



ASML Holding NV (NASDAQ: ASML)

Technology – Semiconductors and Semiconductor Equipment

Stock Rating:

BUY

Current Price: \$617.77
Target Price: \$1100

Analysts

Euan Mugisha | euan-mugisha@uiowa.edu
Gavin Jenkins | gjenkins@uiowa.edu

Investment Thesis

We recommend a **BUY** rating for ASML with a potential upside of up to 78%. ASML has solidified itself as the leader in production of cutting-edge semiconductor manufacturing equipment, and holds an effective monopoly on the current generation of machines. The economic moat that ASML has built implies significant value in its shares, as no competitor has access to their product.

Drivers of Thesis

- We forecasted a 17.5% five-year revenue CAGR, slightly higher than street estimates of 13.8%.
- ASML is the undisputed leader in lithography production and stand as the sole producer of EUV tech; the only machines capable of 13.5nm production.
 - Profit margin of +28%
- The new EXE systems hit shelves starting this year. This technology is capable of higher contrast printing (8nm) and higher efficiency, reducing defects for chipmakers.
- On average, Taiwan Semiconductor (TSMC) accounts for more than 30% of ASML's revenue, representing a very strong relationship with an industry powerhouse.
- As generative AI and other advanced technology increases, so too will demand for semiconductors. Manufacturing capacity for semiconductors is expected to increase correspondingly by 56% [1].

Risks to Thesis

- Global tensions could pose risks for TSMC, ASML's largest customer.
- Because of the cost of the machines, the customer pool is a relatively small pool, posing risks.

Company

ASML Holding (ASML) is the top producer of critical tools used in manufacturing microchips. It is uniquely known as the sole global supplier of Extreme Ultraviolet (EUV) lithography machines capable of enabling next-gen computing chips. By focusing on the design, production, sale, and maintenance of advanced semiconductor systems, ASML has grown from a small Dutch company into a dominant player in the

Financial

Model Price Projections

DCF:

\$1118

DDM:

\$919

Relative Valuation:

\$630

Price Data

Current

Price

\$617.77

52-Week Range:

\$578.51-\$1110.09

YTD Performance:

11.30%

Key Statistics:

Shares Outstanding:

393.3 M 2024 EPS:

\$20.02 P/E:

33.28x 1Y Forward P/E

23.50x Dividend Yield:

32.39% Market Capitalization:

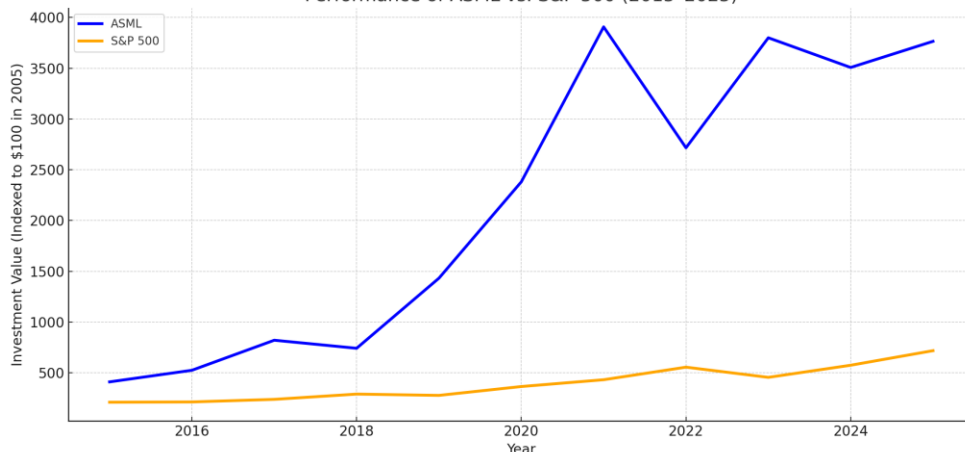
266.8 B Beta:

1.23 WACC:

9.57% 2024 Revenue:

\$30.11 B

Performance of ASML vs. S&P 500 (2015-2025)



Company Analysis

Company Overview

ASML is the foremost producer of cutting-edge equipment used to manufacture semiconductors. They provide top chipmakers with advanced machinery and support services to enable high-volume production of next-gen microchips. ASML remains the only firm globally capable of building EUV lithography systems—industry-leading machines that allow for the creation of faster and more energy-efficient chips.

Founded in 1984 in Eindhoven and now based in Veldhoven, The Netherlands, ASML has expanded from a modest startup to a global company with over 39,000 employees and offices across Europe, the U.S., and Asia. Today, it stands as a major force in the semiconductor industry [2].

Revenue Analysis

ASML's 2024 total revenue was \$29.42 billion, down 4% from 2023. The majority of this revenue is from the sales and servicing of ASML's EUV and DUV lithography machines.

EUV Lithography

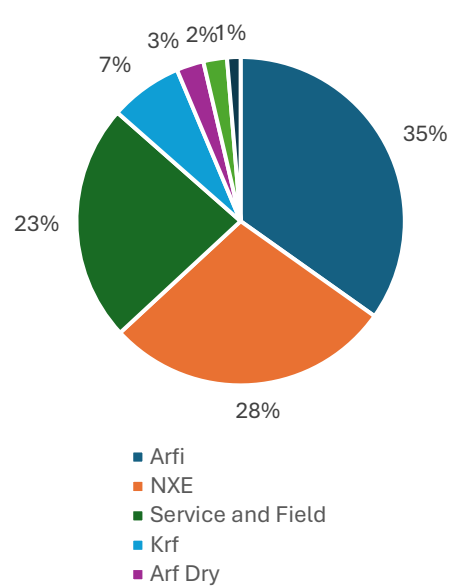
ASML's EUV, or "extreme ultraviolet," lithography systems are among its top three sources of revenue, generating over \$8 billion in 2024 and over \$10 billion in 2023. These advanced machines use ultraviolet light to mass-produce high-performance microchips found in devices like smartphones, smartwatches, and gaming consoles. ASML currently offers two EUV systems of differing complexity. With an average selling price of \$202 million, just 42 units accounted for 28% of total revenue in 2024. These highly profitable systems are exclusively built by ASML. These systems are responsible for creating the current generation of semiconductor chips, being used by companies like Nvidia to power the forefront of Ai, as well as being implemented in other autonomous systems and 5G infrastructure. We believe that with the increasing demand in these systems, NXE systems utilizing EUV technology will continue to be a large part of ASML's revenue in the future.

DUV Lithography

ASML's second main line of production is called DUV, or "deep ultraviolet" technology. Often referred to by ASML as its "workhorses," these machines handle the simpler chip layers that don't require EUV-level precision. The DUV portfolio is broader than that of EUV and includes systems like Argon Fluoride Immersion, Argon Fluoride Dry, Krypton Fluoride, and I-line. ASML's most advanced DUV system, the TWINS CAN NXT: 2050i, launched in 2022. The rest are considered "dry" or legacy systems, used to produce less complex layers. These models are more cost-effective and easier to maintain, with an average price of around \$30 million. Historically, ASML's DUV line has delivered consistent revenue thanks to strong demand for reliable, affordable lithography tools—particularly the dry systems. We believe that these lines will continue to see strong sales in the near term and tapering off into the future. This is partially because new technology will slowly replace more rudimentary chips, and because the old systems will continue to operate for years to come, especially with maintenance.

Expense Analysis

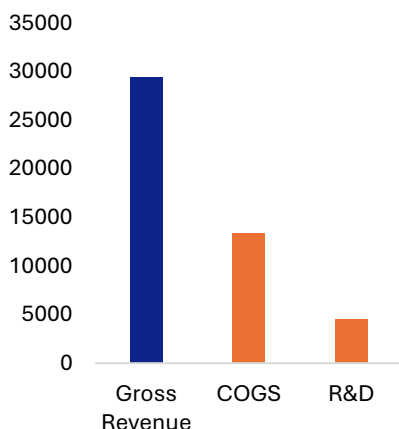
The expenses that ASML incurs are cost of goods sold, research and development, depreciation, amortization, SG&A, and interest. Of these, the most substantial were cost of goods sold and research and development. Together, these 2 expenses totaled about 60% of ASML's gross revenues.



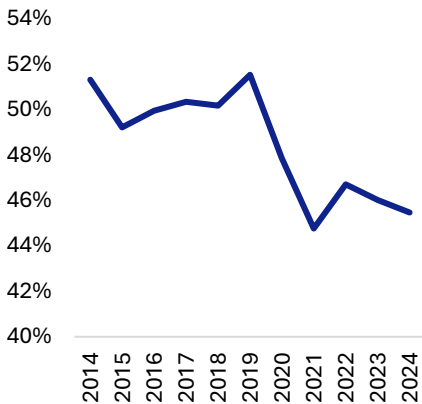
EUV Lithography Machine



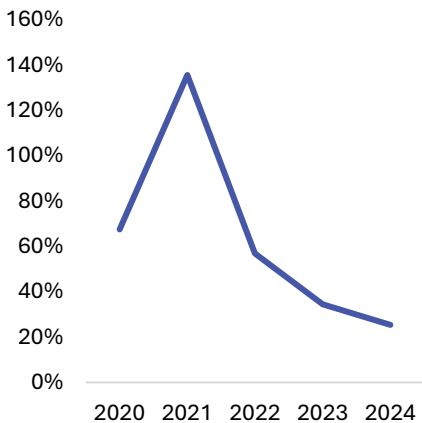
DUV Lithography Machine



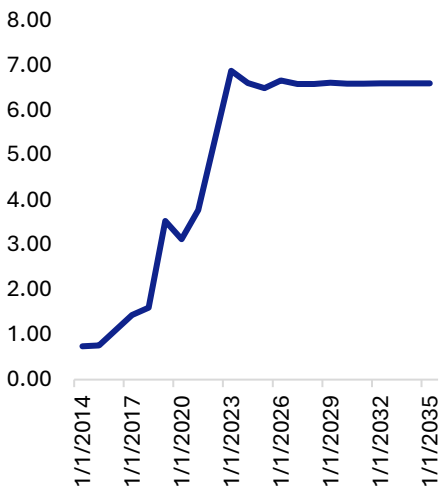
COGS as % of Sales



Debt/Equity Ratio



Dividends over Time



Cost of Goods Sold

ASML's primary expense is its cost of goods sold (COGS), which made up roughly 46% of sales from 2022 to 2024. While seemingly high, this aligns with industry norms due to the capital-intensive nature of semiconductor equipment. This cost reflects the complexity of the machinery and the expertise required to build it. That being said, COGS as a percent of sales has been reduced steadily over the last decade by nearly 10%. ASML could notice significant profitability increases by continuing this trend. For our ten-year outlook, we applied a flat line assumption of 44% of sales for system costs, and 55% for field option costs. It is worth noting that this is a conservative assumption for COGS given the trend of ASML reducing costs over time.

Research and Development

ASML's second-largest expense is research and development, accounting for around 15% of sales from 2022 to 2024. We are growing R&D by 16% per year, in line with historical growth. This reflects ASML's plans to scale up investment in its next-gen EUV systems—transitioning from the current NXE models to the more advanced EXE machines which saw test models launch this year and are expected to be in full production by the end of 2025. As the semiconductor space grows more competitive, we anticipate continued R&D spending as ASML works to maintain its technological edge.

Capital Structure

ASML's total Debt/Equity in December 2024 was 25%. This is well below their 5 year average of around 62%. This is a great sign of health in the company, as they have been able to pay down a significant portion of their debt with better than expected cash flows. ASML states that their objectives when managing capital structure are to safeguard the ability to satisfy capital providers by maintaining a capital structure that targets a solid investment grade credit rating and provides a sustainable dividend per share, while returning excess cash to shareholders through buybacks or capital repayment. Their current credit rating from Moody's is A2 (Stable) and their current rating from Fitch is A- (Stable). This rating is very similar to ASML's peers' ratings which are as follows: LRCX: A-, KLAC: A-, AMAT: A, MKS: BB, and CDNS: A- [7]. As of 2024, ASML's long-term debt totaled \$3.828 billion. The operating cash flow from 2024 totaled \$11.62 billion. Thus, it is clear that ASML's cash flows are more than sufficient to support their already conservative capital structure.

Capital Expenditures

ASML's primary capital expenditures go toward property, plant, and equipment (PPE), with spending of \$1.37 billion in 2022, \$2.39 billion in 2023, and \$2.15 billion in 2024. According to the 2024 annual report, the uptick was driven by facility expansions, upgrades, and investments in prototypes and training systems. Now that these systems are in place and production of EXE has begun, we see no need to aggressively increase CapEx, and thus projected it based off of historical averages.

Payout Policy

ASML aims to deliver a steadily growing semi-annual dividend. In 2024, the company paid \$6.49 per share, a marginal decrease from \$6.60 in 2023. Overall, the dividend trend remains upward and the growth rate has varied significantly. The company has also been driving value by repurchasing shares. The share repurchase plan started in 2021 and is slated to be finished in 2025. ASML has publicly stated that they plan to grow the annual dividend in the coming years.



S.W.O.T. Analysis

Strengths

ASML's greatest strength lies in its virtual monopoly on EUV lithography technology. As the sole producer of these highly advanced machines, ASML holds a unique position in the semiconductor equipment market. EUV tools are essential for manufacturing the most advanced microchips, making this segment a key growth driver. Since 2016, EUV sales have grown an **average** of 110% per year! This product line is a distinct competitive edge over peers like Applied Materials and Lam Research.

Another key strength of ASML is its strong commitment to sustainability—an increasingly critical factor for long-term corporate success. With an ESG risk score of 11.25 [3], ASML ranks as a low-risk company in this area. Its environmental strategy emphasizes energy efficiency and responsible resource use. The company has also outlined a long-term roadmap aligned with the global objective of achieving net-zero emissions by 2050.

Weaknesses

ASML's cutting-edge EUV lithography machines may be industry-leading, but they come with a steep \$185 million average price tag as of 2022. We view this as a potential vulnerability. Because the lifespan of the machines is so long, the need for replacements is limited outside of capacity expansion. This notion, paired with the high cost, leads us to believe fewer companies will be able to invest in these systems—especially during periods of economic slowdown or rising interest rates, when growth investments are typically scaled back.

Another challenge for ASML is the rising complexity of new designs. Next generation semiconductor design is inexplicably complicated, and the amount of R&D dollars and hours that it requires is very high. This is especially amplified by ASML being at the forefront of the industry, making it pivotal for them to stay ahead of competitors to maintain their edge.

Opportunities

The semiconductor and semiconductor equipment industry has seen rapid growth in recent years, expanding 19% in 2024 to \$627 billion [4]. Demand continues to surge due to megatrends like AI and electric vehicles, which are driving the need for advanced semiconductors and opening up new market opportunities. Analysts widely anticipate the possibility of a 7.5% CAGR for the industry from 2025-2030, reaching \$1 trillion by 2030. At that rate, the industry could be worth 2 trillion by 2040 [4].

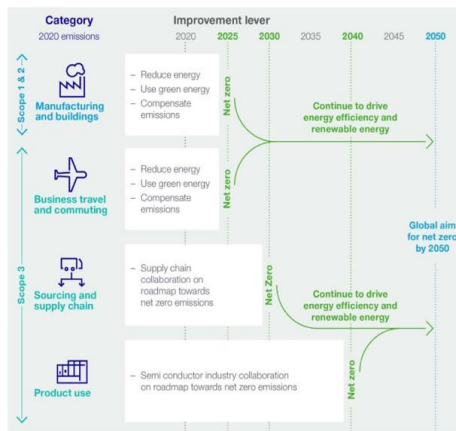
Additionally, the new development of NXE EUV technology offers ASML's customers a cost-effective way to scale, as the machines are far more efficient at producing high caliber chips at the sub nanometer level. As demand increases. The world's top chip makers will be looking to upgrade to this new technology to scale production.

Threats

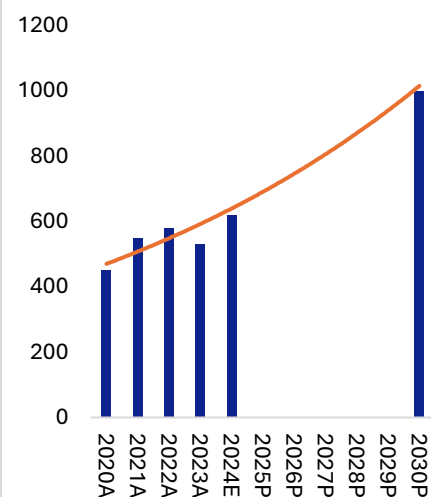
A key threat to ASML has to do with global tensions. A key part portion of their revenue comes from selling to China and Taiwan (36% and 15% respectively) [5]. Though sales in these regions have consistently grown, the disputed status of Taiwan as well as the trade tensions between the U.S. and China lend significant risks to the viability of ASML's customer base.

Though it is likely decades away [6], the potential development of commercially available quantum computers could potentially shift the paradigm of semiconductor viability.

ASML



Semiconductor Industry Revenue (\$B)



Industry Analysis

Semiconductor Industry

The semiconductor industry includes firms that design and manufacture semiconductors and related components like transistors, integrated circuits, and microchips. ASML operates within the semiconductor manufacturing equipment segment, providing the tools—specifically EUV and DUV lithography systems—used to mass produce these chips. ASML doesn't fabricate the chips themselves but supplies leading chipmakers with the critical equipment needed to create them at scale.

As noted earlier, revenue in the semiconductor manufacturing equipment sub-industry primarily comes from selling and servicing chip production machinery. Firms in this space compete by advancing the capabilities of their tools—enabling the creation of more powerful and efficient microchips. This differentiation will become even more critical as ongoing innovation in the tech sector increasingly depends on cutting-edge chip performance.

Industry Trends and Growth Projections

According to a McKinsey study, the semiconductor industry is on track to become a trillion-dollar market by 2030 [7]. As mentioned, global demand for semiconductors is expected to grow at a 7.5% CAGR over the next ten years [4]. Now that supply chain concerns in early 2022 have subsided, the increase in semiconductor industry growth has begun again, and its expansion is crucial to driving innovation in AI, robotics, and electric vehicles.

Another trend has been the U.S. and other nations tightening restrictions on selling semiconductors to China. This started in 2019 with restrictions on Chinese national companies such as SMIC [8] and has continued into the 2020's with bans on exporting AI chips and certain manufacturing equipment. The Netherlands participated in some of these bans, but it is worth noting for ASML specifically that sales to China made up 36% of their revenue even through these partial restrictions [5]. Shown left is the amount of ASML's yearly revenue that is from China.

Comparison to Industry and Competition

ASML's primary competitors include Lam Research (LRCX), KLA Corp. (KLAC), Applied Materials (AMAT), MKS Instruments (MKS), and Cadence Design Systems (CDNS). However, meaningful comparisons are difficult to make, as ASML stands apart due to its unique position as the only provider of EUV

Portion of Sales from China

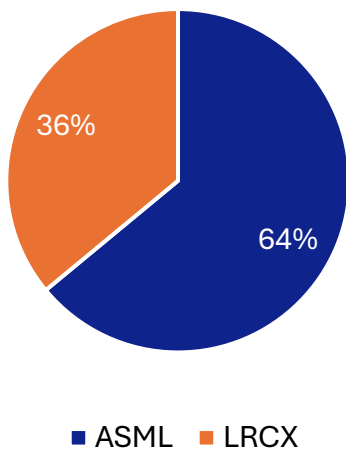


Ticker	Company	Price	EPS	EPS	P/E 25	P/E 26	Ev	Sales	Ev/Sales
			2025E	2026E					
LRCX	Lam Research	\$65.14	\$3.73	\$3.80	17.46	17.14	79,462	16209	4.90
AMAT	Applied Materials	\$126.95	\$9.46	\$10.18	13.42	12.47	117,816	27467	4.29
KLAC	KLA	\$576.53	\$32.03	\$34.71	18.00	16.61	92,909	10900	8.52
MKS	MKS Instruments	\$63.72	\$6.71	\$8.10	9.50	7.87	8057	3586	2.25
CDNS		\$260.22	\$5.37	\$6.36	48.46	40.92	69853	4641	15.05
	Average				21.37	19.00	73,619	12,561	7.00
ASML	ASML	\$647.00	\$12.40	\$17.10	52.2	37.8	257,080	35355	7.271401

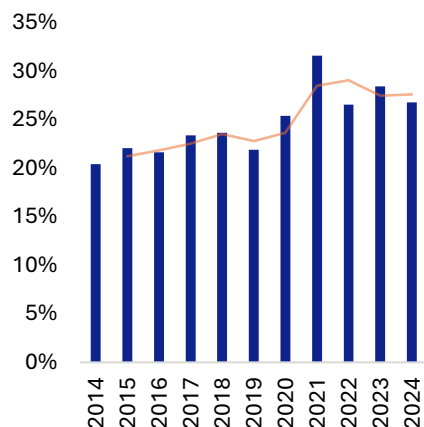
As shown above, ASML appears to be over valued in a P/E sense, but ASML's earnings are nearly impossible to assign a relative value to due to their EUV monopoly. We believe that EV/Sales is a far more useful metric. Shown here, ASML sits very near average for this metric relative to other players in the space.

ASML

Market Share



NI Margin



Realistically, the only 2 companies in the world creating these types of machines are ASML and Lam Research (though Lam is still incapable of EUV technology). Within this market niche, ASML holds about 64% of the market, compared to LRCX's 36% [9]. This mass amount of market share lends ASML to a higher valuation in a relative sense, as shown by the table.

Economic Analysis

Interest Rates

Interest rates continue to be a critical economic variable for the tech sector, especially for firms as capital-intensive as ASML. The U.S. Federal Reserve federal funds rate currently sits at 4.25-4.5% [10], which is relatively high given historical averages. The heightened rate environment decreases valuations on companies as consumer demand decreases for the tech sector. This can affect ASML downstream as people have less disposable income to spend on things like smartphones or electric vehicles.

The largest direct implication of interest rates on ASML has to deal with the cost of their production. Machines responsible for advanced lithography can cost hundreds of millions of dollars *each*, and thus customers are frequently borrowing capital to purchase them. In an environment with heightened interest rates, and thus more costly borrowing, companies may be inclined to delay or scale back their investments into expansion, thus negatively impacting ASML's sales. Any potential headwinds that interest rates may cause for ASML are likely short lived, and the long-term outlook remains positive as demand and innovation is likely to outpace increasing costs.

Inflation

Inflation continues to be a major economic force influencing the technology industry, including companies like ASML. Rising prices impact key business areas such as labor, equipment, research and development, and shipping. These effects could potentially be outsized in an industry subsector that is this capital intensive.

However, the industry shows signs of resilience in the industry. The relatively close movement of CPI and PPI numbers [11] suggest that producers have been able to pass on higher costs to consumers successfully. This is especially the case for ASML, as they are the *only* source for EUV lithography machines. This advantage has allowed ASML to stand up to increased costs and maintain healthy margins in a difficult macroeconomic climate. As shown in the chart to the left, ASML's net income margin has stayed very close to historical averages in recent years despite inflationary pressures on costs.

Unemployment

Unemployment remains a critical factor in the technology sector, as companies strive to attract and retain skilled talent. While the national unemployment rate has increased slightly to 4.2% as of March 2025, the tech industry continues to experience robust demand. Tech job postings surged by 134% month-over-month in March, indicating ongoing hiring activity [12]. ASML demands skilled tech workers, so it is important to their success that they recruit top talent in an area of high demand.

Valuation Analysis

Revenue

We are very optimistic about the growth outlook for ASML's revenue. Our forecasts through 2027 are based on equity analyst reports from FactSet [13] and have a roughly 34% CAGR into 2034. This is driven by consistent growth in EUV technology through both the legacy NXE systems and the new EXE systems, which the company expects to grow aggressively over the next decade [5]. Once again, this is supported by the fact that ASML is the *only* company in the world capable of producing these kinds of machines.

In addition, as sales of core machinery (EUV and DUV systems) increase, so too will ASML's supplemental services such as their Metrology and Inspection products and their division of service and field maintenance [5]. Growth across the board is likely to result from the broad modernization of society as more business entities try to push into the AI space to supplement or optimize their existing services [7].

Cost of Goods Sold

ASML's management offered limited guidance on future cost of goods sold. Given the long development cycles and relatively stable nature of their product lines, we based our projection on a five-year historical average. We found that COGS averaged 44% of sales during this period and applied this figure consistently across our full forecast horizon.

Other Operating Expenses

Similarly, management provided limited direction on other operating expenses, including R&D and SG&A. Given their historical consistency, we used historical averages to project both categories. R&D was modeled at 16% of sales, while other SG&A was held steady at 4% throughout the forecast period.

Capital Expenditures

In order to keep consistent with ASML's historical CapEx and fit their business model, we projected Capex as a percentage of the previous year's net plant, property, and equipment. This averages out to be roughly 44% of previous PP&E into 2034.

Cost of Equity

We calculated ASML's cost of equity of 9.9% using the Capital Asset Pricing Model (CAPM). We used a five-year adjusted beta of 1.26, the 10-year U.S. treasury rate of 3.95% as a risk-free-rate, and an equity risk premium of 4.72%. These assumptions match the timeline of our model. Using these values, we found the cost of equity to be 9.9%.

Cost of Debt

To calculate ASML's cost of debt, we began with the same ten-year U.S. treasury of 3.95%. With a pretax cost

of debt of 3.95% and a marginal tax rate of 16%, we found our final after-tax cost of debt to be 3.31%.

WACC

The first step to calculating WACC for ASML was to calculate cost of equity and cost of debt as explained above. Then we added the market value of ASML's equity to the market value of their debt in order to find their total capitalization so that we could determine the weights of both debt and equity. Once we had the weights, we multiplied them by their respective costs and

Valuation Analysis

Discounted Cash Flow & Economic Profit (DCF & EP)

After building out a discounted cash flow and economic profit analysis, we calculated an intrinsic share price of \$1,118.12. This required building out assumptions for the three statements in order to determine free cash flow. We also had to make assumptions for metrics like the CV growth of NOPLAT, CV year ROIC, and WACC. We found CV growth of NOPLAT to be 3%, used a CV year ROIC of 264%, and calculated a WACC of 9.74%. After using the findings to find cash flow and discount back to present value and then adjusting for non-operating expenses, we arrived at a share price of \$1118.12.

The models that we built for DCF and EP contain almost all of our forecasts, and we have conviction in the output. Therefore, it was given the most weight in considering our target share price.

Dividend Discount Model (DDM)

Using the dividend discount model, we calculated a share price of \$919.39. ASML has stated their goal to grow their dividend over time. This has held true in the historical period. In the last 10 years, they have increased the dividend in all but 1 year, and they more than **doubled** the payout in 2019. They have also been aggressive about repurchasing shares in the past, which has added value to shareholders.

We forecasted dividends into the future period by using historical averages, which is quite conservative given their likelihood of greatly increasing the yearly payout. After finding the present value of the dividends, we discounted them back with the cost of equity. We then found the continuing value by using our CV ROE growth and CV EPS growth assumptions, and then discounted that back to present value as well.

In all, we feel that the DDM is relatively accurate, if not conservative. For that reason, we are giving it some consideration but believe that the target price is higher than the DDM's output.

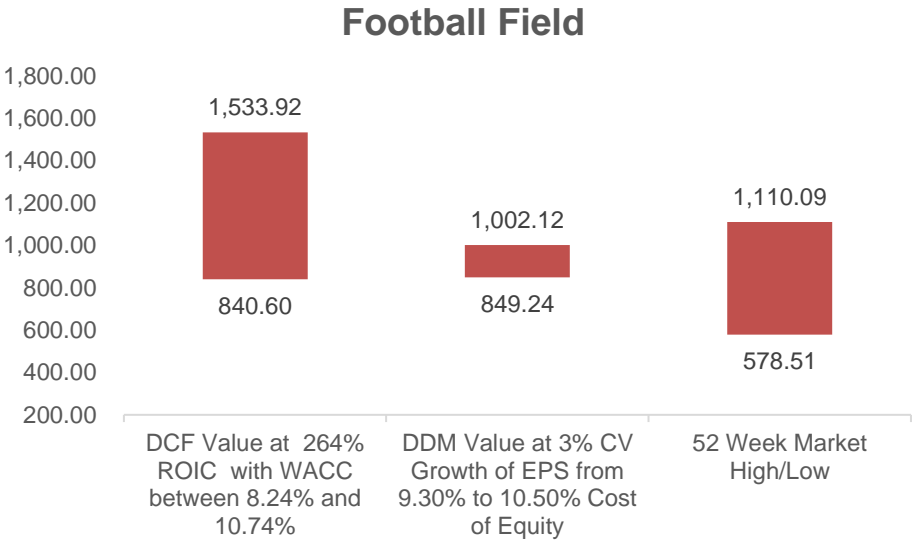
ASML

Relative EV/Sales Model

Doing a comparative companies analysis for ASML is extremely challenging. Firstly, the industry itself has very few players. This is due to a few factors, namely the capital-intensive nature and incredibly difficulty of designing and manufacturing the systems It is worth emphasizing that these companies are accomplishing some of the most challenging feats that humanity has ever tackled. Because of these factors, companies often have unique distinguishing characteristics that separate them from the competition. ASML takes this to the extreme by being the only company capable of creating an entire array of technology falling under the EUV umbrella. This also happens to be the most advanced class of lithography tech. As a result, we felt that a price to earnings valuation made very little sense, as ASML’s earnings are worth inherently more because of the competitive advantages that they posses. We decided to do an enterprise value to sales model instead by comparing the metrics of include Lam Research (LRCX), KLA Corp. (KLAC), Applied Materials (AMAT), MKS Instruments (MKS), and Cadence Design Systems (CDNS) against those of ASML. By finding an industry average Ev/Sales and multiplying it by ASML’s 2024 sales, we found a proposed enterprise value that would equate to about \$629 per share of ASML stock. We find this to be a gross undervaluation. Due to the low output and issues explained above, we essentially disregarded any comparable companies valuation when determining our target price, instead concluding that there is **truly** no company that is rightly comparable to ASML.

Conclusion

Our target price of \$1100 is based mostly off our discounted cash flow analysis. As described earlier, the dividend discount model does provide a case for significant upside, but we still feel that it undervalues the company because of our conservative estimates. In addition, we feel that a comparable companies analysis is simply ineffective for a company as unique as ASML. As a result, we weighted the dividend discount model slightly, and disregarded the valuation provided by the relative valuation. We are confident in our 3 statement projections and discounted cash flow analysis, and thus hold conviction that ASML is worth \$1100 per share.



This report was created by students enrolled in the Applied Equity Valuation class at the University of Iowa. The report was originally created to offer an internal investment recommendation for the University of Iowa Krause Fund and its advisory board. The report also provides potential employers and other interested parties an example of the students’ skills, knowledge, and abilities. Members of the Krause Fund are not registered investment advisors, brokers or officially licensed financial professionals. The investment advice contained in this report does not represent an offer or solicitation to buy or sell any of the securities mentioned. Unless otherwise noted, facts and figures included in this report are from publicly available sources. This report is not a complete compilation of data, and its accuracy is not guaranteed. From time to time, the University of Iowa, its faculty, staff, students, or the Krause Fund may hold a financial interest in the companies mentioned in this report.



Sensitivity Analysis

WACC vs. CV Growth of NOPLAT

These two variables directly influence the discounted cash flow model. We found that when the WACC decreases or long-term NOPLAT growth increases, the intrinsic value of ASML rises substantially. For example, decreasing the WACC by 0.5% results in nearly a **\$64–\$85 increase** in valuation. Similarly, increasing NOPLAT growth by 0.50% can lead to a **\$70–\$80 jump** in stock value.

WACC	DCF	CV Growth of NOPLAT						
	1,118.12	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%	4.50%
	9.44%	1,005.72	1,058.45	1,118.78	1,188.48	1,269.91	1,366.31	1,482.23
	9.54%	988.21	1,039.15	1,097.34	1,164.41	1,242.60	1,334.89	1,445.50
	9.64%	971.18	1,020.41	1,076.54	1,141.13	1,216.23	1,304.65	1,410.27
	9.74%	954.26	1,001.82	1,055.96	1,118.12	1,190.24	1,274.92	1,375.76
	9.84%	938.46	984.49	1,036.79	1,096.74	1,166.14	1,247.43	1,343.94
	9.94%	922.74	967.27	1,017.78	1,075.57	1,142.34	1,220.35	1,312.69
	10.04%	907.43	950.52	999.32	1,055.06	1,119.32	1,194.21	1,282.63

WACC vs. CV ROIC

WACC and ROIC are critical to determining whether a company is creating value. As ROIC increases or WACC falls, ASML's valuation improves significantly. Raising ROIC from 214.5% to 264.5% at a constant WACC of 9.74% boosts the intrinsic value by **~\$3 per 50% ROIC increase**, while a 1.0% decrease in WACC can result in over a **\$200 valuation increase**.

WACC	DCF	CV ROIC						
	\$1,118.12	114.50%	164.50%	214.50%	264.50%	314.50%	364.50%	414.50%
	8.24%	1,533.92	1,544.76	1,550.55	1,554.15	1,556.61	1,558.39	1,559.74
	8.74%	1,364.38	1,373.88	1,378.95	1,382.10	1,384.25	1,385.81	1,387.00
	9.24%	1,223.45	1,231.83	1,236.30	1,239.09	1,240.98	1,242.36	1,243.41
	9.74%	1,104.23	1,111.67	1,115.65	1,118.12	1,119.80	1,121.03	1,121.96
	10.24%	1,003.44	1,010.10	1,013.65	1,015.86	1,017.37	1,018.46	1,019.29
	10.74%	916.29	922.26	925.45	927.44	928.79	929.77	930.52
	11.24%	840.60	846.00	848.87	850.66	851.88	852.77	853.44

ERP vs. Beta

These two variables are key to calculating a firm's WACC. We found that when Beta and the Equity Risk Premium decrease or are "safer," the intrinsic value of ASML increases slightly. However, this model shows low sensitivity to small changes. A 0.10 increase in Beta increases value by roughly **\$2**, and a 0.10% increase in ERP raises value by about **\$1**, which may indicate atypical modeling assumptions or muted sensitivity within this matrix.

		BETA						
ERP	DCF	0.96	1.06	1.16	1.26	1.36	1.46	1.56
	1,118.12							
	4.42%	1,115.75	1,116.37	1,116.98	1,117.60	1,118.21	1,118.82	1,119.42
	4.52%	1,115.89	1,116.52	1,117.15	1,117.77	1,118.39	1,119.02	1,119.64
	4.62%	1,116.02	1,116.66	1,117.31	1,117.95	1,118.58	1,119.22	1,119.85
	4.72%	1,116.15	1,116.81	1,117.47	1,118.12	1,118.77	1,119.42	1,120.06
	4.82%	1,116.29	1,116.96	1,117.63	1,118.29	1,118.96	1,119.62	1,120.27
	4.92%	1116.42	1117.11	1117.79	1118.47	1119.14	1119.82	1120.49
	5.02%	1116.56	1117.25	1117.95	1118.64	1119.33	1120.02	1120.70

Sensitivity Analysis

Cost of Equity vs. CV ROE

Cost of equity and ROE are central to the Dividend Discount Model (DDM). When ASML's return on equity increases or investors demand a lower return, the intrinsic value increases. A 0.60% drop in cost of equity results in a **~\$84 gain**, while a 5% jump in ROE increases valuation by **~\$90**.

Cost Of Equity	DDM		CV ROE					
	919.39	9.00%	14.00%	19.00%	24.22%	29.00%	34.00%	39.00%
	9.30%	771.80	902.70	964.70	1,002.12	1,024.57	1,041.29	1,053.73
	9.50%	749.43	876.33	936.44	972.72	994.48	1,010.70	1,022.76
	9.70%	728.40	851.54	909.87	945.07	966.19	981.93	993.63
	9.90%	708.59	828.19	884.84	919.03	939.54	954.83	966.19
	10.10%	689.89	806.15	861.22	894.46	914.40	929.25	940.30
	10.30%	672.22	785.32	838.90	871.23	890.63	905.08	915.83
	10.50%	655.49	765.60	817.76	849.24	868.13	882.20	892.66

Cost of Equity vs. CV Growth of EPS

These variables represent the DDM's long-term assumptions. As EPS growth rises or the required return falls, ASML's value increases. A 0.50% increase in EPS growth leads to a **~\$60-\$70 increase** in stock price, while a 0.60% reduction in cost of equity drives a **~\$100 gain** in valuation.

Cost of Equity	DDM		CV Growth of EPS					
	919.39	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%
	9.30%	930.06	952.31	976.27	1,002.12	1,030.11	1,060.51	1,093.65
	9.50%	905.70	926.44	948.72	972.72	998.63	1,026.71	1,057.22
	9.70%	882.64	902.01	922.77	945.07	969.11	995.08	1,023.24
	9.90%	861.09	879.21	898.60	919.39	941.74	965.84	991.90
	10.10%	840.06	857.00	875.09	894.46	915.24	937.59	961.70
	10.30%	820.36	836.23	853.15	871.23	890.59	911.38	933.75
	10.50%	801.61	816.49	832.34	849.24	867.31	886.67	907.46

Dividend Yield vs. CV Growth of NOPLAT

This matrix reflects the balance between payout and reinvestment. Lower dividend yields and higher NOPLAT growth rates are associated with a higher intrinsic value. A 0.10% increase in dividend yield decreases value by **~\$10**, while a 0.60% rise in NOPLAT growth increases valuation by **~\$90**.

Dividend Yield	DCF		CV GROWTH OF NOPLAT					
	1,118.12	2.40%	2.60%	2.80%	3.00%	3.20%	3.40%	3.60%
	0.80%	1,044.93	1,068.09	1,092.58	1,118.53	1,146.07	1,175.34	1,206.52
	0.90%	1,044.80	1,067.96	1,092.45	1,118.39	1,145.93	1,175.20	1,206.37
	1.00%	1,044.67	1,067.82	1,092.31	1,118.26	1,145.79	1,175.05	1,206.22
	1.10%	1,044.54	1,067.69	1,092.18	1,118.12	1,145.64	1,174.91	1,206.07
	1.20%	1,044.41	1,067.56	1,092.04	1,117.98	1,145.50	1,174.76	1,205.92
	1.30%	1,044.28	1,067.43	1,091.91	1,117.84	1,145.36	1,174.62	1,205.78
	1.40%	1,044.15	1,067.30	1,091.77	1,117.70	1,145.22	1,174.47	1,205.63

Citations

SML

- [1] Semiconductor Industry Association. (2020, September). Government incentives and U.S. competitiveness in semiconductor manufacturing. Retrieved April 22, 2025, from <https://www.semiconductors.org/wp-content/uploads/2020/09/Government-Incentives-and-US-Competitiveness-in-Semiconductor-Manufacturing-Sep-2020.pdf>
- [2] ASML Holding N.V. (2023, February 15). 2022 Annual report. ASML. <https://www.asml.com/en/investors/annual-report/2022>
- [3] Morningstar. (2025, April 18). ASML Holding NV ADR sustainability. Morningstar. Retrieved April 22, 2025, from <https://www.morningstar.com/stocks/xnas/asml/sustainability>
- [4] Deloitte Insights. (2025, April 22). 2025 global semiconductor industry outlook. Deloitte. <https://www2.deloitte.com/us/en/insights/industry/technology/technology-media-telecom-outlooks/semiconductor-industry-outlook.html>
- [5] ASML Holding N.V. (2024, February 14). 2023 Annual report. ASML. <https://www.asml.com/en/investors/annual-report/2023>
- [6] MattDF. (2025, March 6). Why quantum computing will take another 50 years. MattDF.xyz. <https://mattdf.xyz/why-quantum-computing-will-take-another-50-years>
- [7] Burkacky, O., Lehmann, N., & Dragon, J. (2022, April 1). *The semiconductor decade: A trillion-dollar industry*. McKinsey & Company. <https://www.mckinsey.com/industries/semiconductors/our-insights/the-semiconductor-decade-a-trillion-dollar-industry>
- [8] U.S. Department of Commerce, Bureau of Industry and Security. (n.d.). Entity List. Retrieved April 22, 2025, from <https://www.bis.doc.gov/index.php/policy-guidance/lists-of-parties-of-concern/entity-list>
- [9] CSIMarket. (2025, April 22). *ASML Holding NV comparisons to its competitors and market share*. Retrieved April 22, 2025, from <https://csimarket.com/stocks/competitionSEG2.php?code=A>
- [10] Federal Reserve Bank of New York. (n.d.). Effective Federal Funds Rate. Retrieved April 22, 2025, from <https://www.newyorkfed.org/markets/reference-rates/effr>
- [11] Capital District Regional Planning Commission. (2024, July 1). PPI and CPI trends in the first half of 2024. Retrieved April 22, 2025, from <https://cdrpc.org/ppi-and-cpi-trends-in-the-first-half-of-2024>
- [12] Dice. (2025, April 22). April 2025 jobs report: Tech jobs report. Retrieved April 22, 2025, from <https://www.dice.com/recruiting/ebooks/dice-tech-job-report/>
- [13] FactSet. (n.d.). ASML Holding N.V. income statement. FactSet. <https://my.apps.factset.com/workstation/navigator/company-security/income-statement/ASML-US>

ASML												
Revenue Decomposition												
Fiscal Years Ending	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Net Sales per Product/Technology												
EUR to USD Conversion Rate	1.1	1.08	1.091	1.1111	1.1268	1.1413	1.1576	1.1576	1.1576	1.1576	1.1576	1.1576
NXE												
System Sales (units)	53.00	42.00	60.00	63.00	66.00	69.00	72.00	75.00	78.00	81.00	84.00	87.00
System Sales (per unit price)	189.37	202.02	203.43	204.18	204.94	205.37	205.80	206.23	206.67	207.10	207.53	207.96
Revenue	10036.40	8484.91	12329.86	13233.87	14112.01	14974.82	15882.40	16578.90	17278.17	17980.22	18685.05	19392.66
ArFi												
System Sales (units)	125	129.00	16.85	23.06	31.19	41.77	55.55	73.56	96.57	126.86	165.18	211.23
System Sales (per unit price)	79.35	80.93	86.19	91.80	97.76	104.12	110.89	118.09	125.77	133.94	142.65	151.92
Revenue	9918.70	10440.36	1452.20	2116.67	3048.93	4349.17	6159.45	8687.15	12145.63	16992.31	23562.67	32090.11
ArF dry												
System Sales (units)	32	28.00	31.30	34.46	37.65	40.79	43.81	47.53	51.12	55.02	58.68	61.48
System Sales (per unit price)	26.82	28.70	45.92	59.70	77.61	100.89	131.16	170.51	221.66	288.16	374.60	486.99
Revenue	858.22	803.65	1452.20	2116.67	3048.93	4349.17	6159.45	8687.15	12145.63	16992.31	23562.67	32090.11
KrF												
System Sales (units)	184	152.00	176.07	198.39	219.81	239.42	256.28	269.52	278.37	287.52	296.97	306.73
System Sales (per unit price)	13.17	14.15	15.85	17.75	19.88	22.26	24.93	27.93	31.28	35.03	39.23	43.94
Revenue	2422.75	2150.50	2818.39	3622.26	4558.52	5632.52	6849.12	8067.17	9332.16	10795.52	12488.34	14446.60
I-line												
System Sales (units)	55	65.00	70.71	74.07	75.12	72.92	71.81	64.31	53.59	37.51	26.80	10.72
System Sales (per unit price)	5.57	6.13	9.20	11.96	15.55	20.22	26.28	34.16	44.41	57.74	75.06	90.07
Revenue	306.24	398.74	650.67	886.07	1168.17	1474.07	1887.32	2197.18	2380.28	2166.06	2011.34	965.44
Metrology & Inspection												
System Sales (units)	151.00	165.00	174.96	184.17	192.24	197.30	202.59	208.11	215.82	221.82	225.92	230.11
System Sales (per unit price)	3.91	4.23	4.82	5.49	6.26	7.14	7.99	8.79	9.49	10.25	11.07	11.96
Revenue	589.71	697.14	851.29	1040.37	1255.53	1487.87	1735.49	1961.11	2196.44	2438.05	2681.85	2950.04
EXE												
System Sales (units)	0.00	2.00	4.00	8.00	16.00	28.00	43.00	65.00	70.00	80.00	88.00	90.00
System Sales (per unit price)	0.00	251.10	540.00	540.00	453.60	518.40	540.10	500.22	627.06	713.28	778.12	798.87
Revenue	0.00	125.55	2182.00	4444.40	7572.10	15339.07	24893.03	34850.24	47047.83	61162.18	73394.61	77064.34
Total System Sales	24132.02	23100.84	21736.61	27460.29	34764.18	47606.69	63566.28	81028.91	102526.13	128526.64	156386.52	178999.30
Service and Field	6181.89	7011.58	14874.28	12118.65	9831.91	8962.59	9272.40	10403.64	11027.86	11689.53	12390.90	13010.44
Total Sales	30313.91	30112.42	36610.89	39578.95	44596.09	56569.28	72838.68	91432.55	113553.99	140216.16	168777.42	192009.74

<i>Fiscal Years Ending Dec. 31</i>	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Net system sales	24299.33	22660.42	21736.61	27460.29	34764.18	47606.69	63566.28	81028.91	102526.13	128526.64	156386.52	178999.30
Net service & field option sales	6224.64	6760.22	14874.28	12118.65	9831.91	8962.59	9272.40	10403.64	11027.86	11689.53	12390.90	13010.44
Total net sales	30523.96	29420.64	36610.89	39578.95	44596.09	56569.28	72838.68	91432.55	113553.99	140216.16	168777.42	192009.74
Cost of system sales	10423.59	9876.77	9564.11	12082.53	15296.24	20946.94	27969.16	35652.72	45111.50	56551.72	68810.07	78759.69
Depreciation & amortization	819.41	956.23	1119.80	1382.57	1831.14	2343.80	3054.58	3947.95	5126.79	6644.80	8623.52	11187.10
D&A Rate	19%	15.8%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%
Cost of service & field option sales	3623.42	3501.80	7734.63	6301.70	5112.59	4660.55	4821.65	5409.89	5734.49	6078.55	6443.27	6765.43
Total cost of sales	14866.42	14334.80	18418.53	19766.80	22239.98	27951.28	35845.39	45010.56	55972.77	69275.07	83876.86	96712.22
Gross profit	15657.54	15085.84	18192.35	19812.15	22356.12	28617.99	36993.30	46421.99	57581.22	70941.09	84900.56	95297.52
Other income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Research & development costs	4408.94	4479.99	5196.79	6028.28	6992.80	8111.65	9409.52	10915.04	12661.44	14687.28	17037.24	19763.20
Selling, general & administrative costs	1232.99	1213.45	1261.99	1312.47	1364.97	1419.57	1476.35	1535.40	1596.82	1660.69	1727.12	1796.20
Income (loss) from operations	10015.62	9392.39	11733.57	12471.40	13998.34	19086.77	26107.43	33971.55	43322.95	54593.12	66136.20	73738.12
Interest & other income (expense), net	45.63	20.61	543.54	841.82	1099.07	1404.62	1913.89	2658.08	3634.98	4892.70	6485.96	8372.26
Provision for income taxes	1590.30	1749.44	2180.73	2317.86	2601.65	3547.35	4852.17	6313.74	8051.74	10146.34	12291.67	13704.51
Income (loss) after income taxes	8470.95	7663.56	10096.39	10995.37	12495.77	16944.04	23169.15	30315.89	38906.19	49339.48	60330.49	68405.87
Profit (loss) related to equity method investments	212.00	218.00	182.20	182.20	182.20	182.20	182.20	182.20	182.20	182.20	182.20	182.20
Net income (loss)	8682.95	7881.56	10278.59	11177.57	12677.97	17126.24	23351.35	30498.09	39088.39	49521.68	60512.69	68588.07
Earnings per Share	22.03	20.02	26.02	28.30	32.10	43.36	59.12	77.22	98.96	125.38	153.21	173.65
Weighted average shares outstanding - diluted	394.10	393.60	394.97	394.97	394.97	394.97	394.97	394.97	394.97	394.97	394.97	394.97
Tax Rate	16%	19%	19%	19%	19%	19%	19%	19%	19%	19%	19%	19%
Dividends Per Share	6.60	6.49	6.65	6.58	6.57	6.60	6.58	6.59	6.59	6.59	6.59	6.59

Fiscal Years Ending Dec. 31	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Cash & cash equivalents	7,705	13,755	21,306	27,818	35,553	48,446	67,286	92,017	123,858	164,194	211,948	261,069
Short-term investments	6	6	6	6	7	7	7	7	8	8	8	9
Accounts receivable, net	4,768	4,836	6,018	6,505	7,330	9,298	11,972	15,028	18,664	23,047	27,741	31,560
Finance receivables, net	1517.1	89.2	111	120	135	172	221	277	344	425	512	582
Current tax assets	1,101	306	306	306	306	306	306	306	306	306	306	306
Contract assets	264	346	431	466	525	666	857	1,076	1,336	1,650	1,986	2,260
Inventories, net	9,736	11,763	14,638	15,824	17,830	22,617	29,122	36,556	45,401	56,061	67,480	76,768
Other current assets	1,736	2,096	2,608	2,819	3,176	4,029	5,188	6,512	8,088	9,987	12,021	13,676
Total current assets	26,833	33,196	45,423	53,865	64,863	85,541	114,960	151,781	198,006	255,677	322,002	386,230
Deferred tax assets	2,060	2,096	2,608	2,820	3,177	4,030	5,189	6,514	8,090	9,989	12,024	13,679
Non-current finance receivables	67	343	426	461	519	659	848	1,065	1,322	1,633	1,965	2,236
Equity method investments	1,012	975	975	975	975	975	975	975	975	975	975	975
Goodwill	5,047	4,956	4,956	4,956	4,956	4,956	4,956	4,956	4,956	4,956	4,956	4,956
Other intangible assets, net	816	671	651	631	611	591	571	551	531	511	491	471
Property, plant & equipment, net	6,043	7,395	9,568	12,442	16,139	20,961	27,206	35,322	45,853	59,528	77,279	100,325
Right-of-use assets - finance	-	-	-	-	-	-	-	-	-	-	-	-
Right-of-use assets	337	418	520	563	634	804	1,035	1,300	1,614	1,993	2,399	2,729
Other non-current assets	1739.1	2427.192	3020.3848	3265.2488	3679.1617	4666.9449	6009.165	7543.1521	9368.1631	11567.783	13924.076	15840.734
Total non-current assets	17,120	19,280	22,726	26,112	30,691	37,642	46,789	58,225	72,709	91,153	114,013	141,211
Total assets	43,953	52,477	68,149	79,978	95,553	123,183	161,749	210,006	270,715	346,830	436,015	527,441
Accounts payable	2,582	3,780	4,704	5,086	5,730	7,269	9,359	11,749	14,591	18,017	21,687	24,672
Current accrued & other liabilities	2,395	2,902	3,611	3,903	4,398	5,579	7,184	9,017	11,199	13,828	16,645	18,936
Contract Liabilities	12,585	13,576	16,894	18,264	20,579	26,104	33,612	42,193	52,401	64,704	77,884	88,605
ST Debt & Current Portion LT Debt	0	1,091	1,358	1,468	1,654	2,098	2,701	3,391	4,211	5,200	6,259	7,121
Provisions	-	-	-	-	-	-	-	-	-	-	-	-
Current & other tax liabilities	340	306	402	435	490	621	800	1,004	1,247	1,540	1,854	2,109
Total current liabilities	17,902	21,656	26,969	29,156	32,852	41,672	53,657	67,354	83,649	103,290	124,330	141,444
Long-term debt	5,095	3,971	4,942	5,343	6,020	7,636	9,832	12,342	15,329	18,928	22,783	25,919
Non-current Contract Liabilities	5,308	6,075	7,560	8,173	9,209	11,682	15,041	18,881	23,449	28,955	34,853	39,650
Deferred & other tax liabilities	409	323	323	323	323	323	323	323	323	323	323	323
Non-current accrued & other liabilities	441	496	618	668	752	954	1,229	1,542	1,915	2,365	2,847	3,239
Total non-current liabilities	11,253	10,866	13,443	14,507	16,305	20,595	26,426	33,089	41,016	50,571	60,806	69,132
Total liabilities	29,155	32,522	40,412	43,662	49,156	62,267	80,082	100,443	124,666	153,861	185,136	210,576
Ordinary shares	40	38	38	38	38	38	38	38	38	38	38	38
Share premium	4,398	4,373	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503
Common Equity	4,438	4,411	4,542	4,542	4,542	4,542	4,542	4,542	4,542	4,542	4,542	4,542
Treasury shares at cost	(3,637)	(514)	(515)	(515)	(515)	(515)	(515)	(515)	(515)	(515)	(515)	(515)
Retained earnings	13,617	15,567	23,219	31,798	41,880	56,399	77,149	105,046	141,531	188,451	246,362	312,348
Accumulated other comprehensive income	380	490	490	490	490	490	490	490	490	490	490	490
Total shareholders' equity	14,798	19,955	27,736	36,315	46,397	60,916	81,667	109,564	146,049	192,969	250,880	316,865
Total liabilities & shareholders' equity	43,953	52,477	68,149	79,978	95,553	123,183	161,749	210,006	270,715	346,830	436,015	527,441

Historical Cash Flow Statement

in millions of USD (\$)

Fiscal Years Ending Dec. 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net income (loss)	1455	1511	1554	2540	2968	2911	4361	6659	6007	8683	7882
Depreciation & amortization	310	323	377	500	484	504	602	533	623	819	956
Accounts and Financial Receivables	-1071	-571	-267	-2014	-1011	-1369	492	-2082	-4244	-3250	-4746
Inventories	-3187	-2805	-2942	-3540	-3921	-4266	-5620	-5852	-7704	-9736	-11763
Other Current Assets	-55	-21	-12	-398	-200	-459	-229	-233	-177	-1365	-653
Deffered Tax Assets	-36	-152	-37	-38	-269	-499	-826	-1242	-1790	-2060	-2096
Accounts Payable	620	575	628	1003	1099	1190	1695	2391	2745	2582	3780
income Tax Payable	2940	2800	2368	749	1039	1165	1410	1622	2007	2395	2902
Accrued & Other Current Liabilities	519	454	673	2167	2201	3099	5181	9250	13842	13026	14073
Defferent Tax Liabilities	297	410	420	409	286	263	293	272	286	409	323
Operating Right of Use Assets	0	0	0	-136	-157	-230	-222	-186	-206	-337	-418
Net cash flows from operating activities	1792	2525	2760	1242	2518	2308	7137	11132	11389	11166	10240
Capital Expenditures	-435	-405	-334	-406	-657	-861	-1181	-1019	-1369	-2388	-2152
Purchase of Investments	-614	-1035	-5458	-2577	-1053	-1450	-2084	-1457	-613	-685	-318
Sale/Maturity of Investments	1033	365	2450	1498	1184	1144	2668	2440	924	139	318
Purchase/Sale of Investments	419	-670	-3008	-1079	131	-306	584	983	311	-546	0
Other Funds	-4	-188	-25	35	-37	-133	-63	-45	-40	-45	-564
Net cash flows from investing activities	-20	-1263	-3367	-1450	-563	-1300	-660	-81	-1098	-2979	-2716
Changes in Dividends Paid	-326	-329	-471	-619	-684	-1488	-1309	-1549	-2734	-2601	-2553
Changes in Equity	-798	-575	194	-539	-1288	-430	-1435	-9634	-4868	-998	-391
Change in LT Debt	-5	-4	2350	-291	-3	-4	1820	-14	-22	271	-3
Net cash flows from financing activities	-1129	-908	2073	-1449	-1975	-1922	-924	-11197	-7624	-3328	-2947
Net cash flows	643	35	466	-743	981	457	3096	998	341	-277	5959
Effect of changes in exchange rates on cash	10	8	7	-34	6	5	-7	23	-3	-15	7
Net increase (decrease) in cash & cash equivalents	108	43	473	-777	987	462	3089	1021	338	-292	-292
Cash & cash equivalents at beginning of the year	2833	2635	2596	3485	2587	3504	4335	6847	7425	8050	7292
Cash & cash equivalents at end of the year	2941	2678	3069	2708	3574	3966	7424	7868	7763	7758	1326

ASML										
Future Cash Flow Statement										
in Millions of USD (\$)										
Fiscal Years Ending Dec. 31	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Net income (loss)	10279	11178	12678	17126	23351	30498	39088	49522	60513	68588
Depreciation & amortization	1120	1383	1831	2344	3055	3948	5127	6645	8624	11187
Accounts Receivables	-1182	-488	-825	-1968	-2674	-3056	-3636	-4382	-4694	-3819
Inventories	-2875	-1187	-2006	-4787	-6505	-7434	-8844	-10660	-11419	-9289
Other current assets	-512	-211	-357	-853	-1159	-1324	-1576	-1899	-2034	-1655
Accounts Payable	924	381	645	1539	2091	2389	2843	3426	3670	2985
Current accrued & other liabilities	709	293	495	1181	1605	1834	2182	2629	2817	2291
Non-current accrued & other liabilities	121	50	85	202	274	314	373	450	482	392
Contract Assets	-85	-35	-59	-141	-191	-219	-260	-314	-336	-273
Current Contract Liabilities	3318	1370	2315	5525	7508	8580	10208	12304	13180	10721
Change in Deferred Tax	-512	-211	-357	-853	-1159	-1325	-1576	-1899	-2035	-1655
Other non-current assets	-593	-245	-414	-988	-1342	-1534	-1825	-2200	-2356	-1917
Current & other tax liabilities	96	33	55	132	179	204	243	293	314	255
Non-current contract liabilities	1485	613	1036	2472	3360	3840	4568	5506	5898	4798
Operating Right of Use Assets	-102	-42	-71	-170	-231	-264	-314	-379	-406	-330
Change in Working Capital	-9930	-4092	-6917	-16506	-22429	-25634	-30497	-36757	-39375	-32028
Net Cash flows from operating activities	12191	12880	15050	20761	28160	36451	46600	59041	72215	82280
Financial Recieivables	-22	-9	-15	-36	-49	-56	-67	-81	-87	-70
Non-current finance receivables	-84	-35	-58	-139	-189	-217	-258	-310	-333	-271
Changes in Short term investments	0	0	0	0	0	0	0	0	0	0
Capex	-3274	-4236	-5508	-7145	-9280	-12044	-15638	-20300	-26354	-34213
Changes in Longterm Investments	0	0	0	0	0	0	0	0	0	0
Net cash flows from investing activities	-3379	-4280	-5582	-7321	-9519	-12318	-15963	-20692	-26774	-34554
Changes in ST Debt and Current Portion of LT Debt	267	110	186	444	603	690	820	989	1059	862
Changes in LT Debt	971	401	677	1616	2196	2510	2986	3599	3855	3136
Changes in Common Equity	130	0	0	0	0	0	0	0	0	0
Dividends Paid	-2627	-2599	-2596	-2607	-2601	-2601	-2603	-2602	-2602	-2602
Shares Repurchased	-1	0	0	0	0	0	0	0	0	0
Net cash flows from financing activities	-1260	-2088	-1733	-547	199	598	1204	1986	2313	1395
net change in cash	7551	6512	7735	12893	18840	24731	31841	40335	47754	49121
beginning of the year cash	13755	21306	27818	35553	48446	67286	92017	123858	164194	211948
end of the year cash	21306	27818	35553	48446	67286	92017	123858	164194	211948	261069

<i>Fiscal Years Ending Dec. 31</i>	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Net system sales	79.61%	77.02%	59.37%	69.38%	77.95%	84.16%	87.27%	88.62%	90.29%	91.66%	92.66%	93.22%
Net service & field option sales	20.39%	22.98%	40.63%	30.62%	22.05%	15.84%	12.73%	11.38%	9.71%	8.34%	7.34%	6.78%
Total net sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of system sales	34.15%	33.57%	26.12%	30.53%	34.30%	37.03%	38.40%	38.99%	39.73%	40.33%	40.77%	41.02%
Cost of service & field option sales	11.87%	11.90%	21.13%	15.92%	11.46%	8.24%	6.62%	5.92%	5.05%	4.34%	3.82%	3.52%
Total cost of sales	48.70%	48.72%	50.31%	49.94%	49.87%	49.41%	49.21%	49.23%	49.29%	49.41%	49.70%	50.37%
Depreciation & amortization	2.68%	3.25%	3.06%	3.49%	4.11%	4.14%	4.19%	4.32%	4.51%	4.74%	5.11%	5.83%
Gross profit	51.30%	51.28%	49.69%	50.06%	50.13%	50.59%	50.79%	50.77%	50.71%	50.59%	50.30%	49.63%
Other income	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Research & development costs	14.44%	15.23%	14.19%	15.23%	15.68%	14.34%	12.92%	11.94%	11.15%	10.47%	10.09%	10.29%
Selling, general & administrative costs	4.04%	4.12%	3.45%	3.32%	3.06%	2.51%	2.03%	1.68%	1.41%	1.18%	1.02%	0.94%
Income (loss) from operations	32.81%	31.92%	32.05%	31.51%	31.39%	33.74%	35.84%	37.15%	38.15%	38.93%	39.19%	38.40%
Interest & other income (expense), net	0.15%	0.07%	1.48%	2.13%	2.46%	2.48%	2.63%	2.91%	3.20%	3.49%	3.84%	4.36%
Income (loss) before income taxes	27.75%	25.11%	33.08%	36.02%	40.94%	55.51%	75.90%	99.32%	127.46%	161.64%	197.65%	224.11%
Provision for income taxes	5.21%	5.95%	5.96%	5.86%	5.83%	6.27%	6.66%	6.91%	7.09%	7.24%	7.28%	7.14%
Income (loss) after income taxes	27.75%	26.05%	27.58%	27.78%	28.02%	29.95%	31.81%	33.16%	34.26%	35.19%	35.75%	35.63%
Profit (loss) related to equity method investments	0.69%	0.74%	0.50%	0.46%	0.41%	0.32%	0.25%	0.20%	0.16%	0.13%	0.11%	0.09%
Net income (loss)	28.45%	26.79%	28.08%	28.24%	28.43%	30.27%	32.06%	33.36%	34.42%	35.32%	35.85%	35.72%

Fiscal Years Ending Dec. 31	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Cash & cash equivalents	17.53%	26.21%	31.26%	34.78%	37.21%	39.33%	41.60%	43.82%	45.75%	47.34%	48.61%	49.50%
Short-term investments	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Accounts receivable, net	10.85%	9.21%	8.83%	8.13%	7.67%	7.55%	7.40%	7.16%	6.89%	6.64%	6.36%	5.98%
Financial Recievables	3.45%	0.17%	0.16%	0.15%	0.14%	0.14%	0.14%	0.13%	0.13%	0.12%	0.12%	0.11%
Current tax assets	2.51%	0.58%	0.45%	0.38%	0.32%	0.25%	0.19%	0.15%	0.11%	0.09%	0.07%	0.06%
Contract assets	0.60%	0.66%	0.63%	0.58%	0.55%	0.54%	0.53%	0.51%	0.49%	0.48%	0.46%	0.43%
Inventories, net	22.15%	22.42%	21.48%	19.79%	18.66%	18.36%	18.00%	17.41%	16.77%	16.16%	15.48%	14.55%
Other Assets	3.95%	3.99%	3.83%	3.52%	3.32%	3.27%	3.21%	3.10%	2.99%	2.88%	2.76%	2.59%
Total current assets	61.05%	63.26%	66.65%	67.35%	67.88%	69.44%	71.07%	72.27%	73.14%	73.72%	73.85%	73.23%
Deferred tax assets	4.69%	3.99%	3.83%	3.53%	3.32%	3.27%	3.21%	3.10%	2.99%	2.88%	2.76%	2.59%
Equity method investments	2.30%	1.86%	1.43%	1.22%	1.02%	0.79%	0.60%	0.46%	0.36%	0.28%	0.22%	0.18%
Goodwill	11.48%	9.44%	7.27%	6.20%	5.19%	4.02%	3.06%	2.36%	1.83%	1.43%	1.14%	0.94%
Other intangible assets, net	1.86%	1.28%	0.96%	0.79%	0.64%	0.48%	0.35%	0.26%	0.20%	0.15%	0.11%	0.09%
Property, plant & equipment, net	13.75%	14.09%	14.04%	15.56%	16.89%	17.02%	16.82%	16.82%	16.94%	17.16%	17.72%	19.02%
Right-of-use assets - finance	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Right-of-use assets	0.77%	0.80%	0.76%	0.70%	0.66%	0.65%	0.64%	0.62%	0.60%	0.57%	0.55%	0.52%
Other non-current assets	3.96%	4.63%	4.43%	4.08%	3.85%	3.79%	3.72%	3.59%	3.46%	3.34%	3.19%	3.00%
Total non-current assets	38.95%	36.74%	33.35%	32.65%	32.12%	30.56%	28.93%	27.73%	26.86%	26.28%	26.15%	26.77%
Total assets	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Accounts payable	5.87%	7.20%	6.90%	6.36%	6.00%	5.90%	5.79%	5.59%	5.39%	5.19%	4.97%	4.68%
Current tax liabilities	5.45%	5.53%	5.30%	4.88%	4.60%	4.53%	4.44%	4.29%	4.14%	3.99%	3.82%	3.59%
Contract Liabilities	28.63%	25.87%	24.79%	22.84%	21.54%	21.19%	20.78%	20.09%	19.36%	18.66%	17.86%	16.80%
ST Debt & Current Portion LT Debt	0.00%	2.08%	1.99%	1.84%	1.73%	1.70%	1.67%	1.61%	1.56%	1.50%	1.44%	1.35%
Provisions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Deferred & other tax liabilities	0.93%	0.62%	0.47%	0.40%	0.34%	0.26%	0.20%	0.15%	0.12%	0.09%	0.07%	0.06%
Total current liabilities	40.73%	41.27%	39.57%	36.45%	34.38%	33.83%	33.17%	32.07%	30.90%	29.78%	28.51%	26.82%
Long-term debt	11.59%	7.57%	7.25%	6.68%	6.30%	6.20%	6.08%	5.88%	5.66%	5.46%	5.23%	4.91%
Non current Contract Liabilities	12.08%	11.58%	11.09%	10.22%	9.64%	9.48%	9.30%	8.99%	8.66%	8.35%	7.99%	7.52%
Deferred & other tax liabilities	0.93%	0.62%	0.47%	0.40%	0.34%	0.26%	0.20%	0.15%	0.12%	0.09%	0.07%	0.06%
Accrued & other liabilities	1.00%	0.95%	0.91%	0.83%	0.79%	0.77%	0.76%	0.73%	0.71%	0.68%	0.65%	0.61%
Total non-current liabilities	25.60%	20.71%	19.73%	18.14%	17.06%	16.72%	16.34%	15.76%	15.15%	14.58%	13.95%	13.11%
Total liabilities	66.33%	61.97%	59.30%	54.59%	51.44%	50.55%	49.51%	47.83%	46.05%	44.36%	42.46%	39.92%
Ordinary shares	0.09%	0.07%	0.06%	0.05%	0.04%	0.03%	0.02%	0.02%	0.01%	0.01%	0.01%	0.01%
Share premium	10.01%	8.33%	6.61%	5.63%	4.71%	3.66%	2.78%	2.14%	1.66%	1.30%	1.03%	0.85%
Treasury shares at cost	-8.27%	-0.98%	-0.76%	-0.64%	-0.54%	-0.42%	-0.32%	-0.25%	-0.19%	-0.15%	-0.12%	-0.10%
Retained earnings	30.98%	29.67%	34.07%	39.76%	43.83%	45.78%	47.70%	50.02%	52.28%	54.34%	56.50%	59.22%
Accumulated other comprehensive income	0.86%	0.93%	0.72%	0.61%	0.51%	0.40%	0.30%	0.23%	0.18%	0.14%	0.11%	0.09%
Total shareholders' equity	33.67%	38.03%	40.70%	45.41%	48.56%	49.45%	50.49%	52.17%	53.95%	55.64%	57.54%	60.08%
Total liabilities & shareholders' equity	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Fiscal Years Ending Dec. 31	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Cash & cash equivalents	25.24%	46.75%	58.20%	70.29%	79.72%	85.64%	92.38%	100.64%	109.07%	117.10%	125.58%	135.97%
Short-term investments	0.02%	0.02%	0.02%	0.02%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%
Accounts receivable, net	15.62%	16.44%	16.44%	16.44%	16.44%	16.44%	16.44%	16.44%	16.44%	16.44%	16.44%	16.44%
Financial Recievables	4.97%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
Current tax assets	3.61%	1.04%	0.84%	0.77%	0.69%	0.54%	0.42%	0.33%	0.27%	0.22%	0.18%	0.16%
Contract assets	0.87%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%	1.18%
Inventories, net	31.90%	39.98%	39.98%	39.98%	39.98%	39.98%	39.98%	39.98%	39.98%	39.98%	39.98%	39.98%
Other Assets	5.69%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%
Total current assets	87.91%	112.83%	124.07%	136.10%	145.45%	151.21%	157.83%	166.00%	174.37%	182.35%	190.79%	201.15%
Deferred tax assets	6.75%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%	7.12%
Non-current finance receivables	0.22%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
Equity method investments	3.31%	3.31%	2.66%	2.46%	2.19%	1.72%	1.34%	1.07%	0.86%	0.70%	0.58%	0.51%
Goodwill	16.54%	16.84%	13.54%	12.52%	11.11%	8.76%	6.80%	5.42%	4.36%	3.53%	2.94%	2.58%
Other intangible assets, net	2.67%	2.28%	1.78%	1.59%	1.37%	1.04%	0.78%	0.60%	0.47%	0.36%	0.29%	0.25%
Property, plant & equipment, net	19.80%	25.13%	26.14%	31.44%	36.19%	37.05%	37.35%	38.63%	40.38%	42.45%	45.79%	52.25%
Right-of-use assets - finance	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Right-of-use assets	1.10%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Other non-current assets	5.70%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%
Total non-current assets	56.09%	65.53%	62.07%	65.98%	68.82%	66.54%	64.24%	63.68%	64.03%	65.01%	67.55%	73.54%
Total assets	144.00%	178.37%	186.14%	202.07%	214.26%	217.76%	222.06%	229.68%	238.40%	247.35%	258.34%	274.69%
Accounts payable	8.46%	12.85%	12.85%	13.49%	14.17%	14.88%	15.62%	16.40%	17.22%	18.08%	18.98%	19.93%
Accrued & other liabilities	7.85%	9.86%	9.86%	9.86%	9.86%	9.86%	9.86%	9.86%	9.86%	9.86%	9.86%	9.86%
Contract Liabilities	41.23%	46.15%	46.15%	46.15%	46.15%	46.15%	46.15%	46.15%	46.15%	46.15%	46.15%	46.15%
ST Debt & Current Portion LT Debt	0.00%	3.71%	3.71%	3.71%	3.71%	3.71%	3.71%	3.71%	3.71%	3.71%	3.71%	3.71%
Provisions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Current & other tax liabilities	1.34%	1.10%	0.88%	0.82%	0.72%	0.57%	0.44%	0.35%	0.28%	0.23%	0.19%	0.17%
Total current liabilities	58.65%	73.61%	73.66%	73.66%	73.66%	73.66%	73.66%	73.66%	73.66%	73.66%	73.66%	73.66%
Long-term debt	16.69%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%
Non current Contract Liabilities	17.39%	20.65%	20.65%	20.65%	20.65%	20.65%	20.65%	20.65%	20.65%	20.65%	20.65%	20.65%
Deferred & other tax liabilities	1.34%	1.10%	0.88%	0.82%	0.72%	0.57%	0.44%	0.35%	0.28%	0.23%	0.19%	0.17%
Accrued & other liabilities	1.45%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%
Total non-current liabilities	36.87%	36.93%	36.72%	36.65%	36.56%	36.41%	36.28%	36.19%	36.12%	36.07%	36.03%	36.00%
Total liabilities	95.52%	110.54%	110.38%	110.32%	110.23%	110.07%	109.94%	109.85%	109.79%	109.73%	109.69%	109.67%
Ordinary shares	0.13%	0.13%	0.10%	0.10%	0.09%	0.07%	0.05%	0.04%	0.03%	0.03%	0.02%	0.02%
Share premium	14.41%	14.86%	12.30%	11.38%	10.10%	7.96%	6.18%	4.93%	3.97%	3.21%	2.67%	2.35%
Treasury shares at cost	-11.91%	-1.75%	-1.41%	-1.30%	-1.15%	-0.91%	-0.71%	-0.56%	-0.45%	-0.37%	-0.30%	-0.27%
Retained earnings	44.61%	52.91%	63.42%	80.34%	93.91%	99.70%	105.92%	114.89%	124.64%	134.40%	145.97%	162.67%
Accumulated other comprehensive income	1.24%	1.67%	1.34%	1.24%	1.10%	0.87%	0.67%	0.54%	0.43%	0.35%	0.29%	0.26%
Total shareholders' equity	48.48%	67.83%	75.76%	91.75%	104.04%	107.68%	112.12%	119.83%	128.62%	137.62%	148.65%	165.03%
Total liabilities & shareholders' equity	144.00%	178.37%	186.14%	202.07%	214.26%	217.76%	222.06%	229.68%	238.40%	247.35%	258.34%	274.69%

ASML												
Key Management Ratios												
Fiscal Years Ending Dec. 31	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Liquidity Ratios:												
Current Ratio	150%	153%	168%	185%	197%	205%	214%	225%	237%	248%	259%	273%
Quick Ratio	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%
Cash Ratio	29%	41%	47%	52%	55%	57%	59%	61%	63%	64%	66%	68%
Asset-Management Ratios:												
Asset Turnover Ratio	55%	63%	49%	49%	45%	41%	40%	39%	38%	37%	36%	35%
Inventory Turnover Ratio	40%	37%	30%	53%	40%	29%	21%	17%	15%	13%	11%	10%
Fixed Asset Turnover Ratio	595%	438%	432%	360%	312%	305%	302%	292%	280%	266%	247%	216%
Financial Leverage Ratios:												
Debt to Equity Ratio	34%	25%	23%	19%	17%	16%	15%	14%	13%	13%	12%	10%
Debt to total Cap Ratio	26%	20%	19%	16%	14%	14%	13%	13%	12%	11%	10%	9%
Debt to Assets	12%	10%	9%	9%	8%	8%	8%	7%	7%	7%	7%	6%
Profitability Ratios:												
Return on Equity (NI/Beg TSE)	92%	53%	52%	40%	35%	37%	38%	37%	36%	34%	31%	27%
Gross Margin Ratio	51%	51%	50%	50%	50%	51%	51%	51%	51%	51%	50%	50%
Net Profit Margin	28%	27%	28%	28%	28%	30%	32%	33%	34%	35%	36%	36%
Payout Policy Ratios:												
Dividend Payout Ratio (Dividend/NI)	30%	32%	26%	23%	20%	15%	11%	9%	7%	5%	4%	4%
Total Payout Ratio ((Divs. + Repurchases)/NI)	30%	32%	5289%	23%	20%	15%	11%	9%	7%	5%	4%	4%
Retention Ratio	157%	198%	226%	284%	330%	329%	330%	344%	362%	381%	407%	455%

Cost of Equity:		
Risk-Free Rate		3.95%
Beta		1.26
Equity Risk Premium		4.72%
Cost of Equity		9.90%

Cost of Debt:		
Risk-Free Rate		3.95%
Implied Default Premium		0.00%
Pre-Tax Cost of Debt		3.95%
Marginal Tax Rate		16%
After-Tax Cost of Debt		3.31%

Market Value of Common Equity:		MV Weights
Total Shares Outstanding	393501953	
Current Stock Price	\$732.22	
MV of Equity	288,130,000,026	<div>97.65%</div>

Market Value of Debt:		
Short-Term Debt	1046200000	
Current Portion of LTD	1046200000	
Long-Term Debt	4854000000	
PV of Operating Leases	337	
MV of Total Debt	6,946,400,337.26	<div>2.35%</div>

Market Value of the Firm	295,076,400,362.92	100.00%
---------------------------------	---------------------------	---------

Estimated WACC	9.74%
-----------------------	--------------

ASML

Discounted Cash Flow (DCF) and Economic Profit (EP) Valuation Models

Key Inputs:

CV Growth of NOPLAT	3.00%
CV Year ROIC	264%
WACC	9.74%
Cost of Equity	9.90%

Fiscal Years Ending Dec. 31	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
-----------------------------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------

DCF Model:

Free Cash Flow (FCF)	5227.2	6288.7	6070.4	7028.9	9989.1	13712.4	17713.9	22203.8	26682.9	28761.1
Continuing Value (CV)	833245.8									
PV of FCF	4763.2	5221.8	4593.0	4846.1	6275.6	7850.1	9240.6	10554.6	11557.8	360923.3
Value of Operating Assets:	425826.1									
Non-Operating Adjustments	89.2									
	418.2									
	10322.5									
Value of Equity	436655.9									
Shares Outstanding	395.0									
Intrinsic Value of Last FYE	\$ 1,105.53									
Implied Price as of Today	\$ 1,118.12									

EP Model:

Economic Profit (EP)	7532.6	8017.0	8725.7	11851.9	16446.4	21595.1	27594.2	34721.4	41794.5	45682.2
Continuing Value (CV)	718893.1									
PV of EP	6863.9	6656.8	6602.1	8171.4	10332.5	12362.8	14394.8	16504.9	18103.4	311391.0
Total PV of EP	411383.5									
Invested Capital (last FYE)	14442.5									
Value of Operating Assets:	425826.1									
Non-Operating Adjustments	89.2									
	418.2									
	10322.5									
Value of Equity	436655.9									
Shares Outstanding	395.0									
Intrinsic Value of Last FYE	\$ 1,105.53									
Implied Price as of Today	\$ 1,118.12									

<i>Fiscal Years Ending</i>	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
EPS	\$ 26.02	\$ 28.30	\$ 32.10	\$ 43.36	\$ 59.12	\$ 77.22	\$ 98.96	\$ 125.38	\$ 153.21	\$ 173.65
Key Assumptions										
CV growth of EPS	3.00%									
CV Year ROE	24.22%									
Cost of Equity	9.90%									
Future Cash Flows										
P/E Multiple (CV Year)										12.70
EPS (CV Year)										\$ 173.65
Future Stock Price										\$ 2,205.87
Dividends Per Share	6.65	6.58	6.57	6.60	6.58	6.59	6.59	6.59	6.59	
Discounted Cash Flows	6.06	5.46	4.97	4.55	4.14	3.77	3.44	3.13	2.85	870.66
	1	2	3	4	5	6	7	8	9	10
Intrinsic Value as of Last FYE	\$ 909.04									
Implied Price as of Today	\$ 919.39									

Ticker	Company	Price	EPS 2025E	EPS 2026E	P/E 25	P/E 26	Ev	Sales	Ev/Sales
LRCX	Lam Research	\$65.14	\$3.73	\$3.80	17.46	17.14	79,462	16209	4.90
AMAT	Applied Materials	\$126.95	\$9.46	\$10.18	13.42	12.47	117,816	27467	4.29
KLAC	KLA	\$576.53	\$32.03	\$34.71	18.00	16.61	92,909	10900	8.52
MKS	MKS Instruments	\$63.72	\$6.71	\$8.10	9.50	7.87	8057	3586	2.25
CDNS	Cadence Design System	\$260.22	\$5.37	\$6.36	48.46	40.92	69853	4641	15.05
	Average				21.37	19.00	73,619.58	12,560.60	7.00
ASML	ASML	\$647.00	\$12.40	\$17.10	52.2	37.8	257,080	35355	7.271401

ASML
Sensitivity Tables

DCF		CV Growth of NOPLAT						
	1,118.12	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%	4.50%
WACC	9.44%	1,005.72	1,058.45	1,118.78	1,188.48	1,269.91	1,366.31	1,482.23
	9.54%	988.21	1,039.15	1,097.34	1,164.41	1,242.60	1,334.89	1,445.50
	9.64%	971.18	1,020.41	1,076.54	1,141.13	1,216.23	1,304.65	1,410.27
	9.74%	954.26	1,001.82	1,055.96	1,118.12	1,190.24	1,274.92	1,375.76
	9.84%	938.46	984.49	1,036.79	1,096.74	1,166.14	1,247.43	1,343.94
	9.94%	922.74	967.27	1,017.78	1,075.57	1,142.34	1,220.35	1,312.69
	10.04%	907.43	950.52	999.32	1,055.06	1,119.32	1,194.21	1,282.63

DCF		BETA						
	1,118.12	0.96	1.06	1.16	1.26	1.36	1.46	1.56
ERP	4.42%	1,115.75	1,116.37	1,116.98	1,117.60	1,118.21	1,118.82	1,119.42
	4.52%	1,115.89	1,116.52	1,117.15	1,117.77	1,118.39	1,119.02	1,119.64
	4.62%	1,116.02	1,116.66	1,117.31	1,117.95	1,118.58	1,119.22	1,119.85
	4.72%	1,116.15	1,116.81	1,117.47	1,118.12	1,118.77	1,119.42	1,120.06
	4.82%	1,116.29	1,116.96	1,117.63	1,118.29	1,118.96	1,119.62	1,120.27
	4.92%	1116.42	1117.11	1117.79	1118.47	1119.14	1119.82	1120.49
	5.02%	1116.56	1117.25	1117.95	1118.64	1119.33	1120.02	1120.70

DDM		CV Growth of EPS						
	919.39	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%
Cost of Equity	9.30%	930.06	952.31	976.27	1,002.12	1,030.11	1,060.51	1,093.65
	9.50%	905.70	926.44	948.72	972.72	998.63	1,026.71	1,057.22
	9.70%	882.64	902.01	922.77	945.07	969.11	995.08	1,023.24
	9.90%	861.09	879.21	898.60	919.39	941.74	965.84	991.90
	10.10%	840.06	857.00	875.09	894.46	915.24	937.59	961.70
	10.30%	820.36	836.23	853.15	871.23	890.59	911.38	933.75
	10.50%	801.61	816.49	832.34	849.24	867.31	886.67	907.46

DCF		CV ROIC						
	\$1,118.12	114.50%	164.50%	214.50%	264.50%	314.50%	364.50%	414.50%
WACC	8.24%	1,533.92	1,544.76	1,550.55	1,554.15	1,556.61	1,558.39	1,559.74
	8.74%	1,364.38	1,373.88	1,378.95	1,382.10	1,384.25	1,385.81	1,387.00
	9.24%	1,223.45	1,231.83	1,236.30	1,239.09	1,240.98	1,242.36	1,243.41
	9.74%	1,104.23	1,111.67	1,115.65	1,118.12	1,119.80	1,121.03	1,121.96
	10.24%	1,003.44	1,010.10	1,013.65	1,015.86	1,017.37	1,018.46	1,019.29
	10.74%	916.29	922.26	925.45	927.44	928.79	929.77	930.52
	11.24%	840.60	846.00	848.87	850.66	851.88	852.77	853.44

DDM		CV ROE						
	919.39	9.00%	14.00%	19.00%	24.22%	29.00%	34.00%	39.00%
Cost Of Equity	9.30%	771.80	902.70	964.70	1,002.12	1,024.57	1,041.29	1,053.73
	9.50%	749.43	876.33	936.44	972.72	994.48	1,010.70	1,022.76
	9.70%	728.40	851.54	909.87	945.07	966.19	981.93	993.63
	9.90%	708.59	828.19	884.84	919.03	939.54	954.83	966.19
	10.10%	689.89	806.15	861.22	894.46	914.40	929.25	940.30
	10.30%	672.22	785.32	838.90	871.23	890.63	905.08	915.83
	10.50%	655.49	765.60	817.76	849.24	868.13	882.20	892.66

DCF		CV GROWTH OF NOPLAT						
	1,118.12	2.40%	2.60%	2.80%	3.00%	3.20%	3.40%	3.60%
Dividend Yield	0.80%	1,044.93	1,068.09	1,092.58	1,118.53	1,146.07	1,175.34	1,206.52
	0.90%	1,044.80	1,067.96	1,092.45	1,118.39	1,145.93	1,175.20	1,206.37
	1.00%	1,044.67	1,067.82	1,092.31	1,118.26	1,145.79	1,175.05	1,206.22
	1.10%	1,044.54	1,067.69	1,092.18	1,118.12	1,145.64	1,174.91	1,206.07
	1.20%	1,044.41	1,067.56	1,092.04	1,117.98	1,145.50	1,174.76	1,205.92
	1.30%	1044.28	1067.43	1091.91	1117.84	1145.36	1174.62	1205.78
	1.40%	1044.15	1067.30	1091.77	1117.70	1145.22	1174.47	1205.63

ASML

Valuation of Options Granted under ESOP

Current Stock Price \$744.22
Risk Free Rate 3.95%
Current Dividend Yield 1.10%
Annualized St. Dev. of Stock Returns 3.40%

Range of Outstanding Options	Number of Shares	Average Exercise Price	Average Remaining Life (yrs)	B-S Option Price	Value of Options Granted
80 - 90	284,300	85.00	0.79	\$ 655.39	\$ 186,328,007
90 - 100	638,200	95.00	0.84	\$ 645.48	\$ 411,942,438
100 - 110	450,900	105.00	0.87	\$ 635.68	\$ 286,627,578
Total	1,373,400	\$ 85.00	0.79	\$ 661.83	\$ 884,898,023