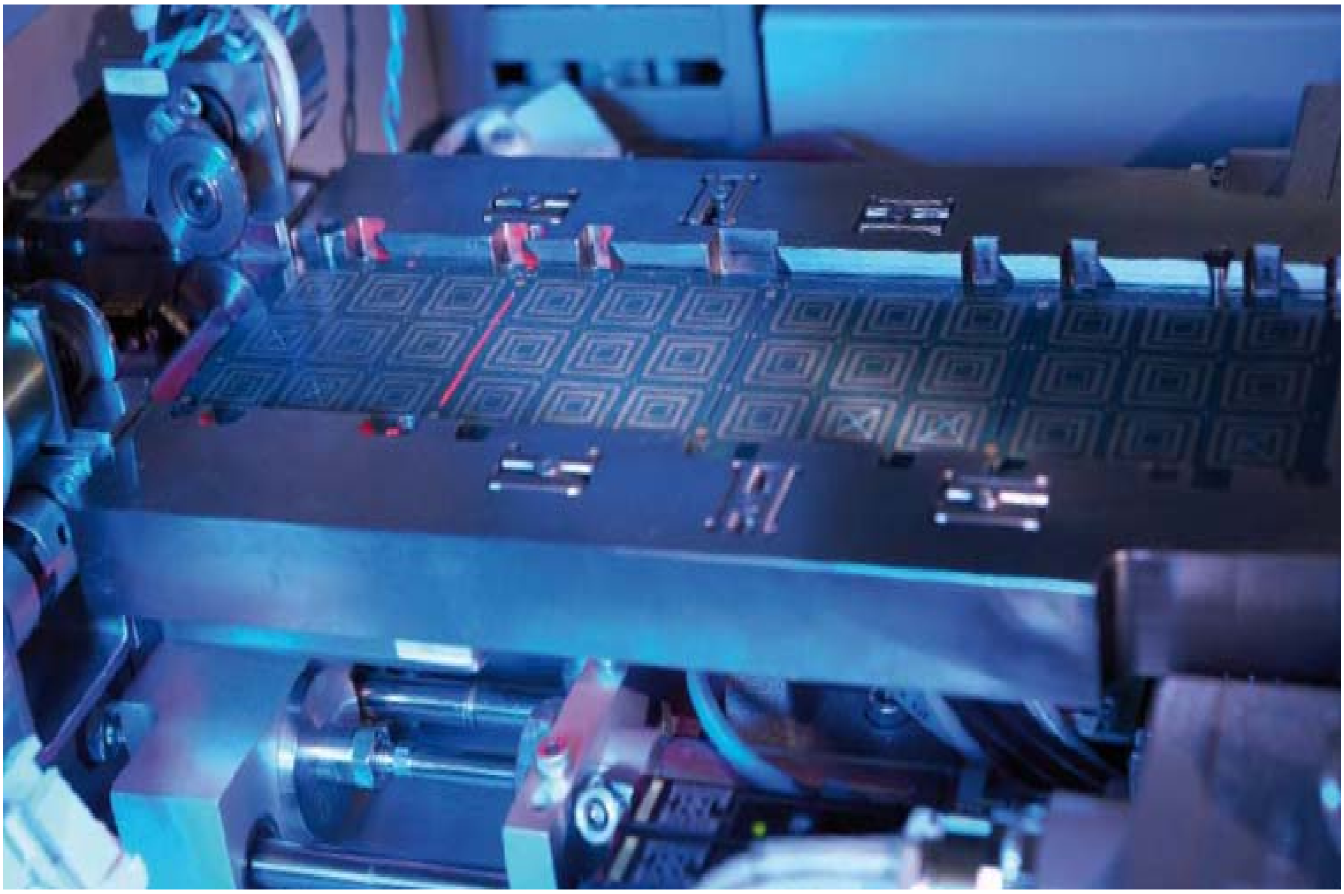
BE SEMICONDUCTOR INDUSTRIES N.V.

DUIVEN, THE NETHERLANDS

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2010

Semi-annual financial report



This report contains the semi-annual financial report of BE Semiconductor Industries N.V. ("Besi" or "the Company"), a Company which was incorporated in the Netherlands in May 1995 as the holding company for a worldwide business engaged in one line of business, the development, production, marketing and sales of back-end equipment for the semiconductor industry. Besi's principal operations are in the Netherlands, Switzerland, Austria, Asia and the United States. Besi's principal executive office is located at Ratio 6, 6921 RW, Duiven, the Netherlands.

The semi-annual financial report for the six months ended June 30, 2010 consists of the condensed consolidated semi-annual financial statements, the semi-annual management report and responsibility statement by the Company's Management Board. The information in this semi-annual financial report is unaudited.

The Management Board of the Company hereby declares that to the best of their knowledge, the semi-annual financial statements, which have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the undertakings included in the consolidation taken as a whole, and the semi-annual management report gives a fair review of the information required pursuant to section 5:25d(8)/(9) of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Duiven, July 26, 2010

Richard W. Blickman
President & CEO

Jan Willem Ruinemans
Chief Financial Officer

Management Report

Performance

We are pleased to report that Besi returned to profitability in the first half year of 2010. Shipment and order levels increased significantly due to the continued expansion of industry demand for memory, personal computing and smart phone devices and our ability to ramp production at our global facilities more rapidly than anticipated. Record backlog of € 136.0 million resulted primarily from a substantial increase in orders for our die attach equipment by Asian subcontractors and IDMs as they continue to build assembly capacity in response to elevated demand for semiconductor devices. Our priority continues to be the expansion of our production capacity and supply chain to meet accelerated market demand and elevated backlog levels.

For the first half year 2010, Besi's revenue increased to € 146.1 million as compared to € 46.0 million in the first half year 2009 due to the expansion and acceleration of the industry recovery which began in the second quarter of 2009 combined with significant revenue contributed by Esec's die bonding and wire bonding units from their April 2009 acquisition date. Similarly, orders for the first half of 2010 were € 231.0 million as compared to € 50.3 million for the first half of 2009.

For the first half of 2010, Besi recorded net income of € 12.8 million (€ 0.38 per share) as compared to a net income of € 22.1 million (or € 0.69 per share) for the first half of 2009. The income for the first half of 2009 included a one-time badwill gain related to the Esec transaction. Excluding such one-time gain and other adjustments related to restructuring and purchase price acquisition accounting, Besi generated a net loss for the first half of 2009 of € 18.2 million (or (€ 0.51) per share) as compared to an adjusted net income for the first half of 2010 of € 12.2 million (€ 0.36 per share) excluding restructuring charges and other adjustments. The improvement in adjusted net income in the first half of 2010 was due primarily to significantly higher revenue and gross margin levels, improved pricing conditions and the Company's restructuring and Esec integration efforts which resulted in substantially increased operating efficiencies. Set forth below is a reconciliation of Besi's reported and adjusted net income (loss) for each of the respective half-year periods.

(€ millions)	**HY1-2010**	**HY1-2009**
Reported net income	**12.8**	**22.1**
Restructuring charges	5.0	2.9
Deferred tax write-up	(4.8)	-
Gain on debt retirement	(0.8)	-
Acquisition gain, net	-	(41.2)
Release purchase commitments	-	(1.7)
Taxes/other	-	(0.3)
Adjusted net income (loss)	**12.2**	**(18.2)**

Our cash and cash equivalents were € 48.1 million at June 30, 2010 as compared to € 73.1 million at December 31, 2009. Total debt and capital leases decreased from € 53.5 million at December 31, 2009 to € 49.4 million at June 30, 2010. The € 20.9 million decrease in Besi's net cash position at June 30, 2010 was primarily due to the funding of € 33.9 million of increased working capital requirements in support of a 106.1% half yearly sequential order increase partially offset by profits and depreciation/amortization generated during the period.

Risks and uncertainties

In our Annual Report 2009 we have extensively described certain risk categories and risk factors which could have a material adverse effect on our financial position and results. The Company believes that the risks identified for the second half of 2010 are in line with the risks that Besi presented in its Annual Report 2009.

Additional risks currently not known to us, or currently believed not to be material, could later turn out to have a material impact on our business, objectives, revenues, income, assets, liquidity or capital resources.

Condensed Interim Consolidated Statement of Financial Position

(euro in thousands)	Note	June 30, 2010 (unaudited)	December 31, 2009 (audited)
Assets			
Cash and cash equivalents		48,092	73,125
Trade receivables		75,423	36,341
Inventories		72,860	55,133
Income tax receivable		698	487
Other current assets		9,384	7,714
Total current assets		206,457	172,800
Property, plant and equipment		26,316	24,312
Goodwill		44,435	43,162
Other intangible assets		22,114	19,696
Deferred tax assets	7	10,646	8,429
Other non-current assets		1,239	1,141
Total non-current assets		104,750	96,740
Total assets		311,207	269,540
Liabilities and equity			
Notes payable to banks		17,962	13,908
Current portion of long-term debt and financial leases		2,376	1,911
Trade payables		39,171	27,290
Income tax payable		1,575	742
Provisions	4, 5	10,769	8,900
Other payables		25,027	20,605
Total current liabilities		96,880	73,356
Convertible Notes	6	27,155	35,068
Long-term debt and financial leases		1,879	2,570
Deferred tax liabilities		656	530
Other non-current liabilities		1,471	1,740
Total non-current liabilities		31,161	39,908
Issued capital		31,057	30,693
Share premium		180,783	181,026
Retained earnings (deficit)		(42,540)	(55,214)
Accumulated other comprehensive income (loss)		13,150	(722)
Equity attributable to equity holders of the parent		182,450	155,783
Non-controlling interest		716	493
Total equity	8	183,166	156,276
Total liabilities and equity		311,207	269,540

The financial presentation has been prepared in accordance with IFRS, as adopted by the EU.

Condensed Interim Consolidated Statement of Comprehensive Income

(euro in thousands, except share and per share data)	For the six months ended June 30, 2010 (unaudited)	2009 (unaudited)
Revenue	146,068	46,019
Cost of sales	92,529	32,513
Gross profit	53,539	13,506
Other operating income	-	41,207
Selling, general and administrative expenses	28,864	22,039
Research and development expenses	11,719	9,752
Total operating expenses	40,583	31,791
Operating income	12,956	22,922
Financial Income	2,066	1,521
Financial Expense	(3,408)	(3,397)
Income (loss) before taxes	11,614	21,046
Income tax (benefit)	(1,186)	(1,078)
Net income	12,800	22,124
Attributable to:		
Equity holders of the parent	12,674	22,084
Non-controlling interest	126	40
Net income	12,800	22,124
Other comprehensive income (loss)		
Exchange rate changes for the period	14,229	(1,113)
Unrealized hedging results	(260)	(97)
Other comprehensive income (loss) for the period, net of income tax	13,969	(1,210)
Total comprehensive income (loss) for the period	26,769	20,914
Total comprehensive income (loss) attributable to:		
Equity holders of the parent	26,546	20,881
Non-controlling interest	223	33
Income (loss) per share attributable to the equity holders of the parent		
Basic	0.38	0.69
Diluted	0.35 (2)	0.59 (1)
Weighted average number of shares used to compute income (loss) per share		
Basic	33,856,065	32,192,107
Diluted	39,290,211 (2)	39,482,652 (1)

(1) The calculation of the diluted income per share for the six months ended June 30, 2009 does assume conversion of the Company's convertible notes due 2012 as such conversion would have a dilutive effect (7,082,927 weighted average equivalent number of ordinary shares).

(2) The calculation of the diluted income per share for the six months ended June 30, 2010 does assume conversion of the Company's convertible notes due 2012 as such conversion would have a dilutive effect (5,434,146 weighted average equivalent number of ordinary shares).

The financial presentation has been prepared in accordance with IFRS, as adopted by the EU.

Condensed Interim Consolidated Statement of Cash Flows

(euro in thousands)	For the six months ended June 30, 2010 (unaudited)	2009 (unaudited)
Cash flows from operating activities:		
Operating income	12,956	22,922
Depreciation, amortization and impairment	4,342	4,140
Other non-cash items	(604)	(1,030)
Badwill arising on acquisition	-	(41,207)
Effects of changes in working capital	(33,926)	6,238
Income tax received (paid)	336	(478)
Interest received	1,108	598
Interest paid	(1,523)	(1,670)
Net cash provided by (used for) operating activities	(17,311)	(10,487)
Cash flows from investing activities:		
Capital expenditures	(2,892)	(177)
Capitalized Development Expenses	(3,106)	(3,117)
Proceeds from sale of property, plant and equipment	100	44
Cash inflow on acquisition	-	19,462
Net cash provided by (used for) investing activities	(5,898)	16,212
Cash flows from financing activities:		
Proceeds from (payments on) bank lines of credit	4,202	(3,173)
Proceeds from (payments on) debts and financial leases	(1,839)	(4,208)
Repurchase of Convertible Notes	(7,352)	-
Other financing activities	(45)	-
Net cash provided by (used for) financing activities	(5,034)	(7,381)
Net change in cash and cash equivalents	(28,243)	(1,656)
Effect of changes in exchange rates on cash and cash equivalents	3,210	(152)
Cash and cash equivalents at beginning of the period	73,125	74,008
Cash and cash equivalents at end of the period	48,092	72,200

The financial presentation has been prepared in accordance with IFRS, as adopted by the EU.

Condensed Interim Consolidated Statement of Changes in Equity
(for the six months ended June 30)

(euro in thousands, except share date)	Number of Ordinary Shares outstanding[1]	Issued capital	Share premium	Retained deficit	Accumulated other comprehensive income (loss) Note 8	Total attributable to equity holders of the parent	Non-controlling Interest	Total equity
Balance at January 1, 2010	33,728,517	30,693	181,026	(55,214)	(722)	155,783	493	156,276
Exchange rate changes for the period	-	-	-	-	14,132	14,132	97	14,229
Unrealized hedging results	-	-	-	-	(260)	(260)	-	(260)
Other comprehensive income:	-	-	-	-	13,872	13,872	97	13,969
Net income (loss)	-	-	-	12,674	-	12,674	126	12,800
Total comprehensive income for the period	-	-	-	12,674	13,872	26,546	223	26,769
Shares issued	400,000	364	-	-	-	364	-	364
Shares taken into treasury	-	-	(364)	-	-	(364)		(364)
Equity component convertible	-	-	(45)	-	-	(45)	-	(45)
Equity-settled share based payments expense	-	-	166	-	-	166	-	166
Balance at June 30, 2010 (unaudited)	34,128,517	31,057	180,783	(42,540)	13,150	182,450	716	183,166
Balance at January 1, 2009	33,728,517	30,693	176,420	(59,758)	(1,475)	145,880	404	146,284
Exchange rate changes for the period	-	-	-	-	(1,106)	(1,106)	(7)	(1,113)
Unrealized hedging results	-	-	-	-	(97)	(97)	-	(97)
Other comprehensive income:	-	-	-	-	(1,203)	(1,203)	(7)	(1,210)
Net income (loss)	-	-	-	22,084	-	22,084	40	22,124
Total comprehensive income for the period	-	-	-	22,084	(1,203)	20,881	33	20,914
Reissued treasury shares [2]	-	-	4,368	-	-	4,368	-	4,368
Equity-settled share based payments expense	-	-	455	-	-	455	-	455
Balance at June 30, 2009 (unaudited)	33,728,517	30,693	181,243	(37,674)	(2,678)	171,584	437	172,021

[1] The outstanding number of Ordinary Shares includes 196,616 treasury shares.
[2] Transfer of 2,800,000 registered Ordinary Shares to OC Oerlikon Corporation AG.

The financial presentation has been prepared in accordance with IFRS, as adopted by the EU.

Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

BE Semiconductor Industries N.V. ("Besi" or “the Company”) was incorporated in the Netherlands in May 1995 as the holding company for a worldwide business engaged in one line of business, the development, production, marketing and sales of back-end equipment for the semiconductor industry. Besi’s principal operations are in the Netherlands, Switzerland, Austria, Asia and the United States. Besi’s principal executive office is located at Ratio 6, 6921 RW, Duiven, the Netherlands.

2. Basis of preparation and accounting policies

Statement of Compliance
The condensed interim consolidated financial statements for the six months ended June 30, 2010 have been prepared in accordance with IAS 34 as adopted by the EU.

The accounting policies adopted are consistent with those applied in the IFRS consolidated financial statements for the year ended December 31, 2009. As of January 1, 2009 the Company applied IAS 1 (amended) which mainly effected the presentation in the "Consolidated statement of changes in equity" and in the "Consolidated statements of comprehensive income”.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Besi’s annual financial statements as at December 31, 2009.

Business Combinations
On April 1, 2009, the Company announced the closing of its acquisition of 100% of the shares of Oerlikon Assembly Equipment AG and certain assets and affiliates related thereto which comprise the Esec business unit from OC Oerlikon Corporation AG (“Oerlikon”). Based in Cham, Switzerland, Esec is a leading global manufacturer of die bonding and wire bonding equipment.

In the three months to June 30, 2009 the subsidiary contributed a net loss of € 2.0 million. If the acquisition had occurred on January 1, 2009, management estimates that consolidated revenue over the first half year would have been € 51.6 million and consolidated net income would have been € 10.2 million for the six months ended June 30, 2009.

As consideration for the acquisition, Besi transferred to Oerlikon 2.8 million of its ordinary shares held in treasury, representing 8.3% of its total shares outstanding. The total consideration for the purchase was approximately € 4.8 million (including acquisition costs related thereto) based on a closing price of € 1.56 per Besi share on the date of acquisition.

3. Segment information

The Company has changed its internal organizational structure and the management structure in 2009. The Company identifies four operating segments (Product Groups). Each Product Group is engaged in business activities from which it may earn revenues. Consequently, the Company has defined each Product Group as individual cash-generating unit. The four Product Groups are aggregated into a single reporting segment, the design, manufacturing, marketing and servicing of assembly equipment for the semiconductor’s back-end segment. Since the Company operates in one segment and in one group of similar products and services, all financial segment information can be found in the Consolidated Financial Statements.

4. Packaging restructuring

After a review of its packaging product portfolio, the Company decided at the end of 2009 to focus its efforts on products/applications with greater revenue and profit potential and, therefore, to discontinue the production of certain less profitable, older generation singulation, molding and trim and form systems in its Fico packaging equipment business. As of December 31, 2009 € 5.4 million of inventory write-downs and € 3.4 million related to the value of remaining lease obligations for excess production capacity associated with the realignment were recorded, of which € 1.5 million was released during the first half year 2010 due to unexpected sales of machines that were previously provided for. In the first half year 2010 an additional € 3.9 million restructuring charge was recorded, mainly related to severance.

5. Phase out Wire bonding

As a means of further improving returns from our product portfolio, we also took steps in the first half year 2010 to rationalize our wire bonding business to increase its long term structural profitability by emphasizing its service/upgrade revenue potential. Resulting from this rationalization we recorded an inventory provision of € 1.1 million and a restructuring provision in selling, general and administrative expenses of 1.0 million mainly related to severance and onerous contracts.

6. Repurchase Convertible Notes

During the first half year 2010 The Company repurchased approximately € 8.5 million of its 5.5% Convertible Notes due January 2012 ("the Notes) in an open market transaction through Morgan Stanley & Co. as agent. The Notes were purchased from an institutional investor at a net price of approximately € 7.4 million (88.0% of original principal amount). The Note repurchase resulted in a one-time pre-tax gain of approximately € 0.8 million in the first half year 2010.

7. Deferred tax asset

As per December 31, 2009, Esec Cham had Net Operating Losses amounting to € 103.4 million. Despite the fact that these losses stemming from the pre-acquisition period, the carry forward possibilities are still valid.

In assessing the recoverability upon acquisition a deferred tax asset of € 1.1 million in the opening balance as per April 1, 2009 was recognized.

As per June 30, 2010 the recoverability of the net operating losses of Esec AG has been assessed. Based on the current assessment, taking into account the recently improved market conditions during the first half year of 2010, management decided to increase the deferred tax asset for the net operating losses for the period up to June 30, 2010. The deferred tax asset with respect to Esec AG as per June 30, 2010 amounted to € 5.0 million.

8. Foreign currency translation adjustment

The foreign currency translation adjustments were primarily caused by the effect of the increase of the value of the Swiss Franc, the Malaysian Ringgit and the United States Dollar compared to the value of the European Euro on our investments in Esec Cham (effect of € 5.8 million), Besi Apac (€ 4.0 million) and Besi North America (€ 2.4 million) respectively.

To: The Board of Management and the Supervisory Board of BE Semiconductor Industries N.V.

Review report

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements for the six months period ended June 30, 2010, of BE Semiconductor Industries N.V., Amsterdam, as set out on pages 5 to 10, which comprises the condensed interim consolidated statement of financial position as at June 30, 2010, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of cash flows, condensed interim consolidated statement of changes in equity and the selected explanatory notes for the six months period then ended. The board of management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Dutch law including standard 2410, "Review of Interim Financial Information Performed by the Auditor of the Entity".

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements as at June 30, 2010 are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

Eindhoven, July 26, 2010

KPMG ACCOUNTANTS N.V.

M.J.A. Verhoeven RA