PFEIFFER VACUUM

RESEARCH & DEVELOPMENT FOR OUR FUTURE

ANNUAL FINANCIAL STATEMENTS

as of December 31, 2018 (according to German Commercial Code "HGB")

PFEIFFER VACUUM TECHNOLOGY AG

2018

Content

These versions of the Annual Financial Statements, Management Report and related documents are translations from the German versions.
Only the respective German versions are binding.

I. Pfeiffer Vacuum Technology AG, Asslar
Balance Sheet as of December 31, 2018

Assets	€	€	Dec.31, 2017 €
A. Fixed assets			
I. Intangible assets			
1. Purchased franchises, industrial and similar rights and assets, and licenses in such rights and assets	670,533.00		781,339.00
		670,533.00	781,339.00
II. Property, plant and equipment			
1. Land, land rights and buildings, including buildings on third-party land	10,936,471.40		12,002,031.40
2. Other equipment, furniture and fixtures	779,540.00		932,820.00
3. Prepayments and assets under construction	0.00		47,816.12
		11,716,011.40	12,982,667.52
III. Financial assets			
1. Shares in affiliates	224,009,480.03		224,009,479.03
2. Loans to affiliates	7,700,000.00		5,150,000.00
		231,709,480.03	229,159,479.03
		244,096,024.43	242,923,485.55
B. Current assets			
I. Receivables and other assets			
1. Receivables from affiliates	62,158,539.37		61,668,097.90
2. Other assets	2,066,452.02		1,800,174.03
		64,224,991.39	63,468,271.93
II. Cash and cash equivalents		43,290,535.08	24,282,638.58
		107,515,526.47	87,750,910.51
C. Prepaid expenses		63,505.46	80,242.25
		351,675,056.36	330,754,638.31

I. Pfeiffer Vacuum Technology AG, Asslar
Balance Sheet as of December 31, 2018

Shareholders' equity and liabilities	€	€	Dec. 31, 2017 €
A. Equity			
I. Share capital (contingent capital € 6,315,299.84)	25,261,207.04		25,261,207.04
II. Additional paid-in capital	99,676,621.19		99,676,621.19
III. Retained earnings thereof profit brought forward € 88,428,406.23 (prior year: € 75,820,213.56)	134,827,793.22		108,163,724.23
		259,765,621.45	233,101,552.46
B. Provisions			
1. Provisions for pensions	3,816,478.89		2,067,367.86
2. Tax provisions	1,208,755.04		0.00
3. Other provisions	3,713,533.01		4,301,299.15
		8,738,766.94	6,368,667.01
C. Liabilities			
1. Liabilities to banks	60,000,000.00		60,000,000.00
2. Trade accounts payable	389,753.55		59,758.44
3. Liabilities to affiliates	22,732,144.05		31,195,526.71
4. Other liabilities thereof for taxes € 48,770.37 (prior year: € 29,133.69)	48,770.37		29,133.69
		83,170,667.97	91,284,418.84
		351,675,056.36	330,754,638.31

II. Pfeiffer Vacuum Technology AG, Asslar
Income statement for fiscal year 2018

		€	€	2017 €
1.	Sales revenues	4,379,154.20		4,619,278.22
2.	Income from profit and loss transfer agreement	44,987,038.75		38,660,624.32
3.	Income from equity investments thereof from affiliates € 14,730,129.13 (prior year: € 7,143,682.20)	14,730,129.13		7,143,682.20
4.	Other operating income	655,295.71		873,541.56
			64,751,617.79	51,297,126.30
5.	Cost of purchased materials and services		73,2617.68	534,416.56
6.	Personnel expenses			
	a) Wages and salaries	2,054,404.17		4,054,002.71
	b) Social security, pension and other benefit costs thereof for old-age pensions € 1,460,747.73 (prior year: € 780,467.56)	1,582,895.20		834,885.68
			3,637,299.37	4,888,888.39
7.	Amortization and depreciation of intangible assets and property, plant and equipment		1,663,557.24	1,676,328.02
8.	Other operating expenses		4,469,637.95	7,459,370.66
9.	Income from loans of financial assets thereof from affiliates € 346,798.67 (prior year: € 242,420.45)	346,798.67		242,420.45
10.	Other interest and similar income	0.00		18,264.19
11.	Interest and similar expenses	1,117,359.05		594,818.90
			-770,560.38	-334,134.26
12.	Income taxes	13,299,024.21		9,524,657.10
13.	Taxes passed on to affiliates	6,600,000.00		5,600,000.00
			6,699,024.21	3,924,657.10
14.	Income after income taxes		46,778,920.96	32,479,331.31
15.	Other taxes		379,533.97	135,820.64
16.	Net income		46,399,386.99	32,343,510.67
17.	Profit brought forward from the previous year		88,428,406.23	75,820,213.56
18.	Retained earnings		134,827,793.22	108,163,724.23

III. Notes to the Annual Financial Statements for Fiscal Year 2018

Pfeiffer Vacuum Technology AG, Asslar

Pfeiffer Vacuum Technology AG, domiciled in Asslar, is a stock corporation organized under German law and recorded in the Register of Companies at the Local Court of Wetzlar under Number HRB 44.

The present Annual Financial Statements were prepared in accordance with §§ 242 et seq. and §§ 264 et seq. of the German Commercial Code ("HGB") and in accordance with the relevant provisions of the German Stock Corporation Act ("AktG") and the supplementary provisions of the Articles of Association. The rules for large corporations are applicable. The income statement has been prepared using the total expenditure format.

Information that must be disclosed in the balance sheets or the income statement, or alternatively in the notes to the financial statements, is set out in its entirety in the notes to the financial statements.

1. Accounting and valuation Methods

The following accounting and valuation methods, which remained essentially unchanged, were used for the preparation of the Annual Financial Statements.

1.1 Fixed assets

Property, plant and equipment and purchased intangible assets are valued at acquisition cost and, if depreciable, taking scheduled depreciation/amortization into account. They are depreciated/amortized on a straight-line basis over their expected useful lives.

Financial assets in the form of equity interests are generally stated at cost of acquisition. Loans are accounted for at their nominal value.

Unscheduled depreciation/amortization is deducted in non-current assets in the event of expected permanent impairment losses and in financial assets additionally in the event of temporary impairment losses. If the reason for impairment no longer applies, appropriate write-ups are made.

1.2 Current assets

Receivables and other assets are stated at their nominal values or at the lower attributable value on the balance sheet date.

Cash and cash equivalents include cash on hand and bank balances. They are stated at their nominal value.

1.3 Deferred tax assets

Deferred tax assets result from temporary and quasi-permanent valuation differences between the accounting and tax valuation of pensions, property, plant and equipment and intangible assets. Deferred tax assets are generally calculated using a company-specific tax rate of 29.0%, but deferred tax assets are not capitalized as the available capitalization option is exercised.

1.4 Equity

Equity components are stated at their nominal value.

1.5 Provisions and liabilities

Provisions take account of all identifiable risks and uncertain obligations and are recognized in each case at the settlement amount that is reasonably necessary in accordance with prudent business judgment (including future cost and price increases).

The recognition of pension obligations is based on an actuarial report. Valuation is based on the projected unit credit method, taking into account expected future salary and pension increases as well as fluctuation rates. Discounting is performed in accordance with the average market interest rate published by the Deutsche Bundesbank in accordance with the German Regulation on the Discounting of Provisions from the last ten financial years for an assumed residual term of 15 years of 3.21% (previous year: 3.68%) and using the 2018 G mortality tables published by Prof. Dr. Heubeck in 2018 (previous year: 2005 G mortality tables published by Prof. Dr. Heubeck). As a result of the statutory netting obligation under commercial law with the plan assets valued at fair value (assets in Pfeiffer Vacuum Trust e.V., which are withdrawn from the recourse of all other creditors and which serve exclusively to meet pension obligations) only the net pension liability is shown in the balance sheet. In the income statement, the income from the plan assets and the expenses from the changed discounting of the pension obligation are shown on a net basis.

Liabilities are stated at their settlement amount.

1.6 Foreign currency translation

Assets and liabilities denominated in foreign currencies were generally translated at the year-end average spot rate. For remaining terms of more than one year, the realization principle (§ 252 Sub-Para. 1 No. 4, half-sentence 2, German Commercial Code (“HGB”)) and the acquisition cost principle (§ 253 Sub-Para. 1 sentence 1, German Commercial Code (“HGB”)) were applied.

2. Notes to the balance sheets

2.1 Assets

2.1.1 Fixed assets

The development of individual fixed asset items is shown in Appendix 1 to the Notes to the Annual Financial Statements.

2.1.2 Shares in affiliates

The direct and indirect shares in affiliated companies are shown in Appendix 2 to the Notes to the Annual Financial Statements. There were no changes during the year under review.

2.1.3 Loans to affiliates

The loans recorded in the balance sheet as of December 31, 2018 (K€ 7,700) relate to various companies in the Pfeiffer Vacuum Group and have increased by net K€ 2,550 compared with the previous year (K€ 5,150) due to repayments in the amount of K€ 700 and new allocations in the amount of K€ 3,250.

2.1.4 Special asset pension trust

Since the application of the German Accounting Laws Modernization Acts (“BilMoG”), the assets in Pfeiffer Vacuum Trust e.V. are reported netted against the Company's pension obligations, as these assets are to be classified as plan assets. Accordingly, only a net pension liability is reported in the year under review.

2.1.5 Receivables and other assets

As of the balance sheet date, there were receivables from affiliated companies in the amount of K€ 62,159 (previous year: K€ 61,668). This amount mainly includes receivables from profit and loss transfer agreements from Pfeiffer Vacuum GmbH and receivables from trade tax passed on also to Pfeiffer Vacuum GmbH. Receivables from affiliated companies include trade accounts receivable amounting to K€ 347 (previous year: K€ 871).

Other assets mainly include receivables from tax authorities from VAT refunds (K€ 1,345; previous year: K€ 851) and income tax refunds (K€ 708; previous year: K€ 896).

As in the previous year, there are no amounts with a remaining term of more than one year.

2.2 Shareholders‘ equity and liabilities

2.2.1 Share capital

The share capital of Pfeiffer Vacuum Technology AG remains unchanged at K€ 25,261 as of December 31, 2018. The shares are bearer shares and are divided into 9,867,659 no-par value shares. The calculated proportion of the share capital attributable to the individual shares is € 2.56.

2.2.2 Treasury shares

At the Annual Shareholders Meeting on May 21, 2015, the shareholders authorized the Management Board to acquire treasury shares pursuant to § 71, Sub-Para. 1, No. 8, German Stock Corporation Act. This authorization allows the Company to acquire treasury shares representing up to € 2,526,120.70 of the capital stock (986,766 shares equal to 10% of capital stock at the time of the resolution), requires the consent of the Supervisory Board for execution, and is valid through May 20, 2020.

2.2.3 Authorized capital

The Annual Shareholders Meeting on May 23, 2018, authorized the Management Board to increase the Company’s share capital by € 12,630,602.24, or 4,933,829 shares, in consideration for contributions in cash and/or kind once or in partial amounts (authorized capital). This authorization is valid through May 23, 2023, and is subject to the consent of the Supervisory Board.

2.2.4 Contingent capital

According to the resolution of the Annual Shareholders 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.

2.2.5 Additional paid-in capital

The paid-in capital of K€ 99,677 as at December 31, 2018 is unchanged compared to the previous year.

2.2.6 Retained earnings

In accordance with the resolution of the Annual General Meeting on May 23, 2018, a total of K€ 19,735 of retained earnings of the previous year amounting to K€ 108,164 was distributed. The remaining amount of K€ 88,429 was carried forward to new account. Taking into account the net income for the year in the amount of K€ 46,399, this resulted in retained earnings of K€ 134,828.

2.2.7 Provisions for pensions

According to the mandatory netting of pension obligations with the corresponding plan assets required by BilMoG from 2010 onwards, net pension obligations of K€ 3,816 (previous year: K€ 2,067) are reported as of December 31, 2018. This item consists of the settlement amount of the pension obligations of K€ 11,722 and the fair market value of plan assets of K€ 7,906 (previous year: K€ 10,284 and K€ 8,217 respectively). The acquisition costs of the plan assets amount to K€ 8,287 (previous year: K€ 8,234). Since 2015, the provisions for pensions have included individual contractual commitments to members of the Management Board, and additionally pension commitments to employees of the Company.

In the evaluation of pension obligations as of December 31, 2018, a discount rate of 3.21% (previous year: 3.68%), salary dynamics of unchanged 3.00%, a pension trend of unchanged 2.00% and a fluctuation rate of unchanged 3.00% were taken into account. Plan assets were measured on the basis of stock exchange or market prices determined at the end of the year.

The difference between the recognition of provisions in accordance with the corresponding average market interest rate from the past ten fiscal years and the recognition of provisions in accordance with the corresponding average market interest rate from the past seven fiscal years was determined in accordance with § 253 Sub-Para. 6 sentence 1, German Commercial Code ("HGB") and amounts to K€ 1,738 (previous year: K€ 1,479) as at the balance sheet date.

2.2.8 Other provisions

Other provisions comprise K€ 2,953 for personnel expenses (previous year: K€ 3,132), K€ 298 for pending incoming invoices (previous year: K€ 517) and K€ 275 for year-end financial statement costs (previous year: K€ 407).

2.2.9 Liabilities

The remaining terms of the liabilities and the collateral are shown in Appendix 3 to the Notes to the Annual Financial Statements.

The liabilities to banks reported as of December 31, 2018 result from the financing of an acquisition in the USA.

Liabilities to affiliated companies relate to Pfeiffer Vacuum SAS, Annecy, France, and result from a cash pooling agreement concluded in the previous year. Open amounts are subject to interests at market rates.

2.3 Additional Notes and Supplemental Information to the Balance Sheet

2.3.1 Commitments according to §§ 251, 268 Sub-Para. 7 German Commercial Code ("HGB")

Pfeiffer Vacuum Technology AG is liable for guarantee loans of various subsidiaries in the amount of K€ 1,769 (previous year: K€ 2,082). Due to the good asset, financial and earnings situation of the subsidiaries, the risk of utilization of guarantee loans is considered to be low.

2.3.2 Commitments and other financial obligations

The commitments/other financial obligations as of the balance sheet date amount to K€ 420 (previous year: K€ 269).

3. Notes to the Statements of Income

The presentation of the income statement remains unchanged according to the total cost method. The structure of the income statement has been adapted to the special features of the Company in order to improve clarity.

3.1 Sales revenues

Sales revenues mainly include rental income (K€ 2,161; previous year: K€ 2,160) and costs passed on to subsidiaries (K€ 2,173; previous year: K€ 2,431).

Sales revenues in the amount of K€ 568 (previous year: K€ 853) are attributable to costs passed on to subsidiaries not domiciled in Germany. All other sales revenues were generated in Germany.

3.2 Income from profit and loss transfer agreement

Income from the profit and loss transfer agreement relates exclusively to Pfeiffer Vacuum GmbH, Asslar.

3.3 Other operating income

In the current financial year, other operating income mainly comprises income from the dissolution of provisions (K€ 654; previous year: K€ 54) and currency translation gains (K€ 0; previous year: K€ 800). An amount of K€ 654 (previous year: K€ 54) of other operating income is attributable to other financial years.

3.4 Cost of purchased materials and services

The cost of purchased materials and services includes third-party service costs (K€ 682; previous year: K€ 377) and insurance premiums (K€ 51; previous year: K€ 64).

3.5 Other operating expenses

Other operating expenses essentially comprise legal and consulting expenses (K€ 1,857; previous year: K€ 3,911), auditing services (K€ 561; previous year: K€ 958), expenses for services by third parties (K€ 1,241; previous year: K€ 906), compensation for the Supervisory Board (K€ 308; previous year: K€ 309), travel expenses (K€ 175; previous year: K€ 188), contributions (K€ 86; previous year: K€ 133) and maintenance costs by third parties (K€ 15; previous year: K€ 8). The other operating expenses include K€ 7 foreign exchange losses (previous year: K€ 860).

3.6 Other interest and similar income

Other interest and similar income did not incur in fiscal 2018 (previous year: interest from tax refunds of K€ 18).

3.7 Interest and similar expenses

In accordance with the legal requirements, expenses from discounting were offset against income from plan assets in the income statement. Having recorded expenses from discounting in the amount of K€ 369 (previous year: K€ 372) and losses from plan assets of K€ 249 (previous year: income of K€ 127), a total amount of K€ 618 (previous year: K€ 245) is included in the net interest expenses.

3.8 Income taxes

Composition of Income Taxes (in K€)		
	2018	2017
Trade taxes	6,025	4,292
Corporate taxes	6,895	4,960
Solidarity surcharge	379	273
Total	**13,299**	**9,525**

A total of K€ 6,600 of this was passed on to Pfeiffer Vacuum GmbH (previous year: K€ 5,600). The income tax expenses include income relating to other periods in the amount of K€ 60 as a result of tax refunds for previous years (previous year: K€ 423).

4. Additional Notes and Supplemental Information

4.1 Management Board

Since November 27, 2017, the Management Board has consisted of Dr. Eric Taberlet, Diplom-Ingenieur, (Chairman of the Management Board and CEO), Ms. Nathalie Benedikt, Diplom-Betriebswirtin (Chief Financial Officer), Dr. Ulrich von Hülsen, Diplom-Physiker, and Dr. Matthias Wiemer, Diplom-Ingenieur.

The distribution of responsibilities within the Management Board is detailed in the Corporate Governance Report as an element of the Management Report.

Remuneration of the members of the Management Board amounted to K€ 1,893 (previous year: K€ 1,386). The short-term variable compensation paid in 2018 for the 2017 fiscal year amounted to K€ 467. In 2018, the short-term variable compensation component was paid from a provision created in the previous year, without affecting net income. Again in 2018, total remuneration and additional pension expenses of K€ 1,200 were passed on to subsidiaries. For active members of the Board of Management, a pension provision before offsetting against plan assets has been set up in the amount of K€ 2,577 (previous year: K€ 1,821). The compensation of the Management Board is explained in detail in the Management Report.

The current pension payments to former members of the Management Board in 2018 totaled K€ 371 (previous year: K€ 358). After K€ 8,397 at the end of 2017, the provision set up for this group of persons amounts to K€ 9,063 as of December 31, 2018 (before offsetting against plan assets).

The members of the Management Board are members of supervisory organs of various group subsidiaries.

4.2 Supervisory Board

Pursuant to § 96, Sub-Para. 1, § 101, Sub-Para. 1, German Stock Corporation Act ("AktG"), § 4, German One-Third Participation Act ("DrittelbG") of 2004, and § 9, Sub-Para. 1, Articles of Association and Bylaws, the Supervisory Board comprises four members elected by the Annual Shareholders Meeting and two members elected by the Company's employees.

The Supervisory Board members elected by the shareholders Dr. Michael Oltmanns and Dr. Wolfgang Lust resigned from their Supervisory Board mandate with effect from October 25, 2017 and left the Supervisory Board at that time. By decision of the Wetzlar District Court on October 5, 2017, Ayla Busch was legally appointed to the Supervisory Board for the period from October 26, 2017 until the end of the next ordinary Annual General Meeting. Ayla Busch was elected as Chairwoman of the Supervisory Board at the Supervisory Board meeting on October 26, 2017. By resolution of the Wetzlar District Court dated March 19, 2018, Henrik Newerla was legally appointed as a member of the Supervisory Board for the period from March 19, 2018 until the end of the next Annual General Meeting.

Accordingly, new elections to the Supervisory Board took place at the last Annual General Meeting on May 23, 2018. The Annual General Meeting approved the proposal of the Supervisory Board and elected Ayla Busch and Henrik Newerla as full members of the Supervisory Board. In turn, at the constituent meeting of the Supervisory Board on May 23, 2018, Ms. Busch was appointed Chairwoman of the Supervisory Board.

Membership during the course of the year 2018 was therefore as follows:

- Ayla Busch (Chairwoman)
  Co-CEO of Busch SE, Maulburg

- Götz Timmerbeil (Vice Chairman),
  Certified Public Accountant and Tax Advisor

- Filippo Th. Beck,
  Attorney of Swiss law,

- Helmut Bernhardt (Employee Representative),
  Development Engineer

- Manfred Gath (Employee Representative),
  Chairman of the Employee Council

- Henrik Newerla, Retiree,
  since March 29, 2018

The members of the Supervisory Board received a fixed remuneration of K€ 308 (previous year: K€ 309) in the period under review. The compensation of the Supervisory Board is explained in detail in the Management Report.

The following members exercised further mandates. These are supervisory board mandates unless otherwise indicated:

- Ayla Busch
  - Busch Taiwan Corporation, New Taipei City, Taiwan, Supervisor, until January 17, 2019
  - Busch Clean Air S.A., Pruntrut, Switzerland, Member of the supervisory organ, until December 31, 2018
  - Busch Vakuumteknik A/S, Ry, Denmark, Member of the supervisory organ, until January 16, 2019
  - Busch Vacuum Israel Ltd., Kiryat Gat, Israel, Director, until December 31, 2018
  - Busch Vacuum India Pvt. Ltd., Manesar, India, Non-Executive Director, until December 31, 2018
  - Busch Consolidated Inc., Virginia Beach, United States, Non-Executive Director, until December 31, 2018
  - Busch Vacuum South Africa (Pty.) Ltd., Johannesburg, South Africa, Non-Executive Director, until December 31, 2018

- Götz Timmerbeil:
  - Arena Gummersbach GmbH & Co. KG, Gummersbach (Deputy Chairman)
  - Richard Stein GmbH & Co. KG, Engelskirchen, (Chairman of the Advisory Board), from July 1, 2018
  - VfL Handball Gummersbach GmbH, Gummersbach (Chairman of the Advisory Board), until June 30, 2018

- Filippo Th. Beck:
  - Candoria Group, Baar (Switzerland), member of the supervisory organ of Candoria Holding AG, president of the supervisory organ of Progresa Holding AG and Sendaya Holding SA (formerly: Candoria Luxembourg Holding SA), Luxembourg;
  - Tenro Group, Bottmingen (Switzerland), member of the supervisory organ of various companies in the group,
  - Biamathea AG, Basel (Switzerland), member of the supervisory organ,
  - Polyterra Liegenschaften AG in liquidation, Küsnacht (Switzerland), member of the supervisory organ and liquidator,
  - Tainn-Immobilien AG, Berne (Switzerland), member of the supervisory organ,
  - Bellavista Services AG, member of the supervisory organ, from April 10, 2018,
  - IKFE Properties I AG, Zurich (Switzerland), president of the supervisory organ, until November 1, 2018

The remaining members of the Supervisory Board belong solely to the Supervisory Board of Pfeiffer Vacuum Technology AG, Asslar.

4.3 Employees

In fiscal 2018, the Company employed an average of four employees (previous year: three employees).

4.4 Profit appropriation proposal

The Management Boards proposes that a dividend of K€ 22,696 be distributed from the retained earnings of K€ 134,828 and that the remaining amount be carried forward to new account. This would correspond to a distribution of € 2.30 per no-par share.

4.5 Consolidated Financial Statements

Die Pfeiffer Vacuum Technology AG prepares Consolidated Financial Statements for the smallest circle of companies in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The subsidiaries of Pfeiffer Vacuum Technology AG as presented in Appendix 2 to the Notes are included in these financial statements. The Consolidated Financial Statements are published in the electronic Federal Gazette ("Bundesanzeiger").

Die Busch SE, Maulburg, Germany, prepares Consolidated Financial Statements for the largest circle of companies. The Consolidated Financial Statements of Pfeiffer Vacuum Technology AG will be included in these Financial Statements for the first time in 2018. The Consolidated Financial Statements of Busch SE are published in the electronic Federal Gazette ("Bundesanzeiger").

4.6 Profit and loss transfer agreement between Pfeiffer Vacuum Technology AG and Pfeiffer Vacuum GmbH

In August 2002, Pfeiffer Vacuum Technology AG concluded a profit and loss transfer agreement with Pfeiffer Vacuum GmbH (as subsidiary company). Pfeiffer Vacuum Technology AG recorded a profit and loss transfer from Pfeiffer Vacuum GmbH of K€ 44,987 in the income statement for 2018 under income from profit and loss transfer agreements (previous year: K€ 38,661).

4.7 Information on shareholdings

The relevant information on shareholdings is given in Appendix 4 of the Notes to the Annual Financial Statements.

4.8 Declaration pursuant to § 161 German Stock Corporation Act ("AktG"), German Corporate Governance Code

On December 5, 2018, the Management and Supervisory Boards of Pfeiffer Vacuum Technology AG submitted the Statement of Compliance for the year 2018 required pursuant to § 161 of the Germany Stock Corporation Act ("AktG"). It was made permanently accessible to shareholders on the Corporation's website (group.pfeiffer-vacuum.com).

Since the submission of the last statement of compliance on January 24, 2018, Pfeiffer Vacuum Technology AG complies with all recommendations of the German Corporate Governance Code, as amended in February 2017, with the following two exceptions:

- The German Corporate Governance Code recommends a deductible for the Supervisory Board's D&O insurance (Paragraph 3.8). The Supervisory Board's actual D&O insurance does not contain a deductible. A deductible would not improve the Supervisory Board's overall motivation and sense of responsibility as the members work for the benefit of the Group.

- The German Corporate Governance Code recommends that a term limit is established for the period on the Supervisory Board (Paragraph 5.4.1). In the financial year 2018, the Supervisory Board has set a specified limit of 15 years for the period of membership on the Supervisory Board. All members of the Supervisory Board fulfil this requirement, with the exception of Mr. Götz Timmerbeil; the Supervisory Board made an exception for him, since he possesses a high level of expertise and many years of knowledge of the Company, which the Supervisory Board would not like to forgo at this point in time and after the resolved changes to the Supervisory Board in the past three years.

4.9 Audit fees for independent auditor

The audit fees billed by the auditor for the fiscal year pursuant to § 285 No. 17 of the German Commercial Code ("HGB") are detailed in the Notes to the Consolidated Financial Statements of Pfeiffer Vacuum Technology AG.

Significant other services rendered by the auditor for Pfeiffer Vacuum Technology AG related to advisory in connection with the application of new laws and with the enhancement of the compliance management system.

5. Subsequent Events

Significant changes to the company situation or branch environment have not occurred since the beginning of the 2019 fiscal year.

Asslar, Germany, February 28, 2019

Pfeiffer Vacuum Technology AG

Management Board

Dr. Eric Taberlet Nathalie Benedikt Dr. Matthias Wiemer Dr. Ulrich von Hülsen

Fixed assets

	Acquisition costs EURO					Accumulated amortization and depreciation EURO					Net book values EURO	
	Balance as at Jan. 1, 2018	Additions	Reclassifications	Disposals	Balance as at Dec. 31, 2018	Balance as at Jan. 1, 2018	Additions	Reclassifications	Disposals	Balance as at Dec. 31, 2018	Net book value Dec. 31, 2018	Net book value Dec. 31, 2017
Intangible assets												
1. Purchased franchises, industrial and similar rights and assets, and licenses in such rights and assets	1,835,857.85	263,733.02	0.00	0.00	2,099,590.87	1,054,518.85	374,539.02	0,00	0.00	1,429,057.87	670,533.00	781,339.00
Intangible assets	1,835,857.85	263,733.02	0.00	0.00	2,099,590.87	1,054,518.85	374,539.02	0,00	0.00	1,429,057.87	670,533.00	781,339.00
Property, plant and equipment												
1. Land, land rights and buildings, including buildings on third-party land	35,228,950.91	55,316.14	0.00	0.00	35,284,267.05	23,226,919.51	1,120,876.14	0,00	0.00	24,347,795.65	10,936,471.40	12,002,031.40
2. Other equipment, furniture and fixtures	2,354,509.32	68,786.85	0.00	-68.502.02	2,354,794.15	1,421,689.32	168,142.08	0,00	-14,577.25	1,575,254.15	779,540.00	932,820.00
3. Prepayments and assets under construction	47,816.12	0.00	0.00	-47,816.12	0.00	00.00	0.00	0,00	0.00	0,00	0.00	47,816.12
Property, plant and equipment	37,631,276.35	124,102.99	0.00	-1,16,318.14	37,639,061.2	24,648,608.83	1,289,018.22	0,00	-14,577.25	25,923,049.80	11,716,011.40	12,982,667.52
Financial assets												
1. Shares in affiliates	224,909,479.03	1.00	0.00	0.00	224,909,480.03	900,000.00	0.00	0.00	0.00	900,000.00	224,009,480.03	224,009,479.03
2. Loans to affiliates	5,150,000.00	3,250,000.00	0.00	-700,000.00	7,700,000.00	0.00	0.00	0.00	0.00	0.00	7,700,000.00	5,150,000.00
Financial assets	230,059,479.03	3,250,001.00	0.00	-700,000.00	232,609,480.03	900,000.00	0.00	0.00	0.00	900,000.00	231,709,480.03	229,159,479.03
Total fixed assets	269,526,613.23	3,637,837.01	0.00	-816,318.14	272,348,132.10	26,603,127.68	1,663,557.24	0.00	-14,577.25	28,252,107.67	244,096,024.43	242,923,485.55

Shareholdings

Directly held shares	Share capital		Total equity		Net income 2018		Share in %
Pfeiffer Vacuum SAS, France	K€	9,424	K€	84,324	K€	13,294	100.0
Pfeiffer Vacuum Semi Korea Ltd., Republic of Korea	KKRW	24,651,830	KKRW	36,284,177	KKRW	7,239,090	100.0
Dreebit GmbH, Germany	K€	26	K€	2,754	K€	-91	100.0
Pfeiffer Vacuum GmbH, Germany	K€	7,700	K€	161,816 *	K€	53,210 *	100.0
Pfeiffer Vacuum Holding B.V., Netherlands	K€	454	K€	5,979	K€	1,468	100.0
Pfeiffer Vacuum Components & Solutions GmbH, Germany	K€	451	K€	13,421	K€	2,383	100.0
Pfeiffer Vacuum Korea Ltd., Republic of Korea	KKRW	425,000	KKRW	7,043,416	KKRW	1,765,766	24.5

Values based on International Financial Reporting Standards (IFRS)
* Before profit and loss transfer

1/2

Shareholdings

Indirectly held shares	Share capital		Total equity		Net income 2018		Share in %
Advanced Test Concepts, LLC, USA	KUSD	525	KUSD	1,915	KUSD	-429	100.0
Pfeiffer Vacuum Romania S.r.l., Romania	KRON	15,750	KRON	22,443	KRON	-1,252	100.0
Pfeiffer Vacuum Singapore Pte. Ltd., Singapore	KSGD	4,700	KSGD	14,694	KSGD	2,358	100.0
Pfeiffer Vacuum Taiwan Corporation Ltd., Taiwan	KNTD	77,000	KNTD	141,276	KNTD	47,318	100.0
Pfeiffer Vacuum Austria GmbH, Austria	K€	146	K€	2,151	K€	1,346	100.0
Pfeiffer Vacuum Benelux B.V., Netherlands	K€	18	K€	5,676	K€	1,340	100.0
Pfeiffer Vacuum Inc., USA	KUSD	23,550	KUSD	126,472	KUSD	6,192	100.0
Pfeiffer Vacuum (India) Private Ltd., India	KINR	10,056	KINR	176,463	KINR	14,055	100.0
Pfeiffer Vacuum Italia S.p.A., Italy	K€	384	K€	4,695	K€	473	100.0
Pfeiffer Vacuum Korea Ltd., Republic of Korea	KKRW	425,000	KKRW	7,043,416	KKRW	1,765,766	75.5
Pfeiffer Vacuum Ltd., Great Britain	KGBP	350	KGBP	4,617	KGBP	995	100.0
Nor-Cal Products Holdings, Inc., USA	KUSD	36,706	KUSD	-2,712	KUSD	-1,427	100.0
Nor-Cal Products Inc., USA	KUSD	63	KUSD	69,777	KUSD	-32	100.0
Nor-Cal Products Viet Nam Co., Ltd., Vietnam	KVND	16,613,114	KVND	92,179,543	KVND	12,421,930	100.0
Nor-Cal Products Europe Ltd., Great Britain	KGBP	65	KGBP	12	KGBP	-28	100.0
Nor-Cal Products Asia Pacific Pte. Ltd., Singapore	KUSD	20	KUSD	1,890	KUSD	1,223	100.0
Nor-Cal Products Korea Co. Ltd., Republic of Korea	KKRW	0	KKRW	2,492,580	KKRW	374,692	100.0
Pfeiffer Vacuum New Hampshire Realty Holdings, LLC, USA	KUSD	3,538	KUSD	11,090	KUSD	-100	100.0
Pfeiffer Vacuum Indiana Realty Holdings, LLC, USA	KUSD	1,560	KUSD	1,660	KUSD	43	100.0
Pfeiffer Vacuum California Realty Holdings, LLC, USA	KUSD	4,018	KUSD	4,457	KUSD	293	100.0
Pfeiffer Vacuum Malaysia SDN. BHD., Malaysia	KMYR	8,173	KMYR	4,149	KMYR	-1,855	100.0
Pfeiffer Vacuum (Xi'an) Co. Ltd., China	KCNY	25,900	KCNY	12,520	KCNY	2,111	100.0
Pfeiffer Vacuum Scandinavia AB, Sweden	KSEK	100	KSEK	38,245	KSEK	19,686	100.0
Pfeiffer Vacuum (Schweiz) AG, Switzerland	KCHF	500	KCHF	2,706	KCHF	1,061	99.4
Pfeiffer Vacuum (Shanghai) Co. Ltd., China	KCNY	35,389	KCNY	69,990	KCNY	23,826	100.0

Values based on International Financial Reporting Standards (IFRS)

2/2

Schedule of liabilities in K€

Type of liability		Total Dec. 31, 2018	Thereof with a remaining term of up to 1 year	1 to 5 years	over 5 years	Secured amounts	Type of collateral
To banks		60,000	-	60,000	-	-	-
	(prior year)	-	-	-	-	-	
From trade payables		465	465	-	-	-	-
	(prior year)	(60)	(60)	-	-	-	-
Liabilities to affiliates		22,732	22,732	-	-	-	-
	(prior year)	(31,196)	(31,196)	-	-	-	-
Other liabilities		49	49	-	-	-	-
	(prior year)	(29)	(29)	-	-	-	-
- thereof for taxes		49	49	-	-	-	-
	(prior year)	(29)	(29)	-	-	-	-

Publication according to § 26 (1) of German Securities Trading Act ("WpHG")

<table>
<tr><th>No.</th><th>Corporation</th><th>Holding (%)</th><th>Date</th><th>Published by</th><th>Content of publication</th></tr>
<tr><td>1</td><td>Allianz Global Investors GmbH, Frankfurt, Germany</td><td>2,94</td><td>Nov. 5, 2018</td><td>DGAP</td><td>
1. Details of issuer
<table>
<tr><td>Name:</td><td>Pfeiffer Vacuum Technology AG</td></tr>
<tr><td>Street:</td><td>Berliner Str. 43</td></tr>
<tr><td>Postal code:</td><td>35614</td></tr>
<tr><td>City:</td><td>Asslar
Germany</td></tr>
<tr><td>Legal Entity Identifier (LEI):</td><td>8945004AW6QK8JHNQP69</td></tr>
</table>
2. Reason for notification
<table>
<tr><td>X</td><td>Acquisition/disposal of shares with voting rights</td></tr>
<tr><td></td><td>Acquisition/disposal of instruments</td></tr>
<tr><td></td><td>Change of breakdown of voting rights</td></tr>
<tr><td></td><td>Other reason:</td></tr>
</table>
3. Details of person subject to the notification obligation
Legal entity: Allianz Global Investors GmbH
City of registered office, country: Frankfurt am Main, Germany
4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.
5. Date on which threshold was crossed or reached:
01 Nov 2018
6. Total positions
<table>
<tr><th></th><th>% of voting rights attached to shares (total of 7.a.)</th><th>% of voting rights through instruments (total of 7.b.1 + 7.b.2)</th><th>Total of both in % (7.a. + 7.b.)</th><th>Total number of voting rights pursuant to Sec. 41 WpHG</th></tr>
<tr><td>New</td><td>2.94 %</td><td>0.00 %</td><td>2.94 %</td><td>9567659</td></tr>
<tr><td>Previous notification</td><td>4.97 %</td><td>0.00 %</td><td>4.97 %</td><td>/</td></tr>
</table>
</td></tr>
</table>

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication
					(see below)

7. Details on total positions

a. Voting rights attached to shares (Sec. 33, 34 WpHG)

ISIN	Absolute		In %	
	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)
DE0006916604		290319	%	2.94 %
Total	290319		2.94 %	

b.1. Instruments according to Sec. 38 (1) no. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
				%
		Total		%

b.2. Instruments according to Sec. 38 (1) no. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
					%
			Total		%

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled nor does it control any other undertaking (s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least 3% or more)	% of voting rights through instruments (if at least 5% or more)	Total of both (if at least 5% or more)
Allianz SE	%	%	%
Allianz Asset Management AG	%	%	%
Allianz Global Investors GmbH	%	%	%

9. In case of proxy voting according to Sec. 34 para. 3 WpHG
(only in case of attribution of voting rights in accordance with Sec. 34 para. 1 sent. 1 No. 6 WpHG)

Date of general meeting:
Holding total positions after general meeting (6.) after annual general meeting:

Proportion of voting rights	Proportion of instruments	Total of both
%	%	%

10. Other explanatory remarks:

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication
2	Allianz Global Investors Kapitalanlagegesellschaft mbH, Frankfurt, Germany	2.99	Jan.17, 2012	EANS	Allianz Global Investors Kapitalanlagegesellschaft mbH, Frankfurt am Main, Germany, notified Pfeiffer Vacuum pursuant to § 21 (1) of the German Securities Trading Act that its percentage of voting rights in our corporation fell below the threshold of 3% on January 12, 2012 and stood at 2.99% (equivalent to 295,977 votes) as of that date. 1.14 percentage points of these voting rights (equivalent to 112,554 votes) are attributable to Allianz Global Investors Kapitalanlagegesellschaft mbH, Frankfurt am Main, Germany, pursuant to § 22 (1) sentence 1, no. 6, German Securities Trading Act.
3	Ameriprise Financial Inc., Minneapolis, USA	2.53	April 9, 2015	DGAP	Ameriprise Financial Inc., Minneapolis, USA, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that its percentage of voting rights in our corporation fell below the threshold of 3% on March 30, 2015 and stood at 2.53% (equivalent to 249,588 votes) as of that date. These 2.53 percentage points are attributable to Ameriprise Financial Inc., Minneapolis, USA, pursuant to § 22 (1), sentence 1, no. 6, in conjunction with sentence 2, German Securities Trading Act.
4	BNP Paribas Investment Partners S.A., Paris, France	2.28	Nov. 24, 2014	DGAP	BNP Paribas Investment Partners S.A., Paris, France, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that its percentage of voting rights in our corporation fell below the threshold of 3% on November 21, 2014 and stood at 2.28% percent (equivalent to 225,116 votes) as of that date. These 2.28 percentage points (equivalent to 225,116 votes) are attributable to BNP Paribas Investment Partners S.A. pursuant to. § 22 (1), sentence 1, no. 1, German Securities Trading Act, of which 1.84 percentage points (equivalent to 181,564 votes) are attributable to BNP Paribas Investment Partners S.A. pursuant to § 22 (1), sentence 1, no. 6, in conjunction with sentence 2, German Securities Trading Act.
5	BNP Paribas Investment Partners UK Ltd, London, Great Britain	2.97	Nov. 21, 2014	DGAP	Correction of a notification dated October 30, 2014 BNP Paribas Investment Partners UK Limited, London, GB, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that its percentage of voting rights in our corporation fell below the threshold of 3% on October 30, 2014 and stood at 2.97% (equivalent to 292,977 votes) as of that date. These 2.97 percentage points (equivalent to 292,977 votes) are attributable to BNP Paribas Investment Partners UK Limited, London, GB, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act.

Publication according to § 26 (1) of German Securities Trading Act ("WpHG")

No.	Corporation	Holding (%)	Date	Published by	Content of publication
6	BNP Paribas Asset Management SAS, Paris, France	2.99	Nov. 21, 2014	DGAP	Correction of a notification dated November 5, 2014 BNP Paribas Asset Management SAS, Paris, France, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that its percentage of voting rights in our corporation fell below the threshold of 3% on November 5, 2014 and stood at 2.99% (equivalent to 295,081 votes) as of that date. 1.14 percentage points of these voting rights (equivalent to 112,712 votes) are attributable to BNP Paribas Asset Management SAS, Paris, France, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act.

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

<table>
<tr><th>No.</th><th>Corporation</th><th>Holding (%)</th><th>Date</th><th>Published by</th><th>Content of publication</th></tr>
<tr>
<td>7</td>
<td>Dr.-Ing. Karl Busch, Ayan Busch, Ayla Busch, Sami Busch, Kaya Busch

and
Busch GbR, Busch SE and Pangea GmbH,
all in Maulburg, Germany</td>
<td>50,02</td>
<td>Nov 05, 2018</td>
<td>DGAP</td>
<td>
1. Details of issuer
<table>
<tr><td>Name:</td><td>Pfeiffer Vacuum Technology AG</td></tr>
<tr><td>Street:</td><td>Berliner Str. 43</td></tr>
<tr><td>Postal code:</td><td>35614</td></tr>
<tr><td>City:</td><td>Asslar
Germany</td></tr>
<tr><td>Legal Entity Identifier (LEI):</td><td>8945004AW6QK8JHNQP69</td></tr>
</table>
2. Reason for notification
<table>
<tr><td>X</td><td>Acquisition/disposal of shares with voting rights</td></tr>
<tr><td></td><td>Acquisition/disposal of instruments</td></tr>
<tr><td></td><td>Change of breakdown of voting rights</td></tr>
<tr><td></td><td>Other reason:</td></tr>
</table>
3. Details of person subject to the notification obligation
<table>
<tr><td>Natural person (first name, surname): Dr.-Ing. Karl Busch
Date of birth: 20 Apr 1929</td></tr>
<tr><td>Natural person (first name, surname): Ayhan Busch
Date of birth: 08 Jun 1934</td></tr>
<tr><td>Natural person (first name, surname): Ayla Busch
Date of birth: 07 Oct 1969</td></tr>
<tr><td>Natural person (first name, surname): Sami Busch
Date of birth: 13 Jun 1973</td></tr>
<tr><td>Natural person (first name, surname): Kaya Busch
Date of birth: 17 Dec 1974</td></tr>
</table>
4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.
<table>
<tr><td>Pangea GmbH</td></tr>
</table>
5. Date on which threshold was crossed or reached:
<table>
<tr><td>02 Nov 2018</td></tr>
</table>
6. Total positions
<table>
<tr><th></th><th>% of voting rights attached to shares (total of 7.a.)</th><th>% of voting rights through instruments (total of 7.b.1 + 7.b.2)</th><th>Total of both in % (7.a. + 7.b.)</th><th>Total number of voting rights pursuant to Sec. 41 WpHG</th></tr>
<tr><td>New</td><td>50.02 %</td><td>0 %</td><td>50.02 %</td><td>9867659</td></tr>
<tr><td>Previous notification</td><td>30.53 %</td><td>0.17 %</td><td>30.70 %</td><td>/</td></tr>
</table>
</td>
</tr>
</table>

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

<table>
<tr><th>No.</th><th>Corporation</th><th>Holding (%)</th><th>Date</th><th>Published by</th><th>Content of publication</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td>
7. Details on total positions
a. Voting rights attached to shares (Sec. 33, 34 WpHG)
<table>
<tr><td>ISIN</td><td colspan="2">Absolute</td><td colspan="2">In %</td></tr>
<tr><td></td><td>Direct (Sec. 33 WpHG)</td><td>Indirect (Sec. 34 WpHG)</td><td>Direct (Sec. 33 WpHG)</td><td>Indirect (Sec. 34 WpHG)</td></tr>
<tr><td>DE0006916604</td><td>0</td><td>4935402</td><td>0 %</td><td>50.02 %</td></tr>
<tr><td>Total</td><td colspan="2">4935402</td><td colspan="2">50.02 %</td></tr>
</table>
b.1. Instruments according to Sec. 38 (1) no. 1 WpHG
<table>
<tr><td>Type of instrument</td><td>Expiration or maturity date</td><td>Exercise or conversion period</td><td>Voting rights absolute</td><td>Voting rights in %</td></tr>
<tr><td></td><td></td><td></td><td></td><td>%</td></tr>
<tr><td></td><td></td><td>Total</td><td></td><td>%</td></tr>
</table>
b.2. Instruments according to Sec. 38 (1) no. 2 WpHG
<table>
<tr><td>Type of instrument</td><td>Expiration or maturity date</td><td>Exercise or conversion period</td><td>Cash or physical settlement</td><td>Voting rights absolute</td><td>Voting rights in %</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td>%</td></tr>
<tr><td></td><td></td><td></td><td>Total</td><td></td><td>%</td></tr>
</table>
8. Information in relation to the person subject to the notification obligation
<table>
<tr><td></td><td>Person subject to the notification obligation is not controlled nor does it control any other undertaking (s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).</td></tr>
<tr><td>X</td><td>Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:</td></tr>
</table>
<table>
<tr><td>Name</td><td>% of voting rights (if at least 3% or more)</td><td>% of voting rights through instruments (if at least 5% or more)</td><td>Total of both (if at least 5% or more)</td></tr>
<tr><td>Dr.-Ing. Busch, Karl, Busch, Ayhan, Busch, Ayla, Busch, Sami, Busch, Kaya</td><td>%</td><td>%</td><td>%</td></tr>
<tr><td>Busch GbR</td><td>%</td><td>%</td><td>%</td></tr>
<tr><td>Busch SE</td><td>%</td><td>%</td><td>%</td></tr>
<tr><td>Pangea GmbH</td><td>50.02 %</td><td>%</td><td>50.02 %</td></tr>
</table>
</td></tr>
<tr><td>8</td><td>Capital Research and Management Company, Los Angeles, USA</td><td>2.68</td><td>Dec. 2, 2014</td><td>DGAP</td><td>Capital Research and Management Company, Los Angeles, USA, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act, in conjunction with § 22 (1), sentence 1, no. 6, German Securities Trading Act, that its percentage of voting rights in our corporation fell below the threshold of 3% on November 24, 2014 and stood at 2.68% (equivalent to 264,558) as of that date.

2.68 percentage points of these voting rights (equivalent to 264,558 votes) are attributable to Capital Research and Management Company, Los Angeles, USA,</td></tr>
</table>

Publication according to § 26 (1) of German Securities Trading Act ("WpHG")

No.	Corporation	Holding (%)	Date	Published by	Content of publication
					pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act.
9	Credit Suisse Group AG, Zurich, Switzerland	2.98	May 29, 2015	DGAP	Credit Suisse Group AG, Zurich, Switzerland, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that its percentage of voting rights in our corporation fell below the threshold of 3% on May 25, 2015 and stood at 2.98% (equivalent to 294,178 votes) as of that date. 2.98 percentage points of these voting rights (equivalent to 294,178 votes) are attributable to the Credit Suisse Group AG pursuant to § 22 (1), sentence 1, no. 1, German Securities Trading Act.
10	Credit Suisse AG, Zurich, Switzerland	2.98	May 29, 2015	DGAP	Credit Suisse AG, Zurich, Switzerland, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on May 25, 2015 and stood at 2.98% (equivalent to 294,178 votes) as of that date. 2.32 percentage points of these voting rights (equivalent to 228,688 votes) are attributable to Credit Suisse AG pursuant to § 22 (1), sentence 1, no. 1, German Securities Trading Act.
11	Henderson Global Investors (Holdings) Limited, London, Great Britain	1.97	June 10, 2015	DGAP	Henderson Global Investors (Holdings) Limited, London, Great Britain, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on June 5, 2015 and stood at 1.97% (equivalent to 194,745 votes) as of that date. These 1.97 percentage points (equivalent to 194,745 votes) are attributable to Henderson Global Investors (Holdings) Limited, London, Great Britain, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with sentence 2, German Securities Trading Act.
12	Henderson Global Investors Limited, London, Great Britain	1.97	June 10, 2015	DGAP	Henderson Global Investors Limited, London, Great Britain, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation June 5, 2015 fell below the threshold of 3% on and stood at 1.97% (equivalent to 194,745 votes). These 1.97 percentage points (equivalent to 194,745 votes) are attributable to Henderson Global Investors Limited, London, Great Britain, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act.
13	Henderson Group plc,	1.97	June 10,	DGAP	Henderson Group plc, London, Great Britain, notified Pfeiffer Vacuum

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication
	London, Great Britain		2015		Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on June 5, 2015 and stood at 1.97% (equivalent to 194,745 votes) as of that date. These 1.97 percentage points (equivalent to 194,745 votes) are attributable to Henderson Group plc, London, Great Britain, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with sentence 2, German Securities Trading Act.
14	Massachusetts Financial Services Company (MFS), Boston, USA	2.81	Sept. 24, 2015	DGAP	Massachusetts Financial Services Company (MFS), Boston, USA, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on September 18, 2015 and stood at 2.81% (equivalent to 276,892 votes) as of that date. 1.83 percentage points of these voting rights (equivalent to 180,993 votes) are attributable to Massachusetts Financial Services Company (MFS) pursuant to § 22 (1), sentence 1, no. 6. Additional 0.97 percentage points (equivalent to 95,899 votes) are attributable to Massachusetts Financial Services Company (MFS) pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with sentence 2.
15	Ministry of Finance on behalf of the State of Norway, Oslo, Norway	2.94	July, 27 2018	DGAP	

Publication according to § 26 (1) of German Securities Trading Act ("WpHG")

No.	Corporation	Holding (%)	Date	Published by	Content of publication
					(see below)

1. Details of issuer

Pfeiffer Vacuum Technology AG
Berliner Str. 43
35614 Asslar
Germany

2. Reason for notification

X	Acquisition/disposal of shares with voting rights
	Acquisition/disposal of instruments
	Change of breakdown of voting rights
	Other reason:

3. Details of person subject to the notification obligation

Name:	City and country of registered office:
Ministry of Finance on behalf of the State of Norway	Oslo, Norway Norway

4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.

5. Date on which threshold was crossed or reached:

24 Jul 2018

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	total of both in % (7.a. + 7.b.)	total number of voting rights of issuer
Resulting situation	2.94 %	0.19 %	3.13 %	9867659
Previous notification	3.04 %	0.16 %	3.20 %	/

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication
					(see below)

7. Notified details of the resulting situation
a. Voting rights attached to shares (Sec.s 33, 34 WpHG)

ISIN	absolute		in %	
	direct (Sec. 33 WpHG)	indirect (Sec. 34 WpHG)	direct (Sec. 33 WpHG)	indirect (Sec. 34 WpHG)
DE0006916604	0	290360	0 %	2.94 %
Total	290360		2.94 %	

b.1. Instruments according to Sec. 38 para. 1 No. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
Shares on Loan (right to recall)	N/A	At any time	18572	0.19 %
		Total	18572	0.19 %

b.2. Instruments according to Sec. 38 para. 1 No. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
					%
			Total		%

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled and does itself not control any other undertaking(s) holding directly or indirectly an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least held 3% or more)	% of voting rights through instruments (if at least held 5% or more)	Total of both (if at least held 5% or more)
State of Norway	%	%	%
Norges Bank	%	%	%

9. In case of proxy voting according to Sec. 34 para. 3 WpHG

Date of general meeting:	
Holding position after general meeting:	% (equals voting rights)

10. Other explanatory remarks:

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication
16	Montanaro Asset Management Limited, London, Great Britain	2.94	July 7, 2014	DGAP	Montanaro Asset Management Limited, London, Great Britain, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on June 26, 2014 and stood at 2.94% (equivalent to 290,358 votes) as of that date. These 2.94 percentage points (equivalent to 290,358 votes) are attributable to Montanaro Asset Management Limited, London, Great Britain, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act.
17	Montanaro European Smaller Companies plc, Dublin, Ireland	2.98	Feb. 13, 2014	DGAP	Montanaro European Smaller Companies plc, Dublin, Ireland, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on February 10, 2014 and stood at 2.98% (equivalent to 293,744 votes) as of that date.

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication
18	Investmentgesellschaft für langfristige Investoren TGV	3.05	Oct. 29, 2018	DGAP	**1. Details of issuer** Pfeiffer Vacuum Technology AG Berliner Str. 43 35614 Asslar Germany **2. Reason for notification** X Acquisition/disposal of shares with voting rights Acquisition/disposal of instruments Change of breakdown of voting rights Other reason: **3. Details of person subject to the notification obligation** Name: Mr Norman Rentrop, Date of birth: 26 Oct 1957 City and country of registered office: **4. Names of shareholder(s)** holding directly 3% or more voting rights, if different from 3. Investmentgesellschaft für langfristige Investoren TGV **5. Date on which threshold was crossed or reached:** 24 Oct 2018 **6. Total positions** Resulting situation: % of voting rights attached to shares (total of 7.a.) 3.05 %; % of voting rights through instruments (total of 7.b.1 + 7.b.2) 0.00 %; total of both in % (7.a. + 7.b.) 3.05 %; total number of voting rights of issuer 9867659 Previous notification: % of voting rights attached to shares N/A %; % of voting rights through instruments N/A %; total of both in % N/A %; total number of voting rights of issuer /

PFEIFFER VACUUM

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication
					(see below)

7. Notified details of the resulting situation

a. Voting rights attached to shares (Sec.s 33, 34 WpHG)

ISIN	absolute		in %	
	direct (Sec. 33 WpHG)	indirect (Sec. 34 WpHG)	direct (Sec. 33 WpHG)	indirect (Sec. 34 WpHG)
DE0006916604		300675	%	3.05 %
Total	300675		3.05 %	

b.1. Instruments according to Sec. 38 para. 1 No. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
				%
		Total		%

b.2. Instruments according to Sec. 38 para. 1 No. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
					%
			Total		%

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled and does itself not control any other undertaking(s) holding directly or indirectly an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least held 3% or more)	% of voting rights through instruments (if at least held 5% or more)	Total of both (if at least held 5% or more)
Norman Rentrop	%	%	%
Investmentgesellschaft für langfristige Investoren	3.05 %	%	3.05 %

9. In case of proxy voting according to Sec. 34 para. 3 WpHG

Date of general meeting:	
Holding position after general meeting:	% (equals voting rights)

10. Other explanatory remarks:

Publication according to § 26 (1) of German Securities Trading Act ("WpHG")

No.	Corporation	Holding (%)	Date	Published by	Content of publication
19	Sun Life Assurance Company of Canada - U.S. Operations Holdings, Inc., Wellesley Hills, USA	2.81	Sept. 24, 2015	DGAP	Sun Life Assurance Company of Canada - U.S. Operations Holdings, Inc., Wellesley Hills, USA, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on September 18, 2015 and stood at 2.81% (equivalent to 276,892 votes) as of that date. These 2.81 percentage points (equivalent to 276,892 votes) are attributable to Sun Life Assurance Company of Canada - U.S. Operations Holdings, Inc., Wellesley Hills, USA, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with sentence 2, German Securities Trading Act.
20	Sun Life Financial Inc., Toronto, Canada	2.81	Sept. 24, 2015	DGAP	Sun Life Financial Inc., Toronto, Canada, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on September 18, 2015 and stood at 2.81% (equivalent to 276,892 votes) as of that date. These 2.81 percentage points (equivalent to 276,892 votes) are attributable to Sun Life Financial Inc. pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with sentence 2, German Securities Trading Act.
21	Sun Life Financial (U.S.) Holdings, Inc., Wellesley Hills, USA	2.81	Sept. 24, 2015	DGAP	Sun Life Financial (U.S.) Holdings, Inc., Wellesley Hills, USA, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on September 18, 2015 and stood at 2.81% (equivalent to 276,892 votes) as of that date. These 2.81 percentage points (equivalent to 276,892 votes) are attributable to Sun Life Financial (U.S.) Holdings, Inc., Wellesley Hills, USA, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with sentence 2, German Securities Trading Act.
22	Sun Life Financial (U.S.) Investments LLC, Wellesley Hills, USA	2.81	Sept. 24, 2015	DGAP	Sun Life Financial (U.S.) Investments LLC, Wellesley Hills, USA, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on September 18, 2015 and stood at 2.81% (equivalent to

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication
					276,892 votes) as of that date. These 2.81 percentage points (equivalent to 276,892 votes) are attributable to Sun Life Financial (U.S.) Investments LLC., Wellesley Hills, USA, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with sentence 2, German Securities Trading Act.
23	Sun Life Global Investments Inc., Toronto, Canada	2.81	Sept. 24, 2015	DGAP	Sun Life Global Investments Inc., Toronto, Canada, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation below the threshold of 3% on September 18, 2015 and stood at 2.81% (equivalent to 276,892 votes) as of that date. These 2.81 percentage points (equivalent to 276,892 votes) are attributable to Sun Life Global Investments Inc., Toronto, Canada, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with sentence 2, German Securities Trading Act.
24	Sun Life of Canada (U.S.) Financial Services Holdings, Inc., Boston, USA	2.81	Sept. 24, 2015	DGAP	Sun Life of Canada (U.S.) Financial Services Holdings, Inc., Boston, USA, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on September 18, 2015 and stood at 2.81% (equivalent to 276,892 votes) as of that date. These 2.81 percentage points (equivalent to 276,892 votes) are attributable to Sun Life of Canada (U.S.) Financial Services Holdings, Inc., Boston, USA, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with sentence 2, German Securities Trading Act.
25	TAM UK Holdings Limited, London, Great Britain	2.53	April 9, 2015	DGAP	TAM UK Holdings Limited, London, Great Britain, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on March 30, 2015 and stood at 2.53% (equivalent to 249,588 votes). These 2.53 percentage points are attributable to TAM UK Holdings Limited, London, Great Britain, pursuant to § 22 (1), sentence 1, no. 6, in conjunction with sentence 2, German Securities Trading Act.
26	TC Financing Limited, London, Great Britain	2.53	April 9, 2015	DGAP	TC Financing Limited, London, Great Britain, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on March 30, 2015 and stood at 2.53% (equivalent to 249,588 votes) as of that date. These 2.53 percentage points are attributable to TC Financing Limited, London, Great Britain, pursuant to § 22 (1), sentence 1, no. 6, in conjunction with

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication
					sentence 2, German Securities Trading Act.
27	The Capital Group Companies, Los Angeles, USA	2.68	Dec. 2, 2014	DGAP	The Capital Group Companies, Los Angeles, USA, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act in conjunction with § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with § 22 (1) sentences 2 and S. 3, German Securities Trading Act, that its percentage of voting rights in our corporation fell below the threshold of 3% on November 24, 2014 and stood at 2.68% (equivalent to 264,558 votes) as of that date. 2.68 percentage points of these voting rights (equivalent to 264,558 votes) are attributable to Capital Group Companies, Los Angeles, USA, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act, in conjunction with § 22 (1) sentences 2 and 3, German Securities Trading Act.
28	Threadneedle Asset Management Holdings Limited, London, Great Britain	2.53	April 9, 2015	DGAP	Threadneedle Asset Management Holdings Limited, London, Great Britain, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation on March 30, 2015 fell below the threshold of 3% and stood at 2.53% (equivalent to 249,588 votes). These 2.53 percentage points are attributable to Threadneedle Asset Management Holdings Limited, London, Great Britain, pursuant to § 22 (1) Sentence 1, no. 6, in conjunction with sentence 2, German Securities Trading Act.
29	Threadneedle Asset Management Holdings SARL, Luxembourg, Luxembourg	2.53	April 9, 2015	DGAP	Threadneedle Asset Management Holdings SARL, Luxembourg, Luxembourg, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on March 30, 2015 and stood at 2.53% (equivalent to 249,588 votes) as of that date. These 2.53 percentage points are attributable to Threadneedle Asset Management Holdings SARL, Luxembourg, Luxembourg, pursuant to § 22 (1), sentence 1, no. 6, in conjunction with sentence 2, German Securities Trading Act.
30	Threadneedle Asset Management Limited,	2.53	April 9, 2015	DGAP	Threadneedle Asset Management Limited, London, Great Britain, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication
	London, Great Britain				Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on March 30, 2015 and stood at 2.53% (equivalent to 249,588 votes) as of that date. These 2.53 percentage points are attributable to Threadneedle Asset Management Limited, London, Great Britain, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act.
31	Threadneedle Holdings Limited, London, Great Britain	2.53	April 9, 2015	DGAP	Threadneedle Holdings Limited, London, Great Britain, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation fell below the threshold of 3% on March 30, 2015 and stood at 2.53% (equivalent to 249,588 votes) as of that date. These 2.53 percentage points are attributable to Threadneedle Holdings Limited, London, Great Britain, pursuant to § 22 (1), sentence 1, no. 6, in conjunction with sentence 2, German Securities Trading Act.
32	Threadneedle Investment Services Limited, London, Great Britain	3.08	June 28, 2013	DGAP	Threadneedle Investment Services Limited, London, Great Britain, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation exceeded the threshold of 3% on June 26, 2013 and stood at 3.08% (equivalent to 303,567 votes) as of that date. These 3.08 percentage points (equivalent to 303,567 votes) are attributable to Threadneedle Investment Services Limited, London, Great Britain, pursuant to § 22 (1), sentence 1, no. 6, German Securities Trading Act. Voting rights from the following shareholder, whose percentage of voting rights in Pfeiffer Vacuum Technology AG amounts to 3% or above, are also attributed to it: Threadneedle Investment Funds ICVC. Threadneedle Investment Funds ICVC, London, Great Britain, notified Pfeiffer Vacuum Technology AG pursuant to § 21 (1) of the German Securities Trading Act that the percentage of its voting rights in our corporation exceeded the threshold of 3% on June 26, 2013 and stood at 3.08% (equivalent to 303,567 votes) as of that date.

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

<table>
<tr><th>No.</th><th>Corporation</th><th>Holding (%)</th><th>Date</th><th>Published by</th><th>Content of publication</th></tr>
<tr><td>33</td><td>Universal-Investment-Gesellschaft mit beschränkter Haftung, Frankfurt am Main, Germany</td><td>2.93</td><td>Feb. 1, 2017</td><td>DGAP</td><td>
1. Details of issuer
<table><tr><td>Pfeiffer Vacuum Technology AG
Berliner Str. 43
35614 Asslar
Germany</td></tr></table>
2. Reason for notification
<table>
<tr><td></td><td>Acquisition/disposal of shares with voting rights</td></tr>
<tr><td></td><td>Acquisition/disposal of instruments</td></tr>
<tr><td></td><td>Change of breakdown of voting rights</td></tr>
<tr><td>X</td><td>Other reason:
Disposal of voting rights through managed special assets</td></tr>
</table>
3. Details of person subject to the notification obligation
<table>
<tr><td>Name:</td><td>City and country of registered office:</td></tr>
<tr><td>Universal-Investment-Gesellschaft mit beschränkter Haftung</td><td>Frankfurt am Main
Germany</td></tr>
</table>
4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.
<table><tr><td>n/a</td></tr></table>
5. Date on which threshold was crossed or reached
<table><tr><td>27 Jan 2017</td></tr></table>
6. Total positions
<table>
<tr><th></th><th>% of voting rights attached to shares (total of 7.a.)</th><th>% of voting rights through instruments (total of 7.b.1 + 7.b.2)</th><th>total of both in % (7.a. + 7.b.)</th><th>total number of voting rights of issuer</th></tr>
<tr><td>Resulting situation</td><td>2.93 %</td><td>0.00 %</td><td>2.93 %</td><td>9867659</td></tr>
<tr><td>Previous notification</td><td>3.05 %</td><td>0.00 %</td><td>3.05 %</td><td>/</td></tr>
</table>
</td></tr>
</table>

Publication according to § 26 (1) of German Securities Trading Act (“WpHG”)

No.	Corporation	Holding (%)	Date	Published by	Content of publication

7. Notified details of the resulting situation

a. Voting rights attached to shares (Sec.s 21, 22 WpHG)

ISIN	absolute		in %	
	direct (Sec. 21 WpHG)	indirect (Sec. 22 WpHG)	direct (Sec. 21 WpHG)	indirect (Sec. 22 WpHG)
DE0006916604	0	289215	0 %	2.93 %
Total	289215		2.93 %	

b.1. Instruments according to Sec. 25 para. 1 No. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
				%
		Total		%

b.2. Instruments according to Sec. 25 para. 1 No. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
					%
			Total		%

8. Information in relation to the person subject to the notification obligation

X	Person subject to the notification obligation is not controlled and does itself not control any other undertaking(s) holding directly or indirectly an interest in the (underlying) issuer (1.).
	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least held 3% or more)	% of voting rights through instruments (if at least held 5% or more)	Total of both (if at least held 5% or more)

9. In case of proxy voting according to Sec. 22 para. 3 WpHG

Date of general meeting:	
Holding position after general meeting:	% (equals voting rights)

10. Other explanatory remarks:

Shares in circulation as of December 31, 2018: 9,867,659

IV. Management Report for the 2018 Fiscal Year

Pfeiffer Vacuum Technology AG, Asslar

The earnings of Pfeiffer Vacuum Technology AG are primarily characterized by the profit transfer from Pfeiffer Vacuum GmbH, Asslar. This increased by € 6.3 million from € 38.7 million to € 45.0 million in fiscal 2018. At the same time, income from investments also increased significantly from € 7.1 million to € 14.7 million. As expected, other operating expenses fell from € 7.5 million to € 4.5 million as a result of one-off expenses for consulting services in connection with the takeover bids and the expansion of the scope of consolidation recorded in the previous year, among other things. As a result, Pfeiffer Vacuum Technology AG's net income for fiscal 2018 amounted to € 46.4 million in fiscal 2018, compared to € 32.3 million in the previous year. The earnings situation has thus improved significantly from the already high level of the previous year. The liquidity and financial position are also still excellent. The payment of a high dividend to shareholders and all operating expenses of the Company and the Pfeiffer Vacuum Group as a whole were financed by available liquidity. The equity ratio rose again from 70.5% as of December 31, 2017 to 73.9%.

Basic Company information

Pfeiffer Vacuum Technology AG (hereinafter referred to as "Pfeiffer Vacuum") is a German stock corporation domiciled in Asslar. The company has been listed on the German Stock Exchange since April 15, 1998.

As of December 31, 2018, the number of subsidiaries of Pfeiffer Vacuum Technology AG remained unchanged at 31.

The table below details the Corporate Group structure as at December 31, 2018:

Pfeiffer Vacuum Corporate Group Structure (as at December 31, 2018)		
Name	Home state	Share (in %)
Pfeiffer Vacuum Technology AG	Germany	
Pfeiffer Vacuum GmbH	Germany	100.0
Pfeiffer Vacuum Austria GmbH	Austria	100.0
Pfeiffer Vacuum (Schweiz) AG	Switzerland	99.4
Pfeiffer Vacuum (Shanghai) Co. Ltd.	China	100.0
Pfeiffer Vacuum (India) Private Ltd.	India	27.0[1]
Pfeiffer Vacuum Ltd.	Great Britain	100.0
Pfeiffer Vacuum Scandinavia AB	Sweden	100.0
Pfeiffer Vacuum Inc.	USA	100.0
Advanced Test Concepts, LLC.	USA	100.0
Nor-Cal Products Holdings, Inc.	USA	100.0
Nor-Cal Products, Inc.	USA	100.0
Nor-Cal Products Europe Ltd.	Great Britain	100.0
Nor-Cal Products Asia Pacific Pte. Ltd.	Singapore	100.0
Nor-Cal Products Korea Co., Ltd.	Republic of Korea	100.0
Nor-Cal Products Viet Nam Co., Ltd.	Vietnam	100.0
Pfeiffer Vacuum New Hampshire Realty Holdings, LLC.	USA	100.0
Pfeiffer Vacuum Indiana Realty Holdings, LLC.	USA	100.0
Pfeiffer Vacuum California Realty Holdings, LLC.	USA	100.0
Pfeiffer Vacuum Singapore Pte. Ltd.	Singapore	100.0
Pfeiffer Vacuum Malaysia SDN. BHD.	Malaysia	100.0
Pfeiffer Vacuum Taiwan Corporation Ltd.	Taiwan	100.0
Pfeiffer Vacuum Benelux B. V.	The Netherlands	100.0
Pfeiffer Vacuum (Xi'an) Co. Ltd.	China	100,0
Pfeiffer Vacuum Holding B. V.	The Netherlands	100,0
Pfeiffer Vacuum Italia S. p. A.	Italy	100.0
Pfeiffer Vacuum (India) Private Ltd.	India	73.0[1]
Pfeiffer Vacuum Korea Ltd.	Republic of Korea	75.5[1]
Pfeiffer Vacuum Components & Solutions GmbH	Germany	100.0
Pfeiffer Vacuum SAS	France	100.0
Pfeiffer Vacuum Romania S.r.l.	Romania	100.0
Pfeiffer Vacuum Semi Korea Ltd.	Republic of Korea	100.0
Pfeiffer Vacuum Korea Ltd.	Republic of Korea	24.5[1]
Dreebit GmbH	Germany	100.0

[1] Shareholding quota totals 100 %

A central role is taken up by Pfeiffer Vacuum GmbH, Asslar. Pfeiffer Vacuum organizes the manufacture of all Pfeiffer Vacuum products, is the distributor for Germany and also manages central equity investments for the Corporate Group. As of December 31, 2018, the Company employed a total of 808 employees (previous year: 728). Pfeiffer Vacuum SAS, Annecy, France, also plays an important role. The Company employed 718 employees at year end (previous year: 667) and is the principal production facility for adixen products, and is responsible for sales in France.

As additional Group companies with their own production facilities, Pfeiffer Vacuum Components & Solutions GmbH (Göttingen, Germany), Pfeiffer Vacuum Semi Korea Ltd. (Asan, Republic of Korea), Pfeiffer Vacuum Romania S.r.l. (Cluj, Romania), Nor-Cal Products, Inc. (Yreka, USA) and Advanced Test Concepts, LLC. (Indianapolis, USA) as well as Nor-Cal Products Viet Nam Co., Ltd. (Hi-Chi-Minh-City, Vietnam) are entrusted with the manufacture and assembly of their own products.

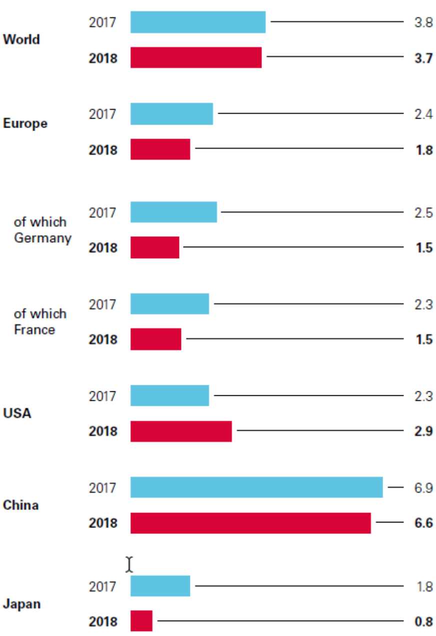
The other Group companies are legally independent corporations that perform sales and service tasks. In legal terms, all companies are essentially organized in a legal form comparable to the German limited liability company (GmbH).

Overall Economic and Industry-specific Development

Overall economic development

Global economy The global economy continued its upswing in 2018. However, growth was somewhat lower than in the previous year. According to the latest estimates of the International Monetary Fund (IMF), the global economy grew by 3.7% in 2018, slightly below the level of the previous year (2017: 3.8%). For the emerging and developing countries, the IMF expects the economy to grow by 4.6% (previous year: 4.7%). With regard to the industrial nations, the experts assume that the year 2018 will end with an increase in the gross domestic product of 2.3% (previous year: 2.4%).

GROSS DOMESTIC PRODUCT
(real change compared with previous year[1]) in %



[1] Data relating to the previous year may differ from the previous year's report due to statistical revisions.

Europe In view of weaker developments in some eurozone countries during the second half of 2018, the IMF has revised its original forecasts for the past year downwards. Overall, economic output in Europe rose by 1.8% (2017: 2.4%).

In the two largest economies of the eurozone, Germany and France, gross domestic product (GDP) increased in each case by 1.5% (2017: 2.5% and 2.3%, respectively). In Italy and Spain, GDP rose by 1.0% (2017: 1.6%) and 2.5% (2017: 3.0%), respectively. In Germany, declining private consumption, lower industrial production - above all in the automotive industry - and lower external demand were among the factors responsible for the weaker development. Italy was burdened by low domestic demand and high credit costs. France's positive development was overshadowed by the street protests that had been going on for months and the uncertainties in connection with an unregulated withdrawal of Britain from the European Union and led to the pessimistic assessment of the experts at the Monetary Fund.

USA For the U.S. economy, the IMF expects economic output to rise by 2.9% in 2018 - an increase of 0.6% compared with 2017. The already prosperous economy has been given an additional boost by US President Donald Trump's tax reduction package with a volume of US dollar 1.5 trillion. In addition, the progressive dismantling of regulations has stimulated the willingness of companies to invest, thereby increasing investments by 7% compared to the previous year. Household demand increased by around 3%. In addition, the sharp rise in the price of oil up till the beginning of October has caused additional euphoria in the energy sector, which is important for the USA.

Asia In 2018 the strained trade relations with the USA impaired the growth of China, the world's second-largest economy, which grew by 6.6%, following 6.9% in the previous year. Japan's economy is expected by the IMF to close 2018 with growth of 0.8%. IMF experts believe that the Indian economy has considerable growth potential. For 2018, they expect growth of 7.3% on the subcontinent.

Mechanical engineering and the vacuum industry

According to the Mechanical Engineering Industry Association (VDMA), Germany-wide production in the mechanical engineering sector in the first nine months of 2018 exceeded the previous year's level by 2.6% on a price-adjusted basis. Whether the Association's growth forecast of 5.0% for the year as a whole can still be achieved, however, is not yet certain. The reason for the somewhat weaker development lies in bottlenecks in technical capacities and materials as well as the existing shortage of labor.

However, order intake between the beginning of January and the end of November 2018 rose by 6.0% compared with the above-average result of the prior-year period. This means that the order books of German mechanical engineering companies remain well filled. Figures for exports of machinery and equipment from Germany for the year as a whole were not available at the time this report was compiled. According to the industry association VDMA and the German Federal Statistical Office, during the first eleven months of 2018 they increased by a nominal 5.3% compared with the same period of the previous year. The real increase amounted to 4.0%. Deliveries to other European countries (5.7%), China (10.5%) and the USA (7.7%) increased at an above-average rate. The positive development is likely to have continued over the year as a whole. According to the Federal Statistical Office, the number of people employed in German mechanical engineering rose by 3.7% year-on-year to around 1,003,000 in November 2018.

Vacuum technology is used in many branches of industry. Accordingly, the vacuum industry must also be seen against the background of the global economic development. The various market segments of the vacuum industry developed very differently. According to the German Electrical and Electronic Manufacturers' Association (ZVEI), the global semiconductor market will close 2018 with growth of around 15% and sales of just under US dollar 474 billion. This was due in particular to the sustained high demand for data storage. The largest growth continues to come from Asia. With growth rates of around 8% and 13% respectively, the German and European semiconductor markets lagged behind the global market. As in the previous year, the coating and analytics market segments also recorded an overall pleasing development, while research & development and industry largely followed the general economic conditions.

Profitability, Financial Position, and Liquidity

Profitability

The main focus of activity of Pfeiffer Vacuum Technology AG lies in its holding function, cash management for the German subsidiary in Asslar and, since the year 2017, also for Pfeiffer Vacuum SAS in Annecy, the financing function for the overall Group's liquidity requirements and the leasing of buildings to Pfeiffer Vacuum GmbH in Asslar. The existing profit and loss transfer agreement with the subsidiary Pfeiffer Vacuum GmbH has a material impact on the Company's earnings.

At € 46.4 million, Pfeiffer Vacuum Technology AG's net income for the year was € 14.1 million higher than the previous year's figure of € 32.3 million. This corresponds to a significant increase by 43.5%.

As in previous years, the earnings position of Pfeiffer Vacuum Technology AG continues to be significantly impacted by the profit transfer from Pfeiffer Vacuum GmbH amounting to € 45.0 million (previous year: € 38.7 million). This increase by € 6.3 million reflects the extremely satisfactory business development of Pfeiffer Vacuum GmbH in 2018.

The sales volume of Pfeiffer Vacuum GmbH was again able to be increased significantly by € 26.0 million from an already high level in 2017 to € 246.7 million. The main growth impulses came from the regions of Europe (excluding Germany) and Asia. Double-digit growth rates were also achieved in the USA. Overall, growth is broad-based and there was virtually no decline in sales in any country. In Europe, however, the development in Austria and the Netherlands is particularly noteworthy, while the Asia region was particularly affected by developments in China and Japan. In Germany, a further increase by 3.3% was achieved after very pleasing sales improvements in the previous year. The expectations formulated in last year's outlook of a sales volume at the level of 2017 were thus clearly exceeded. The main reason for this was the continued stability of the global economic cycle.

Sales by Region (in K€)

	2018	2017	Change
Germany	86,334	83,585	3.3%
Europe (excluding Germany)	60,085	49,498	21.4%
Asia	58,900	50,593	16.4%
The Americas	41,365	35,755	15.7%
Rest of World	63	1,250	-95.0%
Total	**246,747**	**220,681**	11.8%

An analysis of the sales performance of Pfeiffer Vacuum GmbH by product shows that growth rates were achieved for all major product groups in 2018. Turbopumps again showed a marked improvement in 2018 and, with an increase of € 17.9 million, recorded the largest absolute increase, continuing to be affected by the sustained momentum in the analytics and coating market. Sales of instruments and components showed very satisfactory growth rates, and sales of backing pumps also increased significantly by € 3.1 million. In years of strong sales growth in the new product business, the service segment showed only a slight improvement.

Sales by Product (in K€)			
	2018	2017	Change
Turbopumps	142,291	124,378	14.4%
Instruments and components	43,283	37,526	15.3%
Backing pumps	40,939	37,790	8.3%
Service	18,614	17,940	3.8%
Systems	1,620	3,047	-46.8%
Total	**246,747**	**220,681**	11.8%

Together with the improvement in sales revenues and the economies of scale thus realized at the level of Pfeiffer Vacuum GmbH, income from profit transfers also increased significantly. At the level of Pfeiffer Vacuum GmbH, the continued rise in investment income was offset by higher interest expenses in connection with pension valuation.

In addition to sales revenues of € 4.4 million (previous year: € 4.6 million), the significant increase in income from investments of € 14.7 million (previous year: € 7.1 million) also had a positive impact on the earnings position and thus the net income for the year of Pfeiffer Vacuum Technology AG. After personnel expenses of € 4.9 million in the previous year, a total of € 3.6 million was incurred here in 2018. As expected, other operating expenses fell from € 7.5 million in the previous year to € 4.7 million in 2018. In the previous year, the figure was mainly due to consultancy services required in connection with, among other things, the takeover bids and the acquisitions made. At € 1.1 million, interest expenses were higher than in the previous year (€ 0.6 million), in particular due to the pension valuation.

The tax rate of 24.9% is below the level of 2017 (26.2%), in particular as a result of higher investment income, which is predominantly non-taxable. As a result of the significantly higher overall result, tax expenses nevertheless rose from € 9.5 million to € 13.3 million. At the same time, the tax allocation levied by the subsidiary rose from € 5.6 million to € 6.6 million.

Overall, the significant improvement in Pfeiffer Vacuum Technology AG's earnings situation formulated in last year's outlook was thus achieved.

Liquidity and financial position

As of December 31, 2018, total assets amounted to € 351.7 million (previous year: € 330.8 million) and thus increased only insignificantly. The composition of the assets did not change significantly either. This increase on the assets side of the balance sheet was caused almost exclusively by the increase in bank balances. The change mainly resulted for the sound liquidity development of the companies included in the cash pooling agreement and the increased volume of income from investments. The development in 2018 continuously enabled the Company to fulfill its intra-group financing function. Accordingly, loans to affiliated companies rose slightly from € 5.2 million to € 7.7 million as a result of new grants.

On the liabilities side, the increase in the balance sheet total is mainly reflected in equity. At € 259.8 million as of December 31, 2018, this was € 26.7 million higher than the previous year's figure of € 233.1 million. The net profit for the year of € 46.4 million and, in the opposite direction, the dividend payment of € 19.7 million in accordance with the resolution of the Annual General Meeting of May 23, 2018 were the reasons for this development. As a result of the increase in equity, the equity ratio rose again and stood at an excellent 73.9% (previous year: 70.5%). Another significant liability item relates to liabilities to banks. This item includes a loan taken out in 2017 as part of the external financing of an acquisition of a company, which was unchanged at € 60.0 million at the balance sheet date. The loan has a variable interest rate based on Euribor plus a market margin and is available to the Company on a long-term basis. In addition to the funds raised, the company has free credit lines of € 13.2 million (previous year: € 10.0 million) at its disposal. Liabilities to affiliated companies relate to Pfeiffer Vacuum SAS and result from a cash pooling agreement entered into in the previous year. The other items on the liabilities side showed no significant changes compared with the previous year at the end of the 2018 fiscal year.

Overall assessment of business performance

Business development in 2018 was very satisfactory. Pfeiffer Vacuum Technology AG's net income for the year increased significantly overall, in particular as a result of higher profit transfers and higher income from investments. In addition, the absence of non-recurring expenses for consulting services had a positive impact on earnings. The equity ratio has risen again, starting from an already well above-average level in the previous year. The fundamentally sound liquidity situation has not changed and the financing of the operating business and the comprehensive three-year investment program with a total volume of €150 million is guaranteed. We have thus set the course for future challenges.

Information pursuant to § 289a, German Commercial Code ("HGB", Report on the Takeover Situation")

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 HGB.

Report pursuant to § 289, Sub-Para. 4, German Commercial Code ("HGB")

As Pfeiffer Vacuum Technology AG is a capital market-oriented company pursuant to § 264d HGB, the major characteristics of the control and risk management system relating to accounting have to be described pursuant to § 289 Sub-Para. 4 HGB.

The purpose of an internal accounting control system is to ensure adequate certainty by implementing controls that – despite identified risks – enable annual financial statements to be prepared in accordance with applicable standards.

The Management Board bears overall responsibility for the internal control and risk management system in respect to the accounting process. All areas are covered by a strictly defined management and reporting organization. The principles, the organizational and procedural structures, as well as the processes of the individual control and risk management systems relating to accounting, are stipulated throughout the entire Corporate Group in guidelines and organizational procedures that are adapted if needed to reflect current external and internal developments. In respect to the accounting process, we consider those characteristics of the internal control and risk management system to be major in nature that can have a decisive influence on accounting and on the overall view presented in the Annual Financial Statements. In particular, these are the following elements:

- Identification of the major fields of risk and areas of control that are relevant to the accounting process,
- Monitoring controls for enabling the accounting process to be supervised by the Management Board,
- Preventive control measures in the finance and accounting systems of the Company, as well as in operational corporate processes that generate key information for drawing up the Annual Financial Statements, including the Management Report for the Company (including separation of functions),
- Measures that assure proper IT-based processing of facts and data that relate to accounting.

Final declaration on the Management Board report on relations with affiliated companies pursuant to § 312, German Stock Corporation Act ("AktG")

Pfeiffer Vacuum Technology AG is a dependent corporation of Busch SE, Maulburg, Germany, as defined by § 312 of the German Stock Corporation Act ("AktG"). The Management Board of Pfeiffer Vacuum Technology AG has therefore drawn up a report by the Management Board on relationships with affiliated companies in accordance with § 312 Sub-Para. 1 of the German Stock Corporation Act ("AktG"), which contains the following final declaration:

"Our company received an appropriate consideration for each legal transaction listed in the report on relations with affiliated companies. This assessment is based on the circumstances known to us at the time of the reportable legal act. No reportable measures were taken or omitted in the year under review."

Corporate Governance Report / Declaration on the Corporate Governance pursuant to § 289f, German Commercial Code ("HGB")

On December 5, 2018, the Management and Supervisory Boards of Pfeiffer Vacuum Technology AG submitted the Statement of Compliance for the year 2018 required pursuant to § 161 of the Germany Stock Corporation Act ("AktG"). It was made permanently accessible to shareholders on the Corporation's website (group.pfeiffer-vacuum.com).

Since the submission of the last statement of compliance on January 24, 2018, Pfeiffer Vacuum Technology AG complies with all recommendations of the German Corporate Governance Code, as amended in February 2017, with the following two exceptions:

- The German Corporate Governance Code recommends a deductible for the Supervisory Board's D&O insurance (Paragraph 3.8). The Supervisory Board's actual D&O insurance does not contain a deductible. A deductible would not improve the Supervisory Board's overall motivation and sense of responsibility as the members work for the benefit of the Group.

- The German Corporate Governance Code recommends that a term limit is established for the period on the Supervisory Board (Paragraph 5.4.1). In the financial year 2018, the Supervisory Board has set a specified limit of 15 years for the period of membership on the Supervisory Board. All members of the Supervisory Board fulfil this requirement, with the exception of Mr. Götz Timmerbeil; the Supervisory Board made an exception for him, since he possesses a high level of expertise and many years of knowledge of the Company, which the Supervisory Board would not like to forgo at this point in time and after the resolved changes to the Supervisory Board in the past three years.

Dual management system: Management Board and Supervisory Board

As a stock corporation based in Asslar, Germany, Pfeiffer Vacuum Technology AG is also subject to the provisions of the German Stock Corporation Act ("AktG"). One of the basic principles enshrined in this is the dual management system, which assigns the management of the Company to the Management Board and the appointment, advice and supervision of the Management Board to the Supervisory Board. These two bodies are strictly separated as corporate organs, both in terms of their members and their responsibilities. Both bodies work together closely in the interests of the Company.

Management Board:

Since November 27, 2017, the Management Board has consisted of

- Dr. Eric Taberlet, Chief Executive Officer (CEO), Diploma in Engineering,
- Nathalie Benedikt, Chief Financial Officer (CFO), Diploma in Business Administration,
- Dr. Ulrich von Hülsen, Diploma in Physics, and
- Dr. Matthias Wiemer, Diploma in Engineering.

The members of the Management Board are responsible for the further development and strategy of the Company. They are also involved in the day-to-day running of the Company and bear operational responsibility.

The responsibilities of the current members of the Management Board were as follows in the 2018 fiscal year:

MANAGEMENT BOARD OF PFEIFFER VACUUM TECHNOLOGY AG

Dr. Eric Taberlet	Nathalie Benedikt	Dr. Ulrich von Hülsen	Dr. Matthias Wiemer
CEO	CFO		
Business Unit Semiconductor & Coating	**Central Functions**	**Business Unit Analytics & Industry**	**Global Operations & Components**
Sales & Marketing	Controlling & Finance	Sales & Marketing	Global Sourcing
Production/Quality	Corporate Communication	Production/Quality	Global Production Footprint
Training/Service	IT	Training/Service	Components Business
Supply Chain	Human Resources	Supply Chain	
Research & Development	Investor Relations	Research & Development	

In order to implement the individual areas of the growth strategy – gaining market share, strengthening the global production and value chain, expanding R&D activities – in a faster and more focused way, it was decided at the beginning of November 2018 to redefine the allocation of responsibilities in the Management Board with effect from January 1, 2019. According to the decision of the Management Board and Supervisory Board, the Company is to be organized in the future according to its global business functions.

Starting January 1, 2019, the new functions of the Board of Management members are as follows:

FUNCTIONS OF THE MANAGEMENT BOARD MEMBERS

Dr. Eric Taberlet	Nathalie Benedikt	Dr. Ulrich von Hüsen	Interim Manager	Dr. Matthias Wiemer
CEO & CSO	**CFO**	**CTO**	**COO**	**Board member**
Group Strategy, Global Sales & Service	Compliance, CSR, Controlling & Finance, Investor Relations, IT, Communication, HR	Global R&D, Product Management, Digitalization	Global Operations (Procurement, Production, Logistics)	Mergers & Acquisitions, Strategic Projects

CEO = Chief Executive Officer; CSO = Chief Sales Officer; CTO = Chief Technology Officer
CFO = Chief Financial Officer; COO = Chief Operations Officer

The COO will be responsible for the performance, efficiency and flexibility of the global operational infrastructure and processes. The position of COO is filled by an external consultant on an interim basis. At the same time, the search was initiated for a suitable candidate for permanent appointment to this position.

Dr. Matthias Wiemer will serve as a member of the Management Board with a remit for special tasks until his contract expires on December 31, 2019.

The four-eyes principle applies in exercising the duties and responsibilities of the Management Board. Major decisions are always made jointly. Personal expenditures, such as travel and entertainment expenses, require the approval of another Management Board member. In addition to close cooperation and reciprocal information on a daily basis, board meetings are held weekly.

The Management Board works exclusively for Pfeiffer Vacuum. In this context, the Management Board members are also members of supervisory organs of various subsidiaries of the Company. They are not members of any regulatory bodies outside the Pfeiffer Vacuum Group.

Supervisory Board

Pursuant to the statutory requirements and the Articles of Association of Pfeiffer Vacuum Technology AG, the Supervisory Board consists of a total of six persons. Four persons represent the shareholders and two persons represent the employees of the Company.

The Supervisory Board members elected by the shareholders Dr. Michael Oltmanns and Dr. Wolfgang Lust resigned from their Supervisory Board mandate with effect from October 25, 2017 and left the Supervisory Board at that time. By decision of the Wetzlar District Court on October 5, 2017, Ayla Busch was legally appointed to the Supervisory Board for the period from October 26, 2017 until the end of the next ordinary Annual General Meeting. Ayla Busch was elected as Chairwoman of the Supervisory Board at the Supervisory Board meeting on October 26, 2017. By resolution of the Wetzlar District Court dated March 19, 2018, Henrik Newerla was legally appointed as a member of the Supervisory Board for the period from March 19, 2018 until the end of the next Annual General Meeting.

Accordingly, new elections to the Supervisory Board took place at the last Annual General Meeting on May 23, 2018. The Annual General Meeting approved the proposal of the Supervisory Board and elected Ayla Busch and Henrik Newerla as full members of the Supervisory Board. In turn, at the constituent meeting of the Supervisory Board on May 23, 2018, Ms. Busch was appointed Chairwoman of the Supervisory Board.

Membership over the course of the year 2018 was as follows:

- Ayla Busch (Chairwoman),
  Co-CEO Busch SE, Maulburg
- Götz Timmerbeil (Vice Chairman),
  Auditor and Tax Consultant
- Filippo Th. Beck,
  Attorney at Law of Swiss Law
- Helmut Bernhardt (Employee Representative),
  Development Engineer
- Manfred Gath (Employee Representative),
  Chairman of the Employee Council
- Henrik Newerla, Retiree
  from March 19, 2018

The Supervisory Board members elected by the shareholders, Götz Timmerbeil and Filippo Th. Beck, were voted during the Annual General Meeting to a term of office of five years in May 2016. The term of office of the subsequently elected Supervisory Board members Ayla Busch and Henrik Newerla also ends on the day of the Annual General Meeting, which resolves on the discharge for the financial year 2020.

For election as Supervisory Board Member, the Nominating Committee submits a nomination suggestion to the Supervisory Board. When selecting the candidates, care is taken to ensure that at all times there are members of the Supervisory Board who possess the requisite expertise, skills, and professional experience and are sufficiently independent. The international activities of the Group and potential conflicts of interest are also taken into account.

For its composition the Supervisory Board has determined the following objectives: internationality, avoidance of potential conflicts of interest, independence, temporal availability, age limit, term of membership, occupational diversity. These objectives have been taken into consideration in the past, and this is also intended for future nominations. No compensations or benefits for personal service rendered, especially consultation and brokerage services, were paid or granted to the members of the Supervisory Board during the period under review. No potential conflicts of interest requiring immediate disclosure to the Supervisory Board arose for Management and Supervisory Board members in fiscal 2018. Finally, the Rules of Procedure for the Management Board provide that the Supervisory Board must grant its approval for significant business transactions.

According to the recommendations of the German Corporate Governance Code, no more than two previous Management Board members hold seats on the Pfeiffer Vacuum Supervisory Board. Furthermore, the Supervisory Board reviews the independence of its members. It has established standards for assessing this independence, which are based on the Code, in particular. According to these principles, the majority of current Supervisory Board members is considered independent, thus assuring independent advice and monitoring of the Management Board.

The establishment of an Audit Committee is a longstanding practice at Pfeiffer Vacuum. As a certified public accountant, the Chairman of the Audit Committee, Götz Timmerbeil, is particularly qualified to bear responsibility for the activities of the Audit Committee, in particular in connection with questions relating to financial accounting, compliance, and the risk management system.

The task of the Nominating Committee is to suggest suitable candidates to the Supervisory Board who can then recommend them for nomination to the Annual General Meeting. Additionally, a Management Committee was formed. In the past, the Management Committee has deliberated the personnel matters of the board members in detail before – in accordance with the requirements of the German Corporate Governance Code – being resolved by the full Supervisory Board. The determination of Management Board compensation is thus subject to the provisions of the German Act on the Appropriateness of Management Board Compensation.

The committee memberships of the Supervisory Board members can be seen in the following overview:

Personnel composition of the Supervisory Board Committees

	Nominating Committee	**Audit Committee**	**Management Board Committee**
Ms. Ayla Busch	Chairwoman	Yes	Chairwoman
Götz Timmerbeil	Yes	Chairman	Yes
Filippo Th. Beck	Yes	Yes	Yes
Helmut Bernhardt	-	-	-
Manfred Gath	-	-	-
Henrik Newerla (from March 19, 2018)	-	-	Yes

The following members exercised further mandates. These are supervisory board mandates unless otherwise indicated:

- Ayla Busch
  - Busch Taiwan Corporation, New Taipei City, Taiwan, Supervisor, until January 17, 2019
  - Busch Clean Air S.A., Pruntrut, Switzerland, Member of the supervisory organ, until December 31, 2018
  - Busch Vakuumteknik A/S, Ry, Denmark, Member of the supervisory organ, until January 16, 2019
  - Busch Vacuum Israel Ltd., Kiryat Gat, Israel, Director, until December 31, 2018
  - Busch Vacuum India Pvt. Ltd., Manesar, India, Non-Executive Director, until December 31, 2018
  - Busch Consolidated Inc., Virginia Beach, United States, Non-Executive Director, until December 31, 2018
  - Busch Vacuum South Africa (Pty.) Ltd., Johannesburg, South Africa, Non-Executive Director, until December 31, 2018

- Götz Timmerbeil
  - Arena Gummersbach GmbH & Co. KG, Gummersbach (Deputy Chairman)
  - Richard Stein GmbH & Co. KG, Engelskirchen, (Chairman of the Advisory Board), from July 1, 2018
  - VfL Handball Gummersbach GmbH, Gummersbach (Chairman of the Advisory Board), until June 30, 2018

- Filippo Th. Beck
  - Candoria Group, Baar (Switzerland), member of the supervisory organ of Candoria Holding AG, president of the supervisory organ of Progresa Holding AG and Sendaya Holding SA (formerly: Candoria Luxembourg Holding SA), Luxembourg;
  - Tenro Group, Bottmingen (Switzerland), member of the supervisory organ of various companies in the group,
  - Biamathea AG, Basel (Switzerland), member of the supervisory organ,
  - Polyterra Liegenschaften AG in liquidation, Küsnacht (Switzerland), member of the supervisory organ and liquidator,
  - Tainn-Immobilien AG, Berne (Switzerland), member of the supervisory organ,
  - Bellavista Services AG, member of the supervisory organ, from April 10, 2018,
  - IKFE Properties I AG, Zurich (Switzerland), president of the supervisory organ, until November 1, 2018

The Company has taken out pecuniary loss liability insurance (so-called D&O insurance) for the members of the Management and Supervisory Boards.

Collaboration between the Management and Supervisory Boards

Close and trustful collaboration between the Management and Supervisory Boards is an essential prerequisite for good corporate governance and serves the good of the Company. Supervisory Board meetings are held at least twice a year in this context, for which the members of the Management Board report in detail on the course of business operations as well as on the implementation of the strategy agreed upon with the Supervisory Board.

If necessary, other executives also explain the current issues in their respective areas of responsibility. If needed, additional special meetings are held. The Management Board reports to the Supervisory Board on the general condition of the Company, including the risk situation, through a monthly reporting system.

Shareholders and Annual General Meeting

The Annual General Meeting is the supreme body of the corporation. At the Annual General Meeting, shareholders may exercise their voting rights themselves, through a proxy of their choice, or a proxy nominated by the Corporation who is bound to act on their instructions. The shareholders make key decisions at the Annual General Meeting about the allocation of profits, amendments to the Articles of Association, or the approval of share repurchase programs. All information and documents essential for the Annual General Meeting will be provided to the shareholders in a timely manner. The agenda and an explanation of the conditions of participation in addition to the shareholders' rights will generally be announced one and a half months before the Annual General Meeting date.

All documents and information for the Annual General Meeting are also available on our website. In addition, it is possible to electronically direct questions to the employees of our Investor Relations Department. Using our financial calendar, which is made public in the Annual Report, in the quarterly reports, and on our website, we inform shareholders and interested parties about key dates, publications, and events throughout the year. In addition, we maintain close ties with our shareholders through our active Investor Relations work. Moreover, it is also possible to contact the Company with questions at any time.

Compensation report

In the following section, the compensation for members of the Management and Supervisory Boards is detailed.

Compensation for the Management Board Each Management Board member receives an annual fixed salary and benefits in kind, in particular, in the form of company cars provided.

Each Management Board member continues to receive an annual bonus for the respective financial year depending on the achievement of pre-defined targets (short-term variable compensation). The bonus is K€ 140 when targets are fully achieved and is paid after the Annual General Meeting for the previous year. For 2018, each Management Board member has been assigned three short-term goals corresponding to the respective area of responsibility.

In addition, each Management Board member receives long-term variable compensation depending on the achievement of defined goals during a three-year assessment period. Half of the long-term variable remuneration depends on the development of the Company's EBITDA and the other half on the achievement of a further target set by the Supervisory Board (so-called Key Performance Indicators or KPIs) or, alternatively, several further KPIs pre-defined by the Supervisory Board during a three-year assessment period. The amount of the annual bonuses and the long-term variable compensation are based on the degree to which the targets have been achieved and amount to K€ 160 when the targets have been fully met after three years. The target fulfillment achieved so far was recognized as a provision as of December 31, 2018.

However, the long-term variable remuneration does not become due until two years later, and only in full if the average success of these two subsequent years is at least as high as the average success of the two previous years. If it falls below, the long-term incentive is reduced accordingly. The starting point of the calculation in both cases is an annual target amount, which is allocated for the long-term remuneration for the following three-year period. The payment of the long-term variable remuneration granted in 2018 can therefore be made for the first time after the end of the 2020 fiscal year.

Tables showing Management Board compensation (in K€)

Benefits granted (in K€)	Dr. Eric Taberlet Chairman of the Management Board, CEO Starting date: 27.11.2017			
	2017	**2018**	**2018 Minimum value**	**2018 Maximum value**
Fixed compensation	27	251	251	251
Fringe benefits	-	38	38	38
Total	**27**	**289**	**289**	**289**
Short-term variable compensation	29	140	-	140
Long-term variable compensation (from 2018)	-	53	-	53
Total variable compensation	**29**	**193**	**-**	**193**
Others	-	-	-	-
Total	**56**	**482**	**289**	**193**
Pension benefits	-	-	-	-
Total comprehensive compensation	**56**	**482**	**289**	**482**

Benefits granted (in K€)	Nathalie Benedikt CFO Starting date: 27.11.2017			
	2017	**2018**	**2018 Minimum value**	**2018 Maximum value**
Fixed compensation	20	220	220	220
Fringe benefits	-	20	20	20
Total	**20**	**240**	**240**	**240**
Short-term variable compensation	13	140	-	140
Long-term variable compensation (from 2018)	-	53	-	53
Total variable compensation	**13**	**193**	**-**	**193**
Others	-	-	-	-
Total	**33**	**433**	**240**	**193**
Pension benefits	-	-	-	-
Total comprehensive compensation	**33**	**433**	**240**	**433**

Benefits granted (in K€)	Dr. Ulrich von Hülsen Board Member Starting date: 1.8.2017			
	2017	**2018**	**2018 Minimum value**	**2018 Maximum value**
Fixed compensation	92	220	220	220
Fringe benefits	3	8	8	8
Total	**95**	**228**	**228**	**228**
Short-term variable compensation	125	140	-	140
Long-term variable compensation (from 2018)	-	53	-	53
Total variable compensation	**125**	**193**	**-**	**193**
Others	-	-	-	-
Total	**220**	**421**	**228**	**421**
Pension benefits	-	-	-	-
Total comprehensive compensation	**220**	**421**	**228**	**421**

Benefits granted (in K€)	Dr. Matthias Wiemer Board Member Starting date: 1.4.2007			
	2017	**2018**	**2018 Minimum value**	**2018 Maximum value**
Fixed compensation	290	350	350	350
Fringe benefits	23	14	14	14
Total	**313**	**364**	**364**	**364**
Short-term variable compensation	300	140	-	140
Long-term variable compensation (from 2018)	-	53	-	53
Total variable compensation	**300**	**193**	**-**	**193**
Others	-	-	-	-
Total	**613**	**557**	**364**	**557**
Pension benefits	232	225	225	225
Total comprehensive compensation	**845**	**782**	**589**	**782**

Benefits granted for entire Management Board (in K€)	2017	**2018**
Fixed compensation	429	1,041
Fringe benefits	26	80
Total	**455**	**1,121**
Short-term variable compensation	467	560
Long-term variable compensation (from 2018)	-	212
Total variable compensation	**467**	**772**
Others	-	-
Total	**922**	**1,893**
Pension benefits	232	225
Total comprehensive compensation	**1,154**	**2,118**

Benefits received (in K€)	Dr. Eric Taberlet CEO Since: 27.11.2017		Nathalie Benedikt CFO Since: 27.11.2017		Dr. Ulrich von Hülsen Board Member Since: 1.8.2017		Dr. Matthias Wiemer Board Member Since: 1.4.2007		**Total**	
	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**
Fixed compensation	-	278	-	240	92	220	290	350	382	1.088
Fringe benefits	-	38	-	20	3	8	23	14	26	80
Total	**-**	**316**	**-**	**260**	**95**	**228**	**313**	**364**	**408**	**1.168**
Short-term variable compensation	-	29	-	29	-	109	337	300	337	467
Long-term variable compensation (from 2018)	-	-	-	-	-	-	-	-	-	-
Total variable compensation	**-**	**29**	**-**	**29**	**-**	**109**	**337**	**300**	**337**	**467**
Others	-	-	-	-	-	-	-	-	-	-
Total	**-**	**345**	**-**	**289**	**95**	**337**	**650**	**664**	**745**	**1.635**
Pension benefits	-	-	-	-	-	-	-	-	-	-
Total comprehensive compensation	**-**	**345**	**-**	**289**	**95**	**337**	**650**	**664**	**745**	**1.635**

The bonuses for the 2017 fiscal year were granted following a resolution of the Management Board Committee.

The aforementioned compensation is disclosed for the members of the Management Board active in 2018. There were no compensation elements granted or paid in 2018 for Manfred Bender who was dismissed as a member of the Management Board on November 27, 2017. In order to ensure the comparability of presentation of the active Board Member's compensation the previous year's figures with regard to Mr. Bender were adjusted accordingly.

Dr. Matthias Wiemer has received a pension commitment in the unchanged amount of 40% of the last fixed salary. In this context, net pension expenses pursuant to IFRS amounting to K€ 225 were recorded in the income statement in 2018 (previous year: K€ 232).

In addition, there are pension commitments to former Management Board members. The net pension costs of the completed fiscal year attributable to this group of persons amount to K€ 80 (previous year: K€ 327).

After K€ 240 was paid into the Pfeiffer Vacuum Trust e.V. in 2017, repatriation totaling K€ 53 was made. The net pension obligation for Management Board members and former Management Board members amounts to K€ 6,869 (previous year: K€ 5,777). Current pensions in 2018 amounted to K€ 371 (previous year: K€ 358).

Compensation for the Supervisory Board

The members of the Supervisory Board exclusively receive a fixed compensation determined by the Annual General Meeting. On May 24, 2016, the Annual General Meeting approved an increase in the Supervisory Board's compensation from the 2016 fiscal year onwards. If members of the Supervisory Board leave or are newly elected during the fiscal year, their remuneration will be paid on a pro rata temporis basis.

The composition of the remuneration for 2018 and 2017 is as follows:

Fixed Compensation of the Supervisory Board members (in K€)

	2018	2017
Ayla Busch, Chairwoman of the Supervisory Board (from October 25, 2017)	105	19
Götz Timmerbeil, Deputy Chairman of the Supervisory Board	70	70
Filippo Th. Beck	35	35
Helmut Bernhardt	35	35
Manfred Gath	35	35
Henrik Newerla (from March 19, 2018)	28	-
Dr. Michael Oltmanns (until October 25, 2017)	-	86
Dr. Wolfgang Lust (until October 25, 2017)	-	29
Total	**308**	**309**

Proven expenses incurred by the Supervisory Board, such as travel expenses, will be reimbursed.

Negative statement No further benefits were paid to Management or Supervisory Board members over and above the listed compensation components. In particular, no stock options were granted, no loan entitlements were established, and no liability commitments were pronounced. In addition, no special agreements were made further on in connection with the termination of the activities for the Management or Supervisory Boards or in connection with claw-back claims.

Transparency

The claim to provide all target groups promptly with the same information at the same time is a high priority in our corporate communications. One of the ways that this is manifested is that all relevant information is published in German and in English. Shareholders and interested parties can directly obtain information on current developments within the Group on the Internet. All ad-hoc releases by the Pfeiffer Vacuum Technology AG shall be made available on the Company's website. The purchase and sale of Pfeiffer Vacuum shares by members of the Management and Supervisory Boards will be published immediately pursuant to Article 19 of European Regulation No. 596/2014 (Market Abuse Regulation), in Europe and on the Company's website at group.pfeiffer-vacuum.com.

Equality

In January 2018, pursuant to § 111 Sub-Para.5 of the German Stock Corporation Act ("AktG"), the Supervisory Board determined women's quota of 16.67% for the Supervisory Board and of 25% for the Management Board and a deadline for reaching the targets by December 31, 2020. These quotas are already achieved at the present time.

The provision contained in § 76, Sub-Para. 4, of the German Stock Corporation Act ("AktG"), refers to management levels at Pfeiffer Vacuum Technology AG only. Due to its function as a finance holding, this company only has very few employees and there are no further management levels below the Management Board, thus making it impossible to establish a target figure.

Compliance

Adherence to all internal rules and legal regulations applicable to Pfeiffer Vacuum Technology AG and its subsidiaries by management and employees (compliance) has long been a goal of the Company as well as an inherent part of our Company culture. This is especially expressed in our Code of Conduct, which applies for all employees. The Management Board is fundamentally committed to these tenets in addition to the "zero tolerance" principle. Our Code of Conduct defines, among other things, integrity and lawful conduct as basic standards and is the basis for the daily work of all employees in our Company. The Code of Conduct, which was updated and supplemented in 2018, is also available outside the Company via the Company's website in all languages that are relevant to the Group's employees. In it, options for employees to report possible violations of the law in the Corporate Group are described. These are also open to third parties outside of the Company.

Compliance with legal and internal Company regulations is a comprehensive task for which each area of the Company is fundamentally responsible. Committed employees educate themselves further when required and take part in training in order to recognize and address current developments in their respective areas of responsibility. All determined breaches of compliance will be sanctioned accordingly. With external support, an enhancement and adaptation of the Compliance Management System is currently taking place.

Accounting and auditing

Pursuant to statutory provisions, the Consolidated Financial Statements of Pfeiffer Vacuum and the Quarterly Financial Reports are prepared in accordance with the current International Financial Reporting Standards (IFRS) as applicable in the European Union.

The Annual Financial Statements of Pfeiffer Vacuum Technology AG as the parent corporation are prepared in accordance with the provisions of the German Commercial Code ("HGB"). These Annual Financial Statements were audited pursuant to the resolution of the Annual General Meeting on May 23, 2018 by PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Germany. PricewaterhouseCoopers GmbH also audits the Consolidated Financial Statements of Pfeiffer Vacuum Technology AG as well as the report on relations with affiliated companies.

It was agreed with the auditors that the Chairman of the Audit Committee shall be immediately informed about any reasons for exclusion or prejudice arising during the audit, unless these are eliminated immediately. The auditor must also immediately report all findings and events of importance to the Supervisory Board that arise during the audit. In addition, the auditor must inform the Supervisory Board and note in the audit if the auditor determines facts during the course of the audit that are not compatible with the Statement of Compliance submitted by the Management and Supervisory Boards pursuant to § 161 of the German Stock Corporation Act ("AktG").

Risk and Opportunities Report

The purpose of entrepreneurialism is to specifically utilize opportunities that have been identified in order to increase the value of the Company. However, this intrinsically involves taking risks. The opportunity and risk management system that we employ serves to optimize the relationship between risks and opportunities with a view to sustainable business success. To assure this, we use and evolve suitable instruments, such as an appropriate handbook and/or a risk inventory, to identify, analyze, assess, and control opportunities and risks. In the following, opportunities and risks are presented on a gross basis.

Risk management system

The Pfeiffer Vacuum risk management system includes all levels of the Corporate Group. The system is described in a risk handbook that is available to all employees and updated on an as-needed basis. Our flat hierarchy and fast communication channels aid in swiftly identifying risks at every level of the Company and using suitable measures to combat them. The risk coordinator monitors the proper implementation of risk management and the full risk inventory. The risk inventory is performed by the department heads at the large production sites and by the managing directors at the remaining subsidiaries. Consolidating all inventories at an aggregate level produces a differentiated overall picture of the Corporate Group's risk position.

During the year, risk inventories are updated if necessary; what we define, in addition to a concrete description of the risks, is the potential quantitative impact on operating profit, the likelihood of occurrence and suitable countermeasures. At year end, a complete risk inventory is made, which is reviewed by both the risk coordinator as well as the Management Board. In addition, we have defined the areas of risk management within the individual market segments and have put in place the necessary processes as well as early-warning and monitoring systems. The monthly Corporate Group reporting system supports the risk management process with a variety of parameters and reports that serve as an essential basis for the Management and Supervisory Boards upon which to regularly deliberate on current business. The monthly meetings of senior executives and monthly conference calls are also firmly established institutions that enable the department heads and our subsidiaries to share information with the Management Board relating to potential risks and how to handle them.

In addition to monthly reporting, our internal controlling system (ICS) helps us to identify risks in daily processes and thus avoid potential errors. The processes reviewed in this connection are first and foremost ones that have a major impact on Pfeiffer Vacuum's financial position. Regularly conducted inspections protect against human error, system errors, and breaches of internal regulations.

Risk management as it relates to consolidated accounting

The purpose of an internal consolidated accounting control system is to ensure adequate certainty by implementing controls that – despite identified risks – enable consolidated financial statements to be prepared in accordance with applicable standards. The Management Board bears overall responsibility for the internal control and risk management system in respect to the consolidated accounting process. All companies included in the Consolidated Financial Statements are covered by a strictly defined management and reporting organization. The principles, the organizational and procedural structures, as well as the processes of the individual control and risk management systems relating to consolidated accounting, are stipulated throughout the entire Corporate Group in guidelines and organizational procedures that are adapted if needed to reflect current external and internal developments. Our internal experts also work together with external counterparts on a case-by-case basis. This enables us to ensure that our accounting is in compliance with IFRS accounting and valuation regulations.

In respect of the consolidated accounting process, we consider those characteristics of the internal control and risk management system to be key that can have a decisive influence on consolidated accounting and on the overall view presented in the Consolidated Financial Statements. In particular, these are the following elements:

- Identification of the major fields of risk and areas of control that are relevant to the consolidated accounting process,
- Monitoring controls for enabling the consolidated accounting process to be supervised by the Management Board,
- Preventive control measures in the finance and accounting systems of the Corporate Group and the companies included in the Consolidated Financial Statements, as well as in operational corporate processes that generate key information for drawing up the Consolidated Financial Statements, including the Management Report for the Corporate Group (including separation of functions),
- Measures that assure proper IT-based processing of facts and data that relate to consolidated accounting.

Opportunity management system

The Pfeiffer Vacuum opportunity management system is closely linked to the risk management system, as many risks also offer opportunities that should be utilized where appropriate. This is why the risks identified in the risk inventory are simultaneously examined with a view to potential opportunities, which produces a correlation. In extensive decision-making processes, we analyze the question of whether the potential opportunities or risks predominate, which means that we only engage in risks that appear to be manageable and are compensated for by the opportunities they offer.

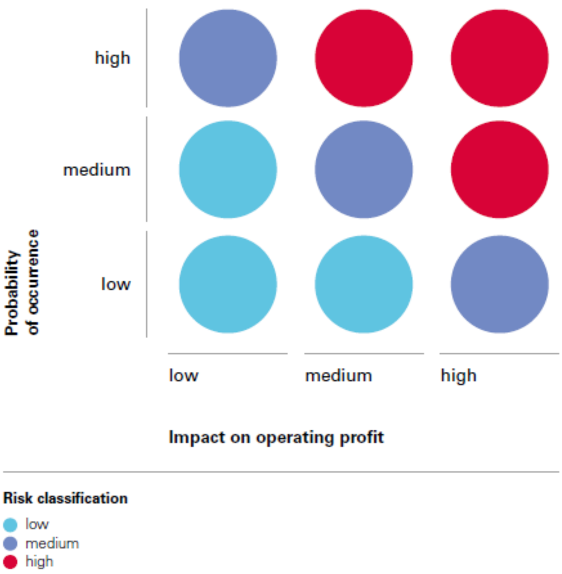
We conduct market and competition analyses in order to be able to explicitly make optimum use of industry and overall economic opportunities. This provides us with a good overview to further broaden our market share by specifically utilizing our potential. Close contact with our customers additionally aids us in identifying trends early on, thus enabling us to actively shape changes in the marketplace.

With variance analyses and development forecasts, our highly refined reporting system also identifies opportunities in our regional structure. Our global sales and marketing network enables us to swiftly and purposefully take advantage of these opportunities.

Risk classification

The risk classification of the risks presented below was effected according to a matrix, taking into consideration the probability of occurrence and the potential impact on the operating profit.

RISK CLASSIFICATION



Risks

Overall economy (risk class: low) As a globally operating Group, we are dependent upon global economic developments. Nor can Pfeiffer Vacuum avoid the effects of a decline in world economic growth, and would have to expect to see a direct impact on our sales and profitability. However, the regional and market segment mix of sales is very balanced at Pfeiffer Vacuum, and its overall structure compensates for revenues in economically weak and economically growing markets and industries. Because it is seldom that all regions and market segments are equally affected by a deteriorating economic development. Despite the overall compensating developments, there may be an impact on the economic success of individual segments. The semiconductor market represents a significant share of sales and Pfeiffer Vacuum is therefore exposed to a greater extent to the fluctuations of this market. Managing the economic risk essentially involves steering capacities and costs. Flexible working time models enable us to swiftly and easily adapt production capacities to reflect the development of the order situation.

Market segments (risk class: medium) Sales in Pfeiffer Vacuum's individual market segments are closely linked to global economic developments. The research & development market, for example, is dependent upon government spending and focuses in connection with research projects. The semiconductor market follows its own cycles, which offers enormous opportunities during boom phases and involves major risks during phases of weakness. The coating market is closely linked to developments in the photovoltaic industry and showed improved momentum during the last two years. The heterogeneous industrial market segment follows overall economic trends in its general development. The development work in the product categories goes hand in hand with the trends in the individual market segments. This means that smaller turbopumps and analysis instruments are more likely to be required in the analytical industry, which tends to respond on an early cyclical basis. Large quantities of backing pumps are employed in the semiconductor market, but also in other industries whose developments generally conform to those in mechanical engineering.

In order to combat the risks stemming from dependence upon individual market segments and products, Pfeiffer Vacuum places a great deal of value on its broad-based alignment. At the same time, a disproportionately high share of revenue derives from the semiconductor industry, which presents both an opportunity as well as a risk due to the cyclical nature of this industry's development. Pfeiffer Vacuum's strategy for lowering this risk is to increasingly market products in other industries through our distribution channels, thus lowering the share of total revenues accounted for by the semiconductor industry. Current studies on the semiconductor industry show that this market will grow strongly beyond the cycles.

Acquisition and integration (risk class: low) The integration of companies into the purchaser's corporate group always poses a special challenge. In order to preclude as far as possible the risk that the expectations which are placed upon the acquisition might not fully materialize, we conduct detailed due diligence reviews in advance of a corporate acquisition. Analyzed in particular in this connection are the legal situation, technical equipment, production planning, and the current and expected financial position of the Company to be acquired. To minimize legal and financial risks in particular, we draw upon the counsel of reputable law firms and tax advisors with substantial experience of acquisitions on this scale during the period of preparing and realizing the acquisition. Taken as a whole, these measures ensure that all aspects of a corporate acquisition are taken into consideration, and enable conclusions to be drawn regarding the potential synergies that will result from an acquisition. This significantly reduces the risk of unanticipated developments. However, this risk can never be entirely excluded because a successful acquisition depends upon many other additional factors. This also applies for the integration which follows after acquisition.

To restrict integration-related risks, proven Pfeiffer Vacuum guidelines, which ensure structured and successful business operations, are implemented within newly acquired companies. Directly after acquisition, newly acquired companies are also integrated into the reporting system in the Pfeiffer Vacuum Group to allow targeted management of the individual companies. Besides extensive reporting, this also includes monthly conference calls and regular meetings on site in the countries concerned. In addition, the standardized risk management system will be installed at all new Group companies. The risk of intransparency is thus eliminated.

Technology (risk class: medium) Products and services that do not meet customer expectations lead directly to declining sales, and thus to a loss of market share and reputation. Therefore, the key risk factors for Pfeiffer Vacuum include a lack of innovative strength and the loss of quality of products and services. We combat these risks through ongoing customer contact and the resulting market intimacy. The information thus obtained about the needs of our customers enables us to develop and offer products that are suited to their demands. This allows us to expand both our competitive position as well as our name recognition. We will continue to combat the risk of a lack of innovation through our development investments. In addition, maintaining high standards of quality is a top priority for us. We received certification to ISO 9001:2008 for the first time in 1995, and this has since been sustained without interruption.

Purchasing and manufacturing (risk class: low) The risks in the sourcing market occur, in particular, in the form of supply bottlenecks and dependency upon individual vendors. Downtimes are viewed as a key risk from a production standpoint. We primarily combat the risk of supply bottlenecks and vendor dependence by continuously reviewing alternative supplier options. Anticipated market shortages of raw materials, such as steel and aluminum, and the price risks which these entail, are combated through long-term framework contracts. In general, however, it can be said that the effects of changes in the price of raw materials do not have any significant influence on profitability. Business interruption insurance is in force to cover the effects of downtimes resulting from fire, storm or flood damage, for example. Qualified technicians and modern production machinery keep technically related downtimes to a low level. Regular servicing and preventive maintenance for our machinery and equipment also help to avoid downtimes.

Human resources (risk class: low) As a provider of vacuum solutions, i.e. a subset of mechanical engineering, we are dependent upon the high level of education, training and commitment of our employees. We use various measures to combat the risk of losing these people and/or insufficient recruiting possibilities for suitable new talent. An attrition rate that continues to be low documents the acceptance of this on the part of our people.

Information technology (risk class: low) Because our business processes are mapped by means of software support, Pfeiffer Vacuum's corporate data is subject to a general information technology risk. This includes, first and foremost, the risks of system outages, data losses, virus or hacker attacks that could lead to an interruption of business operations. We keep the risk of data losses to a minimum by performing daily backups of our complete enterprise data. Our enterprise database, in particular, with which manufacturing operations, materials management, order handling, financial and cost accounting are handled, is subject to a high security standard. All files created by our employees within the server environment are also backed up on a daily basis. Our backup tapes are stored in secure, fire-proof locations. The activities of our in-house support team reduce system outages to a low level. The Company also uses regularly updated virus scanners and modern firewalls to protect its hardware and software against the risk of computer viruses and hacking.

Exchange rates (risk class: low) As a result of our pronounced international operations and the high percentage of export business that this involves, we are subject to a foreign exchange risk. A distinction must be made with respect to the way foreign exchange risks are controlled; the Company conducts active currency management for all intra-group sales invoiced in U.S. dollars or Korean won. In order to minimize the impact of exchange rates on future sales of this kind, we enter into forward exchange contracts and occasionally forward exchange options for the aforementioned currencies. Moreover, there is a valuation risk in some companies at the close of the fiscal year that stems from intercompany accounts receivable denominated in foreign currencies. Both, gains and losses from realized options and futures contracts, as well as the valuation results stemming from foreign currency accounts receivable, can be controlled to a certain extent. These are reflected in the Consolidated Statements of Income.

Liquidity position (risk class: low) The risk of a customer's insolvency always exists, independently of the economic situation (default risk). There are general liquidity risks of being unable to satisfy required payment obligations in a timely manner. The rigorous system of accounts receivable management that has long been practiced at Pfeiffer Vacuum, along with monitoring of our customers' payment patterns, minimizes creditworthiness risks and thus accounts receivable losses. Moreover, our dependence upon individual customers is limited. The liquidity situation of the Pfeiffer Vacuum Group has been exceptionally good. The financial liabilities which amounted to € 60.3 million (equivalent to a share of 9.7% of the balance sheet total) as of December 31, 2018 were taken on to finance an acquisition. Unchanged from previous years, with liquid assets of € 108.4 million, there exists no debt on a net basis. This means that there is sufficient room for maneuver financially to assure the survival of the Company, even in difficult economic times. Our operative business generates sufficient liquid assets to enable the Company to continue to grow from within.

Legal risks (risk class: low) As a result of Pfeiffer Vacuum's international business operations, the Company is subject to a variety of legal risks. National and international contract law and taxation are of particular significance in this connection. These areas can have a direct bearing on the Company's earnings and financial position. Standardized terms and conditions of contract and business are always employed to minimize the risk stemming from contracts entered into for products and services. In the case of special contracts, the contract instrument is first reviewed in-house and then by external legal counsel, if necessary. The expertise required for assessing the Company's daily business is provided by our qualified staff. We draw upon the assistance of external tax advisors in connection with complex issues that relate to national and international taxation. Product liability risks are covered by appropriate insurance. No legal disputes are currently pending whose outcome could have a material impact on the Company's earnings or financial position.

Brexit (risk class: low) Pfeiffer Vacuum also supplies customers in the United Kingdom through a sales subsidiary in England. Due to the customs formalities that would be required, the withdrawal of the United Kingdom from the European Union (Brexit) would primarily incur longer transportation times, which we could compensate for by appropriately increasing inventories. Currently, no competitor in the vacuum industry manufactures its products within the United Kingdom, so that even if import duties were levied on the market, there would be no competitive disadvantage. On the procurement side, the Pfeiffer Vacuum Group would be in a position to compensate for extended delivery times and/or higher prices, due to customs duties, for goods procured from the United Kingdom by purchasing from alternative suppliers within the EU. We continue to rate the long-standing currency risk as low, not least because a significant portion of our business is already conducted in euros.

Opportunities

Macroeconomic and sector-specific opportunities The global economic development in the past fiscal year was marked by moderate growth. The Chinese economy recorded growth rates at a higher than average level. Positive growth trends are expected to continue in the United States and Germany, even if not at the comparatively high level of 2018. This will stabilize our position in this region at a good level. Our good position and global presence give us the opportunity to even improve our position in relative terms. The economic cycle phases, particularly the cyclical nature of the semiconductor industry that has been referred to a number of times, are both an opportunity and a risk.

Technology Through its many years of experience, Pfeiffer Vacuum is highly successful in developing viable, high-quality products and bringing them to market. The foundation for this consists of our close collaboration with our customers in a spirit of trust, which enables us to anticipate their needs and thus gain a head start over our competitors. With innovative products and by steadily broadening our product portfolio, there are opportunities for better satisfying the demands of existing markets and generating opportunities for additional sales volumes by gaining market shares. This enables us to offer our customers a broader spectrum of products. The most recent acquisitions in 2017 have also expanded the product portfolio in the areas of component business, service, and leak detection systems.

Sales One of the Company's key competitive advantages has always been its lack of dependence upon individual regions, products or markets. We therefore view the expansion of our sales and marketing network as representing an opportunity to increase our market share. The globally active sales teams are interlinked, and uniform Pfeiffer Vacuum sales rules have been put in place. Regular training is also given on the permanently expanding spectrum of products, to enable sales staff to make use of opportunities for increasing sales to existing and prospective customers.

Production and logistics Through the optimization of our production and logistics processes, we have laid the foundation in recent fiscal years for further improving our profitability. We therefore see this as an opportunity for being even faster in offering high-quality solutions to our customers in future as well. We have rigorously aligned the flows of materials in manufacturing towards our modern logistics processes. Reorganizing and fundamentally modernizing manufacturing operations led to additional productivity gains. As a solutions provider, we focus squarely on the needs of our customers. And through the reorganization of our manufacturing processes, we are now being guided even more by the needs of our customers rather than by rigid planning dictates. Moreover, a cutting-edge warehouse system and a standardized system of product shipping increase efficiency. We are confident that the interplay between these modernization measures will help us to reduce throughput times in the future. Pfeiffer Vacuum has a total of three major production sites in Asslar, Göttingen, and Annecy. Furthermore, as part of the Nor-Cal acquisition, a larger production site in Yreka, USA, has been added. Further production sites are located in Cluj, Romania, Ho Chi Minh City, Vietnam, Indianapolis, USA and Asan, Republic of Korea.

Human resources The development of viable new products, the on-going improvement of our existing product portfolio, the high level of precision of the production processes, the sale and distribution of our products in a technologically very challenging competitive environment, and the administration of an internationally operating, publicly traded Corporate Group necessitate a highly qualified and motivated workforce. We therefore utilize the opportunity of assuring the long-term loyalty of the Company's existing talent while simultaneously being an attractive employer for new people. Attractive pay concepts have been in place for years at Pfeiffer Vacuum. We therefore view ourselves as being well equipped to cover our future needs for qualified skilled labor and university graduates in the future and to assure the loyalty of our talent to the Company – both are absolute prerequisites for the successful further development of the Company.

Cooperation with the Busch Group Pfeiffer Vacuum is currently negotiating a strategic cooperation agreement with Busch SE (Busch Group) in order to cooperate more closely in the future, particularly in the areas of purchasing, sales and service, research & development and IT. The objectives of the planned cooperation are to strengthen the competitive position in the market for vacuum technology, to make better use of the growth opportunities that present themselves and to improve cost structures. Through strategic cooperation with the Busch Group, for example in research and development projects as well as procurement and sales processes, accelerated growth and an improved competitive position could be achieved in the coming years. In terms of the consolidation taking place in the vacuum industry as well, this cooperation would support Pfeiffer Vacuum's goal of positioning itself as a technology leader and strong number two in the global vacuum business. The starting point for the considerations for strategic cooperation is the multitude of similarities between the two companies as international vacuum technology groups, which have a complementary product range with solutions for different target markets. One common objective of the cooperation agreement is to create the conditions for leveraging synergies in the areas of purchasing, sales and service, research & development and IT. Price advantages could be realized by bundling the purchasing volume. Complementary product and service offerings could optimize the value chain of both companies and expand their market presence. Cooperation in individual research and development projects should lead to greater innovative strength and higher profitability.

General comments on the risk management system and the presentation of the risk and opportunities situation

We are of the opinion that the risk management system is suitable for identifying, analyzing, and quantifying existing risks in order to adequately steer them. Our auditor has reviewed the early risk detection system that is in place in connection with the audit of the Consolidated Financial Statements. This review did not result in any objections. Despite the number of risks disclosed being higher than the number of identified opportunities, Pfeiffer Vacuum considers the allocation of risks and opportunities as balanced overall. This particularly applies as the Group's economic success is based on a broad range of products for various industries. As those industries vary in terms of structure and economic cycles, this diversification contributes to a risk reduction. No risks are identifiable that could endanger the Company's survival, neither for the year covered by this Report nor for the following years.

Rating

Pfeiffer Vacuum Technology AG is not subject to any official rating by Moody's, Standard & Poor's or similar agencies.

Subsequent events and outlook

Subsequent events

There were no significant changes in the Company situation or the sector environment since the beginning of the 2019 fiscal year.

Outlook

General economic development The International Monetary Fund (IMF) forecasts global economic growth of 3.5% for 2019. Compared to the previous year, this represents a decrease of 0.2 percentage points. For 2020, the IMF expects an increase of 3.6%. In its latest forecast in October 2018, the organization had still expected an increase of 3.7%. The reduction was mainly due to the unresolved trade conflicts, fluctuations in the financial markets as well as an unregulated exit of Britain from the European Union. These factors could continue to weigh on the global economy.

The IMF expects growth for the eurozone of 1.6% for 2019. This lowered expectations by 0.3 percentage points compared to October. The forecast decline for Germany was even more pronounced: At 1.3%, growth forecast is currently 0.6 percentage points below the level of fall 2018. The development is mainly due to the production difficulties in the automotive industry and a decreasing external demand.

After a 2.9% increase in economic output in 2018, experts believe that the U.S. will see growth of 2.5% for the current year, but it should weaken further to 1.8% in 2020. The reasons for the slowdown were, besides the downturn in impulses due to the tax reform introduced by President Trump, the continuing disputes over the national budget and international trade relations.

Slower growth is also predicted for China, the world's second largest economy – although at a higher level: After 6.6% in 2018, it is expected to rise by 6.2% annually up to 2020. For the emerging and developing countries as a whole, the IMF still expects a stable economic performance with a growth rate of 4.5% for 2019, which is expected to rise to 4.9% the following year.

Mechanical engineering The German Mechanical Engineering Industry Association (Verband Deutscher Maschinen- und Anlagenbau - VDMA) assumes that production in this country will rise by 2% in 2019. Due to various factors of uncertainty for the global economy, including the trade dispute between the USA and China, Brexit and the economic difficulties in Italy, the VDMA economists expect slower global economic growth in 2019, which will also have an effect on Germany. Nevertheless, they expect slightly positive accents from the two most important foreign markets in China and the USA. For domestic business, the experts at the VDMA are also optimistic and expect a slight increase compared to the result for 2018.

This optimistic outlook is not least due to the fact that the visibility of orders in this German sector stands currently at 8.6 months. Many of the existing orders at the end of 2018 therefore reach far into 2019.

The USA remains the industry's most important market. Between January and November 2018, around € 17.7 billion were invested there – an increase of about 7.7% compared to the previous year. Just short of this is the Chinese market with a volume of € 17.4 billion, which corresponds to an increase of 10.5%.

The OECD leading indicator points to a slowing growth dynamic. This would also affect the mechanical engineering sector. Especially for the USA and Germany, there were signs of weaker momentum. In November 2018, the leading indicator for the entire OECD area decreased by 0.1 to 99.3 points.

Overall, the forecasts for the mechanical engineering sector point to a cautiously positive development of the order and sales situation, which stands at a high level.

Development of sales As a result of the existing profit and loss transfer agreement, the sales development of Pfeiffer Vacuum GmbH in particular will continue to play a key role in the earnings development of Pfeiffer Vacuum Technology AG. There have been customer and industry-specific signs so far of sustained strong momentum in 2019, but this is unlikely to fully match the level of the previous fiscal year. The visibility of orders remains unchanged at around two months. For this reason, no conclusions should be drawn from the new orders at the end of 2018 as to the expected total annual sales. For the reasons stated above and also in view of the macroeconomic forecasts outlined above - both for the global economy and for the mechanical engineering industry - Pfeiffer Vacuum GmbH anticipates a slight decline in sales in 2018.

Earnings development Pfeiffer Vacuum GmbH's earnings development in the current fiscal year will be very significantly impacted by its sales expectations for 2019. On the basis of the sales expected for 2019, a slight dilution of earnings is therefore to be expected. On the other hand, continued operational optimization measures in 2019 should contribute to an improvement in the earnings situation, so that these effects should largely offset each other. At the level of Pfeiffer Vacuum Technology AG, negative effects on earnings from anticipated expenses, among other things in connection with the implementation of strategic measures, must also be taken into account. Overall, we expect this to result in a slight deterioration in earnings.

Dividend The Management Board proposes to distribute a dividend of € 2.30 per share (previous year: € 2.00 per share). With a distribution volume of some € 22.7 million, this would result in around 33.0% of the net profit of the Group being paid out to shareholders.

Payout Ratio, Dividend per Share and Dividend Yield

		2018		2017
Payout ratio *	(in %)	33.0		36.6
Dividend per share	(in €)	2.30	**	2.00
Dividend yield	(in %)	2.1		1.3

* (proposed) distribution in comparison to the consolidated net income of the respective year
**subject to the approval of the Supervisory Board and the Annual General Meeting

The statements in the Outlook were made on the basis of assumptions about future macroeconomic and industry-specific developments. Actual results may differ significantly from expectations of future developments if the assumptions underlying the statements prove to be incorrect.

With our well-trained, motivated employees, our financial starting position and our excellent positioning in the market, we have created the best conditions for future development. Pfeiffer Vacuum Technology AG is and will remain a highly profitable company.

Asslar, February 28, 2019

Pfeiffer Vacuum Technology AG

The Management Board

Dr. Eric Taberlet Nathalie Benedikt Dr. Ulrich von Hülsen Dr. Matthias Wiemer

V. Proposal on the Appropriation of Retained Earnings 2018

Management and Supervisory Boards propose the following appropriation of the retained earnings in the amount of Euro 134,827,793.22 as presented in the Annual Financial Statements as of December 31, 2018:

Distribution of a dividend in the amount of Euro 2.30 per no-par share enjoying dividend entitlement for the 2018 fiscal year	Euro 22,695,615.70
Carried forward to new account	Euro 112,132,177.52
	Euro 134,827,793.23

The dividend will be payable on May 28, 2019.

The proposed appropriation of retained earnings takes into consideration the fact that the Company does not presently hold any treasury shares which pursuant to § 71b, German Stock Corporation Act ("AktG"), would not enjoy dividend entitlement. The number of shares enjoying dividend entitlement could decrease prior to the Annual General Meeting through the acquisition of treasury shares. In this case, a correspondingly modified proposed resolution on the appropriation of retained earnings will be submitted to the Annual General Meeting, whereby there will be no change in the distribution of Euro 2.30 per no-par share enjoying dividend entitlement.

VI. Report of the Supervisory Board 2018

Dear Shareholders,

In fiscal 2018, the Supervisory Board of Pfeiffer Vacuum Technology AG correctly fulfilled all the duties vested in it by law, the Articles of Association and the Supervisory Board's rules of procedure. It monitored the work of the Management Board within the scope of its legal duties, accompanied and advised on the strategic further development of the Company and satisfied itself about the legality and expediency of the managerial work on the basis of the Management Board's reports with occasional use of external expert advice. Furthermore, the Supervisory Board continuously monitored the organization of the Company and Corporate Group and the cost-effectiveness of corporate management. In addition, a regular exchange of information took place between the Supervisory Board and/or the Supervisory Board Chairwoman and the Management Board.

Cooperation between Supervisory Board and Management Board

In the view of the Supervisory Board, the Management Board informed the Supervisory Board and/or the Supervisory Board chairwoman regularly, comprehensively and in a timely manner about the competitive environment, planned business policy and all strategic and crucial operational decisions in the course of the past fiscal year. In the same way, the Management Board discussed key financial and non-financial performance indicators with the Supervisory Board as a basis for evaluating the economic situation of the Company.

The Management Board reported during Supervisory Board meetings in oral or written form and replied within this setting to questions from the Supervisory Board. Outside of the meetings, the exchange of information with the Supervisory Board was also ensured with regular reports on the economic development of the Company and the Corporate Group and on the key occurrences within Pfeiffer Vacuum Technology AG. The Supervisory Board is satisfied that Management Board reporting met the statutory and Supervisory Board's requirements.

In fiscal 2018, business transactions requiring approval were decided by the Supervisory Board and, under certain conditions, also by individual committees, after these had adequately reviewed and discussed the issues with the Management Board.

Personnel changes in Supervisory Board and Management Board

After the personnel changes in the Supervisory and Management Boards in 2017, Mr. Henrik Newerla was appointed as a new member of the Supervisory Board by the Wetzlar District Court with effect from March 19, 2018. Henrik Newerla and his technical expertise is an enrichment for the Supervisory Board as well as for the entire company; in the competence profile of the Supervisory Board, he covers the areas of digitization and IT as well as research, development, production and sales in the field of products and technologies relevant to Pfeiffer Vacuum Technology AG. The members of the Supervisory Board, Ms. Ayla Busch and Mr. Henrik Newerla, who were judicially appointed after the Annual General Meeting on May 23, 2017 and before the Annual General Meeting on May 23, 2018, were elected as Supervisory Board members by resolution of this Annual General Meeting. Other than that, there were no changes in the composition of the Supervisory Board and the Management Board in the 2018 fiscal year. The proportion of women on the Supervisory Board is 16.7% and 25% on the Management Board, with reference in each case to the reporting date of March 14, 2019.

Supervisory Board meetings and issues of Supervisory Board work

During 2018, the Supervisory Board informed itself again in depth about the current situation of the Company and the Corporate Group in a total of **18 meetings,** and discussed this in detail with the Management Board.

At the meetings on **January 24, February 19,** and **March 7, 2018** the Supervisory Board dealt with the medium-term corporate strategy proposed by the Supervisory Board and thus developed for the first time by the Management Board in conjunction with a new, supporting three-year investment plan. Together with the Management Board, an investment plan with a total volume of 150 million euros was approved, which provides for a significant increase in annual investments. This should strengthen the technology leadership and the competitiveness of the company. This plan includes, in particular, investments in the expansion and modernization of production capacities, the intensification of research and development, stepping up Industry 4.0 efforts, and the expansion of the Group's presence in Asia as a whole and China, in particular. The conference on February 19 was held in the form of a video conference. All members of the Supervisory Board attended these three meetings.

During the meeting on **March 6, 2018**, which was held in the form of a conference call and was attended by all Supervisory Board members, the candidature of Mr. Henrik Newerla as a new Supervisory Board member was discussed conclusively and, on the basis of a corresponding resolution, Henrik Newerla was appointed a Supervisory Board member as of March 19, 2018 by Wetzlar District Court.

At the Supervisory Board meeting on **March 20, 2018** the Supervisory Board members discussed in detail the annual financial statements and the consolidated financial statements of the Company prepared in accordance with International Financial Reporting Standards (IFRS), the management reports and the auditor's report. In particular, contents of the report on the "non-financial performance" or "non-financial consolidated statement" (NFE), which was to be published for the first time in 2017, were discussed between the auditor and the Supervisory Board. After a detailed examination, the Supervisory Board approved the annual financial statements and the consolidated financial statements at this meeting.

At the meeting held as a conference call on **April 23, 2018**, the Supervisory Board approved the Separate Non-Financial Group Report prepared by the Management Board in accordance with §315b Sub-Para.1 and Sub-Para. 3 and 315c of the German Commercial Code ("HGB"). The Supervisory Board discussed the contents of the report, which had previously been reviewed with the support of Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft.

At the meetings on **January 24, March 19, May 2, May 23, August 1, September 28, November 5** and **December 5, 2018,** the Board dealt with the general course of business, financial results and the strategic orientation of the Company and measures for continuing to boost profitability and efficiency of the overall company. In this context, the Supervisory Board accompanied the development of global strategies in the areas of communications, human resources, IT, sourcing and production by the Management Board.

At the meetings on **January 24, 2. March 19, May 2, May 23, August 1, September 28, November 5** and **December 5, 2018,** the Supervisory Board also deliberated on the Compliance Management System and the Compliance Organization of the Company. The experts from PricewaterhouseCoopers GmbH, who were appointed for a new analysis of the compliance management system, presented their final report, including a list of recommendations, at the meetings on **July 4** and **August 1, 2018** and discussed it with the Supervisory Board members. In the further meetings, the Supervisory Board supported the significant and company-specific expansion of the compliance management system in close contact with the responsible member of the Management Board, Nathalie Benedikt. The goal is to cover all relevant risk areas, harmonize reporting within the Group, and strengthen the culture of compliance. The meetings on August 1 and September 28, 2018 took place in the form of a conference call. All members of the Supervisory Board attended these eight meetings.

At the meetings on **August 1** and **August 29, 2018**, which all Supervisory Board members took part in by conference call, the Supervisory Board dealt with an expansion of the production site in Annecy. After the Supervisory Board members, Ms. Ayla Busch and Mr. Henrik Newerla, visited the production site in Annecy on August 24, 2018, the Supervisory Board approved the expansion project in principle at the meeting on **August 29, 2018**. As part of the meeting on **September 28, 2018**, which took place in Annecy, all Supervisory Board members, together with the Management Board, visited the production site in Annecy and informed themselves about certain details of the expansion plans.

At the meeting on **October 23, 2018,** which was held in the form of a conference call, the Supervisory Board for the first time, and at the behest of the Management Board, looked in principle at the possibility of a strategic cooperation with the Busch Group in the form of a relationship agreement, and discussed this with the Management Board. This should allow closer cooperation between the two companies, especially in the areas of purchasing, sales and service, research and development and IT. At the meeting on **November 5, 2018** negotiations with the Busch Group were approved, the status of which the Management Board reported on at the Supervisory Board meeting on **December 5, 2018**. In the latter meeting, the Supervisory Board decided to seek external legal advice, separately from the Management Board, regarding this possible strategic cooperation. In view of the potential conflict of interest regarding the person of Ayla Busch, who is also a shareholder and board member of the Busch Group, the Supervisory Board decided that, in connection with this planned strategic cooperation, Götz Timmerbeil acts as the contact person and discussion leader for the Supervisory Board; Ayla Busch will abstain from voting on the strategic cooperation. All Supervisory Board members attended all three meetings.

On the basis of the proposals prepared by the Management Board Committee, the Supervisory Board agreed on a new allocation of responsibilities within the Management Board as of January 1, 2019 at its meeting on **November 5, 2018**. In accordance with the decision of the Management Board and Supervisory Board, the Company is to be organized in the future according to its global business functions. The functions Chief Sales Officer, Chief Technology Officer and Chief Operations Officer were newly created. Chairman of the Board, Eric Taberlet, takes over the position of Chief Sales Officer. Ulrich von Hülsen becomes Chief Technology Officer. For the long-term appointment of the Chief Operations Officer, the search has begun for a suitable candidate for this board position. An external personnel consulting firm was commissioned to ensure a structured, professional and transparent search process, which is closely monitored by Supervisory Board Chairwoman, Ayla Busch, for the Supervisory Board.

At the meeting on **November 5, 2018** the Supervisory Board also decided, taking the legal requirements and the recommendations of the German Corporate Governance Code (DCGK) into account, to develop a profile of competences and requirements that is available on the company's website. In addition to the definition of areas in which knowledge, skills and experience are considered essential for the exercise of qualified supervision and advice to the Management Board, the competence and requirements profile contains concrete objectives for the composition of the Supervisory Board. These concrete objectives concerning the makeup of the Supervisory Board are based on the criteria of internationality, the avoidance of potential conflicts of interest, independence, availability for the role, a mix of generations and an age limit, length of service and diversity.

Supervisory Board Committees

The Supervisory Board has three committees since its meeting on October 26, 2017, in which the resolution of the Management Committee was decided:

- A Management Board Committee,
- A Nomination Committee and
- An Audit Committee.

The composition of the committees at the meeting on May 23, 2018 following the Annual General Meeting, was approved as follows:

Management Board Committee

- Ayla Busch (Chairwoman)
- Filippo Th. Beck
- Henrik Newerla
- Götz Timmerbeil

Nomination Committee

- Ayla Busch (Chairwoman)
- Filippo Th. Beck
- Götz Timmerbeil

Audit Committee

- Götz Timmerbeil (Chairman)
- Filippo Th. Beck
- Ayla Busch

The **Management Board Committee** met on October 22, 2018. At this meeting, the committee focused on the preparation of the overall Supervisory Board meeting which took place on November 5, 2018 where, among other things, the new allocation of responsibilities within the Board of Management as of January 1, 2019 was decided. During the year, the members of the committee also consulted each other at regular intervals in informal phone conversations. All members attended this meeting.

The **Audit Committee** held a meeting on November 5, 2018 at which representatives of the auditor were also present. The Audit Committee was in regular contact with the auditor and discussed and decided upon the audit procedure, the scope and the focus of the audit, and any special questions about the audit with the independent auditor. The Audit Committee consulted intensively with the auditor in connection with the explanations on the legality, regularity and expediency of the statements and the critical assessment of the concept and risks. All members attended the meeting.

No meetings of the **Nomination Committee** were held in the 2018 fiscal year.

Corporate Governance

The Supervisory Board recognizes the principles of good governance and also addressed this issue in fiscal 2018. An essential basis for this is the extensive recognition of the recommendations of the German Corporate Governance Code (GCGC) based on the version of February 7, 2017. This does not preclude deviating from the GCGC recommendations in individual justified cases. As a listed company, Pfeiffer Vacuum Technology AG is subject to the obligation under § 161 Sub-Para. 1 of the German Stock Corporation Act ("AktG") to declare the extent to which the recommendations of the German Corporate Governance Code have been and will be complied with, or which recommendations have not been or will not be applied, and to justify deviations from recommendations (statement of compliance). The Management Board and Supervisory Board, the latter represented by the Supervisory Board Chairwoman, Ayla Busch, who was authorized at the meeting on November 5, submitted a declaration of compliance on December 5, 2018, which is available on the Company's website. Furthermore, the efficiency review of the Supervisory Board was carefully carried out at the meeting on November 5, 2018 with the support of external experts.

The members of the Supervisory Board of Pfeiffer Vacuum Technology AG are obliged to disclose to the Supervisory Board any possible conflicts of interest, in particular those which could arise through consulting or executive functions at customers, suppliers, lenders or other third parties. With the exception of the planned strategic cooperation agreement with the Busch Group, which has been a majority shareholder in the Company since November 2, 2018 and in which the Supervisory Board Chairman, Ms. Ayla Busch, is a shareholder and a board member, there are no indications of actual or potential conflicts of interest in the 2018 fiscal year. In order to deal with the potential conflict of interest regarding the person of Ayla Busch, the Supervisory Board has decided that, in connection with this planned strategic cooperation, Götz Timmerbeil will act as the contact person and discussion leader for the Supervisory Board; Ayla Busch will abstain from voting on the strategic cooperation.

Audit of Annual and Consolidated Financial Statements, Dependency Report

At the same meeting, the Supervisory Board decided to commission the auditing company PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, to audit the annual financial statements and the consolidated financial statements of the Company, prepared in accordance with IFRS and, to the extent required by law, of the subsidiaries. Pursuant to § 315e of the German Commercial Code, the Company did not prepare consolidated financial statements presented in accordance with the rules of the German Commercial Code. PricewaterhouseCoopers GmbH was also commissioned to audit the report on "non-financial performance" and "non-financial consolidated statements", which was approved by the Supervisory Board at the meeting on November 5, 2018.

At the meeting on November 5, 2018 the Audit Committee and the auditor defined, among other things, key audit points of (i) accounting for goodwill, (ii) auditing revenue recognition in the operating companies, and (iii) examining the application and impact of IFRS 9, IFRS 15 and IFRS 16.

The Annual Financial Statements and the Management Report as well as the Consolidated Financial Statements presented in accordance with IFRS, together with the Group Management Report, all for the 2018 fiscal year and all of which prepared by the Management Board, were audited by the independent auditor and received his unqualified endorsement.

The Annual Financial Statements, the Management Report for the Company and the Corporate Group, as well as the audit reports from the independent auditor were submitted to all members of the Supervisory Board in a timely fashion. They were discussed in detail at the Audit Committee meeting as well as at the Supervisory Board meeting relating to the financial statements on March 14, 2019. The independent auditor attended the meetings, reported on the major findings of his audit and was available to answer additional questions from the Supervisory Board. On the basis of its own thorough review, the Supervisory Board concurred with the results of the audit conducted by the independent auditor. Given the concluding results of its review, the Supervisory Board raised no objections to the Annual and Consolidated Financial Statements. It has approved the Annual and Consolidated Financial Statements, with the Financial Statements thus being formally adopted. The Supervisory Board discussed in detail with the Management Board its proposal regarding the distribution of a dividend and then concurred with the Management Board's proposal regarding appropriation of the Company's retained earnings.

Additionally, the Management Board of Pfeiffer Vacuum Technology AG has drawn up a report on relationships with affiliated companies for the fiscal year 2018 ("dependency report"), in accordance with § 312 Sub-Para. 1 of the German Stock Corporation Act ("AktG") and afterwards presented this report to the Supervisory Board.

PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, audited the dependency report and issued the following auditor's report:

"According to our professional audit and judgment we confirm that:
1. the actual disclosures in the report are correct and,
2. the company's payment for legal transactions as included in the report was not inadequately high."

The Management Board's dependency report as well as the related independent auditor's report were submitted the Supervisory Board. The Supervisory Board reviewed both, the dependency report as well as the auditor's report. Final review was made in the Supervisory Board meeting on March 14, 2019. The independent auditor attended this meeting, reported on audit of the dependency report and the major findings of his audit and was available to answer additional questions from the Supervisory Board. After the final review the Supervisory Board concurred with the dependency report of the Management Board and the audit report of the auditor and had no objections against the final declaration of the Management Board at the end of the dependency report.

Review of the Content of the Separate Non-Financial Group Report

The Supervisory Board discussed in detail and audited the content of the reporting on the issues described in the Law to Strengthen the Non-Financial Reporting of Companies in their Management Reports and Group Management Reports (CSR guideline implementation law) of April 11, 2017 within the scope of the Separate Non-Financial Group Report of Pfeiffer Vacuum Technology AG for the reporting period from January 1 to December 31, 2017. At its meeting on April 23, 2018, the Supervisory Board resolved to approve the Separate Non-Financial Group Report of the Company for the reporting period from January 1 to December 31, 2017. The content of the non-financial reporting was reviewed by the Supervisory Board with the support of Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as part of an audit on the achievement of limited assurance pursuant to the International Standard on Assurance Engagements (ISAE) 3000 (Revised). The audit did not reveal any facts that would have led the auditing firm to the conclusion that the Separate Non-Financial Group Report of Pfeiffer Vacuum Technology AG for the period from January 1 to December 31, 2017 had not been prepared, in all material respects, in accordance with §315c of the German Commercial Code ("HGB").

Acknowledgments

The Supervisory Board would like to sincerely thank the Management, the Employee Council and the entire staff of the Group for their dedication and commitment in the successful 2018 fiscal year.

Adoption of this Report

The Supervisory Board adopted this Supervisory Board Report in the resolution dated March 14, 2019 pursuant to § 171 Sub-Para. 2 of the German Stock Corporation Act ("AktG").

Asslar, March 14, 2019

On behalf of the Supervisory Board

Ayla Busch
(Chairwoman of the Supervisory Board)

VII. Independent Auditor's Report

To Pfeiffer Vacuum Technology AG, Asslar

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

Audit Opinions

We have audited the annual financial statements of Pfeiffer Vacuum Technology AG, Asslar, which comprise the balance sheet as at December 31, 2018**,** and the statement of income for the financial year from January 1, 2018 to December 31, 2018, and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of Pfeiffer Vacuum Technology AG for the financial year from January 1, 2018 to December 31, 2018*.* In accordance with the German legal requirements, we have not audited the content of those parts of the management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2018 and of its financial performance for the financial year from January 1, 2018 to December 31, 2018 in compliance with German Legally Required Accounting Principles, and

- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of those parts of the management report listed in the "Other Information" section of our auditor's report.

Pursuant to § 322 Abs. Sub-Para. 3 sentence 1 HGB ["Handelsgesetzbuch": German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 Sub-Para. 2 point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 Sub-Para. 1 of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1, 2018 to December 31, 2018*.* These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit was as follows:

❶ **Measurement of shares in affiliates, receivables from affiliates and loans to affiliates**

Our presentation of this key audit matter has been structured as follows:

① Matter and issue

② Audit approach and findings

③ Reference to further information

Hereinafter we present the key audit matter:

❶ **Measurement of shares in affiliates, receivables from affiliates and loans to affiliates**

① In the annual financial statements of the Company shares in affiliates amounting to € 224.0 million and loans to affiliates amounting to € 7.7 million are reported under the "Financial assets" balance sheet item. In addition, receivables from affiliates are reported in the amount of € 62.2 million. In total, the book value of the exposure amounts to € 293.9 million (83.6% of total assets).

Shares in affiliates, receivables from affiliates and loans to affiliates are measured in accordance with German commercial law at the lower of cost and fair value. The fair values are calculated using discounted cash flow models as the present values of the expected future cash flows according to the planning projections prepared by the members of the management board. Expectations relating to future market developments and assumptions about the development of macroeconomic factors are also taken into account. The discount rate used is the individually determined cost of capital for the relevant affiliated company. On the basis of the values determined and supplementary documentation, no write-downs were required for the financial year.

The outcome of this valuation is dependent to a large extent on the estimates made by the members of the management board of the future cash flows, and on the respective discount rates and rates of growth used. The valuation is therefore subject to material uncertainties. Against this background and due to the highly complex nature of the valuation and its material significance for the Company's assets, liabilities and financial performance, this matter was of particular significance in the context of our audit.

② As part of our audit, we assessed the methodology used for the purposes of the valuation of shares in affiliates, receivables from affiliates and loans to affiliates. In particular, we assessed whether the fair values had been appropriately determined using discounted cash flow models in compliance with the relevant measurement standards. We based our assessment, among other things, on a comparison with general and sector-specific market expectations as well as on the members' of the management board detailed explanations regarding the key value drivers underlying the expected cash flows. In the knowledge that even relatively small changes in the discount rate applied can have a material impact on the value of the entity calculated in this way, we focused our testing in particular on the parameters used to determine the discount rate applied, and assessed the calculation model. Finally, we assessed whether the values determined in this way were accurately compared with the corresponding book value in order to determine any need for value adjustments or write-downs.

In our view, taking into consideration the information available, the valuation parameters and underlying assumptions used by the members of the management board are appropriate overall for the purpose of appropriately measuring the shares in affiliates, receivables from affiliates and loans to affiliates.

③ The Company's disclosures relating to the financial assets and receivables from affiliates are contained in sections 1.1 and 2.1 of the notes to the financial statements.

Other Information

The members of the management board are responsible for the other information. The other information comprises the following non-audited parts of the management report, which we obtained prior to the date of our auditor's report:

- the statement on corporate governance pursuant to § 289f HGB included in section "Corporate Governance Report / Declaration on the Corporate Governance pursuant to § 289f, German Commercial Code ("HGB")" of the management report

- the corporate governance report pursuant to No. 3.10 of the German Corporate Governance Code

The publication "Annual Financial Statements as of December 31, 2018" is expected to be made available to us after the date of the audit opinion.

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report or our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

Responsibilities of the Members of the management board and the Supervisory Board for the Annual Financial Statements and the Management Report

The members of the management board are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the members of the management board are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the members of the management board are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the members of the management board are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the members of the management board are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.

- Evaluate the appropriateness of accounting policies used by the members of the management board and the reasonableness of estimates made by the members of the management board and related disclosures.

- Conclude on the appropriateness of the members' of the management board use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.

- Perform audit procedures on the prospective information presented by the members of the management board in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the members of the management board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on May 23, 2018. We were engaged by the supervisory board on October 10, 2018. We have been the auditor of the Pfeiffer Vacuum Technology AG, Asslar, without interruption since the financial year 2018.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Christian Kwasni.

Frankfurt am Main, February 28, 2019

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Christian Kwasni Wirtschaftsprüfer	ppa. Daniel Spengemann Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

VIII. Certification of Legal Representatives 2018

To the best of our knowledge, and in accordance with the applicable reporting principles, the Annual Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the Company Management Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Asslar, February 28, 2019

The Management Board

Dr. Eric Taberlet   Nathalie Benedikt   Dr. Matthias Wiemer   Dr. Ulrich von Hülsen

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