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INFICON with a discreet start into 2014

- **Q1 2014 sales of USD 71.6 million are 1.4% (organically: 2.8%) below the respective prior-year figure and 11.1% below the extremely strong final quarter of 2013**
- **Income from operations of USD 9.9 million or 13.8% of sales**
- **Largely stable Group development except for parts of the Asian semiconductor business**
- **Debt-free balance sheet with strong liquidity of USD 82.2 million and high equity ratio of 85.1%**
- **Unchanged outlook for 2014**

Bad Ragaz/Switzerland, April 16, 2014.

Weaker semiconductor business in certain Asian markets overshadows start into 2014

INFICON Holding AG (SIX Swiss Exchange: IFCN) reports year-over-year 1.4% lower sales of USD 71.6 million for the first three months of 2014. Adjusted for the positive effects from acquisitions (1 percentage point) and foreign exchange (0.4 percentage points), sales declined organically by 2.8%. Compared with the extremely strong fourth quarter of 2013, sales declined 11.1%, largely due to lower sales to the *Specific Vacuum Industries* market: After the fast-paced fourth quarter of 2013, the demand from certain Asian chip manufacturers slowed down significantly. The vacuum coating market developed stably. The sales volume achieved with customers of the *Specific Vacuum Industries*' sector declined by 14.3% compared with the respective period of last year and by 27.5% compared with the extremely strong preceding closing quarter of 2013. Sales generated with customers in the *Refrigeration & Air Conditioning* (including the automotive market) market developed steadily in all global areas. Compared with the same period of last year, INFICON achieved 8.1% higher sales of USD 12.0 million. Demand for portable devices to analyze toxic organic substances (HAPSITE) remained strong: the sales generated in the *Emergency*

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Response & Security market increased year-over-year by a remarkable 60% to USD 8.8 million which was, however, somewhat short of the record mark set in the last quarter of 2014. In the first quarter of 2014, sales to the broadly based *General Vacuum Processes* market increased by 5% to USD 29.2 million sequentially and contributed with 40.8%, again the biggest portion to the total Group sales. In the preceding quarter, the sales recorded in the *Specific Vacuum Process Industries* market had for the first time contributed the lion's share to Group sales. Year-over-year, sales generated with customers of the *General Vacuum Processes* market diminished by 5.5%.

Ongoing robust gross margin and strong balance sheet

Due to the lower sales volume and a reduced gross margin of 49.5%, INFICON reports a gross profit for the reporting quarter of USD 35.5 million after USD 36.8 million a year ago. After reduced costs as compared with the preceding quarter, the income from operations stood at USD 9.9 million, yielding a margin of 13.8% of sales. Net income for the first quarter of 2014 declined from USD 8.7 million a year ago to now USD 7.3 million. Fully diluted, this equals 17% lower earnings per share of USD 31.3 after USD 3.79 recorded for the first quarter 2013 and USD 5.37 recorded for the last quarter of 2013.

The operating cash flow increased from USD 7.1 million recorded in the fourth quarter of 2013 to now USD 7.9 million despite seasonally higher cash needs. Compared with the respective prior-year figure of USD 3.4 million, the cash flow generated in the reporting quarter more than doubled. While the working capital was reduced by USD 3.3 million, it increased slightly to 22.7% of sales. The debt-free balance sheet shows cash and short-term cash equivalents of USD 82.2 million after USD 75.0 million at the end of last year, again largely driven by the strong cash flow from operations. The increased equity ratio of 85.1% highlights the strength of INFICON's balance sheet.

Distribution to shareholders and unchanged outlook

As previously announced, the Board of Directors proposes to the Annual General Meeting of Shareholders on April 29, 2014 to distribute CHF 14.00 per share for fiscal 2013 out of legal reserves from capital contributions. The full agenda for the AGM was published on April 8, 2014 and can also be downloaded at <http://phx.corporate-ir.net/phoenix.zhtml?c=124424&p=proxy>.

With a view to the order books, a series of successful product specifications at customers for new tools, and a mid-term reasonably favorable industry outlook, INFICON assesses the coming months with confidence despite a higher level of uncertainty in the semiconductor business. INFICON continues to expect for fiscal year 2014 sales of USD 290 million to USD 320 million and an operating income of USD 44 million to USD 56 million.



INFICON Fact Sheet		Q1 2014		
according SWISS GAAP FER				
Income Statement (USD in Millions)	Q1 2014	Q1 2013	Change	%
Net Sales	71.6	72.7	-1.0	-1%
Gross Profit	35.5	36.8	-1.3	-4%
% of Sales	49.5%	50.7%	-1.2 %pts	
Research & Development	6.9	6.9	-0.0	0%
Selling, General & Administrative	18.7	18.5	0.3	1%
Income from Operations	9.9	11.5	-1.6	-14%
% of Sales	13.8%	15.8%	-2.0 %pts	
Net Income	7.3	8.7	-1.3	-15%
% of Sales	10.2%	11.9%	-1.7 %pts	
Earnings per Share (diluted, USD)	\$ 3.13	\$ 3.79	-0.65	-17%
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Balance Sheet (USD in million)	31-Mar-14	31-Dec-13	Change	%
Cash & Short Term Investments	82.2	75.0	7.2	10%
Trade Accounts Receivable	39.5	41.9	-2.4	-6%
Inventories	37.8	34.8	3.0	9%
Trade Accounts Payable	12.1	8.2	3.9	48%
Stockholders' Equity	188.0	179.8	8.2	5%
Total Liabilities and Stockholders' Equity	220.9	213.6	7.2	3%

Conference Call and webcast today at 09:30 CEST

INFICON's group management will provide a detailed presentation of the first quarter results today at 09:30 a.m. CEST. Participants can dial in at:

- Europe: +41 (0) 58 310 5000
- UK: +44 (0) 203 059 5862
- USA: +1 (1) 631 570 5613
- USA (Toll free): +1 (1) 866 291 4166

All participants should dial in at least 10 minutes prior to the call. There is no PIN required to access the call. A live webcast of the conference call and the presentation visuals are available in the Investor section of the INFICON website at www.inficon.com where the webcast will later also be archived.



E-mail Alerts

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ABOUT INFICON

INFICON is a leading provider of innovative instrumentation, critical sensor technologies, and advanced process control software that enhance productivity and quality in sophisticated industrial vacuum processes. 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. INFICON is headquartered in Switzerland and has world-class manufacturing facilities in Europe, the United States and China, as well as subsidiaries in China, Finland, France, Germany, India, Italy, Japan, Korea, Liechtenstein, Singapore, Sweden, Switzerland, Taiwan, the United Kingdom and the United States. INFICON registered shares (IFCN) are listed on SIX Swiss Exchange. For more information about INFICON and its products, please visit www.inficon.com.

This press release and oral statements or other written statements made, or to be made, by us contain forward-looking statements that do not relate solely to historical or current facts. These forward-looking statements are based on the current plans and expectations of our management and are subject to a number of uncertainties and risks that could significantly affect our current plans and expectations, as well as future results of operations and financial condition. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.