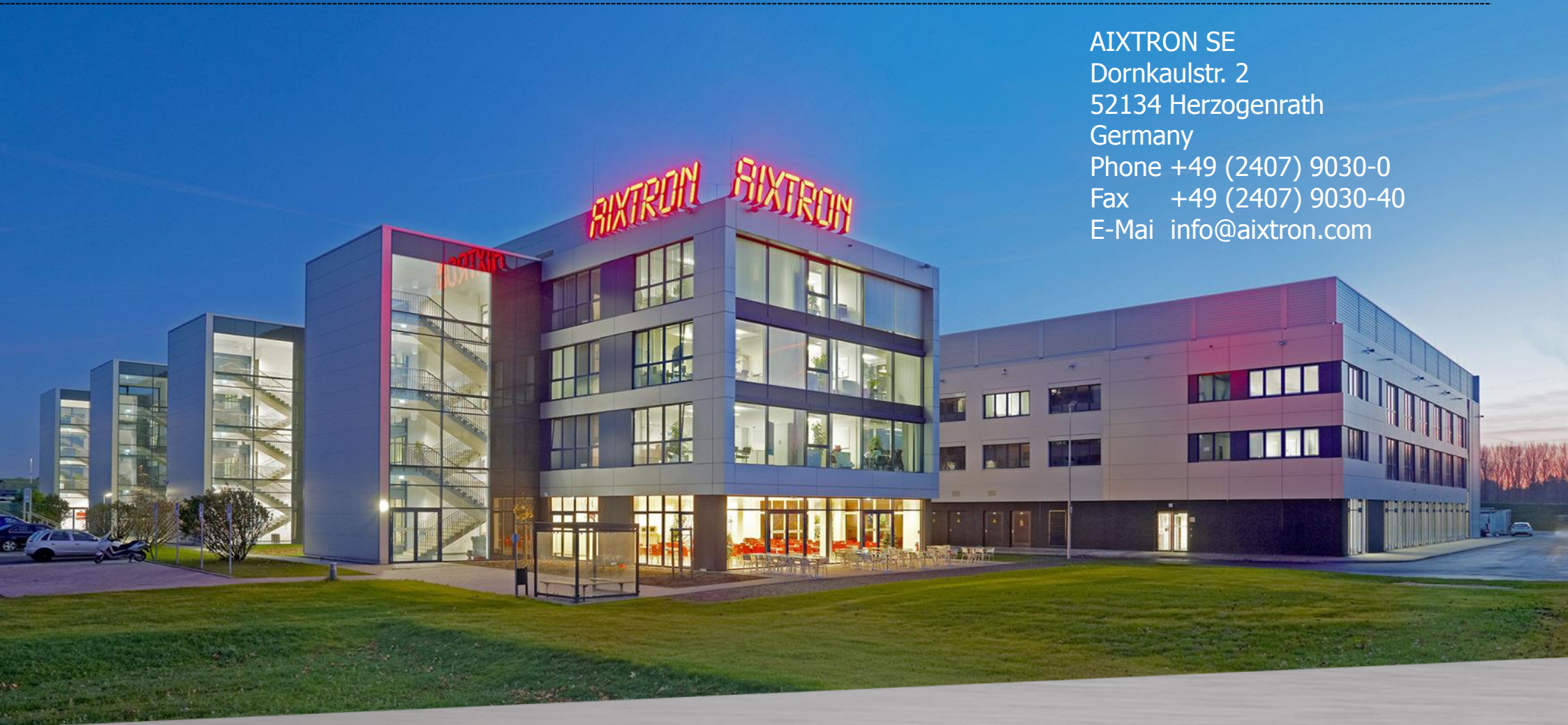
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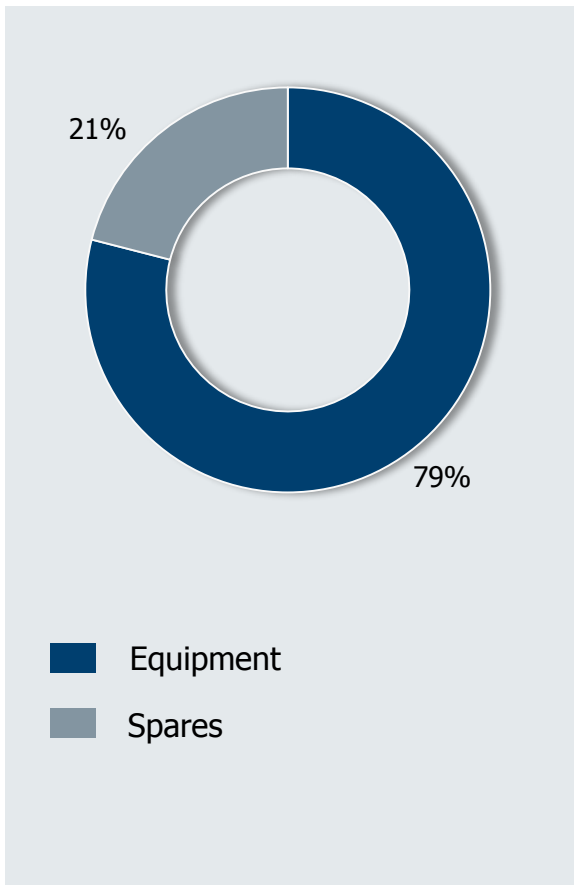


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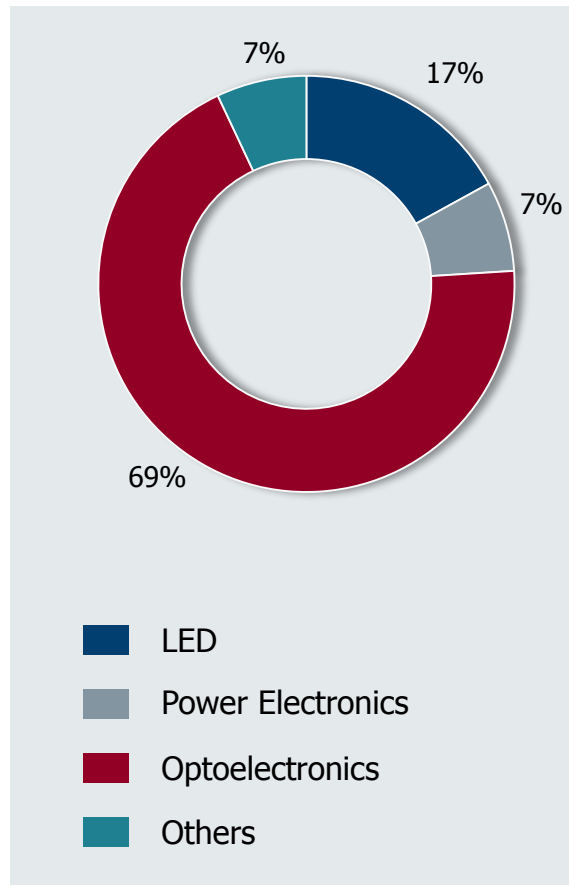
Revenue Analysis*

* Rounded figures; may not add up

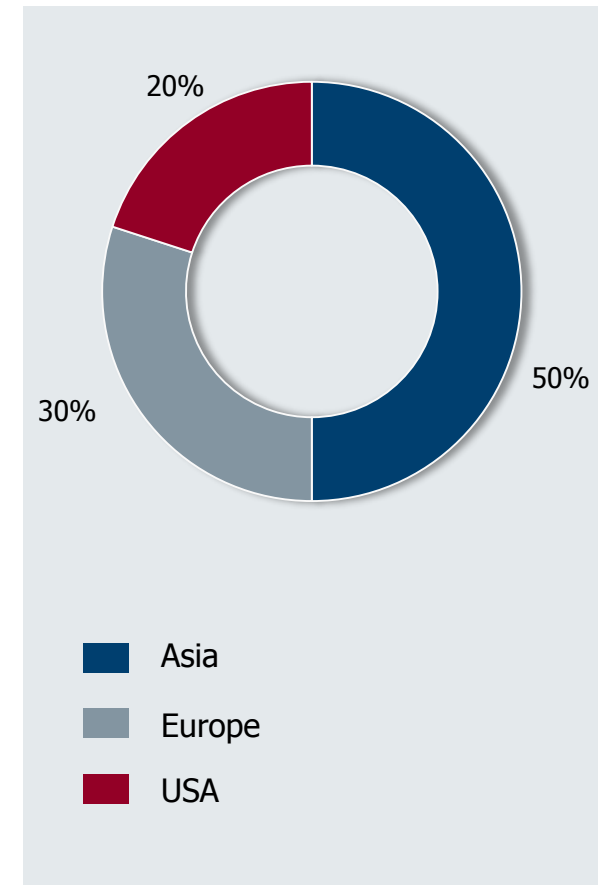
H1/2018:
by equipment & spares



H1/2018:
by end application
(equipment only)



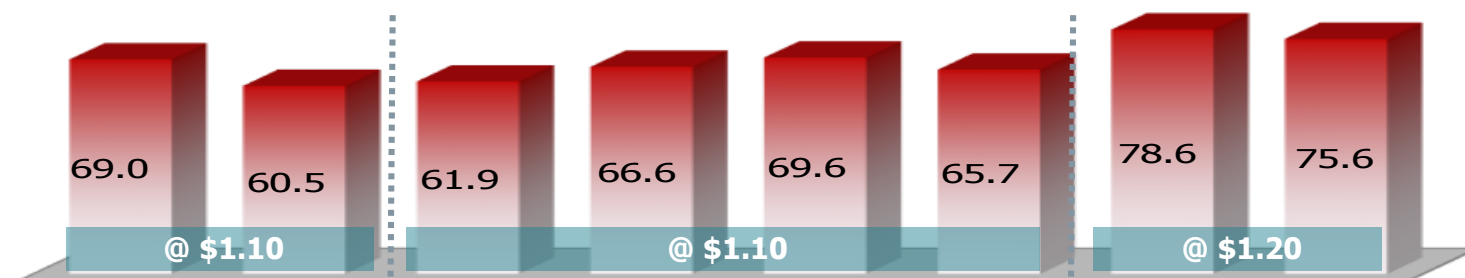
H1/2018:
by region



24 - Month Business Development

(€ million)

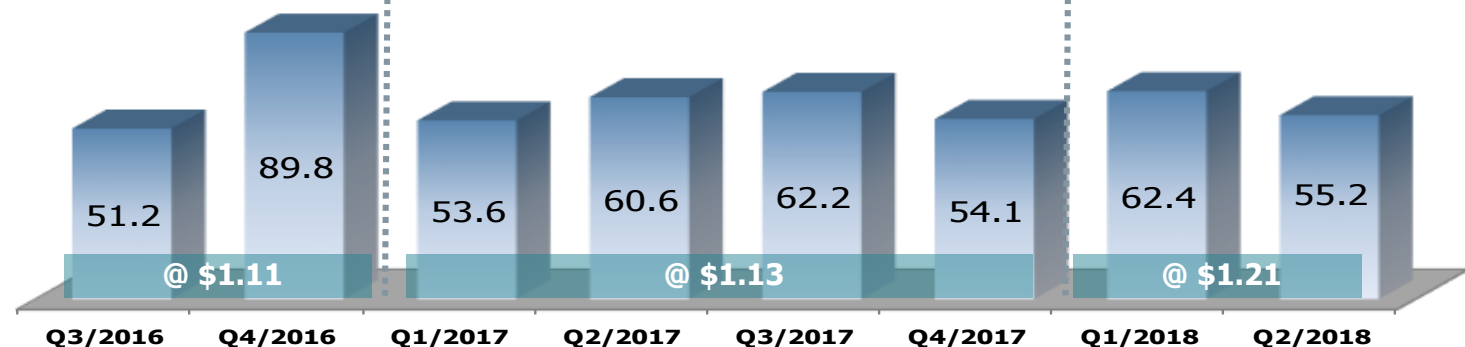
Order Intake
(incl. equipment,
service, spare parts)



Order Backlog
(equipment only)



Revenues
(incl. equipment,
service, spare parts)



USD order intake and backlog were recorded at the prevailing budget rate (2017: \$1.10/€; 2018: \$1.20/€)

USD revenues were converted at the actual period average FX rate (2017: \$1.13/€; 2018: \$1.21/€)