PRESS RELEASE

Pfeiffer Vacuum reports strong first quarter 2020 order intake and stable sales in COVID-19 environment

- Sales of EUR 153.3 million flat with the previous year
- Operating result (EBIT) of EUR 12.8 million and 8.4% EBIT margin
- Order intake of EUR 172.9 million, 16.2% above previous year

Asslar, May 5, 2020. Pfeiffer Vacuum Technology AG, a leading global manufacturer of vacuum solutions, today announced results for the first quarter 2020. The company reported sales of EUR 153.3 million, an operating result (EBIT) of EUR 12.8 million and an EBIT margin of 8.4%. The order intake increased significantly to EUR 172.9 million.

Pfeiffer Vacuum **sales** for the first quarter 2020 were about flat with the previous year (Q1 2019: EUR 153.7 million), primarily driven by a strong performance in the semiconductor market and also a growth in the R&D market segment. This was offset by sales declines in the coating, industry and analytics markets. Sales in the semiconductor and coating market increased by 4.7% to EUR 78.6 million (Q1 2019: 75.1 million) and sales in the industry, analytics and R&D market segments decreased by 5.0% to EUR 74.7 million (Q1 2019: 78.6 million).

The **operating result (EBIT)** decreased by 29.4% (Q1 2019: EUR 18.1 million) and the EBIT margin was 8.4% (Q1 2019: 11.8%). The year-over-year decline in EBIT was primary a result of productivity loss through COVID-19 and due to changes in the product and market mix. In addition, increased expenses to drive market share growth and to improve the EBIT margin to 20% by 2025 as outlined in the Company’s growth strategy had a negative effect on the operating performance.

The **book-to-bill ratio**, the ratio of order intake to sales, was very strong at 1.13 for the first quarter. At the end of the first quarter, Pfeiffer Vacuum had an order backlog of EUR 130.3 million, representing a decrease of 6.9% compared to the previous year (March 31, 2019: EUR 140.0 million) and an increase of 17.7% compared to year-end 2019 (December 31, 2019: EUR 110.7 million).

“Our top priorities in the COVID-19 environment remain the health and safety of our employees and communities and to meet our customers’ needs,” says **Dr. Eric Taberlet, CEO** of Pfeiffer Vacuum Technology AG. “The high-vacuum industry is robust, and we are supplying growth markets. We must remain vigilant and agile to navigate through this challenging, quickly evolving environment that is impacting already some of the markets we serve. I am proud that so far there has been no major disruption in meeting our customers’ deliveries.”

Nathalie Benedikt, CFO comments: “Pfeiffer Vacuum is affected by COVID-19, but less so than many other industries, and is in a strong financial position. In the current environment we are acting with caution and remain agile to make adjustments where needed. We are firmly on the path to execute our strategy to gain market share and improve the EBIT margin.”

Overview of key figures:

	Q1/2020	**Q1/2019**	**Change**
Sales	€ 153.3 million	€ 153.7 million	- 0.3%
EBIT	€ 12.8 million	€ 18.1 million	- 29.4%
Net income	€ 8.9 million	€ 12.9 million	- 31.3%
Earnings per share	€ 0.90	€ 1.31	- 31.3%
Order intake	€ 172.9 million	€ 148.8 million	16.2%
Order backlog	€ 130.3 million	€ 140.0 million	- 6.9%

The **gross profit** in the reporting period was EUR 53.3 million (Q1 2019: EUR 55.7 million). The year-over-year decline is due to negative economies of scale related to product and market mix and productivity impact related to COVID-19 measures.

Net income declined to EUR 8.9 million (Q1 2019: EUR 12.9 million) representing earnings per share of EUR 0.90 (Q1 2019: EUR 1.31).

In **sales by region,** which describes sales according to the location of the customers in their corresponding region, the Americas contributed to an increase in sales of 10.5% to EUR 44.4 million (Q1 2019: EUR 40.2 million) driven by sales to semiconductor customers. Europe showed a decrease of 1.1% to EUR 58.0 million (Q1 2019: EUR 58.6 million). Sales in Asia declined by 7.2% to EUR 50.9 million (Q1 2019: EUR 54.9 million) related to market conditions in the coating market.

Balance sheet and cash-flow

Total assets at the end of first quarter 2020 were EUR 667.0 million up slightly from year-end 2019 (December 31, 2019: EUR 660.0 million). Cash and cash equivalent were EUR 104.7 million and the company is net debt free from a financial liability perspective. The equity ratio was at 60.3%, slightly up from the year-end 2019 (December 31, 2019: 59.6%).

Outlook

Pfeiffer Vacuum is not able to make a reliable forecast due to the impact of COVID-19 on the world economy and thus on some of our markets. Critical semiconductor customers currently remain committed to their expansion and orders in the analytics market supporting the fight against COVID-19 are strong. Economic activity in other markets served declined. The company expects market conditions and world economic activity to put pressure on the financial performance.

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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, coating and semiconductor markets since its invention of the turbopump. Founded in 1890, Pfeiffer Vacuum is active worldwide. The Company employs approximately 3,300 employees, has over 20 sales and service companies, and operates 10 manufacturing sites worldwide.

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

Consolidated Statements of Income (unaudited)

	Three months ended March 31,	
	2020	2019
	in K€	in K€
Net sales	153,328	153,733
Cost of sales	-100,056	-98,064
Gross profit	**53,272**	55,669
Selling and marketing expenses	-18,033	-18,047
General and administrative expenses	-15,318	-13,200
Research and development expenses	-7,699	-7,511
Other operating income	2,721	2,178
Other operating expenses	-2,126	-946
Operating profit	**12,817**	18,143
Financial expenses	-231	-222
Financial income	39	36
Earnings before taxes	**12,625**	17,957
Income taxes	-3,770	-5,064
Net income	**8,855**	12,893
Earnings per share (in €):		
Basic	0.90	1.31
Diluted	0.90	1.31

Consolidated Balance Sheets (unaudited)

	March 31, 2020	December 31, 2019
	in K€	in K€
Assets		
Intangible assets	113,474	112,244
Property, plant and equipment	155,577	154,701
Investment properties	394	400
Other financial assets	3,978	4,031
Other assets	1,080	2,034
Deferred tax assets	27,539	27,377
Total non-current assets	**302,042**	300,787
Inventories	134,658	128,484
Trade accounts receivable	91,661	87,867
Contract assets	2,866	2,860
Income tax receivables	9,662	9,962
Prepaid expenses	6,595	4,308
Other financial assets	2,831	3,161
Other accounts receivable	12,065	10,166
Cash and cash equivalents	104,652	111,980
Total current assets	**364,990**	358,788
Total assets	**667,032**	659,575
Shareholders' equity and liabilities		
Share capital	25,261	25,261
Additional paid-in capital	96,245	96,245
Retained earnings	313,407	304,552
Other equity components	-32,430	-32,613
Equity of Pfeiffer Vacuum Technology AG shareholders	**402,483**	393,445
Financial liabilities	69,275	69,729
Provisions for pensions	65,005	64,103
Deferred tax liabilities	4,663	5,041
Contract liabilities	666	584
Total non-current liabilities	**139,609**	139,457
Trade accounts payable	41,183	41,137
Contract liabilities	11,303	12,259
Other accounts payable	24,993	23,406
Provisions	37,959	38,735
Income tax liabilities	5,947	7,248
Financial liabilities	3,555	3,888
Total current liabilities	**124,940**	126,673
Total shareholders' equity and liabilities	**667,032**	659,575

PFEIFFER VACUUM

Consolidated Statements of Cash Flows (unaudited)

	Three months ended March 31,	
	2020	2019
	in K€	in K€
Cash flow from operating activities:		
Net income	8,855	12,893
Depreciation/amortization	6,801	5,650
Other non-cash income/expenses	868	1,146
Effects of changes of assets and liabilities:		
Inventories	-7,221	-15,959
Receivables and other assets	-6.841	9,654
Provisions, including pensions, and income tax liabilities	-1,063	-3,371
Payables, other liabilities	886	-1,868
Net cash provided by operating activities	**2,285**	8,145
Cash flow from investing activities:		
Capital expenditures	-7,585	-5,608
Proceeds from disposals of fixed assets	109	35
Net cash used in investing activities	**-7,476**	**-5,573**
Cash flow from financing activities:		
Principal elements of lease payments	-1,298	-1,033
Proceeds from increase of financial liabilities	-	163
Redemptions of financial liabilities	-120	-
Net cash used in financing activities	**-1,418**	-870
Effects of foreign exchange rate changes on cash and cash equivalents	-719	142
Net change in cash and cash equivalents	**-7,328**	1,844
Cash and cash equivalents at beginning of period	111,980	108,380
Cash and cash equivalents at end of period	**104,652**	110,224