PRESS RELEASE

Besi Q1-11 Revenue and Profit Exceed Expectations. Orders Increase 54% vs. Q4-10

Duiven, the Netherlands, April 28, 2011 - BE Semiconductor Industries N.V. ("the Company" or "Besi") (NYSE Euronext: BESI; OTCQX: BESIY), a leading manufacturer of assembly equipment for the semiconductor industry, today announced its results for the first quarter ended March 31, 2011.

Key Highlights

- Q1-11 revenue € 91.1 million is 9% above prior guidance (€ 83.5 million) due to higher than anticipated die attach orders/shipments. Up 61% vs. Q1-10 and down 13% vs. Q4-10
- 54% sequential order increase confirms improved order outlook after H2-10 slowdown due to increased demand for die attach systems in advanced applications (tablets, smart phones, automotive electronics)
- Gross margin (40.0%) at high end of guidance (38.5-40.5%)
- Net income of € 9.6 million in Q1-11 vs. net loss of € 2.6 million in Q1-10 due to increased revenue and successful execution of business strategy
- Sequential net income down by € 9.8 million caused by absence of € 5.4 million tax credit and 13% sequential revenue reduction, but better than expectations

(€ millions; except EPS)	**Q1-2011**	Q4-2010	Δ	Q1-2010	Δ
Revenue	**91.1**	104.4	*-12.7%*	56.6	*61.0%*
Operating income (loss)	**13.5**	17.4	*-22.4%*	(1.0)	*NM*
EBITDA	**16.3**	20.9	*-22.0%*	1.1	*NM*
Net income (loss)	**9.6**	19.4	*-50.5%*	(2.6)	*NM*
EPS (diluted)	**0.26**	0.50	*-48.0%*	(0.08)	*NM*
Orders	**88.3**	57.4	*53.8%*	97.3	*-9.2%*
Backlog	**73.7**	76.4	*-3.5%*	91.7	*-19.6%*
Cash flow (deficit) from ops.	**1.5**	19.0	*-92.1%*	(16.9)	*NM*
Cash	**65.5**	69.3	*-5.5%*	47.7	*37.3%*
Total Debt	**45.9**	46.4	*-1.1%*	46.8	*-1.9%*

Richard W. Blickman, President and Chief Executive Officer of Besi, commented: “We are pleased to report better than anticipated first quarter results. Q1-11 revenue and net income increased by € 34.5 million (61%) and € 12.2 million, respectively, as compared to the first quarter of 2010. As expected, this quarter’s revenue and operating profit were lower than Q4-10 but exceeded prior guidance due to higher than anticipated demand by Asian subcontractors for our assembly equipment, particularly leading edge flip chip, die bonding and die sorting systems. Q1-11 revenue and operating profit were negatively influenced to a minor degree (less than 5% of revenue) from production delays caused by a disruption to our Asian supply chain from the Japanese earthquake. We do not anticipate any material impact from the earthquake on our Q2-11 operating results.

Our operating profit in Q1-11 exceeded expectations as we were able to maintain gross margins roughly equal to Q4-10 in spite of a 13% sequential revenue decrease while reducing our overhead costs. We also continued to make progress this quarter in our Asian production transfer, as measured by a significant quarterly sequential ramp of ES 2100 die bonding production in Malaysia.

Besi’s 54% sequential order increase in Q1-11 confirms our improved order outlook after a temporary slowdown in the second half of 2010 as customers significantly increased spending for advanced assembly applications. Our broad portfolio of die attach and packaging systems for use in array connect and wafer level packaging applications has positioned us well to capitalize on opportunities currently resulting from increased demand for smart phones, tablets, personal productivity devices and automotive electronics. Based on current customer feedback and order trends, we see stable revenue and operating profits in Q2-11 as compared to Q1-11 and maintain a positive outlook for the remainder of the year .”

First Quarter Results of Operations
Besi's Q1-11 revenue of € 91.1 million increased by € 34.5 million (61.0%) as compared to Q1-10 primarily due to significantly higher sales of our portfolio of die attach systems partially offset by lower wire bonding revenue as a result of that unit's business rationalization in Q2-10. Revenue in Q1-11 exceeded prior guidance (approximately € 83.5 million). On a sequential basis, revenue decreased by € 13.3 million (12.7%) as compared to Q4-10 primarily due to lower shipments of die bonding and flip chip die bonding systems.

Orders for Q1-11 were € 88.3 million, an increase of € 30.9 million, or 53.8%, as compared to Q4-10. The quarterly sequential order increase was across the product portfolio, but primarily focused on increased demand by Asian subcontractors for die bonding and flip chip die bonding systems, and to a lesser extent, die sorting and molding systems. Q1-11 orders declined by 9.2% as compared to Q1-10 due to lower wire bonding and die bonding bookings. On a customer basis, the sequential order increase in the first quarter of 2011 reflected a € 24.4 million (108.9%) increase by subcontractors and a € 6.5 million (18.6%) increase by IDMs. Backlog at March 31, 2011, was € 73.7 million, a decrease of € 2.7 million, or 3.5%, as compared to December 31, 2010.

Besi's gross margin was 40.0% in Q1-11 as compared to 40.2% in Q4-10 as lower die attach gross margins were partially offset by a significant improvement in packaging gross margins. Q1-11 gross margins were at the high end of prior guidance (38.5%-40.5%). The Q1-11 gross margin increased by 6.6 points as compared to 33.4% in Q1-10 due primarily to significantly higher shipments, an increased proportion of higher margin die attach systems in the Company's product mix, benefits from Besi's 2010 product line restructuring and increased manufacturing efficiencies.

Besi's operating expenses were € 22.9 million in the first quarter of 2011 as compared to € 24.6 million in the fourth quarter of 2010 and € 19.9 million in the first quarter of 2010. Q1-11 operating expenses were slightly above guidance (€ 22.1 million) primarily due to one time items. Lower sequential operating expenses in Q1-11 as compared to Q4-10 were primarily due to reduced warranty, development and selling expenses. In Q1-11, Besi capitalized € 1.5 million of development expenses as compared to € 1.6 million in Q4-10. As a % of revenue, total operating expenses were 25.1% in the first quarter of 2011 as compared to 23.5% in the fourth quarter of 2010 and 35.1% in the first quarter of 2010.

Q1-11 net income of € 9.6 million increased by € 12.2 million as compared to a net loss of € 2.6 million in Q1-10. The net income improvement was primarily due to a 61% year over year revenue improvement, significantly improved gross and operating margins as a result of an increase in the product mix represented by die attach systems and cost reductions and efficiencies realized from Besi's product line and organizational restructuring and ongoing transfer of production to Asia. On a sequential quarterly basis, Besi's net income declined by € 9.8 million from € 19.4 million in Q4-10 primarily due to: (i) the absence of a deferred tax write-up of € 5.4 million recognized in Q4-10, (ii) a 13% revenue reduction, and (iii) increased financial expense, net of € 1.2 million related primarily to higher foreign exchange losses recognized.

Financial Condition
Cash and cash equivalents decreased by € 3.8 million to € 65.5 million at March 31, 2011 as compared to € 69.3 million at December 31, 2010 while total debt and capital leases declined sequentially by € 0.5 million to € 45.9 million at March 31, 2011. The € 3.3 million sequential decrease in Besi's net cash position at March 31, 2011 was primarily due to an investment in working capital of € 14.5 million in order to support the 54% sequential order increase, capitalized development spending of € 1.5 million and net capital expenditures of € 1.5 million partially offset by net income and depreciation aggregating € 12.4 million.

In April 2011 € 2 million notional Convertible Notes were converted and 390,242 shares were issued.

Outlook
Based on our March 31, 2011 backlog and feedback from customers, we forecast for Q2-11 that:
- Revenue will be approximately equal to the € 91.1 million reported in Q1-11.
- Gross margins will range between 39.0%-41.0% as compared to the 40.0% realized in Q1-11.
- Operating expenses will increase by approximately 0-5% as compared to the € 22.9 million reported in Q1-11.
- Capital expenditures will be approximately equal to the € 1.5 million incurred in Q1-11.

Investor and media conference call

A conference call and webcast for investors and media will be held today at 11:30 a.m.CET (5:30 a.m. New York time). The dial-in for the conference call is (31) 10 29 44 215. To access the audio webcast, please visit www.besi.com.

Besi is a leading supplier of semiconductor assembly equipment for the global semiconductor and electronics industries. The Company develops leading edge assembly processes and equipment for leadframe, array connect and wafer level packaging applications in a wide range of end-user markets including electronics, computer, automotive, industrial, RFID, LED and solar energy. Customers are primarily leading semiconductor manufacturers, assembly subcontractors and electronics and industrial companies. Besi's ordinary shares are listed on NYSE Euronext Amsterdam (symbol: BESI) and OTCQX International (symbol: BESIY) and its headquarters are located in Duiven, the Netherlands. For more information, please visit our website at www.besi.com.

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Caution Concerning Forward Looking Statements

This press release contains statements about management's future expectations, plans and prospects of our business that constitute forward-looking statements, which are found in various places throughout the press release, including, but not limited to, statements relating to expectations of orders, net sales, product shipments, backlog, expenses, timing of purchases of assembly equipment by customers, gross margins, operating results and capital expenditures. The use of words such as “anticipate”, “estimate”, “expect”, “can”, “intend”, “believes”, “may”, “plan”, “predict”, “project”, “forecast”, “will”, “would”, and similar expressions are intended to identify forward looking statements, although not all forward looking statements contain these identifying words. The financial guidance set forth under the heading “Outlook” constitute forward looking statements. While these forward looking statements represent our judgments and expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from those contained in forward looking statements, including our inability to maintain continued demand for our products, the impact of the worldwide economic downturn on our business, failure of anticipated orders to materialize or postponement or cancellation of orders, generally without charges; the volatility in the demand for semiconductors and our products and services; failure to adequately decrease costs and expenses as revenues decline, loss of significant customers, lengthening of the sales cycle, incurring additional restructuring charges in the future, acts of terrorism and violence; risks, such as changes in trade regulations, currency fluctuations, political instability and war, associated with substantial foreign customers, suppliers and foreign manufacturing operations; potential instability in foreign capital markets; the risk of failure to successfully manage our diverse operations; those additional risk factors set forth in Besi's annual report for the year ended December 31, 2010 and other key factors that could adversely affect our businesses and financial performance contained in our filings and reports, including our statutory consolidated statements. We are under no obligation to (and expressly disclaim any such obligation to) update or alter our forward-looking statements whether as a result of new information, future events or otherwise.

Consolidated Statements of Operations

(euro in thousands, except share and per share data)

	Three Months Ended March 31, (unaudited)	
	2011	2010 [c]
Revenue	**91,079**	56,576
Cost of sales	**54,685**	37,701
Gross profit	**36,394**	18,875
Selling, general and administrative expenses	**16,499**	14,221
Research and development expenses	**6,387**	5,641
Total operating expenses	**22,886**	19,862
Operating income (loss)	**13,508**	(987)
Financial expense (income), net	**1,348**	492
Income (loss) before taxes	**12,160**	(1,479)
Income tax expense (benefit)	**2,610**	1,123
Net income (loss)	**9,550**	(2,602)
Net income (loss) per share – basic	**0.28**	(0.08)
Net income (loss) per share – diluted	**0.26**	(0.08)
Number of shares used in computing per share amounts:		
- basic	**33,943,901**	33,805,787
- diluted	**39,378,047** [a]	33,805,787 [b]

[a] The calculation of the diluted income (loss) per share assumes conversion of the Company's 5.5% convertible notes due 2012 as such conversion would have a dilutive effect (5,434,146 ordinary shares).

[b] The calculation of the diluted income (loss) per share does not assume conversion of the Company's 5.5% convertible notes due 2012 as such conversion would have an anti-dilutive effect (5,434,146 ordinary shares).

[c] During 2010 Q2, a portion of the Q1 2010 restructuring charges were retrospectively reallocated from selling, general and administrative expenses to R&D expenses (€ 0.8 mio) and cost of sales (€ 2.6 mio).

Consolidated Balance Sheets

(euro in thousands)	**March 31, 2011 (unaudited)**	December 31, 2010 (unaudited)
ASSETS		
Cash and cash equivalents	**65,543**	69,305
Accounts receivable	**86,585**	86,889
Inventories	**82,368**	79,269
Income tax receivable	**205**	205
Other current assets	**11,689**	8,620
Total current assets	**246,390**	244,288
Property, plant and equipment	**25,272**	26,032
Goodwill	**43,277**	43,823
Other intangible assets	**23,018**	22,919
Deferred tax assets	**10,982**	12,131
Other non-current assets	**1,286**	1,291
Total non-current assets	**103,835**	106,196
Total assets	**350,225**	350,484
LIABILITIES AND SHAREHOLDERS' EQUITY		
Notes payable to banks	**15,824**	16,038
Current portion of long-term debt and financial leases	**1,896**	2,186
Accounts payable	**38,652**	42,626
Convertible notes	**27,466**	-
Accrued liabilities	**38,745**	37,892
Total current liabilities	**122,583**	98,742
Convertible notes	**-**	27,386
Other long-term debt and financial leases	**731**	766
Deferred tax liabilities	**597**	656
Other non-current liabilities	**3,889**	3,922
Total non-current liabilities	**5,217**	32,730
Total equity	**222,425**	219,012
Total liabilities and equity	**350,225**	350,484

Consolidated Cash Flow Statements

(euro in thousands)	**Three Months Ended March 31, (unaudited)**	
	2011	2010
Cash flows from operating activities:		
Operating income (loss)	**13,508**	(987)
Depreciation and amortization	**2,772**	2,042
Share-based compensation expense	**717**	131
Other non-cash items	**(37)**	(1,513)
Changes in working capital	**(14,509)**	(16,410)
Income taxes paid	**(91)**	168
Interest received (paid)	**(873)**	(304)
Net cash provided by (used in) operating activities	**1,487**	(16,873)
Cash flows from investing activities:		
Capital expenditures	**(1,520)**	(904)
Capitalized development expenses	**(1,542)**	(1,899)
Proceeds from sale of equipment	**40**	-
Net cash used in investing activities	**(3,022)**	(2,803)
Cash flows from financing activities:		
(Payments of) proceeds from bank lines of credit	**(54)**	1,352
Repurchase of convertible notes	**-**	(7,352)
Payments of debt and financial leases	**(347)**	(959)
Other financing activities	**-**	(45)
Net cash provided by (used in) financing activities	**(401)**	(7,004)
Net increase/(decrease) in cash and cash equivalents	**(1,936)**	(26,680)
Effect of changes in exchange rates on cash and cash equivalents	**(1,826)**	1,269
Cash and cash equivalents at beginning of the period	**69,305**	73,125
Cash and cash equivalents at end of the period	**65,543**	47,714

Supplemental Information (unaudited)

(euro in millions, unless stated otherwise)

REVENUE	Q1-2010		Q2-2010		Q3-2010		Q4-2010		Q1-2011	
Per geography:										
Asia Pacific	44.6	*79%*	73.1	*82%*	81.0	*81%*	78.2	*75%*	66.8	*73%*
Europe and ROW	8.2	*14%*	9.7	*11%*	12	*12%*	17.1	*16%*	18.0	*20%*
USA	3.8	*7%*	6.7	*7%*	7.6	*8%*	9.1	*9%*	6.3	*7%*
Total	56.6	*100%*	89.5	*100%*	100.6	*100%*	104.4	*100%*	91.1	*100%*

ORDERS	Q1-2010		Q2-2010		Q3-2010		Q4-2010		Q1-2011	
Per geography:										
Asia Pacific	80.6	*83%*	108.3	*81%*	68.7	*78%*	36.8	*64%*	64.2	*73%*
Europe and ROW	9.8	*10%*	16.8	*13%*	12.9	*15%*	10.9	*19%*	17.4	*20%*
USA	6.9	*7%*	8.6	*6%*	6.5	*7%*	9.7	*17%*	6.7	*7%*
Total	97.3	*100%*	133.7	*100%*	88.1	*100%*	57.4	*100%*	88.3	*100%*
Per customer type:										
IDM	39.8	*41%*	61.5	*46%*	52.1	*59%*	35.0	*61%*	41.5	*47%*
Subcontractors	57.5	*59%*	72.2	*54%*	36.0	*41%*	22.4	*39%*	46.8	*53%*
Total	97.3	*100%*	133.7	*100%*	88.1	*100%*	57.4	*100%*	88.3	*100%*

BACKLOG	Mar 31, 2010	June 30, 2010	Sep 30, 2010	Dec 31, 2010	Mar 31, 2011
Backlog	91.7	136.0	123.5	76.4	73.7

HEADCOUNT [1)]	Mar 31, 2010		June 30, 2010		Sep 30, 2010		Dec 31, 2010		Mar 31, 2011	
Europe	698	*47%*	721	*46%*	738	*44%*	739	*43%*	757	*44%*
Asia Pacific	753	*50%*	810	*51%*	876	*53%*	921	*54%*	922	*53%*
USA	44	*3%*	44	*3%*	46	*3%*	44	*3%*	47	*3%*
Total	1,495	*100%*	1,575	*100%*	1,660	*100%*	1,704	*100%*	1,726	*100%*

[1)] including temporaries

OTHER FINANCIAL DATA	Q1-2010		Q2-2010		Q3-2010		Q4-2010		Q1-2011	
Gross profit:	21.7	*38.3%*	34.8	*38.9%*	40.5	*40.3%*	42.1	*40.3%*	36.4	*40.0%*
Amortization of intangibles	(0.2)	*-0.3%*	(0.1)	*-0.2%*	(0.1)	*-0.2%*	(0.1)	*-0.1%*	-	*0.0%*
Restructuring charges	(2.6)	*-4.6%*	-		-		-		-	
Total	18.9	*33.4%*	34.7	*38.7%*	40.4	*40.1%*	42.0	*40.2%*	36.4	*40.0%*
Selling, general and admin expenses:										
SG&A expenses	12.9	*22.8%*	14.1	*15.8%*	14.6	*14.5%*	17.0	*16.3%*	16.4	*18.0%*
Amortization of intangibles	0.1	*0.2%*	0.1	*0.1%*	0.1	*0.1%*	0.1	*0.1%*	0.1	*0.1%*
Restructuring charges	1.2	*2.1%*	0.4	*0.4%*	-		0.4	*0.4%*	-	
Total	14.2	*25.1%*	14.6	*16.3%*	14.7	*14.6%*	17.5	*16.8%*	16.5	*18.1%*
Research and development expenses:										
R&D expenses	6.6	*11.7%*	6.5	*7.3%*	6.4	*6.4%*	7.5	*7.2%*	6.8	*7.5%*
Capitalization of R&D charges	(1.9)	*-3.4%*	(1.2)	*-1.3%*	(1.3)	*-1.3%*	(1.6)	*-1.5%*	(1.5)	*-1.6%*
Amortization of intangibles	0.2	*0.4%*	0.8	*0.9%*	1.1	*1.1%*	1.2	*1.1%*	1.1	*1.2%*
Restructuring charges	0.7	*1.2%*	-		-		-		-	
Total	5.6	*9.9%*	6.1	*6.8%*	6.2	*6.2%*	7.1	*6.8%*	6.4	*7.0%*
Financial expense (income), net:										
Interest expense (income), net	0.6		0.6		0.6		0.7		0.6	
Foreign exchange (gains) \ losses	0.7		0.3		0.5		(0.6)		0.7	
Gain on extinguishment of debt	(0.8)		-		-		-		-	
Total	0.5		0.9		1.1		0.1		1.3	
Operating income (loss)										
as % of net sales	(1.0)	*-1.8%*	13.9	*15.5%*	19.5	*19.4%*	17.4	*16.7%*	13.5	*14.8%*
EBITDA										
as % of net sales	1.0	*1.8%*	16.2	*18.1%*	22.2	*22.1%*	20.9	*20.0%*	16.3	*17.9%*
Net income (loss)										
as % of net sales	(2.6)	*-4.6%*	15.4	*17.2%*	15.0	*14.9%*	19.4	*18.6%*	9.6	*10.5%*
Income per share										
Basic	(0.08)		0.45		0.44		0.57		0.28	
Diluted	(0.08)		0.40		0.39		0.50		0.26	