Transcript

Video interview with ASML CEO Christophe Fouquet and CFO Roger Dassen

Q1 2026 results

Hello and welcome to the ASML Q1 2026 results video. Welcome Christophe and Roger.

Roger, If I could start with you and ask you to give us a summary of our Q1 2026 results.

For the quarter, total net sales came in at €8.8 billion. That was within guidance. Included in the €8.8 billion was €2.5 billion for Installed Base revenue. That was a little bit above the guidance. If you look at the gross margin for Q1, 53%. That was at the high end of the gross margin that we guided. If you look at the Installed Base business, I just mentioned, the Installed Base business was higher than we anticipated. If you look at the components in the Installed Base business, there were components in there that actually come in at quite some strong gross margins. As a result of that, a pretty high gross margin 53%. Net income for the quarter €2.8 billion.

Q2 2026 guidance

Can you also provide us with guidance for Q2 2026?

For Q2 we expect €8.4 to €9 billion of total net sales. Included in there, again, €2.5 billion of Installed Base business. We expect the gross margin to be between 51% and 52%.

Market dynamics

Christophe, if I can switch to you. Can I ask you to give us an outlook on the market and how you're seeing things at the moment?

Well, I think we see that the semiconductor industry growth continues to solidify. This is still very much driven by investments in AI infrastructure. So, this translates into a lot of demand for advanced Memory, for advanced Logic. We expect in fact that the supply will not meet the demand for the foreseeable future. So, this is creating a strong constraint in the end markets from AI to mobile and PC. As a result our customers are strongly invited to create more capacity. So if we look at Memory, what our customers tell us is that they are sold out for 2026. And their supply constraints will last beyond 2026. For advanced Logic, we see our customers building capacity for several nodes, while they also continue to ramp 2 nm in order to address the AI products.

Then I guess it's fair to say a lot of those capacity additions are adding positively to our own outlook?

Well absolutely. We see our Memory and Logic customers increasing their capital expenditure and trying to accelerate basically their capacity ramp in 2026 and beyond. What's also very interesting is that a lot of this demand is supported by long-term commitment from their customers. On top of that, we see both Memory customers, DRAM customers and advanced Logic customers continuing to

increase their adoption of EUV, but also immersion. So this translates basically into higher litho-intensity and a higher litho demand for ASML. So we're going to continue to work very closely with our customers to increase our capacity. We are doing that in 2026. We will continue to do that in 2027.

Then maybe Roger just adding onto that. Can you provide a little bit more color and details on what we are actually going to do in terms of adding capacity to support market demand?
So I think Christophe said it right. We're very clearly working with our customers. Fully align with customers to give them what they need. That is in a combination of capacity in terms of new shipments. Making sure that the performance of systems is upgraded as best as we can, and also provide Installed Base products. So, in that combination we try to give customers what they need. Specifically when it comes to our own capacity. What we're looking at for this year, for 2026, we believe we can drive an output for this year of at least 60 systems for Low NA EUV. That's what we're currently driving.

Added to that, we're looking at DUV for 2026. As I mentioned a couple of months ago, when it comes to immersion DUV, we actually had a bit of a slow start because in the course of last year, we were looking at a significantly lower demand for immersion. That has now reversed itself. I would say in spite of that slow start, we're still, for this year, expecting to get pretty close to the immersion sales that we had last year, in terms of unit numbers. So that's for 2026.

When it comes to 2027 in terms of capability, we're increasing our move rate really quarter on quarter. When you look specifically at Low NA EUV, we expect that we're able to get to an output for 2027, again, if customer demand really underpins that, we think that we can get to at least 80 Low NA EUV units. We're also looking at having the non-EUV business being in line with what customers are asking for, for all of their nodes.

Full-year 2026 guidance
Specifically on 2026. Can you give us an update then on our own business for the full year?
So clearly 2026 is panning out very nicely. It's a very strong year. We're looking at a strong growth year. Based on all the customer dynamics that Christophe was talking about, we are actually narrowing the window, and also increasing the window of our expectation to €36 to €40 billion for this year.

If you look at the different moving parts, as we already expected EUV strong this year. So EUV in combination of Low NA EUV and High NA EUV; a strong year there. On the non-EUV business, previously we were expecting that to be flat in comparison to last year. Right now, what we're looking at is in fact an increase of demand there as well. So increased revenue on the non-EUV business is

what we're expecting. I already mentioned what we're doing on immersion, but also the dry business is doing quite nicely. Also the application business. So we believe, in contrast to where we were a couple of months ago, we're looking at an increase for the non-EUV business. When it comes to the Installed Base business, strong growth there. Because obviously it is a very fast way for our customers to increase their capacity to cater to the demand that Christophe was talking about.

I would say that, within the guidance that we provided, with the €36 to €40 billion, we believe we can accommodate potential outcomes of the export control discussions that are currently ongoing.

How about the gross margin for 2026?
For the gross margin, we maintain our expectation of 51% to 53%.

Technology update
Switching gears a bit to technology. Christophe, can you give us some insights and latest updates on how we're progressing with the technology and our roadmap?
We continue to execute very nicely on our technology roadmap. Every year, we use the SPIE conference to give a bit of an update to the entire world about what we have achieved. A few important news facts this year: the first one was our demonstration of the 1,000 Watt source. This is very important because it means that we can secure the extensibility of Low NA EUV for many, many years. It means in fact that 2031 we will be able to run this tool at 330 wafers per hour. Which is a major step up from what we have today.

Now the progress on EUV also has a good impact on the short term. We have been able to increase the throughput of our NXE:3800E from 220 to 230 wafers per hour. Which is also helping on the short term with capacity. Our customers are very happy to be able to get more wafers out on any tool. We are also increasing the specs of our next system the NXE:3800F to 260 wafers per hour. It used to be 250 wafers per hour. This will help us also with capacity around 2028.

Also at SPIE there were some updates on our High NA platform progress. Can you share a little there?
What was good about SPIE is that our customers start to talk about High NA. They reported a few things. The first thing is of course the fact that High NA can allow them to reduce the number of masks significantly. DRAM and Logic customers were talking about going from 3 to 1 mask for EUV using High NA. They also mentioned that this can reduce the number of process steps from 100 to 10. Which is of course significant. That's of course the reason why we have High NA.

We have seen also great progress on the ecosystem. Some good presentations with some of our resist partners, pointing to the fact that High NA can be extended when it comes to Logic to 18 nm line and space pitches. When it comes to Memory to 28 nm hole size. So it means basically that not only High NA is getting ready for prime time, but we already know that High NA can be extended mostly for 3 or 4 nodes. Which is of course very, very important for our customers.

Finally, maturity of the tool is important. We continue to see better availability data. More wafers per day, more wafers out. This is just, of course, becoming more and more important as we see our customers starting to test High NA on real products.

I'd like to thank you both for joining us today. Thanks very much. Pleasure.