

**AIXTRON**



# **15th Annual General Meeting**

May 16, 2012  
Eurogress Aachen

# Forward-Looking Statements

This document may contain forward-looking statements regarding the business, results of operations, financial condition and earnings outlook of AIXTRON within the meaning of the safe harbor provisions of the US Private Securities Litigation Reform Act of 1995. These statements may be identified by words such as “may”, “will”, “expect”, “anticipate”, “contemplate”, “intend”, “plan”, “believe”, “continue” and “estimate” and variations of such words or similar expressions. These forward-looking statements are based on our current views and assumptions and are subject to risks and uncertainties. You should not place undue reliance on these forward-looking statements. Actual results and trends may differ materially from those reflected in our forward-looking statements. This could result from a variety of factors, such as actual customer orders received by AIXTRON, the level of demand for deposition technology in the market, the timing of final acceptance of products by customers, the condition of financial markets and access to financing for AIXTRON, general conditions in the market for deposition plants and macroeconomic conditions, cancellations, rescheduling or delays in product shipments, production capacity constraints, extended sales and qualification cycles, difficulties in the production process, the general development in the semi-conductor industry, increased competition, fluctuations in exchange rates, availability of public funding, fluctuations and/or changes in interest rates, delays in developing and marketing new products, a deterioration of the general economic situation and any other factors discussed in any reports or other announcements filed by AIXTRON with the U.S. Securities and Exchange Commission. Any forward-looking statements contained in this document are based on current expectations and projections of the executive board and on information currently available to it and are made as at the date hereof. AIXTRON undertakes no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise, unless expressly required to do so by law.



## **AGM May 2012**

### **TOP 1**

Presentation of the adopted annual financial statements of AIXTRON SE as of December 31, 2011 and the management report for fiscal year 2011, the approved consolidated financial statements as of December 31, 2011, the Group management report for fiscal year 2011 and the report of the Supervisory Board and the explanatory report of the Executive Board according to the German Commercial Code

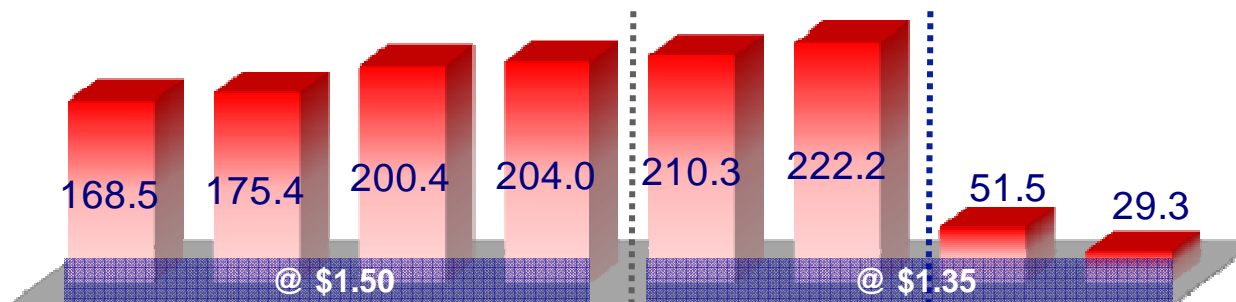
# Agenda

- Business & Market Trends
- Financials
- Market update

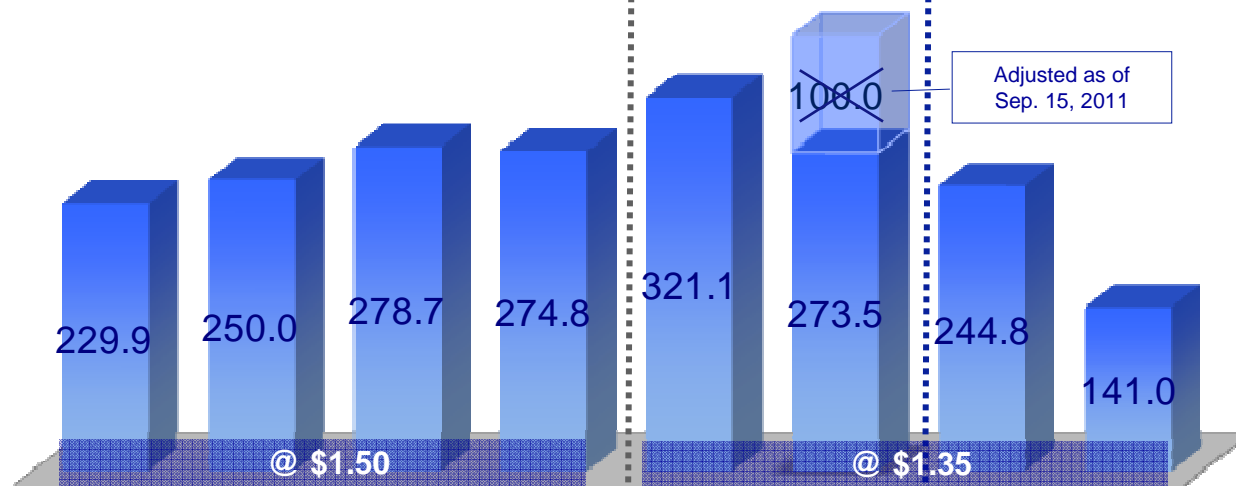
## 24 - Month Business Development

(€ million)

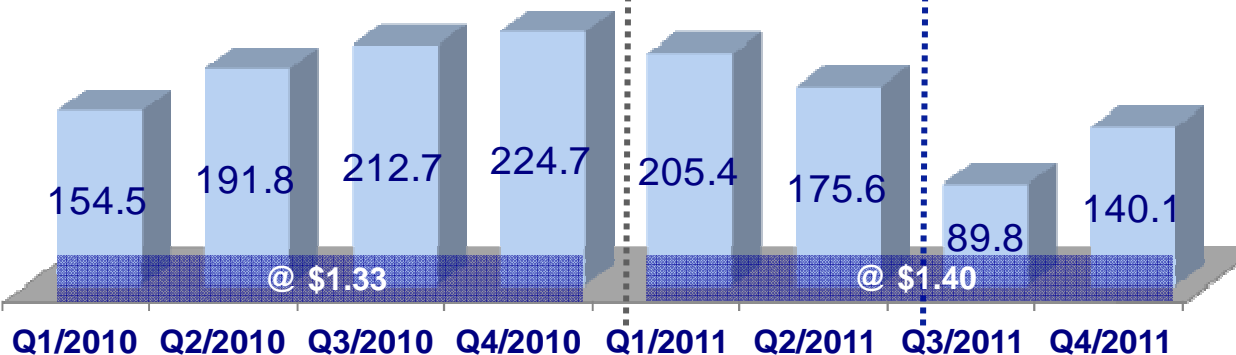
Equipment (only)  
Order Intake



Equipment (only)  
Order Backlog



Total Revenues  
(incl. equipment,  
service, spare parts)



USD order intake and backlog recorded at the prevailing budget rate (2011: \$1.35/€; 2010: \$1.50/€)  
USD revenues were converted at the actual period average FX rate (2011: \$1.40/€; 2010: \$1.33/€)

## 2011 Financial Highlights

### Year on Year Comparison (2011 vs. 2010)

- Revenues down 22% to €611.0m (2010: €783.8m)
- Gross Margin down 15pp to 38% (2010: 53%)
- EBIT down 59% to €112.9m with 18% margin (2010: €275.5m; 35%)
- Basic EPS decreased 59% to €0.79 (2010: €1.93)
- Equipment Order Intake down 31% to €513.4m (2010: €748.3m)
- Order Backlog down 49% at €141.0m (31/12/2010: €2748m)
- Free Cash Flow\* 138% lower at €-36.2m (2010: €95.9m)
- Cash & Cash Equivalents plus Cash Deposits down 23% to €295.2m (31/12/2010: €384.7m)

\*) Operating CF + Investing CF + Changes in Cash Deposits

## R&D Center: Accelerating technology leadership



- State of the art R&D center with offices, labs & prototype/non standard production
- Space for ca. 450 employees, 16,000 sqm, energy efficient design, LED lighting

## AIXTRON - SINANO: Laboratory & Training Center

- Sustainable activities in R&D, Application and Training
- Regional commitment to Asian customers
- Increased presence in high growth SSL markets





# Agenda

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## Consolidated Income Statement\*

(€ million)	2011	2010	+/-	Q4/11	Q4/10	+/-
Revenues	611.0	783.8	-22%	140.1	224.7	-38%
Cost of sales	379.5	372.0	2%	128.4	107.4	20%
Gross profit	231.4	411.8	-44%	11.8	117.3	-90%
<b>Gross Margin</b>	<b>38%</b>	<b>53%</b>	<b>-15 pp</b>	<b>8%</b>	<b>52%</b>	<b>-44 pp</b>
Selling expenses	32.1	48.9	-34%	7.1	9.0	-21%
General & admin expenses	34.0	30.1	13%	9.1	8.3	10%
R&D	50.4	46.1	9%	14.6	12.6	16%
Net other op. (income)/expenses	2.0	11.1	-82%	(2.2)	1.4	-257%
EBIT	112.9	275.5	-59%	(16.9)	86.0	-120%
<b>EBIT Margin</b>	<b>18%</b>	<b>35%</b>	<b>-17 pp</b>	<b>-12%</b>	<b>38%</b>	<b>-50 pp</b>
Result before tax	115.0	278.2	-59%	(16.3)	88.0	-119%
<b>Pre-Tax Margin</b>	<b>19%</b>	<b>35%</b>	<b>-16 pp</b>	<b>-12%</b>	<b>39%</b>	<b>-51 pp</b>
Net result	79.5	192.5	-59%	(10.9)	61.6	-118%
<b>Net Return on Sales</b>	<b>13%</b>	<b>25%</b>	<b>-12 pp</b>	<b>-8%</b>	<b>27%</b>	<b>-35 pp</b>

\*) rounded figures; may not add up

## Consolidated Statement of Financial Position\*

(€ million)	31/12/11	31/12/10
Property, plant & equipment	96.2	77.9
Goodwill	64.1	62.2
Other intangible assets	6.2	7.0
Others	29.4	20.6
<b>Non-current assets</b>	<b>195.8</b>	<b>167.7</b>
Inventories, WIP & Finished Goods	184.6	167.2
Trade receivables	78.6	88.4
Others	23.0	15.4
Cash & Cash Equivalents incl. CD	295.2	384.7
<b>Current Assets</b>	<b>581.4</b>	<b>655.7</b>
<b>Shareholders' equity</b>	<b>628.3</b>	<b>600.3</b>
<b>Non-current liabilities</b>	<b>0.4</b>	<b>1.0</b>
Trade payables	20.5	39.6
Advance payments from customers	64.9	117.5
Others	63.1	64.9
<b>Current liabilities</b>	<b>148.6</b>	<b>222.1</b>
<b>Balance Sheet total</b>	<b>777.3</b>	<b>823.4</b>

\*) rounded figures; may not add up

## Consolidated Statement of Cash Flows\*

(€ million)	2011	2010
Cash Flow from operating activities	(6.3)	148.0
Cash Flow from investing activities	50.5	(165.4)
Cash Flow from financing activities	(57.5)	(11.6)
Exchange rate changes	4.2	0.2
Net change in Cash & Cash Equivalents	(9.2)	(29.1)
Cash & Cash Equivalents (beginning of period)	182.1	211.2
Cash & Cash Equivalents (end of period)	172.9	182.1
Change in Cash deposits	(80.5)	113.6
Free Cash Flow*	(36.2)	95.2

\*) rounded figures; may not add up

\*\*) Operating CF + Investing CF + Changes in Cash Deposits

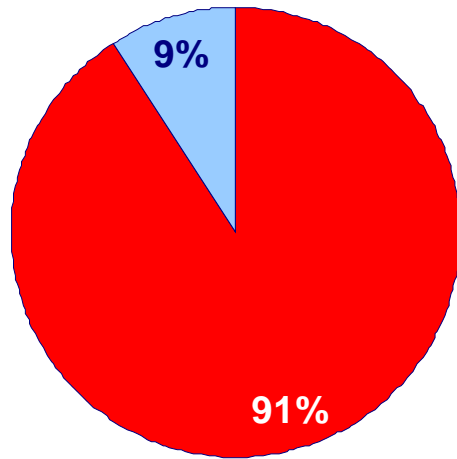
## AIXTRON SE Key Financials (HGB)\*

(€ million)	2011	2010	+/-
Revenues	594.9	776.7	-23%
Total Operating Performance	622.3	825.9	-25%
Results from ordinary activities	55.6	266.4	-79%
Net result	25.6	195.1	-87%
Retained earnings	64.2	27.4	134%
Transfer (to)/from retained earnings	-12.8	-97.5	-87%
Accumulated net result	77.0	124.9	-38%
Dividend proposal/dividend	25.4	60.7	-58%
Dividend per share (€)	0.25	0.60	-58%

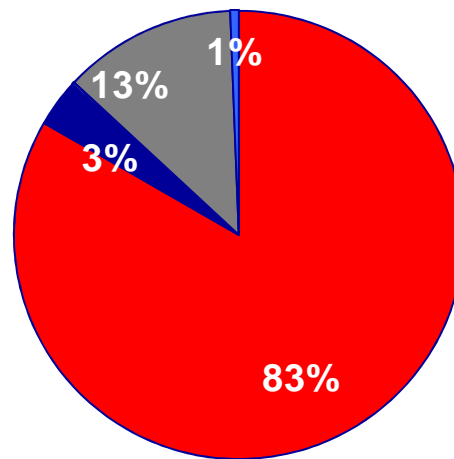
\*) Rounded figures; may not add up

# Revenue Analysis

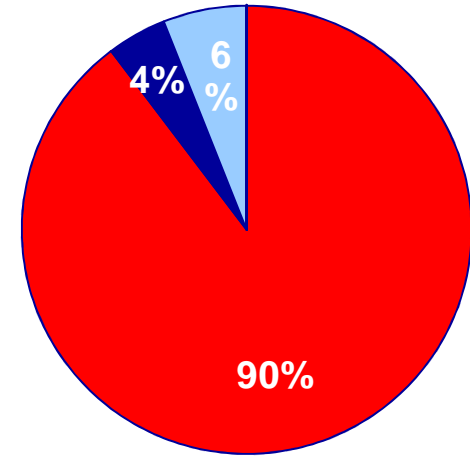
2011:  
by equipment & spares



2011:  
by end application  
(equipment only)



2011:  
by region



Equipment  
Spares

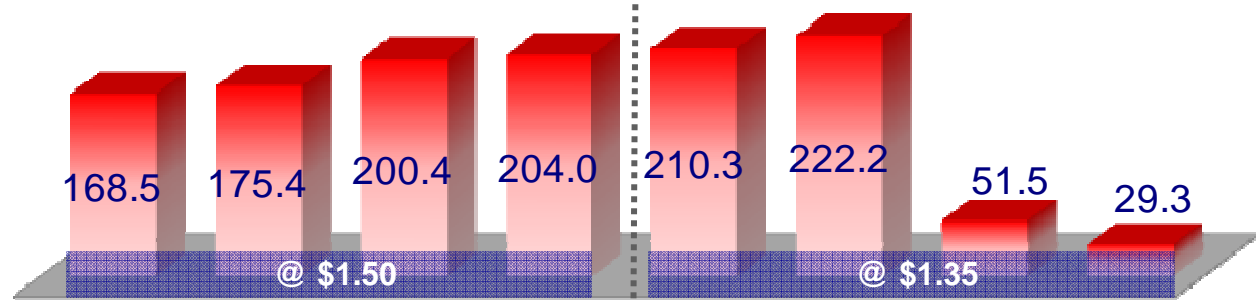
LED  
Telecom/Datacom  
Display & Others  
Silicon

Asia  
Europe  
USA

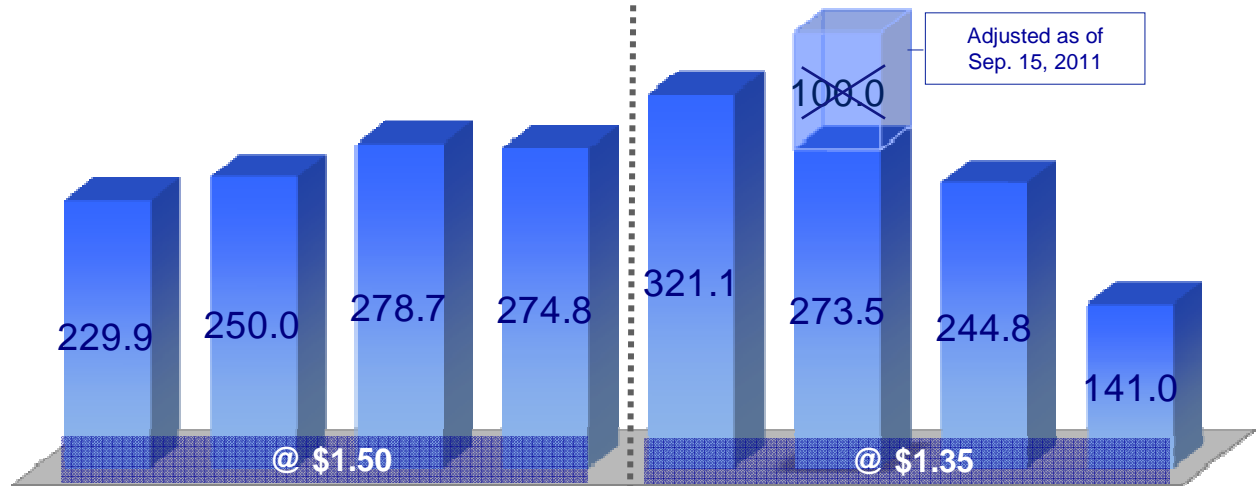
## 24 - Month Business Development

(€ million)

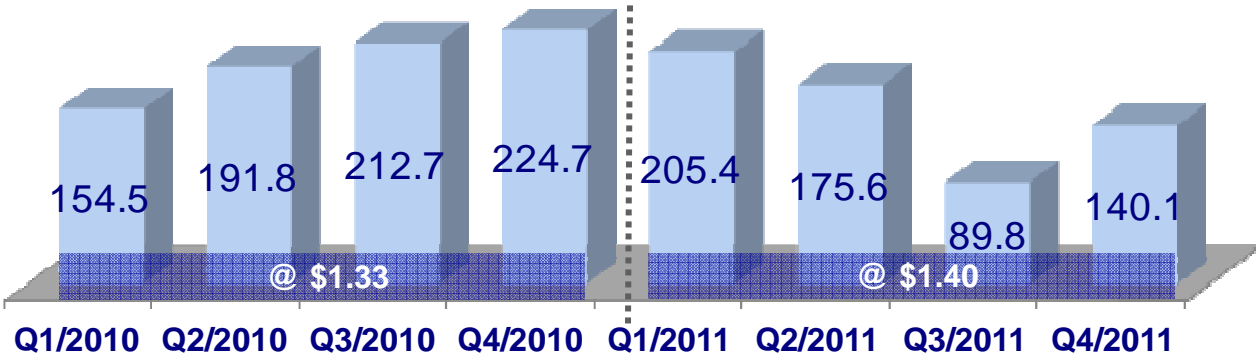
Equipment (only)  
Order Intake



Equipment (only)  
Order Backlog



Total Revenues  
(incl. equipment,  
service, spare parts)

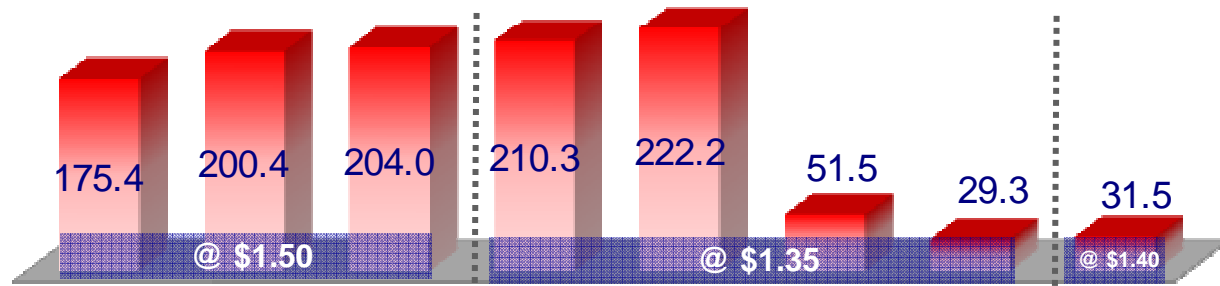


USD order intake and backlog recorded at the prevailing budget rate (2011: \$1.35/€; 2010: \$1.50/€)  
USD revenues were converted at the actual period average FX rate (2011: \$1.40/€; 2010: \$1.33/€)

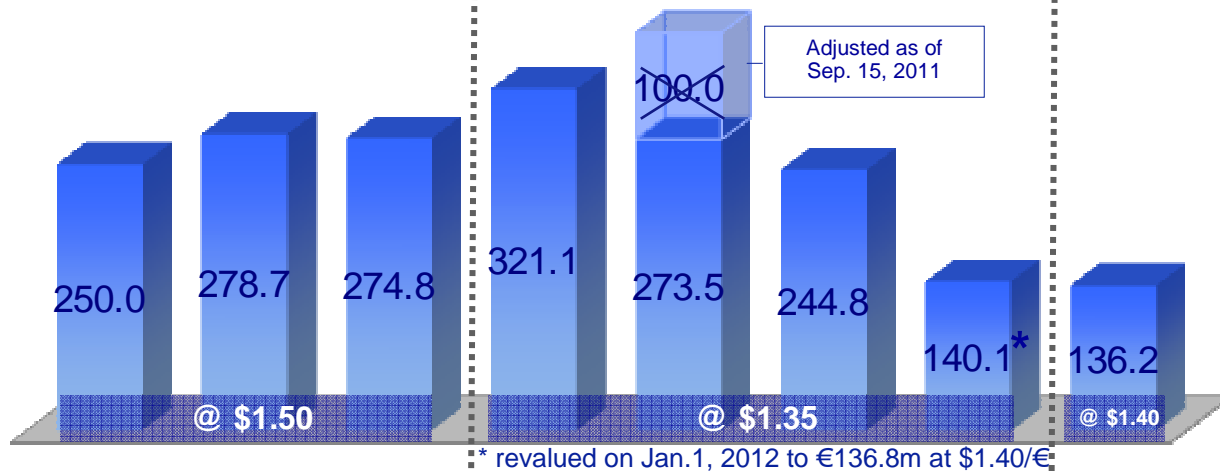
## 24 - Month Business Development- 2012/Q1

(€ million)

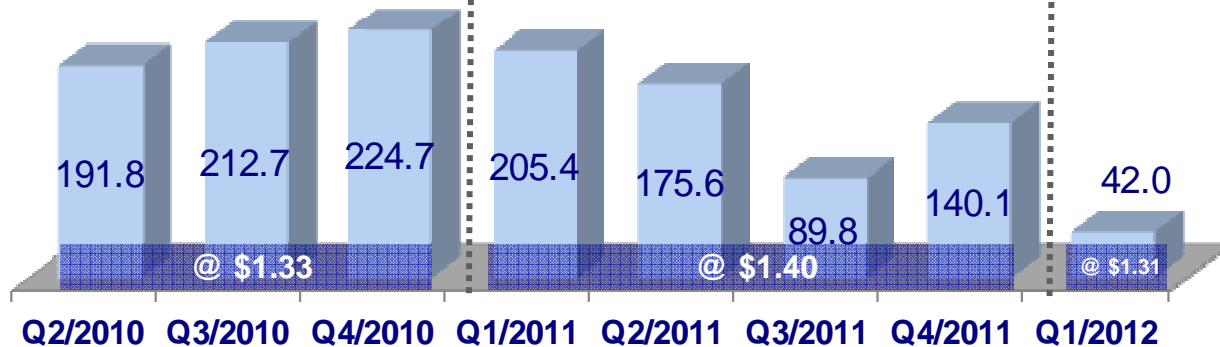
Equipment (only)  
Order Intake



Equipment (only)  
Order Backlog



Total Revenues  
(incl. equipment,  
service, spare parts)



USD order intake and backlog recorded at the prevailing budget rate (2012: \$1.40/€, 2011: \$1.35/€; 2010: \$1.50/€)

USD revenues were converted at the actual period average FX rate (Q1/2012: \$1.31/€; 2011: \$1.40/€; 2010 \$1.33/€)



## Q1/2012 Financial Highlights

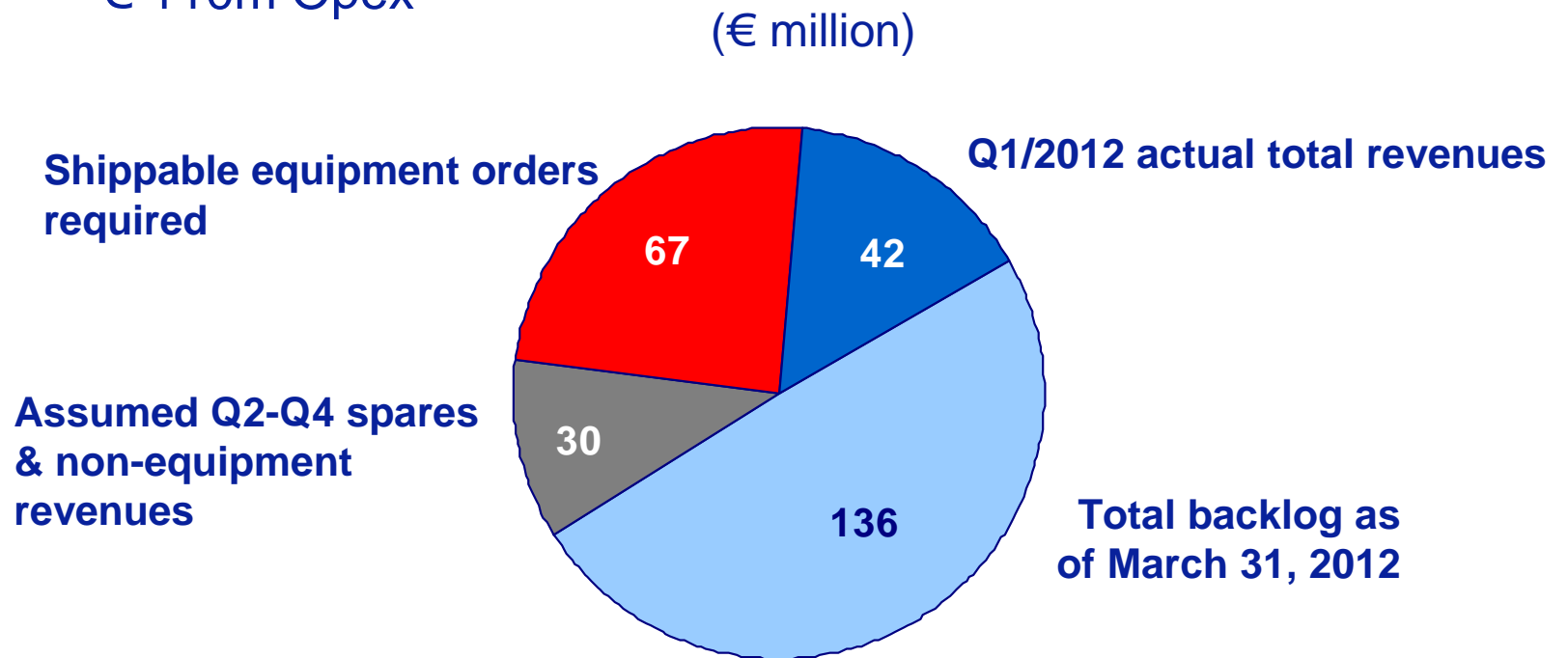
### Year on Year Comparison (Q1/2012 vs. Q1/2011)

- Revenues down 80% to €42.0m (Q1/2011: €205.4m)
- Gross Margin down 26pp to 25% (Q1/2011: 51%)
- EBIT negative at €-18.3m (Q1/2011: €74.9m at 36% EBIT margin)
- Basic EPS decreased to €-0.12 (Q1/2011: €0.52)
- Equipment Order Intake down 85% to €31.5m (Q1/2011: €210.3m)
- Order Backlog down 58% to €136.2m (31/03/2011: €321.1m)
- Free Cash Flow\* down to €-5.6m (Q1/2011: €11.7m)
- Cash & Cash Equivalents plus Cash Deposits down 27% to €288.9m (31/03/2010: €394.8m)

\*) Operating CF + Investing CF + Changes in Cash Deposits

## 2012 EBIT Break Even Model

- Predicted Profitable Performance in 2012
- 2012 annualized EBIT Profitability starts at circa:
  - € 275m Revenues
  - 40% Gross Margin
  - € 110m Opex



# Agenda

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- Market update

## Operational Summary

### AIXTRON Operations

- Q1 orders and revenues reflect a continuation of 'tough' market conditions
- H1/2012 will remain 'tough' – more positive H2 outlook – EBIT breakeven still targeted for 2012
- A strong balance sheet is providing a solid foundation for sustained R&D programs
- Enhanced local support & presence: China demo & training center opened in March
- Improved current product portfolio highly competitive
- Accelerated R&D to provide future key enabling technologies and products

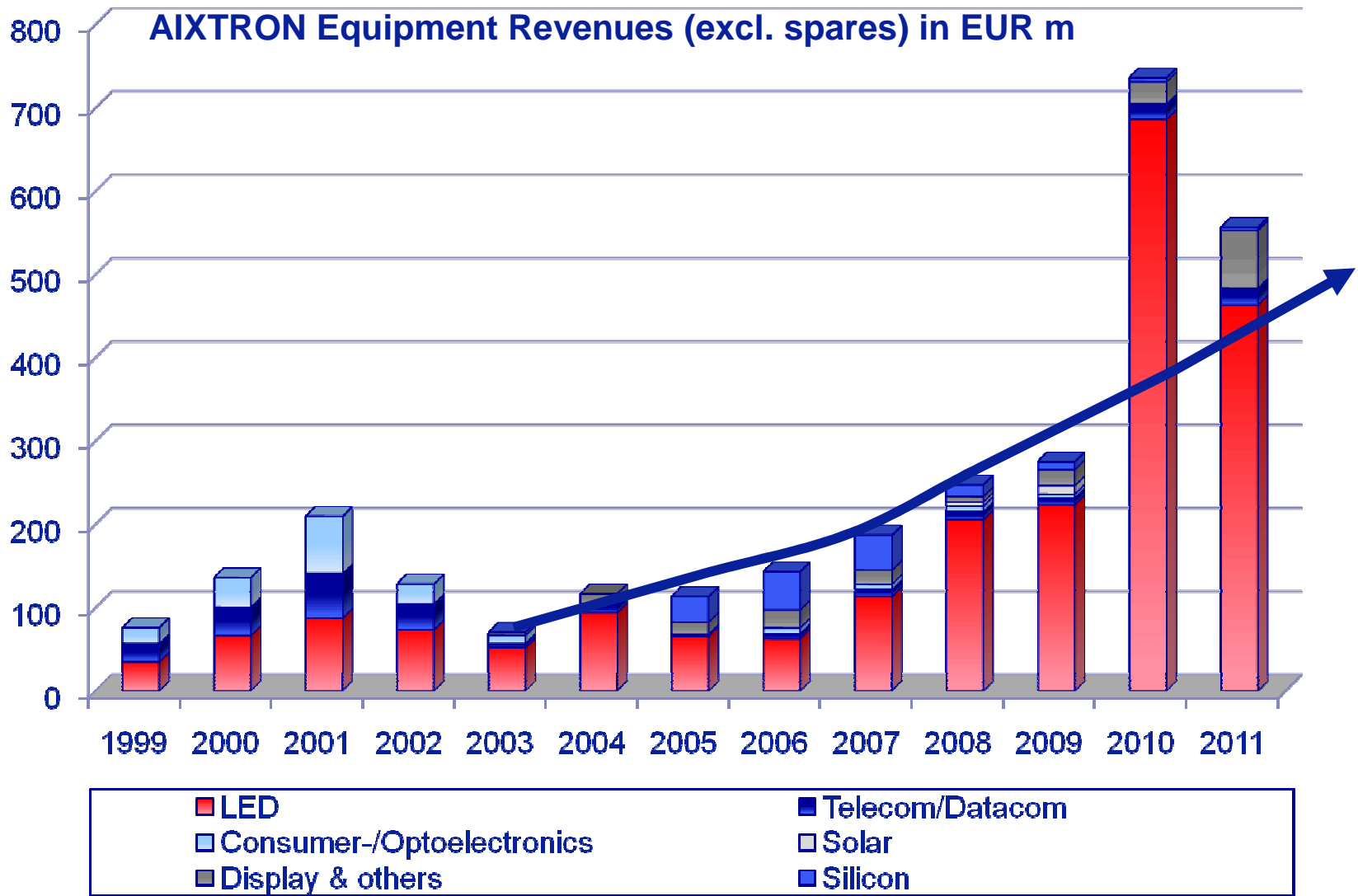
# Fit for the future - Beyond LEDs



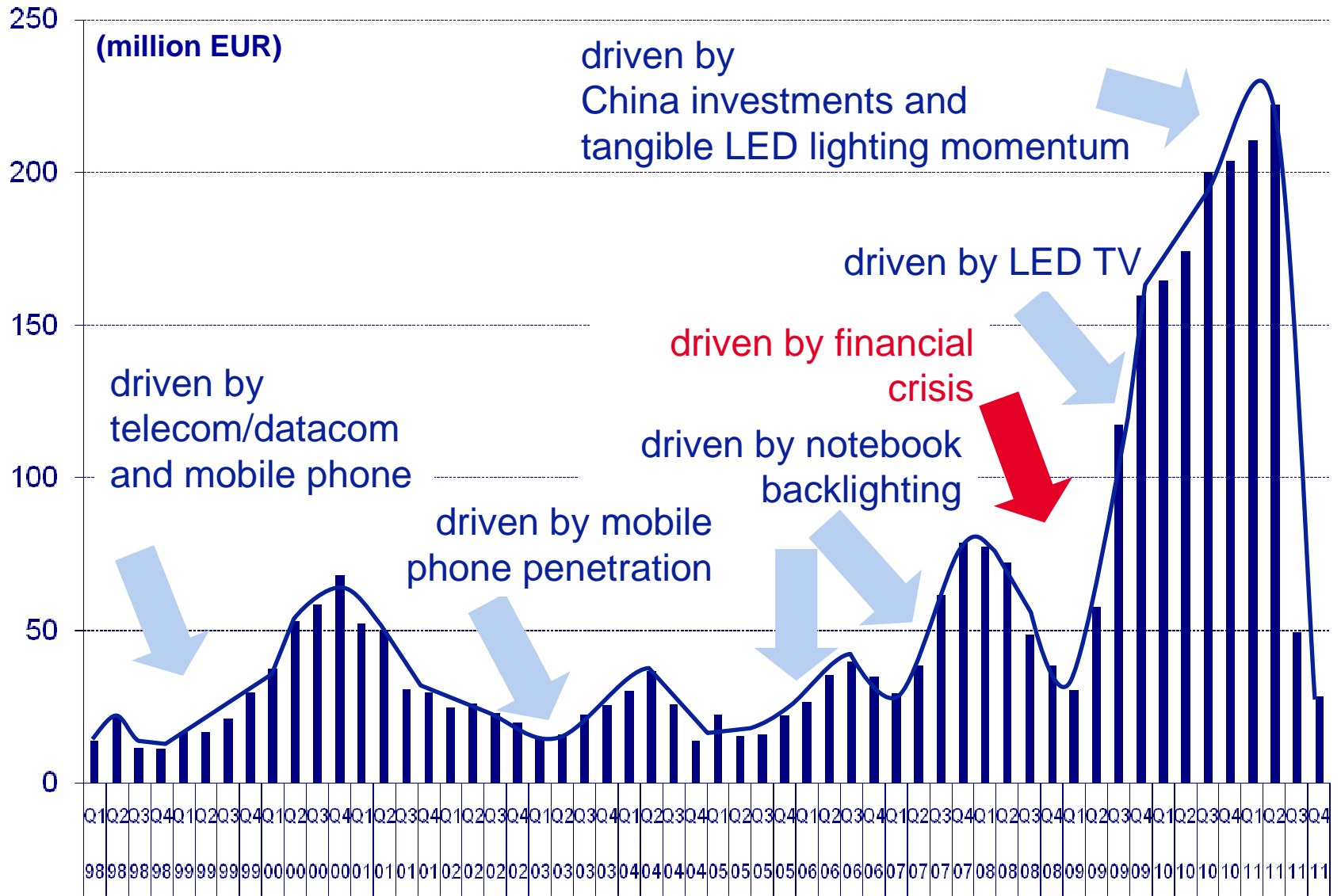
Market update

Organic Material	Carbon Material	Compound Semiconductors		Silicon Semiconductors												
OVPD®/PVPD™	Graphene CNTs and CNWs	CPV triple-junction GaAs / Ge	Power Management GaN / SiC for	Silicon systems												
<ul style="list-style-type: none"> <li>e-paper</li> <li>Display: mobile phones, tablets, TVs, etc.</li> <li>Lighting</li> <li>OPV</li> </ul>	<ul style="list-style-type: none"> <li>Graphene for logic/transistors and flexible electronics</li> <li>Carbon Nanotubes (CNTs) and Carbon Nanowires (CNWs) for interconnects, super capacitors and energy storage</li> </ul> <div style="display: flex; justify-content: space-around;"> <div data-bbox="703 1098 875 1284"> <p>Graphene sheet</p> </div> <div data-bbox="882 1098 1010 1284"> <p>Carbon Nanotube</p> </div> </div>	<ul style="list-style-type: none"> <li>Covering most sunlight spectrum</li> <li>Satellite to Terrestrial markets</li> </ul> <div data-bbox="1064 1093 1344 1244"> <p>Evolution of Multijunction Devices</p> <table border="1"> <tr> <td>GaInP 1.8 eV</td> <td>GaInP 1.8 eV</td> <td>GaInP 1.8 eV</td> </tr> <tr> <td>GaAs 1.4 eV</td> <td>GaAs 1.4 eV</td> <td>GaAs 1.4 eV</td> </tr> <tr> <td>Ge 0.7 eV</td> <td>Ge 0.7 eV</td> <td>Ge 0.7 eV</td> </tr> <tr> <td>production</td> <td>future generation</td> <td>example structures</td> </tr> </table> </div>	GaInP 1.8 eV	GaInP 1.8 eV	GaInP 1.8 eV	GaAs 1.4 eV	GaAs 1.4 eV	GaAs 1.4 eV	Ge 0.7 eV	Ge 0.7 eV	Ge 0.7 eV	production	future generation	example structures	<ul style="list-style-type: none"> <li>RF transistors</li> <li>DC-DC converters</li> <li>AC-DC converters</li> <li>DC-AC inverters</li> <li>Transistors for motor drives in automotives and consumer electronics</li> </ul>	<ul style="list-style-type: none"> <li>Metal gates, high-k films for memory and logic</li> <li>Compound materials for the next generation semiconductor structure</li> </ul>
GaInP 1.8 eV	GaInP 1.8 eV	GaInP 1.8 eV														
GaAs 1.4 eV	GaAs 1.4 eV	GaAs 1.4 eV														
Ge 0.7 eV	Ge 0.7 eV	Ge 0.7 eV														
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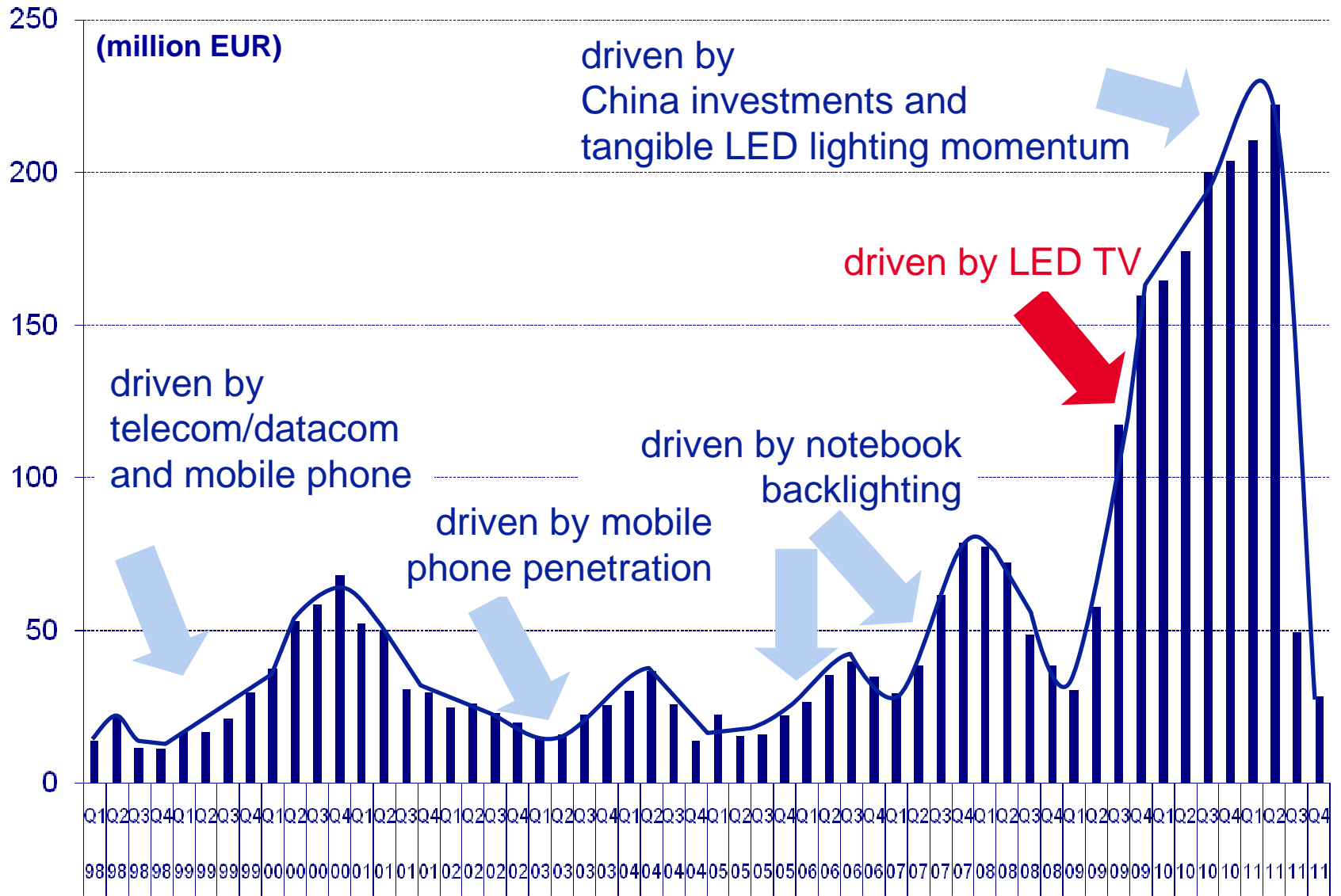
## Equipment Revenues by Application



# Compound Equipment Order Intake per Quarter



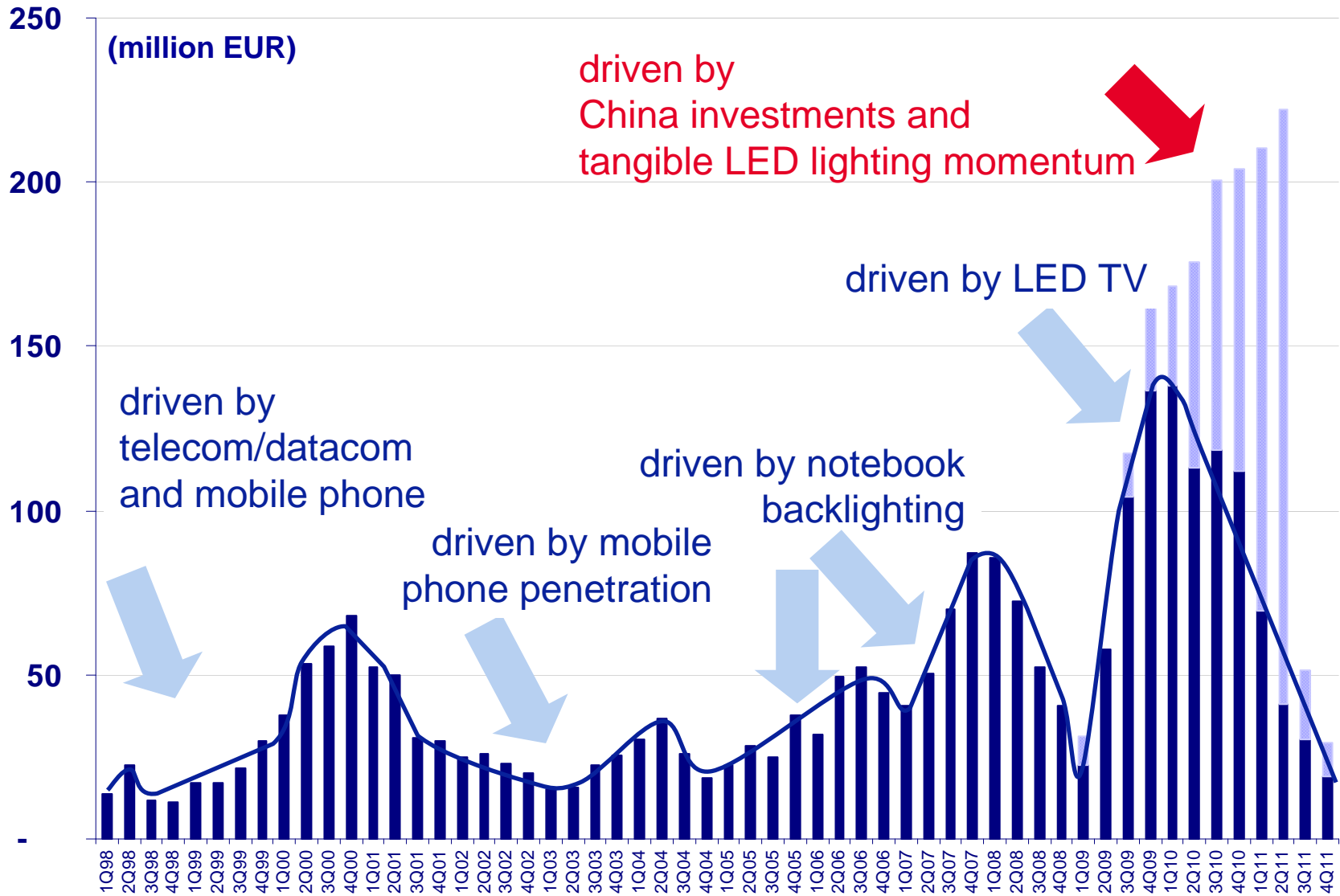
# Compound Equipment Order Intake per Quarter



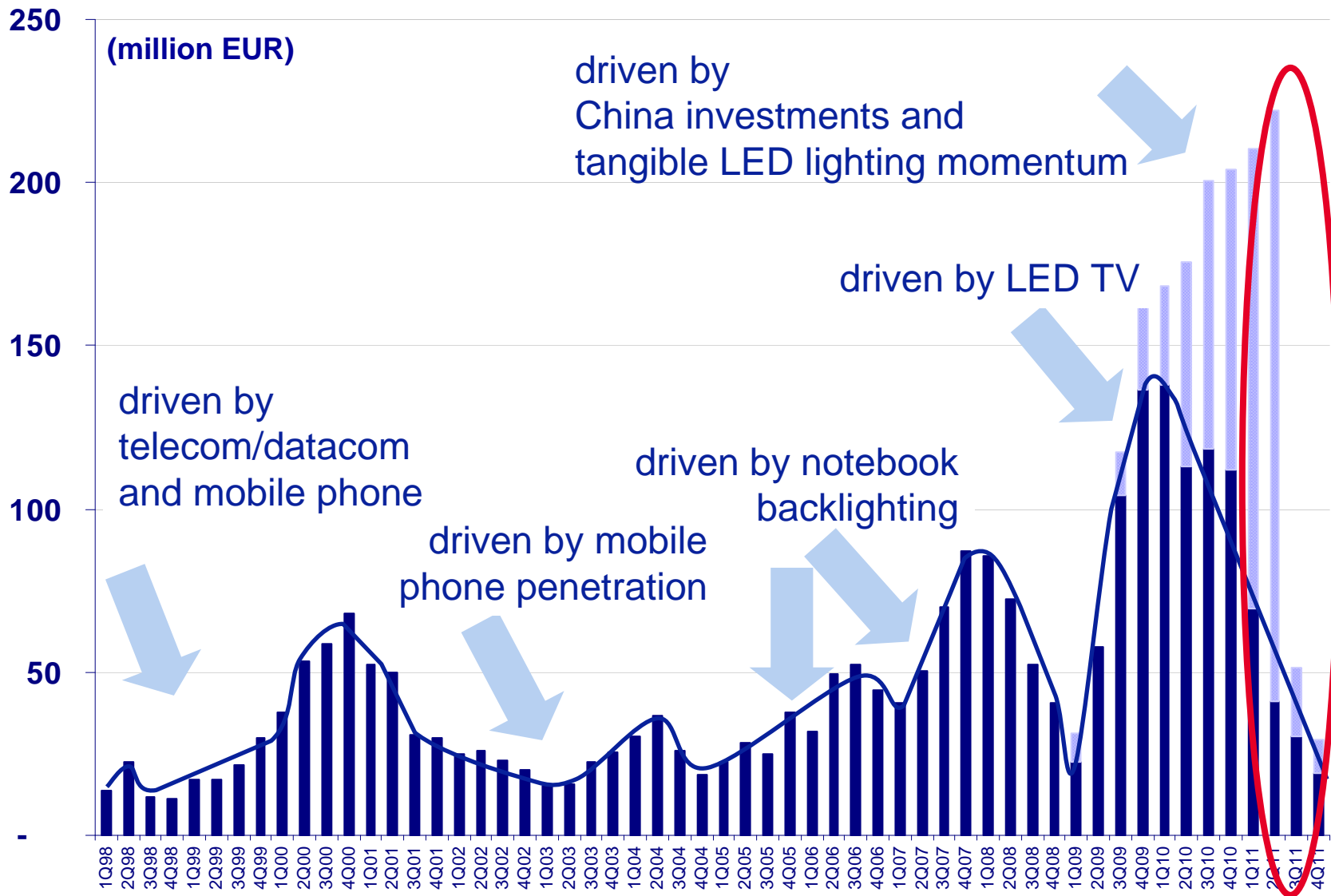
Source: Deutsche Bank Equity Research 2011, AIXTRON SE



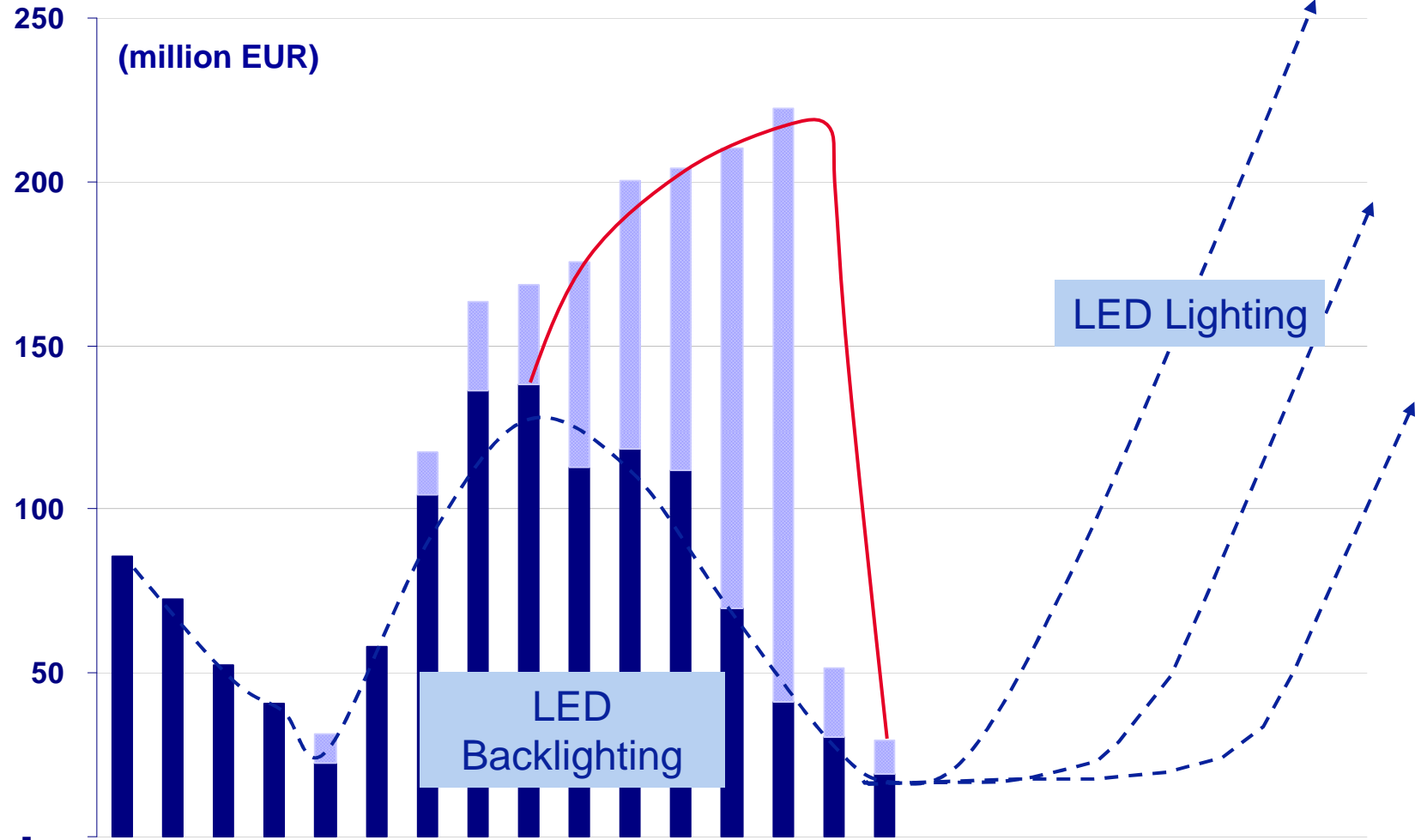
# Compound Equipment Order Intake per Quarter



# Compound Equipment Order Intake per Quarter

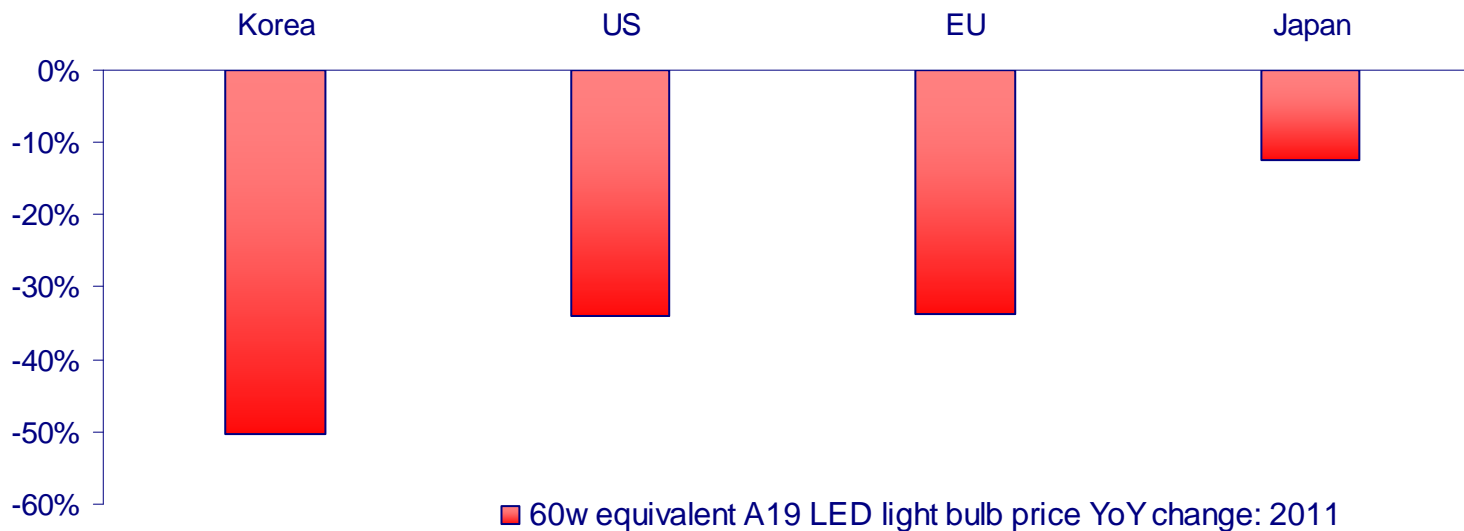
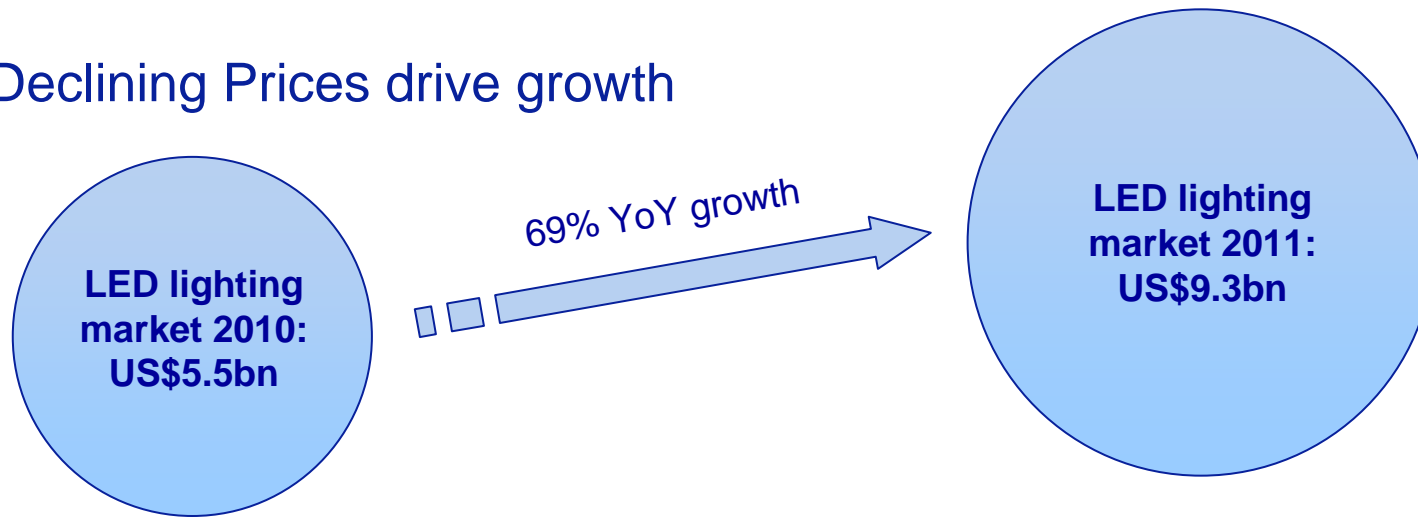


# Compound Equipment Order Intake per Quarter



# LED lighting market continues to grow

- Declining Prices drive growth



Source: Strategies Unlimited; AIXTRON



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**AGM May 2012  
TOP 2**

Resolution on the appropriation of net earnings



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## **AGM May 2012 TOP 3**

Resolution on the approval of the activities of the members  
of the Executive Board of AIXTRON SE during fiscal year  
2011



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## **AGM May 2012**

### **TOP 4**

Resolution on the approval of the activities of the members of the Supervisory Board of AIXTRON SE during fiscal year 2011





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**AGM May 2012**  
**TOP 5**

Resolution on the election of the auditor and Group auditor  
for fiscal year 2012



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**AGM May 2012**  
**TOP 6**

Resolution on the creation of new Authorized Capital 2012  
and on the appropriate amendment of the Articles of  
Association



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## **AGM May 2012 TOP 7**

Resolution on the authorization to issue bonds with warrants and/or convertible bonds including the creation of Contingent Capital I 2012 and cancellation of Contingent Capital I 2007 and appropriate amendment of the Articles of Association



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## **AGM May 2012 TOP 8**

Resolution on the authorization and approval of the issue of share options and the creation of new Contingent Capital II 2012 for shares to be granted under the AIXTRON Stock Option Plan 2012 and appropriate amendment of the Articles of Association