

Founded in 1951
Incorporated in 1956

Publicly Traded since 1961
Total Employees: 3,299

Executive Officers:

Fusen E. Chen	President & CEO
Jonathan H. Chou	EVP, CFO & CIO
Lester Wong	SVP Legal Affairs and General Counsel
Hoang Huy Hoang	SVP Sales & After-Market Products & Services
Irene Lee	SVP Global Operations & CQO
Chan Pin Chong	SVP AP, Wedge Bonder & Consumable Tools BL's
Deepak Sood	VP Global Engineering
Nelson Wong	VP Ball Bonder BL

Facilities:

Global HQ Facility	Singapore
Manufacturing & R&D Facilities	Singapore Fort Washington, PA Suzhou, China Santa Ana, CA Yokneam Elite, Israel Berg, Switzerland Eindhoven, Netherlands

Top 10 Customers FY 2016 (*distributor):

Haoseng Industrial Co., Ltd. *
 Siliconware Precision Industries, Ltd.
 Advanced Semiconductor Engineering
 STATS Chippac, Ltd.
 Powertech Technology, Inc.
 Amkor Technology, Inc.
 Orient Semiconductor Electronics, Ltd.
 First Technology China, Ltd. *
 Samsung
 Tesla Motors

NASDAQ Symbol: KLIC

Transfer Agent: **American Stock Transfer & Trust Company**
 Phone: 800-937-5449
 Weighted Avg. Diluted Shares: 72.5 Million

Investor Contact:

Investor Relations:
 Phone: 215-784-7500
 Fax: 215-784-6180
 Email: investor@kns.com
 Website: www.investor.kns.com

Electronic copies of the 2016 Annual Report and 2017 Proxy Statement are available online at: <http://investor.kns.com/annuals.cfm>

Research Analysts:

Bank of America/ Merrill Lynch	Krish Sankar	San Francisco
DA Davidson	Thomas Duffely	Lake Oswego
B. RILEY	Craig Ellis	Los Angeles
Value Investment Principals	Sandy Mehta	Hong Kong
Singular Research	Greg Eisen	Los Angeles

Business Description:

Kulicke & Soffa (NASDAQ: KLIC) is a leading provider of semiconductor packaging and electronic assembly solutions supporting the global automotive, consumer, communications, computing, and industrial segments. As a pioneer in the semiconductor space, K&S has provided customers with market leading packaging solutions for decades. In recent years, K&S has expanded its product offerings through strategic acquisitions and organic development, adding advanced packaging, electronics assembly, wedge bonding and a broader range of expendable tools to its core offerings. Combined with its extensive expertise in process technology and focus on development, K&S is well positioned to help customers meet the challenges of packaging and assembling the next-generation of electronic devices. (www.kns.com)

FINANCIAL HIGHLIGHTS

Fiscal Year (in thousands, except per share amounts)	2012	2013	2014	2015	2016
STATEMENT OF OPERATIONS DATA:					
Net revenue	\$ 791,023	\$ 534,938	\$ 568,569	\$ 536,471	\$ 627,192
Research and development	63,446	61,620	83,056	90,033	92,374
Other operating expenses	124,718	119,519	113,514	131,808	141,816
Other income (expense)	(4,975)	862	149	454	2,211
Income (loss) from continuing operations after income tax	\$ 160,580	\$ 59,358	\$ 62,988	\$ 50,639	\$ 47,112
Income (loss) per share from continuing operations, basic	\$2.17	\$0.79	\$0.82	\$ 0.67	\$ 0.67
Income (loss) per share from continuing operations, diluted	\$2.13	\$0.78	\$0.81	\$ 0.67	\$ 0.67
BALANCE SHEET DATA:					
Working capital excluding discontinued operations	\$ 589,947	\$ 676,986	\$ 756,340	\$ 633,435	\$ 662,345
Property, plant and equipment, net	28,441	47,541	52,755	53,234	50,342
Total assets excluding discontinued operations	815,609	862,994	944,448	904,466	982,444
Long-term debt and current portion of long-term debt	—	—	—	—	—
Shareholders' equity	\$ 643,667	\$ 716,665	\$ 789,242	\$ 771,891	\$ 806,518
OTHER SELECTED DATA:					
Capital expenditures	\$ 6,902	\$ 17,172	\$ 12,401	\$ 9,519	\$ 6,301
Depreciation and amortization expense	\$ 17,265	\$ 18,489	\$ 13,520	\$ 18,972	\$ 16,230

Notes: The financial data presented above should be read in conjunction with the consolidated financial statements, related notes and other financial information included and incorporated by reference herein. See Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Item 8. "Financial Statements and Supplementary Data" of our Annual Report on Form 10-K for the fiscal year ended October 1, 2016 included herein.

In addition to historical information, this report, including the letter to shareholders, contains statements relating to future events or our future results. These statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and are subject to the safe harbor provisions created by these statutes. See Item 1A. "Risks Related to Our Business and Industry" and Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the fiscal year ended October 1, 2016 for a discussion of important factors that could cause actual results to differ significantly from those expressed or implied by forward-looking statements contained in this report.