PFEIFFER VACUUM

Pfeiffer Vacuum Technology AG

Group Financial Results
Q4 And FY 2019

Investor & Analyst Conference Call

March 26, 2020

Dr. Eric Taberlet, CEO
Nathalie Benedikt, CFO
Heide Erickson, Investor Relations

TRANSFORMATION FOR OUR CUSTOMERS

Agenda

- **Business update**
- Financial update
- Outlook

Coronavirus preparation and impact

- Prioritizing health and safety followed by meeting our customers‘ requirements
- Pro-active measures in place to reduce impact
- Contingency plans in place
- Meeting customer obligations
- Close to normalized production capacity in Asia
- Evaluating and planning for future supply chain disruptions

Key points

- Outperformed market growth of semiconductor and industrial market
- 2019 successful year of transformation
- Semiconductor market demand going into 2020 strong

Wolfgang Ehrk, COO

- Joined Pfeiffer Vacuum Management Board January 1, 2020
- Proven expert in vacuum technolgy
- Strong collaboration



Financial highlights

(in € millions, except ratio data)

	FY 2019		Q4 2019	
	Results	Y-o-Y change	Results	Y-o-Y change
Sales	632.9	-4.1%	165.5	-1.7%
EBIT	65.2	-31.5%	16.2	-39.0%
EBIT margin	10.3%	-4.1 ppt	9.8%	-6.0 ppt
Order intake	598.7	-11.6%	148.7	-7.4%
Book-to-bill ratio	0.95		0.90	
CapEx	34.9	+3.7%	15.6	+62.0%

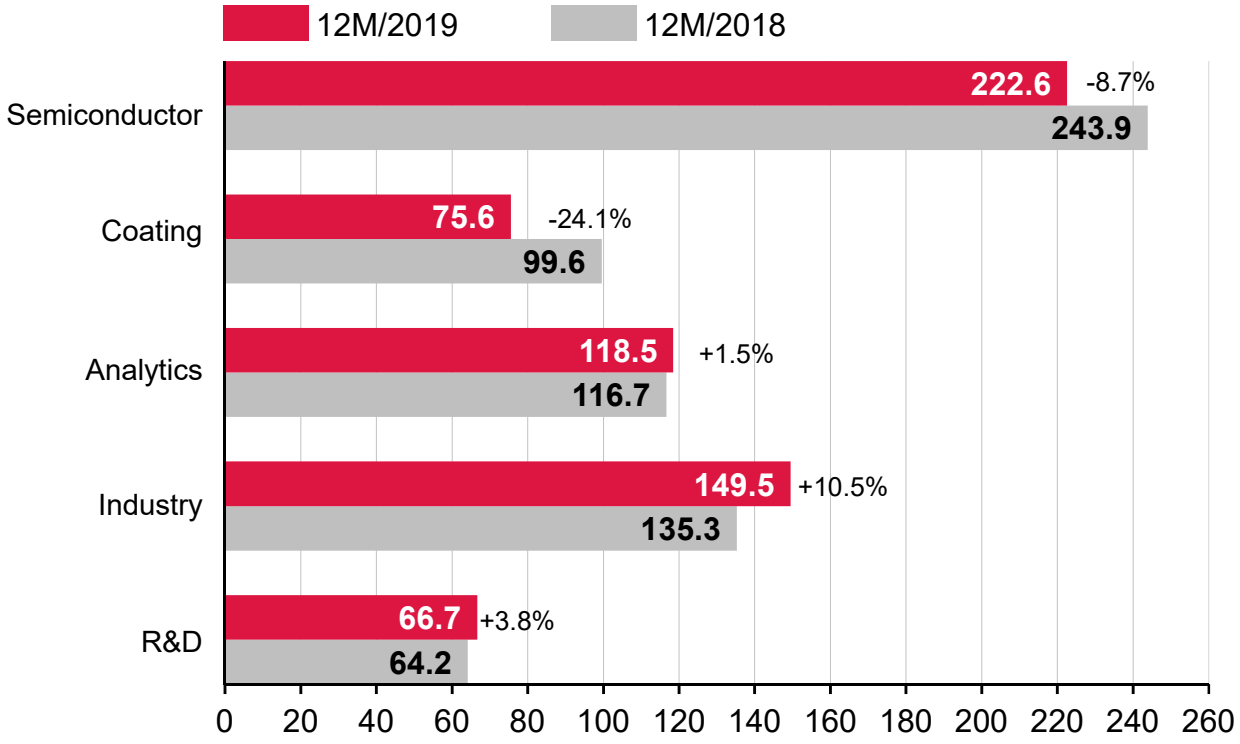
Note: Year-over-year percentages changes for same periods

Strategic focus pillars

1. **Portfolio:** Integrated products and solutions
2. **Customer:** Strong cooperation
3. **China:** A new growth market
4. **Selective Acquisitions:** To strengthen the technology and market position
5. **Operations**: Global footprint combined with strategic & local procurement
6. **Organization:** Global leadership and expert functions
7. **Business processes**: Integration of standardized systems, process quality and digitalization
8. **Strategic cooperation** with the Busch Group

Sales by Market: Growth in Industry, R&D, Analytics

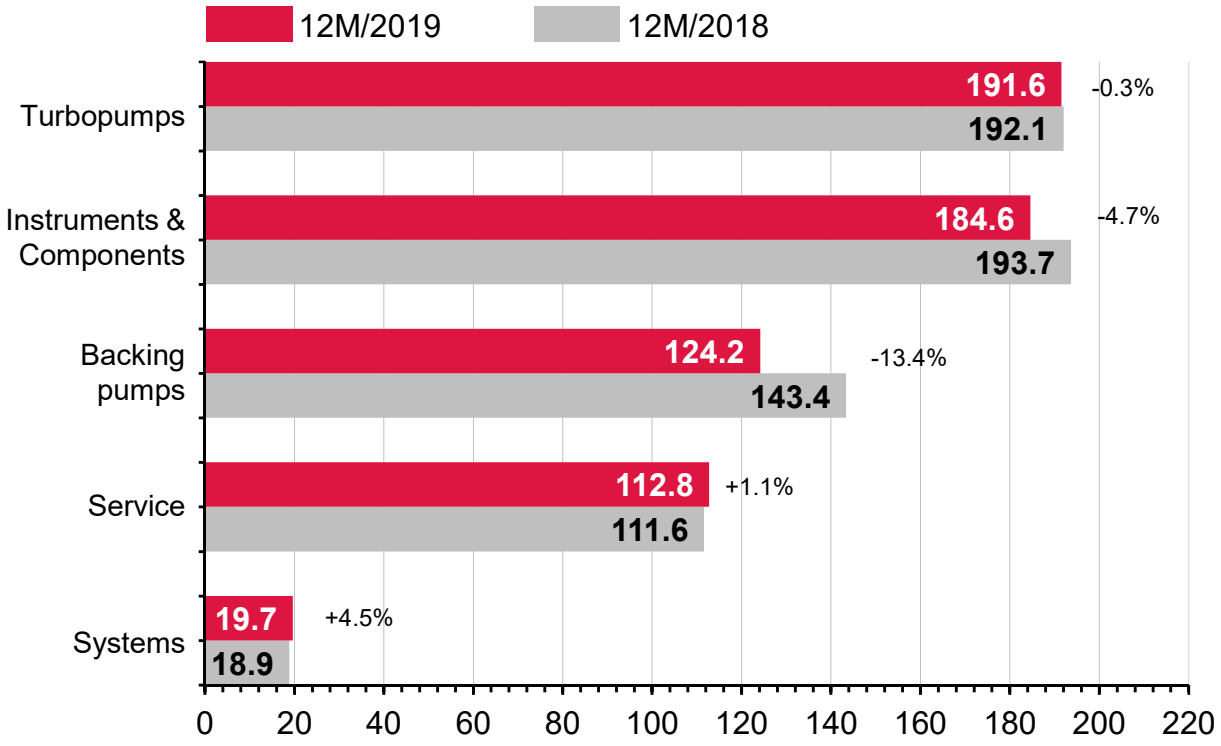
(in € millions)



Typical applications	(in % of total sales)
▪ Lithography ▪ Metrology ▪ CVD ▪ Etching	35%
▪ Surface refinement ▪ Architectural glass ▪ Data storage ▪ Display coating (LED, OLED)	12%
▪ Mass spectrometers ▪ Electron microscopy ▪ Surface / gas analysis ▪ Leak detection	19%
▪ General applications ▪ Electron beam welding ▪ Freeze-drying ▪ Vacuum drying	24%
▪ Renewable energy ▪ Nano technology ▪ Particle accelerators ▪ Space simulations	10%

Sales by Product: Service and Systems growth in 2019 y-o-y

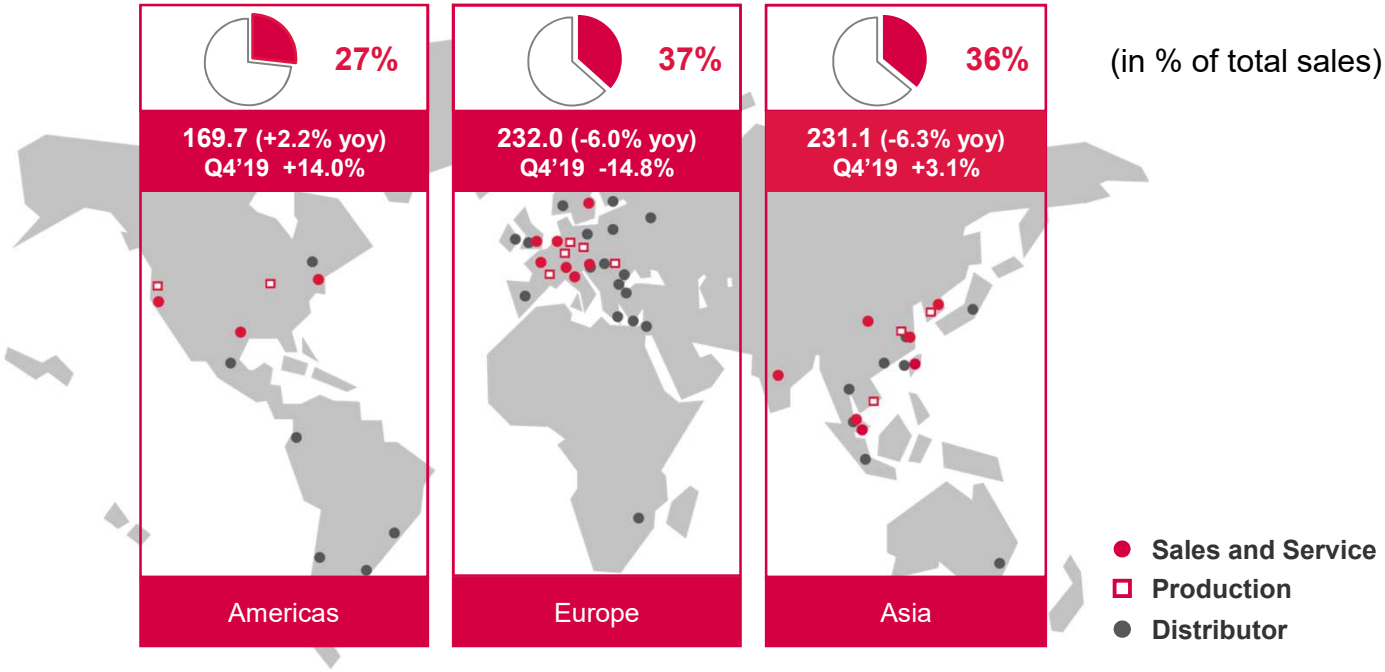
(in € millions)



Typical products	(in % of total sales)
	30%
	29%
	20%
	18%
	3%

Americas growth in fiscal year and fourth quarter 2019

(in € millions, 12M/2019)

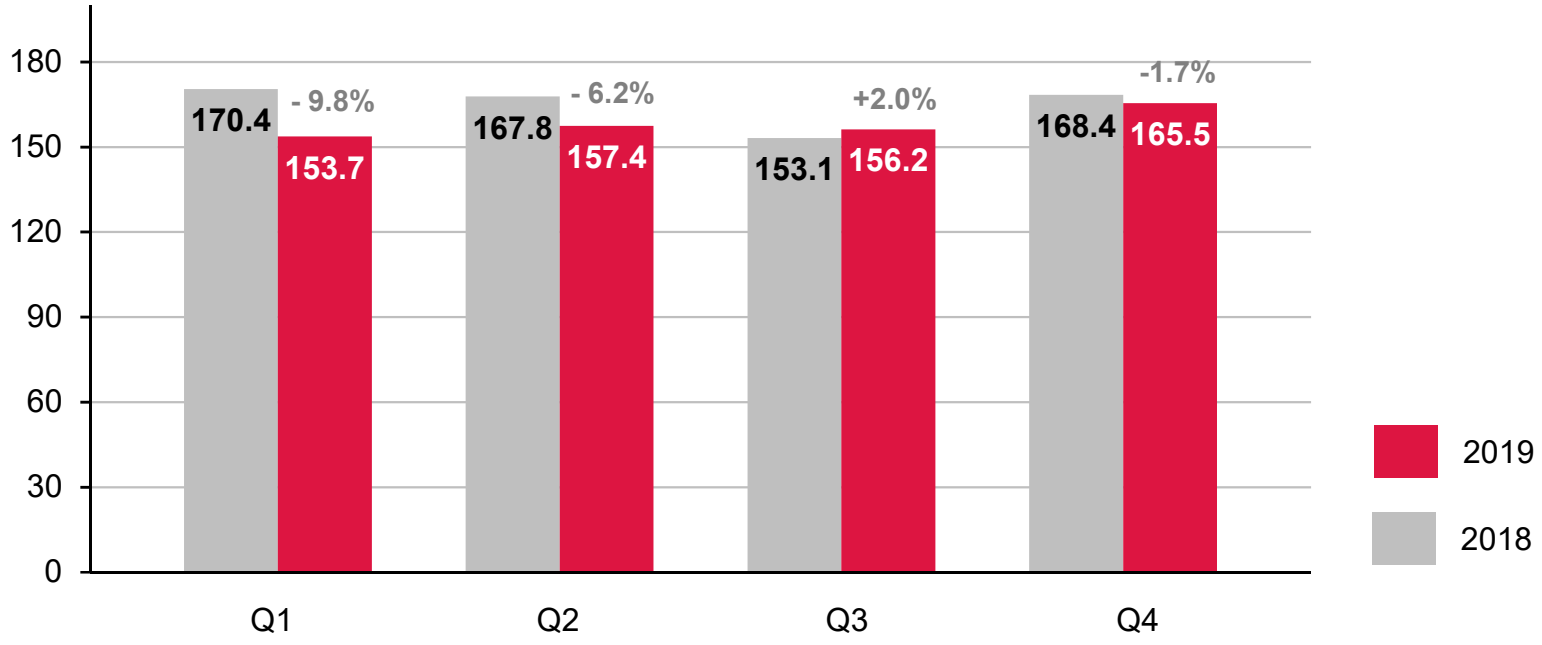


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Quarterly sales

(in € millions)



Fourth quarter financial results

(in € millions, except EPS)

	Q4 2019	margin	Q4 2018	margin	Δ
Sales	165.5		168.4		-1.7%
Gross profit	54.4	32.9%	58.6	34.8%	-7.2%
EBIT	16.2	9.8%	26.6	15.8%	-39.0%
Net income	13.6	8.2%	19.6	11.6%	-30.6%
EPS (in €)	1.38		1.99		-30.7%

Full year financial results

(in € millions, except EPS)

	12M/2019	margin	12M/2018	margin	Δ
Sales	632.9		659.7		-4.1%
Gross profit	215.9	34.1%	235.2	35.7%	-8.2%
EBIT	65.2	10.3%	95.1	14,4%	-31.5%
Net income	48.4	7.7%	68.9	10.5%	-29.8%
EPS (in €)	4.90		6.98		-29.8%

Balance sheet items: Strong capital position

(in € millions)

	12M/2019	12M/2018	Δ
Total assets	659.6	624.2	+5.7%
Intangibles	112.2	109.5	+2.5%
Equity ratio (in %)	59.6	59.6	0.0 ppt
Net working capital	165.8	169.4	-3.6%
Financial liabilities*	73.6	60.3	+22.1%
Cash and cash equivalents	112.0	108.4	+3.3%

* Since 2019 incl. leasing liabilities acc. to IFRS 16

Quarterly order volatility common

(in € millions, except ratio)

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
Order intake	194.0	174.0	148.6	160.6	677.2	148.8	144.9	156.3	148.7	598.7
Book-to-bill ratio	1.14	1.04	0.97	0.95	1.03	0.97	0.92	1.00	0.90	0.95
Order backlog at end of period	151.0	157.2	152.7	144.9	144.9	140.0	127.5	127.6	110.7	110.7

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- **Outlook**

Outlook

- No outlook due to Corona-Pandemic related fast changing situation
- Proposed dividend payment of € 1.25 with payout ratio of 25.5 percent
- Investing in Pfeiffer Vacuum‘s transformation to increase market share and EBIT margins to over 20 percent by 2025

Q&A



Images: Pfeiffer Vacuum facilities

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