AIXTRON Investor Presentation

IR Presentation – Q1/2018
(FSE: AIXA, ISIN DE000A0WMPJ6)
Disclaimer

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 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.

Our registered trademarks: AIXACT®, AIXTRON®, APEVA®; Atomic Level SolutionS®, Close Coupled Showerhead®, CRIUS®, EXP®, EPISON®, Gas Foil Rotation®, Optacap™, OVPD®, Planetary Reactor®, PVPD®, STExS®, TriJet®
Our Vision


Technology.
We are the recognized technology leader in complex material deposition.

Materials.
We enable our customers to successfully shape the markets of the future, exploiting the potential offered by new materials.

Performance.
We deliver the performance driving economic success through our expertise, our employees and the quality of our products.
Who we are

- Headquarters based near Aachen, Germany
- Worldwide presence in 7 countries
- R&D and production facilities in Germany and UK
- ~ 600 employees

- Company founded in 1983 – 35 years of experience
- Technology leader in deposition systems
- More than 2,700 deposition systems installed worldwide
Global Presence
Technology Portfolio for Complex Material Deposition

OLED: OVPD®/PVPD®

Photonics
(e.g. VCSEL for 3D Sensing, Lasers for CE, Datacom)

Carbon – PECVD

GaN Power
(e.g. Wireless Charging; RF, Fast Charging)

Specialty LED
(MicroLED-, Fine Pitch Displays; Horticulture; Purification; IR & UV LEDs)

SiC Power
(e.g. EVs, Charging Stations, Infrastructure)

NANO: Innovation Pool

Our technology. Your future.

MOCVD Core Technology
Revenue Analysis*

Q1/2018: by equipment & spares

- Equipment: 81%
- Spares: 19%

Q1/2018: by end application (equipment only)

- LED: 70%
- Power Electronics: 14%
- Optoelectronics: 5%
- Others: 11%

Q1/2018: by region

- Asia: 46%
- Europe: 38%
- USA: 16%
- Others: 14%

* Rounded figures; may not add up
**FINANCIALS**

## 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: $1.22/€)
# Consolidated Income Statement*

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>Q1/18</th>
<th>Q1/17</th>
<th>+/- %</th>
<th>Q1/18</th>
<th>Q4/17**</th>
<th>+/- %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>62.4</td>
<td>53.6</td>
<td>16</td>
<td>62.4</td>
<td>54.1</td>
<td>15</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>35.6</td>
<td>40.0</td>
<td>-11</td>
<td>35.6</td>
<td>33.1</td>
<td>8</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>26.8</td>
<td>13.6</td>
<td>97</td>
<td>26.8</td>
<td>21.0</td>
<td>28</td>
</tr>
<tr>
<td>%</td>
<td>43</td>
<td>25</td>
<td>18pp</td>
<td>43</td>
<td>39</td>
<td>4pp</td>
</tr>
<tr>
<td>Selling expenses</td>
<td>2.3</td>
<td>2.6</td>
<td>-13</td>
<td>2.3</td>
<td>2.2</td>
<td>2</td>
</tr>
<tr>
<td>General &amp; admin expenses</td>
<td>4.3</td>
<td>4.3</td>
<td>0</td>
<td>4.3</td>
<td>2.6</td>
<td>68</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>13.7</td>
<td>19.7</td>
<td>-30</td>
<td>13.7</td>
<td>16.5</td>
<td>-17</td>
</tr>
<tr>
<td>Net other operating income</td>
<td>-1.4</td>
<td>-0.2</td>
<td>n.m.</td>
<td>-1.4</td>
<td>24.7</td>
<td>95</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>7.9</td>
<td>-12.7</td>
<td>n.m.</td>
<td>7.9</td>
<td>24.4</td>
<td>-68</td>
</tr>
<tr>
<td>%</td>
<td>13</td>
<td>-24</td>
<td>37pp</td>
<td>13</td>
<td>45</td>
<td>-32pp</td>
</tr>
<tr>
<td><strong>Net result</strong></td>
<td>12.3</td>
<td>-13.5</td>
<td>n.m.</td>
<td>12.3</td>
<td>27.2</td>
<td>-55</td>
</tr>
<tr>
<td>%</td>
<td>20</td>
<td>-25</td>
<td>45pp</td>
<td>20</td>
<td>50</td>
<td>-30pp</td>
</tr>
</tbody>
</table>

**Q4/2017 Other operating income, EBIT and net profit were significantly influenced by the positive effects from the sale of the ALD/CVD product line.**

* Rounded figures; may not add up
## Balance Sheet*

<table>
<thead>
<tr>
<th></th>
<th>31/03/18</th>
<th>31/12/17</th>
<th>31/03/17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Property, plant &amp; equipment</strong></td>
<td>63.8</td>
<td>64.3</td>
<td>68.9</td>
</tr>
<tr>
<td><strong>Goodwill</strong></td>
<td>71.1</td>
<td>71.2</td>
<td>74.5</td>
</tr>
<tr>
<td><strong>Other intangible assets</strong></td>
<td>1.6</td>
<td>1.8</td>
<td>5.2</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>9.1</td>
<td>4.0</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td><strong>145.7</strong></td>
<td><strong>141.3</strong></td>
<td><strong>150.6</strong></td>
</tr>
<tr>
<td><strong>Inventories</strong></td>
<td>46.2</td>
<td>43.0</td>
<td>49.9</td>
</tr>
<tr>
<td><strong>Trade receivables</strong></td>
<td>30.0</td>
<td>19.3</td>
<td>29.6</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>7.5</td>
<td>5.0</td>
<td>5.6</td>
</tr>
<tr>
<td><strong>Cash &amp; Cash Deposits</strong></td>
<td>223.2</td>
<td>246.5</td>
<td>193.6</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td><strong>306.9</strong></td>
<td><strong>313.8</strong></td>
<td><strong>278.6</strong></td>
</tr>
<tr>
<td><strong>Shareholders' equity</strong></td>
<td><strong>380.7</strong></td>
<td><strong>368.9</strong></td>
<td><strong>356.7</strong></td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td><strong>1.5</strong></td>
<td><strong>2.0</strong></td>
<td><strong>4.2</strong></td>
</tr>
<tr>
<td><strong>Trade payables</strong></td>
<td>14.3</td>
<td>14.3</td>
<td>15.2</td>
</tr>
<tr>
<td><strong>Advance payments from customers</strong></td>
<td>28.5</td>
<td>30.3</td>
<td>30.5</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>27.5</td>
<td>39.7</td>
<td>22.6</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td><strong>70.3</strong></td>
<td><strong>84.2</strong></td>
<td><strong>68.3</strong></td>
</tr>
<tr>
<td><strong>Balance Sheet total</strong></td>
<td><strong>452.6</strong></td>
<td><strong>455.1</strong></td>
<td><strong>429.2</strong></td>
</tr>
</tbody>
</table>

* Rounded figures; may not add up
## Consolidated Statement of Cash Flows*

<table>
<thead>
<tr>
<th></th>
<th>Q1/18</th>
<th>Q1/17</th>
<th>Q1/18</th>
<th>Q4/17**</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Result</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.3</td>
<td>-13.5</td>
<td>12.3</td>
<td>27.2</td>
</tr>
<tr>
<td>Adjust for</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Cash Items</td>
<td>-3.0</td>
<td>7.3</td>
<td>-3.0</td>
<td>-24.6</td>
</tr>
<tr>
<td>Changes in Working Capital</td>
<td>-30.4</td>
<td>40.8</td>
<td>-30.4</td>
<td>11.0</td>
</tr>
<tr>
<td><strong>Cash Flow from Operating Activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-21.1</td>
<td>34.6</td>
<td>-21.1</td>
<td>13.6</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>-1.6</td>
<td>-1.3</td>
<td>-1.6</td>
<td>1.1</td>
</tr>
<tr>
<td>Fixed Asset disposals/FX / Other</td>
<td>-0.5</td>
<td>0.3</td>
<td>-0.5</td>
<td>30.1</td>
</tr>
<tr>
<td><strong>Total Cash Flow</strong></td>
<td>-23.2</td>
<td>33.6</td>
<td>-23.2</td>
<td>42.6</td>
</tr>
<tr>
<td><strong>Cash &amp; Deposits</strong></td>
<td>223.2</td>
<td>193.6</td>
<td>223.2</td>
<td>246.5</td>
</tr>
</tbody>
</table>

**Q4/2017 Net Result, Fixed Asset disposals/FX/Other and Total Cash Flow were significantly influenced by the positive effects from the sale of the ALD/CVD product line.**
Market Prospects

Short- to Mid-Term

• Increasing application of compound semi-conductor-based lasers for the 3D sensor systems in mobile end device as well as sensors for infrastructure applications.

• Further increasing use of LEDs and special LEDs (esp. red-orange-yellow, UV or IR) with displays and others applications.

• Further increasing demand for lasers for ultra-fast optical data transmission of large volumes, such as for video streaming and Internet-of-Things (IOT) applications.

• Increasing use of wide-band gap GaN- or SiC-based components for energy-efficient communication and performance control in cars, entertainment electronics and mobile devices.

• Progress in the further development of large-area OLED components that require an efficient deposition technology.

Long-Term

• Development of new applications based on materials with wide-band-gap such as high-frequency chips or system-on-chip architectures with integrated power management.

• Increased use of compound semi-conductor-based sensors for autonomous driving.

• Increased development activities for specialized application of solar cells made of compound semi-conductors.

• Development of new materials with the help of carbon nanostructures (carbon nanotubes, -wires and graphene).

• Development of alternative LED applications, such as visual-light communication technology or micro LED displays.
AIXTRON – Enabling Emerging Global Mega Trends

MOCVD Platform Technology

GaN

GaAs

SiC

Consumer Electronics

Electric Vehicles

Industrial

3D Sensing Lasers

Automotive

Optical Communication

Fine-pitch Display

Infrared LED

MicroLED

UV LED

SSL, LED TV

5G

Mobile communication

Fine-pitch Display
Application: Short Term – Compound Semis in Next-Gen CE

AIXTRON TECHNOLOGIES AND PRODUCTS

AIXTRON Enables GaAs Applications

- RF Switches
- MMIC
- RF Power transistors
- HMIC Pin diode
- 3D gesture sensors
- Iris scan
- Proximity sensor
- Camera autofocus
- Environmental scan
- HDMI interconnects
- Body functions
- Night vision camera
- Displays
- Wireless charger
- Camera Flash
- Pulsed power transistor
- Fast charger
- Wireless PAs
- Noise cancelation
- GaN ICs

AIXTRON Enables GaN Applications

- RF energy solution
- MMIC
- Base station for 5G
- Wireless PAs
- Noise cancelation
- GaN ICs

Potential New Applications

NANO: Innovation Pool

Photronics

Specialty LED

GaN Power

AIXTRON TECHNOLOGIES AND PRODUCTS
AIXTRON TECHNOLOGIES AND PRODUCTS

Application: Mid Term – Compound Semis in Connected E-Vehicles

AIXTRON Enables GaAs Applications

- Vehicle speed sensing (IR)
- Night vision IR
- Adaptive cruise control (IR)
- Emergency break assist (IR)
- Pedestrian detection (IR)

AIXTRON also in...

- OLED
- CNT based LiB
- Night vision IR
- Adaptive cruise control (IR)
- Emergency break assist (IR)
- Pedestrian detection (IR)
- Driver condition monitoring (VCSEL)

AIXTRON Enables SiC Applications

- On board battery charger
- DC/DC conversion
- Main inverter

AIXTRON Enables GaN Applications

- Charging infrastructure
- Interior Lighting LED
- Exterior Lighting LED
- Head up Displays
- 48V system
- Lidar
- Wireless charger
- Headlights
- Infotainment

Potential New Applications

NANO: Innovation Pool
Application: Long Term – Compound Semis in Smart Homes

AIXTRON Enables GaAs Applications
- Night vision IR
- Terrestrial CPV
- 3D gesture sensors
- Motion sensors
- Environmental sensors
- FTTH
- 5G Home Internet
- Smart Lighting LED
- Wireless PAs
- Fast charger
- LiDAR
- AR Gaming
- Med-Tech wearables
- Infotainment
- Wireless charger

AIXTRON Enables SiC Applications
- Charging infrastructure
- Main inverter
- DC/DC conversion

AIXTRON Enables GaN Applications

Potential New Applications

NANO: Innovation Pool
AIXTRON – Instrumental in Evolving Display Technologies

- **1950’s →** CRT
- **2000’s →** Plasma LCD
- **2006 →** LED Backlit Display
- **2010 →** OLED Display
- **Under Development →** MicroLED Display

Specialty LED
### Overview: GaN/SiC as Wide Band Gap (WBG) Power Electronics

<table>
<thead>
<tr>
<th>Power Management</th>
<th>Power Switching</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>30V</strong></td>
<td><strong>1.2 kV</strong></td>
</tr>
<tr>
<td><strong>Volume segment</strong></td>
<td></td>
</tr>
<tr>
<td>• Electronic appliances</td>
<td></td>
</tr>
<tr>
<td>• Computing</td>
<td></td>
</tr>
<tr>
<td>• Wireless charging</td>
<td></td>
</tr>
<tr>
<td>• Power supplies</td>
<td></td>
</tr>
<tr>
<td>• PFC</td>
<td></td>
</tr>
<tr>
<td>• Infotainment</td>
<td></td>
</tr>
<tr>
<td>• GPS</td>
<td></td>
</tr>
<tr>
<td>• Connected car</td>
<td></td>
</tr>
<tr>
<td>• Autonomous driving</td>
<td></td>
</tr>
<tr>
<td>• EMI/EMC</td>
<td></td>
</tr>
<tr>
<td>• Adaptive cruise control</td>
<td></td>
</tr>
<tr>
<td>• General automotive electronic</td>
<td></td>
</tr>
<tr>
<td>• HEV/EV</td>
<td></td>
</tr>
<tr>
<td>• Charging station</td>
<td></td>
</tr>
<tr>
<td>• Inverter / motor drives</td>
<td></td>
</tr>
<tr>
<td>• Converter</td>
<td></td>
</tr>
<tr>
<td>• Radar test applications</td>
<td></td>
</tr>
<tr>
<td>• Power Grid / Smart meter / appliances</td>
<td></td>
</tr>
<tr>
<td>• Solar / Wind inverters</td>
<td></td>
</tr>
<tr>
<td>• Solar / Wind power DC distribution</td>
<td></td>
</tr>
<tr>
<td>• Storage</td>
<td></td>
</tr>
<tr>
<td>• UPS</td>
<td></td>
</tr>
<tr>
<td><strong>Volume segment</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Niche segment</strong></td>
<td></td>
</tr>
<tr>
<td>• UPS</td>
<td></td>
</tr>
<tr>
<td>• Industrial machines</td>
<td></td>
</tr>
<tr>
<td>• Building</td>
<td></td>
</tr>
<tr>
<td>• Mining, oil, gas power generation</td>
<td></td>
</tr>
<tr>
<td>• Shipping/Rail</td>
<td></td>
</tr>
</tbody>
</table>

### Technologies and Products

- **GaN**
- **SiC**

- **GaN**
  - Electronic appliances
  - Computing
  - Wireless charging
  - Power supplies
  - PFC

- **SiC**
  - General automotive electronic
  - HEV/EV
  - Charging station
  - Inverter / motor drives
  - Converter
  - Radar test applications
  - Power Grid / Smart meter / appliances
  - Solar / Wind inverters
  - Solar / Wind power DC distribution
  - Storage
  - UPS
  - UPS
  - Industrial machines
  - Building
  - Mining, oil, gas power generation
  - Shipping/Rail

- **GaN / SiC**
  - Infotainment
  - GPS
  - Connected car
  - Autonomous driving
  - EMI/EMC
  - Adaptive cruise control
  - Power Grid / Smart meter / appliances
  - Solar / Wind inverters
  - Solar / Wind power DC distribution
  - Storage
  - UPS

- **Volume segment**
- **Niche segment**
Devices: GaN/SiC Power Electronics – Superior Performance

- Energy Saving
- Less Heat
- Light Weight
- Lower System Cost

Source: icons from www.flaticon.com
Devices: VCSEL – Internet of Things Creates New Opportunities

3D Sensing Functionality

VCSEL

Sensor/Receiver

Processor

Facial Recognition

Autonomous Driving

Tailor-made clothing/shoes

Interior Design

Mapping

Industry 4.0

Source: icons from www.flaticon.com
Devices: ROY LEDs for RGB Displays; UV LEDs for Niche Markets

ROY LED
- RGB Fine-Pitch Indoor Display (Pixel Pitch ≤2.5mm)
- RGB Stadium Outdoor Display (Pixel Pitch ≥10mm)

UV LED
- Curing
- Water Disinfection
- Air Purifier

Source: LEDinside
Devices: MicroLED – The Perfect Future Display Technology

- **Self-Emissive**
- **Low Power Consumption**
- **Perfect Contrast**
- **High Brightness**
- **Fast Response**

**RGB MicroLED Display**

1

100

**RGB LED Display**

Wearables

AR/VR

Signage

Smartphones/Tablets/TVs

Source: LEDinside
Graphene and Carbon Nanotube Deposition Systems

- Proprietary thermal and plasma enhanced chemical vapor deposition technology
- Excellent uniformity and reproducibility with fast turnaround cycle times
- BM platform: BM R&D (2-inch), BM Pro (4-inch and 6-inch), BM GB (4-inch glovebox), BM HT (high temperature, 1,700°C), BM300T (300mm)
- Graphene and carbon nanotube films for electronics, energy storage, thermal management, sensors and flexible/transparent applications

Product features

- Fast response heater and turnaround
- Thermal CVD
- Substrate and top heating
- Closed loop infrared wafer temperature control
- Plasma enhanced CVD with frequency control
- Flexible processing for different applications
- Low cost of ownership
- Easy maintenance and cleaning
- User management features and growth library

Graphene (2D) and Carbon nanotube (1D)
Unique combination of high electrical/thermal conductivity, mobility, flexibility and transparency

Serving R&D market today
AIXTRON BM Pro

Production ready for tomorrow
AIXTRON BM Pro 300
OLED manufacturing process

**Front-end**
- Array process equipment
  - Cleaning
  - ITO deposition
  - Coating
  - Etching
  - Stripping
  - Test and repair

**Front-end**
- Cell process equipment
  - Cleaning
  - Organic material deposition
  - Cathode deposition
  - Encapsulation (Thin film; TFE)

**Back-end**
- Module process equipment
  - Glass cutting
  - Bonding
  - Aging
  - Final test

Targeted technology

Source: DisplaySearch, AIXTRON
OVPD® enables production of next generation displays

- Higher quality displays
- High material utilization efficiency
- Lower production cost and smaller footprint
- Free scalability

Source: UBI Research, Display Supply Chain

2021e: >US$50 billion
OLED industry’s revenue

>3x growth
## AIXTRON Competitive Landscape

<table>
<thead>
<tr>
<th>Industry</th>
<th>USA</th>
<th>Europe</th>
<th>China</th>
<th>Korea</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opto</strong></td>
<td>GaAs/InP Optoelectronics, ROY LED</td>
<td>Veeco</td>
<td></td>
<td></td>
<td>TAIYO NIPPON SANSO</td>
</tr>
<tr>
<td></td>
<td>GaN LED</td>
<td>Veeco</td>
<td>TOPEC</td>
<td></td>
<td>TAIYO NIPPON SANSO</td>
</tr>
<tr>
<td><strong>Power</strong></td>
<td>GaN Power</td>
<td>Veeco</td>
<td></td>
<td></td>
<td>TAIYO NIPPON SANSO</td>
</tr>
<tr>
<td></td>
<td>SiC Power</td>
<td></td>
<td>LPE</td>
<td></td>
<td>TEL</td>
</tr>
<tr>
<td><strong>OLED</strong></td>
<td></td>
<td>Applied Materials</td>
<td></td>
<td></td>
<td>WONIK</td>
</tr>
</tbody>
</table>
Our technology. YOUR FUTURE.
Compound Semiconductor Market

- driven by telecom/datacom and mobile phone penetration
- driven by mobile phone penetration
- driven by strategic China investments
- driven by LED TV
- driven by notebook backlighting

Overcapacity Absorption, Industry Consolidation

Advanced Optoelectronics incl. Lasers, ROY LEDs driving demand
Annual Equipment Revenues by Application (excl. spares)

* Optoelectronics includes applications in Consumer Optoelectronics, Telecom/Datacom, Solar, etc.
## Consolidated Income Statement*

* Rounded figures; may not add up

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>230.4</td>
<td>196.5</td>
<td>197.8</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>156.4</td>
<td>140.2</td>
<td>147.9</td>
</tr>
<tr>
<td>Gross profit</td>
<td>74.0</td>
<td>56.3</td>
<td>49.8</td>
</tr>
<tr>
<td>%</td>
<td>32</td>
<td>29</td>
<td>25</td>
</tr>
<tr>
<td>Selling expenses</td>
<td>10.2</td>
<td>13.8</td>
<td>11.5</td>
</tr>
<tr>
<td>General &amp; admin expenses</td>
<td>17.1</td>
<td>17.1</td>
<td>16.3</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>68.8</td>
<td>53.9</td>
<td>55.4</td>
</tr>
<tr>
<td>Net other operating income</td>
<td>27.0</td>
<td>7.2</td>
<td>6.7</td>
</tr>
<tr>
<td>EBIT</td>
<td>4.9</td>
<td>-21.4</td>
<td>-26.7</td>
</tr>
<tr>
<td>%</td>
<td>2</td>
<td>-11</td>
<td>-14</td>
</tr>
<tr>
<td>Result before tax</td>
<td>5.5</td>
<td>-21.0</td>
<td>-26.0</td>
</tr>
<tr>
<td>%</td>
<td>2</td>
<td>-11</td>
<td>-13</td>
</tr>
<tr>
<td>Net result</td>
<td>6.5</td>
<td>-24.0</td>
<td>-29.2</td>
</tr>
<tr>
<td>%</td>
<td>3</td>
<td>-12</td>
<td>-15</td>
</tr>
</tbody>
</table>
## Balance Sheet*

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>31/12/17</th>
<th>31/12/16</th>
<th>31/12/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant &amp; equipment</td>
<td>64.3</td>
<td>74.2</td>
<td>81.3</td>
</tr>
<tr>
<td>Goodwill</td>
<td>71.2</td>
<td>74.6</td>
<td>75.9</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>1.8</td>
<td>5.4</td>
<td>6.4</td>
</tr>
<tr>
<td>Others</td>
<td>4.0</td>
<td>2.4</td>
<td>3.9</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td><strong>141.3</strong></td>
<td><strong>156.5</strong></td>
<td><strong>167.6</strong></td>
</tr>
<tr>
<td>Inventories</td>
<td>43.0</td>
<td>54.2</td>
<td>70.8</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>19.3</td>
<td>60.2</td>
<td>26.0</td>
</tr>
<tr>
<td>Others</td>
<td>5.0</td>
<td>5.3</td>
<td>8.2</td>
</tr>
<tr>
<td>Assets classified as held for sale</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Cash &amp; Cash Deposits</td>
<td>246.5</td>
<td>160.1</td>
<td>209.4</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td><strong>313.8</strong></td>
<td><strong>279.7</strong></td>
<td><strong>314.4</strong></td>
</tr>
<tr>
<td><strong>Shareholders' equity</strong></td>
<td><strong>368.9</strong></td>
<td><strong>369.7</strong></td>
<td><strong>396.5</strong></td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td><strong>2.0</strong></td>
<td><strong>4.2</strong></td>
<td><strong>3.6</strong></td>
</tr>
<tr>
<td>Trade payables</td>
<td>14.3</td>
<td>14.6</td>
<td>9.8</td>
</tr>
<tr>
<td>Advance payments from customers</td>
<td>30.3</td>
<td>26.1</td>
<td>24.0</td>
</tr>
<tr>
<td>Others</td>
<td>39.7</td>
<td>21.6</td>
<td>48.0</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td><strong>84.2</strong></td>
<td><strong>62.3</strong></td>
<td><strong>81.8</strong></td>
</tr>
<tr>
<td><strong>Balance Sheet total</strong></td>
<td><strong>455.1</strong></td>
<td><strong>436.2</strong></td>
<td><strong>482.0</strong></td>
</tr>
</tbody>
</table>

* Rounded figures; may not add up
## Consolidated Statement of Cash Flows*

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow from operating activities</td>
<td>70.1</td>
<td>-37.7</td>
<td>-45.7</td>
</tr>
<tr>
<td>Cash Flow from investing activities</td>
<td>40.7</td>
<td>43.4</td>
<td>41.2</td>
</tr>
<tr>
<td>Cash Flow from financing activities</td>
<td>1.2</td>
<td>0.3</td>
<td>-0.1</td>
</tr>
<tr>
<td>Exchange rate changes</td>
<td>-5.5</td>
<td>-2.3</td>
<td>4.3</td>
</tr>
<tr>
<td>Net change in Cash &amp; Cash Equivalents</td>
<td>106.5</td>
<td>3.7</td>
<td>-0.3</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents (beginning of period)</td>
<td>120.0</td>
<td>116.3</td>
<td>116.6</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents (end of period)</td>
<td>226.5</td>
<td>120.0</td>
<td>116.3</td>
</tr>
<tr>
<td>Change in Cash deposits</td>
<td>-19.5</td>
<td>-52.8</td>
<td>-60.5</td>
</tr>
<tr>
<td>Free Cash Flow**</td>
<td>91.4</td>
<td>-42.9</td>
<td>-57.3</td>
</tr>
<tr>
<td>Capex</td>
<td>9.7</td>
<td>5.3</td>
<td>13.3</td>
</tr>
</tbody>
</table>

** Operating CF + Investing CF + Changes in Cash Deposits, adjusted for acquisition effects

* Rounded figures; may not add up
Assuming current structure and based on current order situation, Management expects for 2018:

- Revenues and Total Order Intake between EUR 230 ~ 260 million
- Gross Margin of 35% to 40%
- EBIT in Range of 5% to 10% of Revenues
- Positive Cash Flow from Operations
- Revenues and EBIT expected close to upper end of guidance range

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

• May 16, 2018  2018 Annual General Meeting, Aachen, Germany
• July 26, 2018  H1/2018 Results, Conference Call
• October 30, 2018  Q3/2018 Results, Conference Call
• February 2019  FY/2018 Results, Conference Call
• April 2019  Q1/2019 Results, Conference Call

For further information please contact:

Investor Relations & Corporate Communications
AIXTRON SE  •  Dornkaulstr. 2  •  52134 Herzogenrath, Germany  •  E-Mail: invest@aixtron.com

IR Team Europe
Phone: +49 (2407) 9030-444

IR Contact USA (California) – Andrea Su
Phone: +1 (669) 228-3895

AIXTRON SE
Dornkaulstr. 2
52134 Herzogenrath
Germany
Phone +49 (2407) 9030-0
Fax +49 (2407) 9030-40
E-Mail invest@aixtron.com