

**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): **May 4, 2017**

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:

- 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) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2).

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.

Item 2.02 Results of Operations and Financial Condition

On May 4, 2017, Axcelis Technologies, Inc. (the "Company") issued a press release regarding its financial results for the quarter ended March 31, 2017. 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 | Press Release dated May 4, 2017. Filed herewith. |

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: May 4, 2017

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 FIRST QUARTER 2017

Company Reports Significant Increases in Revenue & Operating Profit; Ships 100th Purion System

BEVERLY, Mass. — May 4, 2017—Axcelis Technologies, Inc. (Nasdaq: ACLS) today announced financial results for the first quarter ended March 31, 2017.

The Company reported first quarter revenue of \$86.9 million, compared to \$69.4 million for the fourth quarter of 2016. Operating profit for the quarter was \$10.7 million, compared to \$5.9 million for the fourth quarter. Net income for the quarter was \$9.5 million, or \$0.29 per share. Net income for the fourth quarter of 2016 was \$4.0 million, or \$0.13 per share. Total cash was \$76.2 million at March 31, 2017, compared to \$77.7 million on December 31, 2016.

President and CEO Mary Puma commented, “The industry is in a period of strong growth, driven by the thriving IoT and data storage markets. Today we shipped our 100th Purion system, demonstrating the continuing adoption of Purion products based on the innovative technology differentiation they offer customers. The Purion platform is well positioned to capitalize on the strength of this market.”

“I am very pleased with our financial performance in the first quarter. We exceeded guidance and consensus estimates across the board,” said Chief Financial Officer and Executive Vice President Kevin Brewer. “Our gross margin initiatives continue to deliver results and this quarter we demonstrated that Axcelis can generate 40% gross margins.”

Business Outlook

For the second quarter ending June 30, 2017, Axcelis expects revenues of approximately \$100 million. Gross margin in the second quarter is expected to be approximately 38%. Second quarter operating profit is forecasted to be approximately \$12-13 million with earnings per share of \$0.30-0.35. Total cash for the quarter is also expected to be around \$100 million.

First Quarter 2017 Conference Call

The Company will host a conference call today at 5:00 pm ET to discuss the Company’s results for the first quarter of 2017. The call will be available to interested listeners via an audio webcast on the Investors page of Axcelis’ website at 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 pass code: 97405648. 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 SEC safe harbor provisions. These statements, which include our expectations for increased 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, many of which are outside the control of the Company, including the timing of orders and shipments, the conversion of orders to revenue in any particular quarter, or at all, the continuing demand for semiconductor equipment, relative market growth, continuity of business relationships with and purchases by major customers, competitive pressure on sales and pricing, increases in material and other production costs that cannot be recouped in product pricing and global economic, political and financial conditions. 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 35 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.

Company Contacts

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| | Three months ended March 31, | |
|---|------------------------------|-----------------|
| | 2017 | 2016 |
| Revenue: | | |
| Product | \$ 81,978 | \$ 62,175 |
| Services | 4,915 | 5,346 |
| Total revenue | <u>86,893</u> | <u>67,521</u> |
| Cost of Revenue: | | |
| Product | 46,797 | 40,263 |
| Services | 5,382 | 3,842 |
| Total cost of revenue | <u>52,179</u> | <u>44,105</u> |
| Gross profit | 34,714 | 23,416 |
| Operating expenses: | | |
| Research and development | 9,895 | 8,636 |
| Sales and marketing | 7,049 | 5,960 |
| General and administrative | 7,057 | 6,042 |
| Restructuring charges | — | 282 |
| Total operating expenses | <u>24,001</u> | <u>20,920</u> |
| Income from operations | 10,713 | 2,496 |
| Other (expense) income: | | |
| Interest income | 69 | 54 |
| Interest expense | (1,111) | (1,047) |
| Other, net | (154) | (59) |
| Total other expense | <u>(1,196)</u> | <u>(1,052)</u> |
| Income before income taxes | 9,517 | 1,444 |
| Income tax provision (benefit) | 11 | (504) |
| Net income | <u>\$ 9,506</u> | <u>\$ 1,948</u> |
| Net income per share: | | |
| Basic | <u>\$ 0.32</u> | <u>\$ 0.07</u> |
| Diluted | <u>\$ 0.29</u> | <u>\$ 0.06</u> |
| Shares used in computing net income per share: | | |
| Basic weighted average common shares | <u>29,772</u> | <u>29,038</u> |
| Diluted weighted average common shares | <u>32,255</u> | <u>30,520</u> |

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

| | March 31, 2017 | December 31, 2016 |
|---|-------------------|----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 69,429 | \$ 70,791 |
| Accounts receivable, net | 67,083 | 50,573 |
| Inventories, net | 115,635 | 113,853 |
| Prepaid expenses and other assets | 32,182 | 29,310 |
| Property, plant and equipment, net | 31,486 | 30,840 |
| Restricted cash | 6,792 | 6,864 |
| Total assets | <u>\$ 322,607</u> | <u>\$ 302,231</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Accounts payable | \$ 26,426 | \$ 24,996 |
| Accrued compensation | 5,920 | 5,142 |
| Warranty | 3,124 | 2,668 |
| Income taxes | 252 | 240 |
| Deferred revenue | 13,121 | 11,009 |
| Sale leaseback obligation | 47,681 | 47,586 |
| Other liabilities | 9,840 | 9,135 |
| Total liabilities | <u>106,364</u> | <u>100,776</u> |
| Commitments and contingencies | | |

Stockholders' equity:

| | | |
|--|-------------------|-------------------|
| Preferred stock, \$0.001 par value, 30,000 shares authorized; none issued or outstanding | — | — |
| Common stock, \$0.001 par value, 75,000 shares authorized; 29,995 shares issued and outstanding at March 31, 2017; 29,518 shares issued and outstanding at December 31, 2016 | 30 | 30 |
| Additional paid-in capital | 538,747 | 535,408 |
| Accumulated deficit | (322,198) | (331,704) |
| Accumulated other comprehensive loss | (336) | (2,279) |
| Total stockholders' equity | <u>216,243</u> | <u>201,455</u> |
| Total liabilities and stockholders' equity | <u>\$ 322,607</u> | <u>\$ 302,231</u> |
