

AIXTRON AG

Annual General Meeting

Eurogress Aachen

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Prepared Remarks

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The spoken word applies

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Investor Relations
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Slide 1 - AGM [Kim Schindelhauer]

Introduction & formalities

Slide 2 – Topic 1 – EB Presentation of 2007 Results [PH]

Slide 3 – ‘Forward Looking Statements’ slide

Thank you Mr. Schindelhauer. Ladies and Gentlemen, Dear Shareholders and Guests, On behalf of AIXTRON’s Executive and Supervisory Boards, I welcome you all to our 2008 Annual General Meeting.....

As always; I am very pleased to see so many of you here today. I see it as a sign of a healthy business, that you take such an active interest in your company. I would like to now go straight into the presentation of Management Report and Financial Results for 2007

Slide 4 – 2007 Highlights [PH]

I’d like to start by drawing your attention to the **‘push your PERFORMANCE’** logo you can see at the top of this first slide. It’s not new..... We have used this logo for several years now. But, unlike many other company’s logos; this one is a work ethic that we genuinely believe in. We know that this equally applies regardless of whether you are a top football team or a successful business. You will not reach the top if you don’t continually improve your performance. What is also true is that when you have become the number one player or team, you have to **‘push your PERFORMANCE’** even harder to stay there. It is a never ending process! In 2007, we truly did **‘push our PERFORMANCE’** as I hope you will recognize during this presentation Allow me to start my presentation by giving you an overview of what the AIXTRON team has achieved during the year 2007... We received 39% more Customer Purchase Orders in 2007 than we did in 2006. The increase in Order Intake highlights two successes we can be proud of in 2007: First of all, it converts into hard financial numbers the ability of our global Sales teams to sell what AIXTRON engineers in our R&D centers have developed specifically for our targeted customers and secondly, it confirms that our technology is meeting our customers’ needs Of course, this might not have been the huge success it was, if the market was growing anyway.....and indeed; the LED market is growing very healthily – as I will talk about later.

Order Intake growth is only a success if it is relative to our competitors..... A bigger Order Intake, but a smaller Market Share would not be such a success. Well, I can put your minds at rest.....VLSI, a third party Market Research company has recently produced their 2007 report, from which we can conclude that in 2007 we have further increased our Market Share to nearly 70% versus our peer competitors. This is the highest Market Share we have ever achieved and something we can be both pleased and wary of, in equal measure. ‘Pleased’ because it is a great compliment to the whole AIXTRON team. But ‘Wary’ because, as in previous years, we have more Market Share to lose than gain.....We will again have to **‘push our PERFORMANCE’** even harder in 2008. Throughout 2007 we saw Order Intake and Order Backlog rise each and

every quarter and this rising demand for our products led us to expand our Manufacturing capacity during 2007 and in turn led to a 25% increase in Revenue growth during the year. The increased volume effects, economies of scale and further internal efficiency savings during 2007 allowed us to increase the most important measure of our overall operating performance, our Earnings Before Interest and Taxes, year on year, by 261%. Our very strong 2007 operating performance and our ability to command cash deposits with orders have allowed us to increase by 54%, our cash and cash equivalents position by the end of the year. I cannot stress enough the importance of a strong Cash position in the current environment where there are opportunities and challenges in equal measure. Finally, reflecting growing Financial Market confidence in AIXTRON as a result of all of the factors I have talked about; we saw the AIXTRON share price nearly triple in 2007. This is of course, all the more remarkable given the turmoil global capital markets have been subjected to since the middle of last year.....I will come back to our share price performance later in my presentation. Ladies and gentlemen, I hope that this first slide gives you a quick overview of the success we have carved out of 2007 and also some confidence in the focused strategy this Management continues to pursue on your behalf. Let me tell you now what we would like to do in the course of this presentation.

Slide 5 – Table of Contents [PH]

First of all, (perhaps particularly for those new investors amongst you,) I would like to give a brief overview of AIXTRON's worldwide activities and strategic positioning in its markets. Then, I would like to give you some more detail as to how our operations performed during the year and then I will hand you over to Wolfgang Breme, AIXTRON's Chief Financial Officer, who will take you through the 2007 Financial performance of the business in more detail. Finally, I will come back to you to conclude with a more detailed look at our share price development during 2007 and guidance for 2008 and finally I will give you a reminder of the market opportunities we see in the future. But let me start with where we do what we do;..... our global footprint.

Slide 6 – Global Presence [PH]

As you can see on this slide, we have R&D centers, assembly facilities and commercial organizations and representations all over the world. It is the reach and the positioning of the AIXTRON global presence that is one of the cornerstones of our long-term success. To compete globally we not only need to be close to our customers to provide the great service and support they demand, but also, to be able to design and develop great products, we have to be able to hear and interpret, first-hand, what customer's future needs are. This is what we mean when we talk about 'market-led development'. Many of you will have seen this map in the past, but I do want to use it once again to point out what we do in each location. We design and develop products in Germany, the US; the UK and Sweden, but the two principal R&D centers are in Aachen in Germany and Sunnyvale in the US.....it is also where we do the vast majority of our Assembly and Test work. Why do we do R&D and Manufacturing in these

areas? Because, this is where we have the biggest concentration of the critical specialist engineers and local industry expertise that we need to remain the industry leader. Our 'Common Platform' approach has allowed us to concentrate more of our R&D and Manufacturing expertise in fewer locations and that has increasingly delivered economies of scale in recent years. The AIXTRON teams in Asiain Seoul/Korea, in Tokyo/Japan, in Shanghai/China and in Hsinchu/Taiwan consist of a multi-skilled mix of commercial experts, installation, service and process engineers and logistics teams that underpin the success we have had in Asia.....more than 80% of our revenues came from Asia. The quality and diversity of the AIXTRON team is truly one of the key strengths behind the success we have enjoyed in 2007. Let's now move on to talk about the technology that sets us apart from the competition.

Slide 7 – Gas Phase Deposition [PH]

I'm not going to spend as much time talking about the actual technology as I have in previous years because I think that Octavia Deufel and her team have done an excellent job of presenting the strength of AIXTRON's technology in the exhibition you will have seen in the lobby, when you came in. But what exactly do we do in all these different locations I just showed you? What are these MOCVD; ALD; AVD; CVD and many other technologies we talk about? Well, it is actually simpler than it sounds:.....(particularly if I say it quickly!). Since the foundation of AIXTRON in 1983, we have refined our engineering skills in developing highly sophisticated gas phase deposition systems, i.e., building very complex machines that manage very complex chemical reactions that result in extremely thin – atomic or nano-scale – layers of high-performance materials onto appropriate substrates. However simply I try to describe our technology I'm sure that you can appreciate that in reality; the physics and chemistry of this process are extremely complex and fragile, especially considering the very high standards our customers expect of us when it comes to the purity of deposited materials and reliability of the process. Our engineers are technology leaders in this field, and AIXTRON as a brand is acknowledged worldwide as one of the industry's most accomplished players. So, you might ask: What do our customers do with these technologies?

Slide 8 – One Tech / Multiple Solutions [PH]

Well, If we can describe all of AIXTRON'S business as being 'Gas Phase Deposition' systems, then we could describe our customer's many different applications as being 'Nano-Scale Material Engineering'. Depending on which material applications the customer is aiming for, determines which Gas Phase Deposition tool they need.....ie MOCVD for LEDs; OVPD for OLEDs, CVD for DRAM memory, etc. For your convenience, this slide has been broken down into Compound Semiconductor applications on the left and Silicon applications on the right. Our largest area of activity is Compound Semiconductors, and more specifically, MOCVD or Metal-Organic Chemical Vapor Deposition which is principally used to manufacture LEDs, or light-emitting diodes. These diodes, which can emit

a range of colors, are increasingly being used for backlighting displays of electronic devices, such as mobile phones and iPods, but more recently also for emerging higher performance applications such as; computer laptop backlights, monitors, televisions, car lights and street lightingand indeed there are many other well established applications, such as optoelectronics or CD, DVD or Blu-ray lasers and solar cells that require MOCVD and OVPD technologies. The right-hand side of the table shows the other more well established, but relatively new area of activity for us; Silicon Semiconductor applications The acronyms ALD, AVD and CVD on this slide stand for; Atomic Layer Deposition, Atomic Vapor Deposition and Chemical Vapor Deposition. These are our systems with the cutting-edge technology potential for next-generation Logic, Memory and Storage applications. But, until we can qualify these new technologies with Production customers, we remain dependent on the Memory market demand for our current CVD technologies. I'm sure that many of you will be aware that this particular market is suffering from an extended period of extraordinary high volatility causing significant pain to those companies with high exposure to the memory market. Fortunately, that does not include ourselves.....We have a more manageable exposure than most.

The very difficult current demand/supply situation for memory products does not deter us from continuing to position AIXTRON for what we believe to be a positive outlook for our technology. Our optimism, that we can position AIXTRON as a 'Key Enabling Technology' provider for the next 'Material Convergence' phase of technology development, remains undimmed by the temporary market conditions we are all experiencing today. We firmly believe that gas phase deposition technologies will converge, driven by the need and application of more complex material structures. Let's move on to look at where we are positioned in the 'technology supplier value chain'.

Slide 9 – Value Chain [PH]

What will be clear in this slide; is that we are right at the beginning of the value chain. Some of our customers; like Samsung, are fully integrated customers who will grow the materials required, make the LEDs, make the backlight units and even sell you the television, using our technology. However, other customers like; Epistar, are specialists, who grow the required materials and make the LEDs before selling them on, to specific customers.....who could be Nokia, for example, for their mobile telephones or it could be to someone like ChiMei who are one of several specialist companies who sell complete backlight units to customers who make computer laptops, monitors or televisions.

Slide 10 – Table of Contents [PH]

If I turn now to the Operating Performance delivered during 2007, great credit must go to Bernd Schulte, our Chief Operating Officer and his team who have not only capitalized on the rising demand for our systems.....increasing our Market Share in the process but also increasing our Manufacturing output.....meeting customer's

expectations. Let's now take a closer look at the consistently rising Order Intake and Order Backlog trend we saw throughout 2007.

Slide 11 – Quarterly Business Development [PH]

In this slide: the red bar graph shows the value of the system orders we received in each quarter of 2007. The grey graph shows the value of outstanding system orders at the end of each quarter. The dark blue graph shows the value of total revenues (including Spares) for each quarter. The different graphs are not to the same scale, but the numbers tell a very clear and positive message about the progress we made in 2007. There are three exceptional performances in 2007. The Q1 revenue figure of EUR63.8m was the highest revenue figure we have ever recorded. The system Order Intake figures in Q3 and Q4 both broke the previous quarterly records. These achievements are all the more remarkable, when you take into account the sizeable effect the decline of the US\$ has had on these two measures of success since the previous records were set. The middle, grey, bar chart shows you the value of the system orders still to be delivered to customers at the end of the quarter. The progressive increase of this figure during 2007 reflects the encouraging customer trend of placing multiple and scheduled orders, enabling us to plan our assembly process much more efficiently than before. Throughout the year 2007, all three of these measures; Order Intake, Order Backlog and Revenues, have been exceptionally strong, and have contributed to both; an exceptionally strong annual result in 2007 and a very solid foundation for revenue growth in 2008. Let's now turn to the impact of these market trends on our own business development.

Slide 12 – Business Development [PH]

Let me pick out a few highlights in the 2007 result. Wolfgang Breme will go into the detail of the financial implications a little later. Compound Semiconductor Equipment Revenues in 2007 were € 145.2m, 50% higher than in 2006. Compound Semiconductor Equipment Revenues, contributed almost 70% of our Total 2007 Revenues. The Compound Semiconductor Equipment Order Intake grew by even more: 52.5% yoy, delivering 84% of our Equipment Order Intake. The main drivers of this very good performance were the increase in repeat, multiple and scheduled orders for systems I talked about earlier, reflecting the generally more optimistic customer mood in the marketplace. Looking at the Silicon Semiconductor side, regrettably, but not at all unexpectedly, the picture is much more difficult. Our Revenues declined 9% year on year. (actually a very good result when compared with all of our competitors)..... and consequently; contributed only 19% of our Total 2007 Revenues. Our Silicon Equipment Order Intake also reduced by 5%, year on year, contributing only 16% of the total Equipment orders received in 2007. We should be actually pleased at these relatively good results, considering the current market conditions but regrettably these difficulties are symptoms of a much larger malaise in the Memory market worldwide. This market is currently in the grip of; significant overcapacity, fierce – below-cost - price competition, and falling capital expenditure. At this stage, we are assuming, that it may

even take some time for the necessary market adjustments to take place, and for a degree of stability and profitability to return to the memory market. That said, the very difficult current demand/supply situation for memory products does not deter us from continuing to position AIXTRON for what we believe to be a positive outlook for our technology. We firmly expect that gas phase deposition technologies will converge, driven by the need and application of more complex material structures in the future. AIXTRON has historically positioned itself as THE technology and innovation leader in its chosen field and that is the role we are striving for in this development of material convergence. It will not surprise you to hear that this convergence process will not be an overnight development and will require perseverance on our part and that includes being able to manage extended periods of stormy weather, as we are experiencing in the Silicon arena now. Let's now analyze our 2007 revenues in a bit more detail.

Slide 13 – Revenue Analysis [PH]

This slide shows you where our Revenues came from..... in terms of technology, end applications and regions. Starting with the pie chart on the left; We've already talked about the 68%/19% split of equipment revenues between Compound and Silicon.....but we shouldn't forget the 13% of revenues that came from Spares and Service Sales. If we move on to the middle pie chart; which details the end applications our customers use our equipment for. You can see that 83% came from two applications; LEDs and Silicon applications and the remainder from a mix of other smaller applications, including Organic Semiconductors. The far right-hand pie chart, which shows where we conduct our business is largely unchanged and will therefore not be a surprise to many of you. We continue to have the vast majority of our customers in Asia, followed by the United States and Europe.

Slide 14 – Compound 'Common Platform' Systems [PH]

Let me now tell you a little bit about what we mean when we use the term 'Common Platform Systems', and why the introduction of these Compound Semiconductor systems has been such a success for us in 2007. After we acquired Thomas Swan in 2000, we had two completely separate Manufacturing lines, manufacturing two completely different designs. AIXTRON Systems in Germany and Thomas Swan Systems in England. Today,.....a bit like a car factory.....we build all of the new AIXTRON 'Common Platform' systems here in Germany..... with some critical modules being supplied by the team in Cambridge/UK. The customer decides which reactor module he wants to use. You could compare the decision to the choice of a petrol or diesel engine. The system is then configured and assembled here in Germany. Some reactors (or engines) come from Germany.....some come from the UK. Again; it's not so dissimilar to how you would choose and configure a car and how the factory would make it as efficiently as possible. That's what we mean by; 'Common Platform' systems. It is a measure of the success we have had in getting customers to accept these new designs that 50% of the revenues in 2007 were for Common Platform systems and even more

encouragingly; 70% of the Orders received in the year. Our customers use these systems mainly to manufacture LEDs, which is why I would like to show you the following chart which gives you an insight into what is predicted for the future of this high-brightness LED market.

Slide 15 – High-Brightness LED market forecast [PH]

The forecast for the future of this market was estimated and published by Strategies Unlimited, an independent US Market Research company: They predict that by 2011 the market will double in absolute \$ market size driven mainly by growth of LED Backlighting applications for LCD Screens and Signage applications. It is also interesting to note that although the Illumination market is predicted to grow by a factor of three in this period, Strategies Unlimited does not yet predict the huge growth potential that we all believe will eventually come with the arrival of a mass LED lighting market. We agree with their caution regarding this timing prediction.

Slide 16 – Global MOCVD Market Shares [PH]

In this Market Share slide, we are trying to illustrate, using the latest published data from VLSI Research, how the market has grown in \$ terms over the last three years and how our MOCVD market share has developed to 70%, an achievement we can be very proud of in this very competitive market, but as I hinted at earlier: we will have to continuously ***‘push our PERFORMANCE’*** if we want to stay there.

Slide 17 – Silicon Semiconductor Systems [PH]

Moving on to Silicon Semiconductors, let's have a closer look at the second largest end application in the revenue pie chart I showed you earlier. Many of you will know from earlier presentations that the major part of our Silicon revenues comes from customers manufacturing memory products. If you have been following the very, very difficult conditions in that market, you will appreciate that this is a challenge not just for us, but also for the whole memory industry. Nevertheless, despite the difficult circumstances we and the industry face today, as I said earlier; we are going to Persevere. We are continuing to work on new products in this area that we believe have the potential to positively affect our Silicon business in the future.....the first of these new products will be launched this year. We remain convinced of the long-term strategic value of being active in this market.

Slide 18 – CVD Market Shares [PH]

This next slide shows you the latest Market Share and Competitor status, drawing on the latest data published by VLSI for the particular Memory application we serve. One bright spot in these dark times for Memory is that we still have a substantial Market Share against some very high-profile competitors. We are serving some of the biggest names in the industry and competing successfully against competitors many times our size. We can be very proud of that achievement. Let's turn now to some new technologies that are laying down foundations for future growth opportunities for AIXTRON.

Slide 19 – New Technologies [PH]

This first example of a new technology being enabled by AIXTRON equipment is the deposition of Organic materials on large-area substrates, like glass or plastic. The product, our client; Plastic Logic, want to produce and market in the near future is an ePaper or electronic paper application.

It will eventually take the form of a flexible substrate with a built-in display that could, for example, show the content of a newspaper or magazine and will be actually very similar to use as regular paper. The difference between Plastic Logic's vision and a real newspaper or magazine is that you will download and read this version electronically. We received this order from Plastic Logic, because we proved that we were capable of developing and extending our technology beyond anything else currently available on the market. We will deliver this system to their Dresden facility later this year and then help them 'push their PERFORMANCE' as they develop this exciting new media concept.

Slide 20 – New Technologies (Nanoinstruments) [PH]

The second 'new' technology I'd like to talk to you about is a longer-term but equally exciting, because Carbon Nanotubes are predicted to become 'Key-Enabling' material structures for a whole range of electronic and display applications. These complex material structures are 'grown' in our Nanoinstruments systems and are being purchased by numerous highly esteemed Research groups who are trying to develop and refine processes that will allow the semiconductor and display industries to utilize the extraordinary material properties Nanotechnology brings us. We bought Nanoinstruments last year as a 'Seed' investment in a technology that is highly promising in its own right and has direct synergy with the skill set we have at AIXTRON. As with all new technologies; we will need both Patience and Perseverance in the short to medium term. But in Nanoinstruments' case, this business will neither generate nor absorb meaningful cash in the short term. However, it has the potential to add real long-term value to our portfolio of technologies, once the processes are fully developed.

Slide 21 – Table of Contents - Financial Performance 2007 [WB]

Ladies and gentlemen, let me now hand you over to my colleague Wolfgang Breme, Chief Financial Officer of AIXTRON, for his financial view on the year 2007.

Wolfgang?

Slide 22 – Financial Highlights [WB]

Thank you Paul and good morning, ladies and gentlemen. Please allow me to take you through the financial implications of AIXTRON's outstanding operational performance last year. First of all, and exactly in line with the latest guidance we had given to the market, total revenues for 2007 were up 25% yoy to € 214.8m. You may recall that we promised to you here in this room revenues of €190 to 200 m a year ago which we exceeded by 7,5%. Despite the weakness and volatility of the US-Dollar, we achieved a Gross Margin of 40%. This is a remarkable achievement considering that about 80% of our revenues are in US dollars, but only about 25% of our costs. The relative stability of our Gross Margin performance against this backdrop has contributed to our ability to record an EBIT result of € 20.6m for the year, a 9.6% Return on Sales. This exceeded our initial 2007 EBIT target of 8%, and came in just short of 10% objective we would like to see at this level of throughput and of course short of our medium-term goal of 15%, but the currency issue masked a high-quality performance in a business beset by a US-Dollar weakness. It is with this improved trading environment as a backdrop that the Executive Board and Supervisory Board are recommending to you today that a dividend of 7 cents per share be paid for 2007. Total equipment Order Intake for 2007 of € 247.7m represents a 39% increase on the figure of € 178m recorded in 2006, and resulted in a strong Book to Bill ratio of 1.32. The substantial Order Intake meant that we started 2008 with an opening Order Backlog of € 132m, 55% higher than at the time last year, and already equaling 44% of our total revenue guidance for 2008 which we will present to you later. Finally, as Paul mentioned already, our Cash position improved further during 2007, which enabled us to end the year with almost € 72m, up 54% on 2006.

Slide 23 – Key Group Financials [WB]

Let me now take you through our most important order and P&L figures for 2007, and then briefly talk about the impact of the currency development on AIXTRON. As Paul mentioned earlier, we are very pleased to report another substantial year-on-year increase of our Equipment Order Intake.

Equipment orders for the fiscal year 2007 totaled € 247.7m, 39% up on the same period in 2006. This lifted our Equipment Order Backlog to € 132m as of December 31, 2007. Total Revenues for 2007 were € 214.8m, up 25% on 2006, and exactly in line with our expectations and guidance. It is worth mentioning again that we exceeded the upper end of our initial 2007 guidance by only 7.5%, which highlights our forecasting ability despite the very dynamic market environment we are operating in. Our gross margin rose to 40% for the whole year, which represents a three percentage-point improvement on 2006. Again, this is remarkable in the context of the weakening of the US dollar throughout 2007, and gives testimony of our strong operational performance. Our EBIT for 2007 stands at € 20.6m, a substantial improvement on the € 5.7m we reported for 2006. The twelve-month EBIT performance also represents a 10% return on Sales. Consequently, we have been able to record a positive net result after tax

of € 17.3m, again a solid improvement on the € 5.9m in 2006. This translated into EPS of € 0.20, compared with € 0.07 in 2006. Free cash flow of € 22.3m for 2007 is considerably up on the € 15.6m figure for 2006.

This highlights a strong cash generation ratio, despite higher working capital requirements and increased capital spending. As we have stated before; we are happy with the flexibility this liquidity level affords us to fund our operations and investments, and indeed we have full access to more cash, in spite of the current credit crisis, should the need arise. In this context it is perhaps also worth mentioning that a high cash position is common in the semiconductor industry to cope with the volatility of the market – as seen again in 2007.

Slide 24 – US Dollar [WB]

I talked a lot about the impact the US Dollar had last year on our financial performance, so I wanted to show you what the Dollar has actually done in 2007. As you can see, the Dollar started 2007 at a level of about 1.32 to the €, but ended the year 12% weaker at 1.47. I believe it is worth mentioning that the average Dollar-Euro-rate for 2007 was 1.37. This may indicate to you some of the challenges our business faces as we move into 2008 where, as you all know, the Dollar lost further value on a rapid scale in the first quarter. Given our revenue and cost structure, we are significantly exposed to this currency development, and we try to manage this exposure by currency hedging instruments. We are of course aware of the fact that those derivatives have only a mitigating effect for a limited period of time. Therefore, we are targeting to source more and more in US-Dollars wherever this is possible from an IP protection standpoint and feasible under a cost and logistics perspective. AIXTRON enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk. Those include forward exchange contracts and options to hedge the exchange rate risk from the exporting of equipment. I believe it is worth mentioning here that AIXTRON operates in a market place in which Dollar is the trading currency. This implies for a hedging policy that we are not in a position to hedge orders which prices were set up in Euros and then converted into Dollars. Unfortunately, a typical AIXTRON sales discussion on equipment prices is held in Dollars. This has of course significant impacts on our currency exposure management. It is our policy to enter into exchange contracts to cover specific foreign currency receipts within a range of 80 to 90 percent of the known exposure. We also enter into contracts to manage risk associated with anticipated sales transaction, generally in the range of 15 months and generally within 50 to 60 percent of the exposure generated. In an industry where order forecast beyond 6 months are highly speculative from a timing perspective, this limits of course the horizon of a hedging strategy. But of course also the risk of losing money with a long-term hedging in a fast turning environment. On the other hand, I would like to draw your attention to the fact that all risks offer opportunities. In this case, the consensus clearly tells us that the Dollar could be undervalued at today's rates. If this would be true and the exchange rate would move in that direction, AIXTRON would be one of the first to benefit from this on a notable scale. As described in our 2007 annual report, our sensitivity analysis shows that a 10% movement of the

currency to our favor may improve the bottom line result by € 5m. We will continue to pursue this hedging policy, and hope to absorb some of the even more pronounced Dollar weakness since the beginning of this year. This is clearly visible in our Q1 results. However, the average exchange rate this year to date stands at below 1.55, so our task has become even more difficult.

Slide 25 – Income Statement [WB]

I would like to give you an insight into our annual financial statements now. More detailed information you may find in our annual report and in particular in the comprehensive notes section of that report. Let me start with the Profit and Loss Account. As you all know, it is always a challenge to draw comparisons between two fiscal years. Nevertheless, a comparison between 2007 and 2006 shows significant volume effects along the P&L leading to economies of scale which, at the end, boosted our operating result to € 17.3m from € 5.9m. Revenues grew in 2007 by 25% to € 214.8m from € 171.7m. This growth was largely due to an increased demand for compound semiconductor systems driven largely by rising demand for LED end market applications. 81% of the companies' revenues were generated in Asia. Cost of sales relative to revenues decreased by 3 percentage points in 2007 compared to 2006. This was due to a different product mix with a higher revenue element from our latest generation platform based deposition equipment that partially offset the negative effects of the US-Dollar weakness in 2007. As a result, our gross margin rose to 40% from 37%. Of course, the gross margin is continuously challenged by a weak US-Dollar. Also, operating cost increased disproportionately lower than the revenue growth. Selling expenses increased by 16% to € 27.2m. The increase was due to higher variable selling cost such as sales commissions and warranty provisions. Administrative expenses decreased by 6% indicating the management's continuous effort to reduce overheads which are not critical to the business. Research and development cost increased by 11%. This proves our commitment to invest into next generation technology and maintain our position as one of our industry's technology leaders. In fiscal year 2007, headcount rose to 609 from 566. This primarily reflected additional headcount in research and development. Other operating income was € 5.8m of which 50% were due to receipt of external research and development funding. The net income after tax increased to € 17.3m or 20c per share.

Slide 26 – Cash Flow [WB]

Cash and cash equivalents have risen to € 71,9m. Operating cash flow fuelled this excellent development. Also, the significant increase of € 18.6m in advance payments from customers in 2007 helped to offset the considerable increase in the value of inventories which reflects the growing business volume. In 2007, AIXTRON invested € 6.1 m into technical equipment for the laboratories and € 2.0m into intangibles such as software. Depreciation was € 9.7m and slightly higher than capital expenditures. As AIXTRON relies predominantly on outsourced manufactured components, this doesn't reflect an underinvestment in our

infrastructure. AIXTRON typically invests only into research and development equipment, patents and licenses. Exceptional in 2007 was the significant investment into new SAP software to strengthen the worldwide IT landscape and support the group achieving more efficient processes.

Slide 27 – Balance Sheet [WB]

Our financial position is healthy. Shareholders' equity equals 67% of total assets. AIXTRON is a debt free company. The credit side of the balance sheet doesn't contain any long term commitments which will result in significant cash outflows in the future. 40% of the balance sheet assets are non current assets such as property plant and equipment here in Aachen, patents, licenses and other assets. The Goodwill resulted from acquisitions in the past and is tested for impairment annually. 24% of the assets is cash. 17% of all liabilities are advance payments from customers. This helps financing inventories of € 60 m. This ends my presentation on fiscal year 2007. From a financial perspective, AIXTRON made significant progress in 2007 to achieve sustainable profits together with strong operational cash flows to finance the expansion. Before I hand you back to Paul, let me draw your attention to the key figures of AIXTRON AG, the parent company of the group.

Slide 28 – AG Key Financials [WB]

AIXTRON AG's revenues came in at € 130.9m. AIXTRON AG still is the biggest company of the group. AIXTRON AG achieved a significantly improved net result of € 10.9m. Including retained earnings from previous years the balance sheet profit at your disposal amounts to € 12.3m. Executive board and supervisory board propose to pay a dividend of 7c per share or €6.3m, which equals a little more than 50% of the profit and carry the balance of € 6.0m forward to next year. The dividend proposal which we made today takes into account that AIXTRON needs sufficient funds to stay market leading and competitive in very dynamic and volatile markets. The strong cash position we maintain enables us to fund future growth without any restrictions. That this growth will occur is certain to the market. However, the timing is difficult to predict and not in our hands. But we will be there and well prepared if this growth materializes. Of course it is important to us that you, our shareholders, the owners of AIXTRON, not only enjoy your investment, but also benefit from it in financial terms. As an EB, we believe in 2007 we accomplished that mission. And we are convinced, that 2008 will be another strong year for our, for your company.

Slide 29 – First Quarter Key Financials [WB]

Allow me to give you a quick overview of our Q1-numbers on slide 28. First of all, I would like to point out the very encouraging increases in total Equipment Order Intake and Backlog. While Revenue has decreased marginally yoy, it is worth emphasizing that Q1 continues the incremental revenue trend over the last 4 quarters. Also encouraging for us is that our gross margin is again inching closer to the 40% mark, in spite of currency headwinds. This increase was driven by a further decrease in the cost of sales, which in turn was largely due to sales of higher margin products and

economies of scale. Needless to say that this improvement would have been more pronounced had it not been partially offset by a negative currency effect. Our Operating Margin has improved by one percentage point and now stands at 14%. Nonetheless, you will note that our Net Result was lower than a year ago. This is due to a higher tax rate following consistently positive results as the group companies in Europe utilized most of their tax losses carried forward. As pointed out, our Cash situation has improved further and I am glad to state once again that we continue to enjoy full financial flexibility to fund our operations, as well as our investments in future growth. Finally, our FCF of €12,9m in Q1/2008 reached a high level, mainly fuelled by cash flow from operations before change of balance sheet items.

Slide 30 – Change to Registered Shares [WB]

Before handing you back to Paul Hyland, I would talk to you about Topic 6 of our Agenda which is the change from bearer to registered shares. What are registered shares? Registered Shares are fairly common outside of Germany and in Germany, more and more companies change from bearer to registered shares. Registered Shares are shares that belong to a specific shareholder. This shareholder is registered in a share register which is administered by AIXTRON. Only properly registered holder of shares are considered shareholders in a legal sense. The share register is an electronic database, keeping name, address and birth date of each shareholder or institution. Why are we proposing this? Registered Shares offer a range of advantages over bearer shares.

Some of these advantages are: A better and direct communication with our shareholders will be possible, we have a better understanding of who our current shareholder are and where they are situated, you will receive your invitation to our AGM directly from us – in a written form as usual or electronically, Internet proxy voting will be much easier with registered shares in place, lower overall costs compared to bearer shares. For us, the transaction costs to move investors in or out of the share register are higher. Also we will have to administer the share register. But – registered shares save money on the long run due to the high legally binding fees applying to bearer shares particularly in conjunction with our AGM. You might ask yourself whether there are any disadvantages for you? No, actually I cannot think of any disadvantages. You can trade your shares as usual – there are no restrictions The registration process will be done electronically and automatically – so you do not have to change anything

Your rights as shareholder will not be touched, your personal data will be treated under strict confidentiality. There is no costs for you as shareholders, there is no change regarding future dividend payments. If you wish, the legal communication to you as shareholder can be switched to an electronic form. In our opinion, Registered Shares offer more advantages than disadvantages and therefore we proposed to execute the change to this class of shares. I would like to address another topic, which you can find on our Agenda of today's Meeting which is Topic 8 – our proposal to authorize the company to buy back own shares.

Slide 31 – Authorization to buy back shares [WB]

I would like to give you some explanation why we believe that this authorization makes sense to us and to you as shareholders. First of all I would like to make one thing clear: We do not have plans to buy back shares in order to hold them in our accounts or to cancel them. The reasons why we regularly ask for this authorization are the following: We would consider using purchased own shares to fulfill subscription rights of Options, Warrants or Convertible Bonds – or we would consider using own shares for acquisition purposes, i.e. to pay part of the purchasing price in shares.

Using our own shares in these cases helps to avoid dilution of existing shareholders, meaning that the number of shares would remain the same versus an increase of this number by the issuance of new shares in the above mentioned cases. These measures would protect you – our shareholders from dilution and we would have the flexibility to potentially use our shares as an attractive acquisition currency or to fulfill a capital obligation we might have.

Slide 32 – Table of Contents - Share Price and Outlook [PH]

Ladies and gentlemen, thank you very much for your attention. I will now hand you back to our CEO Paul Hyland for his final remarks, but will of course be available to answer your questions later on.

Slide 33 – Share Price Development [PH]

Thank you Wolfgang. I would like to add here that Wolfgang and his team have done a super job in 2007 in giving us the essential stable financial platform that has been the foundation of our success in 2007. Ladies and gentlemen, let me begin my concluding statements with the ultimate measure of the success of all our efforts at AIXTRON AG, our share price. The AIXTRON share price grew from € 3.50 on 1 January 2007 to € 9.50 on 31 December 2007, i.e., it almost tripled during 2007. And equally remarkable; is that we achieved this performance against a capital market backdrop which assumed a very negative mood from the middle of the year, and continues to do so today. To illustrate this point, our market benchmark, the German TecDAX, started the year at a level of 750 points, and ended it at 974 points, still an improvement, but only of 30%. I hope you will recognize that emulating this performance in 2008 will be extremely difficult, and the next slide, which shows our share price during the first quarter of this year, gives you a taste of pressures the stock market continues to experience today.

Slide 34 – Q1/08 Share Price [PH]

You can see here that our share price continued to climb during the first few days of 2008, reaching a high of €10.70 on January 4, but that it then dipped substantially - along with the rest of the market, in the subsequent weeks. However today, our share price again stands at € 9.38 and has outperformed the TecDAX, as it did last year, and we will of course do everything in our power to maintain this positive momentum. However, as I

am sure you are well aware, the global economy, the capital markets and AIXTRON's product markets are all facing almost unprecedented challenges. That said, our operating performance continues to be strong in 2008, as you will see on the next slide.

Slide 35 – 24-month Business Development [PH]

To confirm what Wolfgang has told you in his Q1 update earlier - but here in a graphical form: The first quarter of 2008 has started very positively. On the top line in this slide, you can see our Q1 order intake on the far right, in the middle line; our order backlog and below that you can see the total revenues we achieved in Q1/2008. To start with the revenues first, the dark blue column on the bottom right of this slide. We delivered total revenues in Q1 of € 62.6m, a marginal decrease year on year, but still a very strong quarterly performance – the highest revenue figure for 12 months and 16% up on the Q4,2007 revenue figure. Reflecting an increasing percentage of common-platform system revenues and a favorable product mix, our gross margin improved by one percentage point to 39%, despite a further significant weakening of the US-Dollar during the reporting period. We achieved an EBIT figure of € 8.7m, a little higher than the € 8.2m in Q1/07 and more than double the €4.3m we reported in Q4/2007. Importantly, and very encouragingly, our Equipment Order Intake, the red column on the top right of this slide, has more than doubled in comparison with last year's Q1 and came in at €85.5m, only marginally down on the prior quarter. As a result of this very strong Order Intake, our Order Backlog, the middle grey column on the right of this slide, has also more than doubled, year on year, to € 157.3m by the end of March 2008 and is more than 19% higher than at Dec. 31, 2007. Let me now give you an update on the 2008 Results guidance we have given to the Market.

Slide 36 – 2008 Guidance [PH]

Starting at the top right of the chart, or the light blue piece of the pie:

Q1 revenue was just under € 63m. Moving down to Spares, or the grey piece of the pie, we expect a further € 21m of Revenues to come in from the sale of spare parts in the remaining three quarters of 2008. Moving further down to the lower half of the chart, or the dark blue piece of the pie: This is simply; that portion of our €157m total Order Backlog, which we expect to be converted into Revenue this year, namely; €136m. And finally, the top left or red piece of the pie: In order to get to our guided Revenue range of € 270-300m, our sales teams have to deliver additional orders of at least €50 – €80m, which are shippable and recognizable as Revenue before the end of the year. €80m would result in year-end revenues of €300m. As we have reported before; we expected – and have now seen – some evidence of 'softening' in enquiry levels, which lead us to believe that we are at the apex of the current demand cycle. However, although we are not even at the mid-way point in Q2, we continue to have a positive view for the Order Intake in this quarter. We also continue to be confident that we can deliver the additional Orders required to meet our guidance, and we therefore maintain our overall guidance for the year of €270m - €300m Revenues and an EBIT margin of 10-12% for the year.

Now let's finally turn our attention to the short, medium and longer term potential of our technology.

Slide 37 – New Technologies – New Opportunities [PH]

This 'Roadmap' slide illustrates the rich pipeline of new technologies, applications and therefore business opportunities, that AIXTRON is very well positioned to participate in, now and in the future. Rather than going through them all, I'd like to pick out just one or two of these opportunities. In the short term, we have clear evidence of the growing demand for LED Backlighting and automotive LED-Applications helping to fuel our current growth. In the mid-term I would like to pick out the biggest opportunity that we see on the horizon: LEDs for Solid State or General Lighting. The leading lighting companies regularly express the opinion that lighting will be revolutionized by LEDs and that this technology will be the dominating light source in 10 years from now. The main reasons they give for their prediction are; superior properties such as; lower energy consumption, no mercury content, lower voltage requirements and the flexibility LEDs bring to the design potential of the lighting devices of tomorrow. In the longer term; in addition to the Carbon Nanotube opportunities you heard me talk about earlier, we believe that Organic LEDs or OLEDs will also play a vital longer term role in lighting and displays as well. The opportunities open to us, are only limited by our own ability to stay focused and our willingness to **'push our PERFORMANCE'**.

Slide 38 – 'push your PERFORMANCE' Slide [PH]

As I hope I have managed to convey to you today – In 2007, we did indeed **'push our PERFORMANCE'** and we will continue to do precisely that in the future. I would like to take this opportunity to thank all of the AIXTRON team who have shown the extraordinary Commitment we have come to expect of them. I would also like to thank their families for their Patience and Understanding. We know that without their support our team would not be able to meet the high standards they set themselves. I would like to particularly thank Bill Elder, who is with us today, who retired from the AIXTRON Board last year, for his tremendous drive and support from the acquisition of Genus in 2005 up until his farewell from the AIXTRON Board - and indeed for his continued interest, even now, in the success of this company. Thank you Bill, you have set a great example of commitment to much younger colleagues. And of course, on behalf of Wolfgang, Bernd and myself, I would like to express our gratitude as an Executive Board, for the great support the Supervisory Board have given us throughout 2007. Our job would be extraordinarily difficult without that support. Finally, and most importantly, I would like to thank you: our shareholders, for your patient support as we try to continue to add real long-term value to your company. Ladies and Gentlemen, thank you for your attention and I look forward to seeing you again next year, where once again, I hope to be able to present to you another set of successful results for 2008.

Thank you!