

AIXTRON Investor Presentation

5G
Networks

Energy
Storage

Renewable
Energy

**AIXTRON
ENABLES
INNOVATION**

Autonomous
Driving

Internet
of Things

NextGen
Displays

First Nine Months 2018 Results
(October 30, 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.

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[®]

AIXTRON – Q3/2018 Highlights

✓ **Solid Order Intake and Backlog**

- Continued strong demand from Red-Orange-Yellow (ROY) LEDs, Power and Lasers.

✓ **High Gross Margins**

- Better utilization, currency tailwinds

✓ **AIXTRON and IRUJA: Joint Venture in APEVA**

✓ **2018 Guidance: Upper End of Ranges to be Reached**

- Order intake*: Around EUR 290 million (from EUR 260 ~ 290 million)
- Revenues: Around EUR 260 million
- Gross Margin: Around 40%
- EBIT: EUR 35 ~ 40 million (from 10% of Revenues or about EUR 26 million)
- Positive Total Cash Flow for FY2018 (from Positive Operating Cash Flow for FY2018)

* Based on 1.20 USD/EUR Budget Rate;

Technology Portfolio for Complex Material Deposition

OLED: OVPD®/PVPD®



Our technology. Your future.

Carbon – PECVD

NANO: Innovation Pool

LEDs / Optoelectronics



Lasers (VCSEL/EEL)

(e.g. 3D Sensing; Consumer Electronics; Telecom/Datacom)



GaN Power | GaN RF

(e.g. Wireless Charging; 5G, Fast Charging, Power Supply)



Specialty LEDs

(e.g. Fine Pitch-, MiniLED-, MicroLED-Displays; Horticulture; Purification)



SiC Power

(e.g. Electric Vehicles, Charging Stations, Infrastructure)

Power Management

MOCVD Core Technology



Key Financials Q3/2018*

* Rounded figures; may not add up

(€ million)	9M/18	9M/17	+/- %	Q3/18	Q2/18	+/- %
Order intake	230.3	197.9	16	76.0	75.6	1
Order backlog (equipment only)	151.9	99.2	53	151.9	138.3	10
Revenues	180.9	176.3	3	63.4	55.2	15
Gross profit	78.2	53.0	48	27.6	23.8	16
%	43	30	13 pp	44	43	1 pp
EBIT	20.7	-19.5	206	8.7	4.1	112
%	11	-11	22 pp	14	7	7 pp
Net result	27.7	-20.6	234	11.7	3.7	216
%	15	-12	27 pp	18	7	11 pp
Net result per share (EUR)	0.25	-0.18	239	0.11	0.03	267
Operating Cash Flow	5.4	56.5	-90	13.9	12.5	11

Consolidated Income Statement*

* Rounded figures; may not add up

(€ million)	9M/18	9M/17	+/- %	Q3/18	Q2/18	+/- %
Revenues	180.9	176.3	3	63.4	55.2	15
Cost of sales	102.7	123.3	-17	35.8	31.3	14
Gross profit	78.2	53.0	48	27.6	23.8	16
%	43	30	13 pp	44	43	1 pp
Selling expenses	6.7	7.9	-15	2.1	2.3	-8
General & admin expenses	13.3	14.5	-8	4.6	4.4	4
R&D	40.0	52.3	-23	13.1	13.2	-1
Net other operating income	-2.5	-2.2	12	-0.9	-0.3	258
EBIT	20.7	-19.5	206	8.7	4.1	112
%	11	-11	22 pp	14	7	7 pp
Net result	27.7	-20.6	234	11.7	3.7	216
%	15	-12	27 pp	18	7	11 pp

Consolidated Statement of Cash Flows*

* Rounded figures; may not add up

(€ million)	9M/18	9M/17	Q3/18	Q2/18
Net Result	27.7	-20.6	11.7	3.7
Adjust for				
Non Cash Items	-0.1	16.8	-0.1	2.9
Changes in Working Capital	-22.2	60.4	2.3	5.9
Cash Flow from Operating Activities	5.4	56.5	13.9	12.5
Capital Expenditures	-7.1	-8.0	-2.7	-2.9
Fixed Asset disposals/FX/Other	0.6	-4.7	-0.5	1.7
Total Cash Flow	-1.1	43.8	10.7	11.4
Cash & Deposits	245.4	203.9	245.4	234.7

Balance Sheet*

* Rounded figures; may not add up

(€ million)	30/09/18	30/06/18	31/12/17
Property, plant & equipment	63.8	64.4	64.3
Goodwill	71.5	71.6	71.2
Other intangible assets	1.6	1.7	1.8
Others	12.9	9.0	4.0
Non-current assets	149.8	146.7	141.3
Inventories	71.4	60.1	43.0
Trade receivables	35.4	37.7	19.3
Others	7.1	7.4	5.0
Cash & Cash Deposits	245.4	234.7	246.5
Current Assets	359.2	339.9	313.8
Shareholders' equity	399.5	388.0	368.9
Non-current liabilities	1.7	1.5	2.0
Trade payables	17.0	18.9	14.3
Advance payments from customers	63.7	53.2	30.3
Others	27.2	25.0	39.7
Current liabilities	107.9	97.1	84.2
Balance Sheet total	509.0	486.6	455.1

AIXTRON and IRUJA: Joint Venture in APEVA

The AIXTRON logo is rendered in a red, stylized, blocky font with a digital or pixelated appearance.

- **Innovative Organic Vapor Phase Deposition (OVPD) Technology**

- Highly Efficient Deposition of Organic Materials
- Proven Path for Scaling
- Building on AIXTRON Track Record in Thin Film Vapor Phase Deposition



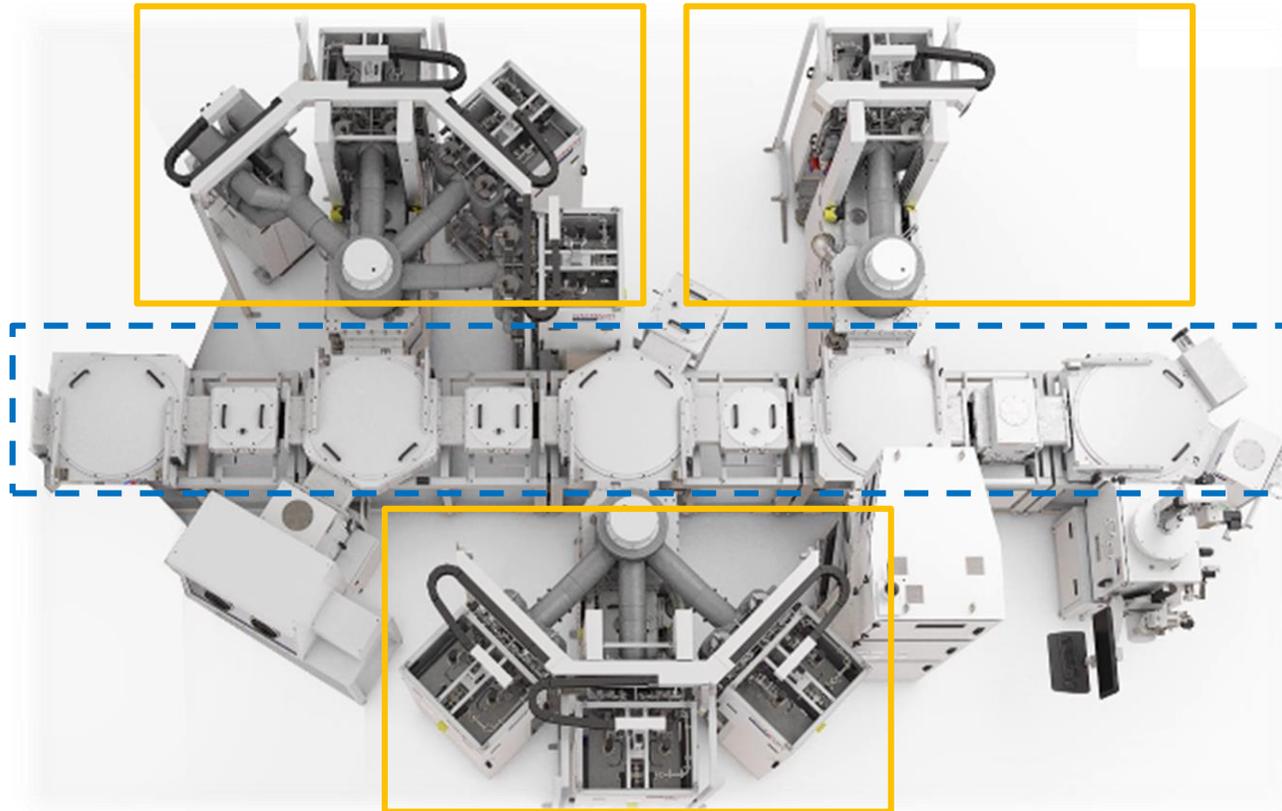
- **Well-Established Automation & Handling Technology**

- Well proven in the Display Industry, Well known for the Outstanding Reliability
- Market Leader in Sputtering Technology for OLED with well established Customer Relationships
- Manufacturing Partner in Korea: High Quality Local Supply Chain and Resources

The APEVA logo consists of a blue square icon with a white diagonal line, followed by the word 'APEVA' in a blue, sans-serif font. A blue bracket above the logo indicates that the two parent companies listed above are the founders of APEVA.

APEVA: A Complete OLED Deposition System Provider

OVPD Deposition Line*



 OVPD Deposition

 Automation & Handling

- Fully Automated OLED Deposition Lines and Fab Integration as a Complete System Provider
- Innovative Deposition Technology with
 - Higher Efficiency of OLED Material Deposition
 - Mixing and Doping of Materials via Multiple Material Deposition in One Chamber
 - Maintaining the Delicate Organic Material Properties improving Lifetime

* Pictures shown are for illustration purpose only

APEVA: Current Status and Future Plans

- ✓ **Closing of the Joint Venture Agreement: Expected During 2018**
- ✓ **IRUJA: Up to 20% Equity Stake in APEVA over the Next Few Years**
- ✓ **APEVA Operations in both Germany and South Korea**
 - Germany: Deposition Technology Development
 - South Korea: Automation & Handling Technology, Manufacturing, Local Support - Close Proximity to Major OLED Customers
- ✓ **APEVA Progress**
 - Gen1-Size Prototype: Operating at Customer Facility for more than a Year
 - Gen2-Size Prototype: Currently being installed in Customer Facility
 - GenX-Size Prototype: Order for Production-Size OLED Deposition Chamber (e.g. Gen6 or larger) expected to be received in 2019, following the Successful Qualification of the Gen2-Size Prototype
 - GenX-Size Full Production Line: Orders expected once the Scaling to GenX is proven to work (2020+)

Summary and Outlook*

- ✓ **Well-Positioned for Compound Semiconductor Growth Markets**
- ✓ **Solid Technology Offering, Best-in-Market Solutions**
- ✓ **APEVA: A Complete OLED Deposition System Provider**
- ✓ **Q4/2018 Revenues > Q3/2018 Revenues**
- ✓ **2018 Guidance: Upper End of Ranges to be Reached**
 - Order Intake*: Around EUR 290 million (from EUR 260 ~ 290 million)
 - Revenues: Around EUR 260 million
 - Gross Margin: Around 40%
 - EBIT: EUR 35 ~ 40 million (from 10% of Revenues or about EUR 26 million)
 - Positive Total Cash Flow for FY2018 (from Positive Operating Cash Flow for FY2018)

* Based on 1.20 USD/EUR Budget Rate

Financial Calendar & Contact Data

- February 26, 2019 FY/2018 Results, Conference Call
- April 30, 2019 Q1/2019 Results, Conference Call
- July 25, 2019 H1/2019 Results, Conference Call
- October 24, 2019 9M/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 – Our technology. Your future.

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

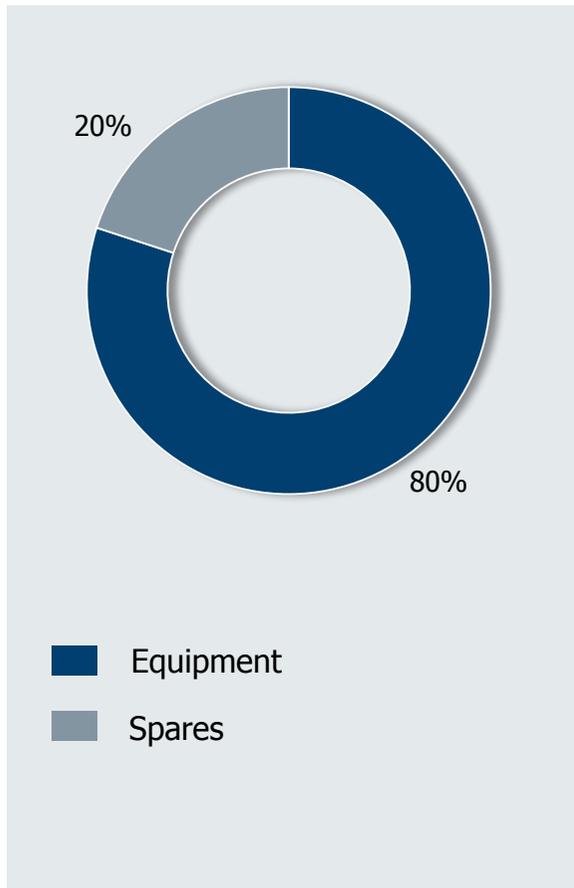


AIXTRON

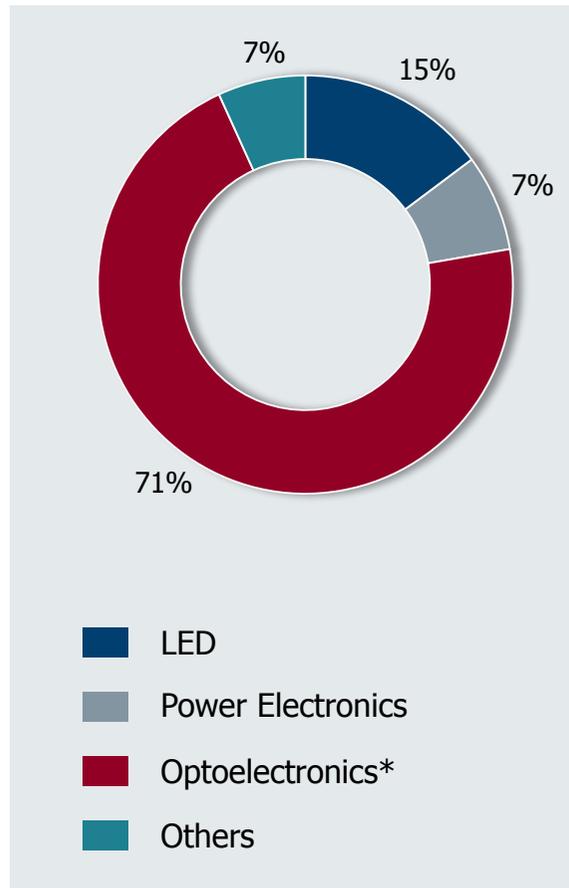
Revenue Analysis*

* Rounded figures; may not add up

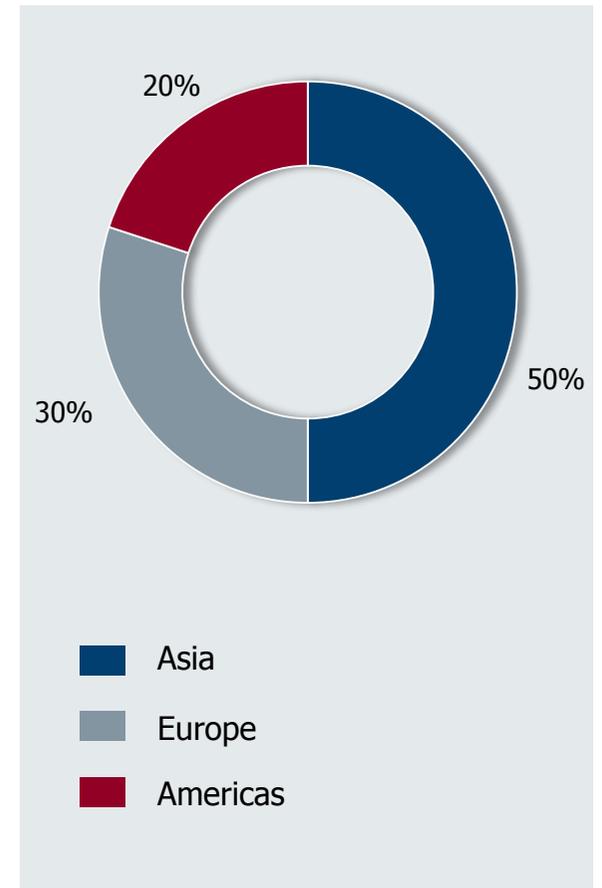
9M/2018:
by equipment & spares



9M/2018:
by end application
(equipment only)



9M/2018:
by region

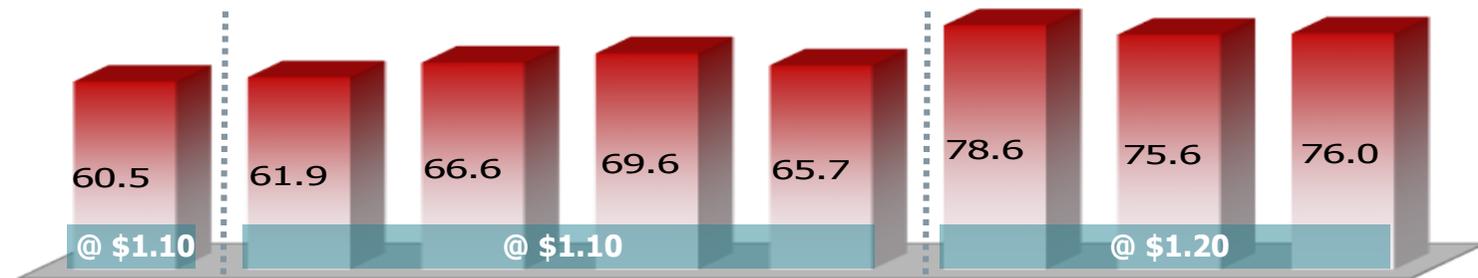


* Optoelectronics includes applications in Consumer Optoelectronics, Telecom/Datacom and Solar

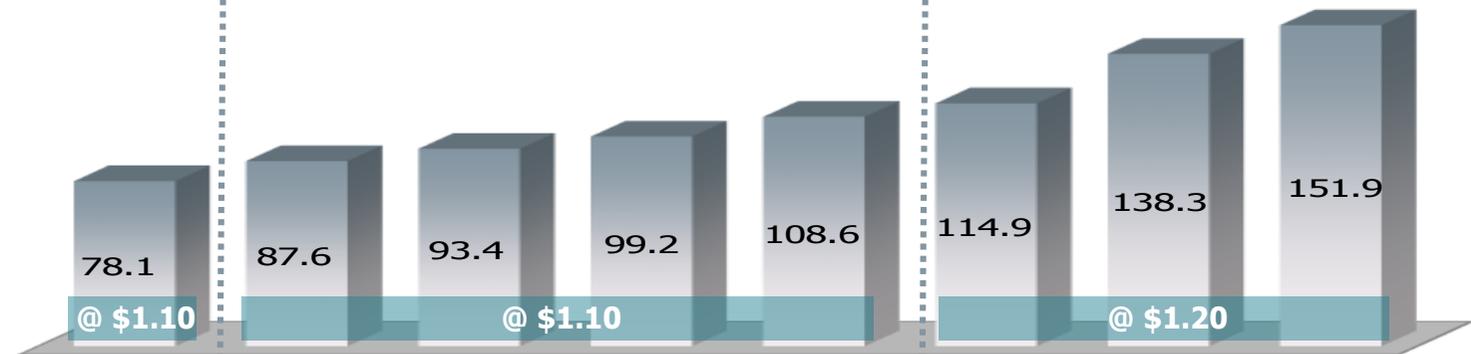
24 - Month Business Development

(€ million)

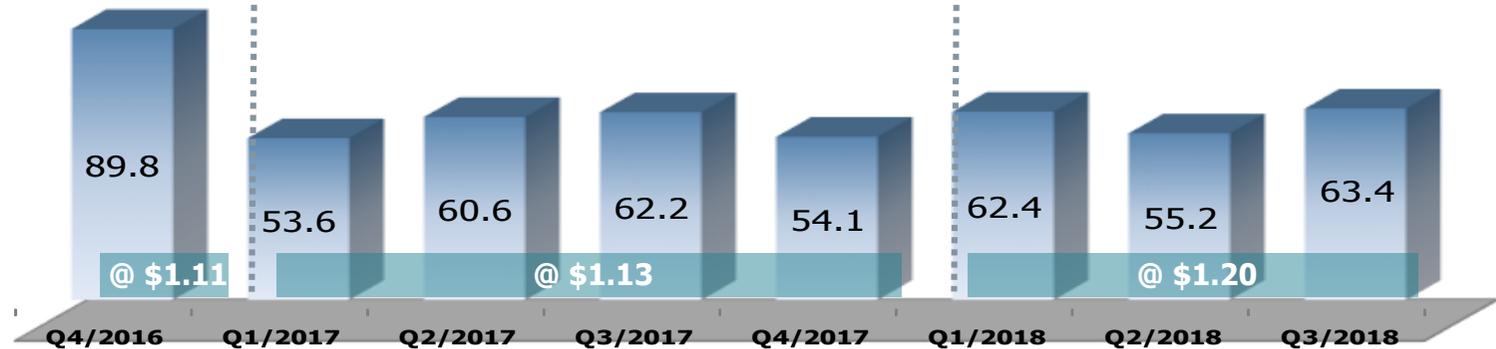
Order Intake
(incl. equipment,
service, spare parts)



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: \$1.20/€)