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FOR IMMEDIATE RELEASE

**ASM INTERNATIONAL REPORTS
2004 THIRD QUARTER OPERATING RESULTS**

- *Third quarter net sales in the Front-end segment slightly higher than in the second quarter; Book-to-bill ratio exceeded 1.*
- *Third quarter net sales and bookings in the Back-end segment lower than in the second quarter due to the earlier announced slow-down in the Assembly & Packaging industry.*
- *Third quarter consolidated net sales of € 183.8 million, up 24.7% from the third quarter of 2003 and down 13.3% from net sales of the previous quarter;*
- *Third quarter net earnings of € 3.7 million or € 0.07 diluted net earnings per share compared to a net loss of € (9.7) million or € (0.20) diluted net loss per share for the third quarter of 2003 and net earnings of € 4.4 million or € 0.08 diluted net earnings per share for the second quarter of 2004;*
- *Third quarter bookings of € 157.1 million, an increase of 20.1% compared to € 130.8 million in the third quarter of 2003 and a decrease of 32.3% compared to € 232.1 million in the second quarter of 2004; Third quarter book-to-bill ratio of 0.86.*
- *Nine months bookings of € 614.9 million, an increase of 56.7% compared to € 392.5 million for the nine months in 2003;*
- *Quarter-end backlog of € 222.3 million, down 10.7% from the previous quarter.*

BILTHOVEN, THE NETHERLANDS, October 29, 2004 --- **ASM International N.V.** (NASDAQ: ASMI and Euronext Amsterdam: ASM) reported today the operating results for the third quarter of 2004. Net earnings for the third quarter of 2004 amounted to € 3.7 million, or € 0.07 diluted net earnings per share compared to a net loss of € (9.7) million or € (0.20) diluted net loss per share for the third quarter of 2003.

For the nine months ended September 30, 2004 net earnings amounted to € 22.6 million or € 0.44 diluted net earnings per share compared to a net loss of € (25.9) million or € (0.52) diluted net loss per share for the same period in 2003.

Sales levels for the third quarter of 2004 in the Company's Front-end segment were slightly better than in the second quarter of 2004, while in the Company's Back-end segment sales were at a lower level compared to sales levels in the second quarter of 2004.

The order intake slowed down in the third quarter of 2004, in particular in the Back-end segment. The order intake in the Front-end segment continued to be strong with more new orders than net sales recorded in this quarter.

The consolidated financial statements include the operations of our 100% subsidiary ASM NuTool, Inc. (NuTool) as from June 2, 2004 and our 100% subsidiary Genitech Ltd. (Genitech) as from August 5, 2004.

The following table shows the operating performance for the third quarter of 2004 as compared to the second quarter of 2004 and the third quarter of 2003 and the percentage change for the third quarter of 2004 compared to the second quarter of 2004 and the third quarter of 2003:

(euro millions)					
				% Change Q3 2004 to Q2 2004	% Change Q3 2004 to Q3 2003
	Q3 2003	Q2 2004	Q3 2004		
Net sales	147.4	211.9	183.8	(13.3)%	24.7%
Gross profit	48.7	73.7	71.0	(3.7)%	45.9%
<i>Gross profit margin %</i>	33.0%	34.8%	38.6%	3.8 % ⁽¹⁾	5.6 % ⁽¹⁾
Selling, general and administrative expenses	(26.9)	(29.1)	(28.0)	(3.7)%	4.2%
Research and development expenses	(18.8)	(23.1)	(22.1)	(4.3)%	17.6%
Amortization of intangibles	-	(0.5)	(0.5)	(3.0)%	-
Earnings (loss) from operations	2.9	21.0	20.3	(3.2)%	592.9%
Net earnings (loss)	(9.7)	4.4	3.7	(15.3)%	na
New orders	130.8	232.1	157.1	(32.3)%	20.1%
Backlog at end of period	117.1	248.9	222.3	(10.7)%	89.8%

(1) Percentage point change

Nine Months Performance

Net sales for the nine months ended September 30, 2004 amounted to € 591.6 million, an increase of 41.4% compared to € 418.3 million in the same period in 2003.

Our consolidated net sales expressed in euro were negatively impacted by the strong euro against the Japanese yen, the US dollar and US dollar related currencies. The decline in exchange rates for the first nine months of 2004 compared to the same period in 2003 impacted our sales negatively by 7.3%.

For the nine months, net earnings amounted to € 22.6 million, or € 0.44 diluted net earnings per share compared to a net loss of € (25.0) million or € (0.52) diluted net loss per share for the same period in 2003.

For the nine months ended September 30, 2004 the total of new orders booked amounted to € 614.9 million compared to € 392.5 million in the same period of 2003, an increase of 56.7%.

Operations

Gross profit in the third quarter of 2004 amounted to 38.6% of net sales, 3.8 percentage points above the gross profit margin of 34.8% of net sales in the second quarter of 2004, and 5.6 percentage points above the gross margin of 33.0% for the third quarter of 2003. The gross profit margin percentage in the third quarter of 2004 compared to the second quarter of 2004 improved in both the Front-end and the Back-end segment. In the second quarter of 2004 the gross profit margin percentage was negatively impacted by one-time charges in the Back-end segment.

The gross profit margin for the first nine months of 2004 amounted to 38.2%, an increase of 5.6 percentage points compared to the 32.6% gross profit margin for the same period in 2003. The increase is mainly the result of the overall growth in sales volumes and the related increased utilization of the Company's manufacturing capacity and, to a lesser extent, changes in product mix. The one-time charges in the second quarter of 2004 in the Back-end segment contributed negatively.

Selling, general and administrative expenses increased 4.2% from € 26.9 million in the third quarter of 2003 to € 28.0 million in the third quarter of 2004 and decreased 3.7% from the € 29.1 million in the second quarter of 2004. Selling, general and administrative expenses were € 82.1 million in the nine months ended September 30, 2004 compared to € 75.2 million in the same period of 2003. The increase is mainly the result of growing activities and the need to further invest in the service organization of our Front-end segment.

As a percentage of net sales, selling, general and administrative expenses were 13.9% in the nine months ended September 30, 2004 compared to 18.0% in the same period of 2003.

Research and development expenses increased from € 18.8 million or 12.8% of net sales in the third quarter of 2003 to € 22.1 million or 12.0% of net sales in the third quarter of 2004, and were 4.3% below the € 23.1 million in research and development expenses in the second quarter of 2004. For the nine months ended September 30, 2004 research and development expenses increased 9.2% from € 57.4 million in the nine months ended September 30, 2003 to € 62.7 million in the first three quarters of 2004, and decreased as a percentage of net sales from 13.7% to 10.6%.

Amortization of purchased technology and other intangible assets was € 0.5 million in the third quarter of 2004 and € 1.0 million in the first nine months of 2004. The amortization relates to the amortization of purchased technology and intangible assets from the acquisition of NuTool on June 2, 2004 and Genitech on August 5, 2004. The amortization expense for the nine months ended September 30, 2004 includes € 0.5 million for purchased In-Process Research and Development, which amount has been expensed in full.

Earnings from operations amounted to earnings of € 20.3 million for the third quarter of 2004 compared to € 2.9 million for the same period in 2003 and € 21.0 million in the second quarter of 2004. For the nine months ended September 30, 2004 earnings from operations were € 80.0 million compared to € 3.7 million in the same period of 2003.

Net earnings (loss) were € 3.7 million for the three months ended September 30, 2004 compared to a net loss of € (9.7) million for the three months ended September 30, 2003. The net earnings for the nine months ended September 30, 2004 amounted to € 22.6 million compared to a net loss of € (25.9) million in the same period of 2003. The improved net earnings reflect the improved sales and operating performance levels, in both our Front-end and Back-end segments.

Bookings and backlog

New orders received in the third quarter of 2004 were € 157.1 million, 32.3% lower than the strong order intake of € 232.1 million in the second quarter of 2004. For the third quarter of 2004 the level of new orders divided by the net sales for the quarter (book-to-bill

ratio) was 0.86. The order intake in the Front-end segment continued to be strong with more new orders than net sales recorded in the third quarter of 2004, while the order intake in the Back-end segment weakened.

The backlog at the end of September 2004 amounted to € 222.3 million, a decrease of 10.7% compared to € 248.9 million at June 30, 2004.

Liquidity and capital resources

Net cash provided by operations and investing activities for the third quarter of 2004 was € 0.9 million as compared to € 14.6 million in cash provided by operating and investing activities for the third quarter of 2003. For the nine months ended September 30, 2004 net cash provided by operating and investing activities was € 32.9 million compared to € 6.7 million in the same period of 2003.

Net working capital, consisting of accounts receivable, inventories, other current assets, accounts payable, accrued expenses, advance payments from customers and deferred revenue, increased from € 154.4 million at December 31, 2003 to € 178.0 million at September 30, 2004. The increase is primarily the result of increased sales levels and manufacturing activity. The number of outstanding days of working capital, measured based on quarterly sales, increased from 85 days at December 31, 2003 to 87 days at September 30, 2004.

At September 30, 2004, the Company's principal sources of liquidity consisted of € 157.7 million in cash and cash equivalents, of which € 83.5 million was available for the Company's Front-end segment and € 74.2 million was restricted for use in the Company's Back-end segment. In addition the Company also had € 59.2 million in undrawn bank facilities, of which € 35.0 million was restricted for use in the Back-end segment and € 23.1 million was available for use in the Front-end operations in Japan.

Outlook

The Company expects net sales in the Front-end segment to increase during the fourth quarter of 2004. In the Back-end segment, where the order intake has already weakened, net sales are expected to be lower. On the consolidated level, net sales and net results in the fourth quarter of 2004 are expected to be at a lower level when compared to the third quarter of 2004. In case the semiconductor market weakens, this may lead to push-outs of deliveries, currently scheduled for the fourth quarter of 2004, which would impact our sales and net results.

The current backlog, the Company's leading technology position and the appreciation by our customers of the solutions offered by the Company today make us optimistic for the level of sales in the upcoming year 2005, in particular in the Front-end segment even in today's uncertain market conditions. In 2005 we will also see the first contribution of the Company's Front-end manufacturing facility in Singapore that will bring us cost-effectiveness and strengthen our gross profit margins. Based on the above, and barring unforeseen circumstances, we reconfirm our earlier statement that we expect the Front-end segment to achieve positive earnings from operations in 2005.

ASM INTERNATIONAL CONFERENCE CALL

ASM International will host an investor conference call and web cast on

Monday, November 1, 2004 at

9:00 a.m. US Eastern time

15:00 p.m. Continental European time.

The teleconference dial-in numbers are as follows:

United States: +1 800.299.7098

International: +1 617.801.9715

The participation pass code is 396 47 084

A simultaneous audio web cast will be accessible at www.asm.com and www.fulldisclosure.com.

The teleconference will be available for replay beginning one hour after completion of the live broadcast through November 8, 2004. The replay dial-in numbers are:

United States: +1 888.286.8010

International: +1 617.801.6888

The participation pass code is 780 14 361

About ASM

ASM International N.V., headquartered in Bilthoven, the Netherlands, is a global company servicing one of the most important and demanding industries in the world. The Company possesses a strong technology base, state-of-the-art manufacturing facilities, a competent and qualified workforce and a highly trained, strategically distributed support network. ASM International and its subsidiaries design and manufacture equipment and materials used to produce semiconductor devices. ASM International and its subsidiaries provide production solutions for wafer processing (Front-end segment) as well as assembly and packaging (Back-end segment) through facilities in the United States, Europe, Japan and Asia. ASM International's common stock trades on Nasdaq (symbol ASMI) and the Euronext Amsterdam Stock Exchange (symbol ASM). For more information, visit ASMI's website at <http://www.asm.com>.

Safe Harbor Statement under the U.S. Private Securities Litigation Reform Act of 1995: All matters discussed in this statement, except for any historical data, are forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. These include, but are not limited to, economic conditions and trends in the semiconductor industry, currency fluctuations, the timing of significant orders, market acceptance of new products, competitive factors, litigation involving intellectual property, shareholder and other issues, commercial and economic disruption due to terrorist activity, armed conflict or political instability and other risks indicated in the Company's filings from time to time with the U.S. Securities and Exchange Commission, including, but not limited to, the Company's report on Form 20-F for the year ended December 31, 2003.

ASM INTERNATIONAL N.V.
CONSOLIDATED STATEMENTS OF OPERATIONS

(thousands except per share data)	in Euro			
	Three months ended September 30,		Nine months ended September 30,	
	2003	2004	2003	2004
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net sales	147,405	183,788	418,274	591,605
Cost of sales	(98,747)	(112,805)	(281,906)	(365,786)
Gross profit	48,658	70,983	136,368	225,819
Operating expenses:				
Selling, general and administrative	(26,924)	(28,047)	(75,248)	(82,117)
Research and development	(18,798)	(22,103)	(57,404)	(62,692)
Amortization of purchased technology and other intangible assets	-	(488)	-	(991)
Total operating expenses	(45,722)	(50,638)	(132,652)	(145,800)
Earnings from operations	2,936	20,345	3,716	80,019
Loss on equity investments	(501)	-	(2,139)	(417)
Net interest expense	(2,867)	(2,187)	(7,391)	(7,307)
Foreign currency transaction gains (losses)	(1,087)	(232)	(1,562)	24
Earnings (loss) before income taxes and minority interest	(1,519)	17,926	(7,376)	72,319
Income taxes	(2,120)	(2,376)	(3,522)	(9,971)
Earnings (loss) before minority interest	(3,639)	15,550	(10,898)	62,348
Minority interest	(6,105)	(11,858)	(15,040)	(39,704)
Net earnings (loss)	(9,744)	3,692	(25,938)	22,644
Net earnings (loss) per share:				
Basic	(0.20)	0.07	(0.52)	0.44
Diluted (1)	(0.20)	0.07	(0.52)	0.44
Weighted average number of shares used in computing per share amounts (in thousands):				
Basic	49,689	52,439	49,503	51,188
Diluted (1)	49,689	52,593	49,503	51,573

(1) The calculation of diluted net earnings (loss) per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in earnings of the Company. Only instruments that have a dilutive effect on net earnings (loss) are included in the calculation. The assumed conversion results in adjustment in the weighted average number of common shares and net earnings (loss) due to the related impact on interest expense. The calculation is done for each reporting period individually. Due to the loss reported in the three months and nine months ended September 30, 2003, the effect of securities and other contracts to issue common stock were anti-dilutive and no adjustments have been reflected in the diluted weighted average number of shares and net earnings (loss) for those periods. For the three months and nine months ended September 30, 2004 the effect of a potential conversion of convertible debt into 10,782,929 common shares were anti-dilutive and no adjustments have been reflected in the diluted weighted average number of shares and net earnings for those periods.

ASM INTERNATIONAL N.V.
CONSOLIDATED BALANCE SHEETS

(thousands except share data)	In Euro	
	December 31,	September 30,
Assets	2003	2004
		(unaudited)
Cash and cash equivalents	154,857	157,735
Marketable securities	9	4
Accounts receivable, net	144,900	173,335
Inventories, net	145,701	176,542
Income taxes receivable	873	40
Deferred tax assets	4,125	2,246
Other current assets	16,942	24,425
Total current assets	467,407	534,327
Property, plant and equipment, net	130,235	139,839
Goodwill	45,937	96,976
Purchased technology and other intangible assets	-	9,912
Deferred tax assets	136	942
Investments and loan advances	13,559	-
Debt issuance costs	4,704	3,647
Total Assets	661,978	785,643
Liabilities and Shareholders' Equity		
Notes payable to banks	23,680	23,301
Accounts payable	77,627	92,716
Accrued expenses	55,738	81,634
Advance payments from customers	9,601	10,590
Deferred revenue	10,173	11,332
Income taxes payable	7,618	15,637
Current portion of long-term debt	4,820	6,004
Total current liabilities	189,257	241,214
Deferred tax liabilities	1,740	1,098
Long-term debt	16,804	18,848
Convertible subordinated debt	162,319	165,210
Total Liabilities	370,120	426,370
Minority interest in subsidiary	87,249	91,572
Shareholders' Equity:		
Common shares		
Authorized 110,000,000 shares, par value € 0.04, issued and outstanding 50,061,647 and 52,534,662 shares	2,002	2,101
Financing preferred shares, issued none	-	-
Preferred shares, issued none	-	-
Capital in excess of par value	259,122	298,979
Retained earnings	592	23,236
Accumulated other comprehensive loss	(57,107)	(56,615)
Total Shareholders' Equity	204,609	267,701
Total Liabilities and Shareholders' Equity	661,978	785,643

ASM INTERNATIONAL N.V.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(thousands)	in Euro			
	Three months ended September 30,		Nine months ended September 30,	
	2003	2004	2003	2004
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Increase (decrease) in cash and cash equivalents:				
Cash flows from operating activities:				
Net earnings (loss)	(9,744)	3,692	(25,938)	22,644
Adjustments to reconcile net earnings to net cash from operating activities:				
Depreciation property, plant and equipment	8,615	7,459	25,758	27,551
Amortization of purchased technology and other intangible assets	-	488	-	991
Amortization of debt issuance costs	421	391	1,108	1,156
Compensation expense employee stock option plan	-	14	-	70
Deferred income taxes	(69)	(326)	(168)	1,207
Loss on equity investments	501	-	2,139	417
Minority interest	6,105	11,858	15,040	39,704
Changes in other assets and liabilities:				
Accounts receivable	(464)	24,395	(29,128)	(28,160)
Inventories	3,367	(15,870)	7,634	(27,372)
Other current assets	1,438	(2,236)	(2,418)	(6,980)
Accounts payable and accrued expenses	2,850	(9,688)	16,050	37,262
Advance payments from customers	3,401	(1,087)	5,671	506
Deferred revenue	1,501	967	3,067	1,272
Income taxes	1,886	2,537	4,518	8,927
Net cash provided by operating activities	19,808	22,594	23,333	79,195
Cash flows from investing activities:				
Capital expenditures	(5,219)	(16,584)	(15,500)	(37,560)
Purchase of intangible assets	-	(776)	-	(776)
Investments and loan advances	-	(350)	(1,229)	(3,159)
Acquisition of shares from minority shareholders ASMPT	-	-	-	(4,465)
Acquisition of business, net of common shares issued and cash acquired	-	(4,558)	-	(4,452)
Proceeds from sale of property, plant and equipment	16	570	80	4,070
Proceeds from sale of marketable securities	-	5	-	5
Net cash used in investing activities	(5,203)	(21,693)	(16,649)	(46,337)
Cash flows from financing activities:				
Notes payable to banks, net	3,734	4,086	(13,409)	(874)
Proceeds from long-term debt and subordinated debt	-	2,537	75,990	3,502
Repayments of long-term debt and subordinated debt	(459)	(856)	(2,164)	(3,167)
Proceeds from issuance of common shares	2,952	92	3,897	2,072
Dividend to minority shareholders	(7,428)	(18,749)	(20,397)	(34,412)
Net cash provided by (used in) financing activities	(1,201)	(12,890)	43,917	(32,879)
Exchange rate effects	(1,677)	(1,825)	(6,413)	2,899
Net increase (decrease) in cash and cash equivalents	11,727	(13,814)	44,188	2,878
Cash and cash equivalents at beginning of period	103,452	171,549	70,991	154,857
Cash and cash equivalents at end of period	115,179	157,735	115,179	157,735
Supplemental disclosures of cash flow information				
Cash paid (received) during the period for:				
Interest, net	689	339	4,443	5,258
Income taxes, net	302	282	(829)	655
Non cash investing and financing activities:				
Common shares issued for acquisition of business	-	3,299	-	37,814

ASM INTERNATIONAL N.V.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Amounts in Euro thousands, except per share data)

Basis of Presentation

ASM International N.V., ("ASMI") follows accounting principles in the United States of America ("US GAAP"). Accounting principles applied are unchanged compared to the year 2003.

Principles of Consolidation

The Consolidated Financial Statements include the accounts of ASMI and its subsidiaries, where ASMI holds a controlling interest. The minority interest of third parties is disclosed separately in the Financial Statements. All intercompany profits, transactions and balances have been eliminated in consolidation. Intercompany profits included in inventory are recognized in the Statement of Operations upon the sale of the respective inventory to a third party.

Acquisition and Consolidation of NuTool Inc.

On June 2, 2004, ASMI acquired the remaining 84.3% interest in NuTool, Inc., a privately-held semiconductor equipment company, based in Milpitas, California, USA. As from June 2, 2004 ASMI owns 100% of the shares in NuTool, Inc. ASMI purchased the 84.3% interest in exchange for 1,962,282 common shares of ASMI, 57,720 replacement employee stock options to acquire common shares of ASMI and the possible future issuance of up to 806,376 additional shares if certain performance measures are satisfied during the period ending December 31, 2006. The total consideration for the 84.3% acquisition, including expenses, amounted to € 35,063, without regard to the value of shares that may be issued in the future based on performance. ASMI included NuTool, Inc. in its Consolidated Financial Statements as from June 2, 2004.

The 15.7 % interest in NuTool, Inc, which ASMI acquired in two transactions in December 2001 and April 2003 has historically been accounted for on the cost method of accounting. As a result of the acquisition of the remaining interest in NuTool, Inc. on June 2, 2004, ASMI began exerting significant influence over the operations of NuTool, Inc. In accordance with Accounting Principles Board Opinion No. 18 "The Equity Method of Accounting for Investments in Common Stock", such change in influence requires ASMI to retroactively restate prior period results to reflect the change from the cost method of accounting to the equity method of accounting for its investment in NuTool, Inc. as if it had been accounted for under the equity method of accounting since ASMI's first investment. At December 31, 2003 this restatement reduced the investment balance in NuTool, Inc. with € 10,323, retained earnings with € 5,142 and accumulated other comprehensive income with € 5,181. The accompanying Statements of Operations and Statements of Cash Flows for the three months period ended September 30, 2003 and nine months period ended September 30, 2003 have been adjusted to reflect the restatement.

Acquisition and Consolidation of Genitech Ltd.

On August 5, 2004, ASMI acquired 100% of the shares in Genitech, Ltd, a privately-held semiconductor equipment supplier based in South Korea for a combination of cash, common shares of ASMI and additional variable cash payments over the next five years based on future performance. The total consideration at the date of the acquisition, including expenses, amounted to € 7,939, of which € 4,640 was paid in cash and € 3,299 in common shares. The number of shares issued at the completion date of the transaction was 247,638 common shares. Additionally, ASMI will pay up to approximately US\$ 9.2 million in cash over the next five years, depending upon the achievement of performance targets. ASMI included Genitech Ltd in its Consolidated Financial Statements as from August 5, 2004.

Accounting Principles under Dutch GAAP

Under accounting principles generally accepted in the Netherlands ("Dutch GAAP") the Statement of Operations, the Balance Sheet and Statement of Cash Flows would not differ significantly from those presented under US GAAP, except for the amortization of goodwill. US accounting standard SFAS 142 "Goodwill and Other Intangible Assets," provides that goodwill should not be amortized, but rather be tested at least annually for impairment. Under Dutch GAAP, goodwill should be amortized on a straight-line basis over the expected useful life not exceeding 20 years, unless goodwill is impaired based on a recoverability assessment of the unamortized balance of goodwill.

If ASMI had amortized goodwill in accordance with Dutch GAAP, the net earnings (loss) for the three months ended September 30, 2003 and September 30, 2004 would have been € (11,591) and € 1,037, respectively and the net earnings (loss) for the nine months ended September 30, 2003 and September 30, 2004 would have been € (31,556) and € 16,325 respectively. The diluted net earnings (loss) per share for the three months ended September 30, 2003 and September 30, 2004 would have been € (0.23) and € 0.02, respectively, and the diluted net earnings (loss) per share for the nine months ended September 30, 2003 and September 30, 2004 would have been € (0.64) and € 0.32, respectively. Shareholders' Equity at September 30, 2004 would have been € 248,026.

At September 30, 2004: 1 Euro = 1.2408 US\$

Auditors: Deloitte Accountants B.V.

Stock: Traded on the NASDAQ National Market System under the symbol 'ASMI' and
on the Euronext Amsterdam Stock Exchange under the symbol 'ASM'