

We derive a significant percentage of our revenue from a small number of large customers. The ten largest customers accounted for approximately 82.2% of net sales in 2019 (2018: 79.2%). The three largest customers accounted for approximately 61.6% of net sales in 2019 excluding the proceeds of the patent litigation and arbitration settlement (2018: 51.5%). In 2019 we had three customers (2018: two customers) who contributed more than 10% of total net sales. Sales to these large customers also may fluctuate significantly from time to time depending on the timing and level of purchases by these customers. Significant orders from such customers may expose the Company to a concentration of credit risk and difficulties in collecting amounts due, which could harm the Company's financial results.

We invest our cash and cash equivalents in short-term deposits, money market funds and derivative instruments with high-rated financial institutions. We only enter into transactions with a limited number of major financial institutions that have high credit ratings and we closely monitor the creditworthiness of our counterparties. Concentration risk is mitigated by not limiting the exposure to a single counter party.

The maximum credit exposure is equal to the carrying values of cash and cash equivalent, and accounts receivable.

Liquidity risk

Our policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

Our liquidity needs are affected by many factors, some of which are based on the normal on-going operations of the business, and others that relate to the uncertainties of the global economy and the semiconductor industry. Although our cash requirements fluctuate based on the timing and extent of these factors, we believe that cash generated from operations, together with our principal sources of liquidity are sufficient to satisfy our current requirements, including our expected capital expenditures in 2020.

We intend to return cash to our shareholders on a regular basis in the form of dividend payments and, subject to our actual and anticipated liquidity requirements and other relevant factors, share buybacks.

The following table summarizes the Company's contractual and other obligations as at December 31, 2019.

	Total	Less than 1 year	1-5 years	More than 5 years
Accounts payable	119,712	119,712	—	—
Income tax payable	34,599	34,599	—	—
Accrued expenses and other payables	149,843	149,843	—	—
Lease liabilities	24,261	6,977	14,726	2,558
Pension liabilities	7,734	333	2,544	4,857
Purchase obligations:				
Purchase commitments to suppliers	100,694	99,546	1,148	—
Capital expenditure and other commitments	43,692	40,745	2,947	—
Total contractual obligations	480,535	451,755	21,365	7,415

Total short-term lines of credit amounted to €150 million at December 31, 2019. The amount outstanding at December 31, 2019 was nil and the undrawn portion totaled €150 million. The standby revolving credit facility of €150 million with a consortium of banks will be available through December 16, 2023.

For the majority of purchase commitments, the Company has flexible delivery schedules depending on the market conditions, which allows the Company, to a certain extent, to delay delivery beyond originally planned delivery schedules.

Equity price risk

The shares of ASMPT, our 25.19% equity investment, are listed on the Hong Kong Stock Exchange. If the fair value of an investment is less than its carrying value at the balance sheet date, the Company determines whether the impairment is temporary or prolonged. The amount per share recognized as per December 31, 2019 under equity accounting amounts to HK\$66.09 whereas the level 1 fair value per share (being the market price of a share on the Hong Kong Stock Exchange) was HK\$108.10. Management concluded that, based on quantitative analysis no impairment of its share in ASMPT existed as per December 31, 2019.