PRESS RELEASE

Pfeiffer Vacuum: Lower sales and additional investments limit growth and profitability. Positive momentum expected for market and sales in the second half of the year.

- Sales of € 311.1 million 8.0% lower than in the previous year
- EBIT amounted to € 32.8 million
- EBIT margin reached 10.6 %
- Order intake amounted to € 293.7 million
- Outlook confirmed: sales of € 640 to 660 million and EBIT margin of 11% to 14%

Asslar, Germany, August 6, 2019. Pfeiffer Vacuum, a leading global manufacturer of vacuum solutions, was not able to reach the previous year's record sales in the first half of 2019. Sales decreased by 8.0% to € 311.1 million. The main reason for this was sustained weakness in demand, particularly in the semiconductor and coating market segments. However, the analytics, industry, and research & development (R&D) market segments exhibited continued growth momentum.

The gross profit declined by 9.6% to € 109.0 million. The gross margin reached 35.0%. EBIT of € 32.8 million in the first half of the year was 31.2% below the previous year´s figure. Diminishing economies of scale from manufacturing costs through weaker sales and an expanded cost basis due to additional investments to implement the Group's growth strategy limited the EBIT margin to 10.6%. Foreign currency effects were another negative factor. At € 293.7 million, order intake was down 20.2% compared to the first half of the previous year (€ 368.0 million). The book-to-bill ratio – the ratio of order intake to sales – came to 0.94 (previous year: 1.09).

Overview of key figures:

	H1 2019	H1 2018	Change
Sales	€ 311.1 million	€ 338.2 million	-8.0%
EBIT	€ 32.8 million	€ 47.8 million	-31.2%
Net result	€ 23.3 million	€ 34.4 million	-32.2%
Earnings per share	€ 2.36	€ 3.48	-32.2%
Order intake	€ 293.7 million	€ 368.0 million	-20.2%

	Q2 2019	Q2 2018	Change
Sales	€ 157.4 million	€ 167.8 million	-6.2%
EBIT	€ 14.7 million	€ 20.3 million	-27.6%
Net result	€ 10.4 million	€ 14.6 million	-28.7%
Earnings per share	€ 1.06	€ 1.48	-28.4%
Order backlog	€ 127.5 million	€ 157.2 million	-18.9%

Nathalie Benedikt, CFO of Pfeiffer Vacuum Technology AG, comments on the results: “The first half of the year went largely as expected, whereby the EBIT margin was exposed to further pressure from the implementation of our growth strategy. We are proceeding with our investments as planned. Volumes of more than € 50 million have been approved for 2019, most of which will be realized in the second half of the year.”

Sales development remained subdued in all regions. In Europe, sales declined by 4.2% to € 114.9 million. Sales in Asia decreased by 14.8% to € 113.4 million. In North and South America, sales decreased by 2.8% to € 82.7 million.

Turbopumps and service show positive development

Sales of turbopumps could be further increased to € 96.1 million. Turbopumps were once again a key product, contributing a 30.9% share of total sales. Sales from services rose to € 55.7 million. This increased the share of the service business in total sales to 17.9%. In the project-oriented systems business, sales increased by 5.4% from the previous year to € 8.9 million. Sales of instruments and components decreased by 12.9% to € 87.2 million. With a sales volume of € 63.2 million, backing pumps recorded a decline of 21.6% compared to the previous year.

Growth in industry, analytics and R&D

Sales in the industry market segment, with customers from the automotive and pharmaceutical industries, increased by 16.0% to € 70.9 million. With a share of 22.8%, industry is the second-largest customer market. In the analytics market, sales increased by 5.7% to € 61.0 million. With a share of 19.6% in total sales, the analytics business has once again gained importance. Sales in the research & development market segment rose by 8.2% to € 31.9 million which increased its share of total sales to 10.2%. With a volume of € 103.8 million, the semiconductor market recorded a decline of 23.7% as a result of weak demand. The market's 33.4% share of total sales declined by 6.8%-points. Sales in the coating market fell by 19.2% to € 43.5 million so that the share of total sales declined to 14.0%.

Dr. Eric Taberlet, CEO of Pfeiffer Vacuum Technology AG, is looking optimistically toward the second half of 2019: "For the coming months I assume an increase in demand, confirming our expectation for sales growth in the second half of the year. The strategic cooperation with the Busch Group creates additional momentum. Working groups consisting of specialists from both companies are currently developing measures for the best possible realization of synergies. The results will be presented to the Group Business Committee, an advisory and decision-making body consisting of the Management Board members of both companies, this year. "

Pfeiffer Vacuum expects demand to increase in the second half of the year. The Management Board confirms the outlook for sales that was specified in mid-July of € 640 to 660 million, and an EBIT margin of 11% to 14% for 2019 as a whole.

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About Pfeiffer Vacuum
Pfeiffer Vacuum (ticker symbol PFV, ISIN DE0006916604) is a leading global manufacturer of vacuum solutions. Among a full range of hybrid and magnetically levitated turbopumps, the portfolio comprises backing pumps, leak detectors, measurement and analysis devices, components and vacuum chambers and systems. Pfeiffer Vacuum has stood for innovative solutions and high-tech products in analytics, industry, research & development, coatings and semiconductor markets since its invention of the turbopump. Founded in 1890, Pfeiffer Vacuum is active worldwide today. The Company employs approximately 3,200 employees, has over 20 sales and service companies, and operates 8 manufacturing sites worldwide.

For more information, please go to: group.pfeiffer-vacuum.com

Consolidated Statements of Income (unaudited)

	Three month ended June 30,		Six month ended June 30,	
	2019	2018	**2019**	2018
	in K€	in K€	in K€	in K€
Net sales	157,375	167,791	311,108	338,212
Cost of Sales	-104,040	-111,564	-202,104	-217,583
Gross Profit	**53,335**	**56,227**	**109,004**	**120,629**
Selling and marketing expenses	-18,255	-17,816	-36,302	-35,350
General and administrative expenses	-13,127	-13,210	-26,327	-25,762
Research and development expenses	-7,301	-7,223	-14,812	-14,050
Other operating income	1,307	3,419	3,485	5,402
Other operating expenses	-1,257	-1,100	-2,203	-3,116
Operating profit	**14,702**	**20,297**	**32,845**	**47,753**
Financial expenses	-221	-153	-443	-346
Financial income	26	73	62	135
Earnings before taxes	**14,507**	**20,217**	**32,464**	**47,542**
Income taxes	-4,091	-5,600	-9,155	-13,169
Net Income	**10,416**	**14,617**	**23,309**	**34,373**
Earnings per share (in €):				
Basic	1.06	1.48	2.36	3.48
Diluted	1.06	1.48	2.36	3.48

Consolidated Balance Sheets (unaudited)

	June 30, 2019 in k€	December 31, 2018 in k€
Assets		
Intangible assets	108,096	109,460
Property, plant and equipment	147,461	126,143
Investment properties	412	424
Other financial assets	3,627	4,282
Other assets	1,243	3,200
Deferred tax assets	27,520	24,895
Total non-current assets	**288,359**	268,404
Inventories	143,561	133,191
Trade accounts receivable	82,668	92,164
Contract assets	332	298
Income tax receivables	3,961	3,726
Prepaid expenses	5,793	3,504
Other financial assets	314	609
Other accounts receivable	10,722	13,884
Cash and cash equivalents	93,359	108,380
Total current assets	**340,710**	355,756
Total assets	**629,069**	624,160
Shareholders' equity and liabilities		
Share capital	25,261	25,261
Additional paid-in capital	96,245	96,245
Retained earnings	279,504	278,891
Other equity components	-34,710	-28,172
Equity of Pfeiffer Vacuum Technology AG shareholders	**366,300**	372,225
Financial liabilities	70,934	60,182
Provisions for pensions	65,137	55,638
Deferred tax liabilities	4,572	4,638
Contract liabilities	395	630
Total non-current liabilities	**141,038**	121,088
Trade accounts payable	35,327	38,054
Contract liabilities	15,913	18,271
Other accounts payable	26,041	25,740
Provisions	37,051	41,626
Income tax liabilities	3,523	7,061
Financial liabilities	3,876	95
Total current liabilities	**121,731**	130,847
Total shareholders' equity and liabilities	**629,069**	624,160

Consolidated Statements of Cash Flows (unaudited)

	Six month ended June 30,	
	2019	2018
	in k€	in k€
Cash flow from operating activities:		
Net income	23,309	34,373
Depreciation/amortization	11,564	10,256
Other non-cash income/expenses	2,367	1,022
Effects of changes of assets and liabilities:		
Inventories	-13,129	-12,633
Receivables and other assets	10,894	-10,864
Provisions, including pensions, and income tax liabilities	-7,059	380
Payables, other liabilities	-4,904	9,334
Net cash provided by operating activities	**23,042**	**31,868**
Cash flow from investing activities:		
Capital expenditures	-13,034	-12,529
Proceeds from disposals of fixed assets	102	129
Net cash used in investing activities	**-12,932**	**-12,400**
Cash flow from financing activities:		
Principal elements of lease payments	-2,183	-
Proceeds from increase of financial liabilities	-	77
Dividend Payments	-22,696	-19,735
Redemptions of financial liabilities	-23	-
Net cash used in financing activities	**-24,902**	**-19,658**
Effects of foreign exchange rate changes on cash and cash equivalents	-229	-45
Net change in cash and cash equivalents	**-15,021**	**-235**
Cash and cash equivalents at beginning of period	108,380	97,402
Cash and cash equivalents at end of period	**93,359**	**97,167**