

Organic Electronics  
Next Generation Displays  
Flexible Electronics  
Wearables

# AIXTRON Investor Presentation

## Opto & Power Electronics

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

Our technology.  
Your future.

## Memory & Logic

High Performance Computing  
Memory / Big Data  
Sensors · Smart Devices

## Graphene & Nanomaterials

Flexible Electronics  
Sensors · Energy Storage  
High Performance Computing  
Composites

Full Year 2016 Results

(February 23, 2017)

## 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.

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

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>, OVPD<sup>®</sup>, Planetary Reactor<sup>®</sup>, PVPD<sup>®</sup>, TriJet<sup>®</sup>, Optacap<sup>™</sup>

# AIXTRON – 2016 Recap

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## ✓ **2016 Full Year Guidance Achieved**

- Earnings and Cash Flow Improvements in 2016
- 2016 Total Order Intake at €225.1 million, the highest level since 2011; Revenues stable.

## ✓ **No.1 MOCVD Equipment Supplier in 2016\***

- Diversification: Strength in MOCVD for Advanced Compound Semiconductors.

## ✓ **Technology Portfolio Development**

- Memory - ALD: Completed one Customer's Qualification Program for High-k Oxide Films.
- Logic - TFOS: Shipment of tool
- Organics - OVPD: Beta Deposition System Delivered.

## ✓ **Balance Sheet Items**

- Improved inventory level; Strong receivables; will be cleared largely in Q1/2017
- 85% Equity Ratio; No Financial Debt

\*) according to AIXTRON estimates

## Key Financials FY/2016\*

(€ million)	FY/16	FY/15	YoY	Q4/16	Q3/16	QoQ
<b>Revenues</b>	<b>196.5</b>	<b>197.8</b>	<b>-1%</b>	<b>89.8</b>	<b>51.2</b>	<b>75%</b>
<b>Gross profit</b>	<b>56.3</b>	<b>49.8</b>	<b>13%</b>	<b>29.4</b>	<b>16.9</b>	<b>74%</b>
Gross margin	<b>29%</b>	<b>25%</b>	4 pp	<b>33%</b>	33%	0 pp
<b>EBITDA</b>	<b>-7.9</b>	<b>-16.4</b>	<b>52%</b>	<b>12.5</b>	<b>-0.4</b>	<b>n.m.</b>
<b>Operating result (EBIT)</b>	<b>-21.4</b>	<b>-26.7</b>	<b>20%</b>	<b>7.9</b>	<b>-3.4</b>	<b>332%</b>
EBIT margin	-11%	-14%	3 pp	9%	-7%	16 pp
<b>Net result</b>	<b>-24.0</b>	<b>-29.2</b>	<b>18%</b>	<b>6.4</b>	<b>-3.8</b>	<b>268%</b>
Net result margin	-12%	-15%	3 pp	7%	-7%	14 pp
<b>Net result per share - basic (EUR)</b>	<b>(0.22)</b>	<b>-0.26</b>	<b>15%</b>	<b>0.05</b>	<b>-0.04</b>	<b>225%</b>
<b>Net result per share - diluted (EUR)</b>	<b>(0.22)</b>	<b>-0.26</b>	<b>15%</b>	<b>0.05</b>	<b>-0.04</b>	<b>225%</b>
<b>Free cash flow (Acquisition adjusted)</b>	<b>(42.9)</b>	<b>-57.3</b>	<b>25%</b>	<b>(4.90)</b>	<b>3.0</b>	<b>-263%</b>
<b>Total order intake</b>	<b>225.1</b>	<b>167.1</b>	<b>35%</b>	<b>60.5</b>	<b>69.0</b>	<b>-12%</b>
<b>Equipment order backlog (end of period)</b>	<b>78.1</b>	<b>42.9</b>	<b>82%</b>	<b>78.1</b>	<b>104.0</b>	<b>-25%</b>

\*) rounded figures; may not add up

## Consolidated Income Statement\*

(€ million)	FY/16	FY/15	+/-	Q4/16	Q4/15	+/-
Revenues	196.5	197.8	-1%	89.8	62.5	44%
Cost of sales	140.2	147.9	-5%	60.5	42.8	41%
Gross profit	56.3	49.8	13%	29.4	19.6	50%
<b>Gross Margin</b>	<b>29%</b>	<b>25%</b>	<b>4 pp</b>	<b>33%</b>	<b>31%</b>	<b>2 pp</b>
Selling expenses	13.8	11.5	20%	4.8	2.6	85%
General & admin expenses	17.1	16.3	5%	5.0	4.2	19%
R&D	53.9	55.4	-3%	14.4	14.4	0%
Net other op.(income)/expenses	-7.2	-6.7	-7%	-2.7	0.0	n.m.
EBITDA	-7.9	-16.4	52%	12.5	1.3	862%
EBIT	-21.4	-26.7	20%	7.9	-1.5	n.m.
<b>EBIT Margin</b>	<b>-11%</b>	<b>-14%</b>	<b>3 pp</b>	<b>9%</b>	<b>-2%</b>	<b>11 pp</b>
Result before tax	-21.0	-26.0	19%	7.9	-1.4	n.m.
<b>Pre-Tax Margin</b>	<b>-11%</b>	<b>-13%</b>	<b>2 pp</b>	<b>9%</b>	<b>-2%</b>	<b>11 pp</b>
Net result	-24.0	-29.2	18%	6.4	-1.9	n.m.
<b>Net Return on Sales</b>	<b>-12%</b>	<b>-15%</b>	<b>3 pp</b>	<b>7%</b>	<b>-3%</b>	<b>10 pp</b>

\*) rounded figures; may not add up

## Consolidated Statement of Cash Flows\*

(€ million)	FY/16	FY/15	Q4/16	Q3/16
Cash Flow from operating activities	-37.7	-45.7	-2.7	4.3
Cash Flow from investing activities	43.4	41.2	4.1	12.9
Cash Flow from financing activities	0.3	-0.1	0.1	0.2
Exchange rate changes	-2.3	4.3	1.2	-0.9
Net change in Cash & Cash Equivalents	3.7	-0.3	2.6	16.5
Cash & Cash Equivalents (beginning of period)	116.3	116.6	117.4	100.9
Cash & Cash Equivalents (end of period)	120.0	116.3	120.0	117.4
Change in Cash deposits	-52.8	-60.5	-6.3	-14.2
Free Cash Flow**	-42.9	-57.3	-4.9	3.0
Capex	5.3	13.3	2.3	1.3

\*) rounded figures; may not add up

\*\*\*) Acquisition cost adjusted; Operating CF + Investing CF + Changes in Cash Deposits


## Consolidated Statement of Financial Position\*

(€ million)	31/12/16	30/09/16	31/12/15
Property, plant & equipment	74.2	75.6	81.3
Goodwill	74.6	73.8	75.9
Other intangible assets	5.4	5.5	6.4
Others	2.4	3.6	3.9
<b>Non-current assets</b>	<b>156.5</b>	<b>158.5</b>	<b>167.6</b>
Inventories, WIP & Finished Goods	54.2	79.1	70.8
Trade receivables	60.2	30.4	26.0
Others	5.3	7.1	8.2
Cash & Cash Equivalents incl. CD	160.1	163.5	209.4
<b>Current Assets</b>	<b>279.7</b>	<b>280.1</b>	<b>314.4</b>
<b>Shareholders' equity</b>	<b>369.7</b>	<b>359.9</b>	<b>396.5</b>
<b>Non-current liabilities</b>	<b>4.2</b>	<b>3.0</b>	<b>3.6</b>
Trade payables	14.6	12.6	9.8
Advance payments from customers	26.1	41.3	24.0
Others	21.6	21.9	48.0
<b>Current liabilities</b>	<b>62.3</b>	<b>75.8</b>	<b>81.8</b>
<b>Balance Sheet total</b>	<b>436.2</b>	<b>438.7</b>	<b>482.0</b>

\*) rounded figures; may not add up


# AIXTRON – Key Enabler for Innovative Future

## New Complex Materials




**Compound Semiconductors**

- GaAs/ GaN (Sensors)
- GaN/SiC (RF/Power – Mobile)
- GaAs/InP (Laser - Datacom)
- GaN (LED – LiFi, Micro-LED, UV LED)



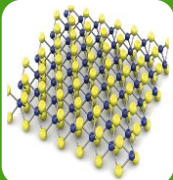
**Silicon Semiconductors**

- III-V (Next-generation Logic – Real-time Processing)
- Innovative materials (Memory - Big Data)



**Organic**

- Display, Lighting
- Flexible Electronics
- Organic Photovoltaics



**Carbon Nano Structures**

- Graphene (Energy Storage)
- 2D materials (Smart Sensors, Energy Storage)

## Tech Trends

**AIXTRON**  
Our technology. Your future.



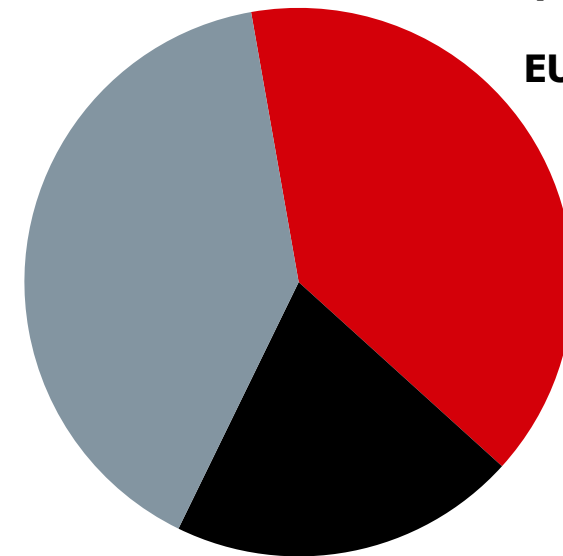


## AIXTRON – 2017 Guidance\*

- Assuming current structure, 2017 Revenues and Total Order Intake between EUR 180 ~ 210 million
- Assuming current structure, earnings could be lower than 2016 due to higher R&D expenses, however ...
- ...pursuing options, such as joint ventures, partnering or others for future technology developments with high upfront costs.
- **With alternative structures it is not yet possible to provide 2017 Guidance on EBITDA, EBIT and Net Results.**
- Further improvement of Free Cash Flow in 2017.
- Return to Profitability targeted for 2018.

### 2017 Guidance\*

Order Backlog as of  
January 1, 2017:  
EUR 78m



2017 Shippable  
Equipment Order  
Intake:  
EUR 62 ~ 92m

2017 Estimated  
Spares & Service  
Revenues:  
ca. EUR 40m

\* Based on 1.10 USD/EUR Budget Rate; please refer to conditions described in the AIXTRON 2016 Annual Report under "Expected Results of Operations and Financial Position"

## Financial Calendar & Contact Data

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- April 25, 2017                      Q1/2017 Results, Conference Call
- May 9, 2017                         Annual General Meeting, Aachen
- July 25, 2017                        H1/2017 Results, Conference Call
- October 26, 2017                    9M/2017 Results, Conference Call

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# AIXTRON – Our technology. Your future.

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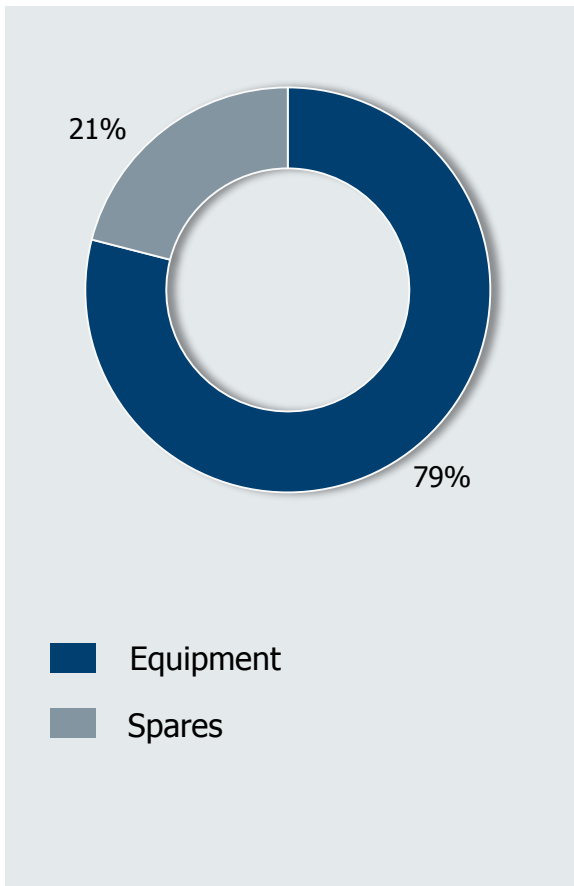
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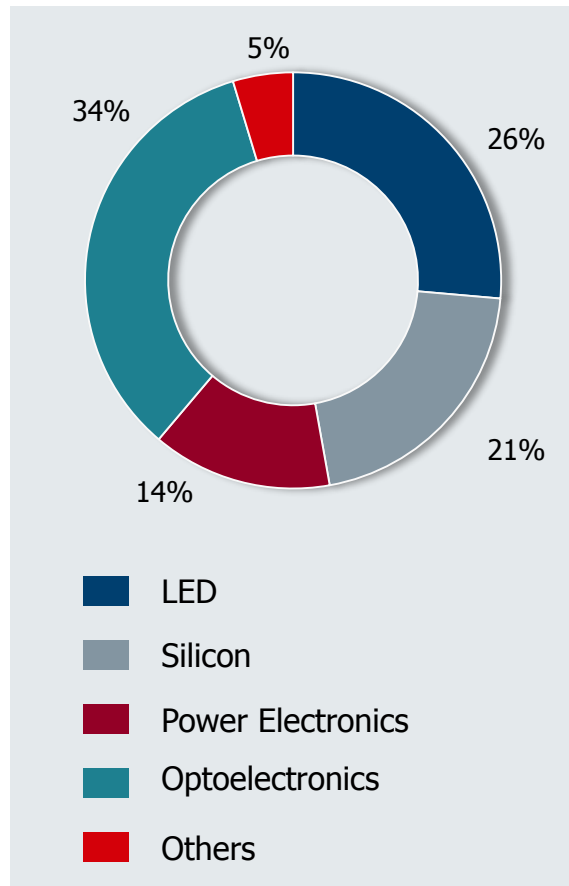
**AIXTRON**

# Revenue Analysis

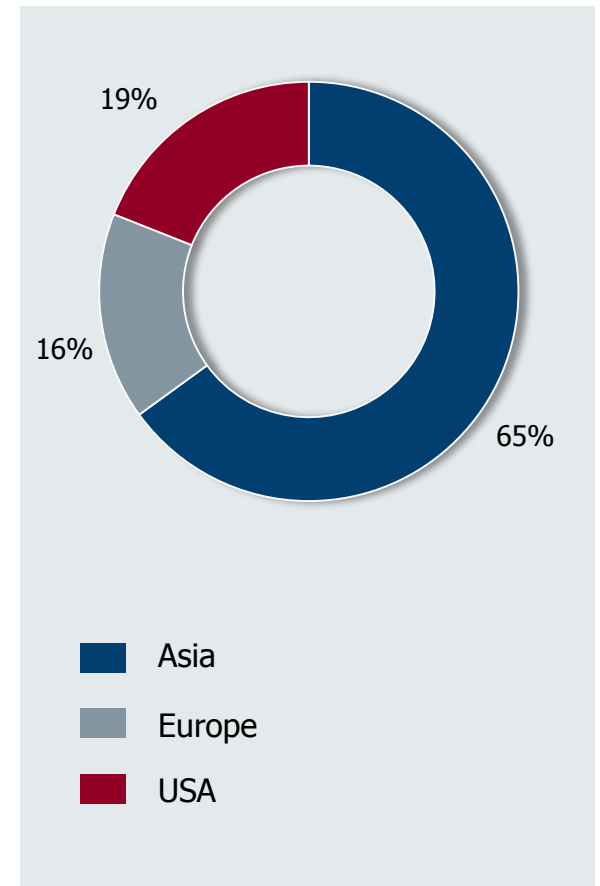
FY 2016:  
by equipment & spares



FY 2016:  
by end application  
(equipment only)



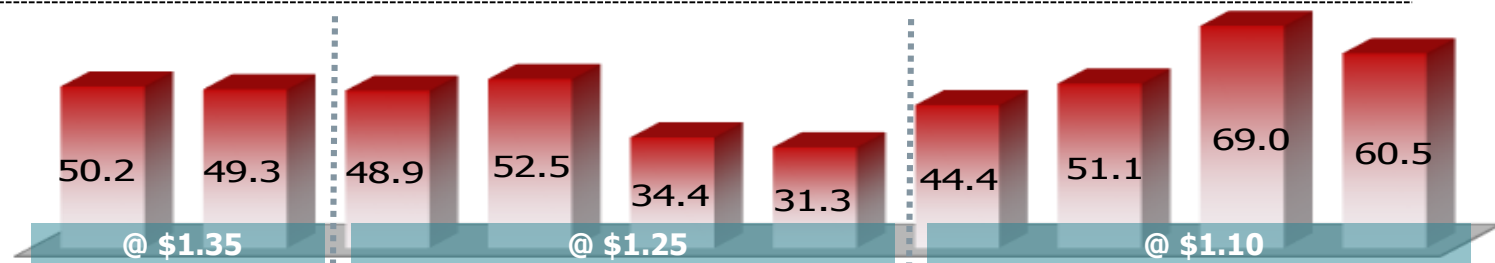
FY 2016:  
by region



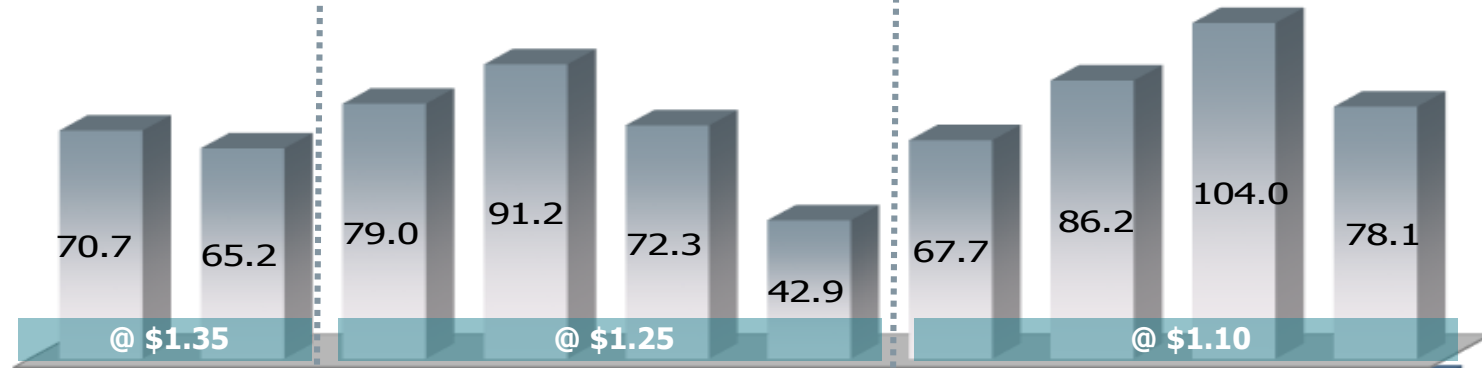
# 24 - Month Business Development

(€ million)

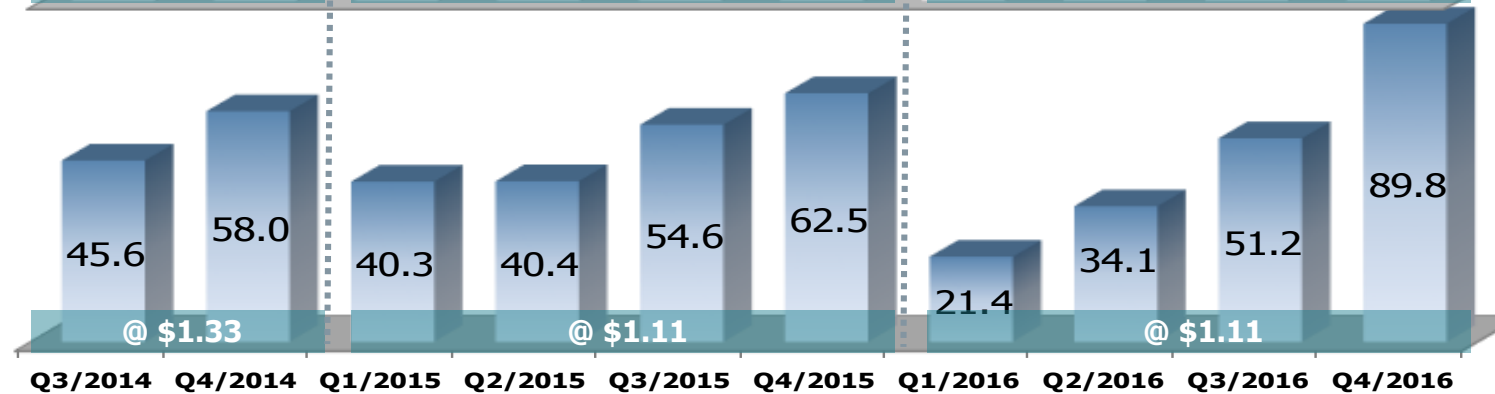
**Total Order Intake**  
(incl. equipment,  
service, spare parts)



**Equipment (only)  
Order Backlog**



**Total Revenues**  
(incl. equipment,  
service, spare parts)



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

USD revenues were converted at the actual period average FX rate (2016: \$1.11/€)