



INFICON

*Q3'2009 Earnings Conference Call
October 20, 2009*

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

- Business review and target markets
- Cost management
- Challenging environment

Matthias Tröndle, Vice President and CFO

- Financials Q3'2009 and FY'2009
- Outlook

Q3'2009 – Key Figures

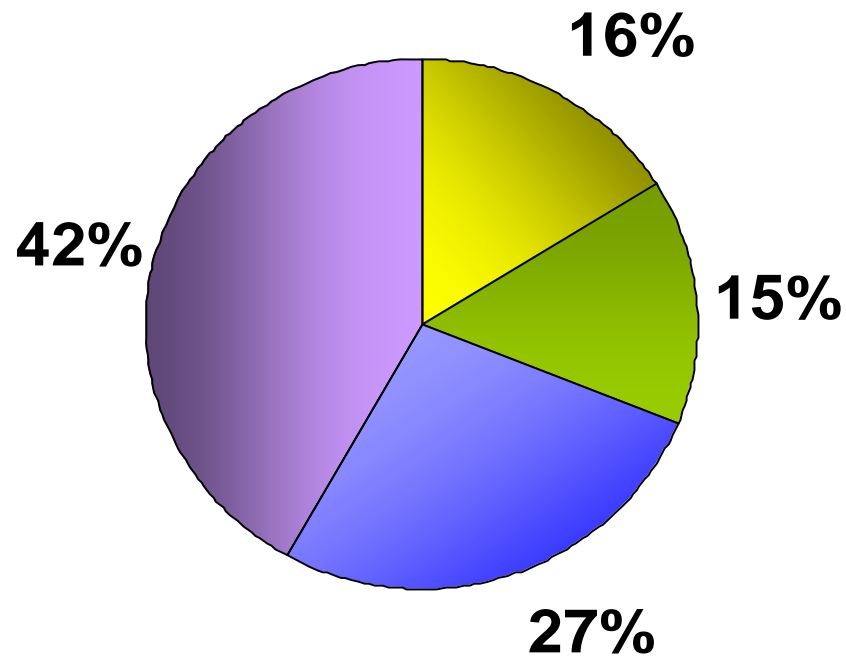
- **Global recession with diminishing impact on sales**
 - **Consolidated revenues decrease of 24.6% or USD 15.0 million compared with Q3'2008**
 - 24.2% decrease at constant USD exchange rate
 - **Q3'2009 sales decline in all markets year-over-year except Emergency Response & Security**
 - **Q3'2009 sales increase by 18.6 % on a sequential basis in**
 - Markets: all except Refrigeration & Air Conditioning
 - Geographies: all regions

- **Operating result impacted by**
 - **Increased sequential sales volume**
 - **Savings driven by reduced headcount, work-time reductions and other temporary cost reductions**
 - **USD 3.0 million Operating Income in Q3'2009 (6.4% of Sales)**

=> USD 2.4 million Net Income

Net Sales by End-Market

USD 46.0 million in Q3'2009 vs USD 60.9 million a year ago (- 24.6%)



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

Emergency Response & Security

Q3'2009

- Q3'2009 sales +13.8% vs. Q3'2008
- Sequentially increasing activity
- Full order book

Market Trends

- Increasing global penetration
- Increasing civil use
- Targeting various markets with specific products & accessories (new CMS 5000 Water Monitoring)
- Benefitting from growing environmental concerns



Refrigeration & Air Conditioning

Q3'2009

- Q3'2009 sales -16.0% vs. Q3'2008
- Slight decrease sequentially
- Trough seems to be reached
- Saturation has led to new base level

Market Trends

- Improvement expected for Q4'2009, especially in Asian markets
- Growing market share by targeting new applications
- Increasing demand for after-sale service products



Specific Vacuum Process Industries

Solar, Display, Optics & Semiconductor

Q3'2009

- Q3'2009 sales -31.5% vs. Q3'2008
- Sequential increase
- Increased end-user activity in Asia
- Increased equipment business (OEM) for semi, but solar, display and optics still low

Market Trends

- Increased capacity utilization, but still uncertain and volatile outlook, therefore cautious CAPEX release expected
- Increasing awareness of energy efficiency and power issues
- Short-term photovoltaic investments uncertain, but long-term prospects o.k.



General Vacuum Process Industries

Q3'2009

- Q3'2009 sales -31.8% vs. Q3'2008
- Sequential increase, but low level
- Europe better than expected
- US & Asia bottoming out

Market Trends

- Diverse customer base and end markets
- Indirect sales through vacuum pump manufacturers serving a variety of industries
- Direct sales (industrial OEMs): gaining market share in US and Asia with new customers



Market Expectations 2009 – Planning Scenarios

FY 2009	Scenario 1 Positive	Scenario 2 Neutral	Scenario 3 Negative	Business development and sales estimate
Emergency Response & Security	+10%	-10%	-30%	Projects and business activity comparable with 2008 (solid work-load for remainder of FY'2009)
General Vacuum Processes	0%	-15%	-30%	Serving wide range of industries that are in a recession, especially in Europe (R&D market may profit from economic stimulus programs)
Refrigeration & Air Conditioning	0%	-15%	-30%	Sequentially improving, cautiously optimistic outlook
Specific Vacuum Process Industries	-10%	-30%	-60%	Very low, but improving Semi end-user activity, with CAPEX investment (OEM business) remaining low

 = July Expectation

 = Current Expectation

Cost Management

Market

- Sales decline started in Q4'2008, continued till end of Q1'2009 in most markets
- Cautiously optimistic for Q4'2009, due to increased business activity in most of our markets

Company

- On January 16 and June 30, 2009 announcement of workforce and work-time reductions as well as temporary salary cuts
- INFICON rapidly took actions to reduce spending
- Combination of USD 4.6 million initial expenses for cost reductions, inventory and accounts receivables adjustments and low business level impairs profitability short-term
- Expected overhead cost reduction (permanent and temporary) for 2009 of approx. 20% vs. 2008

→ Reduce cost base to reach > 15% lower break-even point

INFICON – Competitive Advantages

In the market place

- Broad and diversified product & technology portfolio
- High innovation pace
- Benefits of serving a broad array of global end markets
- Strong market position in all addressed markets (no. 1, 2)
- Fast reaction and adoption to changing market conditions

In terms of financial stamina

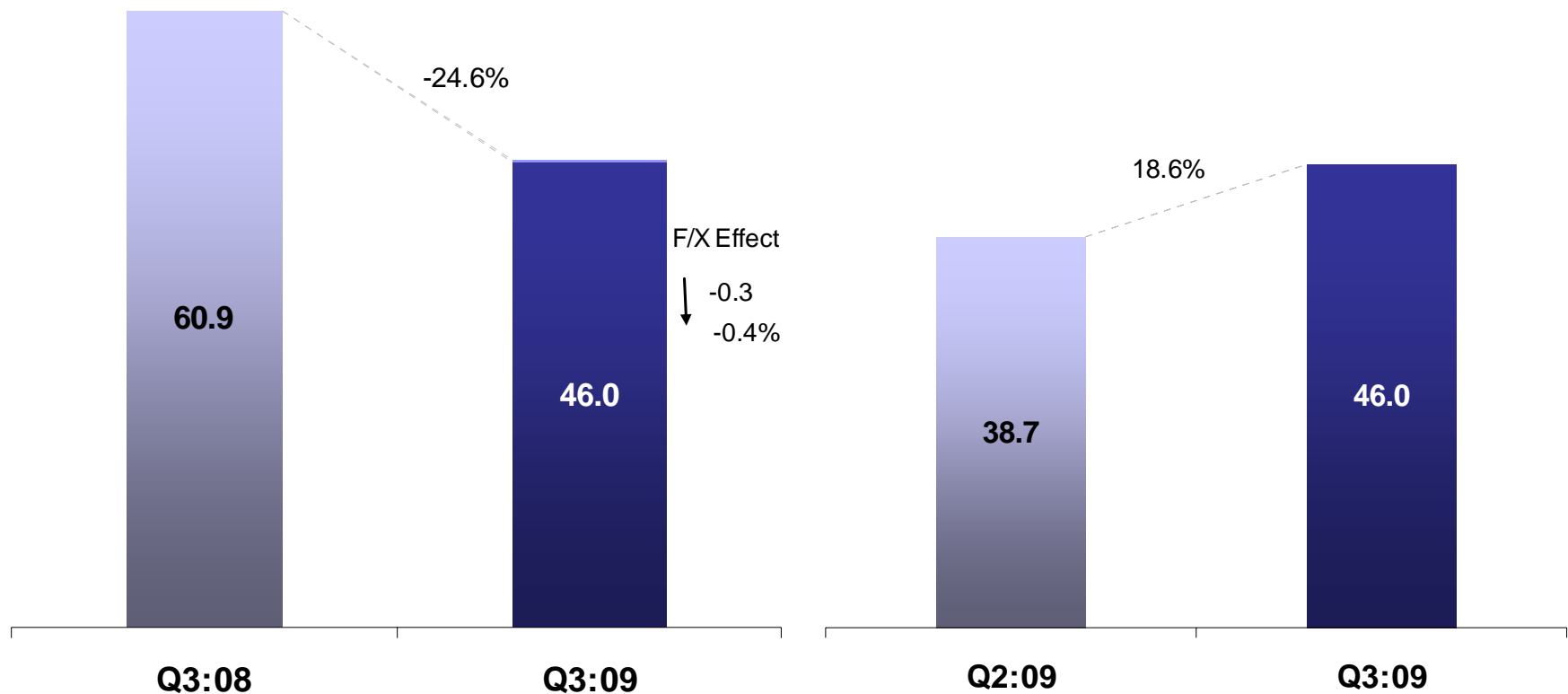
- Strong business model with proven track record of increased profitability
- Flexible cost structure (variable compensation, high outsourcing content)
- Solid balance sheet
 - High liquidity
 - Equity ratio of 79%
 - No long-term debt

→ Strengths in a difficult market environment

Matthias Tröndle

Vice President & Chief Financial Officer

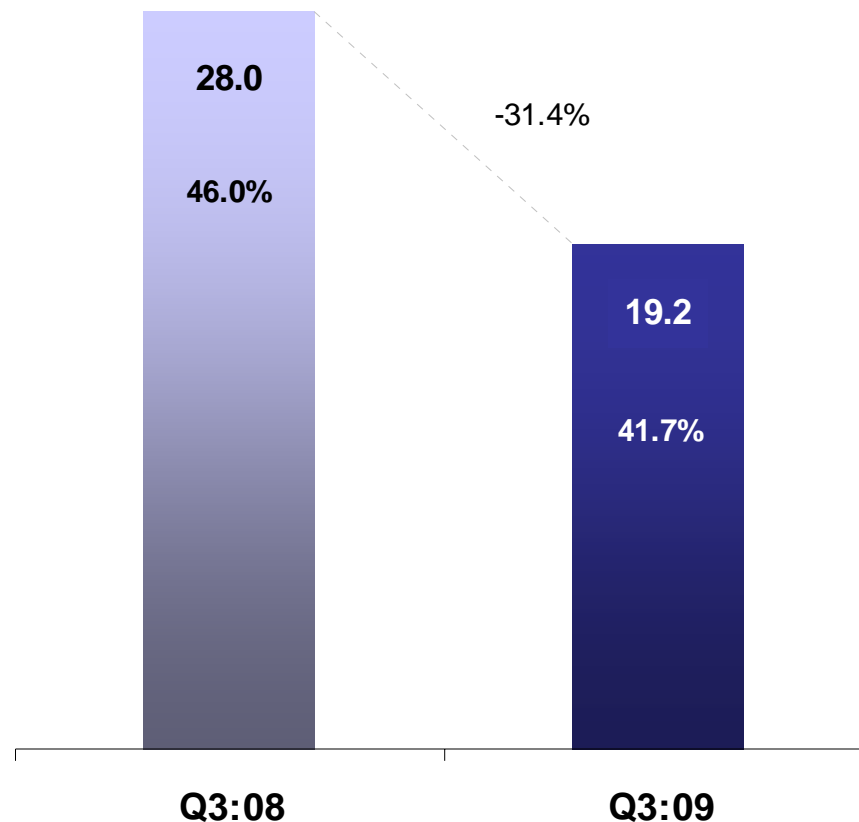
Revenue (in USD million)



Revenue decrease across all markets versus Q3:08, except Emergency Response & Security. Except RAC, all markets increased versus Q2:09

Revenue by Market (in USD million)

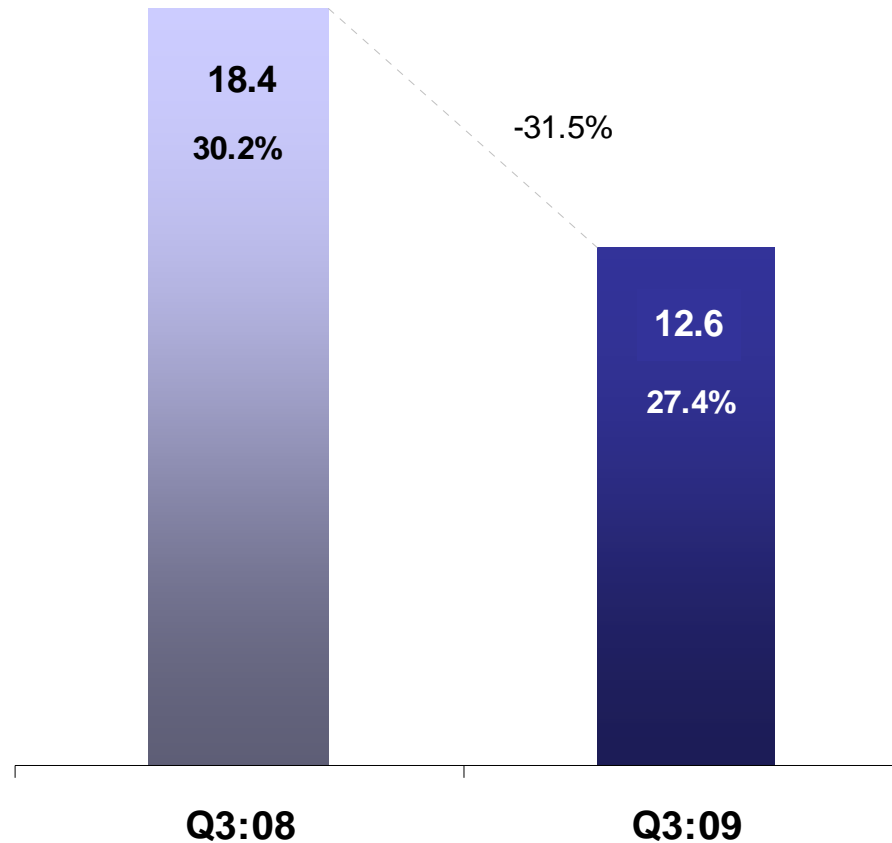
General Vacuum Process Industries



Decrease in Q3:09, especially from European distributors

Revenue by Market (in USD million)

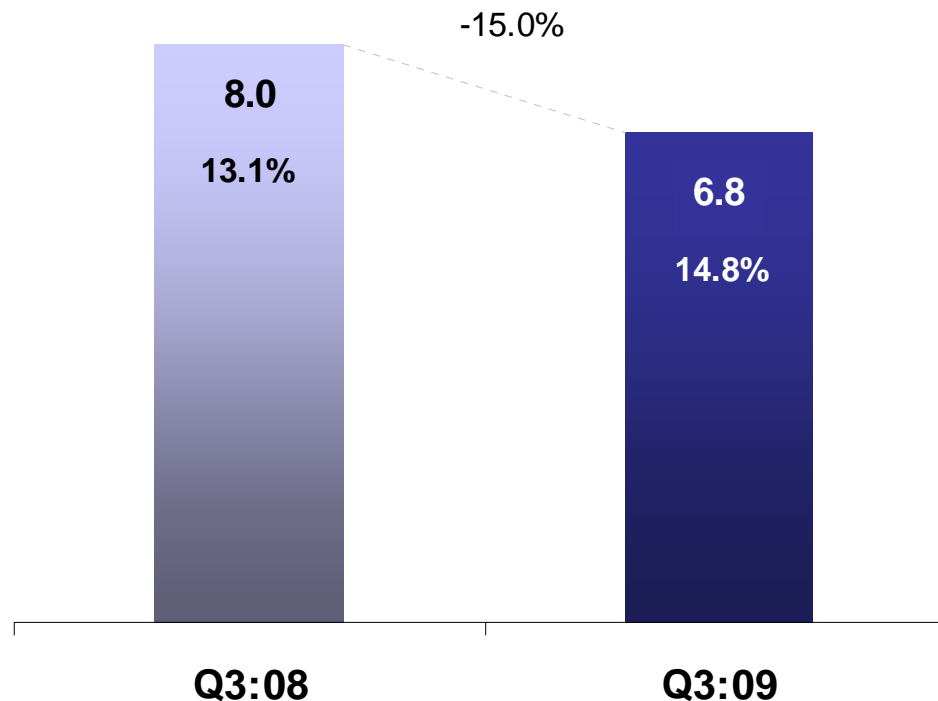
Specific Vacuum Process Industries Solar, Display, Optics & Semiconductor



**Decrease in sales to semiconductor device makers,
and thin film coating processes particularly in Asia & Europe**

Revenue by Market (in USD million)

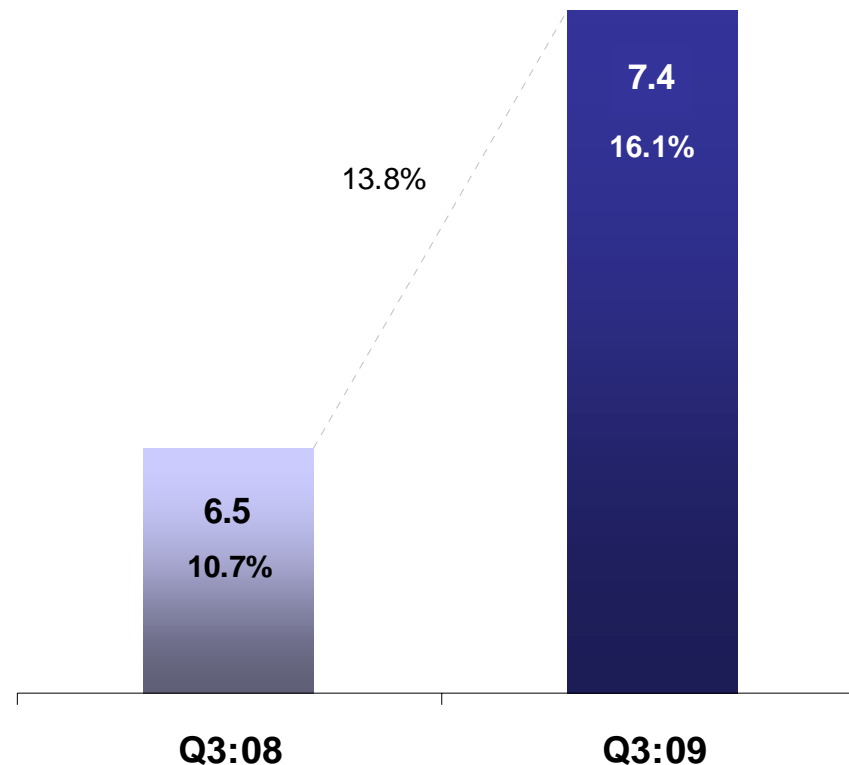
Refrigeration & Air Conditioning



Lower sales mainly to RAC manufacturers across all regions except Europe, slightly offset by higher sales to the automotive sector in Europe and service in North America

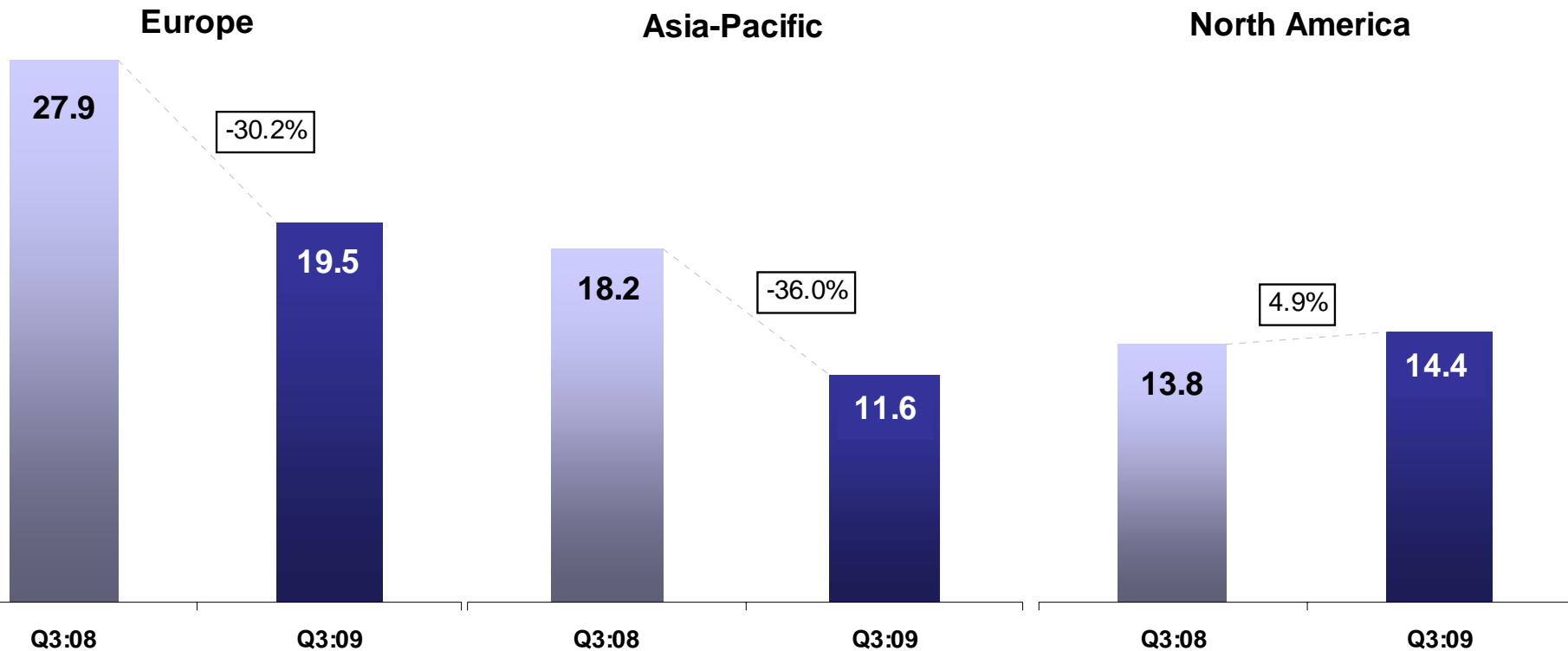
Revenue by Market (in USD million)

Emergency Response & Security



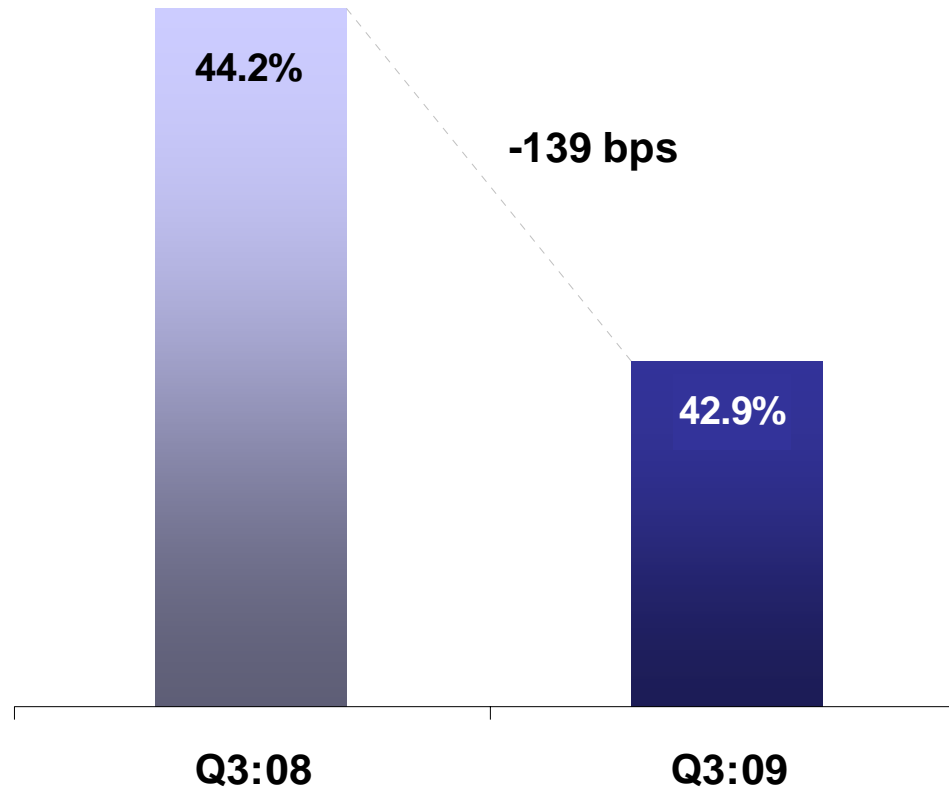
Increase in military sales to Europe and North America did more than offset the decrease in Environmental Protection sales to Asia

Geographic Revenue Breakdown (in USD million)



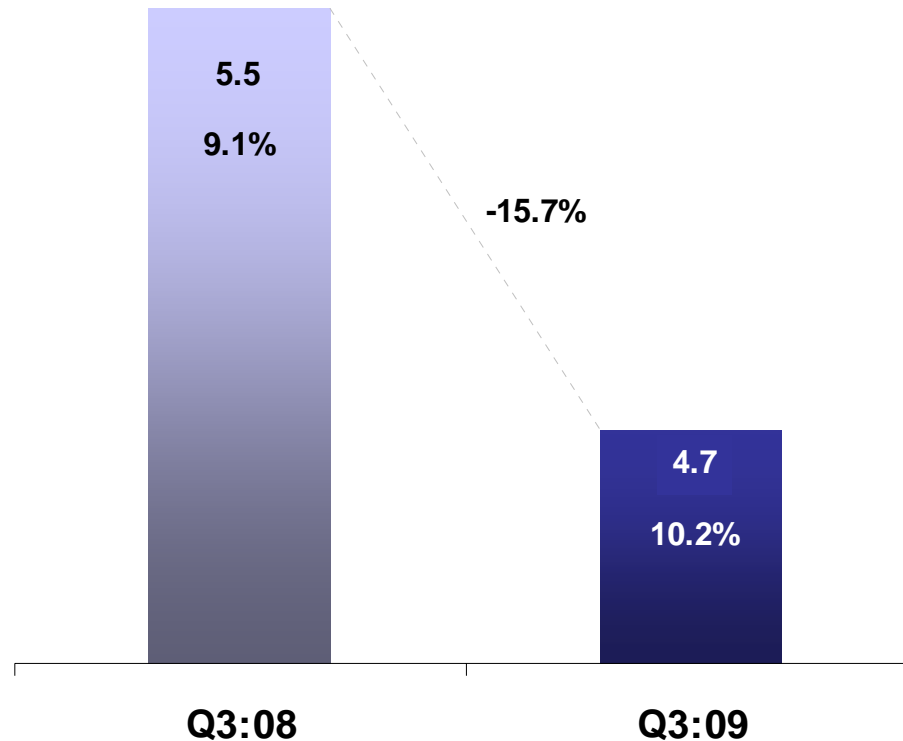
Decrease driven by Asia-Pacific and Europe

Gross Profit Margin (in %)



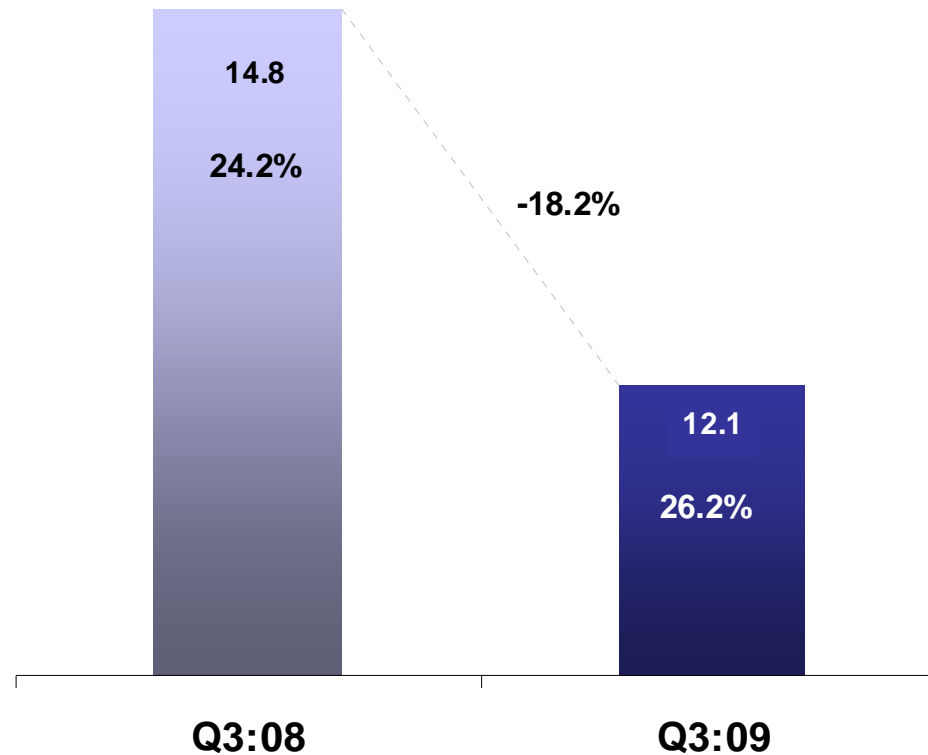
Decline due to lower volume, slightly offset by favorable product mix

Research & Development (in USD million)



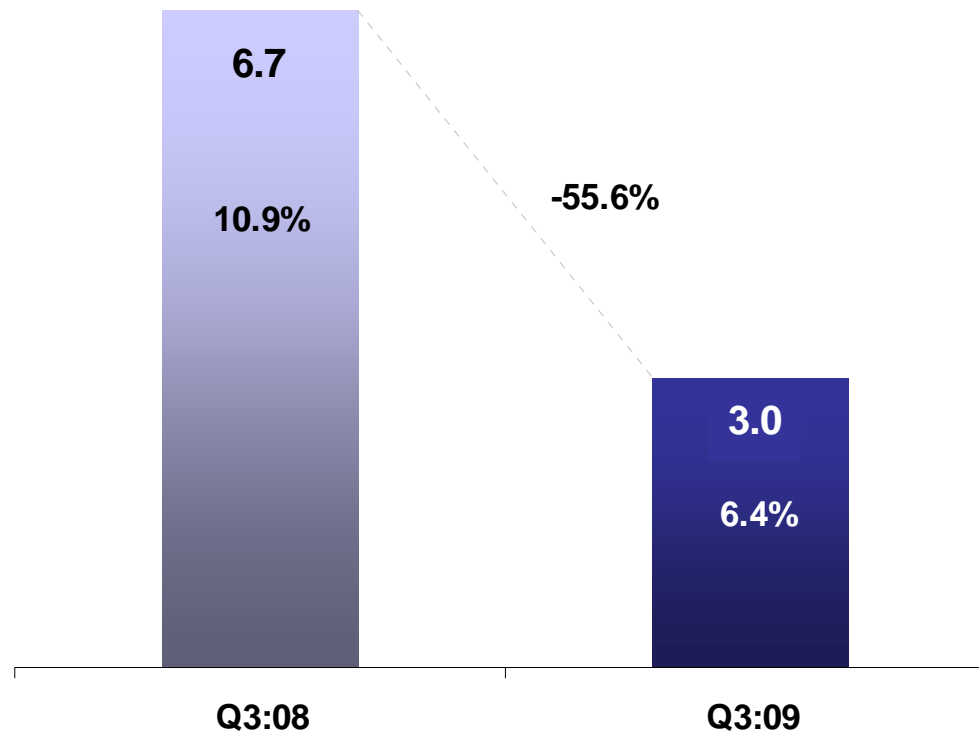
Q3:09 includes cost reductions, while still maintaining focus on new product development

Selling, General & Administrative (in USD million)



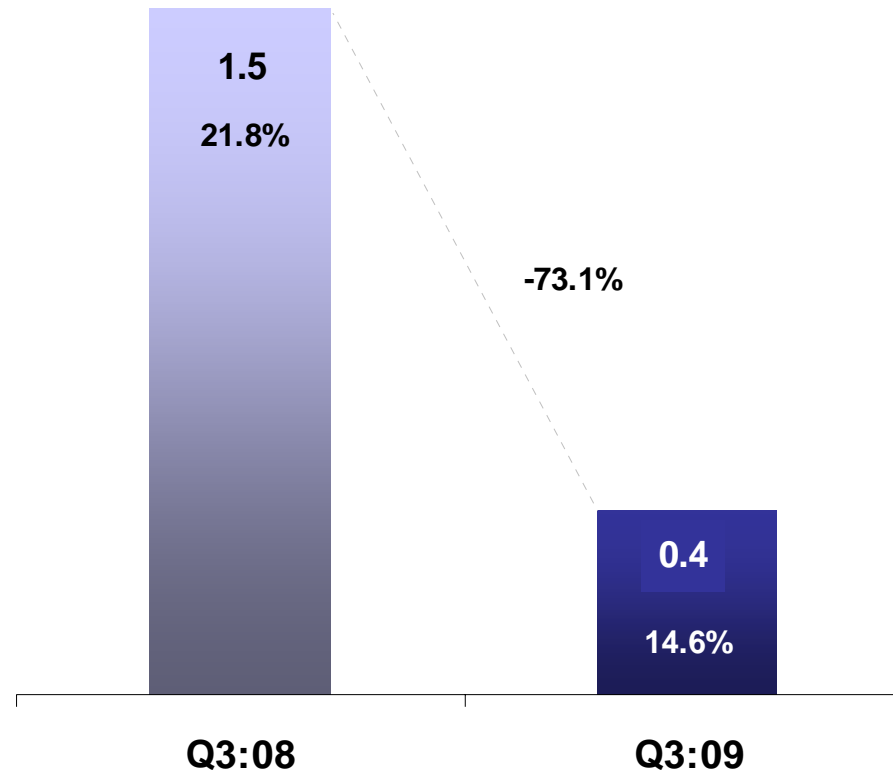
Q3:09 decrease reflects cost reductions

Income from Operations (in USD million)



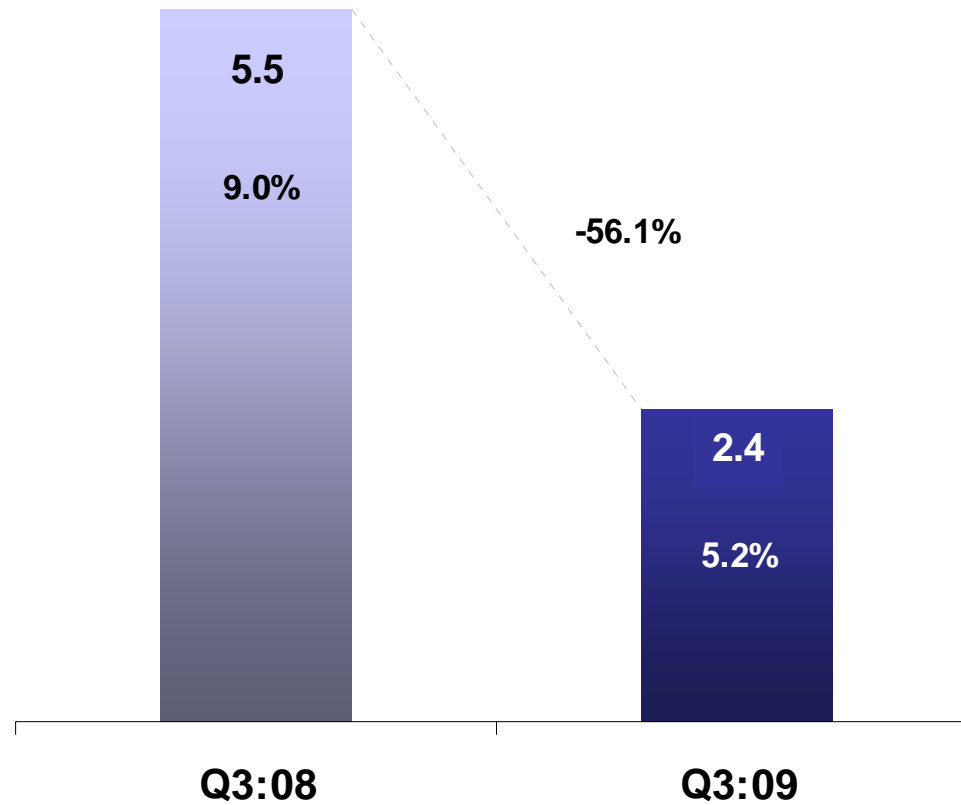
Largely due to decline in revenue

Income Tax Provision (Benefit) (in USD million)



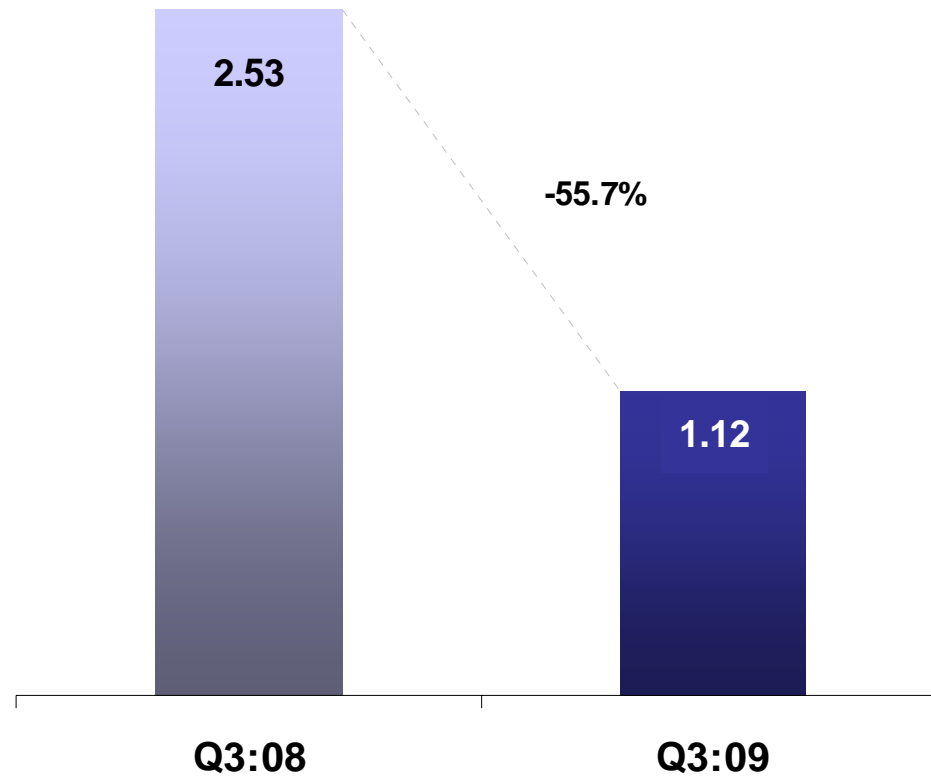
Decrease in tax rate driven by mix in earnings and usage of NOL carry forwards

Net Income (loss) (in USD million)



Net loss on lower sales

EPS (USD/Share; diluted)



In line with decrease in net income

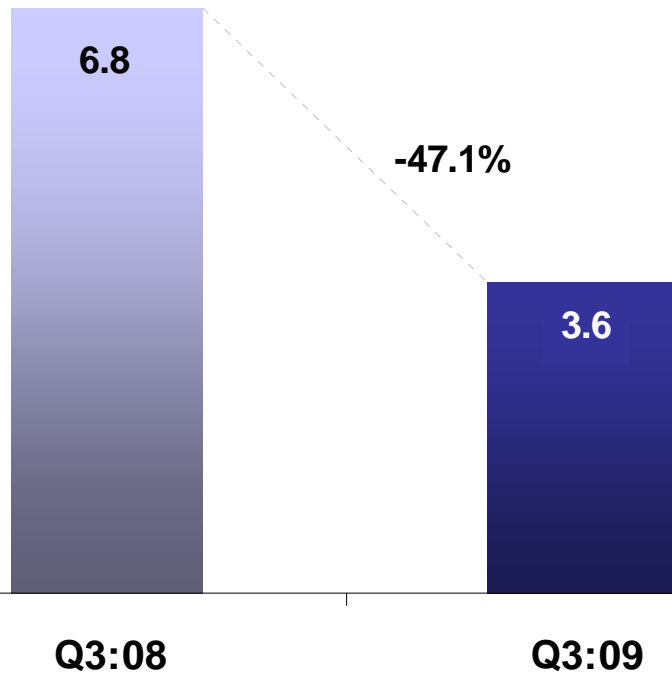
Balance Sheet Highlights (in USD million)

	<u>Q3:09</u>	<u>Q4:08</u>
Cash & Short-term Inv.	32.6	45.8
Long-term Debt	-	-
Shareholders' Equity	128.3	138.9
	<u>Q3:09</u>	<u>Q4:08</u>
Days Sales Outstanding	48.4	49.8
Inventory Turns	3.7	4.3

Solid balance sheet with no long-term debt

Operating Cash Flow

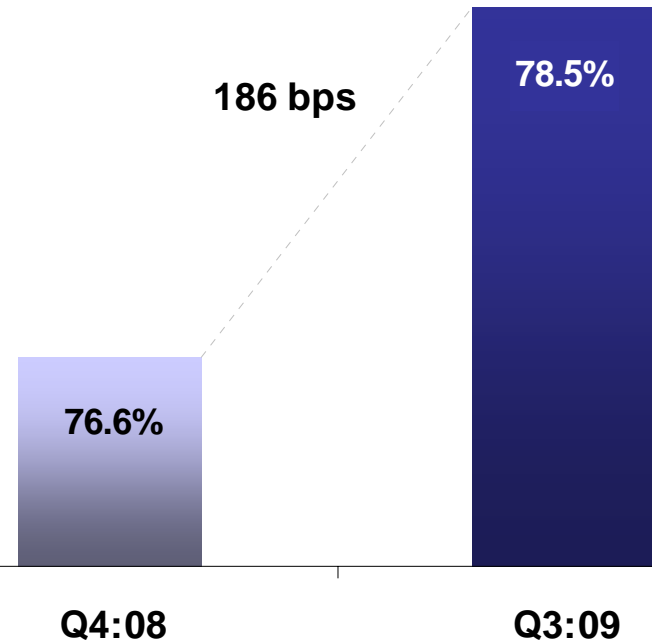
(in USD million)



Decreased cash flow largely due to lower net income

Equity Ratio

(in %)

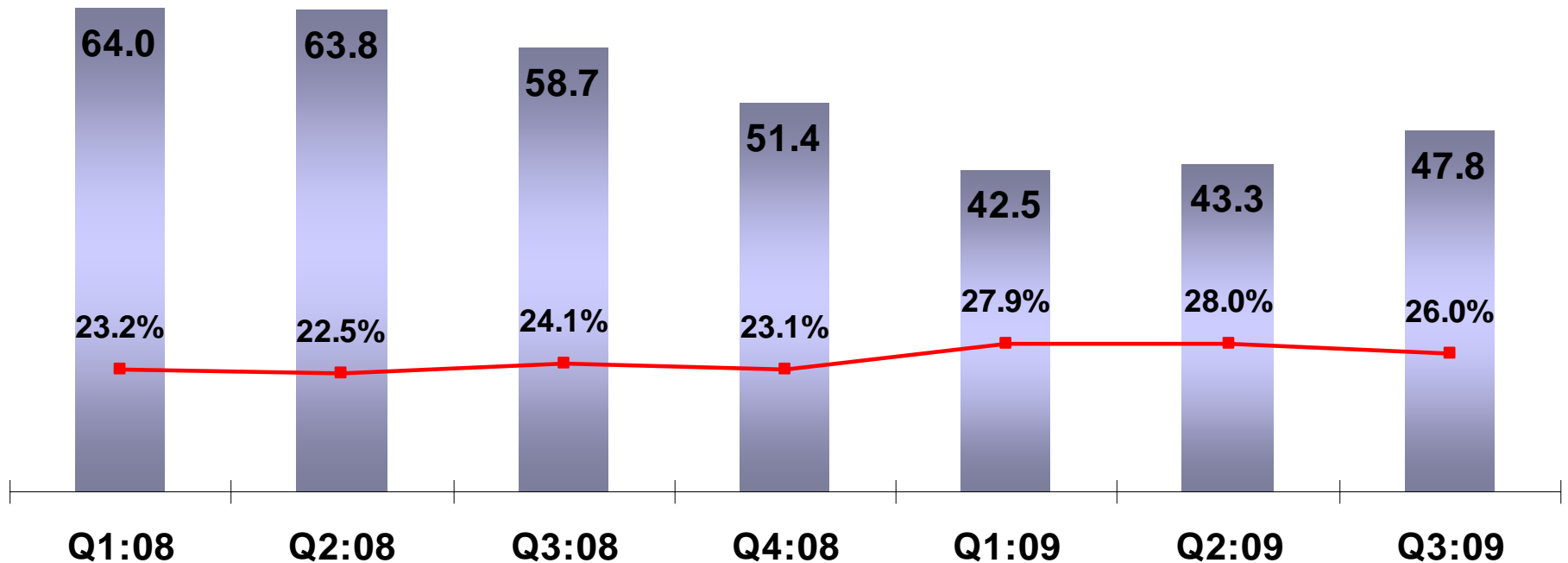


Solid balance sheet structure

Working Capital and Working Capital Ratio

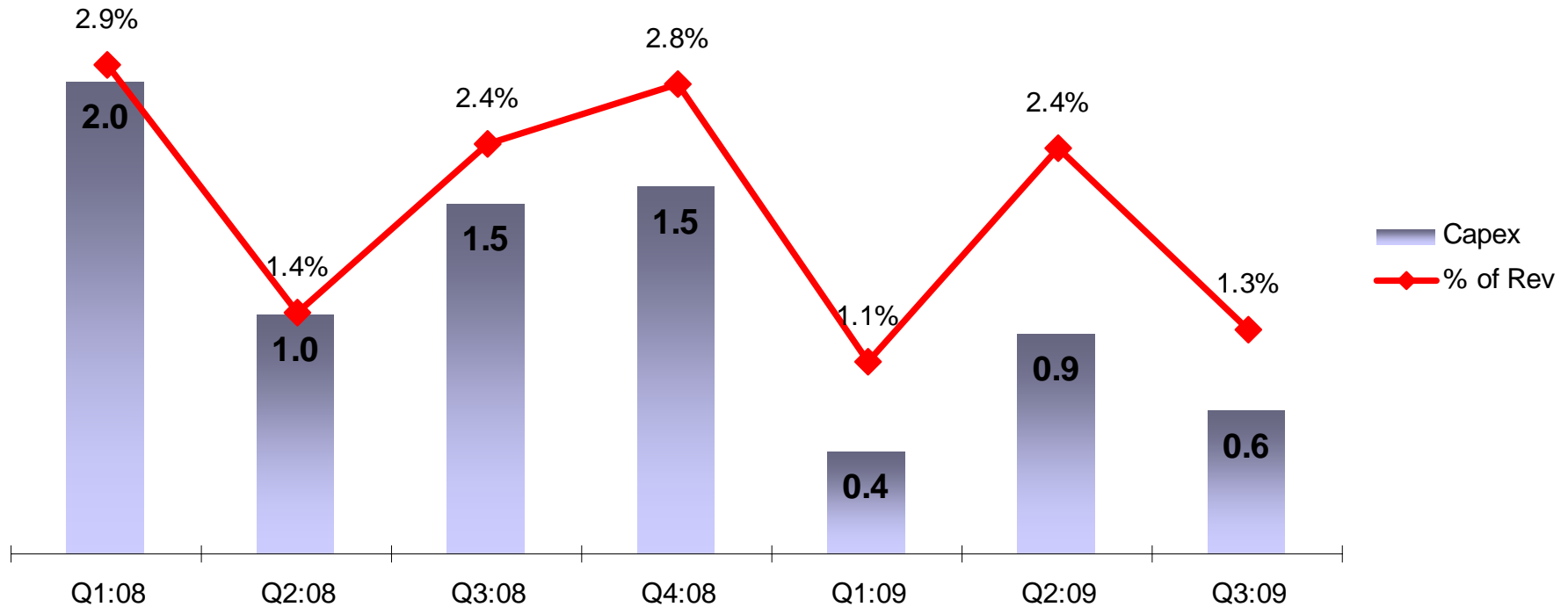
(Inv + AR - AP)

(WC as % of Revenue)



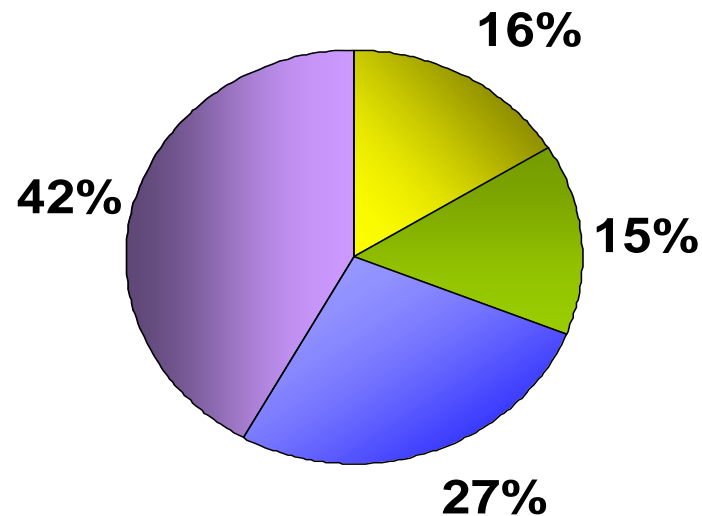
Continuously striving to reduce net Working Capital

Capital Expenditures (in USD million)



Reduced Capex due to business situation

Highly Specialized End-Market



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

- Still difficult economic environment
- Q4'09 performance expected to be similar to Q3'09 level

Thank You !

