

Almere, The Netherlands

October 31, 2017

## ASM INTERNATIONAL N.V. REPORTS THIRD QUARTER 2017 RESULTS

ASM International N.V. (Euronext Amsterdam: ASM) today reports its third quarter 2017 operating results (unaudited) in accordance with IFRS.

### FINANCIAL HIGHLIGHTS

EUR million	Quarter		
	Q3 2016	Q2 2017	Q3 2017
New orders	122.6	205.9	160.4
Net sales	144.2	202.0	185.3
Gross profit margin %	44.2%	43.7%	40.0%
Operating result	16.8	37.7	25.7
Result from investments (excluding amortization intangible assets resulting from the sale of the 12% stake of ASMPT)	26.7	30.9	32.1
Amortization intangible assets resulting from the sale of the 12% stake of ASMPT	(6.7)	(7.3)	(5.4)
Net earnings	33.1	132.1	42.2
Normalized net earnings (excluding amortization intangible assets resulting from the sale of the 12% stake of ASMPT and result from sale and dilution of ASMPT stake)	39.8	55.6	47.6

- New orders at €160 million were 22% below the Q2 2017 level and 31% above last year's Q3 level.
- Net sales for the third quarter 2017 were €185 million, a decrease of 8% compared to the previous quarter. Year-on-year net sales increased with 28%.
- Operating result decreased to €26 million. This reduction is mainly related to the newly introduced products which are temporarily impacting the gross margin and had an effect of €9 million in Q3.
- Normalized net earnings for the third quarter 2017 decreased by €8 million compared to the second quarter 2017. The financing result included €8 million negative effects from currencies compared to €11 million negative effects in the second quarter. The result from investments increased with €1 million.

## COMMENT

Commenting on the results, Chuck del Prado, President and Chief Executive Officer of ASM International said: "In Q3, we realized sales of €185 million and an order intake of €160 million, well in line with our guidance. The sales included several deliveries of Intrepid Epitaxy and new PECVD applications. The initial margin on these newly introduced products is relatively low, as earlier indicated, and impacted our gross margin in the quarter with 5 percentage points. We expect our gross margin to normalize again in the course of 2018."

## OUTLOOK

We continue to expect a clear year-on-year improvement in the single wafer ALD market in 2017, with demand in the Logic/Foundry segment remaining healthy and a strong increase in the 3D-NAND segment.

For Q4, on a currency comparable level, we expect sales of €190-210 million and an order intake of €170-190 million.

In 2017, the company benefits from a very strong wafer fab equipment market. For 2018, market watchers currently expect this market to increase with a low to mid single digit percentage. We aim to outgrow the wafer fab equipment market in 2018.

## SHARE BUYBACK PROGRAM

On October 26, 2016, ASMI announced a share buyback program for the repurchase of up to €50 million of the company's common shares within the 2016-2017 time frame. On March 2, 2017, ASMI announced that its Management Board authorized an increase in this program to €100 million. The 2016-2017 program started on December 13, 2016 and was completed on August 31, 2017. Under the 2016-2017 program 1,997,522 shares were repurchased at an average price of €50.06.

On April 24, 2017, ASMI announced a partial sale of its ASMPT stake, whereby ASMI indicated to use the proceeds of approximately €245 million for a new share buyback program. The start of this new program for a total amount of €250 million was announced on September 22, 2017. ASMI has the intention to reduce its capital by withdrawing the repurchased shares after having received the approval from its shareholders. The repurchase program is part of ASMI's commitment to use excess cash for the benefit of its shareholders. On September 30, 2017, 5.0% of the program was completed at an average share price of €52.44.

During the Annual General Meeting of Shareholders of May 22, 2017 the Board was authorized to acquire up to 10% of ASMI shares for a period of 18 months. During the same meeting it was approved to cancel 1.5 million treasury shares. This became effective as of August 1, 2017.

## About ASM International

ASM International NV, headquartered in Almere, the Netherlands, its subsidiaries and participations design and manufacture equipment and materials used to produce semiconductor devices. ASM International, its subsidiaries and participations provide production solutions for wafer processing (Front-end segment) as well as for assembly & packaging and surface mount technology (Back-end segment) through facilities in the United States, Europe, Japan and Asia. ASM International's common stock trades on the Euronext Amsterdam Stock Exchange (symbol ASM). For more information, visit ASMI's website at [www.asm.com](http://www.asm.com).

*Cautionary Note Regarding Forward-Looking Statements: All matters discussed in this press release, except for any historical data, are forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. These include, but are not limited to, economic conditions and trends in the semiconductor industry generally and the timing of the industry cycles specifically, currency fluctuations, corporate transactions, financing and liquidity matters, the success of restructurings, the timing of significant orders, market acceptance of new products, competitive factors, litigation involving intellectual property, shareholders or other issues, commercial and economic disruption due to natural disasters, terrorist activity, armed conflict or political instability, epidemics and other risks indicated in the Company's reports and financial statements. The Company assumes no obligation nor intends to update or revise any forward-looking statements to reflect future developments or circumstances.*

ASM International will host an investor conference call and web cast on Wednesday, November 1, 2017 at 15:00 Continental European Time (10:00 a.m. - US Eastern Time).

The teleconference dial-in numbers are as follows:

- United States: +1 646 254 3360
- International: +44 (0)20 3427 1918
- The Netherlands: +31 (0)20 716 8257
- Access Code: 7553803

A simultaneous audio webcast and replay will be accessible at [www.asm.com](http://www.asm.com).

## CONTACT

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# ANNEX 1

## OPERATING AND FINANCIAL REVIEW THIRD QUARTER 2017

The following table shows the operating performance for the third quarter of 2017 as compared to the second quarter of 2017 and the third quarter of 2016:

EUR million (except per share data)	Q3 2016 <i>unaudited</i>	Q2 2017 <i>unaudited</i>	Q3 2017 <i>unaudited</i>	Change Q2 2017 to Q3 2017	Change Q3 2016 to Q3 2017
New orders	122.6	205.9	160.4	(22)%	31 %
Backlog	154.4	209.6	179.8	(14)%	16 %
Book-to-bill	0.9	1.0	0.9		
Net sales	144.2	202.0	185.3	(8)%	28 %
Gross profit	63.7	88.2	74.1	(16)%	16 %
Gross profit margin %	44.2%	43.7%	40.0%		
Selling, general and administrative expenses	(21.4)	(25.2)	(25.9)	3 %	21 %
Research and development expenses	(24.2)	(25.1)	(22.5)	(10)%	(7)%
Restructuring expenses	(1.3)	(0.2)	—	n/a	n/a
Operating result	16.8	37.7	25.7	(12.0)	8.9
Operating margin %	11.7%	18.7%	13.9%		
Financing costs	(3.1)	(10.6)	(7.7)	2.9	(4.6)
Income tax	(0.7)	(2.4)	(2.5)	(0.1)	(1.9)
Result from investments (excluding amortization intangible assets resulting from the sale of the 12% stake of ASMPT)	26.7	30.9	32.1	1.1	5.4
Amortization intangible assets resulting from the sale of the 12% stake of ASMPT	(6.7)	(7.3)	(5.4)	2.0	1.3
Result from 5% sale and dilution of ASMPT stake	—	83.8	—	(83.8)	—
Net earnings	33.1	132.1	42.2	(89.9)	9.2
Normalized net earnings (excluding amortization intangible assets resulting from the sale of the 12% stake of ASMPT and result from sale and dilution of ASMPT stake)	39.8	55.6	47.6	(8.1)	7.8
Net earnings per share, diluted	0.54	2.20	0.71	(1.49)	0.17
Normalized net earnings per share, diluted	0.65	0.93	0.80	(0.13)	0.15

## Results

The backlog decreased from €210 million at the end of the second quarter 2017 to €180 million as per September 30, 2017. The decrease includes an unfavorable €5 million exchange rate movement. The book-to-bill ratio for Q3 was 0.9. In terms of customer segments, new orders in the third quarter were led by memory, followed by foundry and then logic.

The following table shows the level of new orders for the third quarter of 2017 and the backlog at the end of the third quarter of 2017, compared to the previous quarter and the comparable quarter previous year:

EUR million	Q3 2016	Q2 2017	Q3 2017	Change Q2 2017 to Q3 2017	Change Q3 2016 to Q3 2017
Backlog at the beginning of the quarter	175.4	218.3	209.6	(4)%	19%
New orders for the quarter	122.6	205.9	160.4	(22)%	31%
Net sales for the quarter	(144.2)	(202.0)	(185.3)	(8)%	28%
FX-effect for the quarter	0.6	(12.5)	(4.9)		
Backlog at the end of the quarter	<b>154.4</b>	<b>209.6</b>	<b>179.8</b>	<b>(14)%</b>	<b>16%</b>
Book-to-bill ratio (new orders divided by net sales)	0.9	1.0	0.9		

**Net sales** for the third quarter 2017 decreased with 8% compared to the previous quarter and increased by 28% year-on-year. Net sales in the third quarter were led by foundry followed by memory. The impact of currency changes was a decrease of 5% as well quarter to quarter as year-on-year.

**The gross profit margin** decreased from 43.7% in Q2 to 40.0% in Q3. For Q3 2016 gross profit margin was 44.2%. The gross profit margin was impacted by new product introductions and related initial costs in the third quarter, reducing the gross profit margin with 5pp%. The impact of currency changes on gross profit was a decrease of 5% quarter to quarter and a decrease of 6% year-on-year.

**Selling, general and administrative expenses** increased by 3% compared to the previous quarter. As a percentage of sales SG&A expenses were 14% (Q2 2017: 12%, Q3 2016: 15%). The impact of currency changes on SG&A expenses was a decrease of 3% as well quarter to quarter as year-on-year.

**Research and development expenses** decreased with 10% compared to the previous quarter.

EUR million	Q3 2016	Q2 2017	Q3 2017	Change Q2 2017 to Q3 2017	Change Q3 2016 to Q3 2017
R&D expenditure	(26.7)	(29.1)	(27.6)	(5)%	3 %
Capitalized development expenditure	6.8	8.8	8.4	(4)%	25 %
Amortization capitalized development expenditure	(4.3)	(3.5)	(3.3)	(4)%	(22)%
Impairment	—	(1.4)	—	n/a	n/a
R&D expenses	<b>(24.2)</b>	<b>(25.1)</b>	<b>(22.5)</b>	<b>(10)%</b>	<b>(7)%</b>

As a percentage of sales R&D expenses were 12%, unchanged compared to the previous quarter. For the third quarter of 2016 this was 17%. The impact of currency changes on R&D expenses was a decrease of 4% quarter to quarter and a decrease of 5% year-on-year.

**Financing costs** are mainly related to translation results. The Q3 2017 results included a translation loss of €8 million compared to a loss of €11 million included in the Q2 2017 results and a loss of €3 million included in the Q3 2016 results. The translation results are mainly related to movements in the US dollar in the respective periods. A substantial part of ASMI's cash position is denominated in US dollar.

**Income tax** in the third quarter amounted to an expense of € 2.5 million. Income tax in the previous quarter amounted to an expense of €2.4 million.

**Result from investments** includes our approximate 34% share in net earnings of ASMPT. In Q3 ASMPT showed a sales increase of 16% compared to the previous quarter, from HK\$4,424 million to HK\$5,110 million. Sales were 22% above the level of Q3, 2016, of HK\$4,196 million. ASMPT's net earnings excluding one-offs, on a 100% basis, improved with 7% to €95 million compared to the previous quarter. Q3 last year, also on a 100% basis, showed net earnings, excluding one-offs, of €67 million.

Amortization intangible assets resulting from the sale of the 12% stake of ASMPT amounted to €5 million in Q3. For the full year 2017, on a currency comparable basis, this amortization is expected to amount to €24 million.

## Cash flow, balance sheet, liquidity and capital resources

*Cash flow.* The following table shows the cash flow statement on a comparable basis.

EUR million	Q3 2016 <i>unaudited</i>	Q2 2017 <i>unaudited</i>	Q3 2017 <i>unaudited</i>
Net earnings	33.1	132.1	42.2
Adjustments to cash from operating activities			
Depreciation, amortization and impairments	12.8	13.6	11.3
Income tax	0.7	2.4	2.5
Result from investments	(20.0)	(107.4)	(26.7)
Other adjustments	5.3	(3.4)	0.8
Changes in other assets and liabilities			
Accounts receivable	5.8	(53.6)	15.6
Inventories	(13.0)	(18.4)	(2.2)
Accounts payable	3.9	14.0	(10.5)
Other assets and liabilities	5.8	6.6	5.4
Income tax paid	(3.0)	(0.1)	(2.1)
<b>Net cash from operating activities</b>	<b>31.2</b>	<b>(14.2)</b>	<b>36.2</b>
Capital expenditures	(12.2)	(17.0)	(8.5)
Capitalized development expenditure	(6.8)	(8.8)	(8.4)
Dividend received from associates	14.8	18.1	18.3
Proceeds of disposal of ASMPT stake	—	245.6	—
Other	(1.9)	(0.7)	(0.7)
<b>Net cash from investing activities</b>	<b>(6.0)</b>	<b>237.2</b>	<b>0.7</b>
Share buy back	(26.9)	(40.0)	(32.5)
Shares issued	1.0	3.3	0.3
Dividends to common shareholders ASMI	(5.5)	(41.5)	—
Debt issuance fees paid	—	—	—
<b>Net cash from financing activities</b>	<b>(31.4)</b>	<b>(78.2)</b>	<b>(32.2)</b>
<b>Net cash (used) provided</b>	<b>(6.2)</b>	<b>144.8</b>	<b>4.7</b>

## Balance sheet

EUR million	December 31, 2016	September 30, 2017 <i>unaudited</i>
Property, plant and equipment	95.0	101.4
Goodwill	11.3	11.3
Capitalized development costs	88.2	92.2
Other intangible assets	12.0	13.5
Investments in associates	1,235.7	1,004.7
Other non-current assets	55.3	49.5
<b>Total non-current assets</b>	<b>1,497.5</b>	<b>1,272.5</b>
Inventories	112.3	150.2
Accounts receivable	137.0	128.6
Other current assets	23.2	21.2
Cash and cash equivalents	378.2	525.3
<b>Total current assets</b>	<b>650.7</b>	<b>825.3</b>
<b>Total assets</b>	<b>2,148.3</b>	<b>2,097.7</b>
<b>Equity</b>	<b>2,015.9</b>	<b>1,944.7</b>
Pension liabilities	1.4	1.1
Deferred tax liabilities	13.1	13.1
<b>Total non-current liabilities</b>	<b>14.5</b>	<b>14.1</b>
Accounts payable	60.9	72.2
Other current liabilities	57.0	66.7
<b>Total current liabilities</b>	<b>117.9</b>	<b>138.9</b>
<b>Total liabilities and equity</b>	<b>2,148.3</b>	<b>2,097.7</b>

*Net working capital*, consisting of accounts receivable, inventories, other current assets, accounts payable, accrued expenses, advance payments from customers and deferred revenue, decreased to €163 million compared to €176 million per June 30, 2017 (€127 million per September 30, 2016). The number of outstanding days of working capital, measured against quarterly sales, increased to 79 days on September 30, 2017 from 78 days on June 30, 2017 (79 days on September 30, 2016).

*Sources of liquidity*. As per September 30, 2017, the Company's principal sources of liquidity consisted of €525 million in cash and cash equivalents and €150 million in undrawn bank lines.

## OPERATING AND FINANCIAL REVIEW

### NINE MONTHS ENDED SEPTEMBER 30, 2017

The following table shows the operating performance for the nine months ended September 30, 2017 as compared to the same period of the previous year:

EUR million (except per share data)	Nine months ended September 30,		
	2016	2017	Change
	<i>unaudited</i>	<i>unaudited</i>	
New orders	445.4	570.4	28%
Backlog	154.4	179.8	16%
Book-to-bill	1.0	1.1	
Net sales	425.4	531.8	25%
Gross profit	187.0	225.2	20%
Gross profit margin %	44.0%	42.3%	
Selling, general and administrative expenses	(64.8)	(74.1)	14%
Research and development expenses	(67.1)	(72.1)	7%
Restructuring expenses	(2.8)	(0.7)	n/a
Operating result	52.3	78.3	26.0
Operating margin %	12.3%	14.7%	
Financing costs	(4.3)	(25.6)	(21.3)
Income tax	(3.1)	(6.3)	(3.1)
Result from investments (excluding amortization intangible assets resulting from the sale of the 12% stake of ASMPT)	49.3	98.4	49.1
Amortization intangible assets resulting from the sale of the 12% stake of ASMPT	(20.2)	(18.4)	1.8
Result from sale and dilution of ASMPT stake	—	83.8	83.8
Net earnings	74.0	210.2	136.2
Normalized net earnings (excluding amortization intangible assets resulting from the sale of the 12% stake of ASMPT and result from sale and dilution of ASMPT stake)	94.2	144.9	50.7
Net earnings per share, diluted	1.20	3.55	2.35
Normalized net earnings per share, diluted	1.42	2.44	1.02

## Results

The backlog increased with 15% compared to December 31 last year. The book-to-bill ratio was 1.1.

The following table shows the level of new orders for the nine months ended September 30, 2017 and the backlog as per September 30, 2017 compared to the comparable period of 2016:

EUR million	Nine months ended September 30,		
	2016	2017	% Change
Backlog at the beginning of the year	127.8	156.7	23%
New orders	445.4	570.4	28%
Net sales	(425.4)	(531.8)	25%
FX-effect	6.5	(15.5)	
Backlog as per reporting date	<b>154.4</b>	<b>179.8</b>	<b>16%</b>
Book-to-bill ratio (new orders divided by net sales)	1.0	1.1	

**Net sales** for the nine months ended September 30, 2017 increased with 25% year-on-year. The impact of currency changes was 0% year-on-year.

**The gross profit margin** decreased from 44.0 in 2016 to 42.3% in 2017, mainly due to the introduction of new products. The impact of currency changes was 0% year-on-year.

**Selling, general and administrative expenses** increased with 14% compared to the previous year. As a percentage of sales SG&A expenses were 14% compared to 15% for the same period previous year. The impact of currency changes was 0% year-on-year.

### Research and development expenses

EUR million	Nine months ended September 30,		
	2016	2017	% Change
R&D expenditure	(75.1)	(84.3)	12 %
Capitalized development expenditure	20.6	24.0	17 %
Amortization capitalized development expenditure	(12.6)	(10.4)	(17)%
Impairment	—	(1.4)	n/a
R&D expenses	<b>(67.1)</b>	<b>(72.1)</b>	<b>7 %</b>

Research and development expenses increased with 7% compared to the comparable period previous year, driven by additional investments to fulfill customer requirements. As a percentage of sales R&D expenses were 14%, compared to 16% for the previous year. The impact of currency changes was 0% year-on-year.

## ANNEX 2

### ASM INTERNATIONAL N.V. CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

EUR thousand, except per share data	Three months ended September 30,		Nine months ended September 30,	
	2016 <i>(unaudited)</i>	2017 <i>(unaudited)</i>	2016 <i>(unaudited)</i>	2017 <i>(unaudited)</i>
Net sales	<b>144,210</b>	<b>185,285</b>	<b>425,370</b>	<b>531,799</b>
Cost of sales	(80,466)	(111,190)	(238,354)	(306,629)
Gross profit	<b>63,744</b>	<b>74,096</b>	<b>187,016</b>	<b>225,170</b>
Operating expenses:				
Selling, general and administrative	(21,372)	(25,921)	(64,849)	(74,125)
Research and development	(24,241)	(22,481)	(67,111)	(72,101)
Restructuring expenses	(1,303)	1	(2,755)	(690)
Total operating expenses	(46,916)	(48,401)	(134,715)	(146,916)
Operating result	<b>16,828</b>	<b>25,695</b>	<b>52,301</b>	<b>78,254</b>
Net interest income (expense)	(129)	(165)	1,851	(133)
Foreign currency exchange gains (losses)	(2,941)	(7,504)	(6,140)	(25,461)
Result from investments	19,951	26,721	29,095	163,791
Earnings before income taxes	<b>33,709</b>	<b>44,747</b>	<b>77,108</b>	<b>216,451</b>
Income tax	(651)	(2,536)	(3,116)	(6,255)
Net earnings	<b>33,058</b>	<b>42,211</b>	<b>73,992</b>	<b>210,196</b>
Per share data:				
Basic net earnings	0.55	0.72	1.22	3.59
Diluted net earnings (1)	0.54	0.71	1.20	3.55
Weighted average number of shares used in computing per share amounts (in thousand):				
Basic	60,277	58,580	60,861	58,580
Diluted (1)	60,905	59,296	61,514	59,291
Outstanding shares:	60,023	58,373	60,023	58,373
Treasury shares:	3,774	3,924	3,774	3,924

(1) The calculation of diluted net earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in earnings of the Company. Only instruments that have a dilutive effect on net earnings are included in the calculation. The calculation is done for each reporting period individually. The possible increase of common shares caused by employee stock options and restricted shares for the three months ended September 30, 2017 is 716,119 common shares, and for the nine months ended September 30, 2017 the possible increase is 710,927 common shares. Adjustments have been reflected in the diluted weighted average number of shares and net earnings per share for this period.

*Amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.*

**ASM INTERNATIONAL N.V.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

EUR thousand	December 31, 2016	September 30, 2017 <i>(unaudited)</i>
<b>Assets</b>		
Property, plant and equipment	95,004	101,354
Goodwill	11,270	11,270
Other intangible assets	100,179	105,608
Investments in associates	1,235,738	1,004,736
Deferred tax assets	13,919	12,123
Other non-current assets	4,824	4,768
Evaluation tools at customers	36,594	32,611
<b>Total non-current assets</b>	<b>1,497,528</b>	<b>1,272,470</b>
Inventories	112,339	150,208
Accounts receivable	137,020	128,573
Income taxes receivable	370	908
Other current assets	22,849	20,324
Cash and cash equivalents	378,157	525,266
<b>Total current assets</b>	<b>650,735</b>	<b>825,279</b>
<b>Total Assets</b>	<b>2,148,263</b>	<b>2,097,749</b>
<b>Equity and liabilities</b>		
<b>Equity</b>	<b>2,015,856</b>	<b>1,944,693</b>
Pension liabilities	1,418	1,084
Deferred tax liabilities	13,118	13,053
<b>Total non-current liabilities</b>	<b>14,536</b>	<b>14,137</b>
Accounts payable	60,910	72,182
Provision for warranty	5,800	6,170
Income taxes payable	2,467	3,631
Accrued expenses and other payables	48,694	56,936
<b>Total current liabilities</b>	<b>117,871</b>	<b>138,919</b>
<b>Total Liabilities</b>	<b>132,407</b>	<b>153,056</b>
<b>Total Equity and Liabilities</b>	<b>2,148,263</b>	<b>2,097,749</b>

*Amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.*

**ASM INTERNATIONAL N.V.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

EUR thousand	Three months ended September 30,		Nine months ended September 30,	
	2016 (unaudited)	2017 (unaudited)	2016 (unaudited)	2017 (unaudited)
<b>Cash flows from operating activities:</b>				
Net earnings	33,058	42,211	73,992	210,196
Adjustments to reconcile net earnings to net cash from operating activities:				
Depreciation, amortization and impairments	12,768	11,267	36,545	36,794
Income tax	651	2,536	3,116	6,255
Result from investments	(19,951)	(26,721)	(29,095)	(163,791)
Other adjustments	5,255	768	9,704	(1,534)
<b>Changes in other assets and liabilities:</b>				
Accounts receivable	5,752	15,551	(11,885)	(2,049)
Inventories	(13,018)	(2,221)	(13,248)	(53,696)
Accounts payable	3,888	(10,461)	1,101	16,067
Other assets and liabilities	5,796	5,402	(675)	10,386
Income tax paid	(3,017)	(2,125)	(7,070)	(3,213)
<b>Net cash from operating activities</b>	<b>31,181</b>	<b>36,207</b>	<b>62,484</b>	<b>55,415</b>
<b>Cash flows from investing activities:</b>				
Capital expenditures	(12,209)	(8,500)	(26,026)	(31,844)
Capitalized development expenditure	(6,755)	(8,427)	(20,554)	(23,963)
Purchase of intangible assets	(1,913)	(677)	(5,646)	(2,180)
Dividend received from associates	14,848	18,341	22,083	36,458
Proceeds of disposal of ASMPT stake	—	—	—	245,565
<b>Net cash from investing activities</b>	<b>(6,029)</b>	<b>737</b>	<b>(30,144)</b>	<b>224,036</b>
<b>Cash flows from financing activities:</b>				
Purchase of treasury shares ASMI	(26,904)	(32,507)	(83,861)	(102,951)
Proceeds from issuance shares and exercise of stock options	1,034	312	12,003	10,493
Dividends to common shareholders ASMI	(5,486)	—	(42,673)	(41,470)
Debt issuance fees paid	—	—	—	(133)
<b>Net cash from financing activities</b>	<b>(31,356)</b>	<b>(32,195)</b>	<b>(114,531)</b>	<b>(134,061)</b>
Exchange rate effects	(909)	(2,266)	(1,721)	1,719
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(7,113)</b>	<b>2,483</b>	<b>(83,912)</b>	<b>147,109</b>
Cash and cash equivalents at beginning of period	370,116	522,782	446,915	378,157
<b>Cash and cash equivalents at end of period</b>	<b>363,003</b>	<b>525,266</b>	<b>363,003</b>	<b>525,266</b>

*Amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.*

**ASM INTERNATIONAL N.V.**  
**DISCLOSURE ABOUT SEGMENTS AND RELATED INFORMATION (1/2)**

The Company organizes its activities in two operating segments, Front-end and Back-end.

The Front-end segment manufactures and sells equipment used in wafer processing, encompassing the fabrication steps in which silicon wafers are layered with semiconductor devices. The segment is a product driven organizational unit comprised of manufacturing, service, and sales operations in Europe, the United States, Japan, Korea, Singapore and other countries in Asia.

The Back-end segment manufactures and sells equipment and materials used in assembly and packaging, encompassing the processes in which silicon wafers are separated into individual circuits and subsequently assembled, packaged and tested. The segment is organized in ASM Pacific Technology Ltd, in which the Company held a majority interest until March 15, 2013. As per March 15, 2013 the Company held approximately 40.08% share in ASMPT. Per the same date control on ASMPT ceased and the numbers are deconsolidated. The remaining shares are listed on the Stock Exchange of Hong Kong. The segment's main operations are located in Hong Kong, Singapore, the People's Republic of China, Malaysia and Germany. As per September 30, 2017 the interest in ASMPT amounts to 34.29%.

EUR thousand	Three months ended September 30, 2016		
	Front-end ( <i>unaudited</i> )	Back-end ( <i>unaudited</i> )	Total ( <i>unaudited</i> )
Net sales	144,210	—	144,210
Gross profit	63,744	—	63,744
Operating result	16,828	—	16,828
Net interest income	(129)	—	(129)
Foreign currency exchange losses	(2,941)	—	(2,941)
Result from investments	—	19,951	19,951
Income tax	(651)	—	(651)
Net earnings	13,107	19,951	33,058
Net cash from operating activities	31,181	—	31,181
Net cash from investing activities	(20,877)	14,848	(6,029)
Net cash from financing activities	(31,356)	—	(31,356)
	Three months ended September 30, 2017		
	Front-end ( <i>unaudited</i> )	Back-end ( <i>unaudited</i> )	Total ( <i>unaudited</i> )
Net sales	185,285	—	185,285
Gross profit	74,096	—	74,096
Operating result	25,695	—	25,695
Net interest income	(165)	—	(165)
Foreign currency exchange losses	(7,504)	—	(7,504)
Result from investments	—	26,721	26,721
Income tax	(2,536)	—	(2,536)
Net earnings	15,490	26,721	42,211
Net cash from operating activities	36,207	—	36,207
Net cash from investing activities	(17,604)	18,341	737
Net cash from financing activities	(32,195)	—	(32,195)

*Amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.*

**ASM INTERNATIONAL N.V.**  
**DISCLOSURE ABOUT SEGMENTS AND RELATED INFORMATION (2/2)**

EUR thousand	Nine months ended September 30, 2016		
	Front-end ( <i>unaudited</i> )	Back-end ( <i>unaudited</i> )	Total ( <i>unaudited</i> )
Net sales	425,370	—	425,370
Gross profit	187,016	—	187,016
Operating result	52,301	—	52,301
Net interest income	1,851	—	1,851
Foreign currency exchange losses	(6,140)	—	(6,140)
Result from investments	—	29,095	29,095
Income tax	(3,116)	—	(3,116)
Net earnings	44,897	29,095	73,992
Net cash from operating activities	62,484	—	62,484
Net cash from investing activities	(52,227)	22,083	(30,144)
Net cash from financing activities	(114,531)	—	(114,531)
Cash and cash equivalents	363,003	—	363,003
Goodwill	11,270	—	11,270
Other intangible assets	97,855	—	97,855
Investments in associates	—	1,168,307	1,168,307
Other identifiable assets	394,423	—	394,423
Total assets	866,551	1,168,307	2,034,858
Headcount <sup>1</sup>	1,656	—	1,656
	Nine months ended September 30, 2017		
EUR thousand	Front-end ( <i>unaudited</i> )	Back-end ( <i>unaudited</i> )	Total ( <i>unaudited</i> )
Net sales	531,799	—	531,799
Gross profit	225,170	—	225,170
Operating result	78,254	—	78,254
Net interest income	(133)	—	(133)
Foreign currency exchange losses	(25,461)	—	(25,461)
Result from investments	—	163,791	163,791
Income tax	(6,255)	—	(6,255)
Net earnings	46,405	163,791	210,196
Net cash from operating activities	55,415	—	55,415
Net cash from investing activities	187,578	36,458	224,036
Net cash from financing activities	(134,061)	—	(134,061)
Cash and cash equivalents	525,266	—	525,266
Goodwill	11,270	—	11,270
Other intangible assets	105,608	—	105,608
Investments in associates	—	1,004,736	1,004,736
Other identifiable assets	450,869	—	450,869
Total assets	1,093,013	1,004,736	2,097,749
Headcount <sup>1</sup>	1,808	—	1,808

<sup>1)</sup> Headcount includes those employees with a fixed contract and is exclusive of temporary workers.

*Amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.*

**ASM INTERNATIONAL N.V.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**Basis of Presentation**

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union.

Amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.

**Principles of Consolidation**

The Consolidated Financial Statements include the accounts of ASMI and its subsidiaries, where ASMI holds a controlling interest. All unrealized intercompany profits, transactions and balances have been eliminated in consolidation. Associates are investments in entities in which ASMI can exert significant influence but which ASMI does not control, generally by ASMI having between 20% and 50% of the voting rights. These entities are accounted for using the equity method.

**Change in accounting policies**

No significant changes in accounting policies incurred during the third quarter of 2017.