

Explanatory report of the Management Board to the Annual General Meeting pursuant to § 176 para. 1 sentence 1 of the German Stock Corporation Act (AktG) on the information pursuant to §§ 289a Sub-Para. 1, 315a Sub-Para. 1 of the German Commercial Code (HGB) in the management report for Pfeiffer Vacuum Technology AG and Pfeiffer Vacuum Group

The subscribed capital of Pfeiffer Vacuum Technology AG as at December 31, 2018 was unchanged at K€ 25,261 and consists of a total of 9,867,659 no-par value shares. There are no different classes of shares currently or previously existent, so all shares have the same rights, in particular the same voting and dividend entitlement rights. Accordingly, the calculated share of the subscribed capital amounts to € 2.56.

As of December 31, 2018, Dr. Karl Busch, Ms. Ayhan Busch, Ms. Ayla Busch, Mr. Sami Busch and Mr. Kaya Busch, all of Germany, according to their own statements, had a total of 50.02 % of the shares of the Company (previous year: 38.96 %). Further information is not available at the time. The shares are held indirectly through Pangea GmbH, Maulburg, Germany, and further independent legal entities belonging to the family-run Busch Group and are deemed to be held by the persons named. To our knowledge, there were no further shareholders with a holding of more than 10.0 % as at December 31, 2018 and also as at December 31, 2017.

Amendments to the Articles of Association can be decided at the Annual General Meeting by a simple majority of voters present at the meeting unless the law mandates a larger majority. To our knowledge, there are no restrictions with regard to voting rights or with regard to the transfer of shares. Management Board members, according to the Articles of Association and §§ 84, 85 German Stock Corporation Act ("AktG"), are appointed by the Supervisory Board for a maximum term of five years. Reappointments or extensions to the tenure period are permitted for a maximum of five years in each case.

Through a resolution of the Annual General Meeting on May 23, 2018, the Management Board was authorized to increase the subscribed capital once or repeatedly by € 12,630,602.24 or 4,933,829 shares, in exchange for cash or contributions in kind (authorized capital). This authorization is valid until May 23, 2023 and requires the consent of the Supervisory Board.

According to the resolution of the Annual General Meeting on May 22, 2014, the Management Board is authorized to issue fractional bonds with option or conversion rights or conversion obligations, profit participation rights or participating bonds (or combinations of these instruments) with an aggregate nominal value of up to € 200,000,000.00 and to grant the holders conversion rights for up to 2,466,914 no-par bearer shares of the Company having a pro-rata amount of up to € 6,315,299.84 of the share capital. This authorization is valid until May 21, 2019, and requires the consent of the Supervisory Board.

At the Annual General Meeting on May 21, 2015, the shareholders authorized Pfeiffer Vacuum to buy back treasury shares in accordance with § 71 Sub-Para. 1, No. 8, German Stock Corporation Act ("AktG"). This authorization covers the buyback of a proportionate amount of the Company's share capital of up to € 2,526,120.70 (986,766 shares, representing 10.0 % of the share capital at the time the resolution was adopted), requires the consent of the Supervisory Board for execution and is valid through May 20, 2020.

The Corporate Group does not own treasury shares as at December 31, 2018 and 2017.

For information relating to the employment contracts with the members of the Management Board, please refer to the corresponding sections in the compensation report.

There are no further aspects that would require discussion within the context of §§ 289a Sub-Para. 1, 315a Sub-Para. 1 HGB.

Asslar, February 28, 2019

Pfeiffer Vacuum Technology AG

Management Board



Dr. Eric Taberlet

Nathalie Benedikt

Dr. Ulrich von Hülsen

Dr. Matthias Wiemer