PRESS RELEASE

Pfeiffer Vacuum benefits from strong semiconductor business and reports improved margins in Q3 2020

- Sales down 2.9% in 9M 2020 and down 2.7% in Q3 2020
- EBIT margin reaches 7.9% in 9M 2020 and 10.6% in Q3 2020
- Order intake of EUR 461.3 million in 9M 2020, up 2.5% from the previous year

Asslar, Germany, November 3, 2020. Pfeiffer Vacuum Technology AG, a leading global manufacturer of vacuum solutions, today reports consolidated financial results for the third quarter and nine months period ending September 30, 2020.

Pfeiffer Vacuum **sales** for the first nine months 2020 declined by 2.9% to EUR 453.9 million compared to the previous year (9 months 2019: EUR 467.3 million), primarily driven by lower sales in the market segments coating, analytics, industry and R&D offset by a strong performance in the semiconductor market. Sales in the semiconductor and coating market combined increased by 7.1% to EUR 233.5 million (9 months 2019: 218.0 million) whereas sales in the industry, analytics and R&D market segments decreased by 11.6% to EUR 220.4 million (9 months 2019: 249.3 million).

The **gross profit** for the first nine months was EUR 158.0 million (9 months 2019: EUR 161.4 million). The year-over-year decline is due to negative economies of scale related to sales declines and productivity impact in the context of COVID-19 measures implemented by Pfeiffer Vacuum, offset in Q3 2020 by favorable sales mix within the markets. In the first nine months 2020, the gross profit margin improved to 34.8% (9M 2019: 34.5%) driven by the strong gross profit margin in Q3 2020 of 36.4% (Q3 2019: 33.6%)

The **operating result (EBIT)** for the first nine months 2020 of EUR 35.7 million represents a decrease by 27.0% compared to the previous year (9 months 2019: EUR 48.9 million). The EBIT margin reached 7.9% which was lower than in the previous year (9 months 2019: 10.5%) but higher than in the first half of 2020 (H1

2020: 6.5%). This was driven by an improved EBIT margin of 10.6% in Q3 2020, mainly as a result of the favorable product mix.

The year-over-year decline in EBIT in the 9-months periods was primarily a result of the decrease in sales, productivity losses through COVID-19 and increased expenses to drive market share growth and to improve the EBIT margin to 20% by 2025.

Net income declined to EUR 24.8 million (9 months 2019: EUR 34.7 million), representing earnings per share of EUR 2.51 (9 months 2019: EUR 3.52).

The **book-to-bill ratio**, the ratio of order intake to sales, was at 1.02 for the nine months ending September 30, 2020. Despite of COVID-19, the **order intake** reached EUR 461.3 million, up 2.5% compared to first nine months of 2019. At the end of the third quarter 2020, Pfeiffer Vacuum had an **order backlog** of EUR 118.2 million, down 7.4% compared to the previous year (September 30, 2019: EUR 127.6 million).

"Market indicators in the semiconductor market continued to be positive while our other markets were impacted primarily due to the economic slow-down related to the COVID-19 pandemic" says **Dr. Eric Taberlet, CEO** of Pfeiffer Vacuum Technology AG. "EBIT margins during the third quarter 2020 were the strongest of the year 2020 due to a very favorable sales mix within our different market segments."

Overview of key figures:

	9M/2020	**9M/2019**	**Change**
Sales	€ 453.9 million	€ 467.3 million	-2.9%
EBIT	€ 35.7 million	€ 48.9 million	-27.0%
Net income	€ 24.8 million	€ 34.7 million	-28.6%
Earnings per share	€ 2.51	€ 3.52	-28.4%
Order intake	€ 461.3 million	€ 450.0 million	+2.5%

	Q3 2020	Q3 2019	Change
Sales	€ 152.0 million	€ 156.2 million	-2.7%
EBIT	€ 16.1 million	€ 16.1 million	+0.5%
Net income	€ 11.3 million	€ 11.4 million	-1.3%
Earnings per share	€ 1.14	€ 1.16	-1.7%
Order intake	€ 144.7 million	€ 156.3 million	-7.4%

In **sales by region,** which describes sales according to the location of the customers in their corresponding region, Pfeiffer Vacuum achieved a year-over-year increase in sales by 1.7% to EUR 170.5 million for the first nine months of 2020 (9 months 2019: EUR 167.6 million) in Asia. This was mainly related to higher sales with our customers in the semiconductor market. Europe sales decreased by 6.4% to EUR 162.7 million (9 months 2019: EUR 173.9 million), mainly because of the market conditions in the industry, analytics and R&D segments. Sales in the Americas declined by 4.1% to EUR 120.7 million (9 months 2019: EUR 125.8 million), primarily due to the weaker US Dollar.

Balance sheet and cash-flow

As of September 30, 2020, Pfeiffer Vacuum maintained its solid financial position. Total assets at the end of the third quarter 2020 were EUR 659.1 million, slightly less than at the end of 2019 (December 31, 2019: EUR 659.6 million). Cash and cash equivalents were EUR 112.2 million (December 31, 2019: EUR 112.0 million) and the Company remains net debt free. The equity ratio was at 60.1%, slightly up from the year-end 2019 (December 31, 2019: 59.6%).

Outlook

Due to the impact of COVID-19 on the global economy and further pressures due to the arrival of the second wave of increased infections, Pfeiffer Vacuum is currently not able to make a reliable forecast concerning the further business development. Critical semiconductor customers currently remain committed to their expansion. However, economic activity in other markets served could come under increased pressure. The Company currently expects sales in the fourth quarter 2020 to be similar to third quarter 2020 levels, while the EBIT margin for the full year 2020 is expected to be around 7 percent.

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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

PFEIFFER VACUUM

Consolidated Statements of Income (unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	**2020**	2019
	in K€	in K€	in K€	in K€
Net sales	152,007	156,225	453,861	467,333
Cost of sales	-96,672	-103,805	-295,891	-305,909
Gross profit	**55,335**	52,420	**157,970**	161,424
Selling and marketing expenses	-17,955	-16,965	-54,055	-53,267
General and administrative expenses	-12,697	-14,579	-43,456	-40,906
Research and development expenses	-7,980	-6,423	-25,499	-21,235
Other operating income	2,486	2,315	7,131	5,800
Other operating expenses	-3,051	-709	-6,405	-2,912
Operating profit	**16,138**	16,059	**35,686**	48,904
Financial expenses	-276	-205	-729	-648
Financial income	29	59	123	121
Earnings before taxes	**15,891**	15,913	**35,080**	48,377
Income taxes	-4,612	-4,486	-10,270	-13,641
Net income	**11,279**	11,427	**24,810**	34,736
Earnings per share (in €):				
Basic	1.14	1.16	2.51	3.52
Diluted	1.14	1.16	2.51	3.52

Consolidated Balance Sheets (unaudited)

	September 30, 2020	December 31, 2019
	in K€	in K€
Assets		
Intangible assets	111,927	112,244
Property, plant and equipment	152,944	154,701
Investment properties	386	400
Other financial assets	1,851	4,031
Other assets	616	2,034
Deferred tax assets	27,617	27,377
Total non-current assets	**295,341**	300,787
Inventories	135,006	128,484
Trade accounts receivable	86,872	87,867
Contract assets	2,285	2,860
Income tax receivables	6,099	9,962
Prepaid expenses	6,319	4,308
Other financial assets	2,925	3,161
Other accounts receivable	12,047	10,166
Cash and cash equivalents	112,217	111,980
Total current assets	**363,770**	358,788
Total assets	**659,111**	659,575
Shareholders' equity and liabilities		
Share capital	25,261	25,261
Additional paid-in capital	96,245	96,245
Retained earnings	317,027	304,552
Other equity components	-42,156	-32,613
Equity of Pfeiffer Vacuum Technology AG shareholders	**396,377**	393,445
Financial liabilities	69,007	69,729
Provisions for pensions	66,558	64,103
Deferred tax liabilities	4,502	5,041
Contract liabilities	804	584
Total non-current liabilities	**140,871**	139,457
Trade accounts payable	36,422	41,137
Contract liabilities	13,747	12,259
Other accounts payable	22,899	23,406
Provisions	41,739	38,735
Income tax liabilities	3,514	7,248
Financial liabilities	3,542	3,888
Total current liabilities	**121,863**	126,673
Total shareholders' equity and liabilities	**659,111**	659,575

PFEIFFER VACUUM

Consolidated Statements of Cash Flows (unaudited)

	Nine months ended September 30,	
	2020	2019
	in K€	in K€
Cash flow from operating activities:		
Net income	24,810	34,736
Depreciation/amortization	19,760	17,487
Other non-cash income/expenses	4,066	3,455
Effects of changes of assets and liabilities:		
Inventories	-13,079	-11,038
Receivables and other assets	1,989	6,389
Provisions, including pensions, and income tax liabilities	2,263	-3,566
Payables, other liabilities	-2,852	-11,950
Net cash provided by operating activities	**36,957**	35,513
Cash flow from investing activities:		
Capital expenditures	-19,675	-19,307
Proceeds from disposals of fixed assets	-204	293
Net cash used in investing activities	**-19,879**	-19,014
Cash flow from financing activities:		
Principal elements of lease payments	-3,636	-3,448
Proceeds from increase of financial liabilities	-	632
Dividend payment	-12,335	-22,696
Redemptions of financial liabilities	-56	-
Net cash provided by/used in financing activities	**-16,027**	-25,512
Effects of foreign exchange rate changes on cash and cash equivalents	-814	255
Net change in cash and cash equivalents	**237**	-8,758
Cash and cash equivalents at beginning of period	111,980	108,380
Cash and cash equivalents at end of period	**112,217**	99,622