

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **October 31, 2019**

**Axcelis Technologies, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**000-30941**  
(Commission  
File Number)

**34-1818596**  
(IRS Employer  
Identification No.)

**108 Cherry Hill Drive, Beverly, Massachusetts**  
(Address of principal executive offices)

**01915**  
(Zip Code)

Registrant's telephone number, including area code: **(978) 787-4000**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

| <u>Title of each class</u>                | <u>Trading Symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|---|--------------------------|--|
| Common Stock, par value \$0.001 per share | ACLS                     | NASDAQ Global Select Market                      |

**Item 2.02 Results of Operations and Financial Condition**

On October 31, 2019, Axcelis Technologies, Inc. (the “Company”) issued a press release regarding its financial results for its quarter ended September 30, 2019. The Company’s press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference herein.

**Item 9.01 Financial Statements and Exhibits.**

| <u>Exhibit No.</u> | <u>Description</u>  |
|--------------------|---|
| 99.1               | <a href="#">Press Release dated October 31, 2019. Filed herewith.</a> |

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 31, 2019

Axcelis Technologies, Inc.

By: /s/ KEVIN J. BREWER  
Kevin J. Brewer  
Executive Vice President  
and Chief Financial Officer



## News Release

### AXCELIS ANNOUNCES FINANCIAL RESULTS FOR THIRD QUARTER 2019

#### *Company Introduces Four New Purion Products During the Quarter*

BEVERLY, Mass. — Oct. 31, 2019—[Axcelis Technologies](#), Inc. (Nasdaq: ACLS) today announced financial results for the third quarter ended September 30, 2019.

The Company reported third quarter revenue of \$69.5 million, compared to \$74.3 million for the second quarter of 2019. Operating profit for the quarter was \$1.9 million, compared to \$2.0 million for the second quarter. Net income for the quarter was \$0.7 million, or \$0.02 per diluted share, compared to net income for the second quarter of \$0.6 million, or \$0.02 per diluted share. Gross margin for the quarter was 44%, compared to 42.7% in the second quarter. Cash, cash equivalents and restricted cash were \$162.2 million on September 30, 2019, compared to \$143.2 million on June 30, 2019.

President and CEO Mary Puma commented, “Axcelis is uniquely positioned to solve customers’ high value, high impact, ion implantation challenges. We’re excited about the recent launch of our new high current and high energy Purion products, which were developed to meet these challenges in emerging market segments, timed perfectly for the market recovery. These new products and our close partnerships with customers will allow us to grow and put us on a path to achieve our \$650M target business model.”

Executive Vice President and CFO Kevin Brewer noted, “I am very pleased with our third quarter financial performance. With in-line revenues and EPS, stronger gross margins, and tight cost controls, we were profitable for the quarter. We believe the quarter was the bottom of the cycle for Axcelis which means we have maintained through-cycle profitability for the first time as a public company. This is an indication of the many changes we have made to our business as we drive revenue growth and profitability.”

#### **Business Outlook**

For the fourth quarter ending December 31, 2019, Axcelis expects revenue to be in the range of \$92-100 million. Gross margin in the fourth quarter is expected to be approximately 38%. Fourth quarter operating profit is forecasted to be approximately \$6.0 million to \$9.0 million. Earnings per diluted share is expected to be in the range of \$0.14-0.20.

#### **Third Quarter 2019 Conference Call**

The Company will host a call to discuss the results for the third quarter 2019 on Friday, November 1, 2019 at

---

## News Release

8:30 am ET. The call will be available to interested listeners via an audio webcast that can be accessed through the Investors page of Axcelis' website at [www.axcelis.com](http://www.axcelis.com), or by dialing 866.588.8911 (707.294.1561 outside North America). Participants calling into the conference call will be requested to provide the company name, Axcelis Technologies, and Conference ID: 9627479. Webcast replays will be available for 30 days following the call.

### Safe Harbor Statement

This press release and the conference call contain forward-looking statements under the Private Securities Litigation Reform Act safe harbor provisions. These statements, which include our expectations for spending in our industry and guidance for future financial performance, are based on management's current expectations and should be viewed with caution. They are subject to various risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements, many of which are outside the control of the Company, including that customer decisions to place orders or our product shipments may not occur when we expect, that orders may not be converted to revenue in any particular quarter, or at all, whether demand will continue for the semiconductor equipment we produce or, if not, whether we can successfully meet changing market requirements, and whether we will be able to maintain continuity of business relationships with and purchases by major customers. Increased competitive pressure on sales and pricing, increases in material and other production costs that cannot be recouped in product pricing and instability caused by changing global economic, political or financial conditions could also cause actual results to differ materially from those in our forward-looking statements. These risks and other risk factors relating to Axcelis are described more fully in the most recent Form 10-K filed by Axcelis and in other documents filed from time to time with the Securities and Exchange Commission.

### About Axcelis:

Axcelis (Nasdaq: ACLS), headquartered in Beverly, Mass., has been providing innovative, high-productivity solutions for the semiconductor industry for over 40 years. Axcelis is dedicated to developing enabling process applications through the design, manufacture and complete life cycle support of ion implantation systems, one of the most critical and enabling steps in the IC manufacturing process. Learn more about Axcelis at [www.axcelis.com](http://www.axcelis.com).

### Company Contacts

#### Investor Relations:

Doug Lawson  
978.787.9552

#### Editorial/Media:

Maureen Hart  
978.787.4266

---

**Axcelis Technologies, Inc.**  
**Consolidated Statements of Operations**  
(In thousands, except per share amounts)  
(Unaudited)

|   | Three months ended<br>September 30, |                 | Nine months ended<br>September 30, |                  |
|---|-------------------------------------|-----------------|------------------------------------|------------------|
|   | 2019                                | 2018            | 2019                               | 2018             |
| <b>Revenue:</b>                                       |                                     |                 |                                    |                  |
| Product   | \$ 64,290                           | \$ 88,496       | \$ 217,201                         | \$ 317,039       |
| Services  | 5,163                               | 6,878           | 18,034                             | 19,853           |
| Total revenue   | <u>69,453</u>                       | <u>95,374</u>   | <u>235,235</u>                     | <u>336,892</u>   |
| <b>Cost of revenue:</b>                               |                                     |                 |                                    |                  |
| Product   | 33,587                              | 49,136          | 118,105                            | 181,423          |
| Services  | 5,285                               | 6,325           | 17,294                             | 19,400           |
| Total cost of revenue                                 | <u>38,872</u>                       | <u>55,461</u>   | <u>135,399</u>                     | <u>200,823</u>   |
| <b>Gross profit</b>                                   | <u>30,581</u>                       | <u>39,913</u>   | <u>99,836</u>                      | <u>136,069</u>   |
| <b>Operating expenses:</b>                            |                                     |                 |                                    |                  |
| Research and development                              | 12,930                              | 12,845          | 40,335                             | 37,631           |
| Sales and marketing                                   | 8,057                               | 7,923           | 25,411                             | 25,246           |
| General and administrative                            | 7,707                               | 8,477           | 23,097                             | 24,755           |
| Total operating expenses                              | <u>28,694</u>                       | <u>29,245</u>   | <u>88,843</u>                      | <u>87,632</u>    |
| <b>Income from operations</b>                         | <u>1,887</u>                        | <u>10,668</u>   | <u>10,993</u>                      | <u>48,437</u>    |
| <b>Other (expense) income:</b>                        |                                     |                 |                                    |                  |
| Interest income                                       | 687                                 | 593             | 2,373                              | 1,518            |
| Interest expense                                      | (1,308)                             | (1,323)         | (3,849)                            | (3,787)          |
| Other, net  | (890)                               | (592)           | (1,252)                            | (1,710)          |
| Total other expense                                   | <u>(1,511)</u>                      | <u>(1,322)</u>  | <u>(2,728)</u>                     | <u>(3,979)</u>   |
| <b>Income before income taxes</b>                     | <u>376</u>                          | <u>9,346</u>    | <u>8,265</u>                       | <u>44,458</u>    |
| <b>Income tax (benefit) provision</b>                 | <u>(328)</u>                        | <u>508</u>      | <u>943</u>                         | <u>7,036</u>     |
| <b>Net income</b>                                     | <u>\$ 704</u>                       | <u>\$ 8,838</u> | <u>\$ 7,322</u>                    | <u>\$ 37,422</u> |
| <b>Net income per share:</b>                          |                                     |                 |                                    |                  |
| Basic   | <u>\$ 0.02</u>                      | <u>\$ 0.27</u>  | <u>\$ 0.22</u>                     | <u>\$ 1.16</u>   |
| Diluted   | <u>\$ 0.02</u>                      | <u>\$ 0.26</u>  | <u>\$ 0.22</u>                     | <u>\$ 1.10</u>   |
| <b>Shares used in computing net income per share:</b> |                                     |                 |                                    |                  |
| Basic weighted average common shares                  | <u>32,344</u>                       | <u>32,365</u>   | <u>32,584</u>                      | <u>32,225</u>    |
| Diluted weighted average common shares                | <u>33,323</u>                       | <u>33,973</u>   | <u>33,821</u>                      | <u>34,032</u>    |

Axcelis Technologies, Inc.  
Consolidated Balance Sheets  
(In thousands, except per share amounts)  
(Unaudited)

|  | September 30,<br>2019 | December 31,<br>2018 |
|--|-----------------------|----------------------|
| <b>ASSETS</b>  |                       |                      |
| Current assets:  |                       |                      |
| Cash and cash equivalents  | \$ 155,317            | \$ 177,993           |
| Short-term restricted cash   | 149                   | —                    |
| Accounts receivable, net   | 49,046                | 78,727               |
| Inventories, net   | 138,353               | 129,000              |
| Prepaid expenses and other current assets  | 11,050                | 11,051               |
| Total current assets   | <u>353,915</u>        | <u>396,771</u>       |
| Property, plant and equipment, net   | 25,130                | 41,149               |
| Operating lease assets   | 6,175                 | —                    |
| Finance lease assets, net  | 22,231                | —                    |
| Long-term restricted cash  | 6,707                 | 6,909                |
| Deferred income taxes  | 71,121                | 71,939               |
| Other assets   | 45,198                | 31,673               |
| Total assets   | <u>\$ 530,477</u>     | <u>\$ 548,441</u>    |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>  |                       |                      |
| Current liabilities:   |                       |                      |
| Accounts payable   | \$ 21,320             | \$ 35,955            |
| Accrued compensation   | 6,961                 | 19,218               |
| Warranty   | 3,251                 | 4,819                |
| Income taxes   | 269                   | 462                  |
| Deferred revenue   | 23,300                | 19,513               |
| Current portion of long-term debt  | 252                   | —                    |
| Other current liabilities  | 7,674                 | 5,030                |
| Total current liabilities  | <u>63,027</u>         | <u>84,997</u>        |
| Finance lease obligation   | 48,297                | 47,757               |
| Long-term deferred revenue   | 4,141                 | 3,071                |
| Other long-term liabilities  | 7,165                 | 4,279                |
| Total liabilities  | <u>122,630</u>        | <u>140,104</u>       |
| Commitments and contingencies  |                       |                      |
| Stockholders' equity:  |                       |                      |
| Common stock, \$0.001 par value, 75,000 shares authorized; 32,397 shares issued and outstanding at September 30, 2019; 32,558 shares issued and outstanding at December 31, 2018 | 32                    | 33                   |
| Additional paid-in capital   | 559,063               | 565,116              |
| Accumulated deficit  | (149,938)             | (157,260)            |
| Accumulated other comprehensive (loss) income  | (1,310)               | 448                  |
| Total stockholders' equity   | <u>407,847</u>        | <u>408,337</u>       |
| Total liabilities and stockholders' equity   | <u>\$ 530,477</u>     | <u>\$ 548,441</u>    |