2011 HALF-YEAR REPORT

INFICON

COMPANY OVERVIEW

INFICON provides world-class instruments for gas analysis, measurement and control.

These analysis, measurement and control products are essential for gas leak detection in air conditioning, refrigeration, and automotive manufacturing.

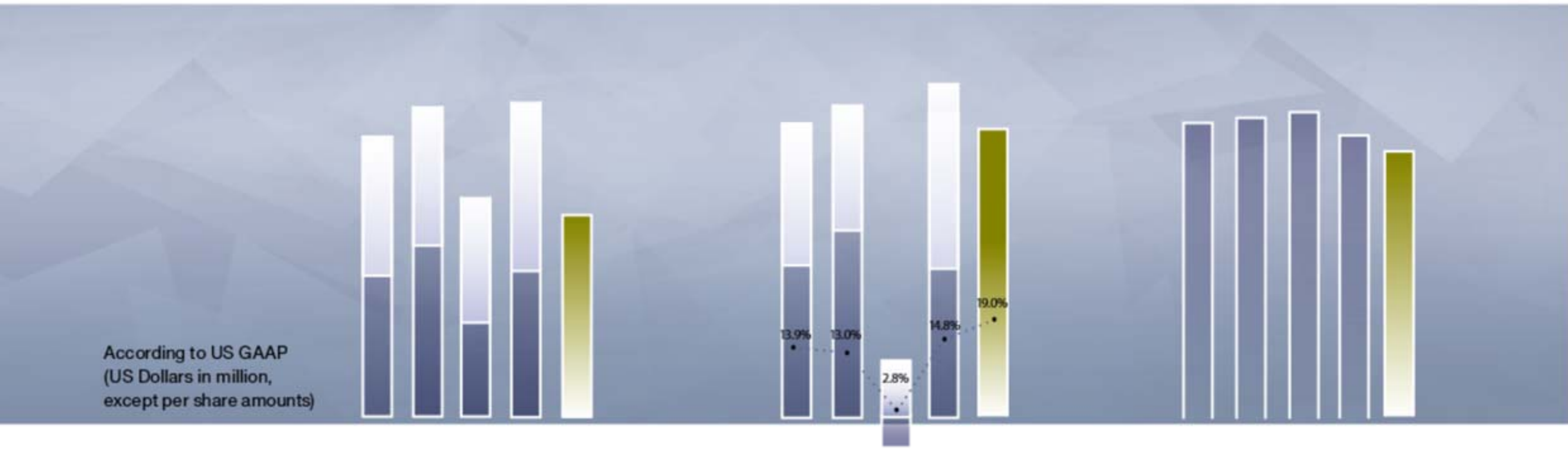
They are vital to equipment manufacturers and end-users in the complex fabrication of semiconductors and thin film coatings for optics, flat panel displays, solar cells, and industrial vacuum coating applications.

Other users of vacuum based processes include the life sciences, research, aerospace, packaging, heat treatment, laser cutting and many other industrial processes.

We also leverage our expertise in vacuum technology to provide unique, toxic chemical analysis products for emergency response, security, and environmental monitoring.

Additional copies of this report may be downloaded from the Investors section of our website, www.inficon.com, under Financial Reports.

KEY FIGURES 5 YEARS



Net sales

	2007	2008	2009	2010	2011
Full Year	236.6	256.5	181.7	265.4	
Half-Year	115.0	139.9	76.8	120.8	**163.7**

Operating income

2007	2008	2009	2010	2011
32.9	33.3	5.1	39.2	
16.1	20.5	-5.9	15.9	**31.0**

* 2011 percentage is only for the first 6 months and all other percentages are based on 12 months

Equity ratio

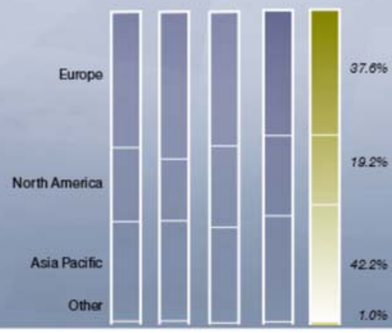
2007	2008	2009	2010	2011
76.1%	76.6%	79.0%	74.0%	**69.6%**

* 2011 percentage is only for the first 6 months and all other percentages are year-end figures

	Half-Year		Full Year
	2011	2010	2010
Net sales	**163.7**	120.8	265.4
Research and development	**12.2**	11.2	23.2
Selling, general and administrative	**33.9**	28.9	62.7
Operating income	**31.0**	15.9	39.2
in % of net sales	***19.0%***	*13.1%*	*14.8%*
EBITDA	**31.9**	18.5	43.3
in % of net sales	***19.5%***	*15.4%*	*16.3%*
Net income	**21.6**	11.6	27.1
Cash and short-term investments	**80.1**	42.8	70.3
Cash flow from operations	**17.8**	22.4	50.3
Capital expenditures	**3.7**	1.5	3.6
Total assets	**239.6**	181.1	216.3
Long-term debt	**—**	—	—
Stockholders' equity	**166.9**	134.7	160.2
Equity ratio in %	***69.6%***	*74.4%*	*74.0%*
Employees	**881**	822	843

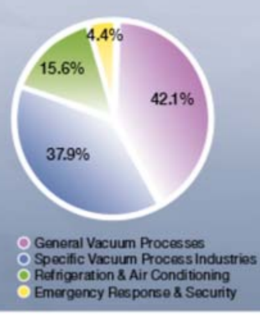
2007	2008	2009	2010	2011
30.2	31.3	11.6	50.3	
13.2	13.1	-0.6	22.4	**17.8**

Cash flow from operations



Direct sales by Geographic Region

2011 allocation is based on the first 6 months, and all other allocations are based on 12 months



H1/11 sales by End Market

	Half-Year		Full Year
	2011	2010	2010
Ratios per Share			
Net income (loss) per share – diluted	**9.78**	5.36	12.47
Stockholders' equity per share – diluted	**75.58**	62.12	73.78
Free cash flow per share – diluted	**6.37**	9.66	21.52
*Return on equity % **	***25.9%***	*17.3%*	*16.9%*
** Percentages have been annualized for 6 month figures*			
Direct sales by Geographic Region			
Europe	**61.5**	48.1	100.0
North America	**31.5**	28.4	59.0
Asia-Pacific	**69.1**	42.3	103.4
Other	**1.6**	2.0	3.0
Sales by End Market			
General Vacuum Processes	**68.9**	49.4	109.3
Specific Vacuum Process Industries	**62.1**	41.1	91.8
Refrigeration & Air Conditioning	**25.5**	18.6	42.3
Emergency Response & Security	**7.2**	11.7	22.0

GROUP ORGANIZATION

(per August 5, 2011)

Board of Directors, CEO and CFO

From left to right: Beat Siegrist, Lukas Winkler (CEO), Gustav Wirz (Chairman), Dr. Thomas Staehelin, Dr. Richard Fischer, Paul Otth, Matthias Tröndle (CFO)

Board of Directors

Committees:
– Audit Committee
– Human Resources and Nominating Committee

CEO

Executive Management

Board of Directors	Gustav Wirz Paul Otth Dr. Richard Fischer Beat Siegrist Dr. Thomas Staehelin	Chairman Vice Chairman Member Member Member	Bottighofen, Switzerland Zürich, Switzerland Rankweil, Austria Herrliberg, Switzerland Riehen, Switzerland
Audit Committee	Dr. Thomas Staehelin Paul Otth Beat Siegrist	Chairman	
Human Resources and Nominating Committee	Dr. Richard Fischer Beat Siegrist Dr. Thomas Staehelin	Chairman	
Executive Management	Lukas Winkler Matthias Tröndle Peter Maier Dr. Ulrich Döbler Dr. Urs Wälchli	President and Chief Executive Officer Vice President and Chief Financial Officer Vice President and General Manager, Intelligent Sensor Solutions Vice President and General Manager, Leak Detection Tools Vice President and General Manager, Vacuum Control Products	
Investor Relations	Matthias Tröndle, Vice President and CFO INFICON HOLDING AG, Hintergasse 15 B, CH-7310 Bad Ragaz, Switzerland CEO/CFO Office at INFICON AG, Alte Landstrasse 6, FL-9496 Balzers, Liechtenstein Tel. +423 388 3512 Fax +423 388 3890 E-mail: matthias.troendle@inficon.com		
Board and Executive Secretary	Elisabeth Kühne, General Secretary to the Board of Directors INFICON, Alte Landstrasse 6, FL-9496 Balzers, Liechtenstein Tel: +423.388.3510 Fax: +423.388.3850 E-mail: elisabeth.kuehne@inficon.com		

INCOME STATEMENT

NET SALES

Net sales for the six months ended June 30, 2011 were USD 164 million compared with USD 121 million for the same period in 2010, representing a 35.5% increase including a positive impact of 8.0% from changes in currency exchange rates. Sales increased in most target markets. The Specific Vacuum Process Industries market had the most significant increase in sales of USD 21.0 million or 51.1% due primarily to the increased demand from semiconductor devices and equipment makers, as well as for thin film coating processes mainly in Asia. The General Vacuum Processes market sales increased by USD 19.5 million or 39.5% largely due to an increase in sales to European distributors and direct sales to industrial OEM's. Refrigeration & Air Conditioning sales increased 37.1% or USD 6.9 million mainly due to the rise in sales to RAC manufacturers in Asia. Emergency Response & Security market sales decreased -38.5% or USD 4.5 million primarily due to deferred government spending for security and environmental applications.

GROSS PROFIT MARGIN

Gross profit margin was 47.2% for the six months ended June 30, 2011 compared with 46.4% for the same period in 2010. The increase is driven by higher volume across most business lines and better cost absorption.

RESEARCH AND DEVELOPMENT EXPENDITURES

Research and development expenditures were USD 12.2 million or 7.5% of sales for the six months ended June 30, 2011 as compared to USD 11.2 million or 9.3% of sales for the same period in 2010. The USD 1.0 million increase reflects foreign currency translation effects, variable compensation impacts and intensified new product development efforts.

SELLING, GENERAL AND ADMINISTRATIVE COSTS

Selling, general, and administrative costs for the first six months of 2011 were USD 33.9 million or 20.7% of sales as compared with USD 28.9 million or 23.9% of sales for the same period a year ago. The increased dollar amount reflects investments into our sales force, foreign currency translation effects, higher commissions on higher sales and variable compensation.

OTHER EXPENSE

Other expense was USD 2.2 million for the six months ended June 30, 2011 as compared to USD 0.7 million for the same period in 2010. Foreign currency losses accounted for USD 2.0 million of the expense for 2011 versus USD 0.3 million in 2010.

PROVISION FOR INCOME TAXES

Provision for income taxes was USD 7.3 million at a 25.2% effective tax rate for the six months ended June 30, 2011 compared with income taxes of USD 3.6 million at a 23.6% effective tax rate for the same period in 2010. The increased income tax expense resulted from higher earnings. The slightly higher effective tax rate was driven by the mix in earnings and tax rates among the Company's different tax jurisdictions.

NET INCOME AND DILUTED EARNINGS PER SHARE

Net income and diluted earnings per share was USD 21.6 million and 9.78 for the six months ended June 30, 2011 as compared to USD 11.6 million and 5.36 for the first half of 2010. The 82.5% increase in earnings per share is a result of the 85.9% increase in net income.

BALANCE SHEET AND LIQUIDITY

Working capital amounted to USD 68.1 million or 20.8% of sales as compared with USD 59.1 million or 19.4% of sales at December 31, 2010. This increase is due to the higher volume of the business as well as a reduction of account payables.

Cash and short-term investments totaled USD 80.1 million at June 30, 2011, which was an increase from USD 70.3 million at December 31, 2010. During the first half of 2011 cash flow from operations was USD 17.8 million versus USD 22.4 million in the first half of 2010.

CONSOLIDATED INTERIM BALANCE SHEET

(Unaudited)
(U.S. Dollars in Thousands)

ASSETS	Note	June 30, 2011	December 31, 2010	June 30, 2010
Cash and cash equivalents		**79,959**	68,118	39,644
Short-term investments		**95**	2,210	3,165
Trade accounts receivable, net		**44,376**	38,428	32,391
Inventories, net		**33,876**	28,529	25,062
Deferred tax assets		**6,024**	5,549	5,264
Other current assets		**5,699**	4,146	5,411
Total current assets		**170,029**	146,980	110,937
Property, plant and equipment, net		**29,763**	26,793	25,003
Goodwill	*4,5*	**19,967**	19,434	20,884
Intangible assets, net	*4*	**3,725**	4,156	1,603
Deferred tax assets		**14,501**	17,256	20,554
Other assets		**1,642**	1,725	2,121
Total non-current assets		**69,598**	69,364	70,165
Total assets		**239,627**	216,344	181,102
LIABILITIES AND STOCKHOLDERS' EQUITY				
Trade accounts payable		**10,134**	7,809	9,621
Short-term borrowings		**17,448**	3,453	5,515
Accrued liabilities		**24,044**	28,952	18,672
Income taxes payable		**8,080**	4,875	1,730
Deferred tax liabilities		**372**	458	349
Total current liabilities		**60,078**	45,547	35,887
Deferred tax liabilities		**1,003**	73	308
Other non-current liabilities		**11,654**	10,538	10,241
Total non-current liabilities		**12,657**	10,611	10,549
Total liabilities		**72,735**	56,158	46,436
Stockholders' equity		**166,892**	160,186	134,666
Total liabilities and stockholders' equity		**239,627**	216,344	181,102

See notes to consolidated interim financial statements.

CONSOLIDATED INTERIM STATEMENT OF INCOME

(Unaudited)
(U.S. Dollars in Thousands, except per share amounts)

Six months ended June 30,	*Note*	**2011**	2010
Net sales		**163,661**	120,771
Cost of sales		**86,458**	64,783
Gross profit		**77,203**	55,988
Research and development		**12,242**	11,220
Selling, general and administrative		**33,940**	28,916
Income from operations		**31,021**	15,852
Interest expense (income), net		**(28)**	(52)
Other expense (income), net		**2,174**	690
Income before income taxes		**28,875**	15,214
Income taxes		**7,275**	3,595
Net income		**21,600**	11,619
Earnings per share:	*6*		
Diluted		**9.78**	5.36
Basic		**9.90**	5.40
Weighted average shares outstanding:	*6*		
Basic shares		**2,181**	2,153
Diluted shares		**2,208**	2,168

See notes to consolidated interim financial statements.

CONSOLIDATED INTERIM STATEMENT OF STOCKHOLDERS' EQUITY

(Unaudited)
(U.S. Dollars in Thousands, except per share amounts)

	Note	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total stockholders' equity
Balance at December 31, 2009		6,021	66,144	57,508	5,072	134,745
Net income				11,619		11,619
Other comprehensive income (loss), net of tax:						
Unrealized loss on foreign currency hedges, net of related income tax USD 17					(48)	(48)
Unrecognized income related to pensions (net of tax of USD 116)	7				240	240
Foreign currency translation adjustments	2				(4,828)	(4,828)
Total comprehensive income						6,983
Issuance of common stock from exercise of stock options	6	4	106			110
Stock-based compensation	6		360			360
Dividends paid (CHF 4 per share)				(7,532)		(7,532)
Balance at June 30, 2010		6,025	66,610	61,595	436	134,666
Balance at December 31, 2010		6,091	69,578	77,047	7,470	160,186
Net income				21,600		21,600
Other comprehensive income (loss), net of tax:						
Unrealized loss on foreign currency hedges, net of related income tax of USD 22					20	20
Unrecognized income related to pensions (net of tax of USD 148)	7				336	336
Foreign currency translation adjustments	2				7,925	7,925
Total comprehensive income						29,881
Issuance of common stock from exercise of stock options	6	36	1,649			1,685
Stock-based compensation	6		487			487
Dividends paid (CHF 10 per share)			(25,347)			(25,347)
Balance at June 30, 2011		6,127	46,367	98,647	15,751	166,892

See notes to consolidated interim financial statements.

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

(Unaudited)
(U.S. Dollars in Thousands)

Six months ended June 30,	Note	2011	2010
Cash flows from operating activities:			
Net income		**21,600**	11,619
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization		**3,006**	3,379
Deferred taxes		**3,438**	1,470
Stock-based compensation	*6*	**487**	360
Changes in operating assets and liabilities:			
Trade accounts receivable		**(4,514)**	(3,338)
Inventories		**(3,521)**	(1,389)
Other assets		**(1,231)**	1,108
Trade accounts payable		**1,803**	3,647
Accrued liabilities		**(6,610)**	4,539
Income taxes payable		**2,812**	1,673
Other liabilities		**486**	(665)
Net cash provided by (used in) operating activities		**17,756**	22,403
Cash flows from investing activities:			
Acquisitions of businesses net of cash acquired	*4*	**-**	(4,346)
Purchases of property, plant and equipment		**(3,699)**	(1,464)
Change in short-term investments		**2,115**	(1,050)
Net cash provided by (used in) investing activities		**(1,584)**	(6,860)
Cash flows from financing activities:			
Net proceeds from short-term borrowings		**13,995**	3,109
Cash dividend paid		**(25,347)**	(7,532)
Proceeds from exercise of stock options	*6*	**1,685**	110
Net cash provided by (used in) financing activities		**(9,667)**	(4,313)
Effect of exchange rate changes on cash and cash equivalents	*2*	**5,336**	(1,738)
Increase (decrease) in cash and cash equivalents		**11,841**	9,492
Cash and cash equivalents at beginning of period		**68,118**	30,152
Cash and cash equivalents at end of period		**79,959**	39,644

See notes to consolidated interim financial statements.

(US Dollars in Thousands, except share and per share amounts)

1 BASIS OF PRESENTATION

The accompanying interim financial statements as of June 30, 2011, and for the six months ended June 2011 and 2010, have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. While the financial information is unaudited, the financial statements included in this report reflect all adjustments the Company considers necessary for a fair presentation of the results of operations for the interim periods covered and the financial condition of the Company at the date of the interim balance sheet. Operating results for the six months ended June 30, 2011 are not necessarily indicative of the results that may be expected for the year ended December 31, 2011.

The balance sheet as of December 31, 2010 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. The financial statements should be read in conjunction with the consolidated financial statements and footnotes thereto included in the Company's annual report for the year ended December 31, 2010.

There has been no significant change in the Company's accounting policies and estimates during 2011. Certain reclassifications have been made to prior years' financial statements to conform to the current year presentation.

2 CURRENCY TRANSLATION

The following foreign exchange rates versus the U.S. Dollar have been applied when translating the financial statements of the Company's major subsidiaries:

	Period-end rates			Average rates	
				Six Months ended	
	June 30,	Dec 31,	June 30,	**June 30,**	June 30,
Currency	**2011**	2010	2010	**2011**	2010
Swiss Franc	**1.1985**	1.0632	0.9217	**1.1003**	0.9250
Euro	**1.4425**	1.3253	1.2208	**1.4038**	1.3305
Japanese Yen	**0.0123**	0.0123	0.0113	**0.0122**	0.0109
Hong Kong Dollar	**0.1285**	0.1285	0.1285	**0.1285**	0.1287
Korean Won	**0.0009**	0.0009	0.0008	**0.0009**	0.0009

3 FAIR VALUE

The carrying amount of cash and cash equivalents, trade accounts receivables, trade accounts payable, accrued liabilities and short-term investments included in current assets, reported on the balance sheet approximated fair value due to the short maturity of less than one year for these instruments.

Accounting Standards Codification ("ASC") 820, "Fair Value Measurements and Disclosures," establishes a fair value hierarchy that requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instruments categorization within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. ASC 820 establishes three levels of inputs that may be used to measure fair value as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data.

The Company has derivative instruments, in the form of forward exchange contracts, to hedge against future movements in foreign exchange rates that affect certain foreign currency denominated sales and related purchase transactions, caused by currency exchange rate volatility. These contracts are designated as cash flow hedges and have durations of five years or less. The Company records all derivatives on the balance sheet at fair value using market-based observable inputs such as interest rates, foreign exchange rates, and forward and spot prices for currencies. Based on these inputs, the derivative assets are classified within Level 2 of the valuation hierarchy.

The following table provides the Company's derivative assets that were measured at fair value on a recurring basis by the level within the fair value hierarchy:

	Fair value measurements at June 30, 2011			Fair value measurements at June 30, 2010		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Derivative Assets	-	6,479	-	-	5,366	-

4 ACQUISITIONS

Verionix Inc.

On November 4, 2009, the Company acquired substantially all the assets of Verionix Inc., a developer of gas sensor, gas composition sensors and gas analyzers. The acquisition expands the Company's position in the gas analysis market. It also increases opportunities for the Company in the semiconductor, LCD and solar manufacturing markets.

The purchase price was USD 610 at closing. Additionally, there is an earn-out capped at USD 8,718 to be paid based on units sold over a four year period. As of June 30, 2011, the fair value of the contingent consideration amounts to USD 4,000.

Micro Gas Chromatography (GC)

On May 19, 2010, the Company acquired the Micro Gas Chromatography (GC) product line from Agilent Technologies, Inc. The Micro GC products supplement the Company's successful environmental sensors product line and provide new opportunities for the Company's core competency in the field of gas analysis in existing and emerging niche markets.

The purchase price was USD 3,500, including assumed liabilities acquired at closing.

Cumulative Helium Leak Detection (CHLD)

On December 22, 2010, the Company acquired the Cumulative Helium Leak Detection (CHLD) technology from the Pernicka Corporation. The acquisition expands the Company's position in the hermetic sealed parts market. It also increases opportunities for the Company in the medical implants, electronic hybrid circuits and components for satellites markets.

The purchase price was USD 1,500 at closing. Additionally, there is an earn-out to be paid based on units sold over a four year period. At the acquisition date, the Company has performed a fair value calculation which resulted in USD 500 of contingent consideration.

The following table summarizes the fair values of the assets acquired and liabilities assumed at the date of acquisition:

As of December 22,	**2010**
Inventory	31
Goodwill	969
Intangible assets	1,000
Net assets acquired	2,000
Accrued contingent consideration	(500)
Purchase Price at closing	(1,500)
Total Fair Value of consideration	(2,000)

5 GOODWILL

The activity of goodwill for the six months is as follows:

	2011	2010
Balance at January 1,	19,434	18,582
Goodwill acquired during the period	469 *	2,302 **
±FX impact on starting balance	64	-
Balance at June 30,	19,967	20,884

* Additional goodwill acquired in first half of 2011 due to Pernicka acquisition. This allocation was finalized in Q2-2011.

**Additional goodwill acquired in first half of 2010 due to Micro-GC acquistion. This allocation was finalized in Q4-2010.

For a more detailed discussion of payments, refer to Note 4, Acquisitions.

6 STOCK OPTIONS

The Company has long-term incentive plans for directors and certain employees. Provisions of the plans are as follows:

	Director plan	Management plan & key employee plan
Vesting	Immediately at grant	25% each year from date of grant
Exercisable	One year from date of grant	25% each year from date of grant
Expiration	Seventh anniversary from date of grant	Seventh anniversary from date of grant

Maximum remaining exercise periods (in months) after termination of employment are as follows:

Reason for termination of employment	Director plan	Management plan & key employee plan
Resignation (voluntary)	12	6
Resignation (with adverse change)	12	6
Termination by company not for cause	12	6
Resignation or removal for cause	0	0
Retirement	12	24
Disability	18	18
Death	12	12

The options are granted in Swiss Francs (CHF); see Note 2, Currency Translation, for exchange rates.

The following is a summary of option transactions under the two plans:

	Shares	Weighted average price (CHF)
Outstanding December 31, 2009	147,061	148.38
Granted	31,000	127.00
Cancelled	(3,021)	136.08
Exercised	(24,787)	107.39
Outstanding December 31, 2010	150,253	150.98
Granted	32,100	196.60
Cancelled	(3,846)	149.08
Exercised	(12,747)	118.37
Outstanding June 30, 2011	165,760	162.37
Unvested	70,888	157.68
Exercisable at June 30, 2011	94,872	165.87

The weighted average remaining contractual term of outstanding and exercisable stock options at June 30, 2011 is 4.31 years and 3.07 years, respectively. The aggregate intrinsic value of outstanding and exercisable stock options at June 30, 2011 is 4,897 and 2,549, respectively.

Management estimated the fair value of options granted using the Black-Scholes option-pricing model. This model was originally developed to estimate the fair value of exchange-traded equity options, which (unlike employee stock options) have no vesting period or transferability restrictions. As a result, the Black-Scholes model is not necessarily a precise indicator of the value of an option, but it is commonly used for this purpose. The Black-Scholes model requires several assumptions, which management developed based on historical trends and current market observations. The following table reflects the weighted average value of the assumptions used to determine the fair value of director and employee stock options granted during the respective periods.

Six months ended June 30,	**2011**	2010
Risk free interest rate	**1.57%**	**0.95%**
Expected volatility factor of stock price	**35.11%**	**35.36%**
Dividend yield	**4.49%**	**4.04%**
Expected life of stock options	**5.5**	**5.5**

Expected volatility estimates are based upon the historical volatility of the Company's stock and traded options. The expected life estimates are determined using average expected term based on historically observed life of options. Unrecognized stock based compensation expense related to non-vested stock options totaled USD 2,535 at June 30, 2011, which will be recognized as expense over the next four years. The weighted average period over which this unrecognized expense is expected to be recognized is 1.52 years.

During the six months ended June 30, 2011 and 2010, proceeds from stock option exercises totaled USD 1,685 and USD 110, respectively. During the six months ended June 30, 2011 and 2010, 12,747 and 1,499 shares, respectively, were issued in connection with stock option exercise transactions. All shares issued were new shares issued from available conditional capital. The total intrinsic value of options exercised during the six months ended June 30, 2011 and 2010 was 1,139 and 81, respectively.

7 PENSION

The Company's net pension cost included the following components:

	June 30, 2011	June 30, 2010
Service cost	1,349	1,036
Interest cost	1,651	1,471
Expected return on plan assets	(2,109)	(1,811)
Amortization of prior service cost	22	19
Amortization of transition asset	1	1
Net amortization and deferral of actuarial gains/(losses)	461	336
Net periodic benefit cost	1,375	1,052

8 WARRANTY

The accrual for the estimated cost of product warranties is provided for at the time revenue is recognized. While the Company engages in extensive product quality programs and processes, including actively monitoring and evaluating the quality of the Company's component suppliers, the Company's warranty obligation is affected by product failure rates, material usage, and service delivery costs incurred in correcting a product failure. Should actual product failure rates, material usage or service delivery costs differ from the Company's estimates, revisions to the estimated warranty liability may be required.

The activity in the warranty reserve was as follows:

	2011	2010
Balance at beginning of year	**4,096**	2,878
± Fx impact on starting balance	**223**	(219)
- Reduction for payments made	**(299)**	(220)
± Change for accruals related to product warranties issued	**432**	340
± Change in liabilities for accruals related to pre-existing warranties	**(257)**	178
Balance at June 30	**4,195**	2,958

9 SEGMENT INFORMATION

The Company is a global supplier of instrumentation for analysis, monitoring, and control in the general vacuum processes, specific vacuum process industries, refrigeration and air conditioning, and emergency response and security markets. At the direction of the Company's chief operating decision makers, the President and Chief Executive Officer, the allocation of the Company's resources and assessment of performance is made for the Company as a whole. Since the Company operates in one segment, all information required by ASC 280, "Segment Reporting", can be found in the consolidated financial statements.

10 RECENT ACCOUNTING PRONOUNCEMENTS

Pronouncements adopted during the first six months of 2011

As of January 1, 2011, the Company adopted the Accounting Standards Update ("ASU") No. 2009-13, "Multiple-Deliverable Revenue Arrangements." This ASU establishes the accounting and reporting guidance for arrangements including multiple revenue-generating activities. This ASU provides amendments to the criteria for separating deliverables, measuring and allocating arrangement consideration to one or more units of accounting. The amendments in this ASU also establish a selling price hierarchy for determining the selling price of a deliverable. Significantly enhanced disclosures are also required to provide information about a vendor's multiple-deliverable revenue arrangements, including information about the nature and terms, significant deliverables, and its performance within arrangements. The amendments also require providing information about the significant judgments made and changes to those judgments and about how the application of the relative selling-price method affects the timing or amount of revenue recognition. The amendments in this ASU became effective prospectively for revenue arrangements entered into or materially modified in the fiscal years beginning on or after June 15, 2010. The adoption of this ASU has not had and is not expected to have a material impact on the determination or reporting of the Company's financial results.

As of January 1, 2011, the Company adopted the ASU No. 2009-14, "Certain Revenue Arrangements That Include Software Elements." This ASU changes the accounting model for revenue arrangements that include both tangible products and software elements that are "essential to the functionality," and scopes these products out of current software revenue guidance. The new guidance includes factors to help companies determine what software elements are considered "essential to the functionality." The amendments will now subject software-enabled products to other revenue guidance and disclosure requirements, such as guidance surrounding revenue arrangements with multiple-deliverables. The amendments in this ASU became effective prospectively for revenue arrangements entered into or materially modified in the fiscal years beginning on or after June 15, 2010. The adoption of this ASU has not had and is not expected to have a material impact on the determination or reporting of the Company's financial results.

11 SUBSEQUENT EVENTS

The Company has evaluated subsequent events through August 5, 2011, which represents the date the unaudited consolidated interim financial statements were available to be issued.

On August 2, 2011, INFICON announces its intent to acquire the hydrogen leak detection specialist Adixen Scandinavia AB from Pfeiffer Vacuum. This acquisition complements the Company's expertise in leak detection applications with potentially higher leak rates and will allow INFICON to address new market segments including public utilities, automotive and fuel cell technology. The transaction is expected to be closed during the course of the third quarter 2011.

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