NEWS RELEASE

Pfeiffer Vacuum reports record sales and increased operating profit for fiscal year 2021 – strong demand entering 2022

Asslar, Germany, March 29, 2022. Pfeiffer Vacuum Technology AG, a leading global manufacturer of vacuum solutions, today reported the audited financial results for the fiscal year 2021. The Company reported record sales of EUR 771.4 million, an operating result (EBIT) of EUR 93.1 million as well as an EBIT margin of 12.1%.

Pfeiffer Vacuum **sales** for the year 2021 increased by 24.7% (2020: EUR 618.7 million), driven by a strong demand in all market segments, product groups and geographies. Sales in the Semiconductor and Emerging Technologies segment increased by 38.1% to EUR 393.2 million (2020: EUR 284.6 million). The dynamic growth was driven by the strong demand for microprocessors and the resulting need for vacuum technology. For the Analytics, Industry, and R&D market segment, sales increased by 13.2% to EUR 378.2 million (2020: EUR 334.1 million), related to strong demand recovery.

The **operating result (EBIT)** increased by 105.5% to EUR 93.1 million (previous year: EUR 45.3 million) and the EBIT margin reached 12.1% (previous year: 7.3%). The year-over-year increase in EBIT in 2021 was primarily a result of strong sales and continued cost management, which offset effects from the tight supply chains, increases in personnel costs as well as one-off impairment losses. The non-cash impairment loss of EUR 16.4 million resulted from goodwill of an acquisition in 2017. Excluding this impairment loss, the EBIT margin would have amounted to 14.2%

For the full year 2021, the order intake was EUR 964.3 million (2020: EUR 631.3 million) and the book-to-bill ratio, the ratio of order intake to sales, was 1.25 (2020: 1.02). At the end of the reporting period 2021, Pfeiffer Vacuum had a record order backlog of EUR 316.2 million, representing an increase of 156.4% compared to the previous year (2020: EUR 123.3 million).

Significant increase in dividend payout

The Management and Supervisory Boards will propose to the Annual General Meeting on May 19, 2022, to pay out a dividend of EUR 4.08 per share (previous year: EUR 1.60). The proposed dividend increase compared to the previous year was made against the background of Pfeiffer Vacuum´s strong business and liquidity development in 2021. The payout ratio would represent 64.9% of the Group net income (previous year: 50.0%) and a dividend yield of 1.9% based on the 2021 year-end share price.

“The outstanding results in 2021 reflect the strong commitment of our employees to serve our customers and the ability of our organization to respond quickly to rapid demand increases,” says **Dr. Britta Giesen, CEO** of Pfeiffer Vacuum Technology AG. “This also underlines the excellent market position of Pfeiffer Vacuum. Going forward, we will build the production capacity and the capabilities of the organization to become an even more important partner to our customers in the high-vacuum market.”

Overview of key figures:

	12M/2021	**12M/2020**	**Change**
Sales	€ 771.4 million	€ 618.7 million	24.7%
EBIT	€ 93.1 million	€ 45.3 million	105.5%
Net income	€ 62.0 million	€ 31.6 million	96.2%
Earnings per share	€ 6.28	€ 3.20	96.3%
Dividend per share	€ 4.08*	€ 1.60	155.0%
Order intake	€ 964.3 million	€ 631.3 million	52.7%
Order backlog	€ 316.2 million	€ 123.3 million	156.4%

*Subject to approval by the Annual General Meeting

The **gross profit** in the reporting period was EUR 280.4 million, up 29.2% from EUR 217.0 million in the previous year due to the significant sales increases. The gross margin improved by 1.3 percentage points to 36.4% of sales (previous year: 35.1%). The increase in gross profit from the prior year was due to increased sales, partially offset by inefficiencies due to rapid production ramp-up.

Net income increased significantly by 96.2% to EUR 62.0 million (previous year: EUR 31.6 million), representing earnings per share of EUR 6.28 (previous year: EUR 3.20).

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 39.4% to EUR 322.5 million in Asia (previous year: EUR 231.3 million). This was particularly driven by the strong demand from our semiconductor customers. Sales in Europe grew by 11.5% to EUR 253.4 million (previous year: EUR 227.3 million). Americas sales increased by 22.1% to EUR 195.4 million (previous year: EUR 160.0 million) and were also impacted by the weaker US Dollar in 2021 compared to 2020.

Solid balance sheet and improved cash position

As of December 31, 2021, Pfeiffer Vacuum maintained its solid financial position. Total assets at the end of the year 2021 were EUR 707.9 million, up 7.0% from the end of 2020 (December 31, 2020: EUR 661.8 million). Cash and cash equivalents were EUR 99.4 million, down 19.1% from the previous year (December 31, 2020: EUR 122.9 million). During 2021, the Company made a EUR 55.0 million debt repayment and continues to be net debt-free. The equity ratio was at 64.9%, up 5.7 percentage points from the year-end 2020 (December 31, 2020: 59.2%).

Positive outlook for the 2022 fiscal year

Pfeiffer Vacuum expects sales for the full year 2022 to grow by more than 5%. The EBIT margin for the full year 2022 is expected to be above 2021 levels, primarily since the one-time recorded impairment charge in 2021 is not expected in 2022. Therefore, the EBIT margin is projected to be around 14%. Investments are planned to increase production capacity and productivity. This aims at positioning the Company for medium- and long-term sustainable growth.

The primary risks to this outlook are the continued strains in the supply chain. In addition, the potential impact of the military conflict in the Ukraine on the global economy and Pfeiffer Vacuum's business cannot be evaluated at this time.

Strategy update

The Company underwent an in-depth analysis and planning process to update the business strategy and position Pfeiffer Vacuum for mid- and long-term sustainable growth. This analysis showed that high vacuum technology is getting increasingly important to enable the ongoing industry revolution, driven by digitalization, energy transition, nanotechnology revolution and other trends. In this growing vacuum market, the overall goal for the Company is set to be the most sustainable and fastest growing market player in the industry to drive technology for a sustainable future and contribute to a better world for coming generations. The primary success factor to achieve this goal will be the even stronger focus on the customers in all business aspects, including investments, research and development as well as capacity expansions. The financial goals medium-to long-term goals include an increase of market share, to drive the sustainability of the business and to achieve sales of EUR 1 billion. While the Management Board expects to further improve the EBIT margin during this timeframe, the focus will be on investing in growth to achieve the full margin potential of Pfeiffer Vacuum Technology AG.

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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 over 3,400 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€)	**2021**	2020
Net sales	771,373	618,665
Cost of sales	-490,965	-401,671
Gross profit	**280,408**	**216,994**
Selling and marketing expenses	-79,371	-70,795
General and administrative expenses	-61,448	-57,595
Research and development expenses	-34,230	-35,135
Other operating income	11,395	9,349
Other operating expenses	-23,661	-17,522
Operating profit	**93,093**	**45,296**
Financial expenses	-843	-902
Financial income	251	147
Earnings before taxes	**92,501**	**44,541**
Income taxes	-30,514	-12,950
Net income	**61,987**	**31,591**
Earnings per share (in €):		
Basic	6.28	3.20
Diluted	6.28	3.20

PFEIFFER VACUUM

Consolidated Balance Sheets

PFEIFFER VACUUM TECHNOLOGY AG

(in K€)	**Dec. 31, 2021**	Dec. 31, 2020
ASSETS		
Intangible assets	91,524	100,736
Property, plant and equipment	175,952	158,191
Investment properties	352	376
Other financial assets	2,502	2,198
Other assets	791	829
Deferred tax assets	28,650	31,306
Total non-current assets	**299,771**	**293,636**
Inventories	162,178	133,254
Trade accounts receivable	119,587	83,601
Contract assets	1,392	1,501
Income tax receivables	4,796	10,848
Prepaid expenses	4,689	4,260
Other financial assets	168	1,597
Other accounts receivable	15,924	10,265
Cash and cash equivalents	99,371	122,883
Total current assets	**408,105**	**368,209**
Total assets	**707,876**	**661,845**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	25,261	25,261
Additional paid-in capital	96,245	96,245
Retained earnings	370,007	323,808
Other equity components	-32,137	-53,580
Equity of Pfeiffer Vacuum Technology AG shareholders	**459,376**	**391,734**
Financial liabilities	13,876	69,614
Provisions for pensions	60,502	70,348
Deferred tax liabilities	4,437	4,477
Contract liabilities	1,321	804
Total non-current liabilities	**80,136**	**145,243**
Trade accounts payable	58,046	44,937
Contract liabilities	13,343	7,296
Other accounts payable	27,742	21,478
Provisions	48,181	39,502
Income tax liabilities	16,773	8,154
Financial liabilities	4,279	3,501
Total current liabilities	**168,364**	**124,868**
Total shareholders' equity and liabilities	**707,876**	**661,845**

PFEIFFER VACUUM

Consolidated Statements of Cash Flows

PFEIFFER VACUUM TECHNOLOGY AG

(in K€)	**2021**	2020
Cash flow from operating activities:		
Earnings before taxes	92,501	44,541
Adjustment for financial income/financial expenses	592	755
Interest income received	282	154
Interest expenses paid	-1,031	-945
Income taxes paid	-16,055	-11,675
Depreciation/amortization	26,103	25,933
Impairment losses	16,407	8,833
Gains/losses from disposals of long-term assets	775	484
Changes in allowances for doubtful accounts	730	507
Changes in inventory reserves	5,531	4,584
Other non-cash income and expenses	159	-639
Effects of changes in assets and liabilities:		
Inventories	-30,094	-13,152
Receivables and other assets	-30,667	4,733
Provisions, including pensions, and income tax liabilities	1,643	-2,764
Payables	24,702	-2,158
Net cash provided by operating activities	**91,578**	**59,191**
Cash flow from investing activities:		
Capital expenditures	-41,607	-30,441
Proceeds from disposals of fixed assets	1,748	256
Net cash used in investing activities	**-39,859**	**-30,185**
Cash flow from financing activities:		
Proceeds from increase of financial liabilities	-55,062	-56
Dividend payments	-15,788	-12,335
Redemptions of leasing liabilities	-5,505	-4,930
Net cash used in financing activities	**-76,355**	**-17,321**
Effects of foreign exchange rate changes on cash and cash equivalents	1,124	-782
Net changes in cash and cash equivalents	**-23,512**	**10,903**
Cash and cash equivalents at beginning of period	122,883	111,980
Cash and cash equivalents at end of period	**99,371**	**122,883**