



RoodMicrotec N.V.

Welcome to the Annual Shareholders Meeting

**NYSE Euronext - Beursplein 5 - Amsterdam
June 11, 2015**



Zwolle



Noerdlingen



Stuttgart



Dresden



Bath

...certified by RoodMicrotec.

Agenda

- **Opening**
- **Behandeling jaarverslag 2014**
- **Vaststelling jaarverslag**
- **Decharge van directie**
- **Decharge van commissarissen**
- **Goedkeuring voorstel bestemming resultaat**
- **Voorstel beperking of uitsluiting voorkeursrecht**
- **Overige punten & rondvraag**
- **Sluiting**

Participants



 Vic Tee	Supervisory Board - Chairman
 Reinhard Pusch	CSO
 Martin Sallenhag	CTO
 Remy Cuny	CFO
 Philip Nijenhuis	CEO

Profile - 1



... Certified by **RoodMicrotec**

- 🔴 **RoodMicrotec** is a semiconductor company that supplies products and services to the industrial market.
- 🔴 These products are semiconductors, also called ‘chips’, which are developed and manufactured to the customers’ specifications.
- 🔴 **RoodMicrotec** develops the chip with partners, subcontracts the ‘wafer’ and packaging to other companies, and tests, qualifies and investigates the chip’s functionality and quality.
- 🔴 **RoodMicrotec** provides its services also independently to industrial companies, mainly companies that do not have (one or more) specific services in house.
- 🔴 **RoodMicrotec** never competes with its customers - due to its independent position.
- 🔴 **RoodMicrotec** operates globally, but most of its operations are concentrated in Europe.

Profile – 2

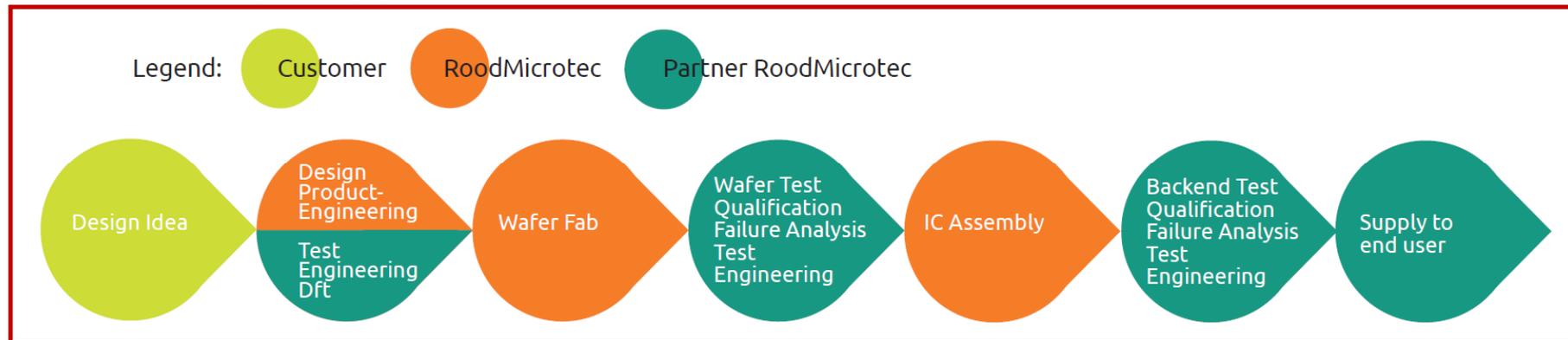


-  **RoodMicrotec** is focusing its services increasingly on Original Equipment Manufacturers (OEMs) and Fabless Companies (FCs) / IP providers and distributors.
-  **OEMs**
We offer tailored solutions for OEMs who wish to market their products successfully. We do this using our eXtended supply chain or by OEMs outsourcing their services fully or partially to **RoodMicrotec**. We have placed this contracted work in a special project ('Atlas').
-  **FCs**
RoodMicrotec aims to support the product development of FCs both technologically and materially, together with other parties. In addition, **RoodMicrotec** collaborates with partners to financially support FCs with a proven track record and a good business plan to launch healthy projects.

Profile - 3

RoodMicrotec's services across wafer, packaged IC, printed board assembly, printed circuit board and interconnection technology (soldering, glueing, crimping) covers:

(eXtended) Supply Chain Services



-  **Engineering services, test program development**
-  **Qualification & Reliability investigations**
-  **Opto-mechanical qualifications**
-  **Failure & Technological analysis, ESD consulting and measurements - also in production lines**
-  **Device testing, device programming, end-of-line services**

Values



- 🏆 **Quality comes first**
- 🏆 **Customers are our focus**
- 🏆 **Commitment to our stakeholders, people, planet and quality work**
- 🏆 **Employees are our greatest strength**
- 🏆 **Open, honest & clear communication**
- 🏆 **Suppliers are our partners**
- 🏆 **Products and technology are our foundation**
- 🏆 **Team spirit**

Content

-  Highlights and results
-  In short the year 2014
-  **RoodMicrotec** intensified their renewed strategy
-  Outlook 2015
-  Our markets; our projects
-  Board structure in view of sustainability and continuation

Highlights & Results

2014 Highlights – Commercial / operational



- Sales in 2014 of EUR 9.971 million fell by 11% compared to 2013 (EUR 11.180 million) due to longer lead times and postponement of some large orders.
- Increased investments in the second half 2014 in sales and marketing.
- Setup of Automotive Competitive Centre (ACC)
- Investments in highly promising projects like 'RF light switches'.
- Strategic partnership with Fraunhofer Institute IIS.
- Further strengthening of SCM.
- New test handling and programming equipment, (new) customers.
- Sharp increase of our quote portfolio and a continued positive book-to-bill ratio.
- Significant headcount cost reduction program
- Strategic adjustment (turn around) in response to changing markets

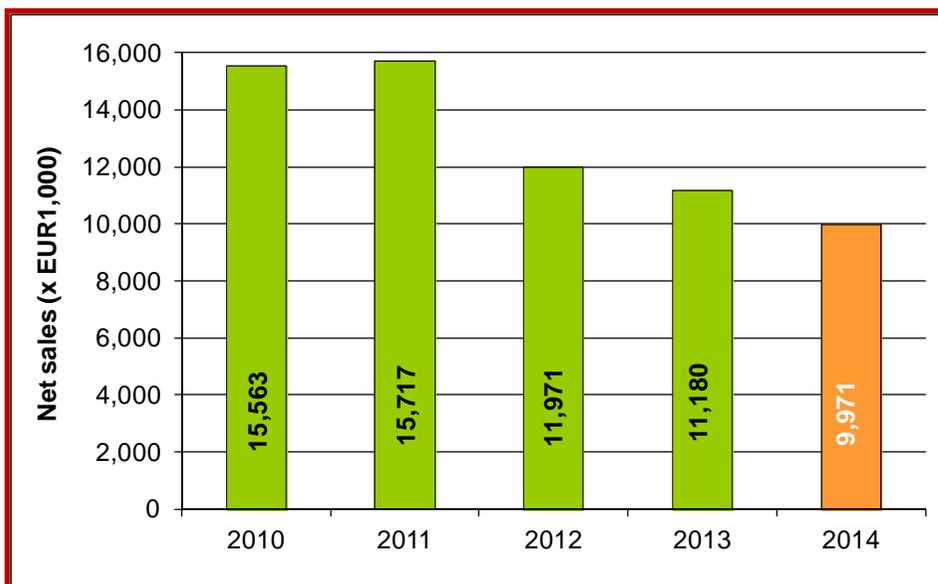
2014 Highlights – Financials



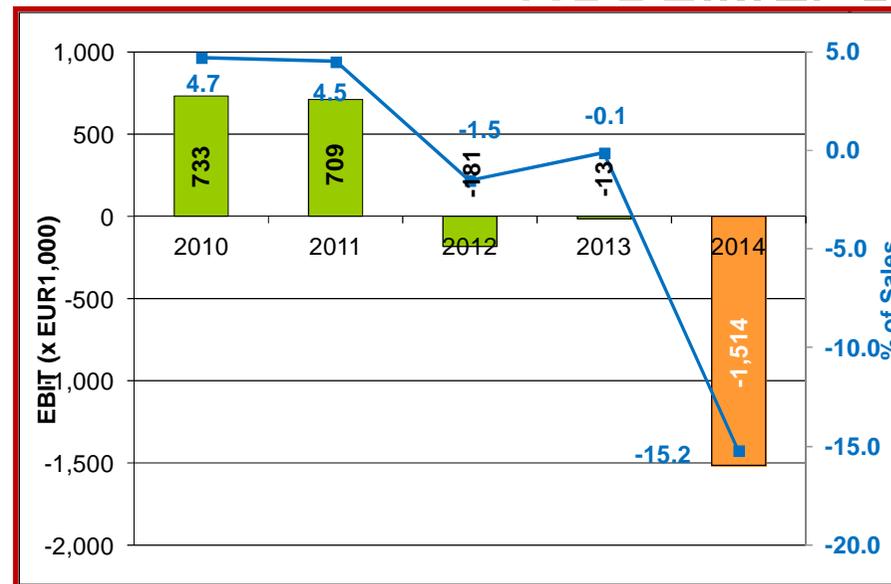
- **EBITDA: EUR 0.722 million negative (2013: EUR 0.870 million positive).**
- **EBIT (operating result) is EUR 1.514 million negative (2013: EUR 0.13 million negative).**
- **Net cash position improved from EUR 1.326 million negative in 2013 to EUR 0.192 million positive in 2014. The net cash from operating activities amounted EUR 0.262 million negative in 2014 compared to EUR 0.017 million positive in 2013.**
- **The working capital position improved strongly from EUR 1.331 million negative in 2013 to EUR 0.125 million negative in 2014.**
- **Decrease in solvency rate to 27% (2013: 39%) as a result of the net loss and the decrease of the pension discount rate from 3.6% to 2%.**
- **Issue of EUR 2,500 million bond loan and repayment of bank loans. Short-term bank loans, were redeemed using the proceeds from the bond loan.**



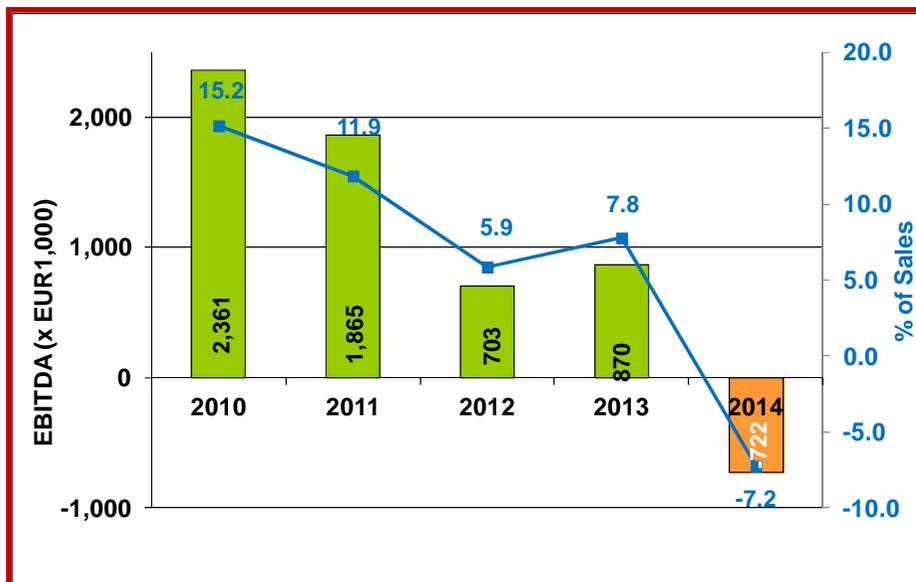
Net sales



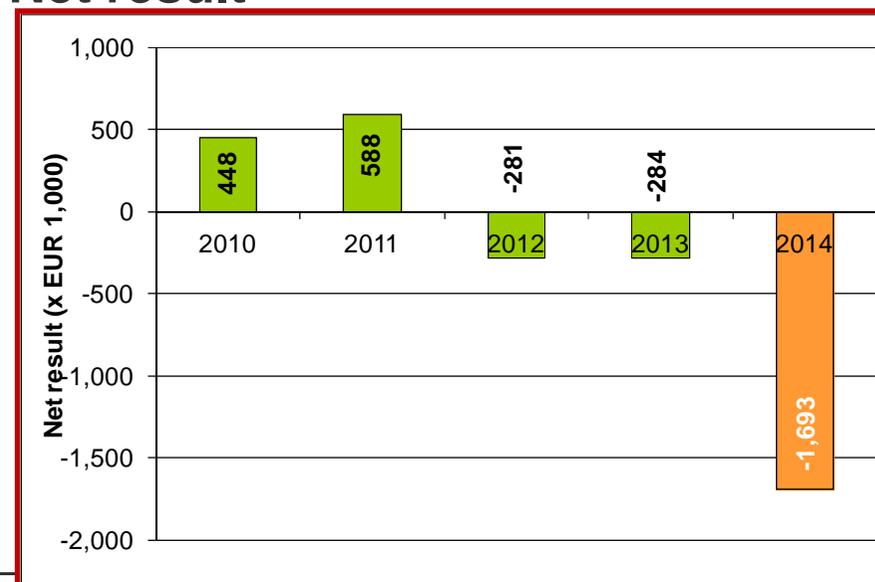
EBIT



EBITDA

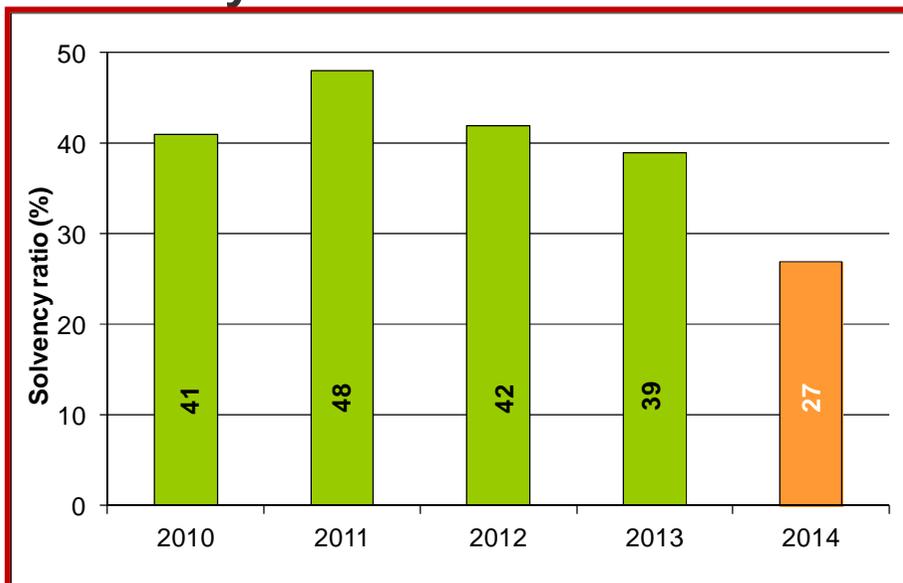


Net result

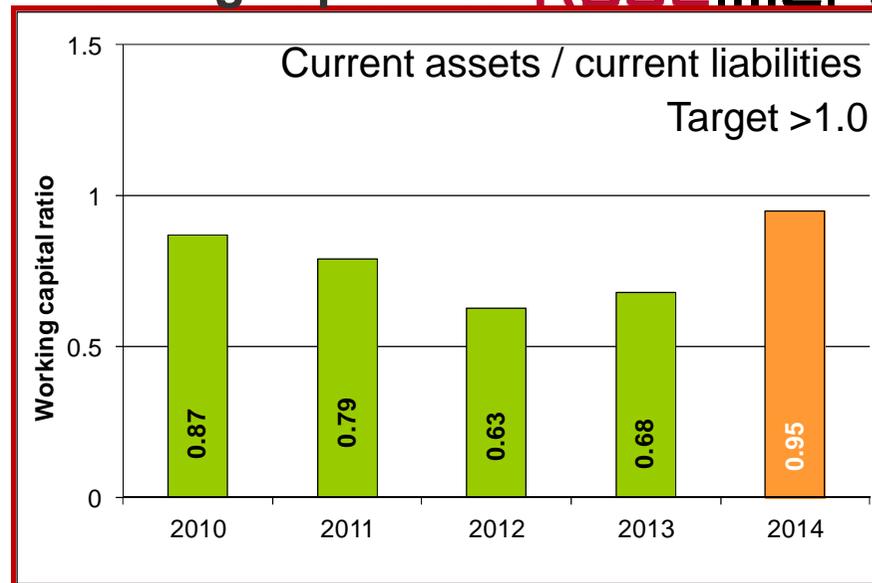




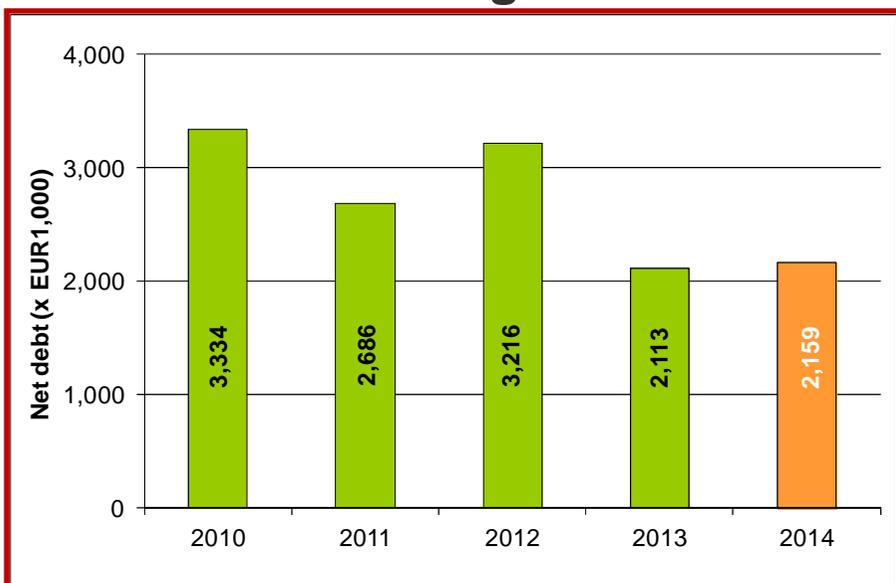
Solvency



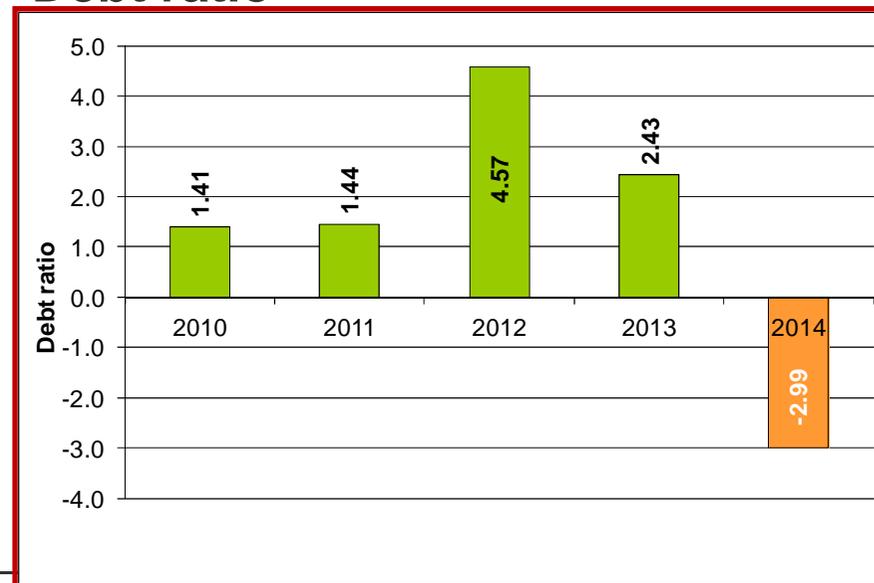
Working capital ratio



Net interest-bearing debt



Debt ratio



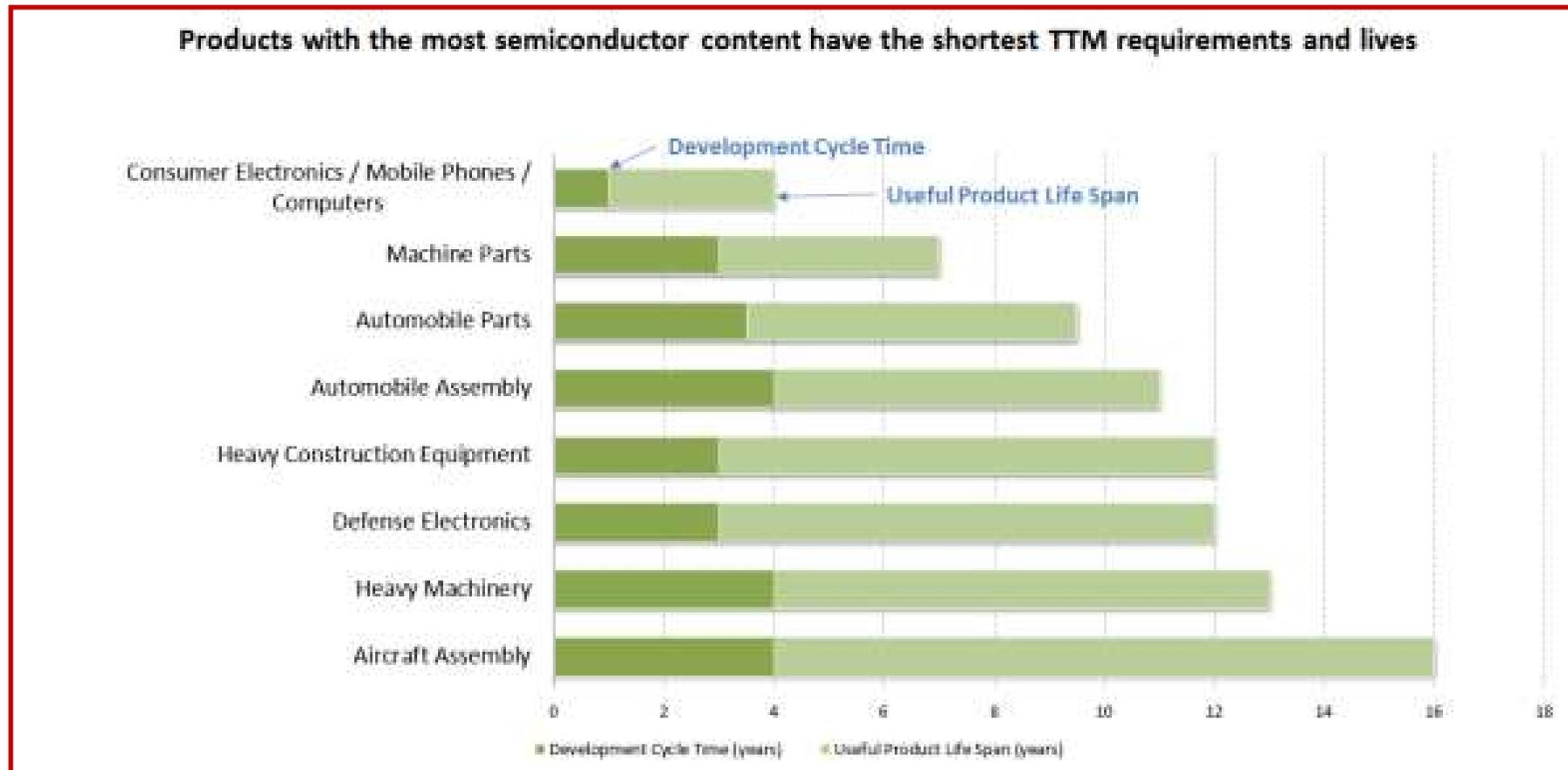
In short the year 2014



2014 was not according our expectations !

- 🚫 One of our major customers got a problem
- 🚫 Another important customer decided for a serious re-organization
- 🚫 Still more delays than expected

Many delays during the start-up of projects



Source: Arteris.com (Kurt Schuler)

RoodMicrotec intensified their renewed strategy



- **Co-operation: co-creating, co-operation and co-investing**
- **Strategic partnership Fraunhofer Institute IIS – Channel partner of Global Foundries**
- **Set-up Automotive Competence Centre (ACC)**
- **Sharp increase of quote portfolio**
- **Focus on Fabless companies and OEMs**
- **Focus on fastest growing sectors:**
 - Automotive
 - Industrial / Medical
 - IoT

Establish an Automotive Competence Centre (ACC)

Automotive Competence Centre (ACC):

- Automotive improvement program
- Complaining flow set-up
- Specific consulting on request

Automotive Consulting

- Supplier selection (potential analysis, decision process, supplier approval)
- APQP of supplier
- Process audits

Subcontractor Management

- Inhouse
- External

Automotive Trainings & Workshop

Quality Assurance & Customer Support

- Qualification
- APQP
- PPAP
- Audits (joined)
- PCN
- FMEA
- Control plan
- SPC
- Complaint handling (RMA flow, FA 8D)
- Task force team
- Safe launch

- AIAG
- VDA QMC
- ZVEI

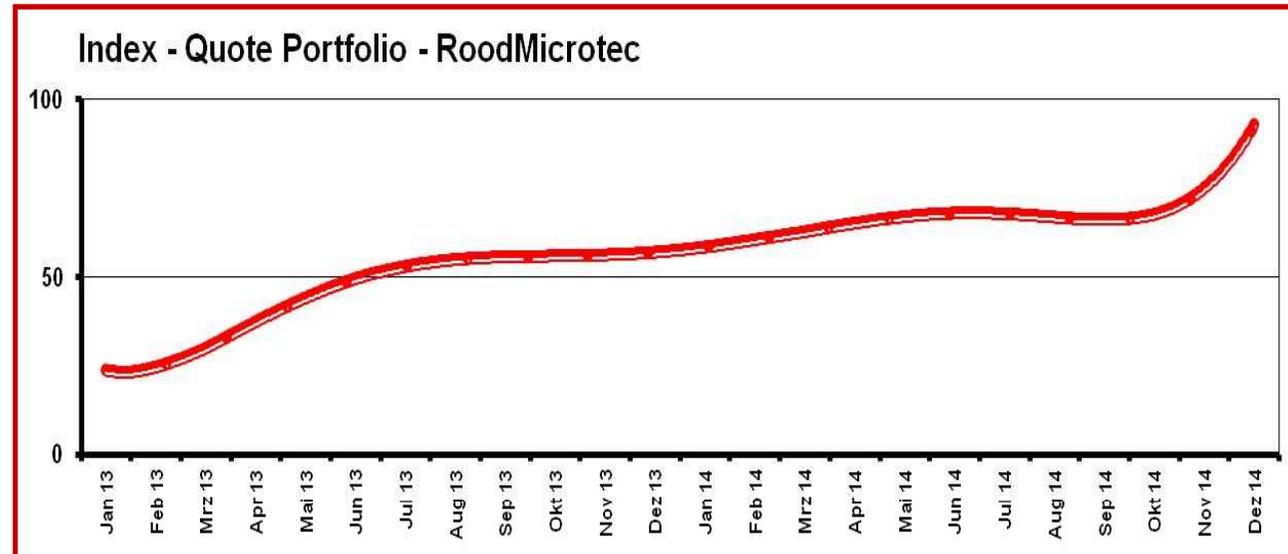
Automotive world networking

SCM/XSCM Projects

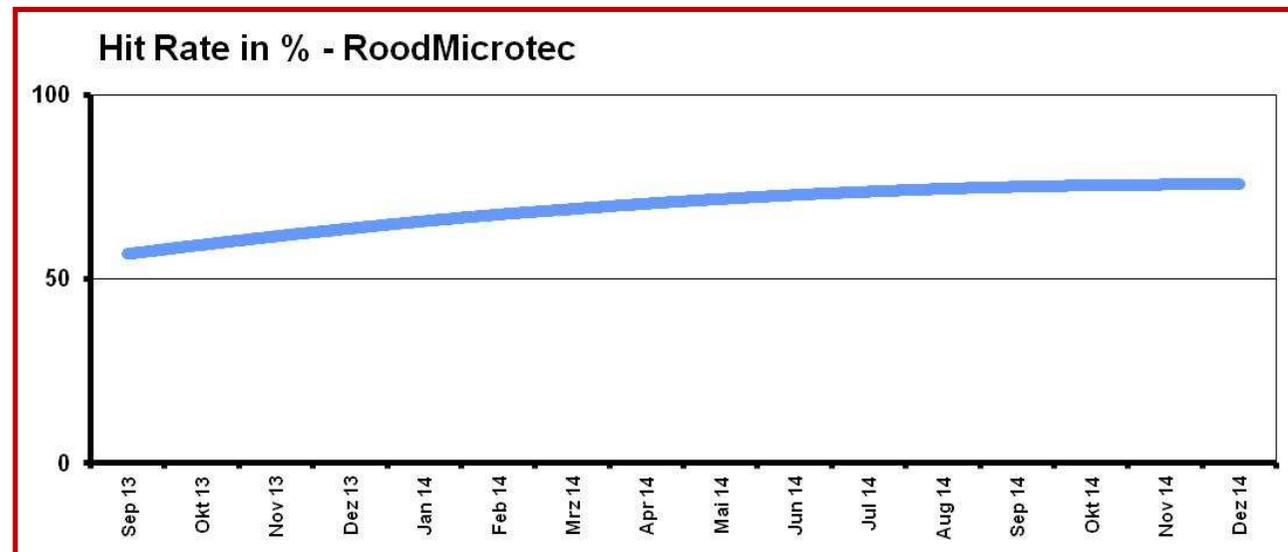
- Project management
- Logistics
- Subcontractor monitoring
- Delivery performance control

ACC Portfolio

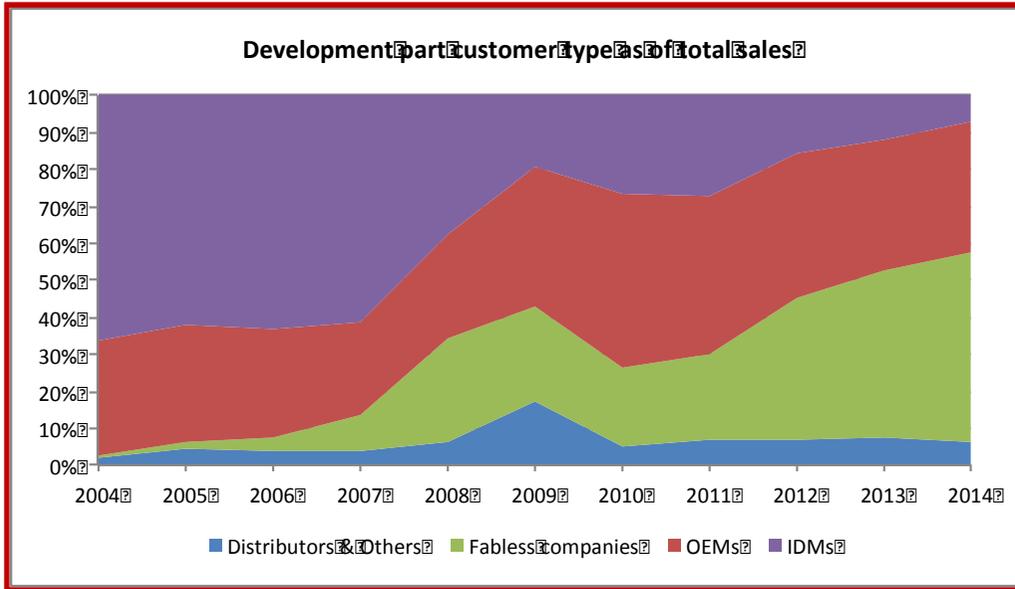
 **Sharp increase of quote portfolio**



 **High hit rate**



Focus on Fabless companies and OEMs



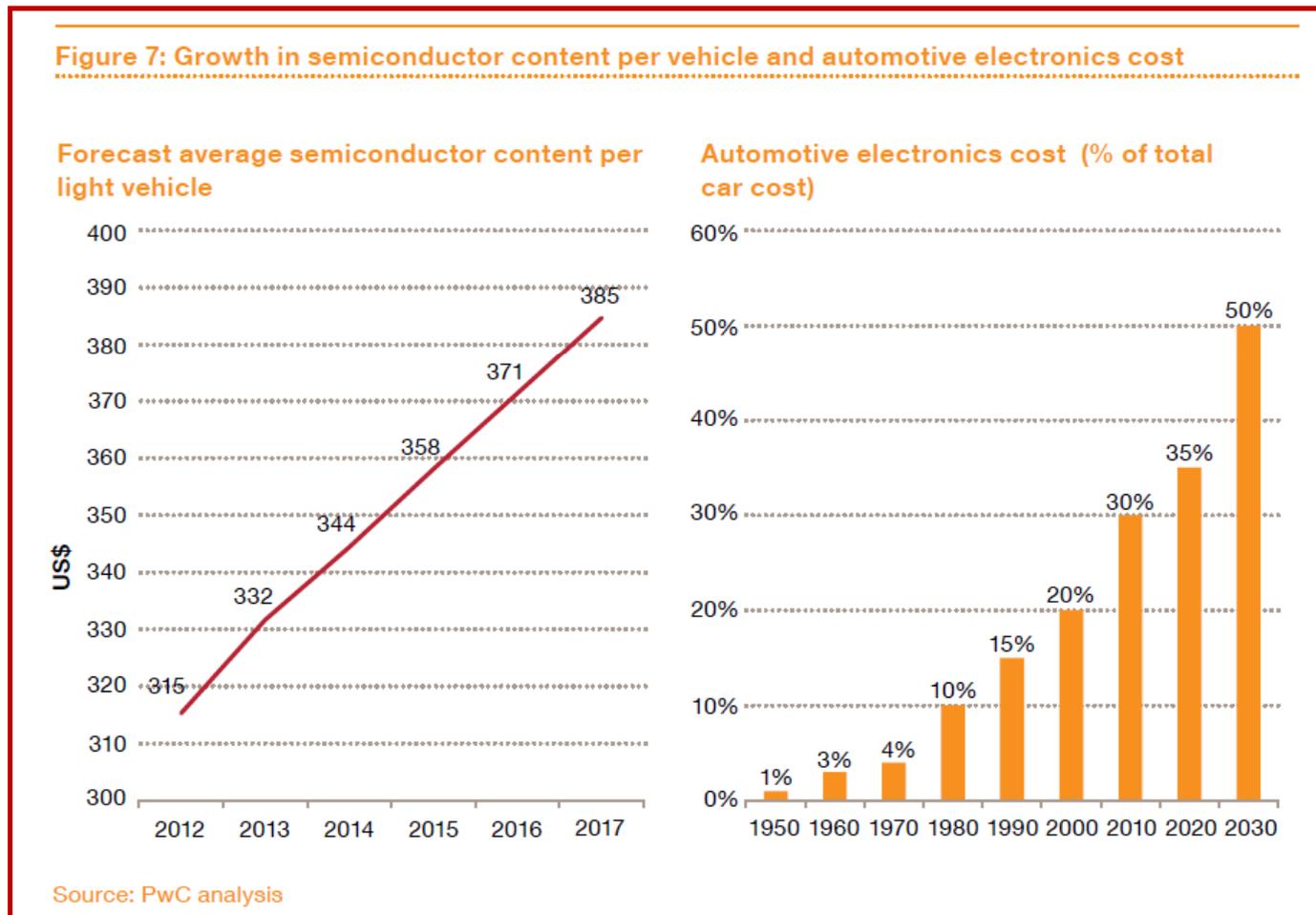
Focus on OEMs

Outsourcing is still an important trend



Focus on Automotive

The average automotive semiconductor content is increasing significantly



Focus on Automotive

Most of the automotive designs are still coming from Europe/USA

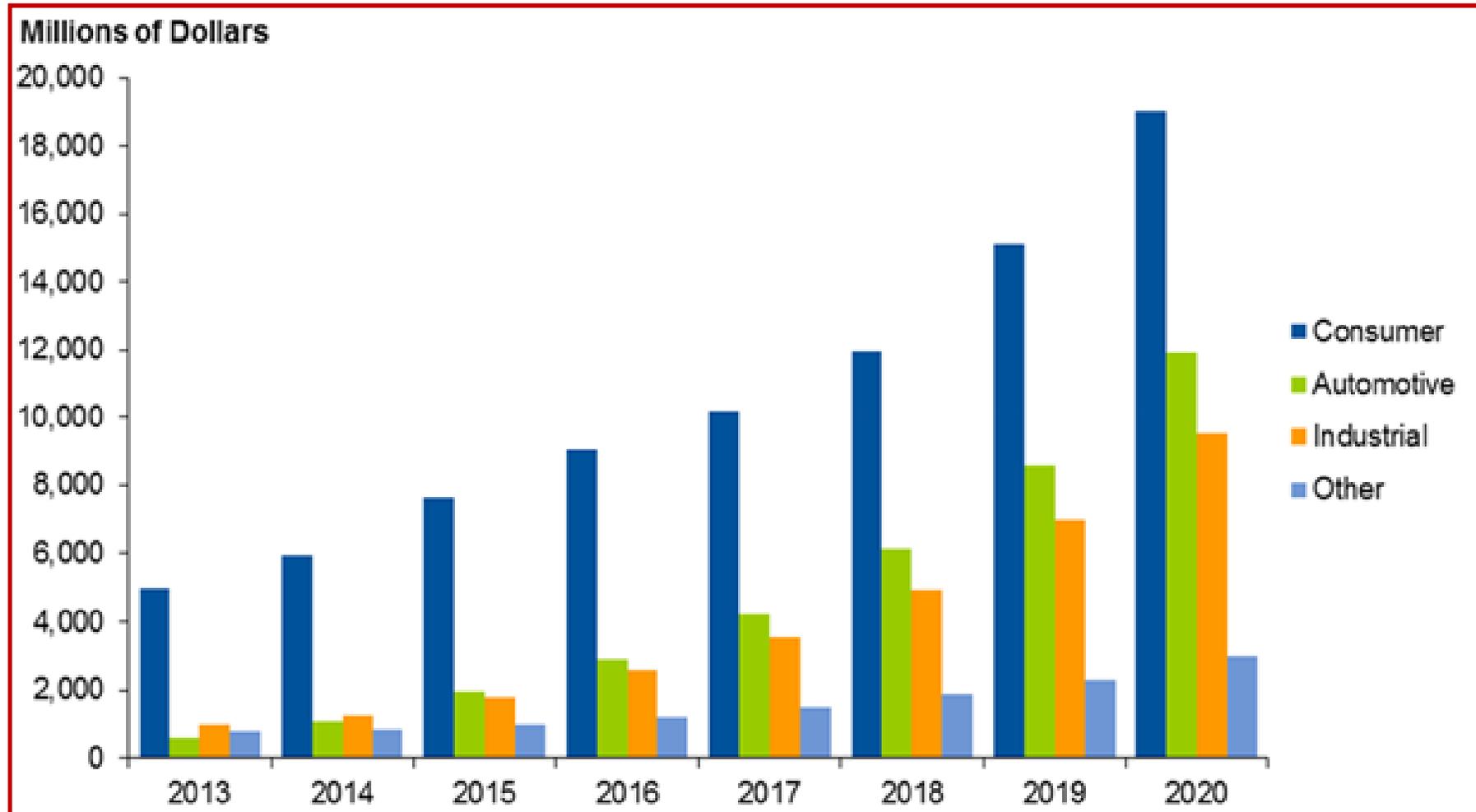
Top 10 Automotive Semiconductor Supplier Ranking (by Revenue in Millions of US Dollars)

Rank	Companies	2012 Revenue	2013 (M\$)	Growth 13/12	2012 (%)	2013 (%)
1	Renesas	3,397	2,916	-14.2%	13.4%	10.9%
2	Infineon	2,167	2,420	11.7%	8.5%	9.1%
3	STMicroelectronics	1,890	1,976	4.6%	7.4%	7.4%
4	Freescale Semiconductor	1,680	1,846	9.9%	6.6%	6.9%
5	NXP Semiconductors	1,471	1,689	14.8%	5.8%	6.3%
6	Robert Bosch	1,299	1,547	19.1%	5.1%	5.8%
7	Texas Instruments	1,152	1,395	21.1%	4.5%	5.2%
8	ROHM Semiconductor	975	902	-7.5%	3.8%	3.4%
9	Toshiba	778	853	9.6%	3.1%	3.2%
10	On Semiconductor	744	756	1.6%	2.9%	2.8%
	Others	9,837	10,365	5.4%	38.7%	38.9%
	Total	25,390	26,665	5.0%	100.0%	100.0%

Source: IHS Inc. April 2014

Source: IHS Inc. (April 2014)

RoodMicrotec focusses on the fastest growing sectors

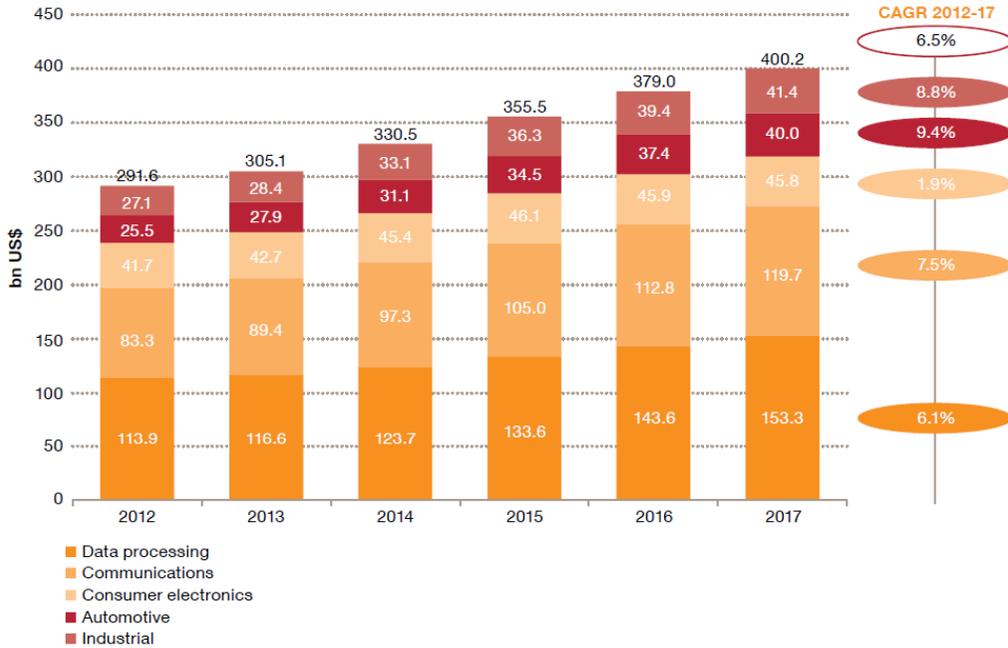


Source: IndiaInfoline & Gartner

RoodMicrotec focusses on the fastest growing sectors

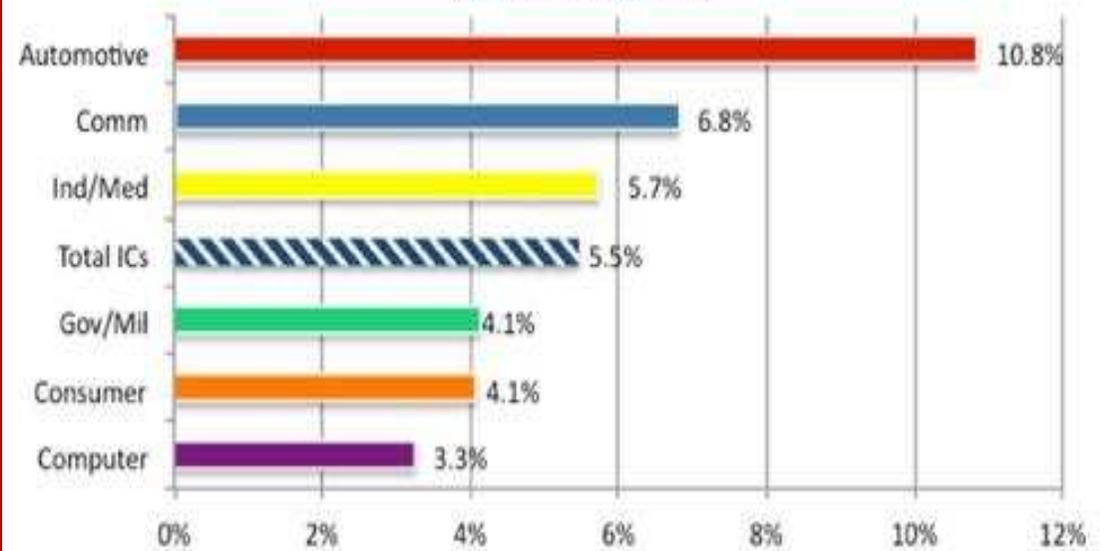


Figure 4: Global semiconductor billings – forecast by application



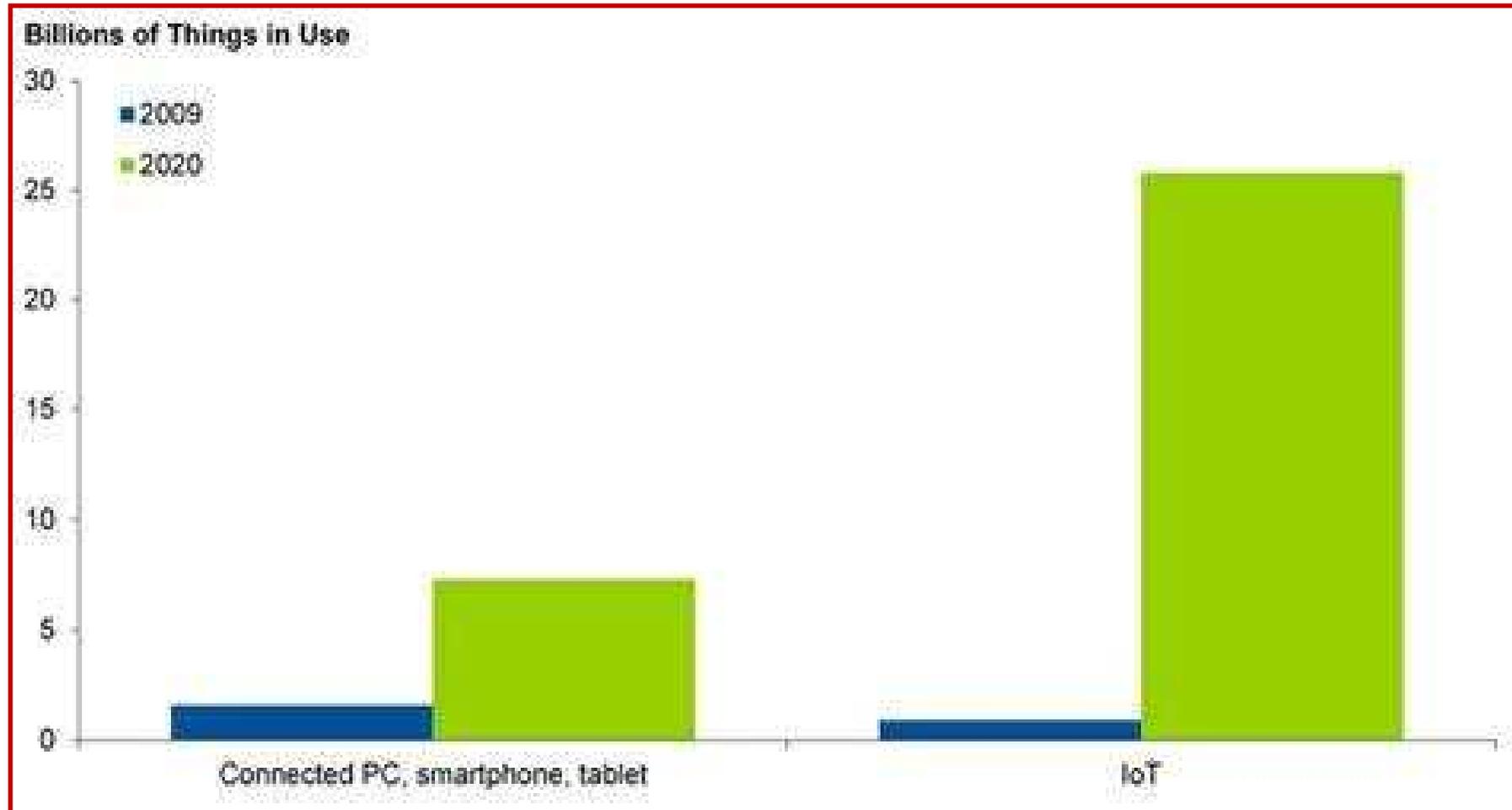
Source: WSTS, PwC analysis

Automotive Tops IC Market Growth Rate (2013-2018 CAGRs)



Source: IC Insights

RoodMicrotec focusses on the fastest growing sectors: IoT



Source: Gartner (January 2014)

Outlook 2015

Outlook 2015

- 📊 **Global semiconductor market growth expectations /WSTS**
 - 3,4% in 2015
 - 3,1% in 2016
- 📊 **RoodMicrotec anticipates a recovery of its business and the realisation of its growth objectives.**

We maintain our long-term objective to realize annual autonomous growth of between 3% and 13% at an average of 6% growth of the semiconductor market up to 2017.

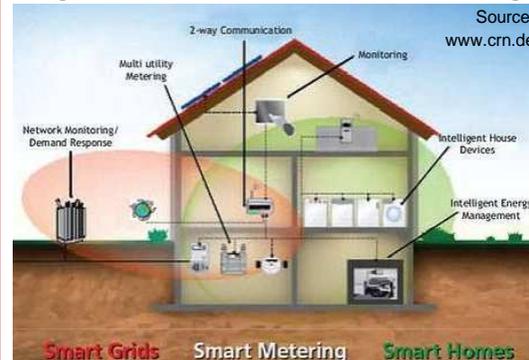
Our markets; our projects

Our markets; our projects

Electronic increase in Automotive is booming



Robust growth in Buildings & Green Technology



Telecommunication infrastructure is



booming all over the world

Medical/Industrial is a specialised segment with great future



HiRel/Space needed for safety, transport and communication



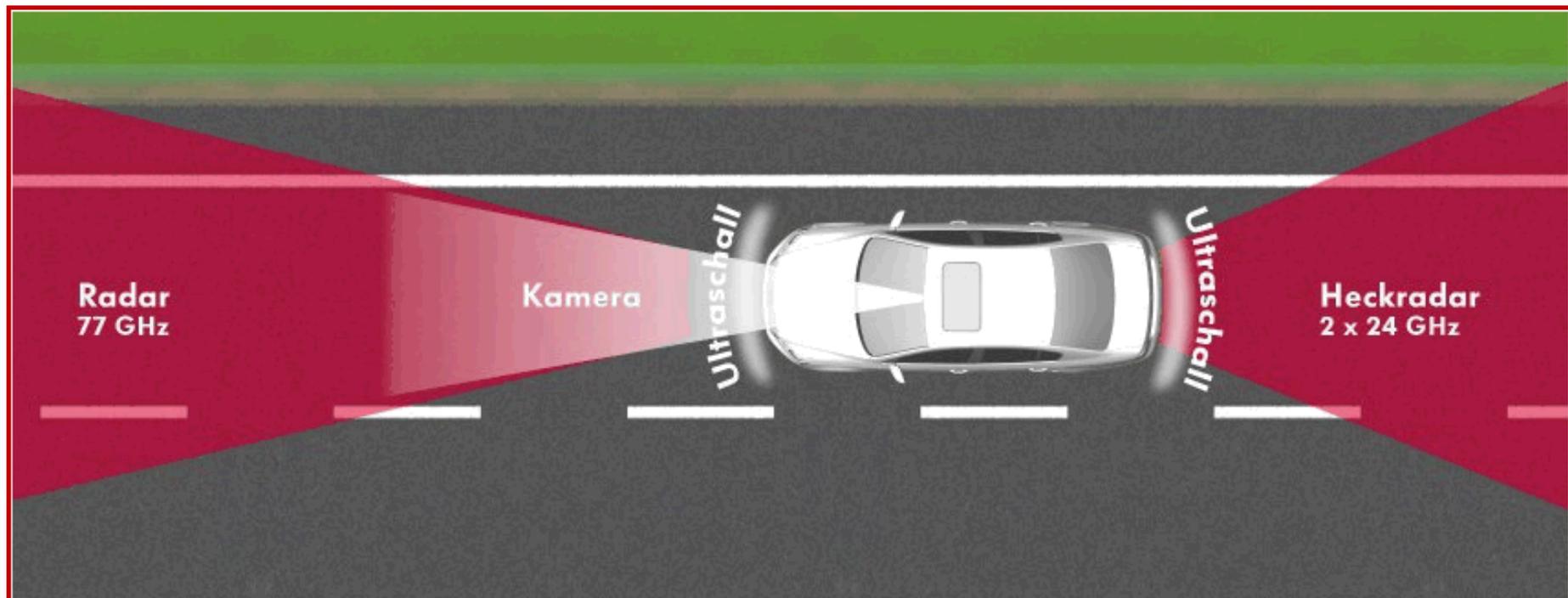
Data Processing Key for our communication



Examples of (new) projects

- ✓ **Automotive**
- ✓ **Industrial**
- ✓ **Medical**
- ✓ **IoT**

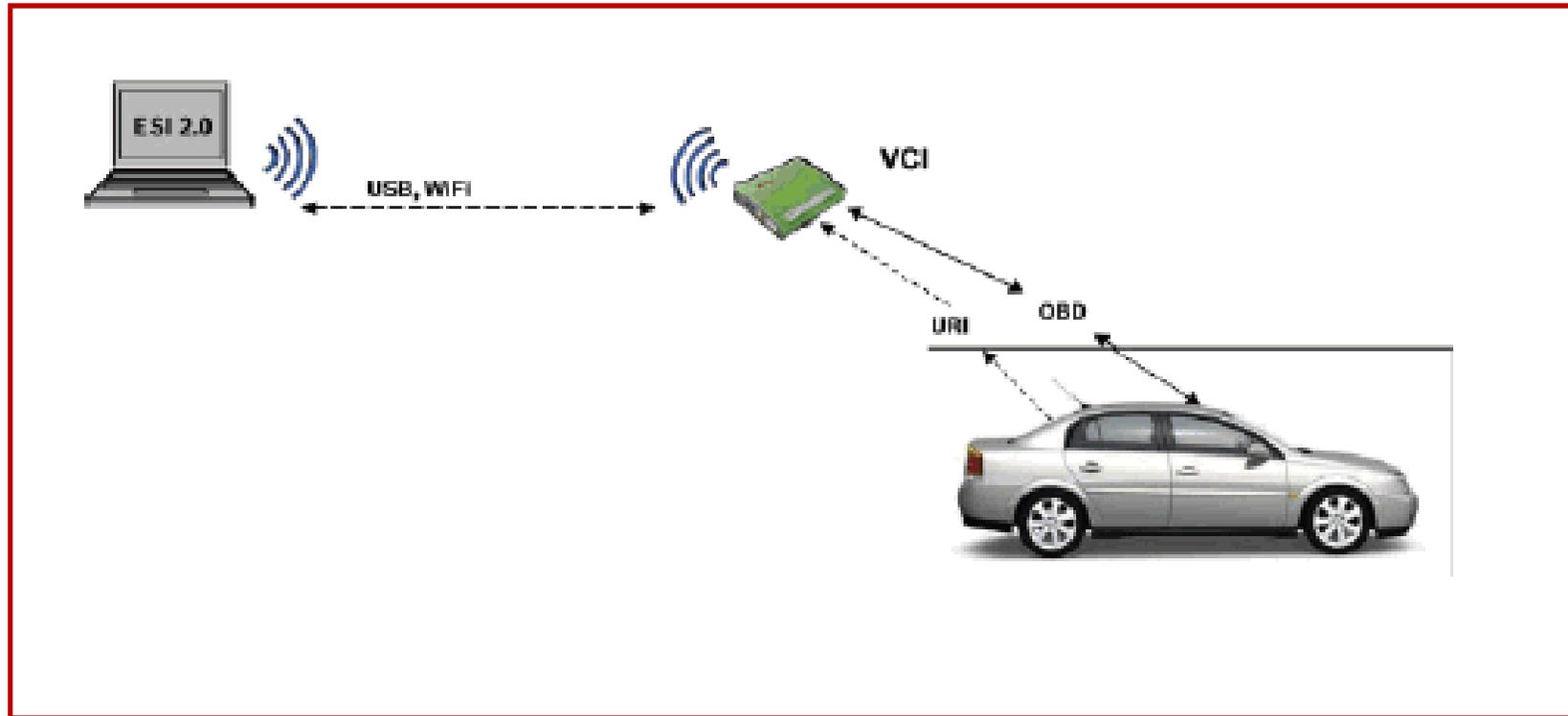
Automotive: Distance Sensor



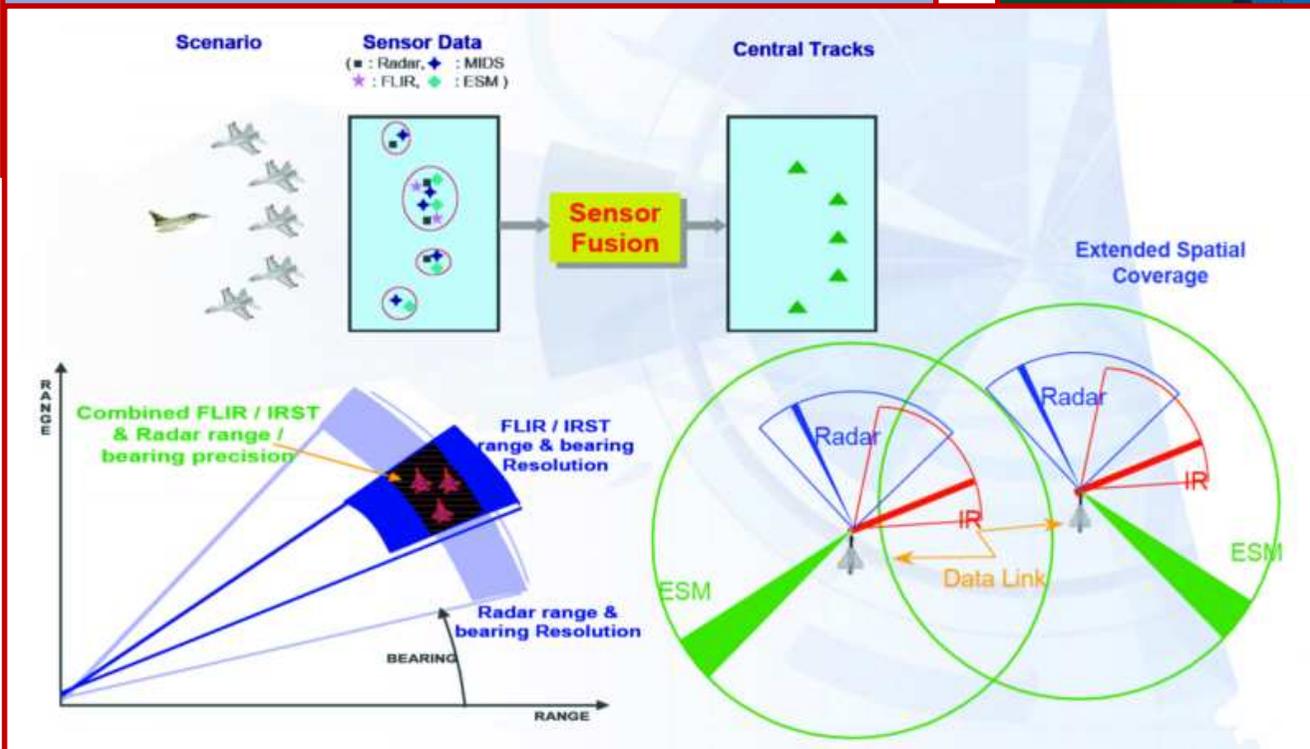
Automotive / Industrial: Pressure Sensors



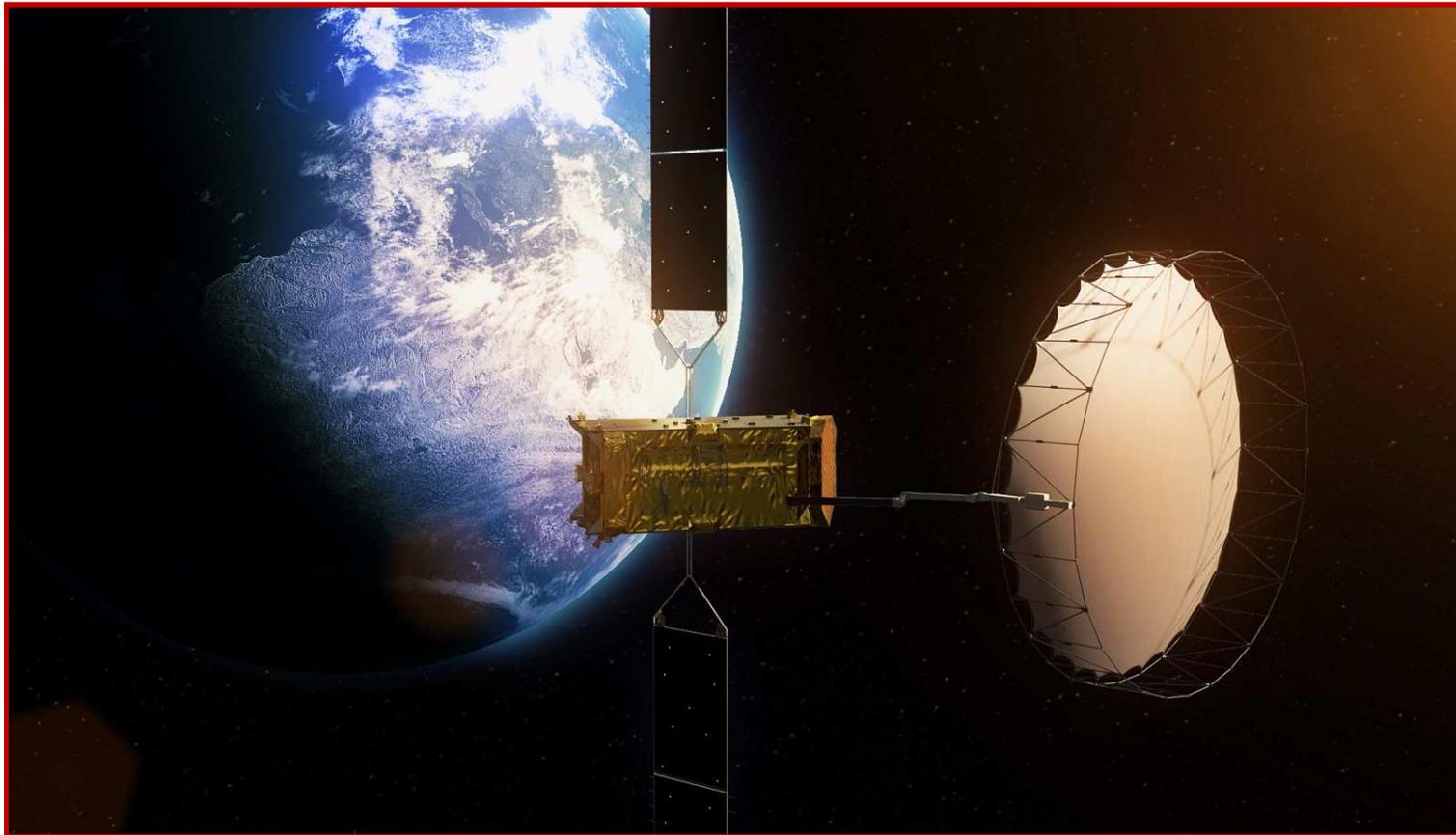
Automotive: Vehicle Communication Interface



Industrial: Eurofighter



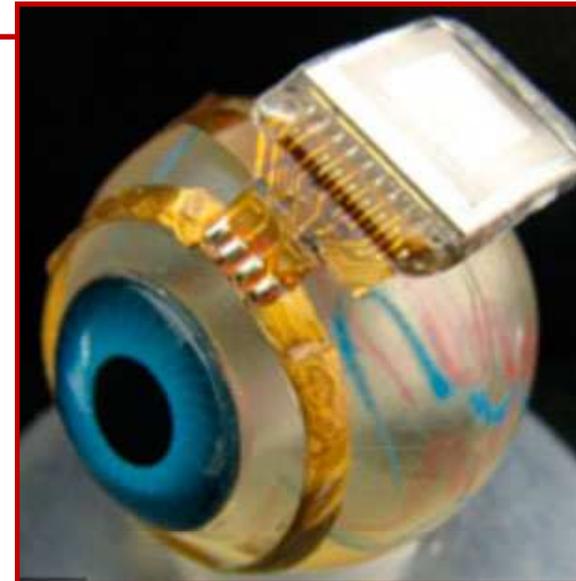
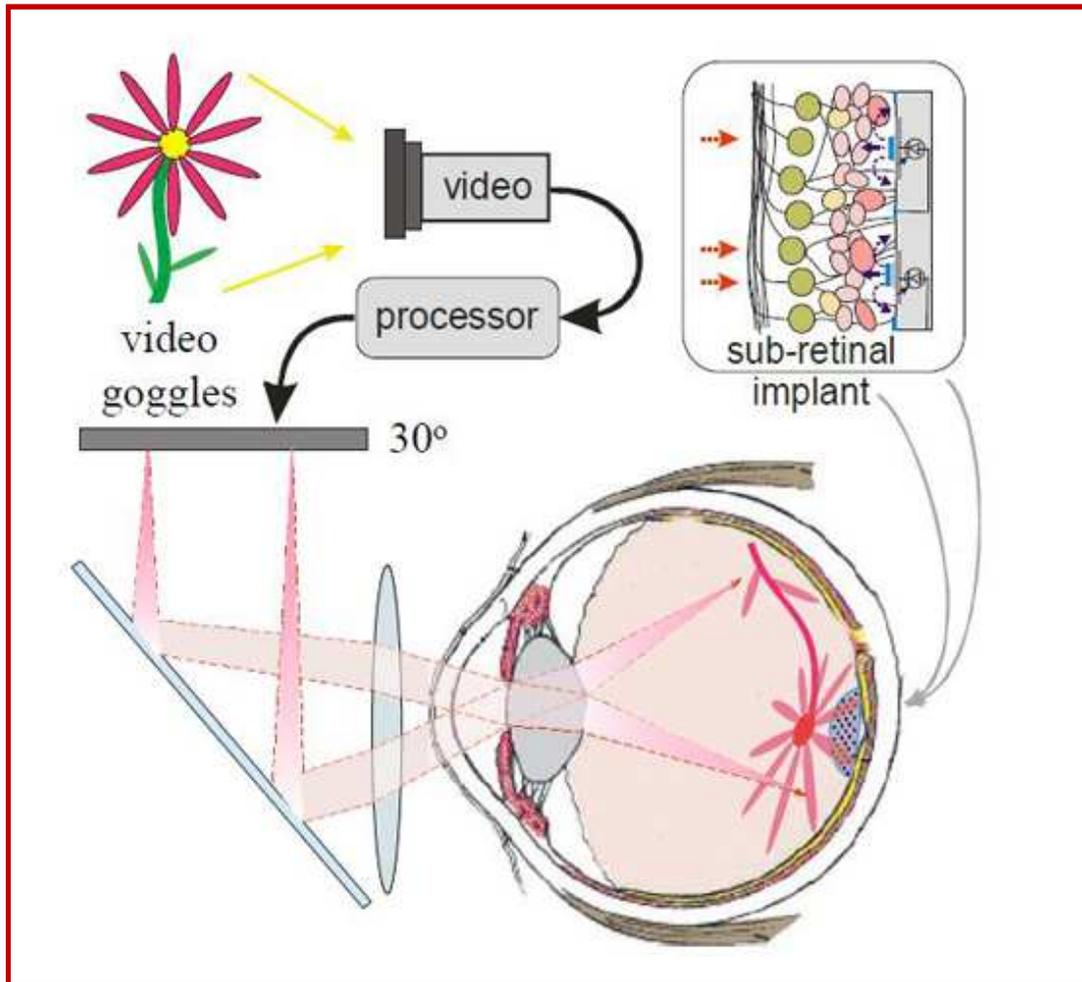
Industrial: Satellite Communication



Screenings of i.e. LEDs, laser diodes or photo diodes

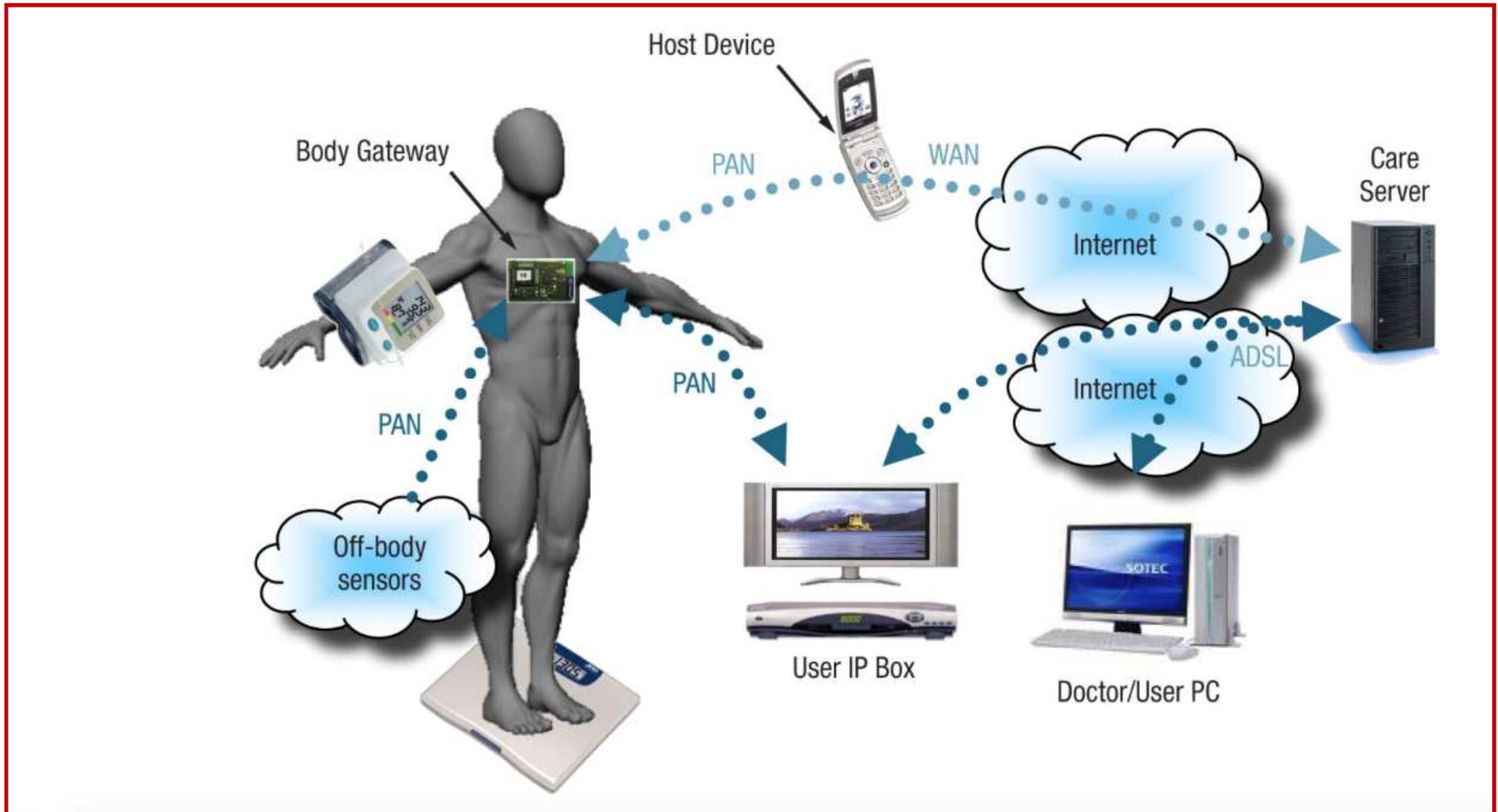
Source: © ESA: Alphasat

Medical: Retinal implant



Die drahtlose Sehprothese EpiRet3 kann vollständig in das Auge implantiert werden und muss nicht, wie andere Retina-Implantate, mit Kabelverbindungen von außen versorgt werden. (Quelle: EpiRet GmbH, Giessen)

Health Care: IoT; sensors; a.s.o.



Source: <https://withjoyfulescence.wordpress.com>

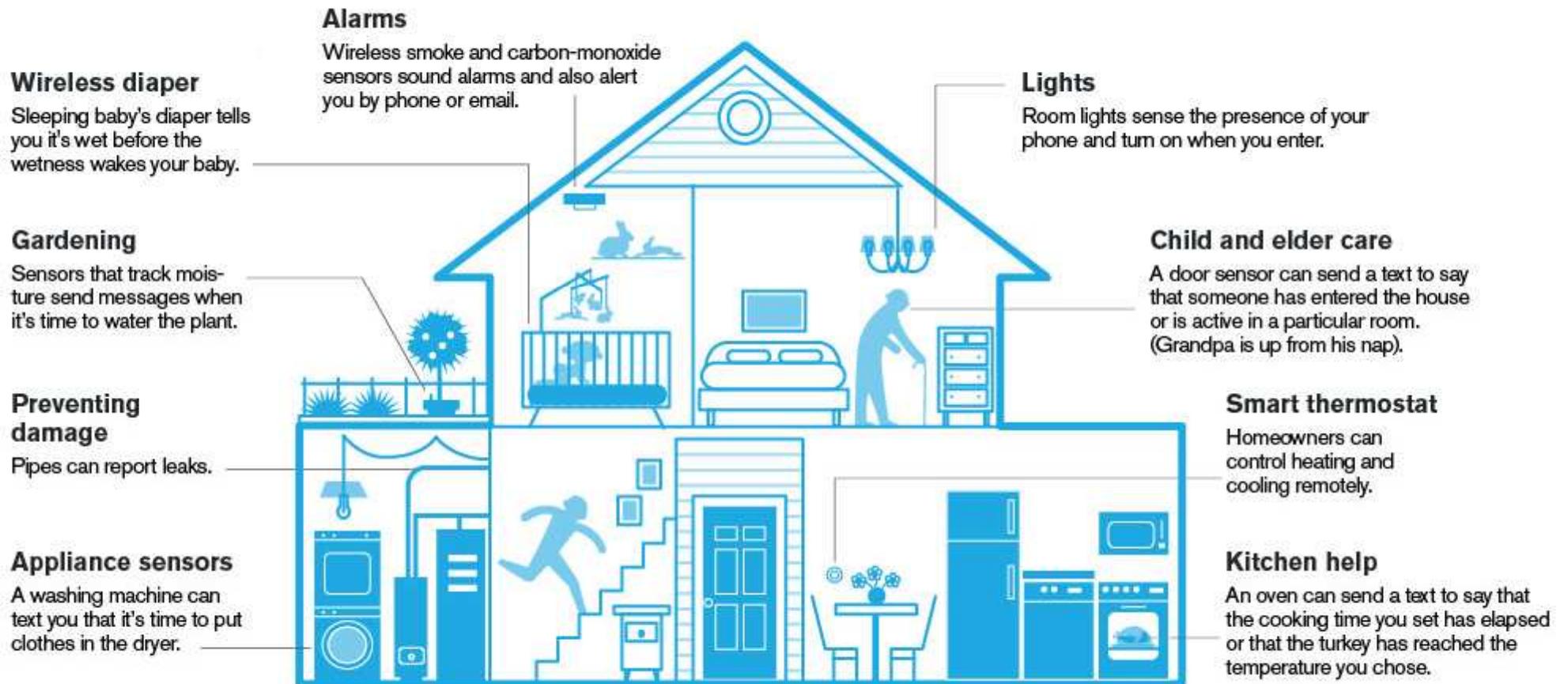
IoT: Connecting the world



Source: globaltechtimes.com / Reuters

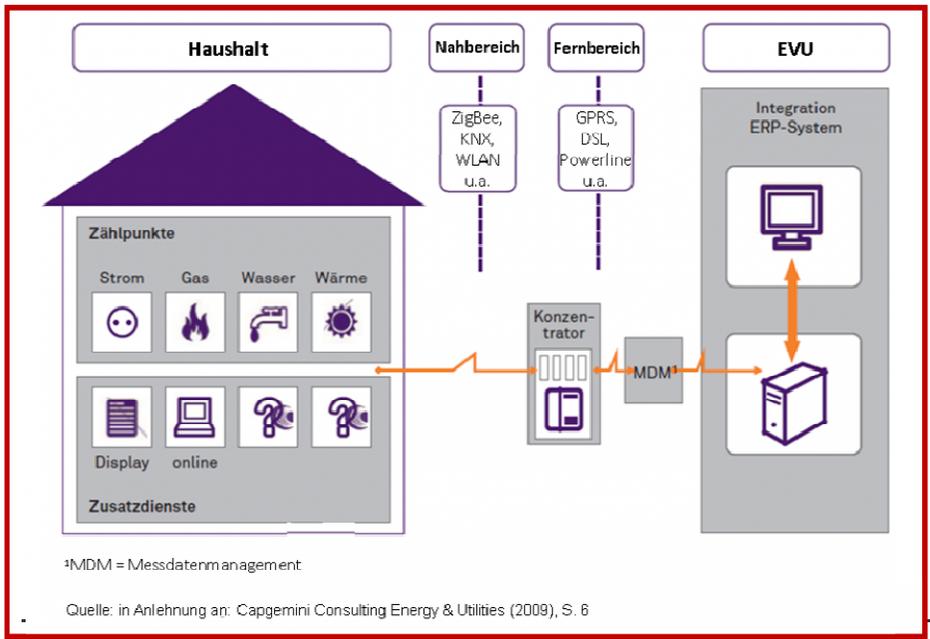
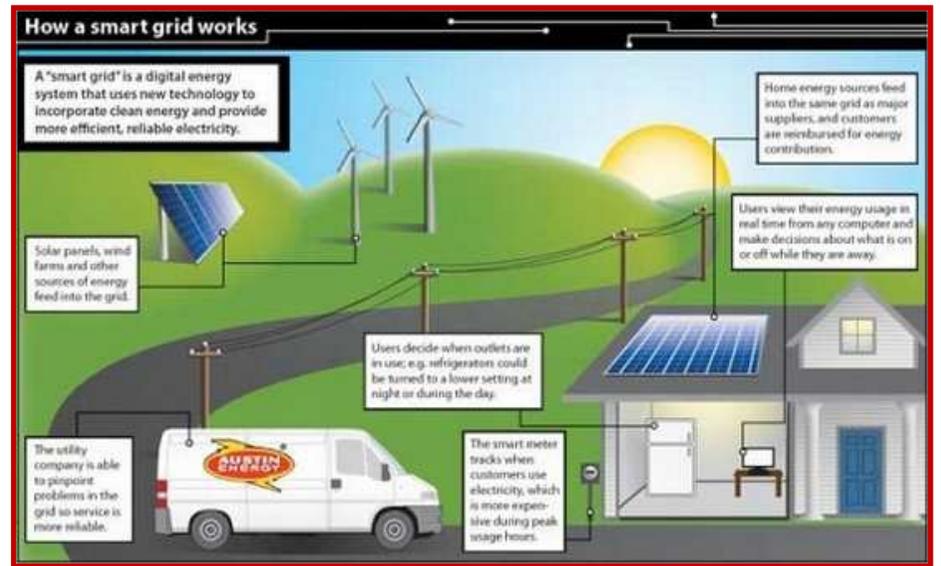
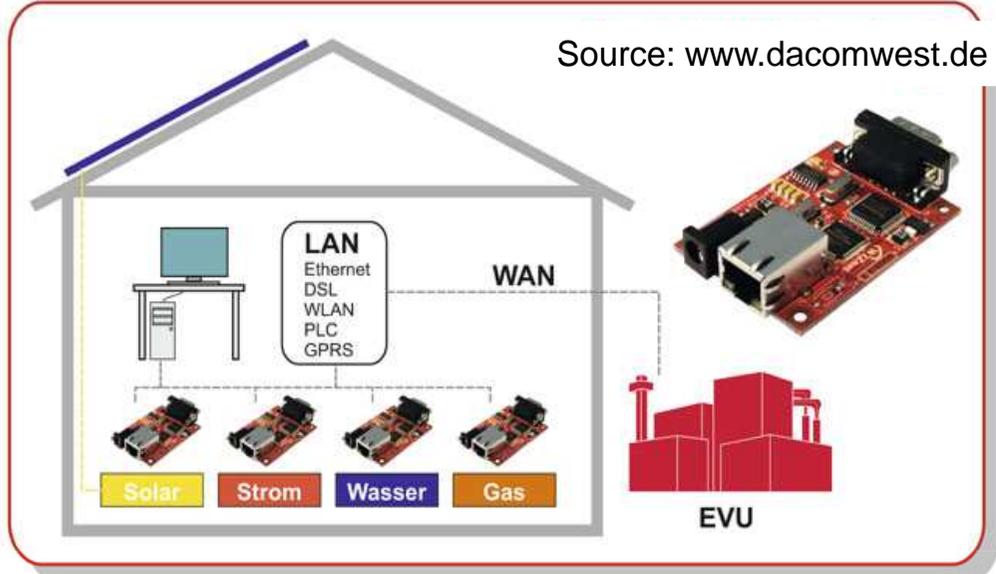
IoT: Home Automatisations

Smart Things Automate the Home



Source: globaltechtimes.com / Reuters

IoT: Smart Metering



Board Structure of RoodMicrotec in view of Sustainability and Continuation

Board Structure – 1

The Supervisory Board (SvB) and the board (B) are convinced to strengthen the co-operation between SvB and B members in a formal way resulting in strengthening of:

-  **Internal communication between executive and non-executive board members**
-  **Improved interaction with stakeholders like shareholders, financial markets by executives and non-executives**
-  **Improved commercial and financial focus through communications in which executives and non-executives participate**

Board Structure – 2

- **Many listed companies tend to grow in a more integrated board structure**
- **This model may be a help to the succession of the CEO and other board members in the future**
- **This model suits better for companies in a dynamic market**
- **It may request more time from the non-executive board members**

Board Structure – 3



The Supervisory Board and Executive Board of **RoodMicrotec** intend to come with a plan to be presented to the shareholders concerning the structure of the board on short notice.

The proposal will contain:

- Board structure and consequences
- Legal structure, partly as the result of the proposed board structure

Bespreking jaarverslag, jaarrekening



 Vragen?

Accountant Grant Thornton



- **Independend auditors report**
- **Our disclaimer of opinion**
- **Basis for disclaimer of opinion**
- **Materiality**
- **Scope of group audit**
- **Emphasis of uncertainty with respect to the going concern assumption**
- **Responsibilities of Management and the Supervisory Board for the financial statements**
- **Our responsibilities for the Audit of the financial statements**
- **Report on other legal and regulatory requirements**
- **Appointment**
- **Amended report due to apparent errors**

Vaststelling jaarverslag



Vragen aan de accountant

Decharge van de directie

Decharge van de commissarissen

Goedkeuring voorstel bestemming resultaat

Voorstel tot beperking of uitsluiting voorkeursrecht

Overige punten & rondvraag

- **Sluiting**
- **Borrel**



RoodMicrotec
powerful solutions

Presented by: Philip Nijenhuis CEO

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