



INVESTOR PRESENTATION Q2-2016 RESULTS

JULY 28, 2016

Safe Harbor Statement

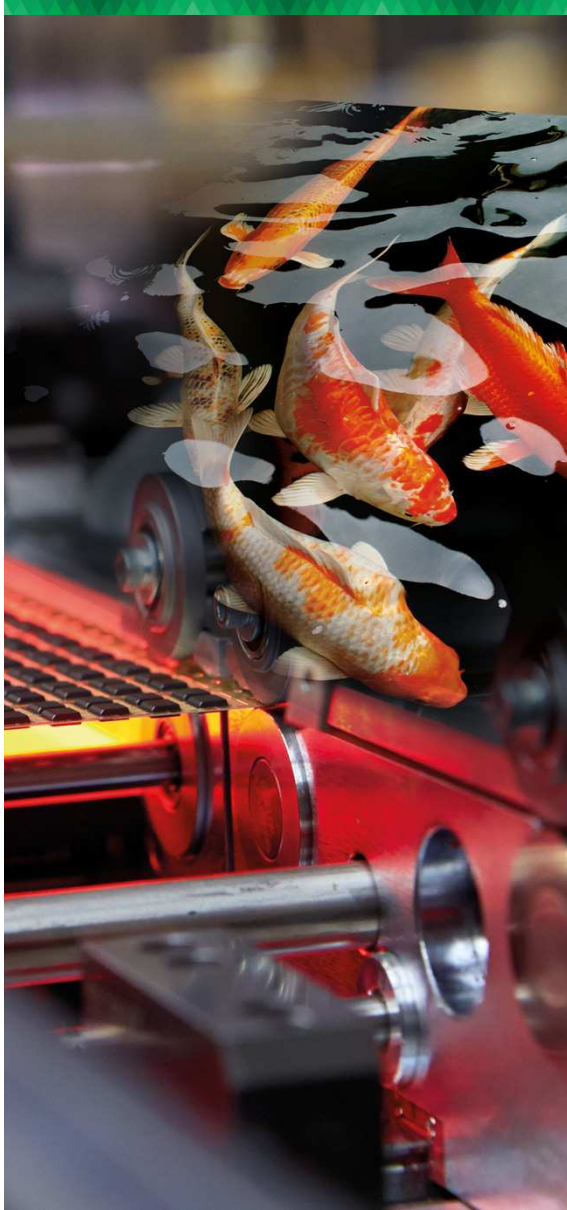


This presentation contains statements about management's future expectations, plans and prospects of our business that constitute forward-looking statements, which are found in various places throughout the press release, including, but not limited to, statements relating to expectations of orders, net sales, product shipments, backlog, expenses, timing of purchases of assembly equipment by customers, gross margins, operating results and capital expenditures. The use of words such as “anticipate”, “estimate”, “expect”, “can”, “intend”, “believes”, “may”, “plan”, “predict”, “project”, “forecast”, “will”, “would”, and similar expressions are intended to identify forward looking statements, although not all forward looking statements contain these identifying words. The financial guidance set forth under the heading “Outlook” contains such forward looking statements. While these forward looking statements represent our judgments and expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from those contained in forward looking statements, including any inability to maintain continued demand for our products; failure of anticipated orders to materialize or postponement or cancellation of orders, generally without charges; the volatility in the demand for semiconductors and our products and services; failure to adequately decrease costs and expenses as revenues decline; loss of significant customers; lengthening of the sales cycle; acts of terrorism and violence; inability to forecast demand and inventory levels for our products; the integrity of product pricing and protection of our intellectual property in foreign jurisdictions; risks, such as changes in trade regulations, currency fluctuations, political instability and war, associated with substantial foreign customers, suppliers and foreign manufacturing operations; potential instability in foreign capital markets; the risk of failure to successfully manage our diverse operations; those additional risk factors set forth in Besic's annual report for the year ended December 31, 2015; any inability to attract and retain skilled personnel; and other key factors that could adversely affect our businesses and financial performance contained in our filings and reports, including our statutory consolidated statements. We expressly disclaim any obligation to update or alter our forward-looking statements whether as a result of new information, future events or otherwise.

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I. KEY HIGHLIGHTS

Key Financial Highlights



Besi Reports Q2-16 Revenue of € 109.0 Million, Up 38% vs. Q1-16 and Net Income of € 24.0 Million, Up 200% vs. Prior Quarter. Results Exceed Expectations

Q2-16

Revenue

- **€ 109.0 million**
- +38.0% vs. Q1-16
- +4.5% vs. Q2-15

Orders

- **€ 100.5 million**
- -3.3% vs. Q1-16
- +9.4% vs. Q2-15

Net Income

- **€ 24.0 million:**
- +200.0% vs. Q1-16
- +54.8% vs. Q2-15

Liquidity

- Net cash of € 110.7 million
- -€ 37.7 million vs. Q1-16 (€ 45.4 million cash dividend payment)

H1-16

Revenue

- **€ 188.0 million**
- -5.6% vs. 2015

Orders

- **€ 204.4 million**
- +4.2% vs. 2015

Net Income

- **€ 32.0 million**
- -3.0% vs. 2015
- +7.8% (as adjusted) vs. € 29.5 million H1-15

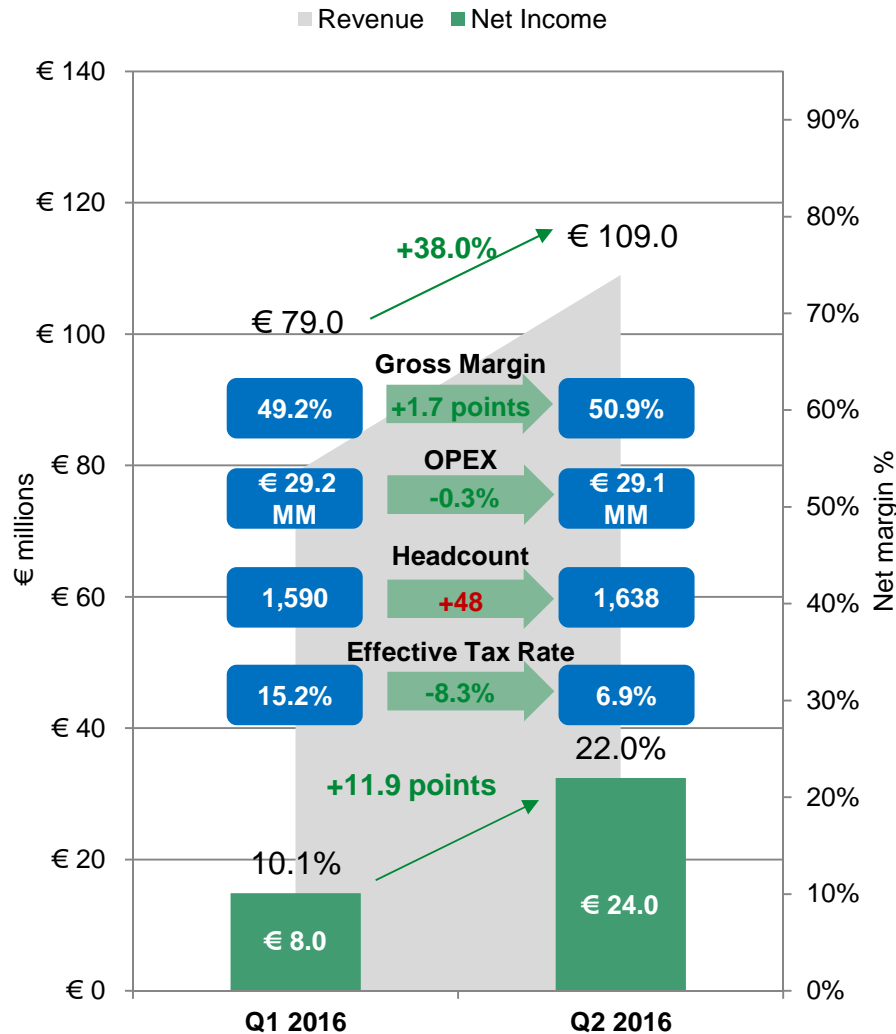
Liquidity

- Net cash +€ 19.3 million vs. Q2-15

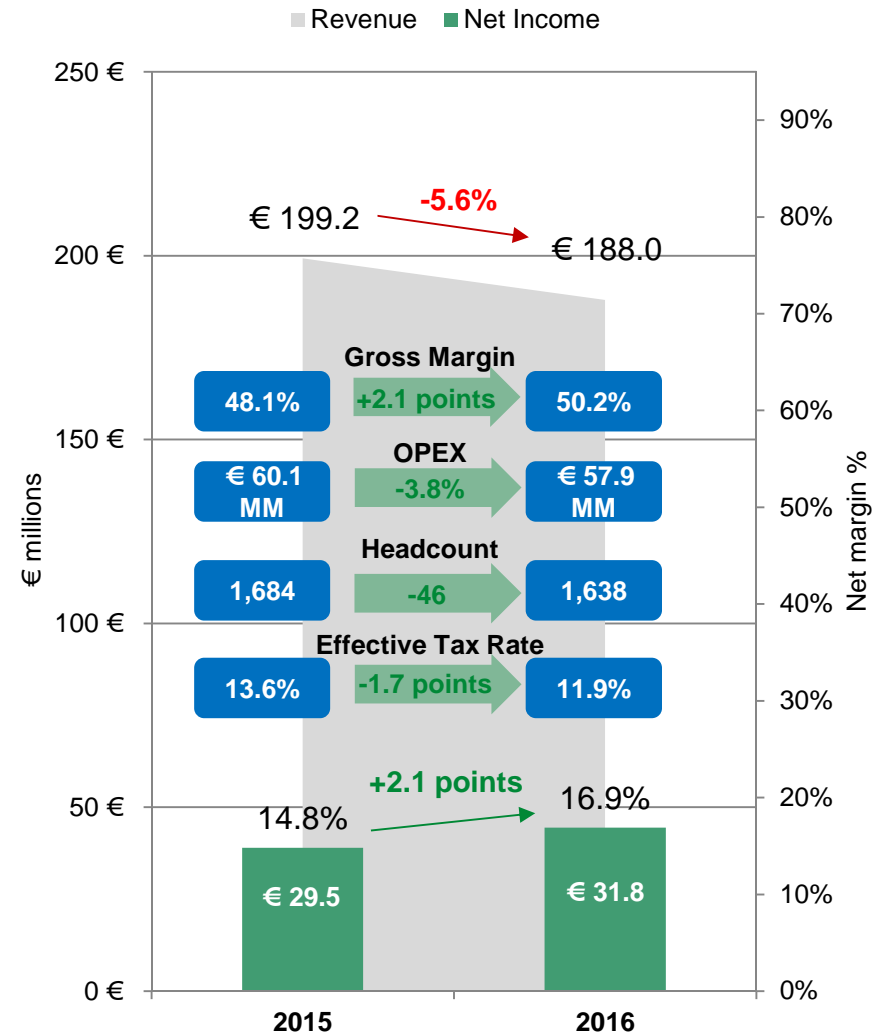
Strong Q2-16 Revenue Growth and Peer Leading Margins



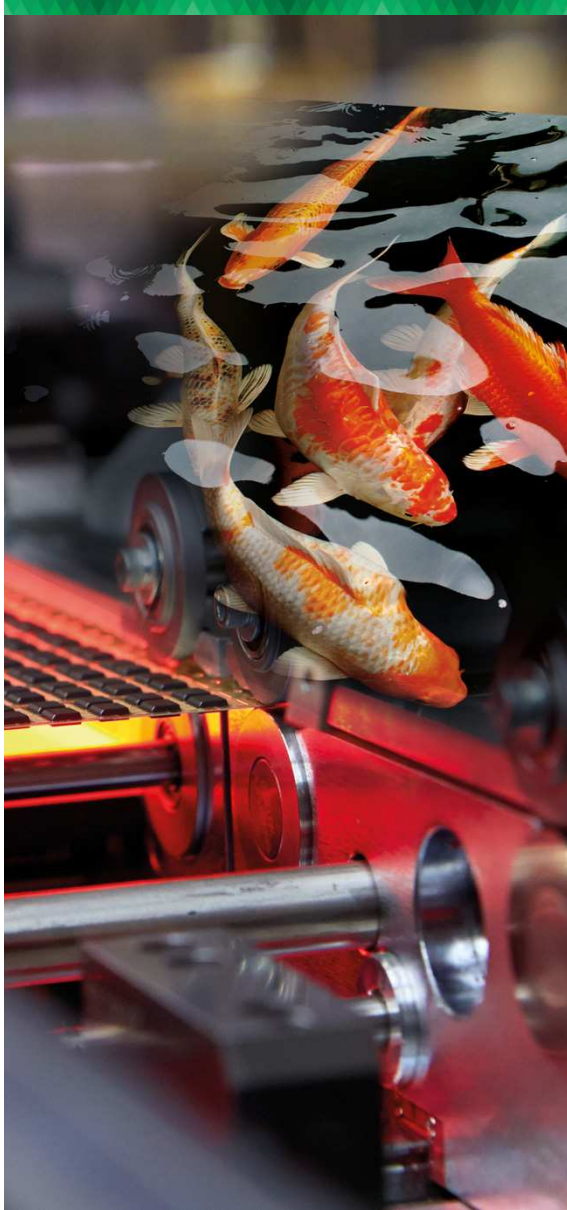
Q2-16/Q1-16



H1-16/H1-15*



* Excluding restructuring charges/benefit and tax adjustment

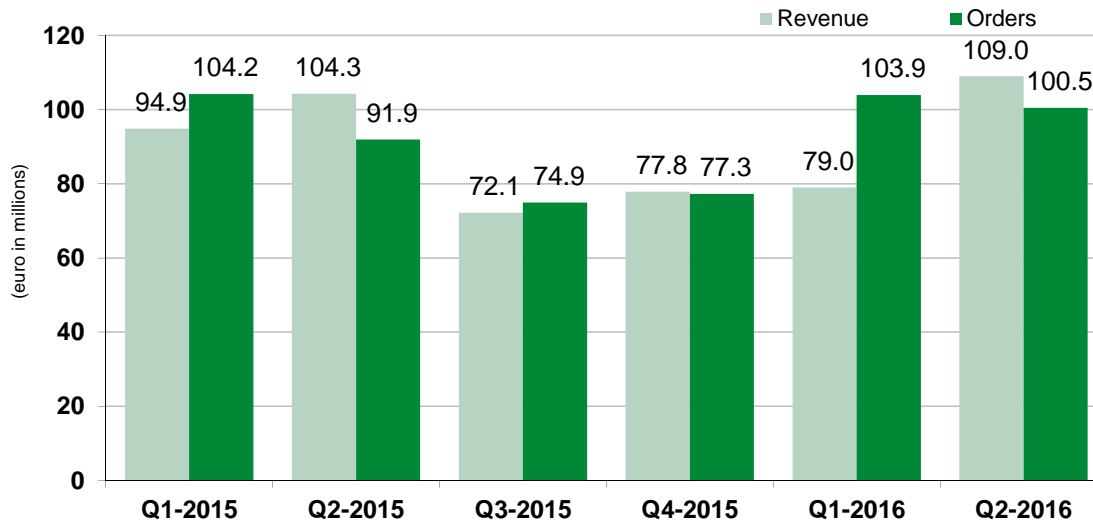


II. FINANCIAL REVIEW

Revenue/Order Trends



Quarterly Trends



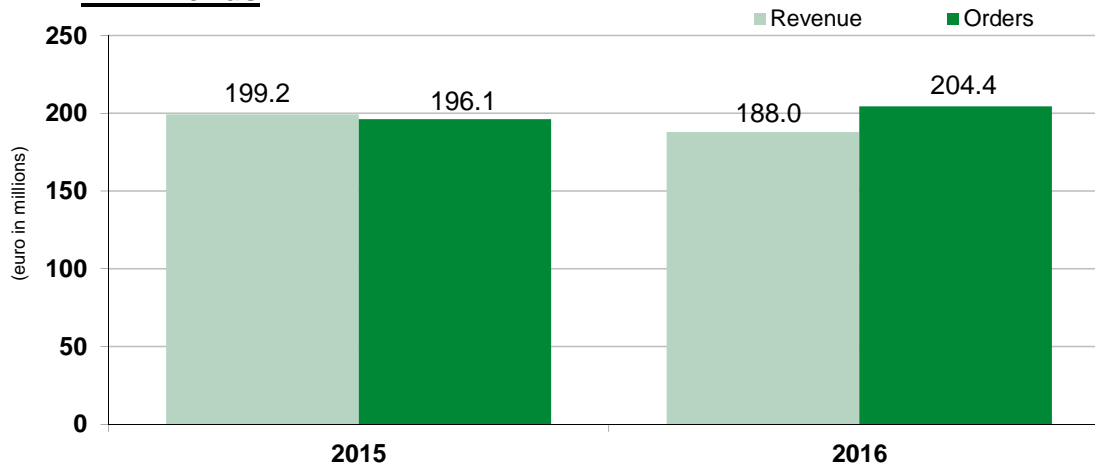
Q2-16 vs. Q1-16

- **Revenue: € 109.0 million (+38.0%)**
 - Broad based. Above prior guidance
 - Strength in epoxy and fan out
 - Asian capacity build, auto growth and increased mainstream penetration
- **Orders: € 100.5 million (-3.3%)**
 - - 8.3 million (-14.3%) subcontractors
 - +€ 4.9 million (+10.7%) IDMs

Q2-16 vs. Q2-15

- **Revenue: +€ 4.7 million (+4.5%)**
 - +Asian demand for mobile and automotive
- **Orders: +€ 8.6 million (+9.4%)**
 - +Asian subcontractor demand

YTD Trends



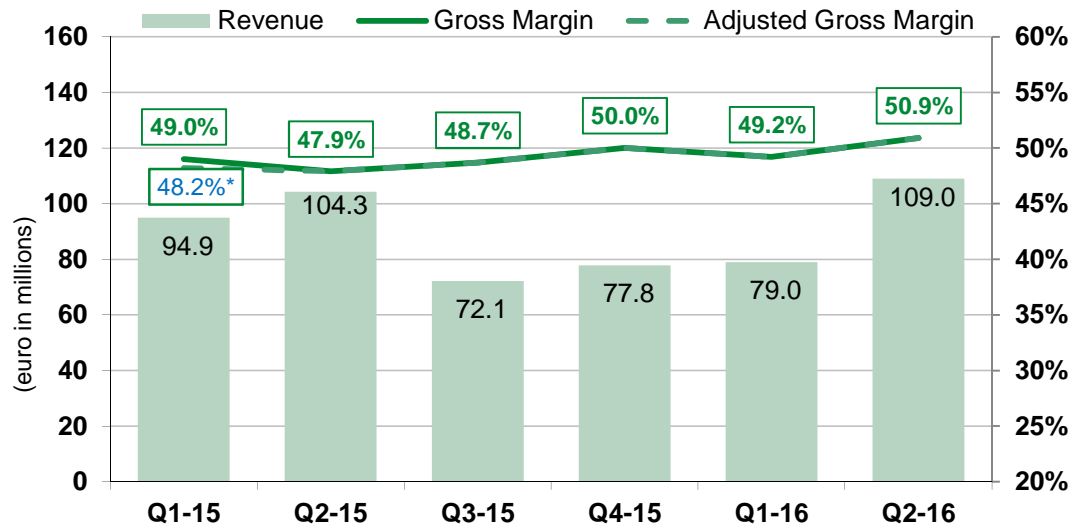
YTD 16 vs. YTD 15

- **Revenue: -€ 11.2 million (-5.6%)**
 - -Smart phone, other advanced packaging
- **Orders: +€ 8.3 million (+4.2%)**
 - +Asian subcon build for fan out and advanced packaging capacity

Gross Margin Trends



Quarterly Trends



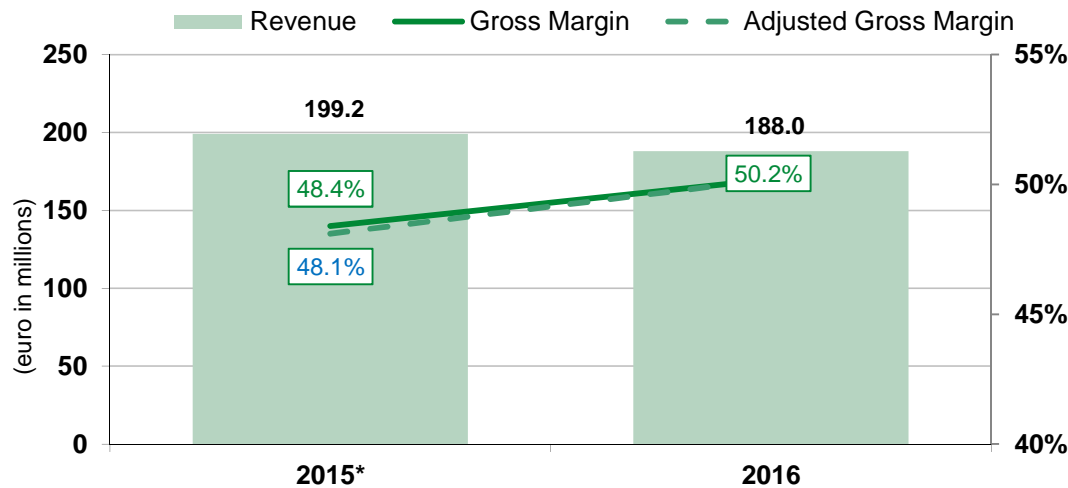
Q2-16 vs. Q1-16

- **50.9% vs. 49.2%**
- Above guidance
- Market position, labor efficiencies, reduced restructuring costs
- Net forex negative:
 - Revenue: **-USD**
 - Costs: **+MYR +CHF -USD** vs. euro

Q2-16 vs. Q2-15

- **50.9% vs. 47.9%**.
- Market position, material and labor cost efficiencies
- Net forex benefits:
 - Costs: **-MYR** vs. euro

YTD Trends



H1-16 vs. H1-15

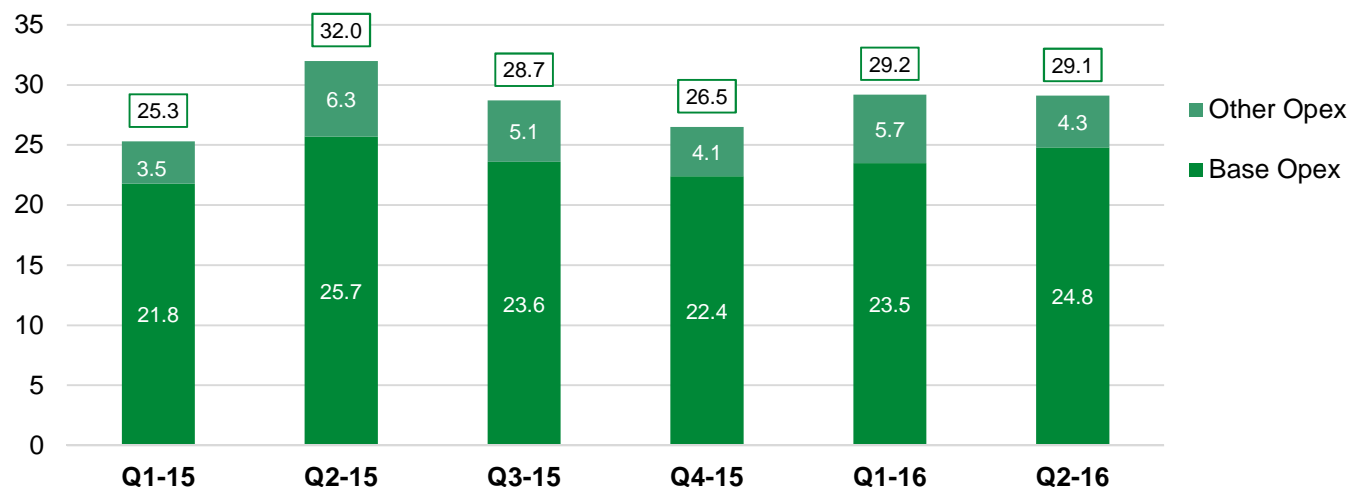
- **50.2% vs. 48.4% (48.1% adjusted)**
- Market position, material and labor cost efficiencies
- Net forex benefits
 - Costs: **-MYR, -CHF** vs. euro

* Excludes net restructuring benefit

Base Line Operating Expense Trends



Besi



Baseline Opex	21.8	25.7	23.6	22.4	23.5	24.8
Other Operating Expenses						
Capitalization of R&D	(1.5)	(1.4)	(1.2)	(1.5)	(1.8)	(1.5)
Amortization of R&D	1.7	2.2	2.3	2.4	2.2	2.3
<i>Capitalization & Amortization, net</i>	<i>0.2</i>	<i>0.8</i>	<i>1.0</i>	<i>0.9</i>	<i>0.4</i>	<i>0.8</i>
Variable Pay (a)	4.0	3.5	2.7	2.3	5.0	3.9
Restructuring cost/(benefit)	(3.0)	0.1	0.2	0.0	0.4	0.1
Forex (b)	2.3	1.9	1.2	0.9	(0.1)	(0.5)
Subtotal	3.5	6.3	5.1	4.1	5.7	4.3
Total	25.3	32.0	28.7	26.5	29.2	29.1

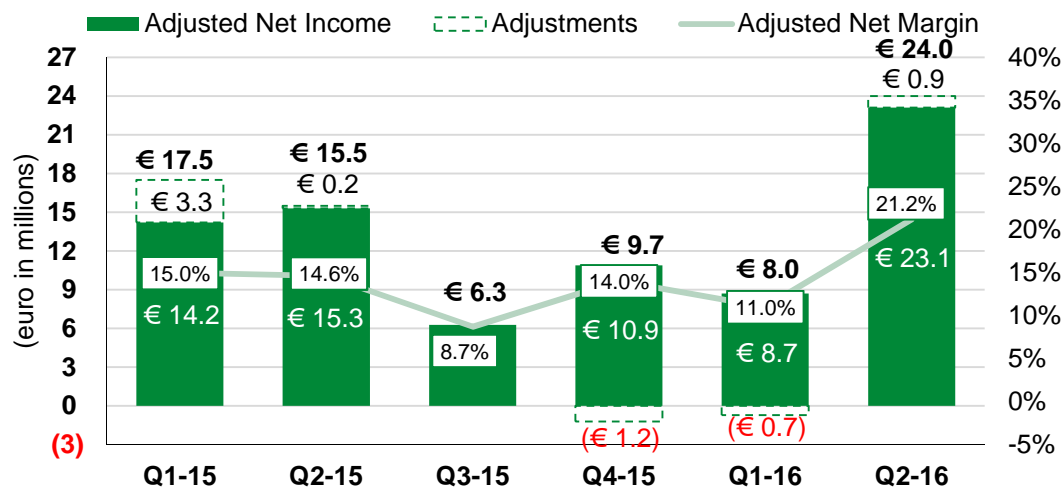
(a) Includes both incentive comp and sales based variable comp

(b) Year over year comparison

Net Income Trends



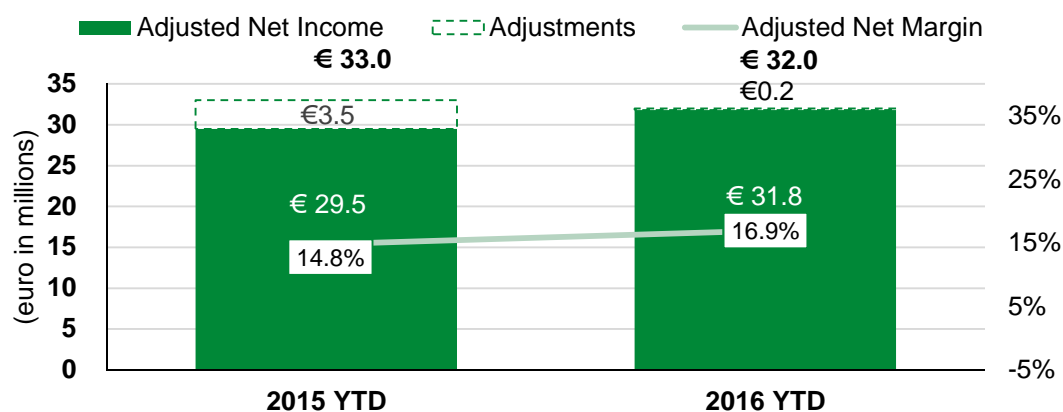
Quarterly Trends



Q2-16 vs. Q1-16

- Net income tripled
- Net margin of 22.0% (21.2% as adjusted)
- Strength of product portfolio in high end and mainstream in uncertain macro environment
- Stable expense development
- Lower effective tax rate

YTD Trends



Q2-16 vs. Q2-15

- +€ 8.5 million (+€ 7.8 million as adjusted)
- +4.5% revenue growth
- +3.0% gross margin improvement
- -9.1% opex reduction

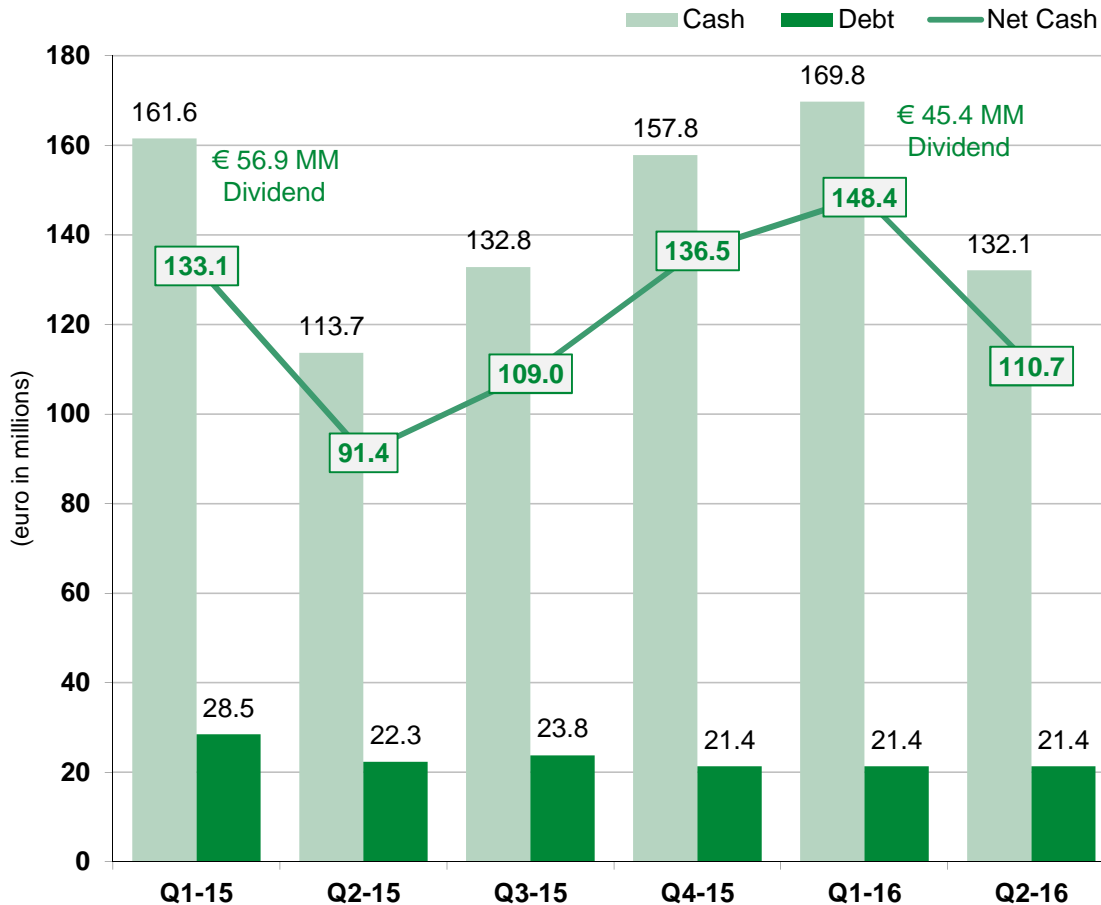
H1-16 vs. H1-15

- -€ 1.0 million (+€ 2.3 million as adjusted)
- Despite 5.6% revenue decline

* Adjusted to exclude:

- Upward revaluation of tax loss carry forwards (Q2-16) (€ 1.0 million)
- Restructuring charges (Q1-16, Q2-16) (€ 0.7 million, € 0.1 million)
- Net restructuring benefit (Q1-15, Q2-15) (€ 3.3 million, € 0.2 million)

Liquidity Trends



Q2-16 vs. Q1-16

- Net cash -€ 37.7 million (-25.4%) to € 110.7 million

Q2-16 cash movements

Principal sources of cash

- € 15.1 million cash from operations

Principal uses of cash

- -€ 45.4 million dividend payment
- -€ 5.6 million share repurchases
- -€ 1.5 million capitalized R&D
- -€ 0.2 million capex

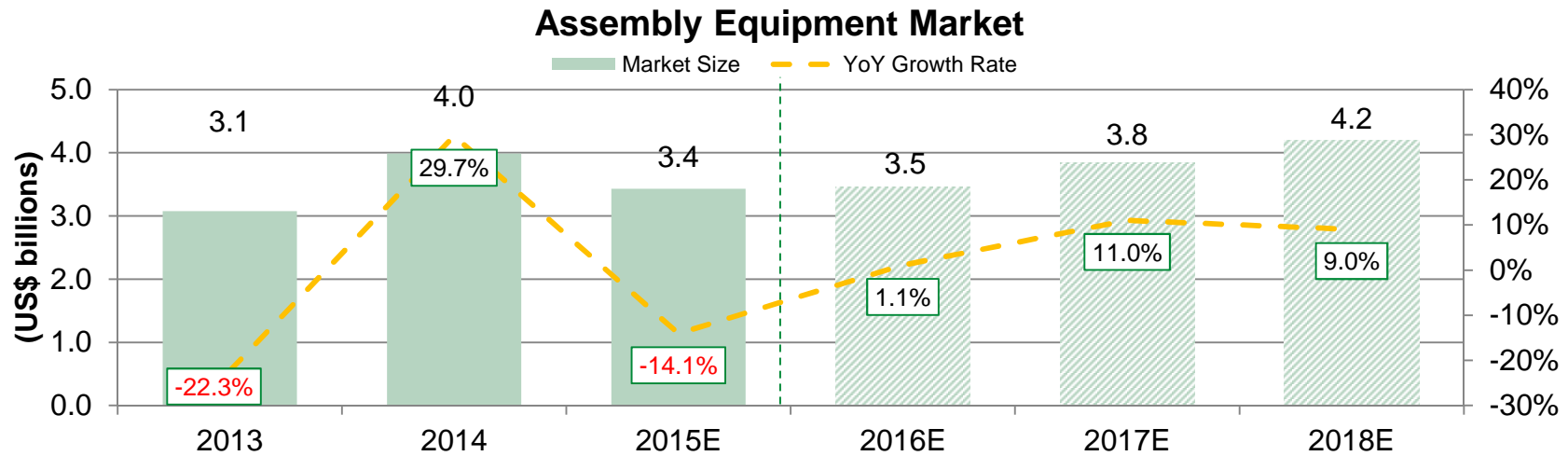
Q2-16 vs. Q2-15

- Net cash +€ 19.3 million (+21.1%)
- Inventory down € 11.3 million (15.7%) YOY
 - Despite 38% H1-16 quarterly ramp (9.9% ramp H1-15)

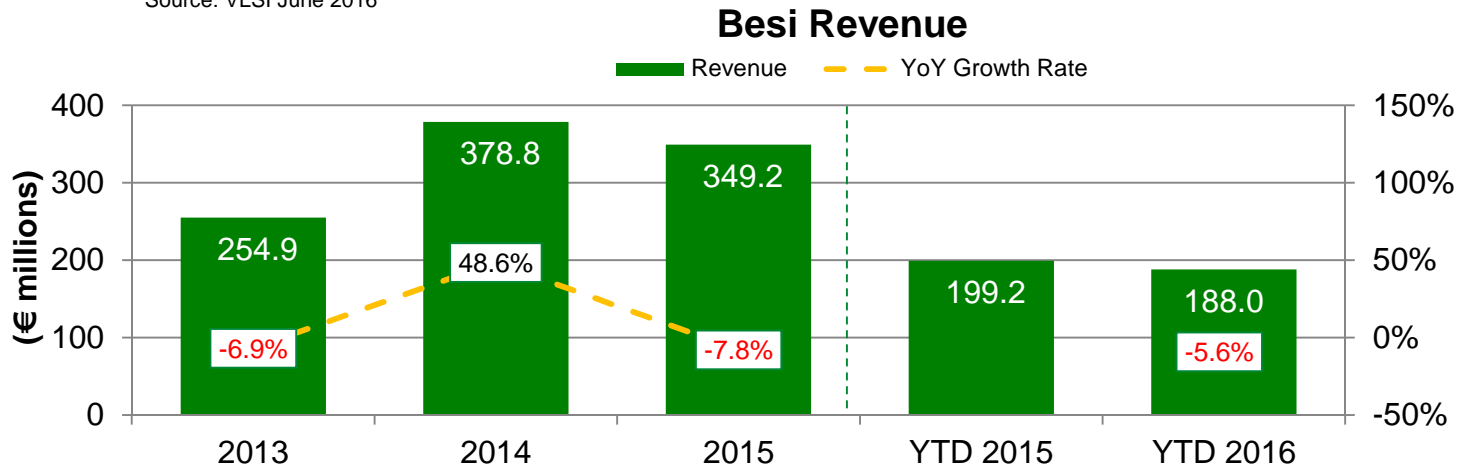


III. STRATEGIC HIGHLIGHTS

Assembly Equipment Market Trends



Source: VLSI June 2016



- VLSI has upwardly adjusted market trajectory in 2016
- Besii revenue growth rates exceeding assembly market over past three years

Besi Share of Wallet Increasing



In USD	Die Attach				Packaging			
	2012	2013	2014	2015	2012	2013	2014	2015
Subcontractors								
ASE	65%	60%	70%	80%	35%	65%	35%	25%
Amkor	75%	85%	90%	95%	45%	10%	20%	25%
JCET (a)	75%	50%	70%	30%	0%	10%	0%	5%
STATSChippac (a)	95%	100%	85%	N/B	30%	100%	100%	N/B
SPIL	50%	95%	90%	100%	35%	75%	20%	25%
Nantong Fujitsu	N/B	70%	100%	100%	N/B	15%	0%	35%
UTAC	N/B	N/B	100%	100%	N/B	100%	N/B	100%
Unisem	90%	85%	100%	100%	N/B	N/B	N/B	100%
Cowell/Foxconn (Camera Modules)	100%	N/B	100%	65%	N/B	N/B	N/B	N/B
IDMs (b)								
Skyworks	100%	95%	100%	100%	15%	25%	40%	90%
ST Micro	90%	70%	80%	95%	45%	75%	40%	45%
Infineon	80%	100%	100%	90%	0%	25%	90%	95%
Micron	85%	100%	45%	80%	50%	N/B	100%	100%
NXP	N/B	100%	100%	100%	N/B	5%	100%	55%
Bosch Europe	100%	100%	100%	95%	100%	0%	100%	100%
Samsung (c)	5%	0%	N/B	N/B	0%	100%	N/B	N/B
% of product revenue	49%	52%	64%	41%	54%	70%	65%	70%

- Customers are largest semi mfrs.
 - Most advanced packaging applications
- Strong customer market shares:
 - ≈ 30-100% of die attach requirements
 - ≈ 25-100% of packaging requirements
- Customer market shares p.a. vary based on capacity needs and development cycles
- Primary competition:
 - Die Attach: ASM-PT, Hitachi, Shinkawa, Toray
 - Packaging: Towa, Hanmi, ASM-PT

N/B No reported bookings for Besi nor its competitors

- Merger completed August 2015
- Fabless semiconductor companies such as Qualcomm, Broadcom and Mediatek have assembly production done by subcontractors
- Samsung satisfies most of its equipment needs internally, particularly for leading edge applications

Increased Asian Production Capacity and Market Presence



Besic Apac, KL Malaysia

- Founded 1990
- System Production since 1999
- Production of complete product portfolio
- Headcount: 521 FTE



Besic Leshan, China

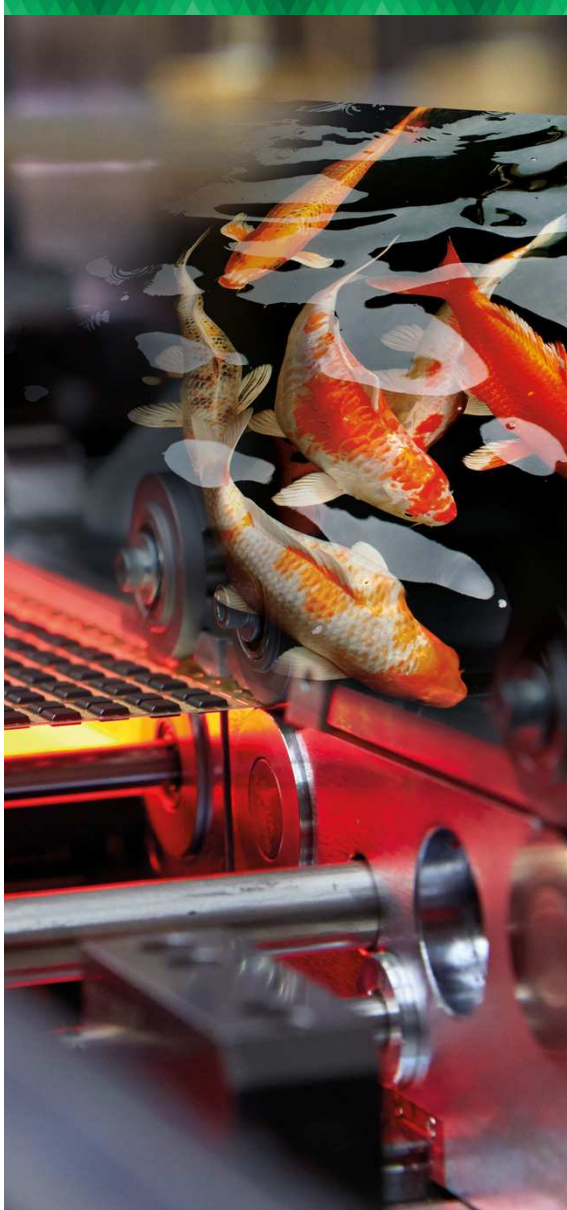
- Founded 2002
- Headcount: 279 FTE

Current production capabilities

- 2100 epoxy and evo multi module die bonder
- Molds and mold sets
- Spare parts
- 50 systems shipped in Q2 vs. 15 in Q1

- More local production:
 - Reduces cycle times and cost
 - Aids Chinese market share development



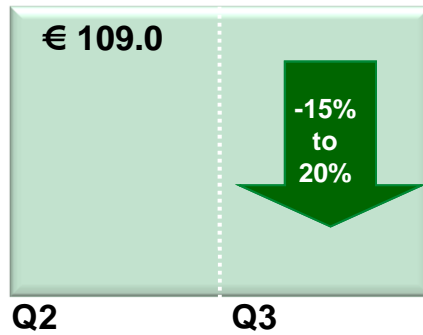


IV. OUTLOOK

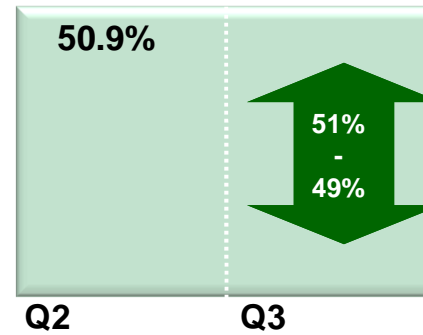
Q3-16 Guidance



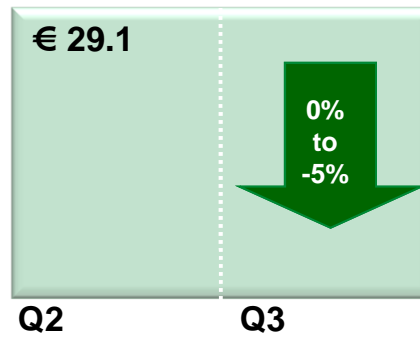
Revenue



Gross Margin



Operating Expenses



Financial Calendar



7-Sep-16	ING Benelux Conference, London
14-Sep-16	ABN AMRO conference, Amsterdam
16-Sep-16	Autumn Conference Kepler Cheuvreux, Paris
27-Oct-16	2016 Third Quarter Results
16/18-Nov-16	Morgan Stanley TMT Conference, Barcelona
23/24-Nov-16	Benelux Conference Kempen, London
8-Dec-16	ING Benelux Conference, New York