

Speech of the Chairman of the Management Board

ANNUAL SHARHOLDERS MEETING OF PFEIFFER VACUUM TECHNOLOGY AG

TUESDAY, MAY 28, 2013, 14 P.M.

TOWN HALL WETZLAR

– The spoken word is valid –

Not to be released before 15 p.m.



AGM Speech of Manfred Bender, CEO

Dear Shareholders,

Now that you have got to know Ms. Benedikt, I would like to join with Dr. Wiemer in welcoming you to this year's annual shareholders meeting.

Before commencing with my report on the past fiscal year, I would like to explain the particular circumstances under which this development occurred. For Pfeiffer Vacuum the year 2012 was the second year following a major acquisition. This fact had a marked influence on our entire business operations.

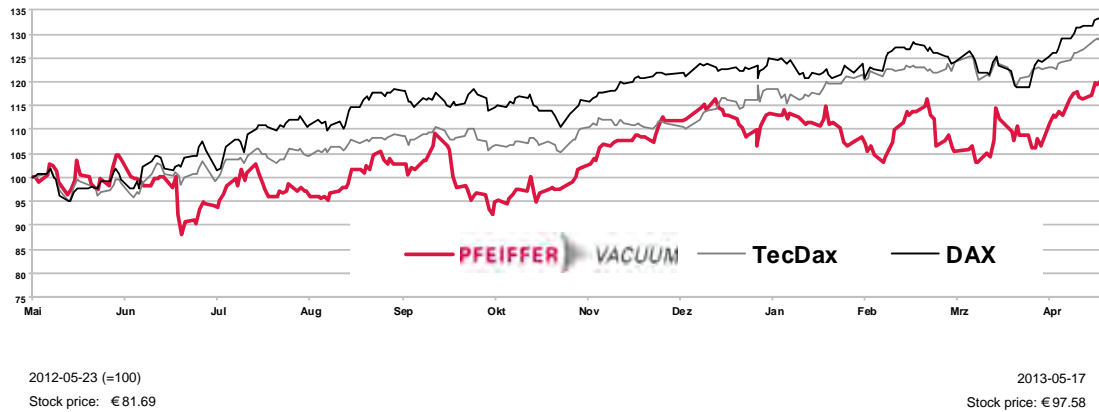
Worldwide presence of sales and service



We look back on 2012 as a fiscal year in which we above all did our homework. Towards the end of 2010 we took over adixen, one of our major competitors in France. We initially had our work cut out to formally integrate the global sales and service offices. Our primary aim was to bundle our competence in the various locations to act as a cohesive whole. This process had largely been completed by the beginning of 2012. Well over 2,000 employees had been formally integrated by this time. They now needed to be set on a common course. The good thing was that all these different people that we had now joined together under the umbrella brand of Pfeiffer Vacuum had one great thing in common – their interest in vacuum. They have all pulled together since then to come up with excellent vacuum solutions. It is this motivation which is the foundation on which the future of our company is built.

When we speak of the year 2012 it must be said that the global economic climate was anything but easy. A further slowdown in economic activity, although often only moderate, was experienced all over the world. There was an absence of a clear stimulus for growth.

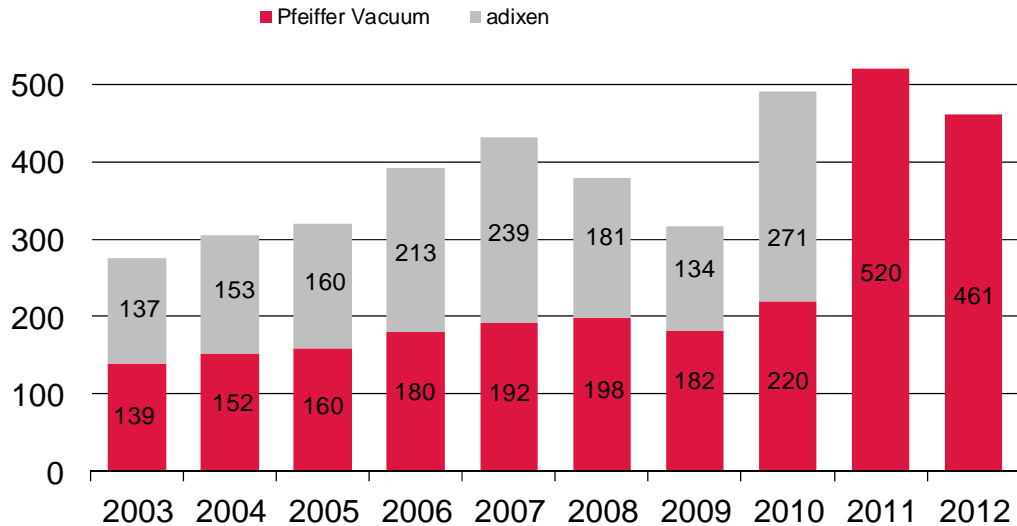
Relative Share Price Development Pfeiffer Vacuum May 2012 through May 2013



The uncertainty that prevailed in various markets – we would mention the semiconductor and solar markets in particular – resulted in a high level of anxiety on the stock exchange. As you can see from the graph showing the development of our share price, the development of share indices was also quite volatile. Even a share such as Pfeiffer Vacuum's that is otherwise so stable demonstrated a high volatility. However, we have every reason to be satisfied with our current equity price.

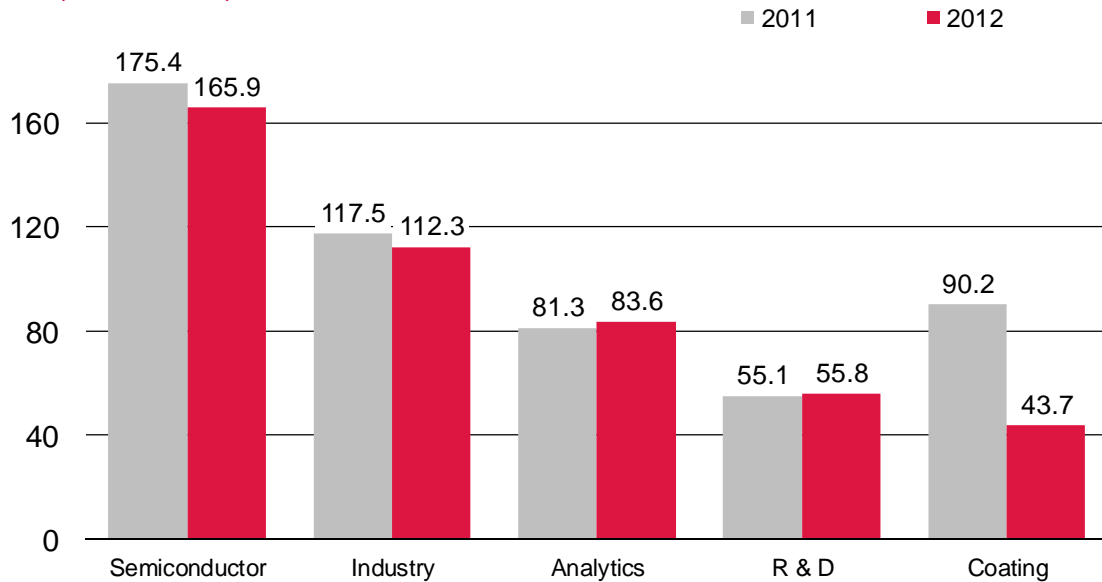
But let us now proceed to our company's performance.

Sales Development 10-Year Overview (in € million)



As you can see, we have also not come through the difficult economic climate completely unscathed. Sales revenues remained below the previous year's level. This was due principally to the fact that our customers exercised greater restraint in their investments. In addition, we had also meanwhile got all the new sales staff from the acquisition of adixen to commit to the old Pfeiffer Vacuum philosophy of not taking on every single order at any price. We sell technologically and qualitatively first-rate products which come at a price. We intend to hold fast to this philosophy even if we have to forego one or the other order as a result. We are not going to go all out to get an order and lose sight of profitability in the process. This strategy is successful as you can see from the development of the margins. I will come back to this later.

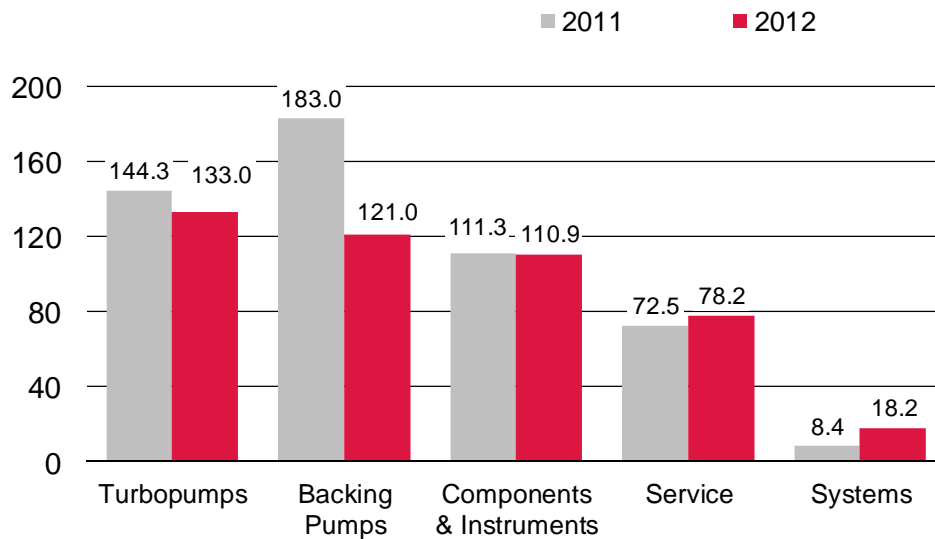
Sales Split by Market Segments vs. Prior Year (in € million)



With the exception of the semiconductor and solar industry, as I previously mentioned, the distribution of sales according to markets demonstrates a surprisingly stable development. You can see from the chart that the only slump in sales was in the coating market. If we look at this market without the solar industry, however, the picture here is also one of relatively consistent sales in other coating applications. In other words, the downturn in the coating market is exclusively due to the development of the solar industry.

The decline in sales revenues of 5.4 percent in the Semiconductor industry amounted to € 165.9 million over the pre-year figure of € 175.4 million. In the heterogeneous Industry market segment sales declined by 4.4 percent from € 117.5 million in 2011 to € 112.3 million. Sales in Analytics however rose 2.8 percent to € 83.6 million from the pre-year figure of € 81.3 million. Sales in the Research and Development market amounted to € 55.8 million. This represents a growth rate of 1.3 percent against the pre-year figure of € 55.1 million. Due to the weakness in the Solar market which I referred to earlier, there was a 51.6 percent drop in Coating sales from € 90.2 million in the previous year to € 43.7 million in 2012.

Sales by Products vs. Prior Year (in € million)



Sales by products also revealed weaknesses in the semiconductor and solar market. Sales revenues with Turbopumps sank by 7.9 percent from € 144.3 million in the previous fiscal year to € 133.0 million in 2012. The Backing Pumps business fell by 33.8 percent to € 121.0 million, following a figure of €183.0 million in 2011. In contrast, sales of Instruments and Components remained relatively stable at € 110.9 million. This represents a decline of 0.4 percent. Service revenues rose by 7.9 percent from € 72.5 million in the prior year to € 78.2 million. Finally, the growth in Systems more than doubled sales from € 8.4 million in 2011 to € 18.2 million in 2012.

Combined Expertise: Vacuum Pumps

- Pfeiffer Vacuum: Many decades of know-how in high and ultra-high vacuum
- adixen: Many decades of know-how in low and medium vacuum
- all in all expert knowledge from more than 500,000 installed turbopumps and more than 700,000 installed backing pumps



I would like to dwell a little longer on the subject of products, since this particularly reflects the expertise that has come together as a result of the acquisition of adixen and also Trinos Vakuum-Systeme 12 months earlier. This is why we have chosen the motto, "Combined expertise" for our current financial Annual Report. Pfeiffer Vacuum invented the turbopump. We have over 50 years of expertise in high vacuum and ultra-high vacuum. Last year adixen celebrated its 60th anniversary and so has many decades of experience in low and medium vacuum. We have an installed basis of 500,000 turbopumps and over 700,000 backing pumps.

Combined Expertise: Chambers and Components

- more 10 years experience with vacuum chambers
- customized or standard solutions
- chamber is heart of every vacuum system
- various components connect the chamber with the vacuum pumps



Added to this, Trinos has another 10 years' experience with vacuum chambers and components. This adds up to 123 years of Pfeiffer Vacuum, 60 years of adixen and 10 years of Trinos, totaling over 190 years of vacuum expertise. But we aspire to far more than just the mere sum of our achievements to date. Last year we spent a lot of time discussing our capabilities and technologies. We launched an array of projects combining a variety of products, resulting in the creation of something new and unique. This is precisely what we originally envisioned happening as a result of complimentary companies merging together. We will also prepare ourselves this way for meeting future challenges posed by the marketplace.

Product Combinations: HiCube Turbo Pumping Stations with adixen ACP Backing Pump

- turbo- and backing pump optimally adjusted to one another
- modular design affords simple customization for the application in question
- Integrated drive electronics; no additional control system needed
- “Plug and Play” – no installation or cabling required
- Robust engineering makes for long service life and high reliability



This gives some examples of what combinations of products may look like in practice. The picture shows a turbo pumping station into which we have integrated an adixen backing pump since this backing pump lends itself particularly well, from a technical point of view, to use with our turbopump. By optimizing the various components for use with each other the amount of electricity, water or gas that our customers use is reduced and their operating costs are lowered.

Product Combinations: CombiLine Roots Pumping Stations

- for utilisation in low and medium vacuum environments
- customized or standard solutions
- high pumping speeds, especially in the transitional range
- highly reliable
- featuring various backing pumps, pumping speeds & accessories



A further example is a Roots pumping station where the dry adixen backing pump performs extremely well for our Roots pumping station. Since the backing pump is not oil lubricated, it generates a particularly low-particle fore-vacuum.

Product Combinations: Leak detector ASM 340

- Highest sensitivity in its class
- Halved cycle times compared to existing solutions
- Fastest time-to-test due to highest roughing capacity
- Widest range of applications for compact leak detectors
- Low service costs



You will also find Pfeiffer Vacuum pumps in adixen products too. A Pfeiffer Vacuum turbopump, for instance, was integrated in the new ASM 340 leak detector. The ASM 340 is an innovative leak detector from adixen which we introduced at the Hanover trade fair. The turbopump is specially adapted to the leak detector. This resulted in a new jointly developed product that demonstrates our combined expertise. Many everyday objects surrounding us or in frequent use, such as airbag cartridges in cars, need to be tested for leaks. However, leak detectors are also used wherever a vacuum is called for. After all, even the smallest leak will prevent a vacuum from being created.

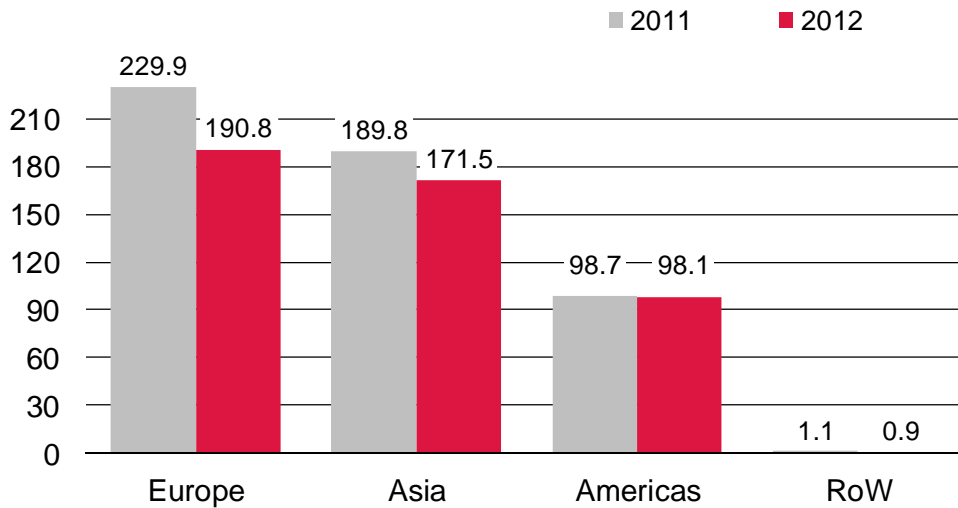
New Products: Contamination Management for the Semiconductor Industry

- molecular pollution during the chip production lead to to a decline in quality and a decreased production yield
- in order to guarantee both high quality and yield in semiconductor production, continuous analysis within the process cycle is possible with the APA 302
- APR 4300 is a system for wafer decontamination and protection from subsequent contamination



Finally, I would like to present two more products from the “Systems” category which our French colleagues from adixen launched last year. One of them is an analytical system and the other a system for decontamination. We must remember that nowadays wafers, i.e. semiconductor discs from which computer chips are cut, have microscopically small structures. They are so minute that they are no longer visible with a normal microscope. The presence of single molecules of contaminants during the manufacturing process for these wafers results in faults in the finished product. We provide a contamination management system that analyzes molecules around the chips and removes them if necessary. Ultimately, this improves the yield that our customers achieve.

Sales by Regions vs. Prior Year (in € million)



After this excursion into the world of our products, we must unfortunately return to the sober world of facts and figures where I would like to give you my report on the past fiscal year.

The regional distribution of sales showed certain changes, notably in Europe and Asia, while sales in the Americas were stable at €98.1 million and a 0.6 percent decline. Sales in Europe decreased by 20.9 percent from €229.9 million in the previous year to €190.8 million. Sales in Asia declined by 9.6 percent to €171.5 million. The pre-year figure was €189.8 million. Here, too, the solar sector was the decisive factor.



Key Profitability Numbers (in € million)

	2012		2011		Change
Sales	461.3		519.5		- 11.2 %
Gross Profit	166.8	36.2 %	167.4	32.2 %	- 0.4 %
EBIT	67.7	14.7 %	61.8	11.9 %	+ 9.6 %
EBT	66.3	14.4 %	59.5	11.5 %	+ 11.4%
Net Income	45.3	9.8 %	41.6	8.0 %	+ 8.9 %
EPS (in €)	4.59 €		4.19 €		+ 9.5 %

At the beginning of my speech I mentioned that we place great emphasis on maintaining the profitability of our business operations and that this may even take precedence over increasing sales figures. We achieved this very feat in the past year. In spite of a double-figure downturn in sales, the measures put in place by Pfeiffer Vacuum contributed towards a considerable increase in profitability. As a result, gross profit in 2012 declined by a mere 0.4 percent to € 166.8 million (almost to the pre-year level of € 167.4 million). Consequently, the gross profit margin rose by 4 percentage points to 36.2 percent. Operating profit increased by as much as 9.6 percent to € 67.7 million and exceeded the pre-year figure of € 61.8 million. This corresponds to an operating profit margin of 14.7 percent. In 2011 this was only 11.9 percent. Partly due to the fact that we reduced our liabilities, lower interest payments resulted in earnings before tax of € 66.3 million. This figure laid 11.4 percent over the previous year figure of € 59.5 million. Due to increased tax expenses the net income was 8.9 percent higher than the previous year's level. The pre-year figure was € 41.6 million and we concluded the year 2012 with a net income of € 45.3 million.



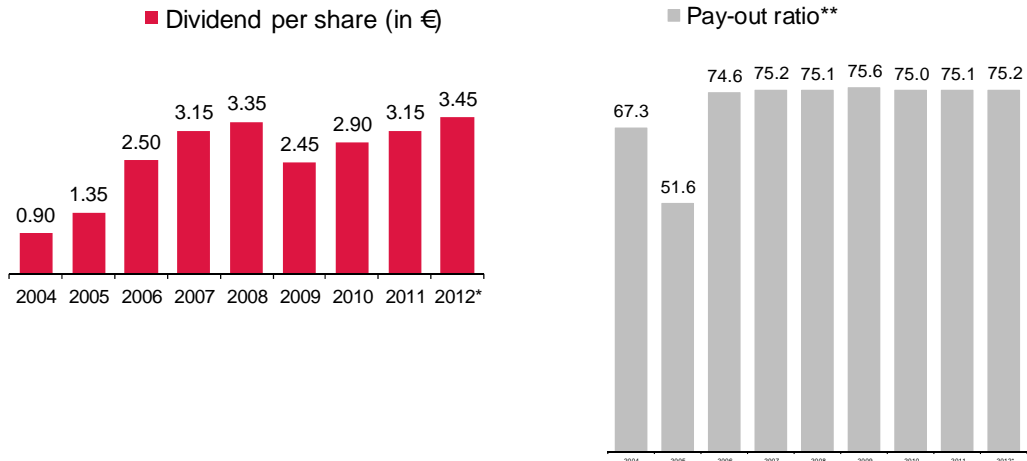
Selected Balance Sheet Line Items (in € million)

	per 31.12.12	per 31.12.11
Balance sheet total	445.7	476.8
Shareholders' equity	293.4	281.1
Equity ratio	65.8 %	59.0 %
Bank liabilities	52.1	76.6
Liquid assets	102.0	108.3

Moving on to our balance sheet, you will see that Pfeiffer Vacuum remains a thoroughly sound company. The balance sheet total in 2012 sank 6.5 percent to € 445.7 million in contrast to 2011. The equity ratio rose by 6.8 percentage points to 65.8 percent. We have repaid about one third of the bank liabilities that were established principally for financing the adixen acquisition, and these now amount to some € 52.1 million. Liquid assets total € 102.0 million. As you see, Pfeiffer Vacuum is still extremely soundly financed and is debt-free on a net basis, which means that our assets are higher than our liabilities.

Let us now come to the dividend.

Development of Dividend Pay-Out

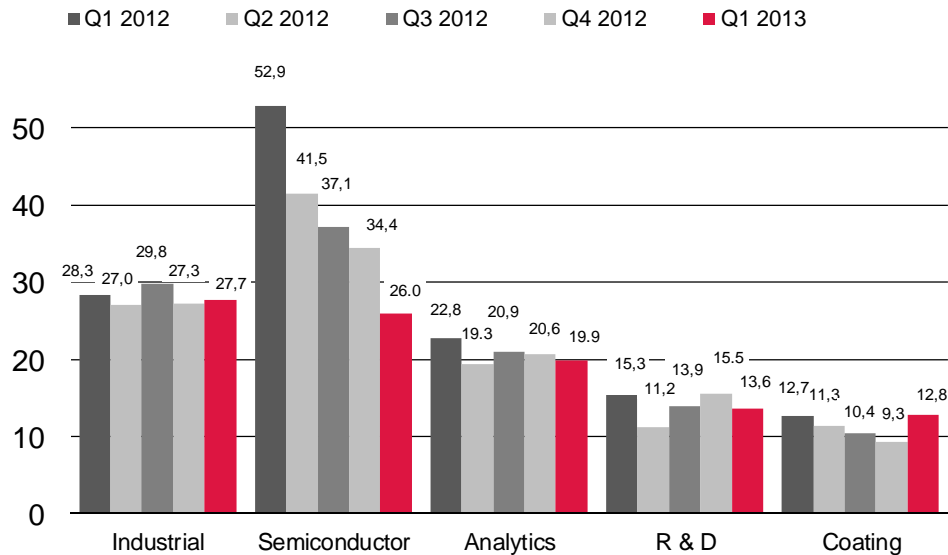


* For 2012 subject to the consent of the AGM.

** Pay-out ratio = Total amount distributed in dividends relative to consolidated net income attributable to shareholders.

Pfeiffer Vacuum is one of the high dividend yielding equities on the stock market. This is a philosophy which Pfeiffer Vacuum Technology AG wishes to remain true to in future. The Management Board and the Supervisory Board therefore propose to distribute a dividend of € 3.45 per share in the 2012 fiscal year. With a dividend payout volume of € 34.0 million, and assuming your approval, this would again result in a payout of some 75 percent of consolidated earnings. With this dividend we would like you to participate in the success of our company.

Sales by Market Segments Quarter on Quarter (in € million)



Fellow Shareholders,

what I'm sure you're most interested in now is how things will progress this year. Exactly three weeks ago today, we announced the results of the first quarter of this year. As you may remember, sales revenues decreased by 24.2 percent to € 100.0 million. In the first quarter of 2012 sales amounted to € 132.0 million. You can see from this slide that an extremely strong semiconductor market lent new impetus to the first quarter of last year. During the course of the year this market suffered a severe downturn. The first quarter of this year was marked by a pronounced weakness in the semiconductor market. We do not envisage that semiconductor sales will recover significantly in the second quarter. In the marketplace, an upturn is expected in the second half-year, however. All other markets remain relatively stable.

Order Development Quarter on Quarter (in € million)

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
Order intake	136.8	110.7	100.7	97.4	104.1
Order backlogs as at period's end	92.4	92.7	81.4	71.8	75.9

As early as in the fourth quarter of 2012, the order situation was already anticipating the weak development in this first half-year. In contrast, the first quarter of 2013 reveals an improvement in orders received. While I do not wish to overrate this, it nevertheless points to the first discernible rise over the previous quarter following several quarters with a steady downturn. This applies both to incoming orders as well as to orders in hand.

New orders in the first quarter of 2013 amounted to some € 104.1 million and were thus 23.9 percent under the previous year's figure of €136.8 million. In contrast to the immediately preceding quarter this represents an improvement of 6.9 percent. The book to bill ratio, i.e. the ratio between the intake of orders and sales, amounted to 1.04 as of March 31, 2013. Orders in hand of €75.9 million were down 17.9 percent on the €92.4 million for the corresponding period in 2012. This was a rise of 5.7 percent over the preceding quarter.



Forecast for FY 2013

- Sales revenues for 2013 in a range between € 420 und 450 million.
- EBIT-margin of around 12 %.

In spite of initial positive signs in the order situation, I am not upbeat about the development of sales in the current year. We are unable at the present time to gauge whether a significant recovery in the semiconductor market will set in within this year. We are therefore assuming at the current time that total sales will be in the region of € 420 to 450 million. This means that we expect that there will be a further decline in sales.

This slowdown in sales will affect our efforts to improve profitability. Our measures to boost efficiency in France, for instance, or to improve the distribution of our products, all require a certain volume of sales to make them visible. Since it is unlikely that this sales volume will be achieved in 2013, we assume that the operating margin, or EBIT margin, will be about 12 percent. This does not alter the fact, however, that we are aiming to achieve considerably more ambitious margin targets in the medium term.

Pfeiffer Vacuum remains a thoroughly sound and highly profitable enterprise. The economy will pick up again sooner or later. We are excellently placed for when this occurs.



Thank you for your attention!

I would like to thank you for your attention and hope you will enjoy the rest of the Annual Shareholders Meeting. I would also like to extend my thanks to the hard-working helpers who prepared and organized this Annual Shareholders Meeting to make it as welcoming for you as possible.



Contact

Pfeiffer Vacuum Technology AG

Berliner Strasse 43
35614 Asslar, Germany

Investor Relations

Dr. Brigitte Loos
T +49 6441 802-1346
F +49 6441 802-1365
Brigitte.Loos@pfeiffer-vacuum.de

www.pfeiffer-vacuum.com