



Quarterly Group Statement Q3 / 2018

AIXTRON

Interim consolidated financial statements for the nine months ended September 30, 2018

Key Financials

(in EUR million)	2018 9M	2017 9M	+/- %	2018 Q3	2018 Q2	+/- %
Order Intake	230.3	197.9	16%	76.0	75.6	1%
Order backlog (Equipment only)	151.9	99.2	53%	151.9	138.3	10%
Revenues	180.9	176.3 ¹	3%	63.4	55.2	15%
Gross profit	78.2	53.0	48%	27.6	23.8	16%
%	43	30	13pp	44	43	1pp
EBIT	20.7	-19.5	206%	8.7	4.1	112%
%	11	-11	22pp	14	7	7pp
Net result	27.7	-20.6	234%	11.7	3.7	216%
%	15	-12	27pp	18	7	11pp
Net result per share (EUR)	0.25	-0.18	239%	0.11	0.03	267%
Operating Cash Flow	5.4	56.5	-90%	13.9	12.5	11%

¹: Includes EUR 37.6m revenues of the ALD/CVD product line sold in 2017.

Continued strong order intake for Power Electronics, Lasers and ROY* LEDs / Revenues increased according to expectations / Earnings expectation increased

MOCVD systems predominantly for the production of lasers, ROY-LEDs as well as power electronics drive the continued strong order intake of EUR 76.0 million in the quarter. As expected Revenues in the third quarter increased quarter-on-quarter as well as year-on-year to EUR 63.4 million. Revenues in Q4/2018 will increase again in a yearly and in a quarterly comparison.

The gross margin of 44% in Q3/2018 was higher than expected, benefitting from a more favorable Euro/Dollar exchange rate as well as from a higher production utilization. The EBIT-margin rose quarter-on-quarter from 7% to 14% reflecting higher revenues and higher gross margins in Q3/2018.

Management now expects to book total orders** around EUR 290 million and to achieve an EBIT between EUR 35 and 40 million (previously: 10% of revenues, or about EUR 26 Mio.) and a positive total cash flow (previously: positive operating cash flow).

AIXTRON and IRUJA Co. Ltd. sign JV Agreement / APEVA to become a complete OLED deposition system provider

On October 24, 2018, AIXTRON SE announced a Joint Venture agreement by AIXTRON SE, Germany and IRUJA Co. Ltd., South Korea to invest in APEVA, AIXTRON's subsidiary for OLED deposition technologies. Closing of the Joint Venture Agreement is expected during 2018. The combination of IRUJA's automation expertise and APEVA's know-how in OLED deposition technology makes APEVA a complete provider of OLED deposition systems. More information can be found in the Post-Balance Sheet Date Events of this report.

This strategic move successfully completed the adaptation of the Group structure initiated in 2017. By focusing on its core business in attractive and future-oriented growth markets and thus reducing operating costs, AIXTRON has been able to return to sustainable profitability and significantly improve its net profit.

Key Balance Sheet Data

In EUR million	September 30, 2018	December 31, 2017
Inventories	71.4	43.0
Advance Payments	63.7	30.3
Trade Receivables	35.4	19.3
Trade Payables	17.0	14.3
Cash	245.4	246.5
Equity	399.5	368.9
Equity Ratio	78%	81%

* ROY: Red-Orange-Yellow

** Based on the 2018 budget rate of 1.20 USD/EUR

Key Share Data

in EUR	2018 9M	2017 9M
Closing Price (end of period)	8.60	11.39
Period High Price	19.27	11.44
Period Low Price	8.60	3.15
Number of shares issued (end of period)	112,924,730	112,807,630
Market capitalization (end of period), million EUR	971.2	1,284.9

Forward-Looking Statements

This document may contain forward-looking statements regarding the business, results of operations, financial condition and earnings outlook of AIXTRON. These statements may be identified by words such as “may”, “will”, “expect”, “anticipate”, “contemplate”, “intend”, “plan”, “believe”, “continue” and “estimate” and variations of such words or similar expressions. These forward-looking statements are based on the current assessments, expectations and assumptions of the executive board of AIXTRON, of which many are beyond control of AIXTRON, based on information available at the date hereof and subject to risks and uncertainties. You should not place undue reliance on these forward-looking statements. Should these risks or uncertainties materialize, or should underlying expectations not occur or assumptions prove incorrect, actual results, performance or achievements of AIXTRON may materially vary from those described explicitly or implicitly in the relevant forward-looking statement. This could result from a variety of factors, such as those discussed by AIXTRON in public reports and statements, including but not limited those reported in the chapter “Risk Report”. AIXTRON undertakes no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise, unless expressly required to do so by law. This document is an English language translation of a document in German language. In case of discrepancies, the German language document shall prevail and shall be the valid version.

Our registered trademarks: AIXACT®, AIXTRON®, APEVA®, Atomic Level SolutionS®, Close Coupled Showerhead®, CRIUS®, EXP®, EPISON®, Gas Foil Rotation®, Optacap™, OVPD®, Planetary Reactor®, PVPD®, STExS®, TriJet®.

This financial report should be read in conjunction with the interim financial statements and the additional disclosures included elsewhere in this report.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals indicated and percentages may not precisely reflect the absolute figures for the same reason.

Table of Contents

Key Financials	1
Key Share Data	2
Interim Management Report	4
1. Business Activity and Strategy	4
2. Business Performance and Key Developments	4
2.1. Development of Orders	4
2.2. Exchange Rate Development of the US Dollar	4
2.3. Development of Revenues	4
2.4. Development of Results	5
3. Financial Position and Net Assets	6
4. Cashflow	6
5. Opportunities and Risks	6
6. Outlook	7
Interim Financial Statements	8
1. Consolidated Income Statement*	8
2. Consolidated Statement of other Comprehensive Income*	8
3. Consolidated Statement of Financial Position*	9
4. Consolidated Statement of Cash Flows*	10
5. Consolidated Statement of Changes in Equity*	11
Additional Disclosures	12
1. Accounting Policies	12
2. Segment Reporting	12
3. Stock Option Plans	12
4. Employees	12
5. Management	13
6. Related Party Transactions	13
7. Post-Balance Sheet Date Events	13

Interim Management Report

1. Business Activity and Strategy

AIXTRON's business activity and strategy are described in detail in the section „1. Business Activity and Strategy“ of its 2018 Half-Year Group Financial Report. The Report is publicly available for download on the Company's website at <http://www.aixtron.com/en/investors/publications>.

2. Business Performance and Key Developments

2.1. Development of Orders

Orders (in EUR million)	2018 9M	2017 9M	+/- m EUR	%
Order intake incl. spares & services	230.3	197.9	32.4	16
Order backlog (equipment only)	151.9	99.2	52.7	53

In Q3/2018, **order intake** at EUR 76.0m was stable in a quarterly sequential comparison (Q2/2018: EUR 75.6m). This was mainly driven by the continued strong demand for MOCVD systems to manufacture lasers, ROY LEDs and GaN power electronics. Year-on-year, the order intake increased by 10% (Q3/2017: EUR 69.4m).

2.2. Exchange Rate Development of the US Dollar

The average exchange rate used by AIXTRON in the first nine months of 2018 was 1.20 USD/EUR (Q3/2018: 1.17 USD/EUR; Q2/2018: 1.20 USD/EUR; Q3/2017: 1.17 USD/EUR) compared to 1.11 USD/EUR in 9M/2017. Compared to the previous year average, the US dollar weakened by 8%, with a corresponding impact on the US dollar-based 9M/2018 revenues and results of the AIXTRON Group. Compared to the previous quarter, the US dollar strengthened slightly in Q3/2018.

2.3. Development of Revenues

Total revenues recorded during the third quarter of 2018 were EUR 63.4m, up 2% compared to the same period last year (Q3/2017: EUR 62.2m which included non-recurring positive effects of EUR 4.6m from shipments made in prior years). This year-on-year development was driven by continued strong demand for MOCVD systems to manufacture in particular lasers and ROY LEDs. Compared to the previous quarter (Q2/2018: EUR 55.2m), revenues in Q3/2018 increased by 15%. Adjusted for the revenues of EUR 37.6m from the ALD/CVD product line sold in 2017, revenues in 9M/2018 increased by 30% to EUR 180.9m compared to the previous year period (9M/2017 adjusted: EUR 138.7 million; 9M/2017 reported: EUR 176.3¹ million).

Equipment revenues in Q3/2018 were EUR 52.5m, representing 83% of the total Q3/2018 revenues (Q3/2017: EUR 51.1m or 82%; Q2/2018: EUR 42.1m or 76%).

Revenues by Equipment, Spares & Service	2018 9M		2017 9M		+/-	
	m EUR	%	m EUR	%	m EUR	%
Equipment revenues	145.4	80	145.4	82	0.0	0
Revenues from service, spare parts, etc.	35.5	20	30.9	18	4.6	15
Total	180.9	100	176.3¹	100	4.6	3

Revenues by Region	2018 9M		2017 9M		+/-	
	m EUR	%	m EUR	%	m EUR	%
Asia	90.9	50	133.0	75	-42.1	-32
Europe	54.2	30	22.2	13	32.0	144
Americas	35.8	20	21.2	12	14.6	69
Total	180.9	100	176.3¹	100	4.6	3

¹: Includes EUR 37.6m revenues of the ALD/CVD product line sold in 2017.

2.4. Development of Results

Cost Structure	2018 9M		2017 9M		+/-	
	m EUR	% Rev.	m EUR	% Rev.	m EUR	%
Cost of sales	102.7	57	123.3	70	-20.6	-17
Gross profit	78.2	43	53.0	30	25.2	48
Operating costs	57.6	32	72.5	41	-14.9	-21
Selling expenses	6.7	4	7.9	5	-1.2	-15
General and administration expenses	13.3	7	14.5	8	-1.2	-8
Research and development costs	40.0	22	52.3	30	-12.2	-23
Net other operating (income) and Expenses	(2.5)	-1	(2.2)	-1	0.3	12

Cost of sales in Q3/2018 was EUR 35.8m or 56% of revenues. Compared to Q3/2017, cost of sales as percentage of revenues decreased by 4 percentage points (Q3/2017: EUR 37.5m, 60%; Q2/2018: EUR 31.3m, 57%). Compared to Q2/2018, positive effects from a stronger US Dollar and a higher production utilization more than offset a less favorable product mix. Cost of sales in percent of revenues improved significantly between 9M/2018 and 9M/2017, mainly reflecting a favorable product and regional mix.

The Company's **gross profit** and **gross margin** in Q3/2018 were EUR 27.6m and 44% (Q3/2017: EUR 24.7m and 40%; Q2/2018: EUR 23.8m and 43%). This was mainly due to above mentioned reasons.

Operating costs in Q3/2018 decreased year-on-year by 6% to EUR 18.9m, mainly due to restructuring costs having been included in the previous years' figures. Compared to Q2/2018, operating costs were stable (Q3/2017: EUR 20.2m including restructuring costs of EUR 1.4m; Q2/2018: EUR 19.7m). Operating costs in 9M/2017 include restructuring costs of EUR 13.6m.

Research and development (R&D) expenses Q3/2018 remained stable at EUR 13.1m (Q3/2017: EUR 12.8m.; Q2/2018: EUR 13.2m). The reduction of R&D employees compared to the previous year was mainly due to the sale of the ALD/CVD product line in 2017. The reduction of expenses in 9M/2018 compared to the same period in 2017 was mainly due to write downs of EUR 10.6m included in the 2017 figure.

Key R&D Information	2018 9M	2017 9M	+/-
R&D expenses (million EUR)	40.0	52,3	-23
R&D expenses, % of sales	22	30	-8 pp
R&D employees (period average)	204	248	-18%
R&D employees, % of total headcount (period average)	34	36	2pp

With our current R&D project „MOCVD 4.1“, for example, we intend to further optimize the production of compound semiconductor utilizing AIXTRON MOCVD equipment. The current focus is on power electronics applications. Cost reduction by applying novel industry 4.0 concepts is at the forefront of research work on improved technology for future markets. For this purpose, sensitivity and stability analyses of equipment and processes were carried out and algorithms were developed which automatically recognize deviations and trends by analyzing production data. The production is then optimized by modeling approaches.

Net other operating income and expenses in Q3/2018 resulted in an income of EUR 0.9m (Q3/2017: EUR 0.5m income; Q2/2018: EUR 0.3m income). This income is mainly attributable to R&D grants and positive currency related effects.

The Q3/2018 **operating result (EBIT)** rose from EUR 4.6m in Q3/2017 to EUR 8.7m (Q2/2018: EUR 4.1m). This positive development was mainly due to the above-mentioned business and cost development. In the first nine months 2018, the EBIT was EUR 20.7m (9M/2017: EUR -19.5m).

The Company's **net result** in Q3/2018 amounted to EUR 11.7m compared to EUR 4.3m in Q3/2017 (Q2/2018: EUR 3.7m; 9M/2018: EUR 27.7m; 9M/2017: EUR -20.6m). Net result in Q3/2018 benefitted from a EUR 4.0m credit as a result of a recognition of deferred tax assets.

3. Financial Position and Net Assets

The Company did not have any **bank borrowings** as of September 30, 2018 or December 31, 2017.

Total equity as of September 30, 2018 increased to EUR 399.5m compared to EUR 368.9m as of December 31, 2017 mainly due to the period's net profit. The equity ratio was 78% as of September 30, 2018 (81% as of December 31, 2017).

Mainly as a result of the previously described operational performance, AIXTRON reported **cash & cash equivalents** of EUR 245.4m as of September 30, 2018, which is similar to the EUR 246.5m recorded on December 31, 2017. Compared to the amount as of June 30, 2018 (EUR 234.7m), cash & cash equivalents were higher reflecting the operational performance during the period.

Property, plant and equipment was stable at EUR 63.8m as of September 30, 2018 (EUR 64.3m as of December 31, 2017).

Goodwill was almost unchanged at EUR 71.5m as per September 30, 2018 compared to EUR 71.2m as per December 31, 2017. There were no impairments in the first nine months of 2018. The difference was related to exchange rate fluctuations.

Inventories, including raw materials, unfinished and finished goods, increased to EUR 71.4m as per September 30, 2018 (December 31, 2017: EUR 43.0m). This figure reflects the higher order backlog.

Advance payments from customers amounted to EUR 63.7m as of September 30, 2018 compared to EUR 30.3m as of December 31, 2017 and EUR 53.2m as of June 30, 2018 reflecting the current order activities including down payments for orders with deliveries dates in 2019.

Trade receivables amounted to EUR 35.4m as of September 30, 2018, compared to EUR 19.3m as of December 31, 2017, representing **45 days sales outstanding**. Compared to June 30, 2018, trade receivables were lower (EUR 37.7m as of June 30, 2018).

4. Cashflow

The **operating cash flow** in Q3/2018 was EUR 13.9m (Q3/2017: EUR 13.2m; Q2/2018: EUR 12.5m; Q1/2018: EUR -21.1m). In the first nine months of 2018, the Company reported an operating cash flow of EUR 5.4m more than offsetting the negative cash flow in Q1/2018 which was due to scheduled payments in conjunction with the sale of the memory business.

5. Opportunities and Risks

AIXTRON expects the following market trends and **opportunities** in the relevant end user markets could possibly have a positive effect on future business:

Short Term

- Increasing adoption of compound semiconductor-based lasers for 3D sensor systems in mobile devices as well as sensors for infrastructure applications.
- Further increasing demand for lasers for ultra-fast optical data transmission of large volumes, such as for video streaming and Internet-of-Things (IoT) applications.
- Increasing use of LEDs and specialty LEDs (esp. red-orange-yellow, UV or IR) in displays and other applications.
- Increasing use of wide-band gap GaN- or SiC-based components for energy-efficient communication and power management in autos, consumer electronics and mobile devices.
- Progress in the development of OLED displays that require an efficient deposition technology.

Mid- to Long-Term

- Development of new applications based on wide-band gap materials such as high-frequency chips or system-on-chip architectures with integrated power management.
- Increased use of compound semiconductor-based sensors for autonomous driving.
- Increased development activities for high performance solar cells made of compound semi-conductors.
- Development of new materials with the help of carbon nanostructures (carbon nanotubes, -wires and graphene).
- Development of alternative LED applications, such as visual-light communication technology or micro LED displays.

A more detailed description of the Opportunities and Risks of the Company can be found in the chapters "3.2. Risk Report" and "3.3. Opportunities Report" of the Annual Report 2017 which is publicly available for download on the Company's website at <http://www.aixtron.com/en/investors/publications>.

6. Outlook

Based on the results for the first nine months of the fiscal year 2018 and the internal assessment of the development of demand, AIXTRON Management updates its previous 2018 full year guidance.

Accordingly, AIXTRON Management now expects to book total orders* around EUR 290m during 2018 (previous range: EUR 260 to 290m). Revenues are expected to be around EUR 260m, gross margin to be around 40% of revenues. It is now expected that AIXTRON will achieve an EBIT between EUR 35m and EUR 40m (previously: around 10% of revenues, or about EUR 26m) and a positive total cash flow (previously: positive operating cash flow).

* Based on the 2018 budget rate of 1.20 USD/EUR

Interim Financial Statements

1. Consolidated Income Statement*

* unaudited

<i>in EUR thousands</i>	9M/2018	9M/2017	+/-
Revenues	180,922	176,330	4,592
Cost of sales	102,683	123,318	-20,635
Gross profit	78,239	53,012	25,227
Selling expenses	6,716	7,944	-1,228
General administration expenses	13,332	14,536	-1,204
Research and development costs	40,029	52,266	-12,237
Other operating income	4,297	3,420	877
Other operating expenses	1,783	1,182	601
Operating expenses	57,563	72,508	-14,945
Operating result	20,676	-19,496	40,172
Finance Income	704	487	217
Finance Expense	4	25	-21
Net Finance Income	700	462	238
Profit or Loss before taxes	21,376	-19,034	40,410
Taxes on income/loss	-6,326	1,606	-7,932
Profit or Loss for the year	27,702	-20,640	48,342
Thereof attributable to the owners of Aixtron SE	27,702	-20,640	48,342
Basic earnings or loss per share (EUR)	0.25	-0.18	0.43
Diluted earnings or loss per share (EUR)	0.25	-0.18	0.43

2. Consolidated Statement of other Comprehensive Income*

* unaudited

<i>in EUR thousands</i>	9M/2018	9M/2017	+/-
Net profit / loss for the period	27,702	-20,640	48,342
Currency translation adjustment	1,645	-7,437	9,082
Other comprehensive income / loss	1,645	-7,437	9,082
Total comprehensive income / loss for the year	29,347	-28,077	57,424

3. Consolidated Statement of Financial Position*

* unaudited

in EUR thousands

	30.09.2018	31.12.2017
Assets		
Property, plant and equipment	63,841	64,322
Goodwill	71,524	71,229
Other intangible assets	1,587	1,763
Other non-current assets	412	391
Deferred tax assets	12,478	3,588
Total non-current assets	149,842	141,293
Inventories	71,375	43,021
Trade receivables less allowance kEUR 172 (2017: kEUR 239)	35,382	19,289
Current tax receivables	1,032	171
Other current assets	6,026	4,817
Other financial assets	15,000	20,000
Cash and cash equivalents	230,367	226,526
Total current assets	359,182	313,824
Total assets	509,024	455,117
Liabilities and shareholders' equity		
Fully paid capital, number of shares: 111,837,425 (2017: 111,802,372)	111,837	111,802
Additional paid-in capital	374,090	372,912
Accumulated losses	-89,313	-117,289
Accumulated comprehensive income and expense recognised in equity	2,852	1,481
Total shareholders' equity	399,466	368,906
Other non-current payables	347	345
Other non-current provisions	1,322	1,624
Total non-current liabilities	1,669	1,969
Trade payables	16,982	14,265
Advance payments from customers	63,729	30,266
Other current provisions	19,419	21,093
Other current liabilities	5,796	15,878
Current tax payables	1,963	2,740
Total current liabilities	107,889	84,242
Total liabilities	109,558	86,211
Total liabilities and shareholders' equity	509,024	455,117

4. Consolidated Statement of Cash Flows*

* unaudited

<i>in EUR thousands</i>	9M/2018	9M/2017	+/-
Cash flow from operating activities			
Profit / Loss for the period	27,702	-20,640	48,342
Reconciliation between profit/loss and cash flow from operating activities			
Expense from share-based payments	1,214	544	670
Depreciation, amortization and impairment expense	7,794	16,037	-8,243
Net result from disposal of property, plant and equipment	-344	-84	-260
Deferred income taxes	-8,813	258	-9,071
Change in			
Inventories	-28,332	5,870	-34,202
Trade receivables	-15,774	37,823	-53,597
Other assets	-1,009	-952	-57
Trade payables	2,564	-614	3,178
Provisions and other liabilities	-12,507	4,306	-16,813
Non-current liabilities	-302	-2,378	2,076
Advance payments from customers	33,199	16,338	16,861
Cash flow from operating activities	5,392	56,508	-51,116
Cash flow from investing activities			
Capital expenditures in property, plant and equipment	-6,710	-7,681	971
Capital expenditures in intangible assets	-420	-855	435
Proceeds from disposal of fixed assets	344	552	-208
Bank deposits with a maturity of more than 90 days	5,000	11,670	-6,670
Cash flow from investing activities	-1,786	3,686	-5,472
Cash inflow/outflow from financing activities			
Proceeds from issue of equity shares	0	15	-15
Cash flow from financing activities	0	15	-15
Effect of changes in exchange rates on cash and cash equivalents	235	-4,165	4,400
Net change in cash and cash equivalents	3,841	56,044	-52,203
Cash and cash equivalents at the beginning of the period	226,526	120,031	106,495
Cash and cash equivalents at the end of the period	230,367	176,075	54,292
Interest received	425	379	46
Income taxes paid	-3,239	-870	-2,369
Income taxes received	77	647	-570

5. Consolidated Statement of Changes in Equity*

* unaudited

<i>in EUR thousands</i>	Income and expense recognized directly in equity				Shareholders' equity attri- butable to the owners of AIXTRON SE
	Subscribed capital under IFRS	Additional paid-in capital	Currency translation	Retained Earnings/ Accumulated deficit	
Balance January 1, 2018	111,802	372,912	1,481	-117,289	368,906
Share based payments		1,213			1,213
Issue of shares	35	-35			0
<i>Net income for the year</i>				27,702	27,702
<i>Other comprehensive</i>			1,645		1,645
Total comprehensive income for the year			1,645	27,702	29,347
Balance Sept 30, 2018	111,837	374,090	3,126	-89,587	399,466
Balance January 1, 2017	111,657	373,452	10,160	-125,528	369,741
Share based payments		533			533
Issue of shares	4	11			15
<i>Net income for the year</i>				-20,640	-20,640
<i>Other comprehensive</i>			-7,654	217	-7,437
Total comprehensive loss for the year			-7,654	-20,423	-28,077
Balance Sept 30, 2017	111,661	373,996	2,506	-145,951	342,212

Additional Disclosures

1. Accounting Policies

This consolidated interim financial report of AIXTRON SE has been prepared in accordance with International Financial Reporting Standards (IFRS) applicable for Interim Financial Reporting, IAS 34.

The accounting policies adopted in this interim financial report are consistent with those followed in the preparation of the Group's annual financial statements for the year ended December 31, 2017.

The consolidated interim financial statements of AIXTRON SE include the following subsidiaries (collectively referred to as "AIXTRON", "the AIXTRON Group", "the Group" or "the Company"): APEVA SE, Herzogenrath (Germany), AIXTRON, Inc., California (USA); AIXTRON Ltd., Cambridge (United Kingdom); Apeva Holdings Ltd., Cambridge (United Kingdom), APEVA Co Ltd., Hwasung (South Korea); AIXTRON Korea Co. Ltd., Hwasung (South Korea); AIXTRON China Ltd., Shanghai (PR of China); AIXTRON KK, Tokyo (Japan) and AIXTRON Taiwan Co. Ltd., Hsinchu (Taiwan).

2. Segment Reporting

Geographical Segments (in EUR thousands)

		Asia	Europe	Americas	Group
Revenues realized with third parties	9M/2018	90,866	54,246	35,810	180,922
	9M/2017	132,988	22,186	21,154	176,328
Segment assets (property, plant and equipment)	30/09/18	321	63,266	254	63,841
	31/12/17	388	63,838	96	64,322

3. Stock Option Plans

During the first nine months of 2018, options held by AIXTRON's employees and Executive Board members and representing the right to receive AIXTRON common shares, developed as follows:

AIXTRON ordinary shares	Sep 30, 2018	Exercised	Expired/Forfeited	Allocation	Dec 31, 2017
Stock options	1,373,940	0	159,825	0	1,533,765
Underlying shares	1,373,940	0	159,825	0	1,533,765

4. Employees

The total number of employees decreased from 677 on September 30, 2017 to 616 persons on September 30, 2018 mainly due to the sale of the memory business in 2017.

Employees by Region	2018		2017		+/-	
	Sep-30	%	Sep-30	%	abs.	%
Asia	106	17	111	16	-5	-5
Europe	478	78	454	67	24	5
USA	32	5	112	17	-80	-71
Total	616	100	677	100	-61	-9

5. Management

The term of office of Prof. Dr. Rüdiger von Rosen as Supervisory Board member of AIXTRON SE ended at the end of the General Meeting on May 16, 2018. No new Supervisory Board member was elected. Instead, the Annual General Meeting decided to reduce the size of the Supervisory Board from six to five members.

There were no further changes in the composition of the Management and Supervisory Boards as of September 30, 2018 as against December 31, 2017.

6. Related Party Transactions

During the reporting period, AIXTRON did not initiate or conclude any material transactions with related parties.

7. Post-Balance Sheet Date Events

On October 24, 2018, AIXTRON announced a Joint Venture agreement by AIXTRON SE, Germany and IRUJA Co. Ltd., South Korea to invest in APEVA, AIXTRON's subsidiary for OLED deposition technologies. Closing of the Joint Venture Agreement is expected during 2018. IRUJA will contribute their well-established Automation & Handling Technology for the display market into the Joint Venture in steps, also making cash contributions. In exchange for these contributions, IRUJA will obtain an equity stake in APEVA of up to 20% over the next few years. Furthermore, IRUJA will act as a manufacturing partner in Korea for APEVA to give access to a high quality local supply chain and manufacturing resources. AIXTRON has contributed its innovative OVPD technologies into APEVA, which enables the highly efficient deposition of organic materials in a very well controlled manner. Based on the contributions from both companies, APEVA will become a complete deposition system provider for the organic material layers within the OLED stack.

There were no further known events after September 30, 2018 with a potentially significant effect on AIXTRON's operating result or financial position as at September 30, 2018.