

Key Figures

		Q3 2020	Q3 2019	Change	Q1-Q3 2020	Q1-Q3 2019	Change
Sales and profit							
Total sales	K€	152,007	156,225	-2.7%	453,861	467,330	-2.9%
Germany	K€	24,196	25,056	-3.4%	70,565	72,664	-2.9%
Other countries	K€	127,811	131,169	-2.6%	383,296	394,669	-2.9%
Operating profit	K€	16,138	16,059	0.5%	35,686	48,904	-27.0%
EBIT margin	%	10.6	10.3	0.3 Pp	7.9	10.5	-2.6 Pp
Net income	K€	11,279	11,427	-1.3%	24,810	34,736	-28.6%
Return on sales	%	7.4	7.3	0.1 Pp	5.5	7.4	-1.9 Pp
Operating cash flow	K€	14,070	12,471	12.8%	36,957	35,513	4.1%
Capital expenditures	K€	6,403	6,273	2.1%	19,675	19,307	1.9%
Earnings per share	€	1.14	1.16	-1.7%	2.51	3.52	-28.4%
Workforce							
Workforce (average)		3,334	3,243	2.8%	3,317	3,244	2.3%
Germany		1,124	1,092	2.9%	1,119	1,072	4.4%
Other countries		2,210	2,152	2.7%	2,198	2,172	1.2%
Sales per employee	K€	46	48	-4.8%	137	144	-5.5%
Balance sheet							
				Sept. 30, 2020	December 31, 2019		Change
Balance sheet total	K€			659,111	659,575		-0.1%
Cash and cash equivalents	K€			112,217	111,980		0.2%
Number of shares issued				9,867,659	9,867,659		-
Shareholders' equity	K€			396,377	393,445		-0.9%
Equity ratio	%			60.1	59.6		0.5 Pp

This quarterly financial report has been prepared in accordance with International Financial Reporting Standards (IFRS). Throughout this report, all percentages are calculated based on amounts in thousands €.

The Quarterly Financial Report as of September 30, 2020, is unaudited.

Share Performance

Pfeiffer Vacuum shares have been traded on the Deutsche Börse Stock Exchange in Frankfurt since April 15, 1998. Pfeiffer Vacuum satisfies the high transparency requirements of the Prime Standard and has been included without interruption in the TecDAX, the index of the 30 most important technology issues traded on the stock exchange in Frankfurt, since its inception.

Basic information about Pfeiffer Vacuum shares

Deutsche Börse Symbol	PFV
ISIN	DE0006916604
Bloomberg Symbol	PFV.GY
Reuters Symbol	PV.DE
Number of shares issued	9,867,659
Freefloat as at September 30, 2020	39.78 %
Market capitalization as at September 30, 2020	€ 1,746.6 million

In the first three quarters 2020 the share price performance of Pfeiffer Vacuum was slightly stronger than the performance of the TecDax index in the same period. On January 2, 2020, the opening price of Pfeiffer Vacuum shares was € 160.00 and the closing price was € 177.00 on September 30, 2020. This represents an increase by 10.6 %. On July 22, 2020 the high for the first nine months of 2020 was reached with € 180.60. The low for the first nine months in 2020 was € 104.40 on March 16, 2020. In the same period the TecDAX, starting at 3,023 points on January 2, 2020 and closing at 3,070 points on September 30, 2020, increased by 1.6 %.

Also in 2020 Pfeiffer Vacuum distributed a dividend to its shareholders for a repeated time. At the Annual General Meeting on May 20, 2020, a vast majority of shareholders followed the common proposal of Management and Supervisory Boards and resolved a dividend of € 1.25 per share for the fiscal year 2019. Thus, the payout ratio amounted to around 25.5 % of consolidated net income 2019. A total of € 12.3 million was paid to the shareholders.

Unchanged compared to December 31, 2019, the freefloat according to our knowledge is 39.78 % as of September 30, 2020.

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Sales in the first three quarters of 2020 totaled € 453.9 million. Following € 467.3 million in the first nine months of 2019, this represents a decrease by € 13.5 million, or 2.9 %, respectively. Based on a somewhat weaker overall demand situation sales in the third quarter of the current fiscal year totaled € 152.0 million and were thus slightly below the level of Q3/2019 (€ 156.2 million). The strongest sales development in the first three quarters 2020 was recorded in the market segment semiconductors, which was able to almost fully compensate the downtrend in the other segments. In total, the gross profit decreased by € 3.4 million, or 2.1 %, respectively, to € 158.0 million (2019: € 161.4 million). Particularly changes in product mix improved the gross margin slightly from 34.5% to 34.8 %. Due to the Group's focus on further growth general and administrative expenses recorded an increase by € 2.5 million to € 43.5 compared to the first three quarters of 2019 (€ 40.9 million). The R & D expenses increased by € 4.3 million to € 25.5 million for the first three quarters of 2020 compared to € 21.2 million for the first three quarters of 2019. Selling and marketing expenses on the contrary only showed slight increases in the first nine months of 2020 compared to the previous year. The balance of other operating income and expenses declined by € 4.8 million to € 0.6 million compared to previous year. In total, an operating profit of € 35.7 million was generated in the first three quarters of the current fiscal year, down by € 13.2 million, or 27.5 %, compared to previous year's value of € 48.9 million. As a consequence the EBIT margin, the ratio between operating profit and sales, decreased from 10.5 % in 2019 to 7.9 %. With virtually constant net financial expenses and a slightly increased tax rate, net income decreased from € 34.7 million to € 24.8 million. This led to earnings per share of € 2.51 (2019: € 3.52).

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COVID-19, overall economic environment and situation at Pfeiffer Vacuum

The impacts of COVID-19 are now and will remain a global challenge. Worldwide economic development is severely affected by the consequences of restrictions in public life. The final effects of this recession cannot yet be estimated, as the economic downturn is not regionally limited and hit virtually all economic sectors at the same time. In addition, against the background of actually strongly increasing infection numbers shows that many countries and regions impose new restraints to public life, which currently make a valid prognosis of future trends highly unreliable. Accordingly the impact for the vacuum industry is unpredictable as well.

Pfeiffer Vacuum's top priorities in this environment remain the health and safety of the employees and to meet the customers' needs. Our goals are to assure that none of our employees will be infected by COVID-19 because of their work at Pfeiffer Vacuum and that we meet the commitments to our customers, particularly in these challenging times. Our customers tell us that Pfeiffer Vacuum stands for quality and reliability of products, and services. This is a reputation that we are proud of and that we protect. We are tirelessly working on meeting and exceeding the expectations of our customers. This is essential as we are pursuing our goal to increase market share. Despite challenges in the first nine months of the year, we managed to fulfil our customers' requirements.

What further helps the Company in this challenging situation is the very solid financial position. For many years the Group has shown strong balance sheet structures with a

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high equity ratio and has adopted conservative financing approaches for daily business and necessary investments. Together with the solid earnings development - in comparison to the global economic development - in the first nine month of the year we therefore still do not see any liquidity risks from the COVID-19 situation.

Business

Our business operations include the development, manufacture, sale and service of vacuum pumps, vacuum measurement, components and analysis equipment and instruments, as well as vacuum systems and leak detection systems.

Sales

Presented below are net sales by segment, by region, by product and by market for the periods ended September 30, 2020 and 2019.

Sales by Segment (Companies)

The subsidiaries in the individual countries are independent legal entities with their own management, which distribute products and provide services. The Company identifies its primary operating segments by legal entity. Due to the similarity of their economic environment, the same product portfolio sold, same sales markets, same cost structures and same sales channels, the Company basically aggregates its European and Asian subsidiaries into one reporting segment, "Rest of Europe" and "Rest of Asia". In contrast, the production companies in Germany, France, the USA and the Republic of Korea were presented separately each as an individual segment. This was caused by the different functions of these entities, predominantly resulting from the existing production function.

Sales by Segment

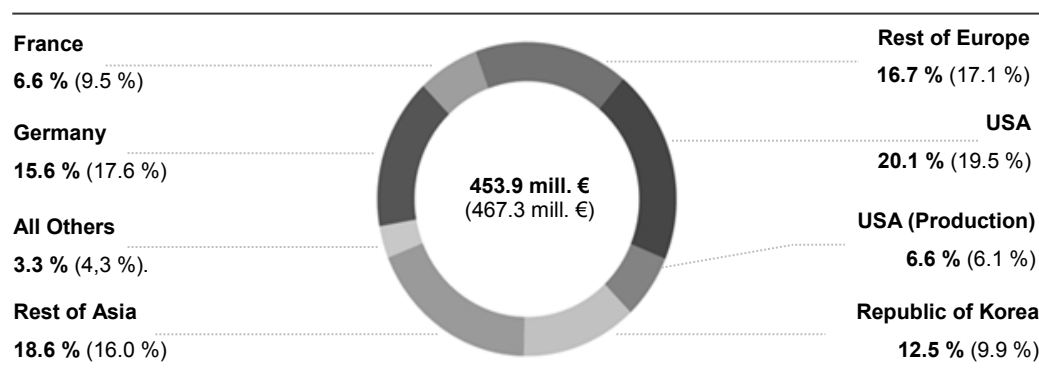
	Three months ended		Nine months ended	
	September 30,		September 30,	
	2020	2019	2020	2019
	in K€	in K€	in K€	in K€
USA	32,719	31,873	91,558	91,183
Rest of Asia	29,850	24,761	84,475	74,781
Rest of Europe	24,447	26,257	75,791	80,130
Germany	24,196	26,809	70,565	81,807
Republic of Korea	15,597	16,780	56,946	46,418
USA (Production)	9,283	9,519	29,837	28,407
France	11,353	12,706	29,816	44,685
All Others	4,562	7,520	14,873	19,922
Total	152,007	156,225	453,861	467,333

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Analysis of sales by Segment in the first nine months 2020 show a heterogeneous development. Increases were achieved in the segments Republic of Korea and rest of Asia, while sales in the further USA and USA (Production) showed similar sales results as in 2019. Sales in the other segments declined versus previous year. The biggest drop was recorded in France.

The following graphic shows the still balanced split of consolidated sales by segments.

Sales by Segment 9M/2020 (9M/2019)



Sales by Region

In the following table we are also summarizing sales by region. The table includes all sales in a given region, regardless of which company in the Pfeiffer Vacuum Group actually generated these sales.

Sales by Region

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
	in K€	in K€	in K€	in K€
Asia	61,957	54,225	170,532	167,626
Europe	53,593	58,852	162,285	173,791
The Americas	36,175	43,107	120,702	125,810
Rest of the world	282	41	342	106
Total	152,007	156,225	453,861	467,333

From a regional point of view the sales in Q3 2020 showed that only region Asia recorded sales growth with 1.7% compared to the same quarter in the year before, which is largely due to the development of the semiconductor-customers. On the other hand Europe recorded a sales decrease of 6.6 % mainly because the semiconductor business couldn't countervail the impact of COVID-19.