ASM

ASM International N.V.

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ASM INTERNATIONAL REPORTS 2005 FIRST QUARTER OPERATING RESULTS

- ***Net sales of € 134.7 million, down 31.2% from net sales of the first quarter of 2004 and down 17.2% from net sales of the fourth quarter of 2004.***

- ***Net loss of € 7.2 million or € 0.14 diluted net loss per share, as compared to net earnings of € 14.6 million or € 0.28 diluted net earnings per share for the first quarter of 2004 and net earnings of € 1.4 million or € 0.03 diluted net earnings per share in the fourth quarter of 2004.***

- ***First quarter bookings of € 150.0 million, up 18.1% from the fourth quarter of 2004.***

- ***Quarter-end backlog of € 202.1 million, up 8.2% from the end of the previous quarter.***

BILTHOVEN, THE NETHERLANDS, April 25, 2005 - **ASM International N.V.** (NASDAQ: ASMI and Euronext Amsterdam: ASM) reports today its 2005 first quarter operating results. These operating results have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

The net loss for the first quarter of 2005 amounted to € 7.2 million, or € 0.14 diluted net loss per share, compared to net earnings of € 14.6 million or € 0.28 diluted net earnings per share for the same period in 2004.

The first quarter of 2005 showed a positive development in order intake. With € 150.0 million in new orders, the order intake increased € 23.0 million or 18.1% as compared to € 127.0 million in the fourth quarter of 2004. Both the Company’s Front-end and Back-end segments reported decreased levels of sales and operating results.

The consolidated financial statements for the first quarter of 2005 include the operations of the Company’s 100% subsidiaries ASM NuTool, Inc. and ASM Genitech, Inc., which were acquired in June 2004 and August 2004, respectively.

The following table compares the operating performance for the first quarter of 2005 with the fourth quarter of 2004 and the first quarter of 2004:

(euro millions)					
	Q1 2004	*Q4 2004*	*Q1 2005*	*% Change Q4 2004 to Q1 2005*	*% Change Q1 2004 to Q1 2005*
Net sales	195.9	162.6	134.7	(17.2)%	(31.2)%
Gross profit	81.1	55.9	45.9	(17.9)%	(43.4)%
Gross profit margin	*41.4%*	*34.4%*	*34.1%*	*(0.3) (1)*	*(7.3) (1)*
Selling, general and administrative expenses	(24.9)	(24.9)	(23.8)	(4.6)%	(4.7)%
Research and development expenses	(17.5)	(22.2)	(20.9)	(5.5)%	19.9 %
Amortization of purchased technology and other intangible assets	-	(0.4)	(0.4)	-	-
Earnings from operations	38.7	8.4	0.8	(90.4)%	(97.9)%
Net earnings (loss)	14.6	1.4	(7.2)	na	na
New orders	225.7	127.0	150.0	18.1 %	(33.5)%
Backlog at end of period	228.8	186.8	202.1	8.2 %	(11.7)%

(1) Percentage points change.

Net sales

In line with industry trends, net sales for the first quarter of 2005 were lower as compared to the fourth quarter of 2004 in both wafer processing equipment (Front-end) and assembly and packaging equipment and materials (Back-end).

Consolidated sales levels expressed in euro were negatively impacted by the strengthened euro against the US dollar and US dollar related currencies. The decline in exchange rates in the first quarter of 2005 compared to the first quarter of 2004 impacted sales negatively by 4.7%.

Operations

Gross Profit Margin amounted to 34.1% of net sales in the first quarter of 2005, 7.3 percentage points below the gross profit margin of 41.4% of net sales in the first quarter of 2004. The decrease was caused by lower volumes and an increase in the proportion of net sales accounted for by the lower margin Front-end segment. The gross profit margin in the first quarter of 2005 was 0.3 percentage points below the gross profit margin of 34.4% in the fourth quarter of 2004.

Selling, General and Administrative Expenses decreased 4.7% from € 24.9 million in the first quarter of 2004 to € 23.8 million in the first quarter of 2005 and decreased 4.6% from € 24.9 million in the fourth quarter of 2004., The decrease was the result of favourable currency exchange rates and the Company’s focus on fixed cost control.

As a percentage of net sales, selling, general and administrative expenses were 17.6% in the first quarter of 2005 compared to 12.7% in the first quarter of 2004, and 15.3% in the fourth quarter of 2004. The increase was the result of lower net sales.

Research and Development Expenses increased 19.9% from € 17.5 million in the first quarter of 2004 to € 20.9 million in the first quarter of 2005 and decreased 5.5% from € 22.2 million in the fourth quarter of 2004.

Research and development expenses increased in the first quarter of 2005 when compared to the first quarter of 2004 mainly as a result of the inclusion of the operations of the Company's subsidiaries ASM NuTool and ASM Genitech, which were acquired in June 2004 and August 2004 respectively.

Amortization of Purchased Technology and Other Intangible Assets was € 0.4 million in the first quarter of 2005, unchanged from the fourth quarter of 2004. The amortization mainly relates to the amortization of purchased technology and other intangible assets from the acquisitions of ASM NuTool and ASM Genitech.

Earnings from Operations amounted € 0.8 million in the first quarter of 2005 compared to € 38.7 million in the first quarter of 2004 and € 8.4 million in the fourth quarter of 2004. Earnings from operations decreased in both the Company's Front-end and Back-end segments.

Net Interest Expense increased from a net expense of € 2.4 million in the first quarter of 2004 to a net expense of € 2.8 million in the first quarter of 2005. The increase is mainly the result of increased interest expenses due to increased borrowings, including the issuance of US$ 150.0 million in convertible debt in December 2004. The increased interest expense is partly offset by favourable US dollar exchange rates and increased interest income, which is due to increased cash and cash equivalents and increased interest rates for cash deposits. Net interest expense in the first quarter of 2005 also includes a € 0.3 million loss related to the early extinguishment of US$ 4.6 million of convertible subordinated notes due November 2005.

Bookings and backlog

New orders received increased 18.1% from € 127.0 million in the fourth quarter of 2004 to € 150.0 million in the first quarter of 2005 reflecting a surge in Back-end orders. For the first quarter of 2005, the level of new orders divided by the net sales for the quarter (book-to-bill ratio) was 1.11, compared to a book-to-bill ratio of 0.86 and 0.78 in the third and fourth quarter of 2004, respectively.

The backlog at March 31, 2005 amounted to € 202.1 million, an increase of 8.2% compared to the backlog of € 186.8 million at December 31, 2004. Of this amount approximately one-third refers to the ending backlog of ASM Pacific Technology.

Liquidity and capital resources

Net cash provided by operations in the first quarter of 2005 was € 22.5 million as compared to € 34.1 million in the first quarter of 2004. The decrease was primarily caused by the net loss reported in the first quarter of 2005, partly compensated by increased collections on outstanding receivables. Net cash used in investing activities in the first quarter of 2005 was € 11.9 million as compared to net cash used of € 9.0 million in the first quarter of 2004. The increase was primarily caused by increased capital expenditures, in particular machinery.

Net working capital, consisting of accounts receivable, inventories, other current assets, accounts payable, accrued expenses, advance payments from customers and deferred revenue, decreased from € 189.2 million at December 31, 2004 to € 174.9 million at March 31, 2005. The decrease is primarily the result of decreased sales levels, partly offset by increased inventory levels for shipments in the second quarter of 2005. The number of outstanding days of working capital, measured based on quarterly sales, increased from 107 days at December 31, 2004 to 117 days at March 31, 2005.

At March 31, 2005, the Company's principal sources of liquidity consisted of € 232.9 million in cash and cash equivalents, of which € 148.2 million was available for the Company's Front-end operations and € 84.7 million was restricted for use in the Company's Back-end operations. In addition, the Company also had € 69.7 million in undrawn bank facilities, of which € 33.6 million was available for its Back-end operations and € 36.1 million was available for its Front-end operations in Japan.

If the Company's convertible subordinated notes due November 2005 are not converted into common shares prior to or at maturity in November 2005, the Company has to repay these notes in cash. The conversion price is $18.85. At March 31, 2005, € 72.8 million of these notes were outstanding.

Outlook

In the first quarter of 2005 we have seen a positive development in order intake, but at lower levels than we anticipated earlier in the year. Although we have won important orders, our customers are more cautious in adding capacity and as a result customers are delaying orders further into 2005 or even into 2006. Based on the current market forecast we expect sales levels to be lower than anticipated earlier, in particular in our Front-end wafer processing segment. This lower sales expectation also delays the achievement of operational profitability for the Front-end operations. In contrast to earlier guidance, and despite continued strong focus on fixed costs, we do no longer expect positive earnings from operations for our Front-end segment for the full year 2005.

We continue to invest in our Front-end technological capabilities and our Front-end manufacturing facility in Singapore. We also remain confident that our Back-end segment will see improved momentum starting in the second quarter 2005. Based on the above, and in combination with our current backlog, we expect the net sales and net result in the second quarter of 2005 to improve when compared to the first quarter of 2005.

ASM INTERNATIONAL CONFERENCE CALL

ASM International will host an investor conference call and web cast on

TUESDAY, APRIL 26, 2005 at

9:00 a.m. US Eastern time
15:00 p.m Continental European time.

The teleconference dial-in numbers are as follows:

United States:	+1	800.510.9661
International:	+1	617.614.3452

Participation pass code is 263 23 962

A simultaneous audio web cast will be accessible at www.asm.com.

The teleconference will be available for replay, beginning one hour after completion of the live broadcast, through May 3, 2005. The replay dial-in numbers are:

United States:	+1	888.286.8010
International	+1	617.801.6888

Participation pass code is 805 18 954

About ASM International

ASM International N.V., based in Bilthoven, the Netherlands, is a global company servicing one of the most important and demanding industries in the world. The Company possesses a strong technology base, state-of-the-art manufacturing facilities, a competent and qualified workforce and a highly trained, strategically distributed support network. ASM International and its subsidiaries design and manufacture equipment and materials used to produce semiconductor devices. ASM International and its subsidiaries provide production solutions for wafer processing (Front-end segment) as well as assembly and packaging (Back-end segment) through facilities in the United States, Europe, Japan and Asia. ASM International's common stock trades on NASDAQ (symbol ASMI) and the Euronext Amsterdam Stock Exchange (symbol ASM). For more information, visit ASMI's website at http://www.asm.com.

Safe Harbor Statement under the U.S. Private Securities Litigation Reform Act of 1995: All matters discussed in this statement, except for any historical data, are forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. These include, but are not limited to, economic conditions and trends in the semiconductor industry generally and the timing of the industry cycles specifically, currency fluctuations, the timing of significant orders, market acceptance of new products, competitive factors, litigation involving intellectual property, shareholder and other issues, commercial and economic disruption due to terrorist activity, armed conflict or political instability and other risks indicated in the Company's filings from time to time with the U.S. Securities and Exchange Commission, including, but not limited to, the Company's reports on Form 20-F and Form 6-K as filed.

ASM INTERNATIONAL N.V.
CONSOLIDATED STATEMENTS OF OPERATIONS

(thousands except per share data)		in Euro
	Three months ended March 31,	
	2004	2005
	(unaudited)	**(unaudited)**
Net sales	195,871	134,727
Cost of sales	(114,773)	(88,803)
Gross profit	81,098	45,924
Operating expenses:		
Selling, general and administrative	(24,956)	(23,772)
Research and development	(17,484)	(20,960)
Amortization of purchased technology and other intangible assets	-	(381)
Total operating expenses	(42,440)	(45,113)
Earnings from operations	38,658	811
Loss on equity investments	(287)	-
Net interest expense	(2,351)	(2,783)
Foreign currency transaction gains (losses)	128	(176)
Earnings (loss) before income taxes and minority interest	36,148	(2,148)
Income tax expense	(4,832)	(565)
Earnings (loss) before minority interest	31,316	(2,713)
Minority interest	(16,723)	(4,535)
Net earnings (loss)	14,593	(7,248)
Net earnings (loss) per share:		
Basic	0.29	(0.14)
Diluted (1)	0.28	(0.14)
Weighted average number of shares used in computing per share amounts (in thousands):		
Basic	50,156	52,622
Diluted (1)	61,491	52,622

(1) The calculation of diluted net earnings (loss) per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in earnings of the Company. Only instruments that have a dilutive effect on net earnings (loss) are included in the calculation. The assumed conversion results in adjustment in the weighted average number of common shares and net earnings (loss) due to the related impact on interest expense. The calculation is done for each reporting period individually. Due to the loss reported in the three months ended March 31, 2005, the effect of securities and other contracts to issue common stock were anti-dilutive and no adjustments have been reflected in the diluted weighted average number of shares and net loss for that period.

ASM INTERNATIONAL N.V.
CONSOLIDATED BALANCE SHEETS

(thousands except share data)		In Euro
	December 31,	March 31,
Assets	2004	2005
Cash and cash equivalents	218,614	232,864
Marketable securities	5	5
Accounts receivable, net	171,996	152,316
Inventories, net	156,959	175,068
Income taxes receivable	26	38
Deferred tax assets	3,624	3,649
Other current assets	24,646	22,458
Total current assets	575,870	586,398
Property, plant and equipment, net	142,696	151,828
Goodwill, net	89,309	93,880
Purchased technology and other intangible assets	8,833	8,955
Deferred tax assets	780	828
Debt issuance costs	6,346	6,182
Total Assets	823,834	848,071
Liabilities and Shareholders' Equity		
Notes payable to banks	23,379	23,184
Accounts payable	76,026	79,384
Accrued expenses	67,756	70,902
Advance payments from customers	7,189	11,356
Deferred revenue	13,397	13,299
Income taxes payable	13,636	10,182
Current portion of long-term debt	7,883	8,061
Current portion of convertible subordinated debt	72,646	72,779
Total current liabilities	281,912	289,147
Deferred tax liabilities	914	1,049
Long-term debt	17,137	17,176
Convertible subordinated debt	176,208	185,136
Total Liabilities	476,171	492,508
Minority interest in subsidiary	90,947	100,029
Shareholders' Equity:		
Common shares		
Authorized 110,000,000 shares, par value € 0.04,		
issued and outstanding 52,617,952 and 52,628,354 shares	2,105	2,105
Financing preferred shares, issued none	-	-
Preferred shares, issued none	-	-
Capital in excess of par value	299,761	299,871
Retained earnings	24,631	17,383
Accumulated other comprehensive loss	(69,781)	(63,825)
Total Shareholders' Equity	256,716	255,534
Total Liabilities and Shareholders' Equity	823,834	848,071

ASM INTERNATIONAL N.V.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(thousands)		in Euro
	Three months ended March 31,	
	2004	2005
	(unaudited)	**(unaudited)**
Cash flows from operating activities:		
Net earnings (loss)	14,593	(7,248)
Adjustments to reconcile net earnings to net cash from operating activities:		
Depreciation property, plant and equipment	7,715	8,108
Amortization of purchased technology and other intangible assets	-	381
Amortization of debt issuance costs	378	474
Deferred income taxes	372	110
Loss on equity investments	287	-
Minority interest	16,723	4,535
Changes in other assets and liabilities:		
Accounts receivable	(32,310)	24,176
Inventories	(11,943)	(12,879)
Other current assets	(3,826)	2,648
Accounts payable and accrued expenses	38,019	2,795
Advance payments from customers	133	3,842
Deferred revenue	(1,108)	(400)
Income taxes	5,062	(4,023)
Net cash provided by operating activities	34,095	22,519
Cash flows from investing activities:		
Capital expenditures	(7,293)	(11,923)
Investments and loan advances	(1,716)	-
Proceeds from sale of property, plant and equipment	29	10
Net cash used in investing activities	(8,980)	(11,913)
Cash flows from financing activities:		
Notes payable to banks, net	(2,410)	(220)
Proceeds from long-term debt and subordinated debt	-	589
Repayments of long-term debt and subordinated debt	(388)	(4,126)
Proceeds from issuance of common shares	1,725	110
Net cash used in financing activities	(1,073)	(3,647)
Exchange rate effects	5,416	7,291
Net increase in cash and cash equivalents	29,458	14,250
Cash and cash equivalents at beginning of period	154,857	218,614
Cash and cash equivalents at end of period	184,315	232,864
Supplemental disclosures of cash flow information		
Cash paid (received) during the period for:		
Interest, net	164	(632)
Income taxes, net	(603)	4,478

ASM INTERNATIONAL N.V.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Basis of Presentation

ASM International N.V, ("ASMI") follows accounting principles in the United States of America ("US GAAP"). Accounting principles applied are unchanged compared to the year 2004.

Principles of Consolidation

The Consolidated Financial Statements include the accounts of ASMI and its subsidiaries, where ASMI holds a controlling interest. The minority interest of third parties is disclosed separately in the Financial Statements. All intercompany profits, transactions and balances have been eliminated in consolidation. Intercompany profits included in inventory are recognized in the Statement of Operations upon the sale of the respective inventory to a third party.

Accounting principles under IFRS

The Company is required by European Regulations to publish Consolidated Financial Statements in accordance with International Financial Reporting Standards (“IFRS”) from 2005 onwards. These Consolidated Financial Statements will replace the Consolidated Financial Statements we currently publish in accordance with Generally Accepted Accounting Principles in the Netherlands (“Dutch GAAP”).

The Company’s first Consolidated Financial Statements in accordance with IFRS will be the Annual Report for 2005, including the Consolidated Financial Statements of 2004 for comparison purposes. The Company is currently not required to publish quarterly Consolidated Financial Statements in accordance with IFRS. The Company will continue to publish its primary Consolidated Financial Statements in accordance with US GAAP.

We are in the process of analyzing differences between IFRS and US GAAP and Dutch GAAP in order to determine the impact of IFRS on the Company’s financial position or results of operations when reported in accordance with IFRS.

We have identified a number of differences between IFRS and USGAAP and Dutch GAAP, which are applicable to the Company. The major differences relate to accounting for goodwill under IFRS 3 “Business Combinations,” accounting for convertible subordinated notes under IAS 32 “Financial Instruments: Disclosure and Presentation,” accounting for development expenses under IAS 38 “Intangible Assets” and accounting for stock option plans under IFRS 2 “Share-based Payment”.

We intend to publish consolidated financial information in accordance with IFRS, including the Balance Sheet at the transition date to IFRS, which is January 1, 2004, the Balance Sheet at December 31, 2004, the Statement of Operations 2004 and the Statement of Cash Flows 2004, once we have finalized our analysis.

At March 31, 2005: 1 Euro = 1.2963 US$

Auditors: Deloitte Accountants B.V.
Stock: Traded on the NASDAQ National Market System under the symbol 'ASMI' and on the Euronext Amsterdam Stock Exchange under the symbol 'ASM'