



INFICON

*Q1'2009 Earnings Conference Call
April 17, 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 Q1'2009 and FY 2009
- Outlook

Q1'2009 – Key Figures

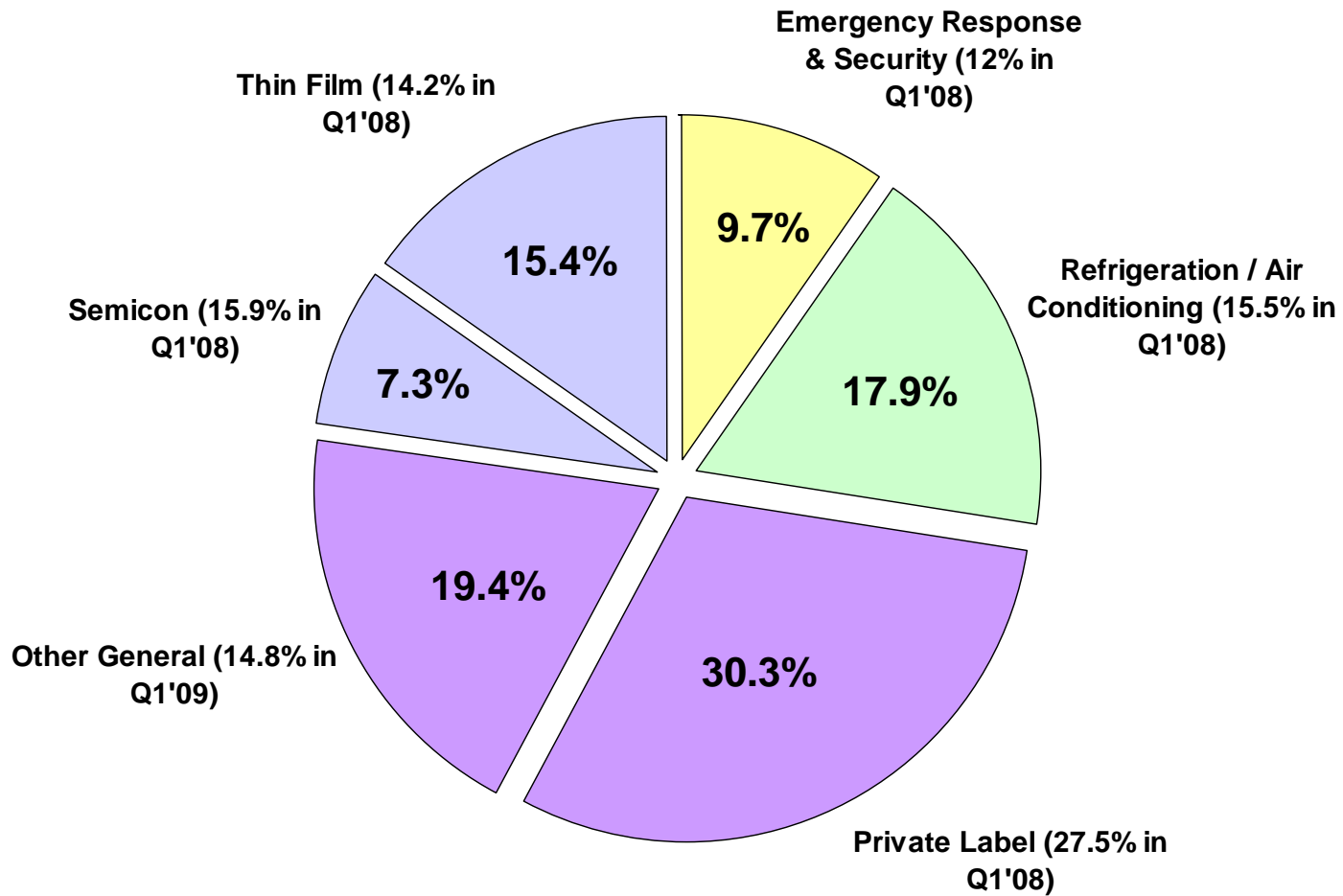
- **Global recession impacts sales**
 - Consolidated revenues - 44.7% to USD 38.1 million compared with strong Q1'2008
 - Weak start into new year (low order backlog and low order intake)
 - Q1'2009 sales decline in all markets year-over-year
 - Q1'2009 sales decline slows or levels out on a sequential basis in
 - Markets: Refrigeration & Air Conditioning; Emergency Response & Security
 - Geographies: North America
 - Book-to-Bill Ratio > 1 and increasing order activity in Q1'2009

- **Operating result impacted by**
 - Lower business volume
 - One-time expenses for
 - cost reduction program
 - Inventory and accounts receivables adjustments
 - USD 3.4 million Loss from Operations in Q1'2009

- **USD 2.2 million net loss**

Net Sales by End-Market

USD 38.1 million in Q1'2009 vs USD 68.9 million a year ago (- 44.7%)



Market Expectations 2009 – Scenarios till Q1'2009

| FY 2009 | Scenario 1 Positive | Scenario 2 Neutral | Scenario 3 Negative | Business development in Q1'2009 and sales estimate |
|----------------------------------|------------------------|-----------------------|------------------------|---|
| Emergency Response & Security | +10% | -10% | -30% | Quite stable business activity compared with Q4'2008; (solid work-load for remainder of FY 2009) |
| General Vacuum Processes | 0% | -15% | -30% | Serving wide range of industries in or entering into recession, R&D market may profit from economic stimulus programs |
| Refrigeration & Air Conditioning | 0% | -15% | -30% | Sequentially stable, cautiously optimistic outlook. |
| Semiconductor & Vacuum Coating | -10% | -30% | -60% | Drastic drop ; chip makers report rising capacity utilization from low levels, but CAPEX will remain low Certain drive expected from solar energy stimulus programs |

Emergency Response and Security

Q1'2009

- Q1'2009 sales – 55.4% vs. Q1'2008
- **Sequentially stable business activity**
- Full order book Q2'2009 to Q4'2009

Market Trends

- Increasing global penetration
- Increasing civil use
- Targeting various markets with specific products & accessories
- Benefitting from growing environmental concerns



Refrigeration and Air Conditioning

Q1'2009

- Q1'2009 sales **-36.4% vs. Q1'2008**
- **Sequentially stable business level**
- **Trough may have been reached**
- **Saturation has led to new base level**

Market Trends

- Q2'2009 positive trend expected
- **Growing market share by targeting new applications**
- **Products increasingly in demand in after-sale service business**



Semiconductor and Vacuum Coating

Q1'2009

- Q1'2009 sales **-58.2%** vs. Q1'2008
- Another strong sequential drop
- Asian market significantly impacted

Market Trends

- Stabilizing capacity utilization at very low level in the semiconductor industry (CAPEX close to zero)
- Economic stimulation programs in solar panel markets
- Increasing awareness of energy efficiency and power issues
- Quite stable coating End-user business (Consumables)



General Vacuum Processes

Q1'2009

- Q1'2009 sales –35.3% vs. Q1'2008
- Europe fully entering recession
- US sales decline slowing whereas EU and Asia markets have suffered from strong decline

Market Trends

- Diverse customer base and end markets
- Indirect sales through vacuum pump manufacturers serving a variety of industries (incl. R&D, which may profit from government stimulus programs)
- Direct sales (industrial OEMs): gaining market share in US and Asia with new customers



Cost Management

Market

- Sales decline started in Q4'2008 continued to end of Q1'2009 in most markets, cautiously optimistic for Q2'2009, due to increased backlog

Company

- On January 16, 2009 announcement of workforce and work-time reductions
- INFICON rapidly took actions to reduce spending
- Combination of initial expenses for cost reductions, inventory and accounts receivables adjustments and low business level impairs profitability short-term
- Further alignment of capacities to current market conditions possible
- Overhead costs reduced by approx. 17% so far vs FY 2008

→ Reduce cost base to reach 15% - 20% lower break-even point

Growth Drivers in a Challenging Environment

- Infrastructure investments announced by many governments
 - Support solar energy, R&D and education
 - Growing environmental concerns and efficient use of energy resources

- Semiconductor industry likely one of the first to emerge from recession
 - Demand for new processes, plants and equipment
 - Expect recovery in Q3'2009 and Q4'2009 based on current positive signals from Asia and US

- Strong global presence to maintain customer relationship

- Diversified product & technology portfolio reduces impact of global financial & economic crisis

- Maintaining R&D activity to best benefit from next upturn

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)
- Flexibility of business model

In terms of financial stamina

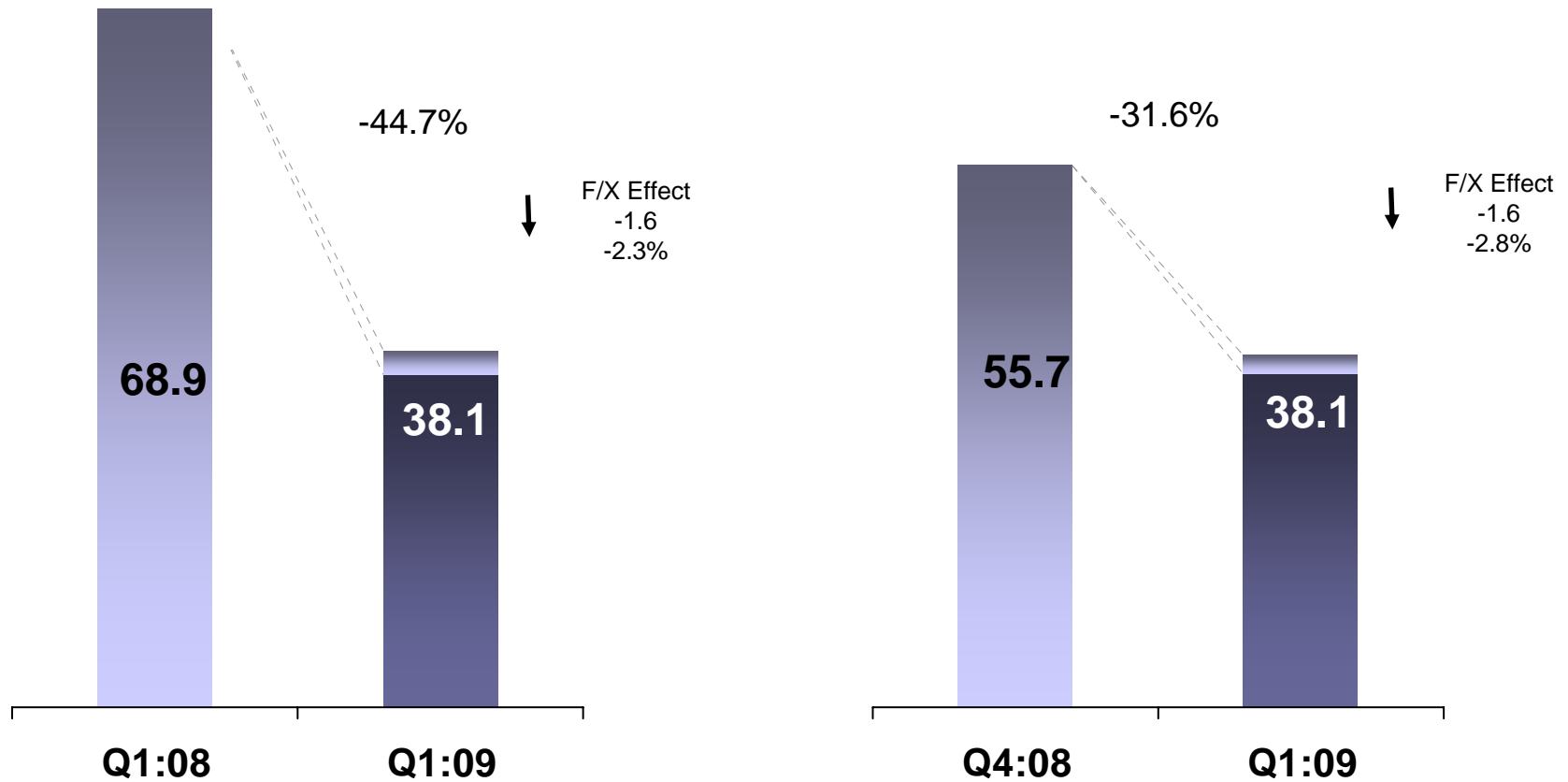
- Strong business model with proven track record of increased profitability
- Flexible cost structure
- Solid balance sheet
 - High liquidity
 - Equity ratio of 82%
 - No long-term debt

→ Strengths in a difficult market environment

Matthias Tröndle

Vice President & Chief Financial Officer

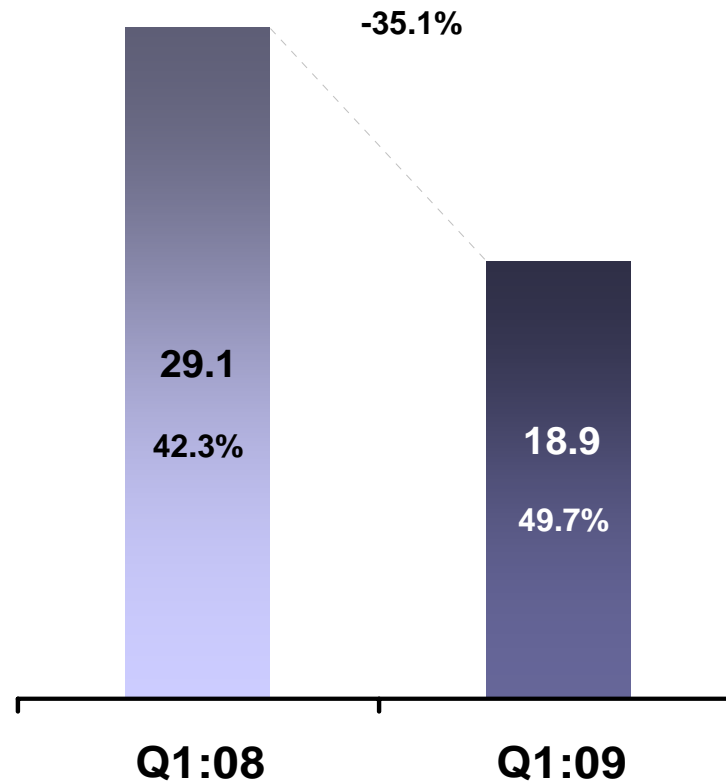
Revenues (USD m)



Revenue decrease across all markets

Revenue by Market (in USD million)

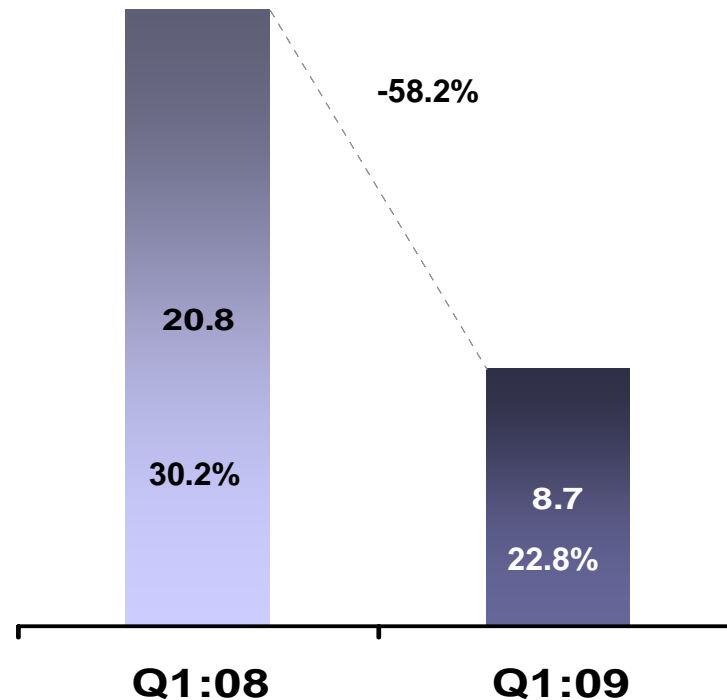
General Vacuum Processes



Decrease in Q1:09, especially from European distributors, slightly offset by Industrial Vacuum growth in North America

Revenue by Market (in USD million)

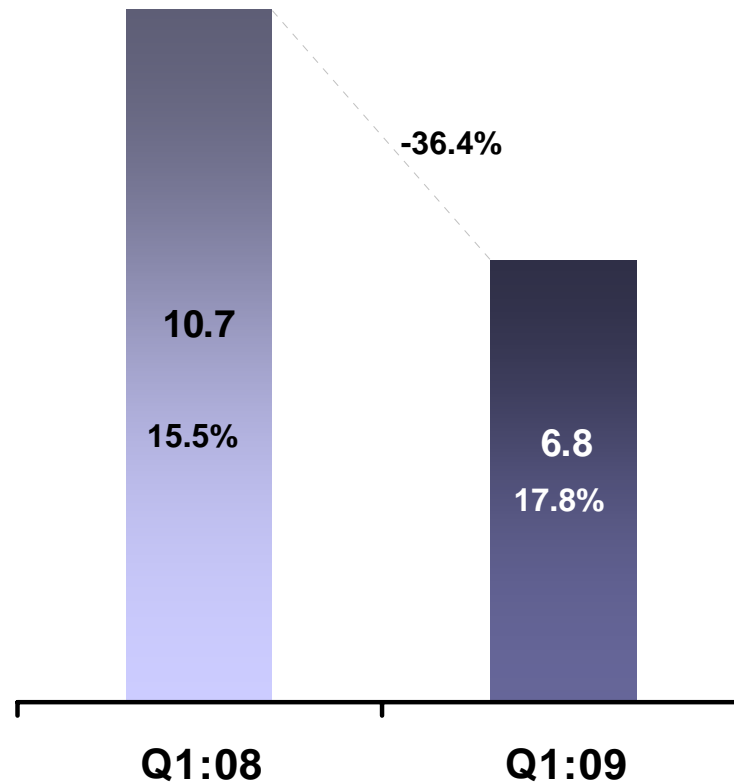
Semiconductor & Vacuum Coating



Sharp decrease in sales to semiconductor device & equipment makers, and thin film coating process

Revenue by Market (in USD million)

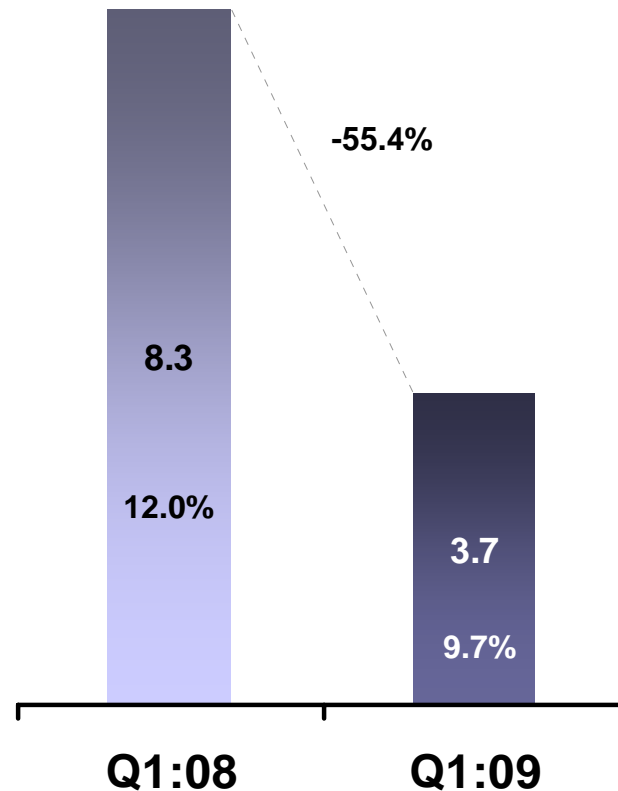
Refrigeration & Air Conditioning



**Decreased sales to RAC manufacturers,
slight increase in Automotive sector**

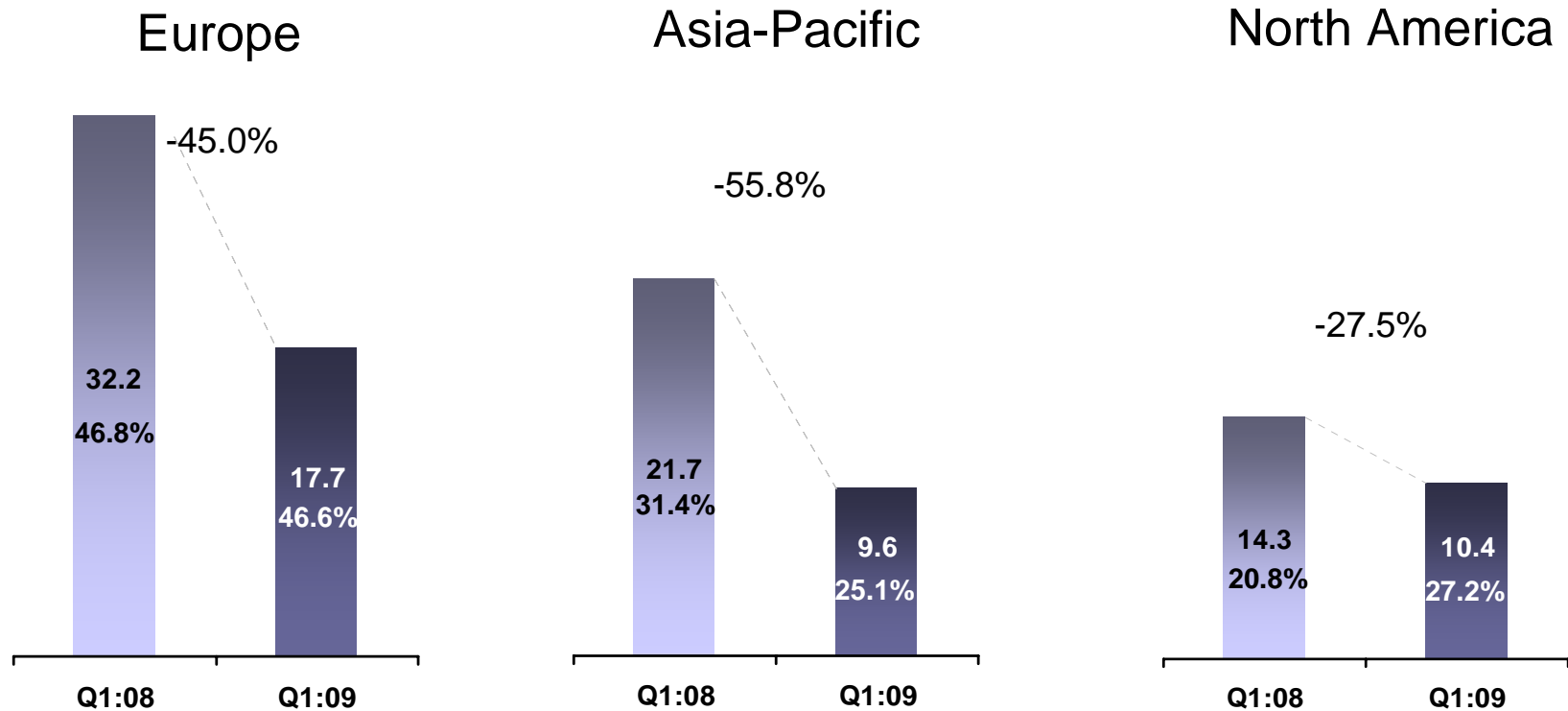
Revenue by Market (in USD million)

Emergency Response & Security



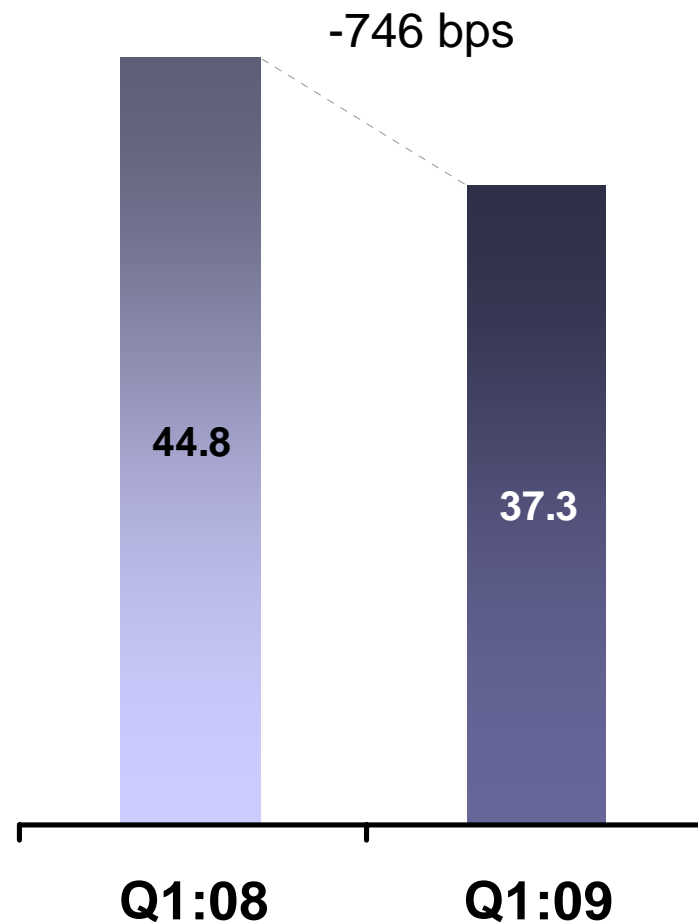
Q1:08 represented record sales due largely to a sale to State Environmental Protection Administration of China, Q1:09 did show an increase in North America from the US Military

Geographic Revenue Breakdown (in USD million)



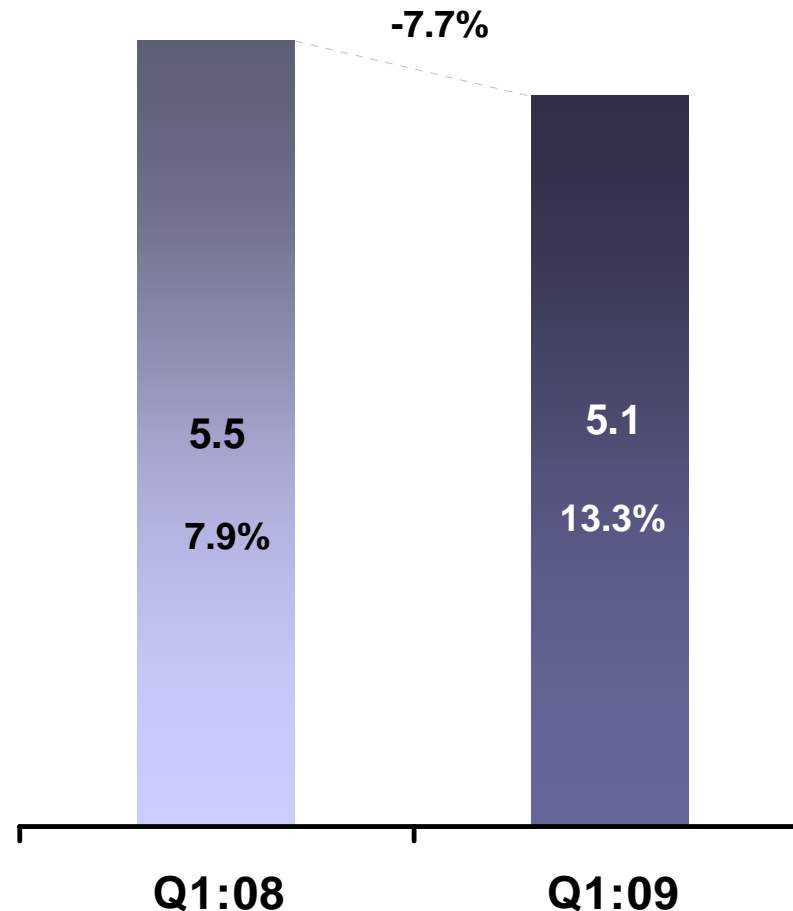
Decrease driven primarily by Asia-Pacific and Europe

Gross Profit Margin (in %)



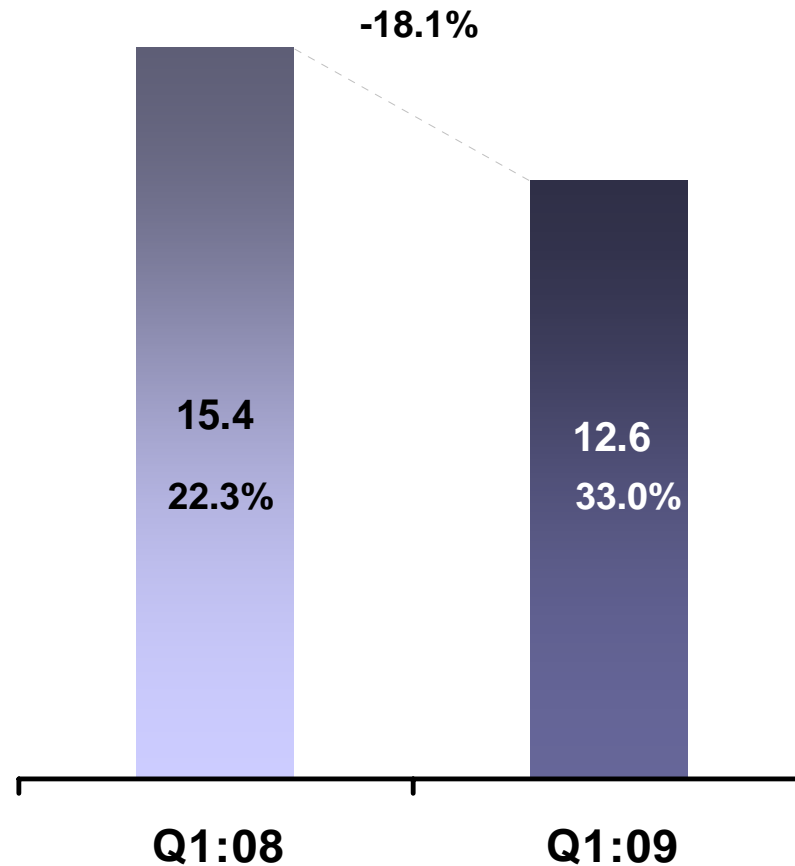
Decline due to decreased volume, unfavorable product mix and one-time expense for severance and inventory reserves

Research & Development (in USD million)



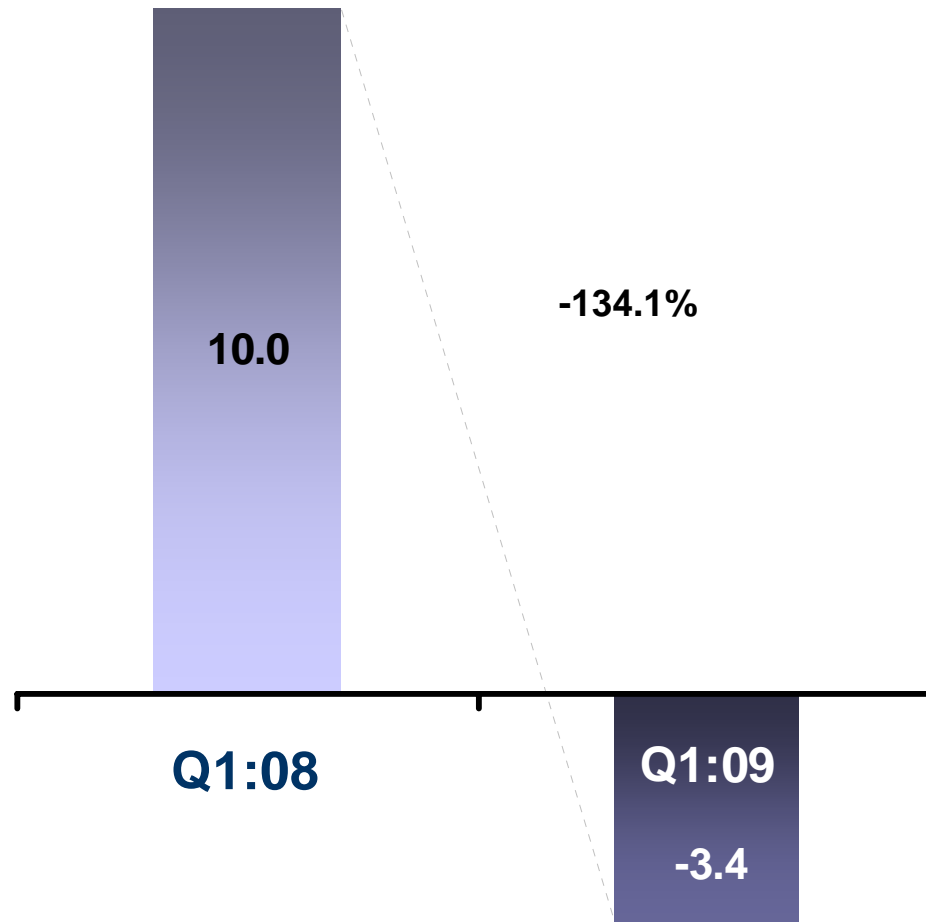
Q1:09 includes cost reductions, offset by one-time occurrences (i.e. severance), while still maintaining focus on new product development

Selling, General & Administrative (in USD million)



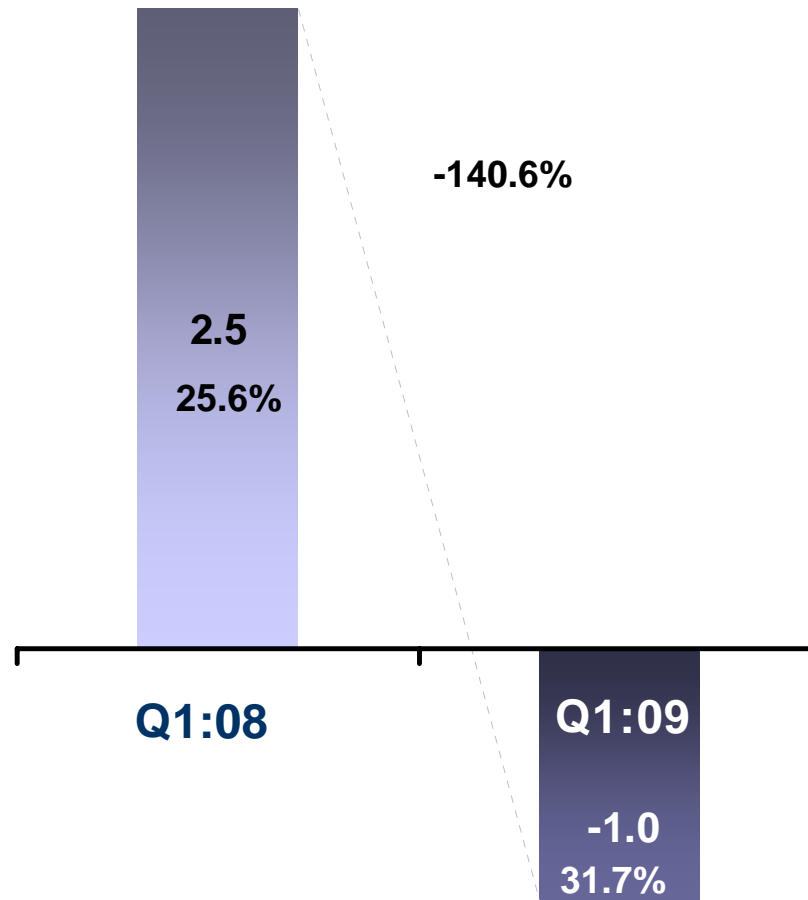
Q1:09 decrease reflects cost reductions, partially offset by one-time expense

Income from Operations (in USD million)



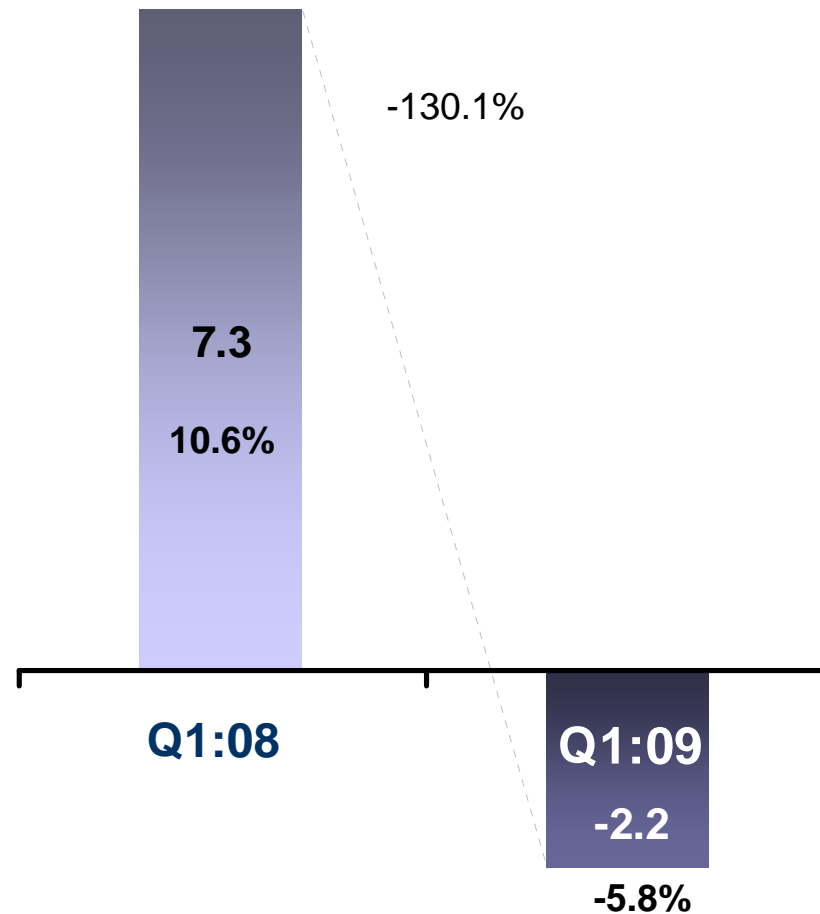
Largely due to downturn in revenue combined with lower margins and one-time costs

Income Tax Provision (Benefit) (in USD million)



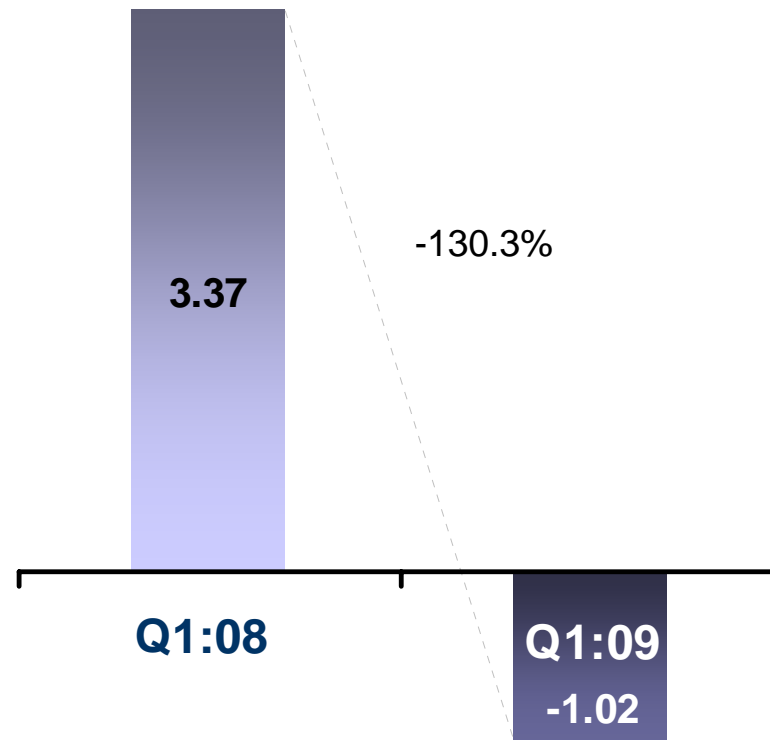
**Tax benefit in Q1:08 driven by loss in earnings,
rate driven by mix amongst higher tax jurisdictions**

Net Income (loss) (in USD million)



Net loss on lower sales, one-time expense and decreased margins

EPS (USD/Share; diluted)



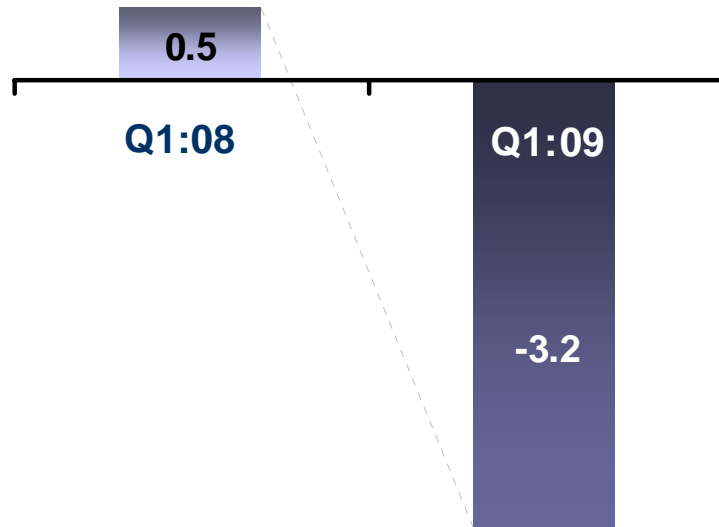
Decrease in net income and fewer shares outstanding drove EPS

Balance Sheet Highlights (in USD million)

| | <u>31.03.2009</u> | <u>31.12.2008</u> |
|------------------------|-------------------|-------------------|
| Cash & Short-term Inv. | 38.2 | 45.8 |
| Long-term Debt | - | - |
| Shareholders' Equity | 132.9 | 138.9 |
| | <u>Q1:09</u> | <u>Q4:08</u> |
| Days Sales Outstanding | 47.9 | 49.8 |
| Inventory Turns | 4.0 | 4.3 |

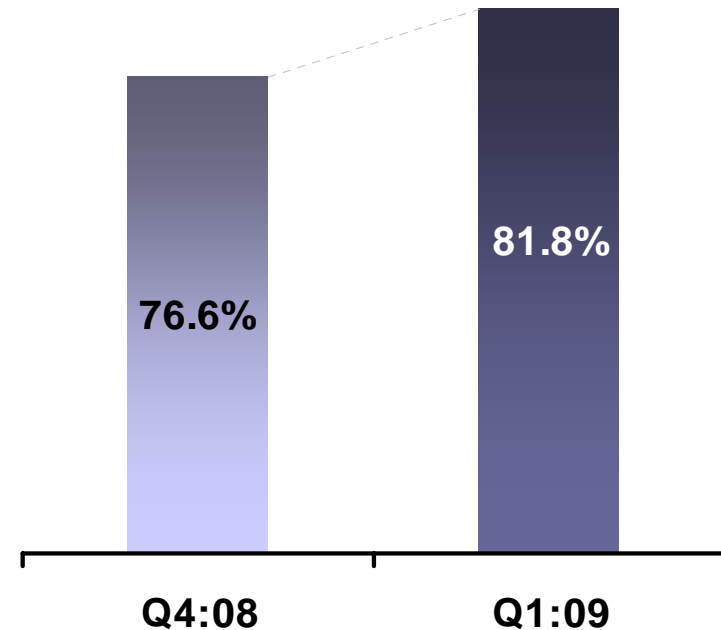
Solid balance sheet with no long-term debt

Operating Cash Flow (in USD million)



Negative cash flow largely due to loss and traditionally higher cash needs in first quarter

Equity Ratio (in %)

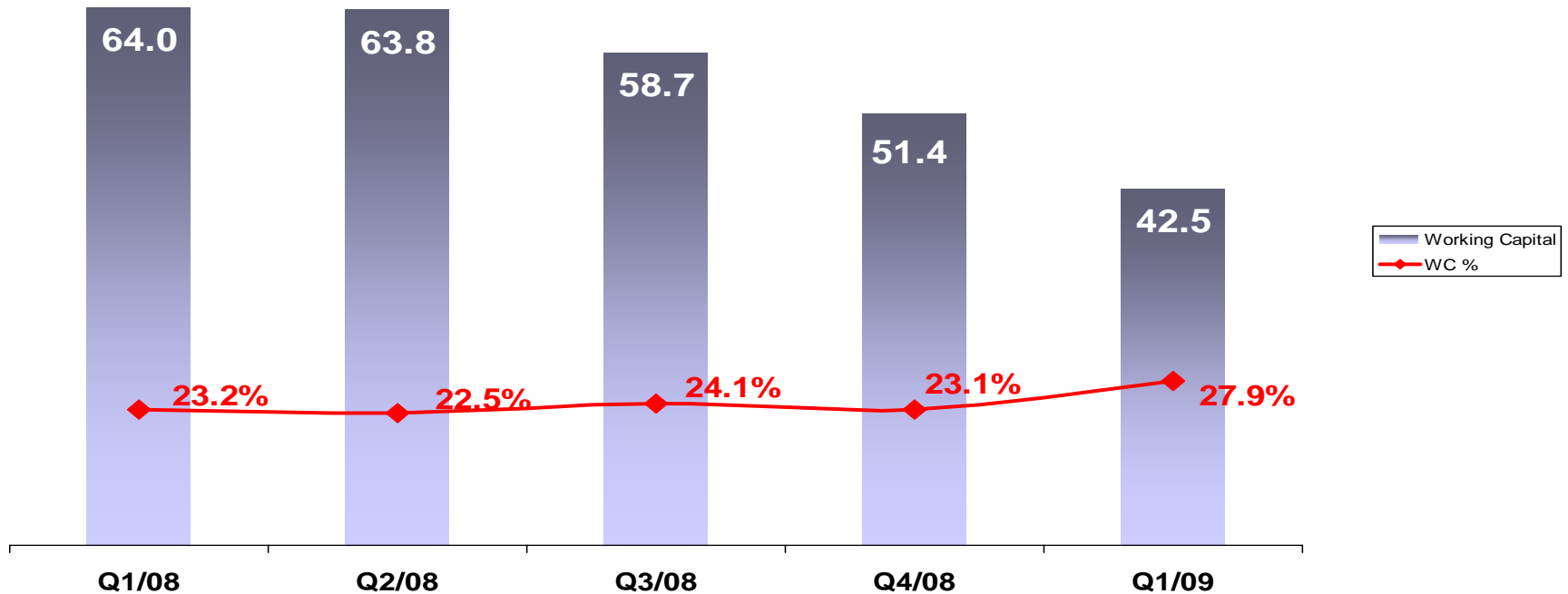


Solid balance sheet structure

Working Capital and Working Capital Ratio

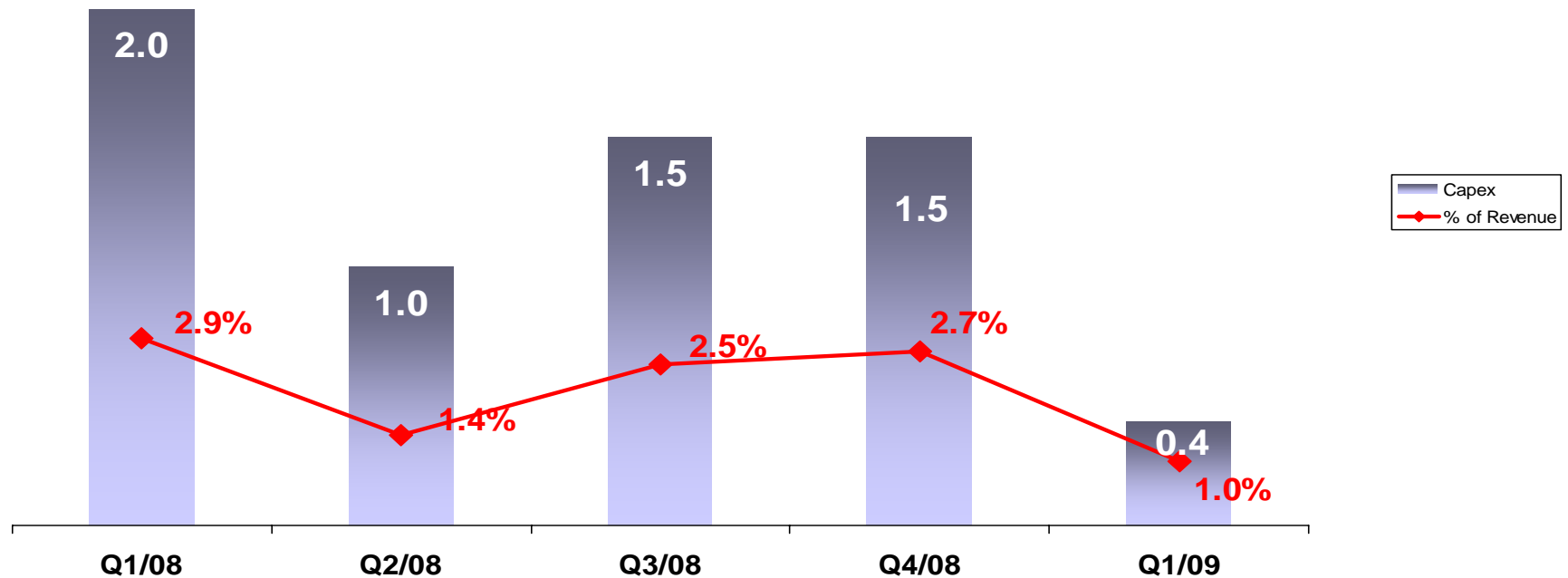
(Inv + AR - AP)

(WC as % of Revenue)



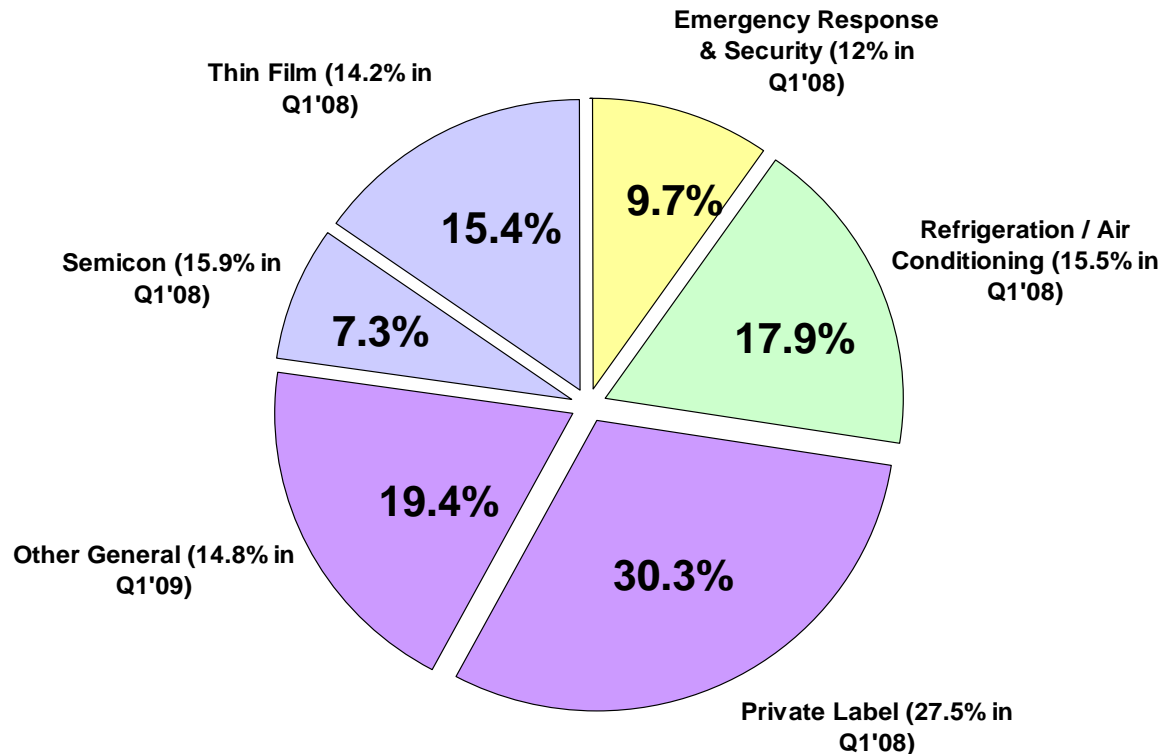
Continuously reduced net Working Capital

Capital Expenditures (in USD million)



Reduced Capex due to business situation

Highly Specialized End-Market



- Improved Q2'2009 expected (revenue and operating income)
- No financial guidance for FY 2009, due to high uncertainty and low visibility

Thank You !

