

Key figures	2017	2016	Q4 2017	Q4 2016	Q3 2017
EUR thousands (except earnings per share)					
Revenues	1,063,773	549,940	470,313	133,614	262,615
Gross margin in % (adjusted – see footnote 1)	43%	55%	44%	52%	41%
Result from operations (EBIT) (adjusted – see footnote 1)	168,708	97,069	128,453	16,443	34,827
EBIT margin in % (adjusted – see footnote 1)	16%	18%	27%	12%	13%
Net result ³⁾ (adjusted – see footnote 3)	127,523	102,898	141,356	13,722	20,201
Basic earnings per share in CHF ²⁾³⁾ (adjusted – see footnote 3)	1.74	1.67	2.00	0.22	0.28
Diluted earnings per share in CHF ²⁾³⁾ (adjusted – see footnote 3)	1.63	1.62	1.87	0.22	0.27
Basic earnings per share in EUR ³⁾ (adjusted – see footnote 3)	1.56	1.53	1.72	0.21	0.24
Diluted earnings per share in EUR ³⁾ (adjusted – see footnote 3)	1.46	1.48	1.60	0.20	0.23
Total backlog	541,871	136,064	541,871	136,064	440,445

¹⁾ Excluding acquisition-related and share-based compensation costs.

²⁾ Earnings per share in CHF were converted using the average currency exchange rate for the respective periods.

³⁾ Net result and earnings per share excluding valuation effect of the option element of the convertible bond.

Consolidated Income Statement

EUR thousands (except earnings per share)	2017	Q4 2017	2016	Q4 2016
Revenue Products	1,012,152	458,153	495,426	115,716
Revenue Foundry	51,621	12,160	54,515	17,898
Total revenues	1,063,773	470,313	549,940	133,614
Cost of sales	-653,951	-279,853	-261,850	-67,861
Gross profit	409,822	190,460	288,091	65,753
Gross margin in %	39%	40%	52%	49%
Research and development	-213,995	-59,005	-138,590	-36,829
Selling, general and administrative	-139,261	-40,501	-96,361	-24,425
Other operating income	21,432	10,546	39,886	3,607
Other operating expenses	-1,943	-749	-1,481	-1,052
Result from investments in associates	-117	-65	1,717	72
Result from operations	75,938	100,687	93,263	7,126
Net financing result	-2,217	-11,083	3,982	6,796
Result before tax	73,722	89,604	97,245	13,922
Income tax result	15,024	12,974	5,653	-200
Net result	88,745	102,578	102,898	13,722
Basic earnings per share in CHF ¹⁾	1.21	1.45	1.67	0.22
Diluted earnings per share in CHF ¹⁾	1.12	1.34	1.62	0.22
Basic earnings per share in EUR	1.08	1.25	1.53	0.21
Diluted earnings per share in EUR	1.01	1.15	1.48	0.20

¹⁾ Earnings per share in CHF were converted using the average currency exchange rate for the respective periods.

Statement of comprehensive income

EUR thousands	2017	Q4 2017	2016	Q4 2016
Net result	88,745	102,578	102,898	13,722
Items that will never be reclassified to profit and loss				
Remeasurements of defined benefit liability	2,044	2,029	-1,612	-1,593
Items that may be reclassified to profit and loss				
Translation adjustment	-161,154	-35,684	-429	9,761
Measurement at fair value of financial assets	14,348	13,207	691	178
Other comprehensive income	-144,762	-20,448	-1,349	22,068
Total comprehensive income	-56,017	82,130	101,549	35,790

Consolidated balance sheet

EUR thousands as of	December 31, 2017	December 31, 2016
Assets		
Cash and cash equivalents	288,356	179,575
Financial assets	104,007	36,259
Trade receivables	284,799	97,155
Inventories	253,914	92,855
Other receivables and assets	77,103	33,422
Total current assets	1,008,179	439,264
Property, plant and equipment	996,876	319,250
Intangible assets	1,182,125	603,447
Investments in associates	1,896	2,278
Deferred tax assets	26,060	35,389
Other long term assets	46,179	23,360
Total non-current assets	2,253,136	983,723
Total assets	3,261,315	1,422,988
Liabilities and shareholders' equity		
Liabilities		
Interest-bearing loans and borrowings	586,417	108,018
Trade liabilities	308,392	68,231
Tax liabilities	28,118	36,750
Provisions	44,394	20,063
Other liabilities	546,864	31,449
Total current liabilities	1,514,185	264,511
Interest-bearing loans and borrowings	671,787	364,051
Employee benefits	40,215	36,965
Deferred Tax Liabilities	67,085	53,953
Other long term liabilities	139,411	35,953
Total non-current liabilities	918,498	490,921
Shareholders' equity		
Issued capital	84,420	73,409
Additional paid in capital	577,592	211,625
Treasury shares	-190,812	-166,079
Other reserves (translation adjustment)	-211,399	59,860
Retained earnings	568,831	488,741
Total shareholders' equity and reserves	828,632	667,556
Total liabilities and shareholders' equity	3,261,315	1,422,988

Consolidated cash flow statement

EUR thousands	2017	Q4 2017	2016	Q4 2016
Operating activities				
Result before tax	73,722	89,604	97,245	13,922
Depreciation (net of government grants)	148,494	46,507	62,343	15,992
Expense from stock option plan (acc. to IFRS 2)	20,259	6,623	8,283	3,655
Changes in other long-term liabilities	-5,406	-1,110	-1,840	-935
Result from sale of plant and equipment	27	21	-2	92
Result from sale of financial assets	0	0	0	0
Result from investments in associates	117	65	-1,717	-72
Net financing result	2,217	11,083	-3,980	-6,796
Change in inventories	-146,164	-43,322	-11,425	-4,858
Change in trade and other receivables	-179,552	-98,744	-5,274	7,337
Change in trade and other payables	107,728	34,877	-8,788	4,656
Change in provisions and employee benefits	-4,038	154	-11,110	-7,907
Change in deferred income	3,580	1,079	1,247	-1,019
Result from sale of discontinued operation net of tax	-7,945	-7,945	-30,228	-547
Tax payments	-16,591	-3,090	-12,433	-1,224
Cash flows from operating activities	-3,553	35,803	82,323	22,298
Investing activities				
Acquisition of intangibles, property, plant and equipment	-581,890	-205,472	-91,682	-22,520
Acquisition of subsidiaries, net of cash acquired	35,834	0	-48,274	-1,841
Acquisition of other financial investments	0	0	-5,008	0
Proceeds from sale of plant and equipment	39	9	628	66
Disposal of discontinued operations net of cash disposed of	8,062	8,062	62,154	0
Proceeds from the sale of financial assets	19,445	0	10,000	0
Interest received	3,691	1,811	1,154	237
Cash flows from investing activities	-514,819	-195,590	-71,028	-24,058
Financing activities				
Proceeds from borrowings	688,012	100,565	277,158	19,953
Repayment of debt	-150,784	0	-84,962	153
Repayment of finance lease liabilities	-112	6	-158	-39
Proceeds from issue of convertible notes	297,915	0	0	0
Acquisition of treasury shares	-132,175	-58,394	-106,357	-12,269
Sale of treasury shares	18,424	2,336	11,269	2,082
Interest paid	-8,546	-1,787	-3,811	-1,040
Dividends paid	-25,047	0	-34,575	0
Changes resulting from capital increase	0	0	0	0
Cash flows from financing activities	687,687	42,725	58,564	8,839
Change in cash and cash equivalents	169,315	-117,062	69,859	7,079
Effects of changes in foreign exchange rates on cash and cash equivalents	-23,342	-2,277	6,137	9,184
Cash and cash equivalents at begin of period	142,383 ¹⁾	407,695 ¹⁾	103,579	163,311
Cash and cash equivalents at end of period	288,356	288,356	179,575	179,575

¹⁾ As per December 31, 2017, restrictions on cash and cash equivalents amounted to EUR 37,192 thousand (December 31, 2016: 0).

Changes in shareholders' equity

EUR thousands	Issued capital	Additional paid in capital	Treasury shares	Other reserves	Retained earnings	Total shareholders' equity
Total equity as of January 1, 2016	73,409	203,785	-77,612	60,288	421,339	681,209
Net result	0	0	0	0	102,898	102,898
Remeasurement of defined benefit liability	0	0	0	0	-1,612	-1,612
Valuation of financial instruments	0	0	0	0	691	691
Translation adjustment	0	0	0	-429	0	-429
Comprehensive income	0	0	0	-429	101,977	101,549
Share based payments	0	7,389	0	0	0	7,839
Dividends paid	0	0	0	0	-34,575	-34,575
Capital increase	0	0	0	0	0	0
Purchase of treasury shares	0	0	-106,357	0	0	-106,357
Sale of treasury shares	0	0	17,891	0	0	17,891
Total equity as of December 31, 2016	73,409	211,625	-166,079	59,860	488,741	667,556
Net result	0	0	0	0	88,745	88,745
Remeasurement of defined benefit liability	0	0	0	0	2,044	2,044
Valuation of financial instruments	0	0	0	0	14,348	14,348
Translation adjustment	0	0	0	-161.154	0	-161,154
Comprehensive income	0	0	0	-161.154	105,137	-56,017
Share based payments	0	16,418	0	0	0	16,418
Dividends paid	0	0	0	0	-25,047	-25,047
Capital increase	11,011	349,549	0	0	0	360,560
Payable from share buyback obligation	0	0	0	-110.104	0	-110,104
Purchase of treasury shares	0	0	-197,724	0	0	-197,724
Sale of treasury shares	0	0	172,990	0	0	172,990
Total equity as of December 31, 2017	84,420	577,592	-190.812	-211.399	568,831	828,632

Segment reporting

EUR thousands		2017				2016			
Business segments	Consumer	Non-Consumer	Foundry	Total	Consumer	Non-Consumer	Foundry	Total	
Consolidated revenues	683,496	328,656	51,621	1,063,773	210,249	285,177	54,515	549,940	
Research & development	100,661	83,049	1,592	185,301	44,075	73,785	9,704	127,564	
Result from operations	142,352	50,646	16,153	209,151	42,066	41,026	7,146	90,238	
Segment assets	751,857	66,959	5,746	824,563	60,849	44,566	14,071	119,487	

Reconciliation of segment results to income statement

EUR thousands	2017	2016
Result from operations per segment reporting	209,151	90,238
Result from investments in associates	-117	1,717
Depreciation due to business combinations	-72,511	-25,166
Unallocated R&D costs	-2,737	-17,712
Subsidies for research and development	5,360	4,408
Unallocated corporate costs	-63,207	39,778
Result from operations	75,938	93,263
Financial result	-2,217	3,982
Income before tax	73,722	97,245

Reconciliation of segment assets to total assets

EUR thousands	2017	2016
Assets per segment reporting	824,563	119,487
Intangible assets deriving from PPA	1,149,255	581,177
Property, plant & equipment	462,667	298,216
Inventories	253,864	92,855
Cash, cash equivalents and short-term investments	392,363	215,833
Deferred tax asset	26,060	35,389
Intangible assets	28,074	18,089
Investments in associates	1,896	2,278
Other assets	122,573	59,663
Total assets	3,261,315	1,422,988

Revenues per geographical segments

EUR thousands	2017	2016
EMEA ¹⁾	352,658	202,955
Asia/Pacific	498,815	317,514
Americas	212,300	29,471
Total	1,063,773	549,940

¹⁾ Europe, Middle East, Africa

Segment information is presented on the basis of the internal reporting structure for the segments “Consumer”, “Non-Consumer” and “Foundry” and determined according to the valuation and accounting regulations of IFRS. The Segment “Consumer” is comprised of products and sensor solutions targeting the Consumer & Communications market. The segment “Non-Consumer” is comprised of products and sensor solutions targeting the industrial, medical, and automotive markets. In the “Foundry” segment, ams reports the contract manufacturing of analog/mixed signal ICs based on its customers’ designs.

The geographic segments are structured by the three regions in which sales occur: “EMEA” (Europe, Middle East, and Africa), “Asia/Pacific”, and “Americas”. In presenting information on the basis of geographical segments, segment revenue is based on the geographical billing location of customers.

The segment measure “Result from operations” consists of gross profit, expenses for research and development, expenses for selling, general & administrative as well as other operating income and expenses.

The segment assets generally comprise of the allocable assets, i.e. customer receivables as well as segment specific tangible and intangible assets. The reconciliation of segment measures includes items which by definition are not part of the segments.

Reconciliation from adjusted figures to IFRS reported figures

EUR thousands	2017	Q4 2017	2016	Q4 2016
Gross profit – adjusted	457,547	204,809	302,926	69,364
Acquisition-related costs	-46,499	-14,051	-14,024	-3,114
Share-based compensation costs	-1,226	-298	-812	-498
Gross profit – IFRS reported	409,822	190,460	288,091	65,753
Gross margin in % – adjusted	43.0 %	43.5 %	55.1%	51.9%
Gross margin in % – IFRS reported	38.5 %	40.5 %	52.4%	49.2%
Operating expenses – adjusted	-288,838	-76,357	-205,857	-52,921
Acquisition-related costs	-26,012	-7,092	-11,727	-3,095
Share-based compensation costs	-19,033	-6,325	-7,471	-3,157
Result from discontinued operation	0	0	30,228	547
Operating expenses – IFRS reported	-333,884	-89,773	-194,828	-58,627
Result from operations – adjusted	168,708	128,453	97,069	16,443
Acquisition-related costs	-72,511	-21,143	-25,750	-6,208
Share-based compensation costs	-20,259	-6,623	-8,283	-3,655
Result from discontinued operation	0	0	30,228	547
Result from operations – IFRS reported	75,938	100,687	93,263	7,126
Operating margin in % – adjusted	15.9 %	27.3 %	17.7%	12.3%
Operating margin in % – IFRS reported	7.1 %	21.4 %	17.0%	5.3%