

ASML - Summary IFRS Consolidated Statement of Profit or Loss ^{1,2}

(in millions EUR)	Three months ended,	
	Apr 3, 2016	Apr 2, 2017
Net system sales ³	859.8	1,215.8
Net service and field option sales ³	473.4	727.8
Total net sales	1,333.2	1,943.6
Total cost of sales	(784.4)	(1,089.7)
Gross profit	548.8	853.9
Other income	23.4	23.9
Research and development costs	(199.1)	(237.4)
Selling, general and administrative costs	(88.7)	(98.6)
Operating income	284.4	541.8
Interest and other, net	(0.3)	(10.3)
Income before income taxes	284.1	531.5
Income tax expense	(53.3)	(70.6)
Net income	230.8	460.9

ASML - Summary IFRS Consolidated Statement of Financial Position ^{1,2}

	Dec 31, 2016	Apr 2, 2017
(in millions EUR)		
ASSETS		
Property, plant and equipment	1,687.2	1,622.4
Goodwill	4,898.3	4,807.7
Other intangible assets	2,882.3	2,832.7
Deferred tax assets	181.6	200.8
Finance receivables	117.2	213.6
Derivative financial instruments	89.5	85.5
Other assets	377.6	391.5
Total non-current assets	10,233.7	10,154.2
Inventories	2,780.9	2,995.7
Current tax assets	11.6	137.0
Derivative financial instruments	44.5	39.4
Finance receivables	447.4	346.9
Accounts receivable	700.2	864.8
Other assets	441.6	474.5
Short-term investments	1,150.0	925.0
Cash and cash equivalents	2,906.9	2,910.6
Total current assets	8,483.1	8,693.9
Total assets	18,716.8	18,848.1
EQUITY AND LIABILITIES		
Equity	11,028.7	11,449.9
Long-term debt	3,071.8	3,040.3
Derivative financial instruments	38.1	50.8
Deferred and other tax liabilities	699.5	726.5
Provisions	20.5	20.5
Accrued and other liabilities	577.6	684.7
Total non-current liabilities	4,407.5	4,522.8
Provisions	1.8	0.8
Derivative financial instruments	75.8	30.0
Current portion of long-term debt	247.7	244.7
Current and other tax liabilities	201.9	137.6
Accrued and other liabilities	2,160.2	1,697.0
Accounts payable	593.2	765.3
Total current liabilities	3,280.6	2,875.4
Total equity and liabilities	18,716.8	18,848.1

ASML - Summary IFRS Consolidated Statement of Cash Flows ^{1,2}

(in millions EUR)	Three months ended,	
	Apr 3, 2016	Apr 2, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	230.8	460.9
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	101.3	180.8
Impairment	0.5	0.2
Loss on disposal of property, plant and equipment	1.2	0.3
Share-based payments	13.6	15.3
Allowance for doubtful receivables	0.9	1.2
Allowance for obsolete inventory	36.6	29.3
Deferred income taxes	23.1	15.3
Changes in assets and liabilities	(335.2)	(790.2)
Net cash provided by (used in) operating activities	72.8	(86.9)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(55.2)	(38.6)
Purchase of intangible assets	(82.2)	(86.7)
Purchase of short-term investments	(350.0)	(75.0)
Maturity of short-term investments	225.0	300.0
Cash from (used for) derivative financial instruments	1.1	(30.7)
Loans issued and other investments	—	—
Acquisition of subsidiaries (net of cash acquired)	—	—
Net cash provided by (used in) investing activities	(261.3)	69.0
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	—	—
Purchase of shares	(213.5)	—
Net proceeds from issuance of shares	10.6	13.0
Net proceeds from issuance of notes	—	—
Repayment of debt	(1.2)	(1.2)
Net cash provided by (used in) financing activities	(204.1)	11.8
Net cash flows	(392.6)	(6.1)
Effect of changes in exchange rates on cash	(2.7)	9.8
Net increase (decrease) in cash and cash equivalents	(395.3)	3.7

ASML - Quarterly Summary IFRS Consolidated Statement of Profit or Loss ^{1,2}

	Three months ended,				
	Apr 3, 2016	Jul 3, 2016	Oct 2, 2016	Dec 31, 2016	Apr 2, 2017
(in millions EUR)					
Net system sales ³	859.8	1,265.4	1,257.7	1,289.1	1,215.8
Net service and field option sales ³	473.4	474.2	556.9	618.3	727.8
Total net sales	1,333.2	1,739.6	1,814.6	1,907.4	1,943.6
Total cost of sales	(784.4)	(1,018.1)	(1,016.4)	(1,078.1)	(1,089.7)
Gross profit	548.8	721.5	798.2	829.3	853.9
Other income	23.4	23.5	23.4	23.5	23.9
Research and development costs	(199.1)	(151.9)	(176.4)	(191.4)	(237.4)
Selling, general and administrative costs	(88.7)	(90.3)	(88.8)	(106.8)	(98.6)
Operating income	284.4	502.8	556.4	554.6	541.8
Interest and other, net	(0.3)	—	(30.1)	77.1	(10.3)
Income before income taxes	284.1	502.8	526.3	631.7	531.5
Income tax expense	(53.3)	(132.4)	(100.8)	(101.5)	(70.6)
Net income	230.8	370.4	425.5	530.2	460.9

ASML - Quarterly Summary IFRS Consolidated Statement of Financial Position ^{1,2}

	Apr 3, 2016	Jul 3, 2016	Oct 2, 2016	Dec 31, 2016	Apr 2, 2017
(in millions EUR)					
ASSETS					
Property, plant and equipment	1,580.3	1,608.9	1,587.4	1,687.2	1,622.4
Goodwill	2,560.3	2,626.8	2,593.8	4,898.3	4,807.7
Other intangible assets	2,033.0	2,153.0	2,192.5	2,882.3	2,832.7
Deferred tax assets	123.4	165.2	168.6	181.6	200.8
Finance receivables	102.2	105.7	71.8	117.2	213.6
Derivative financial instruments	118.2	121.5	104.8	89.5	85.5
Other assets	365.6	367.5	369.7	377.6	391.5
Total non-current assets	6,883.0	7,148.6	7,088.6	10,233.7	10,154.2
Inventories	2,750.0	2,715.3	2,696.9	2,780.9	2,995.7
Current tax assets	96.0	178.0	143.5	11.6	137.0
Derivative financial instruments	56.8	43.0	48.4	44.5	39.4
Finance receivables	446.5	524.0	663.5	447.4	346.9
Accounts receivable	753.2	732.4	858.4	700.2	864.8
Other assets	386.3	395.0	417.5	441.6	474.5
Short-term investments	1,075.0	1,000.0	1,400.0	1,150.0	925.0
Cash and cash equivalents	2,063.4	1,926.1	2,913.0	2,906.9	2,910.6
Total current assets	7,627.2	7,513.8	9,141.2	8,483.1	8,693.9
Total assets	14,510.2	14,662.4	16,229.8	18,716.8	18,848.1
EQUITY AND LIABILITIES					
Equity	9,429.4	9,299.5	9,690.6	11,028.7	11,449.9
Long-term debt	1,144.3	901.9	2,390.6	3,071.8	3,040.3
Derivative financial instruments	1.4	1.2	0.8	38.1	50.8
Deferred and other tax liabilities	378.6	405.0	472.4	699.5	726.5
Provisions	—	12.6	16.5	20.5	20.5
Accrued and other liabilities	309.7	322.1	386.7	577.6	684.7
Total non-current liabilities	1,834.0	1,642.8	3,267.0	4,407.5	4,522.8
Provisions	4.0	2.9	2.4	1.8	0.8
Derivative financial instruments	24.8	34.3	29.8	75.8	30.0
Current portion of long-term debt	4.2	253.6	250.4	247.7	244.7
Current and other tax liabilities	8.6	170.9	131.1	201.9	137.6
Accrued and other liabilities	2,560.7	2,524.2	2,227.2	2,160.2	1,697.0
Accounts payable	644.5	734.2	631.3	593.2	765.3
Total current liabilities	3,246.8	3,720.1	3,272.2	3,280.6	2,875.4
Total equity and liabilities	14,510.2	14,662.4	16,229.8	18,716.8	18,848.1

ASML - Quarterly Summary IFRS Consolidated Statement of Cash Flows ^{1,2}

	Three months ended,				
	Apr 3, 2016	Jul 3, 2016	Oct 2, 2016	Dec 31, 2016	Apr 2, 2017
(in millions EUR)					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income	230.8	370.4	425.5	530.2	460.9
Adjustments to reconcile net income to net cash flows from operating activities:					
Depreciation and amortization	101.3	103.9	124.0	174.4	180.8
Impairment	0.5	0.4	1.4	1.2	0.2
Loss on disposal of property, plant and equipment	1.2	0.9	1.7	1.4	0.3
Share-based payments	13.6	10.5	12.6	12.2	15.3
Allowance for doubtful receivables	0.9	0.8	0.7	0.8	1.2
Allowance for obsolete inventory	36.6	22.5	2.9	11.0	29.3
Deferred income taxes	23.1	81.9	67.1	0.3	15.3
Changes in assets and liabilities	(335.2)	11.9	(537.3)	560.4	(790.2)
Net cash provided by (used in) operating activities	72.8	603.2	98.6	1,291.9	(86.9)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	(55.2)	(98.9)	(66.3)	(95.9)	(38.6)
Purchase of intangible assets	(82.2)	(123.3)	(103.4)	(99.2)	(86.7)
Purchase of short-term investments	(350.0)	(350.0)	(770.0)	(1,050.0)	(75.0)
Maturity of short-term investments	225.0	425.0	370.0	1,300.0	300.0
Cash from (used for) derivative financial instruments	1.1	7.7	(14.4)	(9.4)	(30.7)
Loans issued and other investments	—	(6.0)	(1.2)	(0.2)	—
Acquisition of subsidiaries	—	—	—	(2,641.3)	—
Net cash provided by (used in) investing activities	(261.3)	(145.5)	(585.3)	(2,596.0)	69.0
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid	—	(445.9)	—	—	—
Purchase of shares	(213.5)	(171.9)	(14.6)	—	—
Net proceeds from issuance of shares	10.6	12.1	11.7	548.3	13.0
Net proceeds from issuance of notes	—	—	1,484.7	745.9	—
Repayment of debt	(1.2)	(1.2)	(1.1)	(1.2)	(1.2)
Net cash provided by (used in) financing activities	(204.1)	(606.9)	1,480.7	1,293.0	11.8
Net cash flows	(392.6)	(149.2)	994.0	(11.1)	(6.1)
Effect of changes in exchange rates on cash	(2.7)	11.9	(7.1)	5.0	9.8
Net increase (decrease) in cash and cash equivalents	(395.3)	(137.3)	986.9	(6.1)	3.7

Notes to the Summary IFRS Consolidated Financial Statements

Basis of Preparation

The accompanying Summary Consolidated Financial Statements are stated in millions of euros unless indicated otherwise. The accompanying Summary Consolidated Financial Statements have been prepared in conformity with International Financial Reporting Standards as adopted by the EU ("IFRS") accounting principles generally accepted in the Netherlands for companies quoted on Euronext Amsterdam. For further details on our Summary of Significant Accounting Policies refer to the Notes to the Consolidated Financial Statements as recorded in our Statutory Annual Report which is available on www.asml.com. Further disclosures, as required under IFRS in annual reports and interim reporting (IAS 34), are not included in the Summary Consolidated Financial Statements.

For internal and external reporting purposes, we apply accounting principles generally accepted in the United States of America ("US GAAP"). US GAAP is our primary accounting standard for the setting of financial and operational performance targets.

ASML – Reconciliation US GAAP – IFRS ^{1,2}

<i>Net income</i>	Three months ended,	
	Apr 3, 2016	Apr 2, 2017
(in millions EUR)		
<i>Net income based on US GAAP</i>	198.0	452.1
Development expenditures (see Note 1)	44.9	5.8
Income taxes (see Note 2)	(13.7)	3.1
Other	1.6	(0.1)
<i>Net income based on IFRS</i>	230.8	460.9

Notes to the reconciliation from US GAAP to IFRS

Note 1 Development expenditures

Under US GAAP, ASML applies ASC 730, "Research and Development". In accordance with ASC 730, ASML charges costs relating to research and development to operating expense as incurred.

Under IFRS, ASML applies IAS 38, "Intangible Assets". In accordance with IAS 38, ASML capitalizes certain development expenditures that are amortized over the expected useful life of the related product generally ranging between one and five years. Amortization starts when the developed product is ready for volume production.

Note 2 Income taxes

Under US GAAP, the elimination of unrealized net income from intercompany transactions that are eliminated from the carrying amount of assets in consolidation give rise to a temporary difference for which prepaid taxes must be recognized in consolidation. Contrary to IFRS, the prepaid taxes under US GAAP are calculated based on the tax rate applicable in the seller's rather than the purchaser's tax jurisdiction.

Under IFRS, ASML applies IAS 12, "Income Taxes". In accordance with IAS 12 unrealized net income resulting from intercompany transactions that are eliminated from the carrying amount of assets in consolidation give rise to a temporary difference for which deferred taxes must be recognized in consolidation. The deferred taxes are calculated based on the tax rate applicable in the purchaser's tax jurisdiction.

This document contains statements relating to certain projections and business trends that are forward-looking, including statements with respect to expected trends and outlook, including expected customer insertion of EUV in volume manufacturing, including expected volume orders, systems backlog, expected financial results and trends for the second quarter of 2017, including expected sales, other income, gross margin, R&D and SG&A expenses, and effective annualized tax rate, annual revenue opportunity for ASML and EPS potential by 2020 with significant further growth potential into the next decade, including further growth potential into the next decade, expected industry trends and expected trends in the business environment, including our expectation that the trends exhibited in the first quarter of 2017 will continue in the second quarter of 2017 and our expectation of healthy demand through the end of 2017, statements with respect to EUV targets, manufacturing, supply chain and service capabilities, and ASML's commitment to secure system performance, shipments and support for volume manufacturing, including availability, productivity, throughput and shipments, including timing of shipments and the ability to support a larger installed base, shrink being a key driver supporting innovation and providing long-term industry growth, lithography enabling affordable shrink and delivering value to customers, expected industry adoption of EUV and statements with respect to the intent of customers to insert EUV into production, the extension of EUV beyond the next decade, the expected continuation of Moore's law and that EUV will continue to enable Moore's law and drive long term value for ASML beyond the next decade, intention to return excess cash to shareholders, and statements about our proposed dividend, dividend policy and intention to repurchase shares and statements with respect to the

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", "targets", "commits to secure" 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 and volume production by customers, including meeting development requirements for volume production, that demand for EUV systems being sufficient to result in utilization of EUV facilities in which ASML has made significant investments, 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.

¹ These financial statements are unaudited.

² Numbers have been rounded.

³ As per January 1, 2017, ASML presents net sales with respect to metrology and inspection systems as part of Net system sales instead of Net service and field option sales. The comparative numbers have been adjusted to reflect this change in accounting policy.