# NEWS RELEASE

## Pfeiffer Vacuum reports sound annual financial performance for 2020 and strong demand entering 2021

**Asslar, Germany, March 25, 2021.** Pfeiffer Vacuum Technology AG, a leading global manufacturer of vacuum solutions, today reports audited financial results for the fiscal year 2020. The Company reported sales of EUR 618.7 million, operating results (EBIT) of EUR 45.3 million and an EBIT margin of 7.3%. These results are in line with the preliminary results published on February 23, 2021.

Pfeiffer Vacuum **sales** for the year 2020 declined by 2.2% (2019: EUR 632.9 million), primarily driven by the challenging market conditions due to the Corona pandemic, which impacted particularly the industry, analytics and R&D market segment. This, and the weakness in the coating market, were partially offset by the strength of the semiconductor market. Sales in the semiconductor and coating market combined increased by 3.5% to EUR 308.6 million (2019: EUR 298.2 million) whereas sales in the industry, analytics and R&D market segments decreased by 7.4% to EUR 310.1 million (2019: EUR 334.7 million).

The **operating result (EBIT)** decreased by 30.5% (previous year: EUR 65.2 million) and the EBIT margin was 7.3% (previous year: 10.3%). The year-over-year decline in EBIT in 2020 was primarily a result of the decrease in sales, expenses and productivity losses due to the Corona pandemic as well as one-off impairment losses. Furthermore, increased expenses to drive planned sales growth and to improve the EBIT margin were responsible for the lower operating result. The non-cash impairment loss of EUR 8.8 million resulted from goodwill in China and Italy, and a trademark right write-off.

For the full year 2020, the order intake was EUR 631.3 million (2019: EUR 598.7 million) and the book-to-bill ratio, the ratio of order intake to sales, was 1.02 (2019: 0.95). At the end of the fourth quarter 2020, Pfeiffer Vacuum had an order backlog of EUR 123.3 million, representing an increase of 11.4% compared to the previous year (2019: EUR 110.7 million).

**Increase in dividend payout**

The Management and Supervisory Boards will propose to the Annual General Meeting on May 12, 2021, to pay out a dividend of EUR 1.60 per share (previous year: EUR 1.25). The proposed dividend increase compared to the previous year was made against the background of a solid liquidity position of Pfeiffer Vacuum in 2020 and takes into account the deliberately reduced dividend in 2020 due to the uncertainties in predicting the effects of the Corona pandemic at that time. The payout ratio would represent 50.0% of the Group net income.

“2020 was a challenging year due to the Corona pandemic, but we successfully protected our employees and met all the requirements of our customers,” says **Dr. Britta Giesen, CEO** of Pfeiffer Vacuum Technology AG. “We delivered a solid financial performance despite of difficult market conditions, continued our transformation to drive growth and improve profitability. We are well-positioned to improve our financial results in 2021 amidst a still challenging environment.”

**Overview of key figures:**

| | **12M/2020** | **12M/2019** | **Change** |
|---|---|---|---|
| Sales | € 618.7 million | € 632.9 million | -2.2% |
| EBIT | € 45.3 million | € 65.2 million | -30.5% |
| Net income | € 31.6 million | € 48.4 million | - 34.7% |
| Earnings per share | € 3.20 | € 4.90 | - 34.7% |
| Dividend per share | € 1.60* | € 1.25 | 28.0% |
| Order intake | € 631.3 million | € 598.7 million | 5.4% |
| Order backlog | € 123.3 million | € 110.7 million | 11.4% |

*Subject to approval by the Annual General Meeting

The **gross profit** in the reporting period was EUR 217.0 million, up 0.5%from EUR 215.9 million in the previous year even though annual sales declined. The gross margin improved by 1 percentage point to 35.1% of sales (previous year: 34.1%). The increase in gross profit from the prior year was due to efficiency improvements, our quick reaction to changing market conditions, as well as a favorable product and customer mix.

**Net income** declined to EUR 31.6 million (previous year: EUR 48.4 million), representing earnings per share of EUR 3.20 (previous year: EUR 4.90).

In **sales by region**, measuring sales according to the location of the customers in their corresponding region, Pfeiffer Vacuum achieved a year-over-year increase in sales by 0.1% to EUR 231.3 million in Asia (previous year: EUR 231.1 million). This slight improvement was achieved despite foreign currency pressure related to particularly the Korean won. Sales in Europe declined by 2.0% to EUR 227.3 million (previous year: EUR 232.0 million). Americas sales decreased by 5.7% to EUR 160.0 million (previous year: EUR 169.7 million) and were also impacted by the weaker U.S. dollar in 2020 compared to 2019.

**Solid balance sheet and improved cash position**

As of December 31, 2020, Pfeiffer Vacuum maintained its solid financial position. Total assets at the end of the year 2020 were EUR 661.8 million, slightly up from the end of 2019 (December 31, 2019: EUR 659.6 million). Cash and cash equivalents were EUR 122.9 million up 9.7% from the previous year (December 31, 2019: EUR 112.0 million) and the Company remains net debt free. The equity ratio was at 59.2%, slightly down from the year-end 2019 (December 31, 2019: 59.6%).

**Positive outlook for the 2021 fiscal year**

Sales and order intake entering 2021 are continuing to improve from year-end 2020 levels. This is in line with industry expectations that the semiconductor market will be strong in the first half of 2021 but slowdown in the second half of 2021. For fiscal year 2021, the Company expects sales to grow by over 5%, reflecting a more cautious outlook for the second half of 2021, particularly since the impact of the further development of the Corona pandemic on the world economy, our customers and our business continues to create uncertainty. In addition, the Company expects the EBIT margin in 2021 to improve from 2020 levels, even though additional expenditures in Research and Development to drive innovation for customers and achieve sustainable growth are planned for the second half of 2021.

**Contact**
**Pfeiffer Vacuum Technology AG**

Investor Relations
Heide Erickson
T +49 6441 802 1360
Heide.Erickson@pfeiffer-vacuum.de

**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

## PFEIFFER VACUUM TECHNOLOGY AG

| (in K€) | **2020** | 2019 |
|---|---|---|
| | | |
| Net sales | 618,665 | 632,865 |
| Cost of sales | -401,671 | -416,995 |
| **Gross profit** | **216,994** | **215,870** |
| | | |
| Selling and marketing expenses | -70,795 | -71,669 |
| General and administrative expenses | -57,595 | -52,293 |
| Research and development expenses | -35,135 | -29,620 |
| Other operating income | 9,349 | 7,768 |
| Other operating expenses | -17,522 | -4,904 |
| **Operating profit** | **45,296** | **65,152** |
| | | |
| Financial expenses | -902 | -853 |
| Financial income | 147 | 216 |
| **Earnings before taxes** | **44,541** | **64,515** |
| | | |
| Income taxes | -12,950 | -16,158 |
| | | |
| **Net income** | **31,591** | **48,357** |
| | | |
| **Earnings per share (in €):** | | |
| Basic | 3.20 | 4.90 |
| Diluted | 3.20 | 4.90 |

## Consolidated Balance Sheets

## PFEIFFER VACUUM TECHNOLOGY AG

| (in K€) | **Dec. 31, 2020** | Dec. 31, 2019 |
|---|---|---|
| | | |
| **ASSETS** | | |
| Intangible assets | 100,736 | 112,244 |
| Property, plant and equipment | 158,191 | 154,701 |
| Investment properties | 376 | 400 |
| Other financial assets | 2,198 | 4,031 |
| Other assets | 829 | 2,034 |
| Deferred tax assets | 31,306 | 27,377 |
| **Total non-current assets** | **293,636** | **300,787** |
| | | |
| Inventories | 133,254 | 128,484 |
| Trade accounts receivable | 83,601 | 87,867 |
| Contract assets | 1,501 | 2,860 |
| Income tax receivables | 10,848 | 9,962 |
| Prepaid expenses | 4,260 | 4,308 |
| Other financial assets | 1,597 | 3,161 |
| Other accounts receivable | 10,265 | 10,166 |
| Cash and cash equivalents | 122,883 | 111,980 |
| **Total current assets** | **368,209** | **358,788** |
| | | |
| **Total assets** | **661,845** | **659,575** |
| | | |
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | |
| Share capital | 25,261 | 25,261 |
| Additional paid-in capital | 96,245 | 96,245 |
| Retained earnings | 323,808 | 304,552 |
| Other equity components | -53,580 | -32,613 |
| **Equity of Pfeiffer Vacuum Technology AG shareholders** | **391,734** | **393,445** |
| | | |
| Financial liabilities | 69,614 | 69,729 |
| Provisions for pensions | 70,348 | 64,103 |
| Deferred tax liabilities | 4,477 | 5,041 |
| Contract liabilities | 804 | 584 |
| **Total non-current liabilities** | **145,243** | **139,457** |
| | | |
| Trade accounts payable | 44,937 | 41,137 |
| Contract liabilities | 7,296 | 12,259 |
| Other accounts payable | 21,478 | 23,406 |
| Provisions | 39,502 | 38,735 |
| Income tax liabilities | 8,154 | 7,248 |
| Financial liabilities | 3,501 | 3,888 |
| **Total current liabilities** | **124,868** | **126,673** |
| | | |
| **Total shareholders' equity and liabilities** | **661,845** | **659,575** |

## Consolidated Statements of Cash Flows

## PFEIFFER VACUUM TECHNOLOGY AG

| (in K€) | **2020** | 2019 |
|---|---|---|
| | | |
| **Cash flow from operating activities:** | | |
| Earnings before taxes | 44,541 | 64,515 |
| Adjustment for financial income/financial expenses | 755 | 637 |
| Financial income received | 154 | 189 |
| Financial expenses paid | -945 | -818 |
| Income taxes paid | -11,675 | -18,717 |
| Depreciation/amortization | 25,933 | 24,226 |
| Impairment losses | 8,833 | - |
| Gains/losses from disposals of long-term assets | 484 | 341 |
| Changes in allowances for doubtful accounts | 507 | 350 |
| Changes in inventory reserves | 4,584 | 4,441 |
| Other non-cash income and expenses | -639 | -1,859 |
| Effects of changes in assets and liabilities: | | |
| Inventories | -13,152 | 904 |
| Receivables and other assets | 4,733 | -2,198 |
| Provisions, including pensions, and income tax liabilities | -2,764 | -1,159 |
| Payables | -2,158 | -5,472 |
| **Net cash provided by operating activities** | **59,191** | **65,380** |
| | | |
| **Cash flow from investing activities:** | | |
| Capital expenditures | -30,441 | -34,913 |
| Proceeds from disposals of fixed assets | 256 | 650 |
| **Net cash used in investing activities** | **-30,185** | **-34,263** |
| | | |
| **Cash flow from financing activities:** | | |
| Proceeds from increase of financial liabilities | -56 | 97 |
| Dividend payments | -12,335 | -22,696 |
| Redemptions of leasing liabilities | -4,930 | -5,257 |
| **Net cash used in financing activities** | **-17,321** | **-27,856** |
| | | |
| Effects of foreign exchange rate changes on cash and cash equivalents | -782 | 339 |
| | | |
| **Net changes in cash and cash equivalents** | **10,903** | **3,600** |
| | | |
| Cash and cash equivalents at beginning of period | 111,980 | 108,380 |
| | | |
| **Cash and cash equivalents at end of period** | **122,883** | **111,980** |