

ASML

INVESTOR DAY

ASML **SMALL** **TALK** **2016**

NEW YORK CITY



Opening Investor Day

Craig DeYoung
Vice President Investor Relations

31 October 2016

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Why?....because it's what we do:

We can't help it. It's how we create value and opportunity!

It might help to remember that our job is to:

- 1) Create a quality image at the feature size required by our customers – commonly known as the critical dimension (CD) measured in nanometers (nm)
- 2) Place these patterns very precisely one on top of the other – referred to as alignment or overlay also measured in nanometers
- 3) Do 1 & 2 as fast as we possibly can – measured in wafers per hour (wph) or wafers per day (wpd)

Remember these things and everything will be alright. And oh....a nanometer is a billionth of a meter!

Agenda

- 09.00 – 09.05 **Opening remarks, *Craig DeYoung***
- 09.05 – 09:30 **Creating value for all stakeholders, *Peter Wennink***
- 09.30 – 10.00 **Litho today, litho tomorrow, *Martin van den Brink***
- 10.00 – 10.25 **Role of EUV and its Business Opportunity, *Hans Meiling***
- 10.25 – 10.55 **Role of Holistic Litho and its Business Opportunity, incl. HMI update, *Christophe Fouquet***
- 10.55 – 11.20 **ASML Business Model and Capital Allocation Strategy, *Wolfgang Nickl***
- 11.20 – 11.25 **Closing remarks, *Peter Wennink***
- 11.25 – 12.00 **Q&A session, *Panel***
- 12.00 – 13.00 **Informal interaction session, *ASML management***

Forward looking statements

This document contains statements relating to certain projections and business trends that are forward-looking, including statements with respect to our outlook, including expected customer demand in specified market segments (and underlying assumptions) including memory, logic and foundry, expected sales levels, trends, including trends towards 2020 and beyond and expected industry growth, and outlook, systems backlog, expected or indicative market opportunity, financial results and targets, including, for ASML and ASML and HMI combined, expected sales, other income, gross margin, R&D and SG&A expenses, capital expenditures, cash conversion cycle, EPS and effective annualized tax rate, annual revenue opportunity and EPS potential by end of decade and growth opportunity beyond 2020 for ASML and ASML and HMI combined, cost per function reduction and ASML system ASP, goals relating to gross cash balance and ASML's capital structure, customer, partner and industry roadmaps, productivity of our tools and systems performance, including EUV system performance (such as endurance tests), expected industry trends and expected trends in the business environment, the addition of value through delivery of lithography products and the achievement of cost-effective shrink, expected continued lithography demand and increasing lithography spend, the main drivers of lithography systems, lithography intensity for all market segments, customer execution of shrink roadmaps, future memory application distribution, expected addressable markets, including the market for lithography systems and service and options, expected manufacturing and process R&D, statements with respect to growing end markets that require fab capacity driving demand for ASML's tools, statements with respect to the acquisition of HMI by ASML, including market opportunity, the expected timing of completion of the HMI acquisition and delisting of HMI, the expected benefits of the acquisition of HMI by ASML, including expected continuation of year on year growth, the provision of e-beam metrology capability and its effect on holistic lithography solutions, including the introduction of a new class of pattern fidelity control and the improvement of customers' control strategy, statements with respect to EUV, including targets, such as availability, productivity, facilities and shipments, including the number of EUV systems expected to be shipped and timing of shipments, and roadmaps, shrink being key driver to industry growth, expected industry adoption of EUV and statements with respect to plans of customers to insert EUV into production and timing, the benefits of EUV, including expected cost reduction and cost-effective shrink, the expected continuation of Moore's law, without slowing down, and that EUV will continue to enable Moore's law and drive long term value, goals for holistic lithography, including pattern fidelity control, expectations relating to double patterning, immersion and dry systems, intention to return excess cash to shareholders, statements about our proposed dividend, dividend policy and intention to repurchase shares and statements with respect to the current share repurchase plan. 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" 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 the 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 risks and uncertainties. These risks and uncertainties include, without limitation, economic conditions, product demand and semiconductor equipment industry capacity, worldwide demand and manufacturing capacity utilization for semiconductors (the principal product of our customer base), including the impact of general economic conditions on consumer confidence and demand for our customers' products, competitive products and pricing, the impact of any manufacturing efficiencies and capacity constraints, performance of our systems, the continuing success of technology advances and the related pace of new product development and customer acceptance of new products including EUV, the number and timing of EUV systems expected to be shipped and recognized in revenue, delays in EUV systems production and development, our ability to enforce patents and protect intellectual property rights, the risk of intellectual property litigation, availability of raw materials and critical manufacturing equipment, trade environment, changes in exchange rates, changes in tax rates, available cash and liquidity, our ability to refinance our indebtedness, distributable reserves for dividend payments and share repurchases and timing of resumption of the share repurchase plan, and other risks indicated in the risk factors included in ASML's Annual Report on Form 20-F and other filings with the US Securities and Exchange Commission. These forward-looking statements are made only as of the date of this document. We do not undertake to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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