



ASML reports €5.3 billion total net sales and €1.2 billion net income in Q1 2024

2024 outlook unchanged

ASML 2024 First-Quarter results
Veldhoven, the Netherlands

April 17, 2024

Agenda

- Investor key messages
- Business summary
- Outlook
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Investor key messages

Investor key messages

- Global megatrends in the electronics industry, supported by a highly profitable and fiercely innovative ecosystem, are expected to continue to fuel growth across the semiconductor market
- Growth in semiconductor end markets and increasing lithography intensity are driving demand for our products and services
- ASML's comprehensive product portfolio is aligned with our customers' roadmaps, delivering cost effective solutions in support of all applications from leading edge to mature nodes
- Based on different market scenarios¹ as presented during our Investor Day in November 2022, we modeled an opportunity to reach annual revenue in 2025 between approximately €30 billion and €40 billion, with a gross margin between approximately 54% and 56% and in 2030 an annual revenue between approximately €44 billion and €60 billion, with a gross margin between approximately 56% and 60%
- ASML and its supply chain partners are actively adding and improving capacity to meet current and future customer demand
- We continue to execute our ESG Sustainability strategy and shared the latest progress and actions to reach our targets in our integrated Annual Report 2023, published on February 14, 2024
- We expect to continue to return significant amounts of cash to our shareholders through a combination of growing dividends and share buybacks

Business summary

Q1 results summary

- Total net sales of €5.3 billion, net system sales of €4.0 billion, Installed Base Management¹ sales of €1.3 billion
- Gross margin of 51.0%
- Operating margin² of 26.3%
- Net income as a percentage of total net sales of 23.1%
- Earnings per share (basic) of €3.11
- Net bookings³ of €3.6 billion
 - including EUV bookings of €656 million

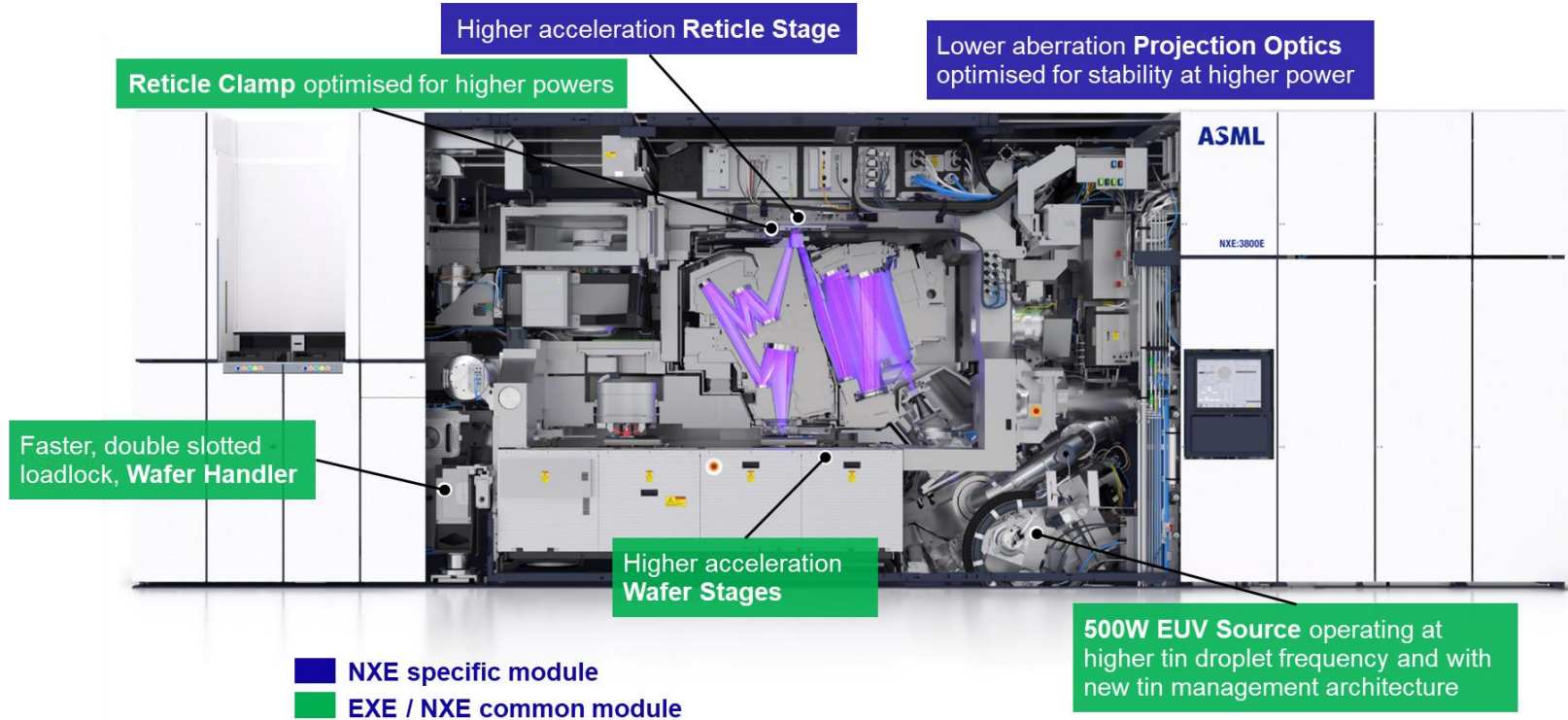
¹ Installed Base Management equals our net service and field option sales

² Income from operations as a percentage of Total net sales

³ Net bookings include all system sales orders and inflation-related adjustments, for which written authorizations have been accepted.

Shipped 1st NXE:3800E system

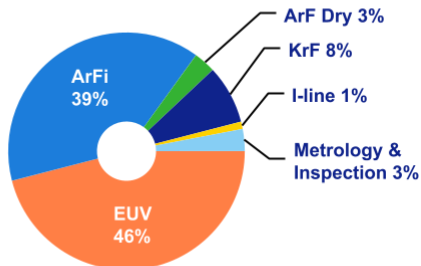
New multiplatform technologies for higher throughput and stability at higher power



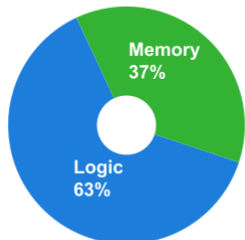
Net system sales breakdown (Quarterly)

Q1'24
Net system sales
€3,966 million

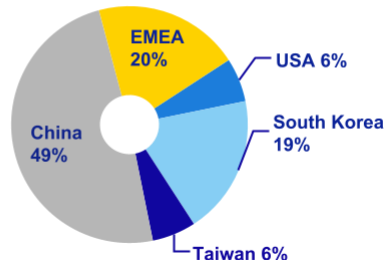
Technology



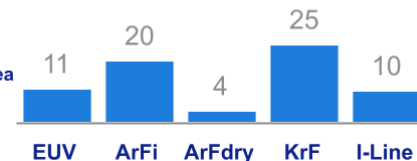
End-Use



Region (ship to location)

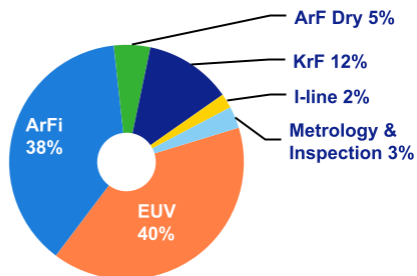


Sales in lithography units

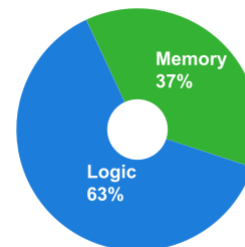


Q4'23
Net system sales
€5,683 million

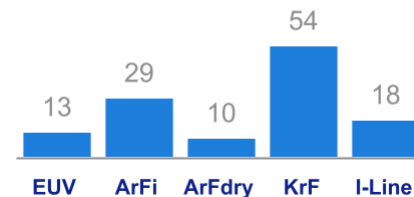
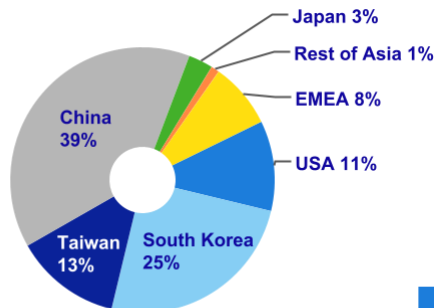
Technology



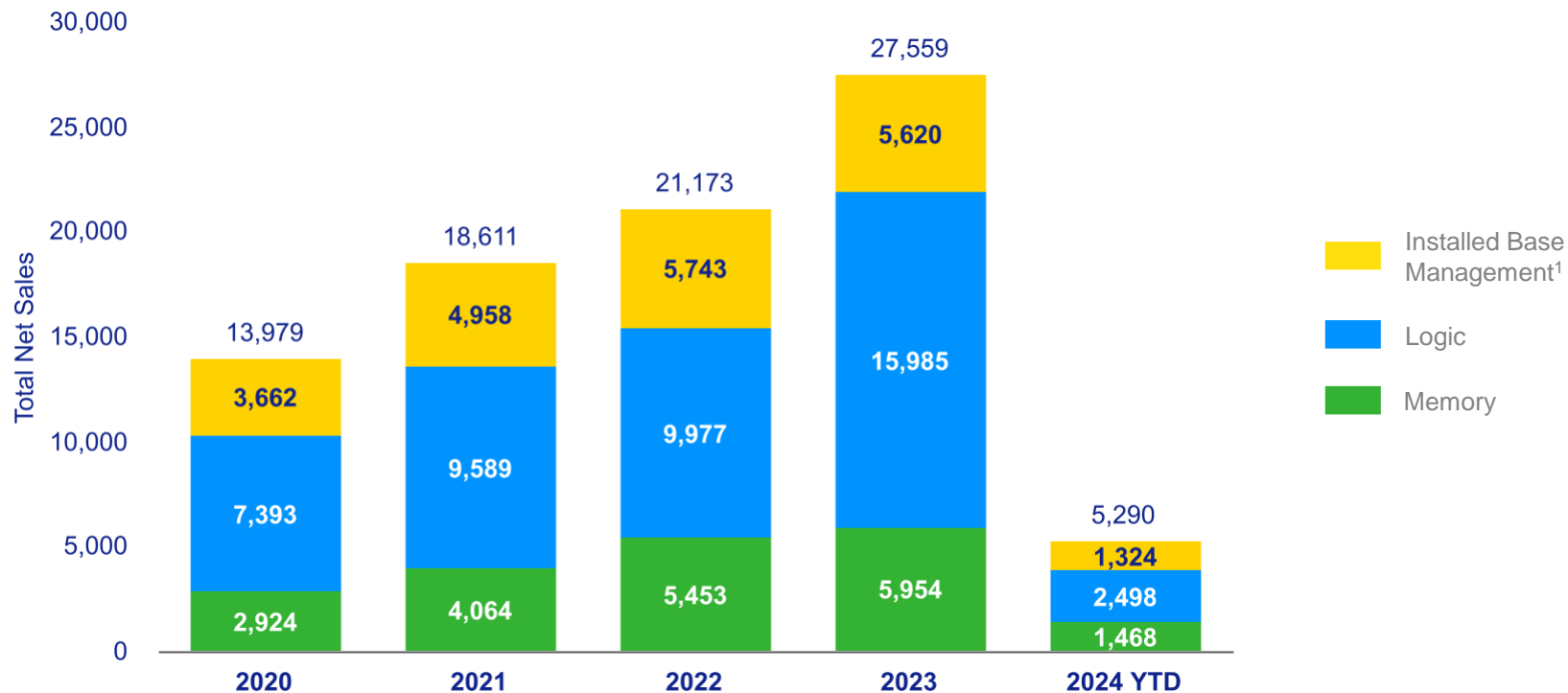
End-Use



Region (ship to location)



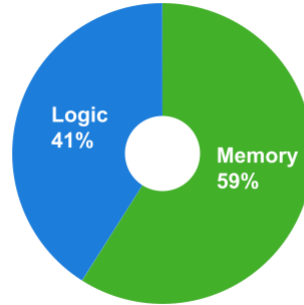
Total net sales € million by End-use



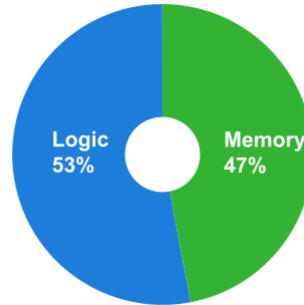
¹ Installed Base Management equals our net service and field option sales

Net systems bookings¹ activity by End-use

Q1'24 net system bookings
€3,611 million



Q4'23 net system bookings
€9,186 million



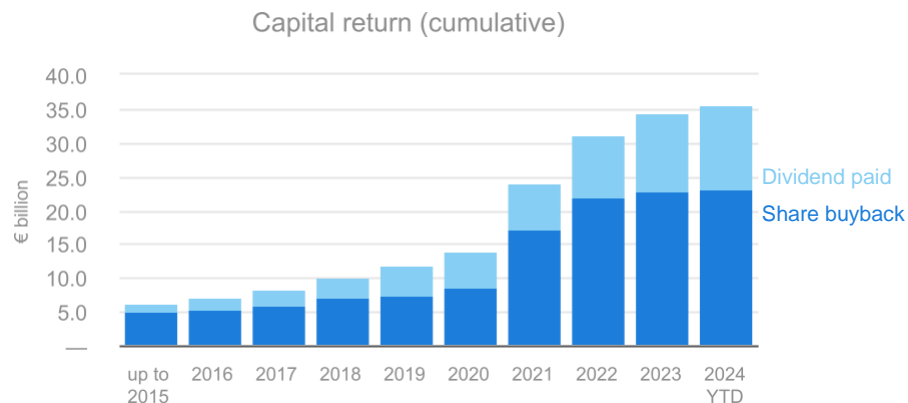
¹ Net bookings include all system sales orders and inflation-related adjustments, for which written authorizations have been accepted.

Capital return to shareholders

- ASML intends to declare a total dividend for the year 2023 of €6.10 per ordinary share
- Recognizing the three interim dividends of €1.45 per ordinary share paid in 2023 and 2024, this leads to a final dividend proposal to the Annual General Meeting of €1.75 per ordinary share
- In Q1 2024 we purchased around 0.5 million shares for a total amount of around €400 million



Third interim and final dividend for a year are paid in the subsequent year



Outlook

Outlook

Q2

- Total net sales between €5.7 billion and €6.2 billion, including
 - Installed Base Management¹ sales of around €1.4 billion
- Gross margin between 50% and 51%
- R&D costs of around €1,070 million
- SG&A costs of around €295 million

2024

- Similar total net sales with a slightly lower gross margin, relative to 2023
- Estimated annualized effective tax rate between 16% and 17%

Financial Statements

Consolidated statements of operations € million

Quarter on Quarter

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Total net sales	6,746	6,902	6,673	7,237	5,290
Gross profit	3,413	3,544	3,462	3,717	2,697
Gross margin %	50.6	51.3	51.9	51.4	51.0
R&D costs	(948)	(1,000)	(992)	(1,041)	(1,032)
SG&A costs	(260)	(281)	(288)	(284)	(273)
Income from operations	2,205	2,263	2,182	2,392	1,392
Operating income as a % of total net sales	32.7	32.8	32.7	33.1	26.3
Net income	1,956	1,942	1,893	2,048	1,224
Net income as a % of total net sales	29.0	28.1	28.4	28.3	23.1
Earnings per share (basic) €	4.96	4.93	4.81	5.21	3.11
Earnings per share (diluted) €	4.95	4.93	4.81	5.20	3.11
Lithography systems sold (units) ¹	100	113	112	124	70
Net bookings ²	3,752	4,500	2,602	9,186	3,611

¹ Lithography systems do not include metrology and inspection systems.

² Net bookings include all system sales orders and inflation-related adjustments, for which written authorizations have been accepted.

Consolidated statements of cash flows € million

Quarter on Quarter

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Cash and cash equivalents, beginning of period	7,268	6,648	6,341	4,976	7,005
Net cash provided by (used in) operating activities	734	385	1,128	3,197	(252)
Net cash provided by (used in) investing activities	(436)	(545)	(1,090)	(617)	(724)
Net cash provided by (used in) financing activities	(916)	(137)	(1,406)	(545)	(927)
Effect of changes in exchange rates on cash	(2)	(10)	3	(6)	(1)
Net increase (decrease) in cash and cash equivalents	(620)	(307)	(1,365)	2,029	(1,904)
Cash and cash equivalents, end of period	6,648	6,341	4,976	7,005	5,101
Short-term investments	5	5	5	5	305
Cash and cash equivalents and short-term investments	6,653	6,346	4,981	7,010	5,406
Purchases of property, plant and equipment and intangible assets	(539)	(544)	(510)	(602)	(424)
Free cash flow ¹	194	(161)	618	2,595	(676)

¹ Free cash flow, which is a non-GAAP measure, is defined as net cash provided by (used in) operating activities minus purchases of Property, plant and equipment and intangible assets, see US GAAP Consolidated Financial Statements

Consolidated balance sheets € million

Quarter on Quarter

	Assets	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Cash & cash equivalents and short-term investments		6,653	6,346	4,981	7,010	5,406
Net accounts receivable and finance receivables		4,862	5,686	5,682	5,774	5,041
Contract assets		236	193	267	240	303
Inventories, net		7,392	7,734	8,379	8,851	9,865
Loan receivable		364	364	921	929	930
Other assets		2,735	2,912	2,776	2,230	2,539
Tax assets		1,921	2,275	2,681	2,873	2,524
Equity method investments		970	1,040	1,094	920	951
Goodwill		4,556	4,556	4,583	4,589	4,589
Other intangible assets		814	789	757	742	711
Property, plant and equipment		4,355	4,728	5,093	5,493	5,841
Right-of-use assets		290	306	300	307	343
Total assets		35,148	36,929	37,514	39,958	39,043
Liabilities and shareholders' equity						
Current liabilities		16,948	16,755	16,310	16,275	15,049
Non-current liabilities		8,413	9,569	9,209	10,231	10,200
Shareholders' equity		9,787	10,605	11,995	13,452	13,794
Total liabilities and shareholders' equity		35,148	36,929	37,514	39,958	39,043

Forward looking statements

This document and related discussions contain statements that are forward-looking within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including statements with respect to plans, strategies, expected trends, including trends in the semiconductor industry and end markets and business environment trends, including expected demand, lithography tool utilization, semiconductor inventory levels, bookings and order coverage at certain bookings levels, expected recovery in the semiconductor industry and expected turn in the cycle and expected timing thereof, plans to increase capacity, outlook and expected financial results, including expected results for Q2 2024, including net sales, IBM sales, gross margin, R&D costs, SG&A costs, expected results for full year 2024, including expectations with respect to revenue and gross margin and estimated annualized effective tax rate, expectations with respect to sales by market segment, EUV, DUV and IBM sales and margins and expected drivers thereof, and other full year 2024 expectations, expectations with respect to expected financial performance in 2025 and expected drivers thereof, statements made at our 2022 Investor Day, including revenue and gross margin opportunity for 2025 and 2030, statements with respect to export control policy and regulations and expected impact on us, our expectation to return significant amounts of cash to shareholders through growing dividends and share buybacks, including the amount of shares intended to be repurchased under our share repurchase program and statements with respect to dividends, statements with respect to expected performance and capabilities of our systems and customer plans and other non-historical statements. You can generally identify these statements by the use of words like “may”, “will”, “could”, “should”, “project”, “believe”, “anticipate”, “expect”, “plan”, “estimate”, “forecast”, “potential”, “intend”, “continue”, “target”, “future”, “progress”, “goal”, “opportunity” and variations of these words or comparable words. These statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our business and our future financial results and readers should not place undue reliance on them. Forward-looking statements do not guarantee future performance and involve a number of substantial known and unknown risks and uncertainties. These risks and uncertainties include, without limitation, customer demand and semiconductor equipment industry capacity, worldwide demand for semiconductors and semiconductor manufacturing capacity, lithography tool utilization and semiconductor inventory levels, general trends and consumer confidence in the semiconductor industry, the impact of general economic conditions, including the impact of the current macroeconomic uncertainty on the semiconductor industry, the impact of inflation, interest rates, geopolitical developments, the impact of pandemics, the performance of our systems, the success of technology advances and the pace of new product development and customer acceptance of and demand for new products, our production capacity and ability to adjust capacity to meet demand, supply chain capacity, constraints and logistics, timely availability of parts and components, raw materials, critical manufacturing equipment and qualified employees, constraints on our ability to produce systems to meet demand, the number and timing of systems ordered, shipped and recognized in revenue, risks relating to fluctuations in net bookings, the risk of order cancellation or push outs and restrictions on shipments of ordered systems under export controls, risks relating to the trade environment, import/export and national security regulations and orders and their impact on us, including the impact of changes in export regulations and the impact of such regulations on our ability to obtain necessary licenses and to sell our systems and services to certain customers, changes in exchange and tax rates, available liquidity and liquidity requirements, our ability to refinance our indebtedness, available cash and distributable reserves for, and other factors impacting, dividend payments and share repurchases, the number of shares that we repurchase under our share repurchase programs, our ability to enforce patents and protect intellectual property rights and the outcome of intellectual property disputes and litigation, our ability to meet ESG goals and execute our ESG strategy, other factors that may impact ASML’s business or financial results, and other risks indicated in the risk factors included in ASML’s Annual Report on Form 20-F for the year ended December 31, 2023 and other filings with and submissions to the US Securities and Exchange Commission. These forward-looking statements are made only as of the date of this document. We undertake no obligation to update any forward-looking statements after the date of this report or to conform such statements to actual results or revised expectations, except as required by law.

