

INFICON

Q4 2011 & Full Year 2011

Earnings Analyst / Media Conference

March 8, 2011

Zürich, Switzerland

Safe Harbor Statement

This presentation contains forward-looking statements that reflect Management's current views and estimates. The forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward-looking statements. These forward-looking statements address, among other things, our strategic objectives, trends in vacuum technology and in the industries that employ vacuum instrumentation and the anticipated effects of these trends on our business.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Speakers

Lukas Winkler, President and CEO

- Key figures Q4 2011 and FY 2011
- Target market business review
- FY 2012 Expectations

Matthias Tröndle, Vice President and CFO

- Financials Q4 2011 and FY 2011
- Outlook

Q4 2011 – Key Figures

- **Growth in ER&S, decrease in other markets, as expected**
 - Consolidated sales decrease -8.3% to USD 70 million compared with Q4 2010
 - Sequential sales decrease -10.7% over Q3 2011
 - Book-to-bill ratio ~1

- **Operating result influenced by**
 - Solid sales volume
 - Healthy gross margin and slightly decreased overhead cost
 - Operating Income of USD 12.3 million in Q4 2011 (17.6% of sales) compared with USD 12.8 (16.7% of sales) in Q4 2010

- **USD 12.1 million Net Income**

FY 2011 – Key Figures

▪ Solid growth in 2011

- Consolidated revenues increase 17.6% to USD 312.1 million compared with FY 2010 (FX-adjusted organic growth of 9.3%)
- FY 2011 sales increase in all markets and regions, except ER&S
- Book-to-bill ratio ~1

▪ Operating result influenced by

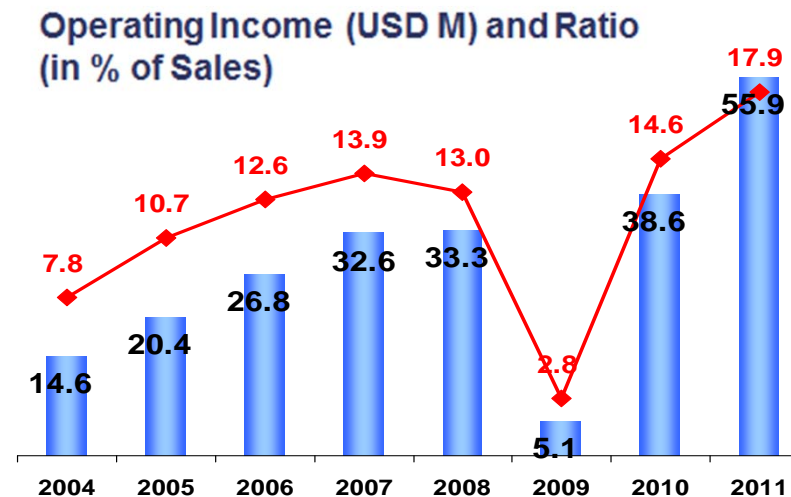
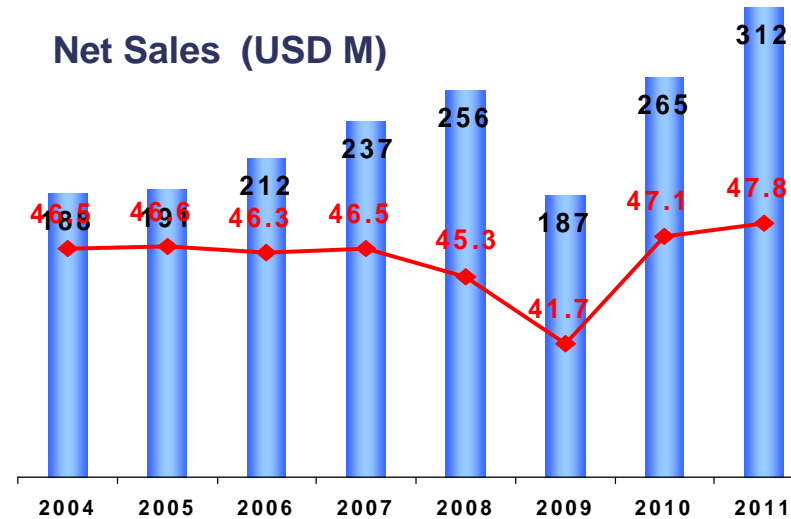
- Increased sales volume
- Healthy gross margin and moderately increased overhead cost
- Operating Income of USD 55.9 million in FY 2011 (17.9% of sales) compared with USD 38.6 (14.6% of sales) in FY 2010

→ **USD 43.7 million Net Income**

2011 – A Year of Records

INFICON exceeds former records with

- Sales of USD 312.1 million
- Operating Income of USD 55.9 million (17.9% of sales)

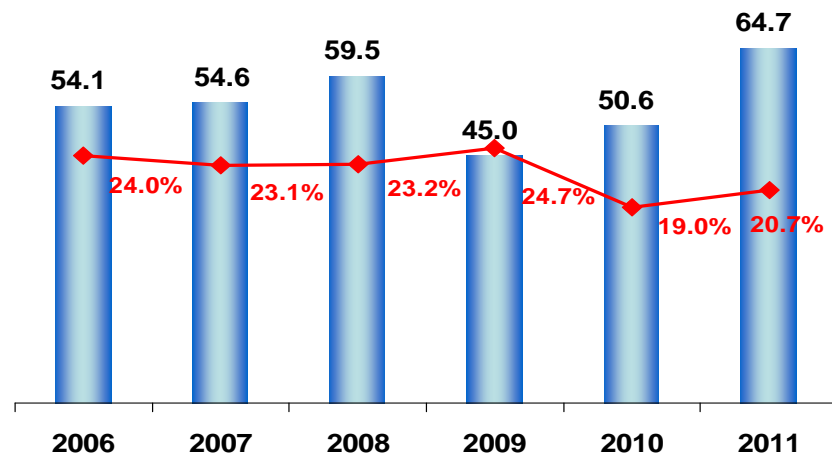


2011 – A Year of Records

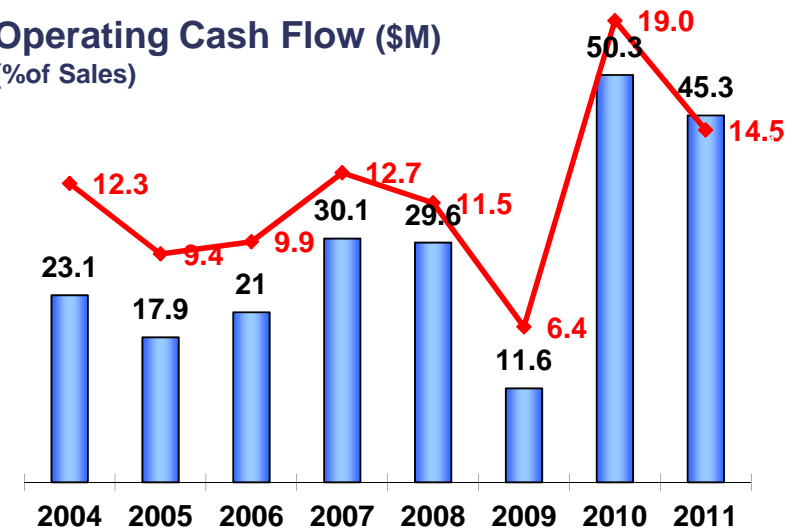
INFICON with strong performance

- High Operating Cash Flow
- Effective Working Capital management
- Continued investments
- Equity Ratio of 71,4%

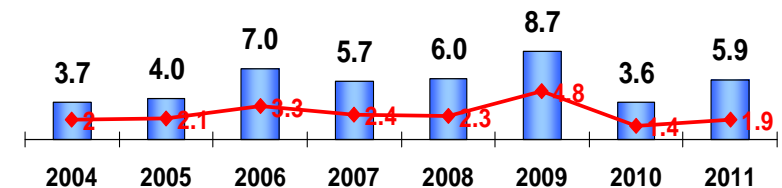
Working Capital (USD million) and Ratio (in % of Sales)



Operating Cash Flow (\$M) (%of Sales)

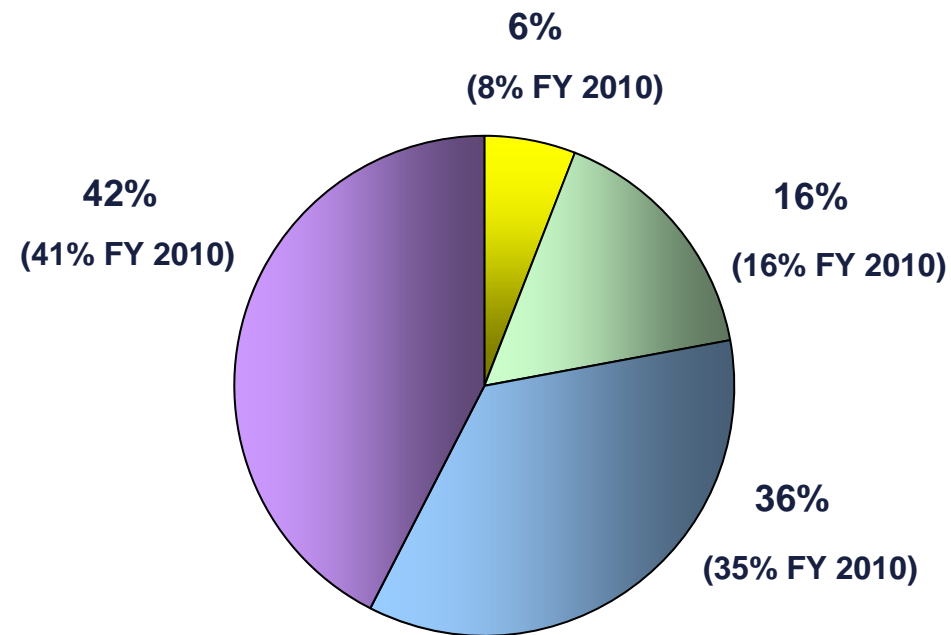


Capex (\$M and %of Sales)



Net Sales by End-Market

USD 312.1 million in 2011 vs. USD 265.4 million a year ago (+17.6%)



- Emergency Response & Security
- Refrigeration & Air-Conditioning
- Specific Vacuum Process Industries: Solar, Display, Optics & Semi
- General Vacuum Processes

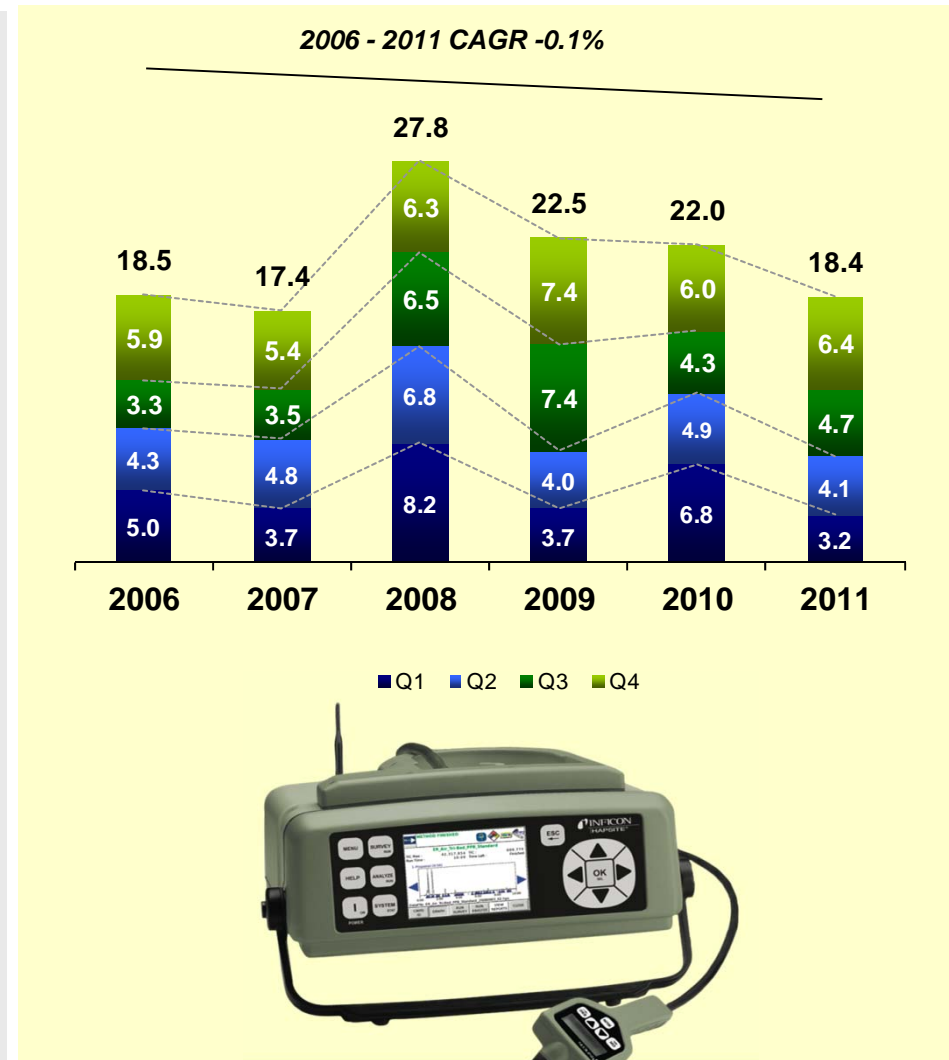
Emergency Response & Security

Q4 2011

- Q4 2011 sales +5% vs. Q4 2010
- Sequential increase of +37%
- Photovac acquisition Nov 15th. 2011

Market Trends

- Starting replacement cycle for first generation HAPSITES has been delayed by the DoD
- Increasing civil use for environmental application
- New target markets and application opportunities in conjunction with the acquired Micro GC technology



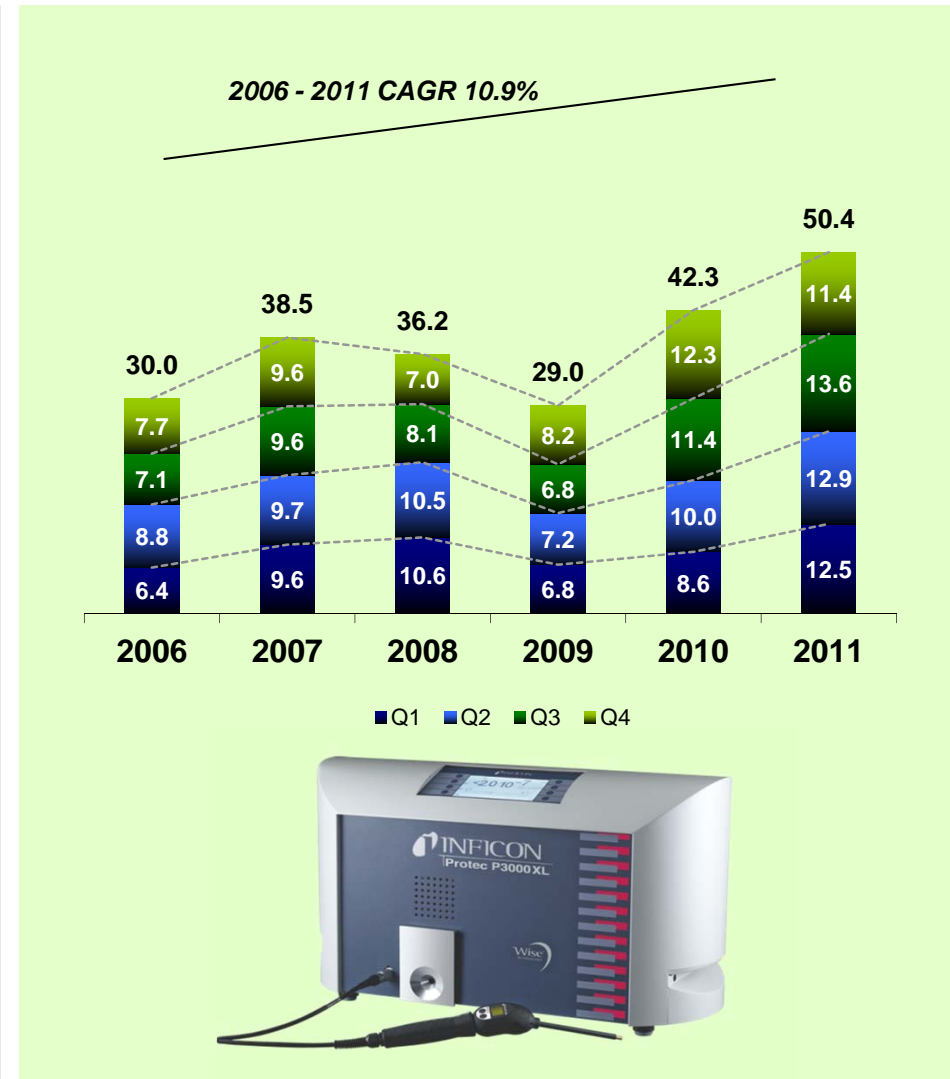
Refrigeration & Air Conditioning

Q4 2011

- Q4 2011 sales -7% vs. Q4 2010
- Sequential decrease of -16.2%
- Continued market share gains

Market Trends

- Global customers invest in local capacity increases, primarily in Asia (China)
- Replacements/improvements projects in existing plants, driven by tighter specs and new eco-friendly refrigerants
- Growing market share by targeting new applications
- Increasing installed basis drives after-sale service products worldwide



Specific Vacuum Process Industries

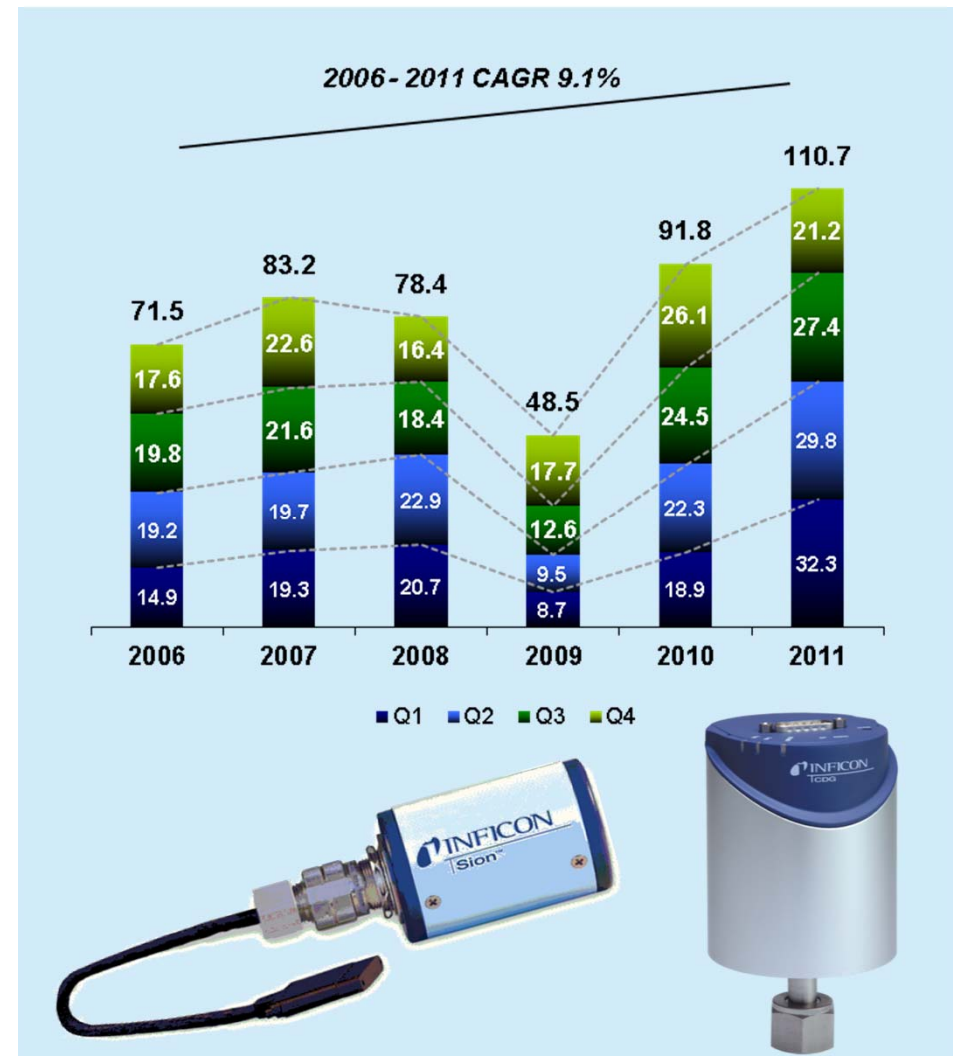
Solar, Display, Optics & Semiconductor

Q4 2011

- Q4 2011 sales -19% vs. Q4 2010 mainly driven by device manufacturers in Asia and global equipment manufacturers
- Sequential decrease of -23%
- Stable optics markets
- LED technology boom continues
- Wafer based photo-voltaic solar business recovery

Market Trends

- Continuation of increased demand for memory and communication chips
- Continued flat panel display technology trends (LED, OLED and 3-D)
- LED (& OLED) lighting as new business opportunity



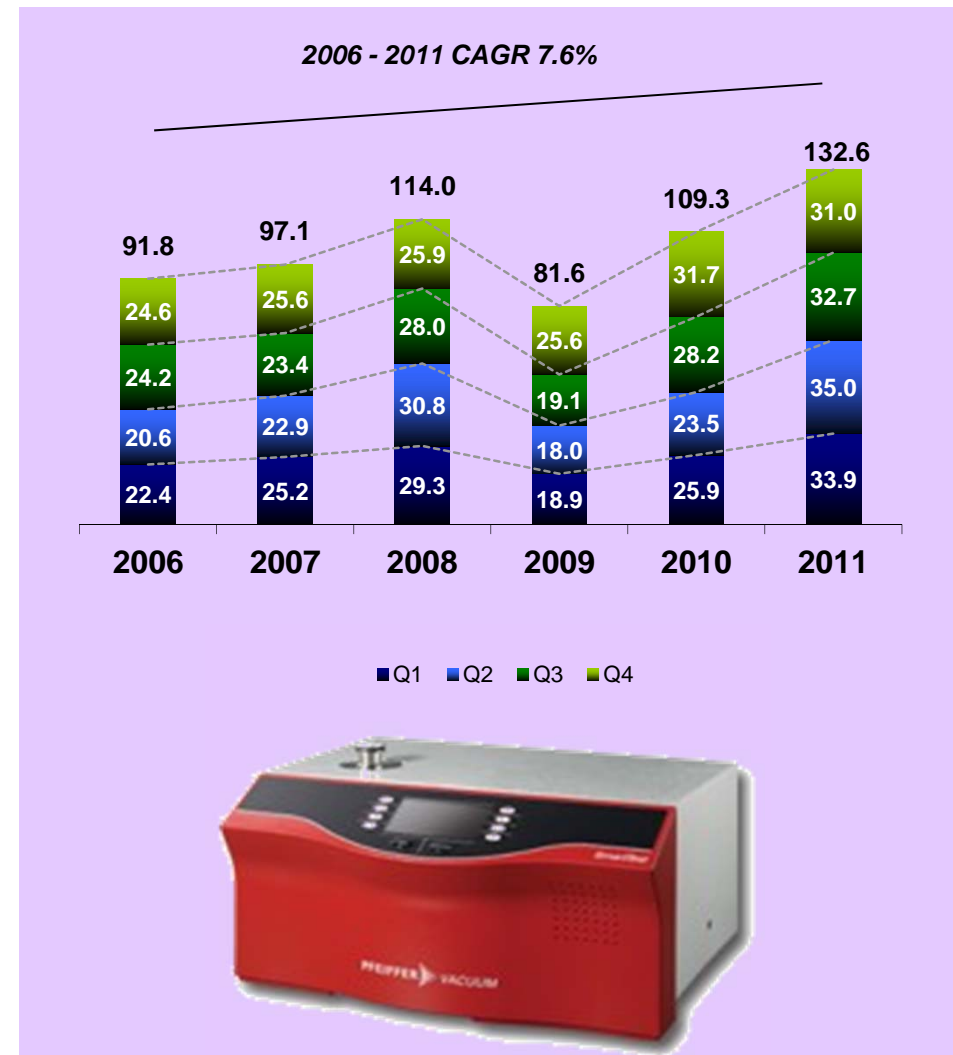
General Vacuum Processes

Q4 2011

- Q4 2011 sales -2% vs. Q4 2010 mainly driven by lower private label sales
- Sequential decrease of -5% due to continued investments in industrial vacuum applications and added Micro-GC sales to R&D customers

Market Trends

- Diverse customer base and end markets
- Increased use of the vacuum technologies for a variety of different existing and new applications
- Global, government sponsored investments in new R&D facilities and projects



Outlook 2012 and beyond

Mixed signals from different markets

- Improved demand in the Semiconductor market
 - Investments in new equipment (OEM-business)
 - Continued success with sensors and software (End-user) to increase yield
- Continued Investments in OLED display technology
 - INFICON products and consumables at all levels (Sub-suppliers, OEM's and End-user)
- Higher investments in new leak-detection application may compensate weakening RAC market
- Ongoing overcapacity in the photovoltaic and flat panel display market
- Expect a continuation of the market recoveries for EHS and General Vacuum Processes market

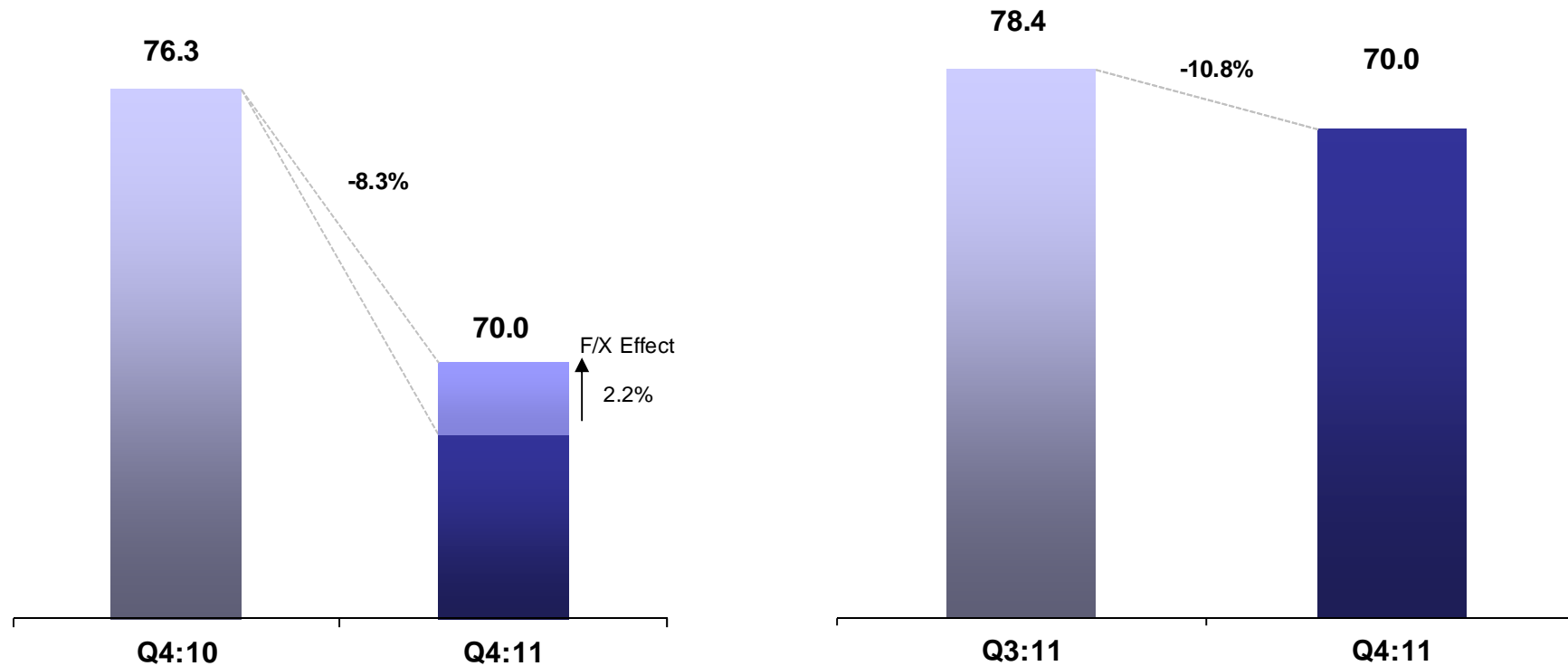
Guidance for FY 2012

- **Sales between USD 270 to 310 million**
- **Operating Income in the range of USD 35 to 53 million**

Matthias Tröndle

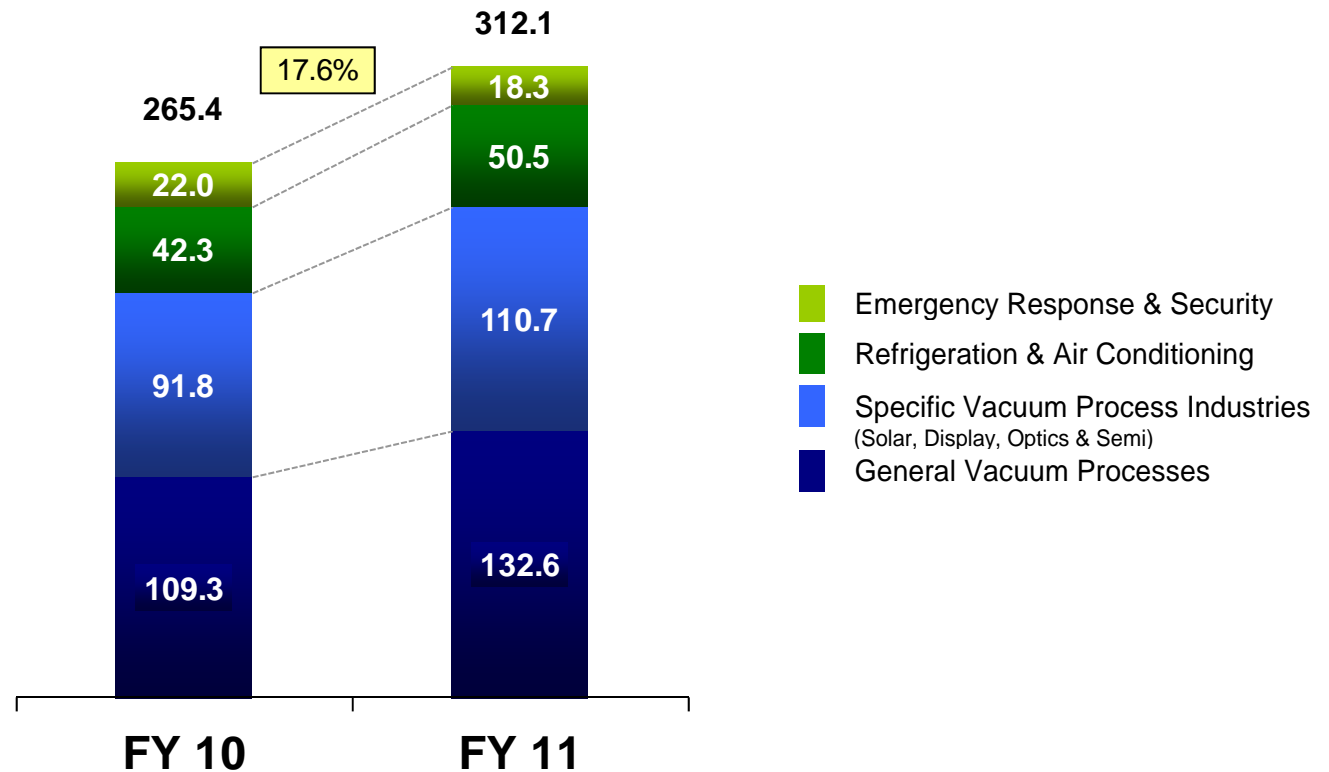
Vice President & Chief Financial Officer

Revenue (in USD million)



Revenue decrease across all markets compared to Q4 2010 and Q3 2011, except the Emergency Response & Security market.

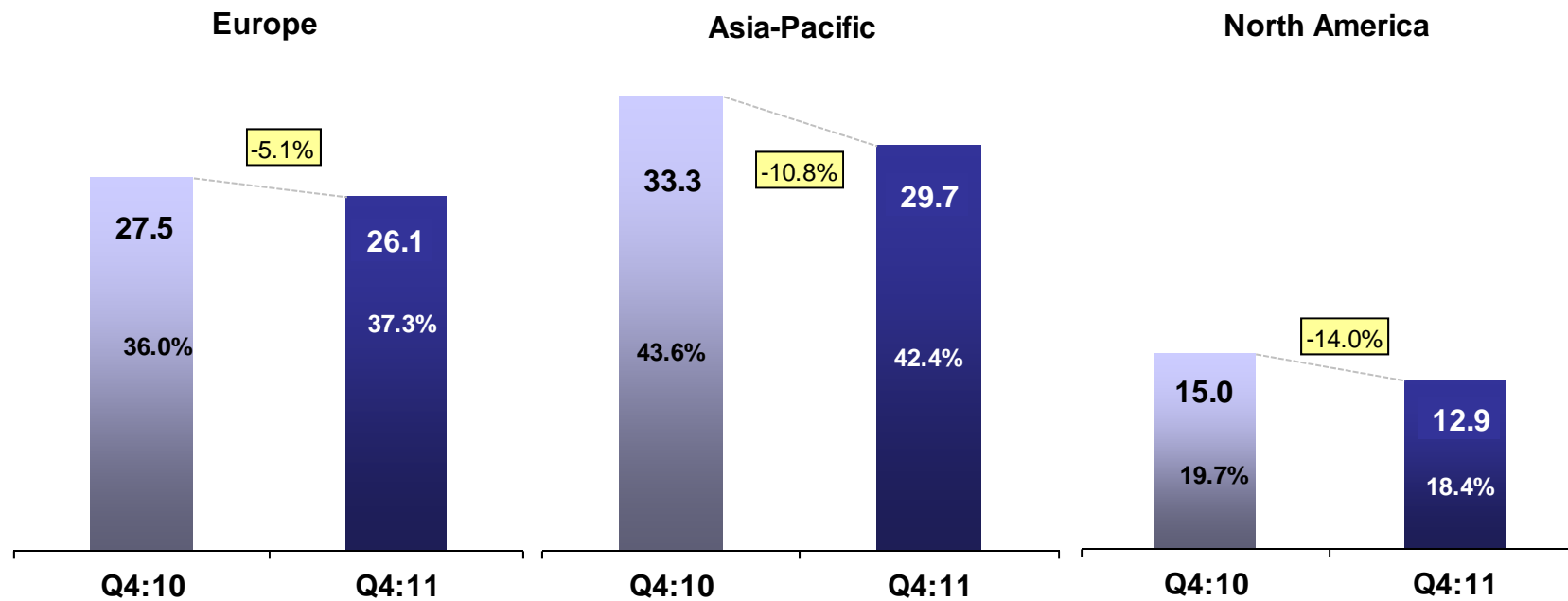
Full Year Revenue (in USD million)



Revenue increase across all markets, except for Emergency Response & Security.

Geographic Revenue Breakdown – Quarter

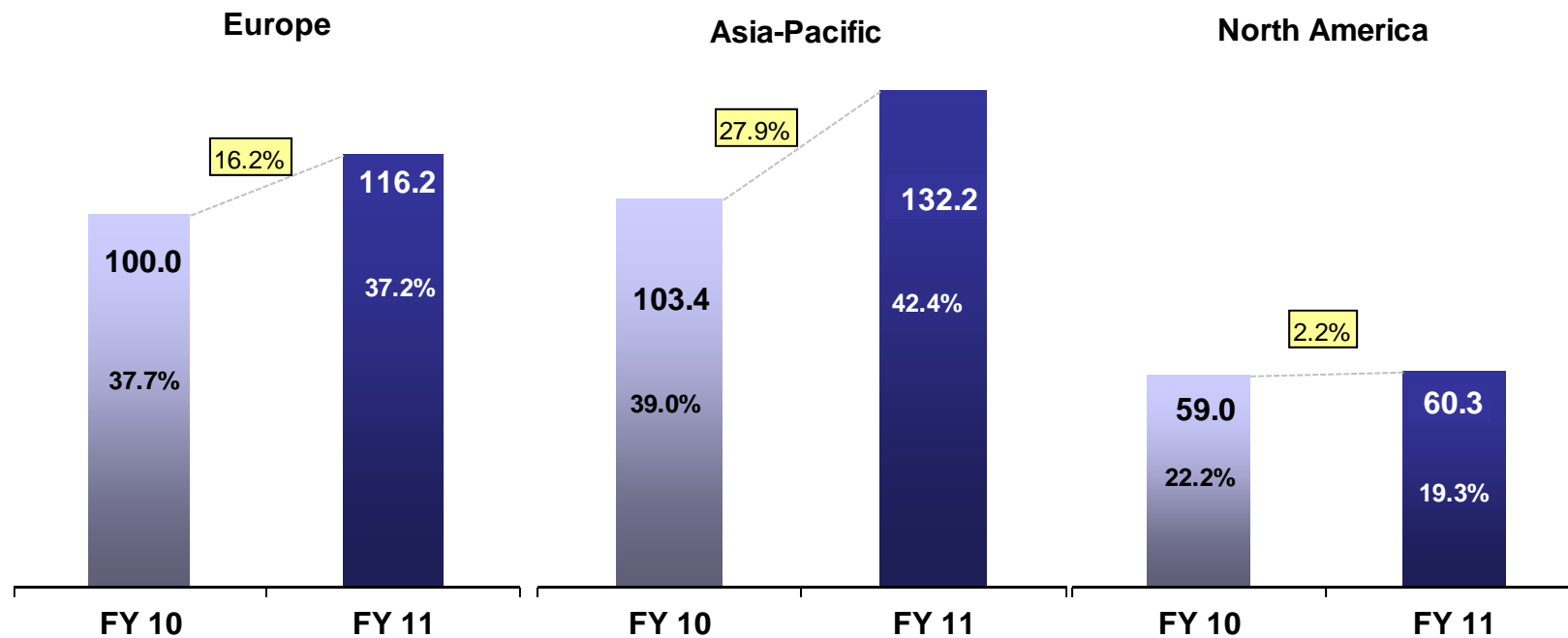
(in USD million)



Decrease across all regions, particularly Asia-Pacific and North America.

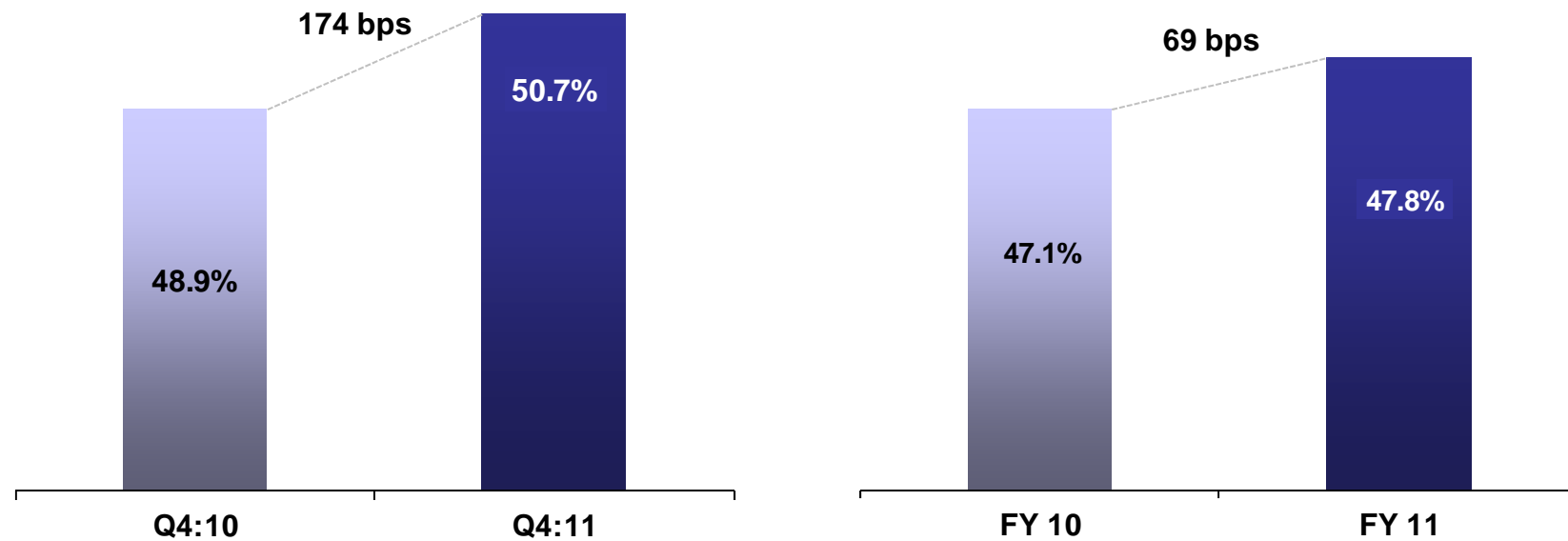
Geographic Revenue Breakdown – Fiscal Year

(in USD million)



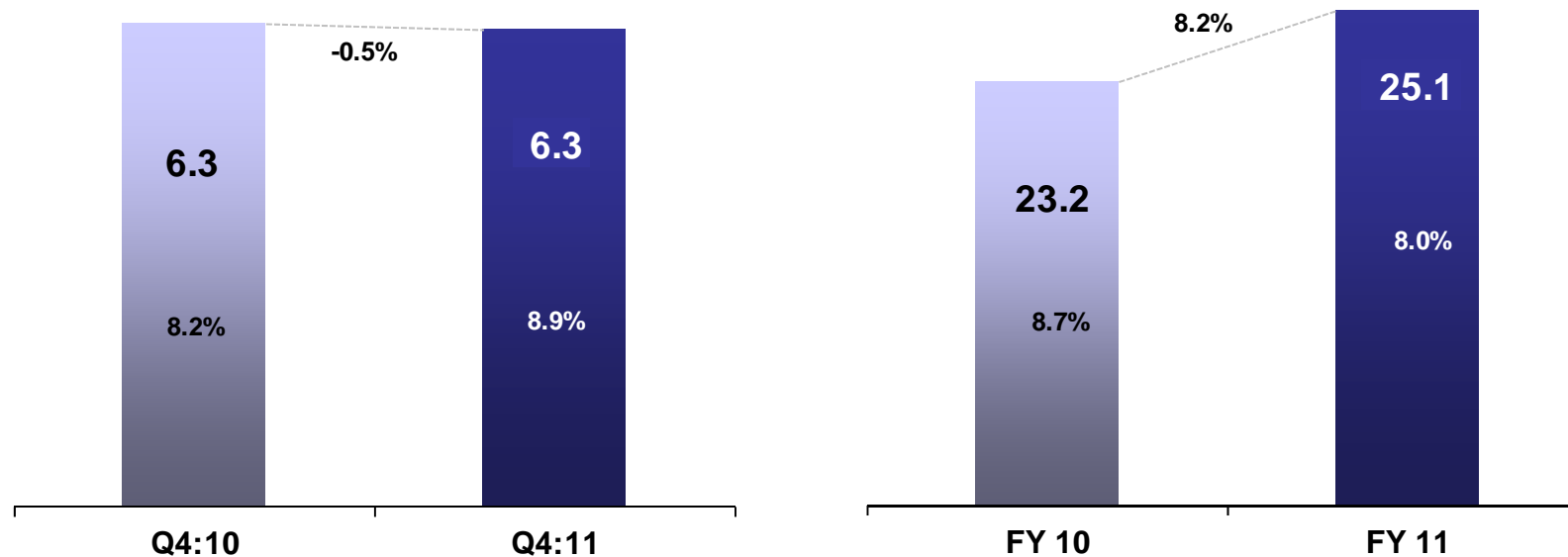
Increase across all regions, particularly Asia-Pacific and Europe

Gross Profit Margin (in %)



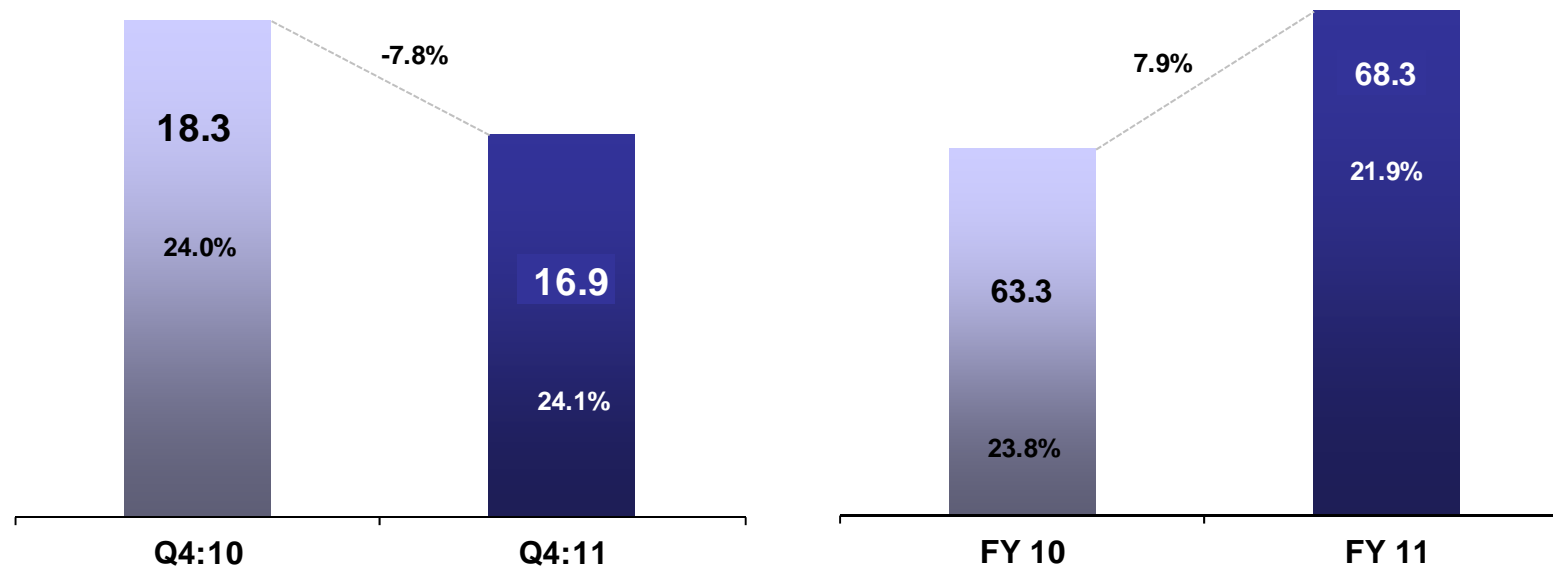
**Increase driven by favorable product mix in Q4 2011
FY 2011 with better cost absorption on higher volume**

Research & Development (in USD million)



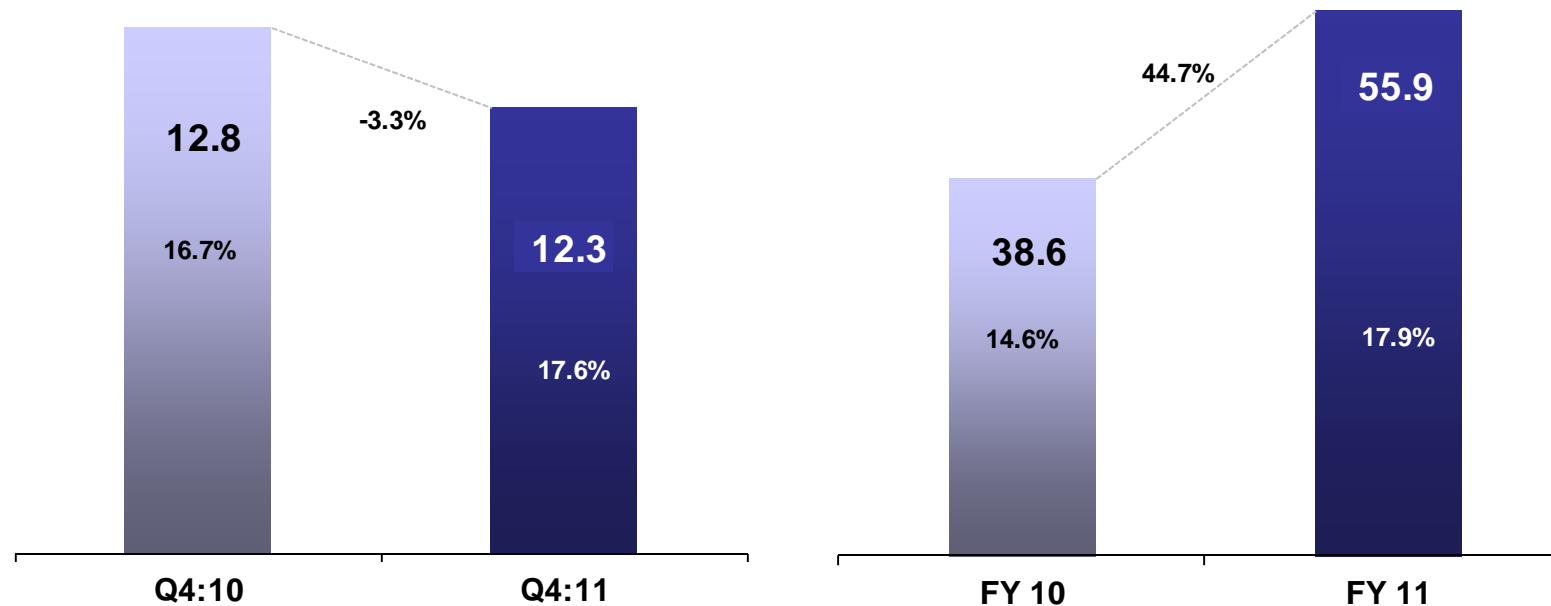
Q4 2011 and full FY 2011 increased as a percentage of revenue. Absolute increase driven by variable compensation impacts and intensified new product development efforts.

Selling, General & Administrative (in USD million)



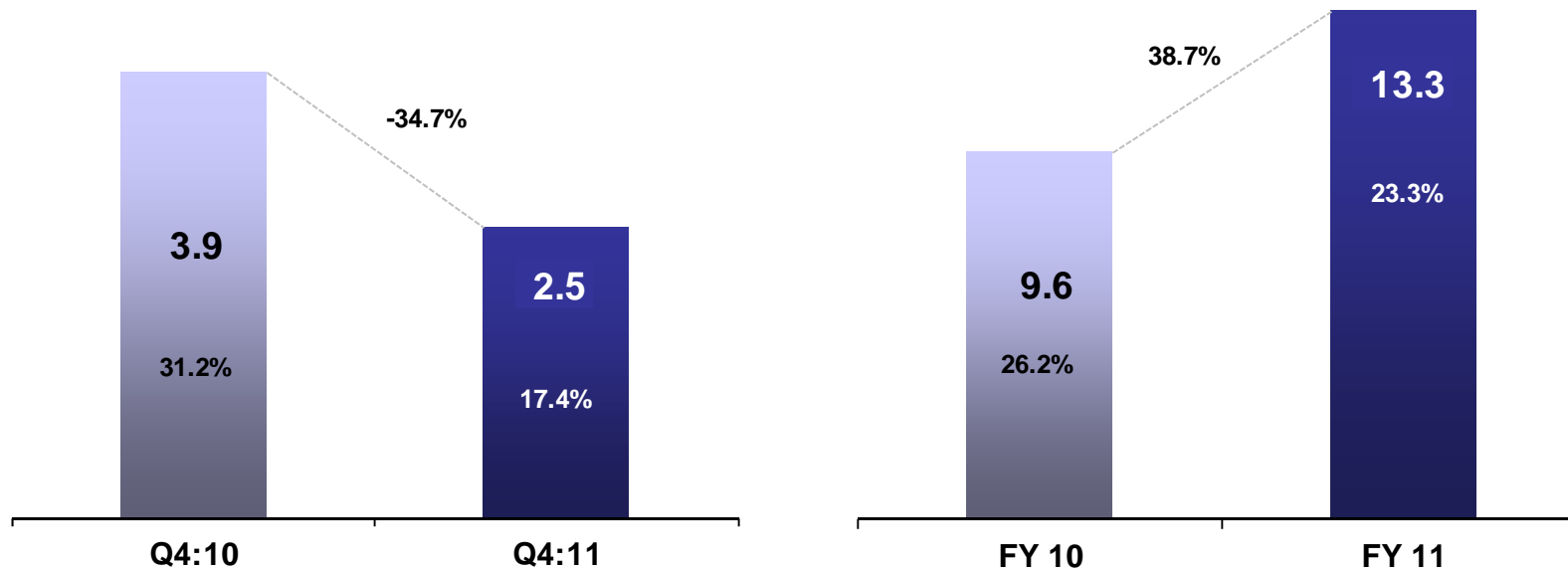
Q4 2011 decrease driven by lower commissions on lower sales, variable compensation decreases. Moderate increase for FY 2011 due to continued investments in sales force and new hires.

Income from Operations (in USD million)



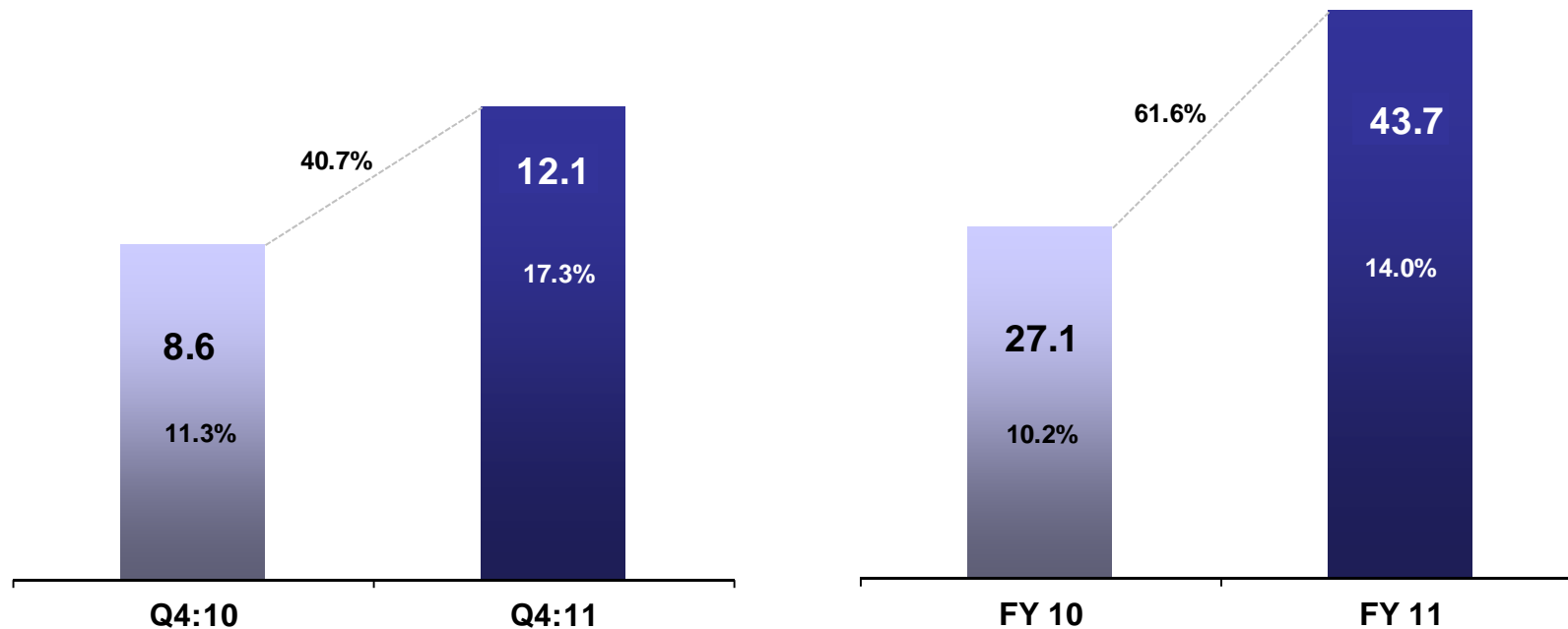
Q4 2011 slightly decreased but improved as a percent of sales. FY 2011 with record result mainly due to increased sales volume and better cost absorption.

Income Tax Provision (in USD million)



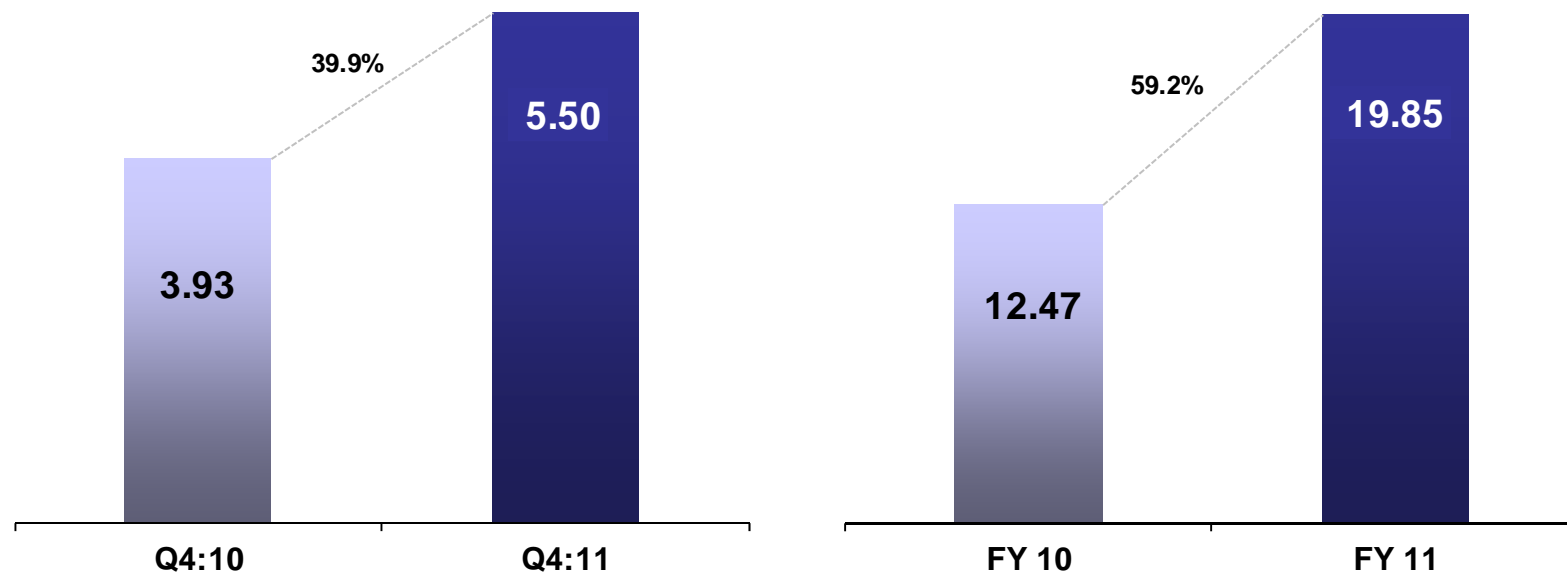
Decrease in Q4 2011 due to favorable profit composition and one-time non-taxable gain. FY 2011 increase due to profit situation in fiscal year 2011.

Net Income (loss) (in USD million)



Q4 2011 and full FY 2011 increase driven by higher Operating Income.

EPS (USD/Share; diluted)



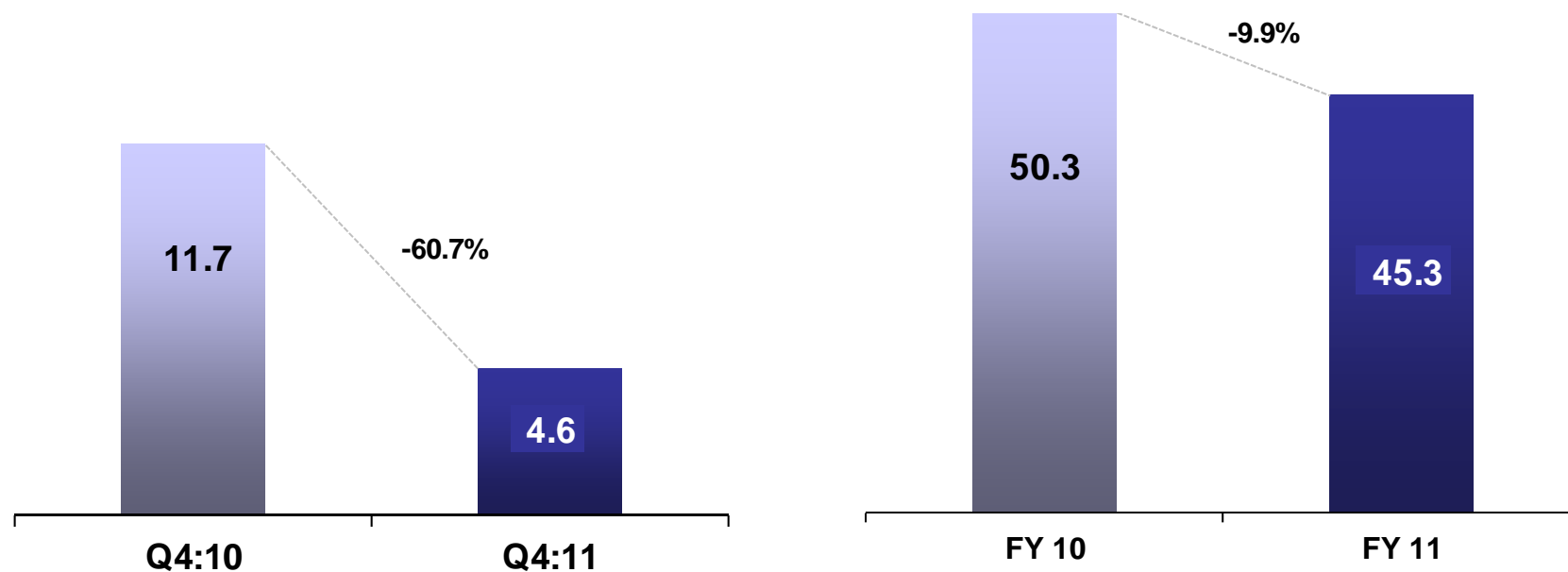
In line with changes in Net Income.

Balance Sheet Highlights (in USD million)

	<u>Q4 2011</u>	<u>Q4 2010</u>
Cash & Short-term Inv.	91.1	70.3
Long-term Debt	-	-
Shareholders' Equity	176.1	160.2
	<u>Q4 2011</u>	<u>Q4 2010</u>
Days Sales Outstanding	47.8	45.8
Inventory Turns	4.9	5.4

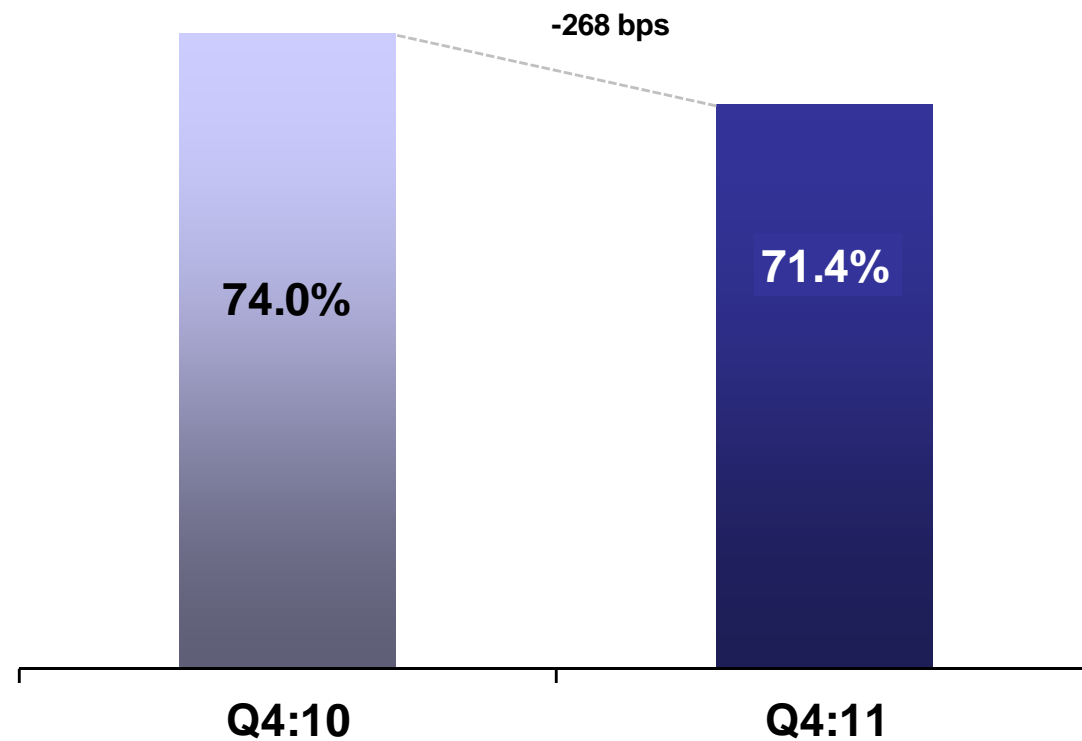
Solid balance sheet with no long-term debt.

Operating Cash Flow (in USD million)



Decrease in cash flow mainly due to decreased accounts payables and liabilities. FY 2011 cash flow at high level

Equity Ratio (in %)

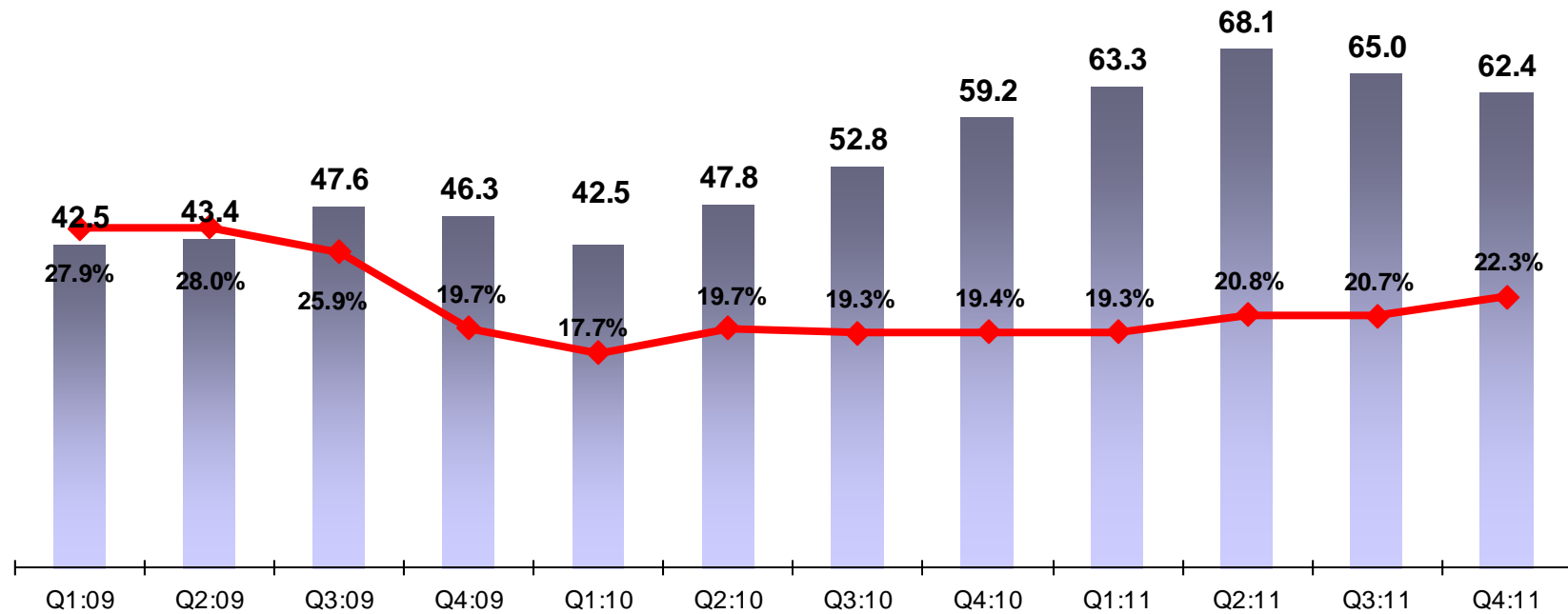


Solid balance sheet structure.

Working Capital and Working Capital Ratio

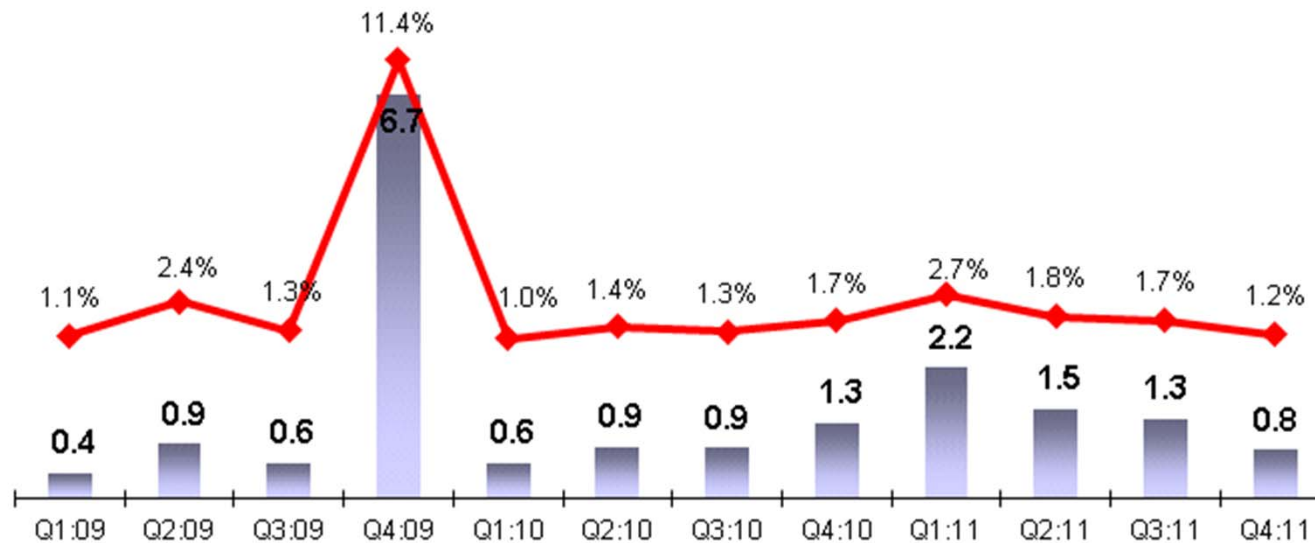
(Inv + AR – AP)

(WC as % of Revenue)



Effective Net Working Capital Management.

Capital Expenditures (in USD million, as % of Revenue)



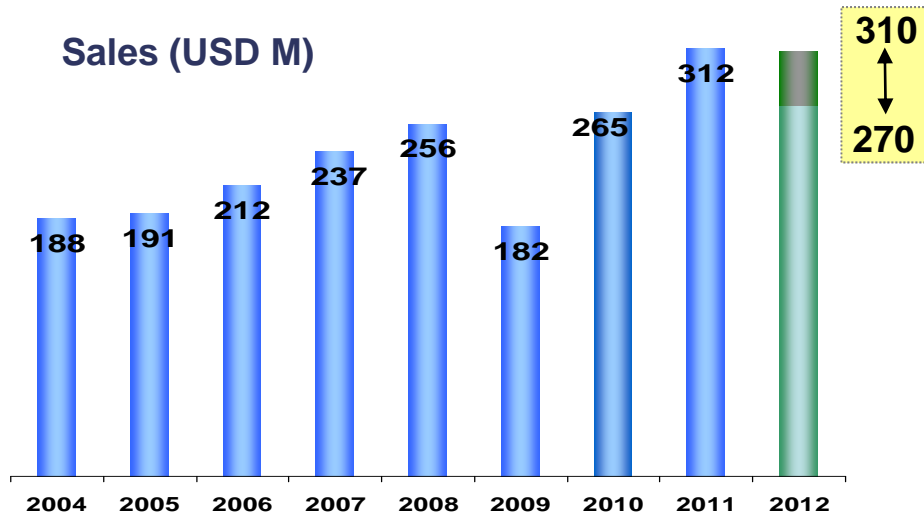
Capex reduced after Q4 2009 jump which was driven by the purchase of the building in Cologne.

Distribution 2011

- **Strong Balance Sheet and Cash Generation**
 - No long-term debt
 - USD 73.6M net cash
 - Shareholders' equity ratio ~71%

- **Board of Directors intends to propose a cash distribution of CHF 14.00 per share**
 - To be distributed out of capital contribution reserves
 - Annual General Meeting of Shareholders on April 26, 2012
 - Returning ~USD 33.7 M cash to shareholders in FY12
 - Attractive Yield of approximately 7.3%

Full Year 2012 Guidance

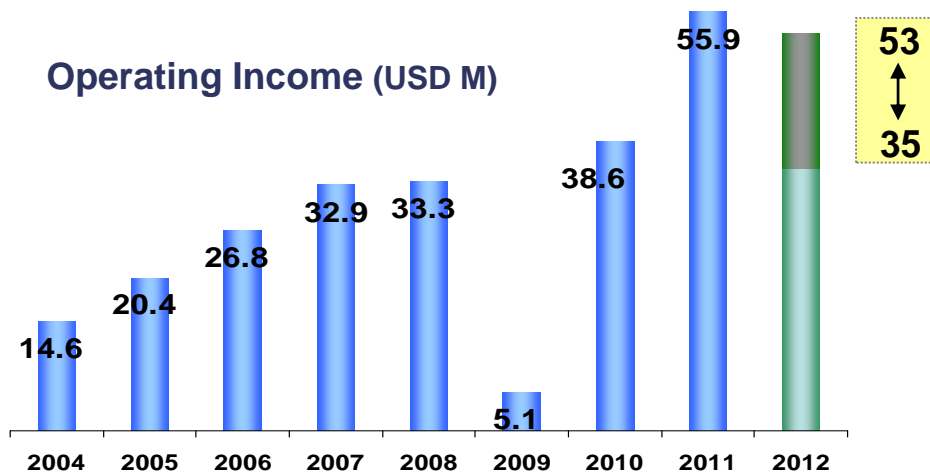


Full Year 2012 Guidance:

Based on previous performance and current expectations for our end markets.

Sales **270 – 310** **USD million**

Op. Income **35 – 53** **USD million**



Corporate Calendar FY 2012

- **Q1 2012 Earnings Conference Call** **Thursday, April 19, 2012**

- **Annual General Meeting of Shareholders** **Thursday, April 26, 2012**

- **Q2 2012 Earnings Conference Call** **Tuesday, August 9, 2012**

- **Q3 2012 Earnings Conference Call** **Thursday, Oct 18, 2012**

- **Q4 2012 Earnings Conference** **March 2013**

****Earnings dates are subject to change****

Thank You !

Q&A

