

ASM INTERNATIONAL REPORTS 2001 SECOND QUARTER OPERATING RESULTS

BILTHOVEN, THE NETHERLANDS, July 23, 2001 --- ASM International N.V. (NASDAQ: ASMI and AEX: ASM) reported today the operating results for the second quarter of 2001. *Net earnings* for the second quarter of 2001 amounted to **€ 9.3 million** or € 0.19 diluted Net earnings per share. These earnings are in the top half of the guidance given by the company. This compares to Net earnings of € 26.1 million or € 0.53 diluted Net earnings per share for the same period in 2000.

For the six months ending June 30, 2001, Net Earnings amounted to € 27.9 million or € 0.56 diluted Net earnings per share, compared to € 35.0 million or € 0.74 per share for the same period in 2000.

Net sales

Net sales for the second quarter ended June 30, 2001 amounted to **€ 153.1 million**, a decline of 40 % compared to net sales for the same period of last year of € 253.7 million and 24 % below the sales level of the first quarter of 2001. Net sales for the first half of 2001, amounted to € 353.8 million, 16 % lower than net sales for the first half of 2000.

The decrease in net sales reflects the impact of the severe downturn in the semiconductor industry that has occurred over the last several months. Most of the contraction took place in the company's back-end operations. Net sales for the first half of 2001 of the company's front-end wafer equipment amounted to € 211.4 million compared to € 155.7 million for the first half of 2000, an increase of 36 %. However, front-end sales decreased in the second quarter compared to the first quarter of 2001.

Net sales for the first half year of 2001 for the back-end assembly and packaging equipment and materials amounted to € 142.4 million compared to € 263.9 million for the first half of 2000, a decrease of 46 %.

Operations

The *gross profit margin* for the second quarter of 2001 amounted to 41.9 % of net sales, slightly above the gross profit margin of 41.7 % for the previous quarter. The gross profit margin for the first half-of 2001 amounted to 41.8 %, a decrease of 1.8 percentage points compared to the first half of 2000. The decrease came in particular from back-end activities as a result of lower production and sales volumes.

Selling, general and administrative costs were € 27.4 million in the second quarter of 2001, compared to € 31.6 million in the first quarter of 2001, a decrease of 13.3 %, and a decrease of 31.0 % compared to € 39.7 million for the second quarter of 2000. Selling, general and administrative expenses were 16.7 % of net sales for the first half of 2001, compared to 16.3 % of net sales for the first half of 2000.

Investments in *Research and development* increased from € 18.2 million or 7.2 % of Net sales in the second quarter of 2000 to € 19.8 million or 12.9 % of net sales in the second quarter of 2001. Investments in research and development increased by 20.8% in the first six months of 2001 compared to the same period last year, and as a percentage of net sales from 7.6 % to 11.0%. The company concentrated its investment in research and development on the equipment and product solutions for the next generations of semiconductor devices. In the company's front-end, these investments were concentrated on high-k dielectrics, low-k dielectrics, Atomic Layer CVD, 300mm applications and the Levitor RTP system. Research and development in back-end is concentrated on performance improvements and new products.

Earnings from Operations amounted to € 15.0 million in the second quarter of 2001, a decline of 71.7 % as compared to the same period of 2000. For the first half of 2001, earnings from operations amounted to € 46.3 million, compared to € 81.7 million for the first half of 2000, a decline of 43.4%. The *Operating Margin* (earnings from operations as a percentage of net sales) was 9.8 % in the second quarter of 2001 and 13.1 % for the first half of 2001, compared to 20.8 % and 19.5 % in the same period of last year.

Finance

On June 27, 2001 the company entered into a multi-currency revolving credit facility agreement with a syndicate of banks in the amount of € 90 million. The company used borrowings under this facility to pay down long and short-term debt of € 50.4 million in July 2001. This facility further provides additional flexibility for future financing needs.

Bookings and backlog

New orders, net of cancellations, in the second quarter of 2001 amounted to € 90.6 million, which is 3.8 % higher than the level of net new orders received in the first quarter of 2001. For the first half of 2001 the total of new orders, net of cancellations, amounted to € 177.9 million. The backlog at the end of June 2001 stood at € 169.8 million, a decrease of 26.9% compared to the backlog of € 232.3 at the end of March 2001. Despite cancellations of system deliveries from customers in the first half of 2001 the company's book-to-bill ratio is at a level of 0.59, when calculated on a three-month basis.

Also in the second quarter of 2001 the company received several orders for new 300mm technology from first tier customers for delivery in early 2002. These orders are included in the current backlog.

Outlook

With customer short-term commitments continuing at very low levels we currently anticipate a sequential decline in sales for the three months period ending September 30th, and almost certainly leading to a limited loss.

The global downturn in semiconductor capital spending also continues to impact visibility beyond one quarter. Consequently, the outlook for the fourth quarter remains unclear. Given these uncertainties, we find it at this stage unrealistic to provide precise guidance for the fourth quarter of 2001, but feel confident that ASMI will close 2001 with a clearly positive overall Net Profit for the year as a whole - this notwithstanding the current difficult circumstances in our industry.

At the same time we continue to strongly believe that our company will experience renewed growth as from the first quarter of 2002 when shipments related to major 2001 design wins for front-end equipment begin to contribute to sales and operating results. We are today making certain that our production as well as worldwide technical support capabilities are in line with this expected growth.

Conference Call

An investor conference call will take place tomorrow, Tuesday, July 24, 2001 at

6:00 a.m. US West Coast time
9:00 a.m. US East Coast time
15:00 Continental European time
21.00 Hong Kong time

The teleconference dial-in numbers are:

United States: (800) 553-0327
All others: (612) 332-0923

A digitized replay is available through from 1:00 p.m. (US Eastern Time) on Tuesday July 24th, 2001 until Thursday July 26th, 2001. The replay telephone numbers are:

United States: (800) 475-6701
All others: (320) 365-3844

Access code for all replay calls: 592899

A simultaneous radio web cast will be accessible at www.asm.com and www.streetfusion.com

ASM International is headquartered in Bilthoven, the Netherlands. ASM International's subsidiaries design, develop, manufacture and market equipment and materials used to produce semiconductor devices. ASM International and its subsidiaries provide production solutions for the wafer processing, assembly and packaging segments of the semiconductor equipment market through their facilities in the United States, Europe, Japan and Asia. ASM International's common shares trade on the NASDAQ National Market and on the Euronext Stock Exchange in Amsterdam under the symbol "ASMI". More information on ASM can be found on its website at <http://www.asm.com>.

Safe Harbor Statement under the US 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 in the semiconductor industry, currency fluctuations, the timing of significant orders, market acceptance of new products, competitive factors, risk factors related to litigation and other risks indicated in filings from time to time with the SEC and Stock Exchange Authorities.

- o0o -

ASM INTERNATIONAL N.V.
CONSOLIDATED STATEMENTS OF OPERATIONS

(thousands except per share data)	in Euro			
	Three months ended June 30,		Six months ended June 30,	
	2000 (1)	2001	2000 (1)	2001
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net sales	253 677	153 136	419 612	353 757
Cost of sales	-142 633	-89 045	-236 852	-205 947
Gross profit	111 044	64 091	182 760	147 810
Operating expenses:				
Selling, general and administrative costs	-39 666	-27 388	-68 540	-59 033
Research and development	-18 214	-19 791	-32 081	-38 747
Amortization of goodwill	-276	-1 927	-435	-3 758
Total operating expenses	-58 156	-49 106	-101 056	-101 538
Earnings from operations	52 888	14 985	81 704	46 272
Net interest and other financial income (expenses)	471	-628	-562	568
Earnings before income taxes, minority interest and cumulative effect of change in accounting principle	53 359	14 357	81 142	46 840
Income taxes	-6 549	-1 443	-10 511	-6 971
Earnings before minority interest and cumulative effect of change in accounting principle	46 810	12 914	70 631	39 869
Minority interest	-20 661	-3 574	-31 830	-11 999
Net earnings before cumulative effect of change in accounting principle	26 149	9 340	38 801	27 870
Cumulative effect of change in accounting principle (1)	-	-	(3 790)	-
Net earnings	26 149	9 340	35 011	27 870
Basic net earnings per share:				
Net earnings before cumulative effect of change in accounting principle	0,54	0,19	0,86	0,57
Cumulative effect of change in accounting principle (1)	-	-	(0,08)	-
Net earnings	0,54	0,19	0,78	0,57
Diluted net earnings per share (2):				
Net earnings before cumulative effect of change in accounting principle	0,53	0,19	0,82	0,56
Cumulative effect of change in accounting principle (1)	-	-	(0,08)	-
Net earnings	0,53	0,19	0,74	0,56
Weighted average number of shares:				
Basic	48 238	48 895	44 814	48 866
Diluted (2)	49 763	50 216	47 500	50 052

- (1) The cumulative effect of change in accounting principle relates to the effect on prior years of the impact of the adoption of Staff Accounting Bulletin (SAB) 101, effective as of January 1, 2000 and set forth guidelines on the timing of revenue recognition of sales. The statements of operations for the three and six months ended June 30, 2000 have been restated to reflect the retroactive adoption of SAB 101 as of January 1, 2000.
- (2) The calculation of diluted net earnings 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 are included in the calculation. The assumed conversion results in adjustment in the weighted average number of common shares and net earnings due to the related impact on interest expense. The calculation is done for each reporting period individually.

Auditors: Deloitte & Touche, Accountants

Stock: Traded on the NASDAQ National Market
System under the symbol 'ASMI' and on the
Euronext Amsterdam under the symbol 'ASM'

ASM INTERNATIONAL N.V.
CONSOLIDATED BALANCE SHEETS

(thousands except share data)	In Euro	
	December 31,	June 30,
Assets	2000	2001
		(unaudited)
Cash and cash equivalents	106 805	98 303
Marketable securities	5	5
Accounts receivable, net	238 620	189 910
Inventories, net	188 001	212 599
Other current assets	23 828	26 033
Total current assets	557 259	526 850
Property, plant and equipment, net	152 168	187 755
Goodwill, net	68 513	70 713
Total Assets	777 940	785 318
Liabilities and Shareholders' Equity		
Notes payable to banks	13 136	20 549
Accounts payable	142 342	93 521
Accrued expenses	88 703	89 256
Advance payments from customers	13 623	10 682
Deferred revenue	14 913	17 798
Income taxes	22 988	21 297
Current portion of long-term debt	31 484	43 475
Total current liabilities	327 189	296 578
Long-term debt	31 660	12 008
Subordinated debt		
Deferred income taxes	838	455
Total Liabilities	359 687	309 041
Minority interest in subsidiary	109 931	121 695
Shareholders' Equity:		
Common shares		
Authorized 60,000,000 shares, par value Nlg .01, issued and outstanding 48,797,346 and 48,907,364 shares	221	222
Financing preferred shares, issued none	-	-
Preferred shares, issued none	-	-
Capital in excess of par value	252 784	253 236
Retained earnings	58 818	86 688
Accumulated other comprehensive income (loss)	-3 501	14 436
Total Shareholders' Equity	308 322	354 582
Total Liabilities and Shareholders' Equity	777 940	785 318

At June 30, 2001 US\$ 1 = Euro 1.1825

All figures are based on US GAAP

Accounting principles applied are unchanged compared to the year 2000.

ASM INTERNATIONAL N.V.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(thousands)	in Euro			
	Three months ended June 30,		Six months ended June 30,	
	2000	2001	2000	2001
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Cash flows from operating activities:				
Net earnings	26 149	9 340	35 011	27 870
Depreciation and amortization	9 024	10 322	16 831	20 220
Cumulative effect of change in accounting principle, net of tax	-	-	3 790	-
Deferred income taxes	418	-172	147	-383
Minority interest	20 661	3 574	31 830	11 999
Changes in other assets and liabilities	-23 592	-17 457	-35 808	-28 108
Net cash provided by operating activities	32 660	5 607	51 801	31 598
Cash flows from investing activities:				
Net capital expenditures	-23 575	-18 391	-37 185	-40 650
Acquisitions of shares from minority shareholders	-4 601	-	-4 601	-
Net cash (used in) investing activities	-28 176	-18 391	-41 786	-40 650
Cash flows from financing activities:				
Proceeds from issuance of shares	119 869	344	126 547	453
Proceeds from long-term debt	590	22	3 982	1 533
Repayments of long-term debt and subordinated debt	-59 925	-546	-62 754	-13 056
Dividend to minority shareholders	-7 640	-9 407	-7 640	-9 407
Other financing activities	-13 749	-14 469	-10 363	7 413
Net cash provided by (used in) financing activities	39 145	-24 056	49 772	-13 064
Exchange rate effects	257	8 415	3 145	13 614
Net increase (decrease) in cash and cash equivalents	43 886	-28 425	62 932	-8 502

ASM INTERNATIONAL N.V.
DISCLOSURE ABOUT SEGMENTS AND RELATED INFORMATION

The Company organizes its activities in two operating segments, Front-End and Back-End.

The Front-End segment manufactures and sells equipment used in wafer processing, encompassing the fabrication steps in which silicon wafers are layered with semiconductor devices. The segment is a product driven organizational unit comprised of manufacturing, service, and sales operations in Europe, the United States, Japan and South East Asia.

The Back-End segment manufactures and sells equipment and materials used in assembly and packaging, encompassing the processes in which silicon wafers are separated into individual circuits and subsequently assembled, packaged and tested. The segment is organized in ASM Pacific Technology Ltd., in which the Company holds a majority of 54.62% interest, whilst the remaining shares are listed on the Stock Exchange of Hong Kong. The segment's main operations are located in Hong Kong, Singapore and the People's Republic of China.

(thousands)	Front-End	Back-End	In Euro Total
Six months ended June 30, 2000			
	(unaudited)	(unaudited)	(unaudited)
Net sales to unaffiliated customers	155 715	263 897	419 612
Earnings from operations	12 998	68 706	81 704
Net interest and other financial (expense) income	-2 888	2 326	-562
Income tax	-4 513	-5 998	-10 511
Minority interest	-	-31 830	-31 830
Net earnings before cumulative effect of change in accounting principle	5 597	33 204	38 801
Net capital expenditure	8 430	28 755	37 185
Total assets	283 342	349 499	632 841
Headcount (1)	935	5 780	6 715
Six months ended June 30, 2001			
	(unaudited)	(unaudited)	(unaudited)
Net sales to unaffiliated customers	211 391	142 366	353 757
Earnings from operations	20 255	26 017	46 272
Net interest and other financial (expense) income	-3 181	3 749	568
Income tax	-3 644	-3 327	-6 971
Minority interest	-	-11 999	-11 999
Net earnings before cumulative effect of change in accounting principle	13 430	14 440	27 870
Net capital expenditure	25 231	15 419	40 650
Total assets	416 900	368 418	785 318
Headcount (1)	1 143	5 622	6 765

(1) Headcount includes those employees with a fixed contract, and is exclusive of temporary workers.

At December 31, 2000 the headcounts for the Front-End and Back-end segments were 1,064 and 6,027 respectively.