

Press Release

Best results in the company's history.

Dividend again raised.

Asslar, Germany, March 25, 2009. Pfeiffer Vacuum, one of the leading manufacturers of high-quality vacuum pumps, measurement equipment and complete vacuum systems, announces its full, audited results for the 2008 fiscal year, which surpassed expectations. With a proposed dividend of €3.35 per share and a dividend yield of 7.1 percent, Pfeiffer Vacuum is the highest-dividend issue in the TecDAX.

Highlights at a glance:

	2008	2007	Change
Sales revenues	€ 198.1 million	€ 192.0 million	+ 3.1 %
Operating profit (EBIT)	€ 51.5 million	€ 52.8 million	- 2.6 %
Net income	€ 38.0 million	€ 37.3 million	+ 2.1 %
Earnings per share	€ 4.36	€ 4.19	+ 4.1 %
Dividend	€ 3.35*	€ 3.15	+ 6.3 %
New orders	€ 225.3 million	€ 200.2 million	+ 12.5 %
Orders on hand	€ 61.0 million	€ 33.8 million	+ 80.5 %

*Subject to approval by the Annual Shareholders Meeting

Sales revenues rose by 3.1 percent in fiscal 2008, from € 192.0 million to € 198.1 million, with customers in the analytical industry accounting for around one quarter of this total. Sales revenues in this market segment were up by 5.4 percent from € 47.9 to € 50.5 million. Manufacturers of analytical equipment in the United States, the United Kingdom, Japan and Germany rely upon the dependability and performance of products from Pfeiffer Vacuum.

It was also possible to increase sales in the heterogeneous Industrial Applications market segment, by 4.1 percent from € 44.7 to € 46.5 million. Large pumping stations for steel degassing are an important element in the production of high-quality stainless steel products that are free of air inclusions. During the year under review, pumping stations and leak detection systems were also supplied for solar thermal systems in Spain and New Mexico (U.S.A.). Moreover, pumps for electron beam welding systems that are used in joining modern materials and for metallurgical furnaces also contributed to this sales growth.

In the Coating market segment, sales revenues advanced sharply by 15.4 percent, from € 39.3 to € 45.4 million, fuelled especially by growth in the solar industry. In addition to completing the first major contract for systems used in the fabrication of thin layer solar cells and commencement of work on the follow-on order for Q-Cells subsidiary Solibro, numerous orders for pumps and measurement equipment were also delivered to prominent manufacturers of photovoltaic systems. The solar sector continues to be the largest sales driver in the market segment of Coating. In fiscal 2008, this segment accounted for around 12.5 percent of total sales revenues (2007: 9.0 percent). However orders in the Coating segment also came from the fields of optical coating, film coating and wear protection.

The Research & Development segment saw a moderate 2.1-percent decline in revenues from € 32.2 to € 31.6 million, attributable first and foremost to lower government investments in research and development projects.

In the generally weak Semiconductor market, sales revenues decreased by 22.9 percent, from € 20.1 to € 15.5 million. In fiscal 2008, this segment accounted for 7.9 percent of total sales revenues, as opposed to 10.5 percent the year before. This industry's price deterioration and crumbling revenues also left their mark on Pfeiffer Vacuum. Moreover, many customers in this market segment additionally manufacture in the United States, adding negative foreign exchange parity effects to the generally weak development here.

Sales revenues in the Chemical and Process Technology market segment rose at an above-average pace of 11.1 percent, from €7.7 to €8.5 million. Contributing to this sales growth were gas-cooled Roots pumping stations for plastics production, along with pumps and measurement equipment for accelerators that are used in cancer therapy.

In spite of a negative exchange rate parity effect of €4.1 million, gross profit (EBIT) stood at €51.5 million, down only moderately from the previous year's level of €52.8 million. The outstanding EBIT margin of 26.0 percent is squarely within the company's forecast target corridor.

One of the factors that had a positive impact on the financial result consisted of exchange rate gains. This line item, in combination with a more favorable tax ratio of 29.7 percent, as opposed to 37.2 percent the year before, led to the highest after-tax income in the company's history of €38.0 million (2007: €37.3 million).

New orders in fiscal 2008 totaled €225.3 million, up 12.5 percent from the previous year's level of €200.2 million. The book-to-bill ratio – the quotient between new orders and sales revenues – stood at an outstanding 1.14 as of December 31, 2008 (2007: 1.04). This means that the level of new orders was significantly higher than sales revenues during the year under review, reflecting the company's strong market position.

Capital expenditures for machinery, IT equipment and buildings increased by nearly 57 percent to €10.5 million in fiscal 2008, as opposed to €6.7 million the year before. Expenditures for construction of the Logistics Center and for renovation of the backing pump manufacturing operation accounted for a major share of this total.

Chief Executive Officer Manfred Bender had this to say about the numbers: "With a 19.2-percent return on sales, we number among the most profitable companies in Germany and need not fear any comparison worldwide."

“We have made considerable capital investments and have further capital spending planned for 2009 in order to continue to maintain our position of leadership in the future.

“We will propose to the Annual Shareholders Meeting that a dividend in the amount of € 3.35 per share be distributed. This represents a more than 6-percent rise over the year before and a distribution ratio of around 75 percent. We are proud that, with this dividend proposal, we are in a position to offer our shareholders a steadily rising dividend, even in the face of a difficult general economic environment.

“As expected, the level of new orders declined moderately in all regions and industries in January and February 2009. However we are engaged in intensive talks with our customers about new products and development projects that are taking shape with the aid of our vacuum technology. We expect to begin to see orders stemming from these projects in the second half of the year. However due to the low visibility of our orders, as in the years before it is not yet possible for us to make any clear indication regarding our full-year sales revenues or the development of our profitability. As customary, we will issue our first guidance at our Annual Shareholders Meeting, which will be conducted on May 26 this year.”

Attachments: Balance Sheet, Income and Cash Flow Statements

The full 2008 consolidated financial statements as well as the annual report are also available on our website at www.pfeiffer-vacuum.net. The annual report is also available as an interactive online version.

Photos about Pfeiffer Vacuum are also available from our photo database at www.pfeiffer-vacuum.de/cnt/en/4/ → Public Relations → Download Press Photos.

**Contact:
Pfeiffer Vacuum Technology AG**

Investor Relations

Gudrun Geissler

Tel. +49 (0) 6441 802 314

Fax +49 (0) 6441 802 365

E-Mail Gudrun.Geissler@pfeiffer-vacuum.de

Dr. Brigitte Looss

+49 (0) 6441 802 346

+49 (0) 6441 802 365

Brigitte.Looss@pfeiffer-vacuum.de

Consolidated Statements of Income

K €	2008	2007
Net sales	198,060	192,042
Cost of sales	-106,346	-97,860
Gross profit	91,714	94,182
Selling and marketing expenses	-21,884	-21,487
General and administrative expenses	-11,562	-12,661
Research and development expenses	-6,799	-7,187
Operating profit	51,469	52,847
Financial expenses	-1,490	-21
Financial income	2,738	6,001
Foreign exchange gains/losses	1,426	585
Earnings before taxes	54,143	59,412
Income taxes	-16,095	-22,127
Net income	38,048	37,285
Thereof attributable to:		
Pfeiffer Vacuum Technology AG shareholders	37,967	37,025
Minority interests	81	260
Earnings per share (in €)		
Basic	4.36	4.19
Diluted	4.36	4.19

Consolidated Balance Sheets

K €	Dec. 31, 2008	Dec. 31, 2007
ASSETS		
Intangible assets	382	221
Property, plant and equipment	34,251	26,251
Investment properties	664	1,767
Investment securities	5,248	11,060
Prepaid pension cost	142	142
Deferred tax assets	4,180	4,185
Other non-current assets	1,569	1,901
Total non-current assets	46,436	45,527
Inventories	21,409	16,857
Trade accounts receivable	27,513	26,255
Receivables from construction contracts	-	2,631
Other accounts receivable	1,146	1,979
Prepaid expenses	2,276	608
Investment securities	3,000	-
Other current assets	39	190
Cash and cash equivalents	68,317	83,383
Total current assets	123,700	131,903
Total assets	170,136	177,430
SHAREHOLDERS' EQUITY AND LIABILITIES		
Equity		
Share capital	22,965	22,965
Additional paid-in capital	13,305	13,305
Retained earnings	129,295	119,185
Other equity components	-4,467	-3,113
Treasury shares	-23,808	-3,722
Equity of Pfeiffer Vacuum Technology AG shareholders	137,290	148,620
Minority interests	522	747
Total equity	137,812	149,367
Deferred tax liabilities	299	275
Provisions for pensions	1,664	1,599
Total non-current liabilities	1,963	1,874
Trade accounts payable	4,518	4,803
Payables from construction contracts	6,179	-
Other payables	1,714	1,539
Provisions	10,773	12,455
Income tax liabilities	5,071	5,810
Customer deposits	2,106	1,582
Total current liabilities	30,361	26,189
Total shareholders' equity and liabilities	170,136	177,430

Consolidated Statements of Cash Flow

K €	2008	2007
Earnings before taxes	54,143	59,412
Adjustment for financial income/financial expense	-2,705	- 5,980
Financial income received	2,672	5,852
Financial expenses paid	-33	-13
Income taxes paid	-16,080	-16,865
Depreciation/amortization	3,514	3,271
Non-cash impairment losses	1,457	-
Gains from disposals of assets	-86	-2,230
Changes in allowances for doubtful accounts	124	240
Changes in inventory reserves	381	29
Effects of changes in assets and liabilities:		
Inventories	-4,973	-4,041
Receivables and other assets	630	-6,493
Provisions, including pensions and income tax liabilities	-2,030	-4,420
Payables, other liabilities	6,079	-535
Net cash provided by operating activities	43,093	28,227
Proceeds from disposals of fixed assets	180	187
Capital expenditures	-10,489	-6,707
Expenditures from purchase of minority interests	-356	-
Redemptions of investment securities	-	1,000
Proceeds from disposals of investment securities	-	6,543
Net cash used in/provided by investing activities	-10,665	1,023
Dividend payments	-27,857	-22,109
Dividend payments to minority shareholders	-29	-75
Share buyback	-20,086	-
Net cash used in financing activities	-47,972	-22,184
Effects of foreign exchange rate changes on cash and cash equivalents	478	963
Net increase in cash and cash equivalents	-15,066	8,029
Cash and cash equivalents at beginning of period	83,383	75,354
Cash and cash equivalents at end of period	68,317	83,383