Investor Day 2013

Ronald Fehlmann
Chief Executive Officer, COMET Group
# Program Part 1

## Profitable growth to 2015

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
<th>Presenter</th>
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</thead>
</table>
| 10:00 - 10:30 am | Welcome and introduction  
COMET Group: profitable growth through focused and intensified market development | R. Fehlmann  
CEO                                      |
| 10:30 - 11:00 am | Plasma Control Technologies  
*Growth in power supplies through closeness to customers* | M. Kammerer  
President, PCT |
| 11:00 - 11:10 am | Break                                                                 |                                               |
| 11:10 - 11:40 am | X-Ray Systems  
*Growth through focused market segmentation and market development* | S. Moll  
President, IXS |
| 11:40 - 12:10 pm | X-Ray & ebeam Technologies  
*Growth through new customer segments and markets* | C. Fluekiger  
President, XET |
| 12:10 - 1:00 pm | Refreshments (apéro riche) and networking                             |                                               |
# Program Part 2: Future Lab

## Growth beyond 2015

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speaker(s)</th>
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<tbody>
<tr>
<td>1:00 - 2:35 pm (20 min each)</td>
<td>Plasma control: With fast tuning RF power modules, PCT boosts customers' efficiency</td>
<td>M. Kammerer, President, PCT, &amp; Walter Bigler, VP, R&amp;D</td>
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<td></td>
<td>X-ray systems: Smaller, faster, better – with new microfocus functionalities for the growth market</td>
<td>S. Moll, President, IXS</td>
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<td>X-ray modules: Setting standards, maintaining market leadership</td>
<td>S. Haferl, General Manager, IXT</td>
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<td>ebeam: New growth segments</td>
<td>C. Fluekiger, President, XET &amp; ebeam</td>
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<td>2:40 - 2:50 pm</td>
<td>Wrap-up Q&amp;A</td>
<td>R. Fehlmann, CEO</td>
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<td>2:50 pm</td>
<td>End of program; coffee and pastries</td>
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*Growth in power supplies through closeness to customers*

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*Growth through focused market segmentation and market development*

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*Growth through new customer segments and markets*

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Global trends as enablers of strong growth
Intro

With 3 technologies, COMET is contributing key solutions to the trending global needs

- **X-ray**
  - **Non-destructive testing**
  - Inspection, quality control in automotive, electronics and other industries
  - **Security**
  - Cargo & luggage inspection
  - About 70% of group sales

- **RF**
  - **Plasma control**
  - Semiconductor
  - Thin-film solar
  - Medical
  - About 27% of group sales

- **ebeam**
  - **Sterilization**
  - Food and pharma packaging
  - About 3% of group sales
Intro

Transparent reporting lets investors follow our progress in exploiting demand trends

**COMETGROUP**

**YXLON**
X-Ray Systems

**COMET**
Plasma Control Technologies

**COMET ebeam**
X-Ray & ebeam Technologies
# Agenda

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<td>Progress Review</td>
<td>R. Fehlmann</td>
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<td>Trends &amp; Market Update</td>
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<td>4</td>
<td>Summary</td>
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Progress Review

COMET reaffirms targets

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Focusing growth on strengths
COMET maintains growth path with defined strategic building blocks

1. Build on innovative technologies
   Exploiting global market trends

2. Promote strong organic growth
   Based on scaling of existing products and technologies, and on tapping global market trends

3. Accelerate emerging businesses
   To fully harness the high potential (ebeam, RF generators, portable x-ray)

4. Enhance operational excellence
   Increase productivity and profitability

Focusing growth on strengths
2013: Progress made in all key strategic thrusts

1. **Build on innovative technologies**
   - Strategic initiatives for further development of technologies are on plan (e.g. ebeam, 3D Chips, i-Vario, SW/ADR)

2. **Promote strong organic growth**
   - Intensified market- and customer development leading to double-digit growth
   - Front end strengthened (e.g. Asia)
   - Successful penetration of key customers (e.g. AMAT)

3. **Accelerate emerging businesses**
   - ebeam organized as independent unit; application portfolio streamlined
   - Successful market coverage strategy (portables)

4. **Enhance operational excellence**
   - Market-oriented organization into 3 segments and BUs, supporting strategy of focused growth
## Agenda

1. **Progress Review**  
   - R. Fehlmann

2. **Trends & Market Update**  
   - R. Fehlmann

3. **Strategic Initiatives 2013/2014**  
   - R. Fehlmann

4. **Summary**  
   - R. Fehlmann
Global trends as enablers of strong growth will have even more importance in the future.
Leading with innovative solutions to actively support the global trends

Plasma Control technology

Plasma Control & ebeam technology

X-ray technology

X-ray technology
Trends & Market Update

Smart mobility
Switch to 3D and demand for more functionality

Plasma Control

- COMET’s innovative matchboxes and new fast tuning technology enable faster and more reliable processes for the production of multilayer chips

- COMET vacuum capacitors are well-positioned for growing demand in the small/medium flat panel display market
  - Demand for larger screens
  - Higher resolution
  - Advanced touch functionality

- Proximity to customers is gaining importance
  - Matchbox production moved to San Jose
  - New location in Korea

Trends
Higher performance
3D chips

High resolution flat panel displays

Consolidation (LAM/Novellus, AMAT/TEL)
Plasma Control

- COMET 40 MHz RF generator/matchbox is designed in, and in starting blocks for thin-film solar ramp-up
- LED opportunity being closely watched

ebeam

- Independent business unit established
- Preparations for Tetra Pak rollout on plan/ongoing
- Application labs in Switzerland and U.S. to support transition to new technology and find next application with highest potential

Trends

China plans 21,000 MW of solar energy by 2015

Unbroken global demand for energy-saving solutions (e.g., LED, chemical-free sterilization)
Trends & Market Update

Safety, secure & efficient processes
Rising requirements, new applications

X-ray technology

- COMET well-positioned to grow in existing and new applications (e.g., sorting, mining) and with ADR software capabilities

- Segmentation and prioritization in order to find and address applications with highest customer value and highest potential

- Focused scaling of most promising applications (e.g., foundries)
Trends & Market Update

Miniaturization
From lab to mass inspection of electronic parts

X-ray technology

- This market of around EUR 300 million has attractive potential for YXLON Feinfocus systems (Cheetah, Cougar)

- YXLON is implementing new automation software and improved usability functions

Trends
Leading electronic manufacturers get all parts quality-inspected during production, to eliminate risk of flaws as early as possible in the process
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Strategic initiatives 2013/2014

Further homework to successfully reach targets

1. Build on innovative technologies
2. Promote strong organic growth
3. Accelerate emerging businesses
4. Enhance operational excellence

Focusing growth on strengths
Strategic initiatives 2013/2014

Build on innovative technologies based on x-ray, high frequency and ebeam
Strategic initiatives 2013/2014

Further develop core technologies and build base for medium- and long-term growth

- Further develop XRS and generators; i-Vario
- Customized sources for new applications (e.g. mining/sorting, security)
- Microfocus systems (SW extension & platform)
- Automatic defect recognition (ADR)

- Finalization of faster tuning cap and matchbox
- Expansion of HF generator portfolio
- Higher power & frequency level (40 MHz match + generator)
- Advanced sensor technology

- Develop product variations for further applications
Strategic initiatives 2013/2014

Growth based on scaling of existing products & technologies exploiting global market trends

Promote strong organic growth
Strategic initiatives 2013/2014: Promote strong organic growth

Promote strong organic growth:
Increase penetration, coverage & capability

**Penetration**
- Strengthen application engineering and KAM
- Foster existing partners: e.g. Tetra, LAM, AMAT/TEL
- Further develop strategic customers

**Coverage**
- Reinforce local presence in Asia (e.g., new subsidiary in Korea)
- Develop market reach for standard products
- Foster applications with high potential (e.g., microfocus)
- Selective geographical diversification

**Capability**
- Strengthen culture with regard to growth
- Train front-end excellence
- Recruit selected senior business development expertise
Strategic initiatives 2013/2014

Fully harness the high potential of ebeam, RF generators and portable x-ray

Accelerate emerging businesses
Strategic initiatives 2013/2014: Accelerate emerging businesses

Accelerate emerging businesses

- Support Tetra Pak roll-out (scale facilities for production)
- Develop ebeam strategy
- Develop market reach for standard products
- Build up track record to enter semi market
- Foster diversification from semi market
- Understand LED opportunity
- Further implement business plan
- Launch of Smart Evo
- Check possibilities in energy sector in North America (e.g. shale gas)
Strategic initiatives 2013/2014

Increase productivity and profitability

Enhance operational excellence
Strategic initiatives 2013/2014: Enhance operational effectiveness

Continued focus and increased efficiency

- Operation is structured by segments each having full global business responsibility
- Delegate P&L responsibility to increase profitability and productivity

Simplicity

- Streamline processes, focus on leadership and clear responsibilities (IXS)
- Further implement lean programs
- Design to cost

Elimination of redundancies

- Continued focus on right market segmentation, customers, products and development projects
- Implement strategy with market-oriented segment structure

Effectiveness
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Comet maintains ambitious growth targets

- Comet Group on plan with growth strategy 2015
- The strategy is based on organic growth through focused scaling of existing competencies and products
- The main growth region is Asia
- Top growth contributors are RF generators and matchboxes

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Management Summary

Highest growth rate until 2015 expected to be achieved in PCT business

- Disciplined implementation of segment strategies
- Push electronics market (Microfocus)
- KAM in aerospace
- Service leadership
- Enhance senior front-end excellence

2012

CHF 214.4m

2015

CHF 300m

- Accelerate RF generator growth & enlarge portfolio
- Develop business in Asia
- Penetrate key customers
- Develop initiatives to diversify from semi market
- Develop business besides Tetra
- Defend vac cap business

IXS

CHF million

PCT

X-ray

- Scale (new) products (Trinity, XRS)
- Develop (new) markets which enable growth

ebeam

- Best partner to Tetra
- Develop business besides Tetra

XET