PRESS RELEASE

Pfeiffer Vacuum Posts Record Sales in FY 2017

- **Total sales of EUR 587.0 million**
- **EBIT/-margin of EUR 71.4 million/12.2 percent**
- **Adjusted EBIT/-margin of EUR 80.9 million/13.8 percent**
- **Pleasing order intake in first months 2018**

Asslar, Germany, March 21, 2018. Total sales for FY 2017, which had been preliminarily announced and have meanwhile been audited, amounted to EUR 587.0 million. This represents a significant increase of 23.8 percent (previous year: EUR 474.2 million).
Operating profit (EBIT) came to EUR 71.4 million (previous year: EUR 68.0 million), somewhat lower than preliminarily announced, due to regular cut-off and valuation procedures in year-end closing. Thus, another record high in the history of Pfeiffer Vacuum was achieved. However, EBIT increased 5.0 percent, due to the one-offs PPA and increased consulting cost. EBIT margin for FY 2017 came to 12.2 percent and was thus 2.1 percentage points lower than previous year's 14.3 percent. Adjusted by the aforementioned one-offs, EBIT was at EUR 80.9 million with a corresponding margin of 13.8 percent.

Pfeiffer Vacuum's order intake for FY 2017 amounted to EUR 642.1 million (previous year: EUR 481.9 million). The book-to-bill ratio – the ratio of order intake to sales – was 1.09 in 2017 (previous year: 1.02). Year-end order backlog amounted to EUR 127.4 million (previous year: EUR 72.3 million).

The Management and Supervisory Board propose a dividend of EUR 2.00 per share (previous year: EUR 3.60). The payout ratio would thus amount to around 37 percent of consolidated net income.

On March 7, 2018, the Management and Supervisory Boards announced a CAPEX plan with a total volume of EUR 150 million by 2020. Key areas of this investment plan are: expansion and modernization of production capacity, intensification of research & development, acceleration of industry 4.0-efforts and expansion of our global footprint in Asia, with a particular focus on China.

Key figures at a glance:

	2017	2016	Change
Sales	EUR 587.0m	EUR 474.2m	+23.8 %
EBIT	EUR 71.4m	EUR 68.0m	+5.0 %
Net income	EUR 53.8m	EUR 47.0m	+14.5 %
EPS	EUR 5.46	EUR 4.77	+14.5 %
Dividend per share	EUR 2.00*	EUR 3.60	(44.4) %
Order intake	EUR 642.1m	EUR 481.9m	+33.2 %
o/w from acquisitions	EUR 52.2m	-	-
Order backlog	EUR 127.4m	EUR 72.3m	+76.2 %

* Subject to the approval of the Annual General Meeting

Dr. Eric Taberlet, CEO of Pfeiffer Vacuum Technology AG, comments, “We at Pfeiffer Vacuum had a very eventful year behind us. Despite all the challenges we are facing, 2017 has been a record year when it comes to sales and EBIT, which attest to the Group’s stable growth. Pfeiffer Vacuum will strengthen its excellent market position to further expanding the Group’s leadership in vacuum technology. And our figures show that we are already off to a good start.”

In terms of sales broken down by regions, Europe posted a pleasing increase of 17.8 percent to EUR 222.5 million (previous year: EUR 188.9 million). Sales in Asia rose significantly by 26.2 percent to EUR 220.3 million (previous year: EUR 174.6 million). In the Americas, sales showed extraordinary growth of 30.1 percent to EUR 143.8 million (previous year: EUR 110.5 million), not least due to additional volumes from the companies acquired during the year.

Sales of turbo pumps are once again strong compared with previous year's growth rates and showed an increase of 20.0 percent to EUR 173.4 million (previous year: EUR 144.5 million). Business with instruments and components outpaced the rest at first glance with an increase of 52.2 percent, however, it must be acknowledged that more than 20 percent of the total amount of EUR 160.6 million (previous year: EUR 105.5 million) attributes to acquisitions. Sales of backing pumps increased by 15.5 percent to EUR 132.8 million (previous year: EUR 115.0 million). Service revenues rose by 8.1 percent to EUR 107.8 million (previous year: EUR 99.7 million). Systems sales amounted to EUR 12.4 million after EUR 9.5 million in the previous year.

All of Pfeiffer Vacuum's five market segments exhibited growth in the past fiscal year. The Semiconductor and Coating markets, representing more than 50 percent of total sales volume, recorded an increase in sales by 45.6 and 33.9 percent to EUR 225.4 and 74.2 million (previous year: EUR 154.7 and 55.4 million), respectively. In Analytics, sales were up 8.7 percent, increasing to EUR 100.1 million (previous year: EUR 92.1 million). In the heterogeneous market segment Industry, sales increased by 11.4 percent to EUR 129.1 million (previous year: EUR 115.9 million). Market segment Research & Development sales volume rose by 3.7 percent to EUR 58.2 million (previous year: EUR 56.1 million).

Gross profit for the reporting period amounted to EUR 210.0 million (previous year: EUR 180.5 million). The gross profit margin in the past year decreased by 2.3 percentage points to 35.8 percent (previous year: 38.1 percent). Operating income (EBIT) amounted to EUR 71.4 million, 5.0 percent above the previous year's figure of EUR 68.0 million and resulted in an EBIT margin of 12.2 percent. Adjusted for one-offs, EBIT amounts to EUR 80.9 million, which is an increase of EUR 12.9 million or 18.9 percent compared to 2017. This corresponds to an adjusted EBIT margin of 13.8 percent (previous year: 14.3 percent).

The financial result amounted to EUR -0.4 million (previous year: EUR -0.4 million). The tax ratio markedly decreased to 24.2 percent (previous year: 30.4 percent), mainly influenced by the U.S. tax reform, which led to a devaluation of deferred tax liabilities. Net income totaled EUR 53.8 million (previous year: EUR 47.0 million) which corresponds to a net return on sales of 9.2 percent compared to 9.9 percent in the previous year. Earnings per share amounted to EUR 5.46, representing an increase of EUR 0.69 (previous year: EUR 4.77).

Despite an increase in operating cash flow from EUR 63.6 million in 2016 to EUR 71.4 million in 2017, the dividend, acquisitions and associated repayments of financial liabilities led to a net decrease in the cash position to EUR 97.4 million as of December 31, 2017 (previous year: EUR 110.0 million). The equity ratio decreased to 58.0 percent (previous year: 68.7 percent).

Outlook 2018

Pfeiffer Vacuum is very satisfied with the first months of the year. We expect sales to grow noticeably, however, the growth rate will be probably below that of 2017, which was influenced by additional volumes of acquisitions. For 2018, we expect PPA effects of approx. EUR 6.1 million and impacts from foreign exchange rates. Due to the limited visibility of orders based on sales over two to three months, we will provide our guidance for fiscal year 2018 traditionally at the Annual General Meeting in May.

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About Pfeiffer Vacuum
Pfeiffer Vacuum (stock exchange symbol PFV, ISIN DE0006916604) is one of the world's leading providers of vacuum solutions. In addition to a full range of hybrid and magnetically levitated turbopumps, the product portfolio encompasses backing pumps, measurement and analysis devices, components as well as vacuum chambers and systems. Ever since the invention of the turbopump by Pfeiffer Vacuum, the company has stood for innovative solutions and high-tech products that are used in the markets Analytics, Industry, Research & Development, Coating and Semiconductor. Founded in 1890, Pfeiffer Vacuum is globally active today. The company employs a workforce of some 2,900 people and has worldwide eight production sites and more than 20 subsidiaries.

For more information, please visit group.pfeiffer-vacuum.com

Consolidated Statements of Income

PFEIFFER VACUUM TECHNOLOGY AG

(in K€)	**2017**	2016
Net sales	586,962	474,244
Cost of sales	-376,945	-293,769
Gross profit	**210,017**	180,475
Selling and marketing expenses	-63,313	-55,330
General and administrative expenses	-48,976	-35,733
Research and development expenses	-27,763	-26,282
Other operating income	10,345	10,818
Other operating expenses	-8,924	-5,972
Operating profit	**71,386**	67,976
Financial expenses	-693	-662
Financial income	347	301
Earnings before taxes	**71,040**	67,615
Income taxes	-17,192	-20,583
Net income	**53,848**	47,032
Earnings per share (in €):		
Basic	5.46	4.77
Diluted	5.46	4.77

PFEIFFER VACUUM

Consolidated Balance Sheets

PFEIFFER VACUUM TECHNOLOGY AG

(in K€)	**Dec. 31, 2017**	Dec. 31, 2016
ASSETS		
Intangible assets	110,814	67,579
Property, plant and equipment	106,949	85,053
Investment properties	448	472
Shares in associated companies	-	1,636
Other financial assets	3,840	4,508
Deferred tax assets	23,037	23,312
Total non-current assets	**245,088**	182,560
Inventories	113,384	81,737
Trade accounts receivable	80,061	69,352
Income tax receivables	3,159	1,112
Prepaid expenses	2,475	3,099
Other accounts receivable	11,792	11,430
Cash and cash equivalents	97,402	110,032
Total current assets	**308,273**	276,762
Total assets	**553,361**	459,322
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	25,261	25,261
Additional paid-in capital	96,245	96,245
Retained earnings	229,747	211,423
Other equity components	-30,316	-17,355
Equity of Pfeiffer Vacuum Technology AG shareholders	**320,937**	315,574
Financial liabilities	60,248	-
Provisions for pensions	50,034	51,188
Deferred tax liabilities	3,988	1,848
Total non-current liabilities	**114,270**	53,036
Trade accounts payable	40,814	30,896
Customer deposits	7,678	4,928
Other accounts payable	22,333	20,530
Provisions	39,894	29,767
Income tax liabilities	7,354	4,367
Financial liabilities	81	224
Total current liabilities	**118,154**	90,712
Total shareholders' equity and liabilities	**553,361**	459,322

PFEIFFER VACUUM

Consolidated Statements of Cash Flows

PFEIFFER VACUUM TECHNOLOGY AG

(in K€)	**2017**	2016
Cash flow from operating activities:		
Earnings before taxes	71,040	67,615
Adjustment for financial income/financial expenses	346	361
Financial income received	350	227
Financial expenses paid	-1,053	-1,020
Income taxes paid	-17,441	-17,165
Depreciation/amortization	20,824	20,421
Gain/loss from disposals of assets	-31	-58
Changes in allowances for doubtful accounts	528	129
Changes in inventory reserves	2,702	2,180
Other non-cash income and expenses	116	321
Effects of changes in assets and liabilities:		
Inventories	-15,248	-5,960
Receivables and other assets	-7,005	-9,768
Provisions, including pensions, and income tax liabilities	5,983	-1,147
Payables, customer deposit	10,286	7,480
Net cash provided by operating activities	**71,397**	63,616
Cash flow from investing activities:		
Payments for acquisitions	-74,594	-
Capital expenditures	-27,678	-18,018
Proceeds from disposals of fixed assets	249	574
Net cash used in investing activities	**-102,023**	-17,444
Cash flow from financing activities:		
Proceeds from increase of financial liabilities	70,000	-
Dividend payments	-35,524	-31,577
Redemptions of financial liabilities	-15,182	-20,503
Net cash provided by/used in financing activities	**19,294**	-52,080
Effects of foreign exchange rate changes on cash and cash equivalents	-1,298	543
Net changes in cash and cash equivalents	**-12,630**	-5,365
Cash and cash equivalents at beginning of period	110,032	115,397
Cash and cash equivalents at end of period	**97,402**	110,032