

Kulicke & Soffa Lowers Fourth Quarter Revenue Outlook

SINGAPORE--(BUSINESS WIRE)-- Kulicke & Soffa Industries, Inc. (NASDAQ: KLIC) ("Kulicke & Soffa", "K&S" or the "Company"), a global leader in the design and manufacture of semiconductor, LED and electronic assembly equipment, today announced its fourth fiscal quarter revenue is expected to be below the company's previously reported outlook due to broad-based industry softness. The Company now expects fourth quarter revenue to be in the \$100 to \$110 million range, compared to the previously expected \$135 to \$145 million range.

The industry has continued to experience high inventory levels and low equipment utilization rates. The Company believes this softer industry environment is largely driven by reduced demand within consumer and communication segments such as PCs, tablets and smartphones. This lower end market demand is anticipated to limit near-term semiconductor unit growth and decrease the industry's immediate need for incremental production equipment.

The Company will continue to be vigilant in reviewing its cost structure and has initiated measures to address the current market situation, including execution of near-term operational improvements. The Company expects to continue to return capital to shareholders through its existing repurchase program. Additional details on the progress of these initiatives will be provided during the Company's fourth fiscal quarter results conference call scheduled on Nov 17, 2015.

"K&S has a long and proven track record of reacting quickly to the industry's cyclicality and is well prepared to handle the current market environment," stated Bruno Guilmar, Kulicke & Soffa's President and Chief Executive Officer. "Our flexible manufacturing model and our focus on cost containment continue to be critical in enabling this resilience. Additionally, our efforts to expand market reach into the higher growth advanced packaging segment, are anticipated to drive sustainable and fundamental through-cycle performance enhancements in the long-term."

Despite this revised outlook, K&S continues to anticipate a favorable tax benefit of approximately \$20 million to be recognized in its fourth fiscal quarter.

About Kulicke & Soffa

Kulicke & Soffa (NASDAQ: KLIC) is a global leader in the design and manufacture of semiconductor, LED and electronic assembly equipment. As a pioneer in this industry, 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, advanced SMT, wedge bonding and a broader range of expendable tools to its core ball bonding products. Combined with its extensive expertise in process technology, K&S is well positioned to help customers meet the challenges of assembling the next-generation semiconductor and LED devices. (www.kns.com)

Caution Concerning Results and Forward Looking Statements

In addition to historical statements, this press release contains statements relating to future events and our future results. These statements are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995, and include, but are not limited to, statements that relate to our future revenue, changes in demand for our products, our ability to identify and realize new growth opportunities and our ability to control costs. While these forward-looking statements represent our judgments and future expectations concerning our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to: the risk that customer orders already received may be postponed or canceled, generally without charges; the risk that anticipated customer orders may not materialize; the risk that our suppliers may not be able to meet our demands on a timely basis; the volatility in the demand for semiconductors and our products and services; volatile global economic conditions, which could result in, among other things, sharply lower demand for products containing semiconductors and for the Company's products, and disruption of capital and credit markets; the risk of failure to successfully manage our operations; acts of terrorism and violence; risks, such as changes in trade regulations, currency fluctuations, political instability and war, which may be associated with a substantial non-U.S. customer and supplier base and substantial non-U.S. manufacturing operations; and the factors listed or discussed in Kulicke and Soffa Industries, Inc. 2014 Annual Report on Form 10-K and our other filings with the Securities and Exchange Commission. Kulicke and Soffa Industries, Inc. is under no obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

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